

GLOBAL MARKET UPDATE



30 OCTOBER TO 5 NOVEMBER: FEEDING FRENZY

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	Japan 2.31% , Germany 2.09% , Spain 1.69%
	Bottom 3:	Denmark -1.34% , Luxembourg -1.20% , Portugal -0.62%
EMERGING	Top 3:	Greece 3.41% , South Korea 3.37% , Egypt 2.60%
	Bottom 3:	Brazil -3.87% , Colombia -2.96% , Mexico -1.16%
FRONTIER	Top 3:	Kenya 4.17% , Kazakhstan 2.09% , Argentina 1.96%
	Bottom 3:	Croatia -2.82% , Kuwait -2.44% , Bermuda -1.51%

It was more of the same for global markets last week, as the busiest week of the quarter (if not the year) in terms of news flow reiterated strong economic momentum and unusually low inflation.

This week is somewhat quieter, but Donald Trump's trip to Asia perhaps provides a "wildcard" for markets. There will also be further corporate earnings releases (with a focus on retail in the US) and amendments proposed to the US tax reform bill later today.

UNITED STATES

S&P 2,588 **+0.26%**, 10yr Treasury 2.32% **-7.39bps**, HY Credit Index 315 **+1bps**, Vix 9.58 **-0.66Vol**

Just like last week, the **S&P 500 extended its winning streak with a Friday rally** to hit 8 consecutive positive weekly returns (the best stretch in 4 years), whilst the VIX volatility index dropped back to 9.50% (near its all-time low just below 9%). This came alongside a positive tone to the week's news releases:

In terms of monetary policy:

- **Donald Trump confirmed his nomination of Jerome Powell** (an existing member of the FED's Board of Governors since 2012) as Janet Yellen's replacement. Assuming Senate confirmation (which is very likely), Powell will take up his new office on the 4th February. His appointment is seen as positive because it ensures continuity and because he represented the most dovish candidate under consideration.
- **The FOMC left interest rates unchanged but upgraded their assessment of economic activity** from "moderate" to "solid". In so doing, they all but

confirmed a 25bps December rate hike, which is now 96.7% priced by the futures market.

In terms of fiscal policy:

- On Thursday **the Republicans revealed the "Tax Cuts and Jobs Act"**; the first formal outline for reforming the US tax code. The main focus, is to cut corporate taxes (from 35% to 20%) and to consolidate benefits. Indeed, in its current form, the proposal is disproportionately beneficial to the wealthy and is likely to be far too expensive (growing the deficit by an estimated USD 1.51trn).

In terms of economic data:

- **The employment report highlighted the special nature of the current expansion.** The unemployment rate dropped to 4.1% (a 16-year low) but only because of a drop in the participation rate to 62.7%. This is to say recent marginal gains in the proportion of American's working were erased and the structural story of a smaller share of the population entering the workforce, continues. Moreover, despite the headline tightness in the labour market, average hourly earnings disappointed at 0% MOM and 2.4% YOY.

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- **Soft data remained bullish**, with consumer confidence, Chicago PMI and ISM manufacturing all at elevated levels. After a lag, the US economy has clearly benefitted from the broader global acceleration over the last few months.

In terms of corporate activity:

- After around 80% of S&P 500 firms have reported 3rd quarter earnings, **earnings are on course to grow at 5.9% YOY** (a slower pace than in Q2). Last week's results including Apple, which bested expectations.
- **USD 60bn of M&A transactions were announced** (the busiest week of the year).

Despite the bullish tone, small caps again underperformed. Moreover, the “mini-taper tantrum” was (for now) consigned to history as **yields on the US 10-year fell back to 2.34% (from 2.42% a week ago)**. This is explained not only by Jerome Powell's selection but, more importantly, by the “Goldilocks” economic data – strong economic growth, but little-to-no signs of inflation and wage growth (within the November employment report). We repeat that this is the key explanation for the length of this economic cycle.

EUROPE

Eurostoxx 3,675 **+1.15%**, German Bund 0.34% **-1.90bps**, Xover Credit Index 224 **-10bps**, EURUSD 1.161 **-0.00%**

European economic data mirrored the US, with strong growth numbers (0.6% QOQ Q3 GDP for the Eurozone) but weaker inflation (0.1% MOM, 1.4% YOY for the HICP measure).

In the UK, the MPC raised rates (as expected) for the first time in 11 years. Specifically, the committee voted by 7 votes to 2 in favour of a 25bps hike to 0.50% (Ramsden and Cunliffe dissented), whilst summarising that “all members agree that any future increases in [the] Bank Rate would be expected to be at a gradual pace and to a limited extent.” Indeed, the bank warned there “remain considerable risks to the outlook, which include the response of households, businesses and financial markets to developments related to the process of EU withdrawal.” As a consequence, GBP fell sharply after the announcement, with the market judging there was little scope for further tightening. However, this was mostly reversed over the week as Deputy Governor Broadbent stated that the UK may need a “couple more” rate rises to get inflation “back on track while at the same time supporting the economy”.

In terms of UK economic data, manufacturing and services PMIs were both somewhat better than expected (reflecting global strength), whilst consumer confidence marginally declined.

Turkish CPI inflation accelerated in October, contributing to further declines in the currency towards all-time lows.

ASIA PACIFIC

HSCEI 1,152 **-0.34%**, Nikkei 2,254.00 **+2.31%**, 10yr JGB 0.02% **0bps**, USDJPY 114.270 **+0.34%**

The Bank of Japan left policy unchanged but upgraded GDP growth expectations and downgraded the inflation outlook. This week President Trump is in town from Sunday to Tuesday.

China's Manufacturing PMI data for October came out with a mixed set of prints offering few new insights. The official NBS Manufacturing PMI came in at 51.6, coming off from September's level of 52.4 and slightly below expectations. The unofficial Caixin Manufacturing PMI, however, was flat month on month at 51.0, slightly ahead of consensus.

With the National Congress now behind us, we look to the next 2-3 quarters for an indication as to the medium term direction of Chinese macroeconomic policy under the leadership of the reshuffled Politburo. We expect the broad direction to remain largely unchanged, with a focus on generating quality growth, at the expense of the quantity seen in previous years (think 6%-7% as opposed to 10%-12% GDP growth) accompanied by continual progress on economic reforms.

We see little chance that this leadership will repeat the risks taken by the government back in 2015, where economic reforms were pursued with a level of enthusiasm incongruent with the official GDP growth target, which threatened to throw the economy out of balance and push China in to a recession. Rather, we see a likely continuation of the current supportive fiscal and monetary conditions, consistent with achieving a similar GDP growth rate in 2018 to that likely to be recorded in 2017 of 6.5% or more.

Taiwan's economy grew 3.1% YOY in Q3, a sharp acceleration from the 2.1% GDP growth rate recorded in Q2, beating expectations. Exports contributed to the higher growth rate, rising 11.2% YOY in Q3, compared with 5.0% growth last quarter. This was enough to outweigh soft private consumption, which decelerated to 1.9% YOY growth, from 2.0% last quarter.

After a blip in Q2, Taiwan's economy is now growing at its fastest rate for two years on the back of export strength. This has also translated to domestic improvements, with unemployment running at multi-year lows and consumer confidence on a steady upward trend.

India's unofficial Manufacturing PMI corrected in October. After September's bounce to 51.2, the activity indicator dropped to 50.3.

There remains significant noise in the data in India, as the economy continues to adjust to the transformational goods and services tax rolled out by the government in July this year.

Within India, we currently focus our attention on political developments. Modi's government contests the Gujarat state elections next month, likely to deliver a victory that will provide further validation of Modi's accomplishments since taking office in 2014, and the growth he has enjoyed in popular support over that time.

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Thailand's inflation rate remained stable in October at 0.9% YOY, the same level recorded in September. Food costs rose, though this was offset by lower transportation costs.

Despite sub-1% inflation, the Bank of Thailand is expected to leave interest rates unchanged through to the end of the year, on account of the already visible recovery in economic activity in addition to broader objectives to encourage households to de-leverage.

Inflation slowed slightly in Indonesia, edging down from 3.7% YOY in September to 3.6% YOY in October.

Bank Indonesia has managed inflation with a reasonable degree of stability around its 3%-5% target range during 2017. Given the two previous rate cuts delivered over the last three months and the less dovish rhetoric, we see little probability of further easing measures before the end of the year.

South Korea's inflation rate softened slightly in October to 1.8% YOY, from 2.1% the previous month, on account of lower food inflation and base effects washing out of utility prices.

Australian bond yields fell sharply after retail sales missed expectations for the 3rd consecutive month. The RBA meets this week.

In Saudi Arabia, 11 princes, 4 ministers and a number of former ministers were detained by the new anti-corruption committee headed by Crown Prince Mohammed bin Salman. These included international investor Prince Alwaleed. This came only hours after a ballistic missile targeting Riyadh airport was intercepted.

LATIN AMERICA

MSCI Lat Am 2,773 -2.77%

Argentina's president Macri outlined the guidelines of a reform package that will be sent to Congress in the next few months. The ruling "Cambiamos" coalition is taking advantage of its important victory in the last mid-term elections to reach a "national accord" and consensus over a set of basic conditions to create jobs and reduce poverty. The 3 main topics of his speech were:

- **Fiscal stability and macro-economic rebalancing:** he insisted that the country has to equilibrate its public accounts, at all levels (national, provincial and local) and must unwind the "tax escalation" of the past few years. He hinted to a pension reform, as the current system is unsustainable, and reaffirmed the need to fight inflation.
- **Employment:** He laid down initiatives to register and train workers in the informal labor market, change the regulation, reduce red-tape, reduce the high number of litigations in the labor justice and diminish related costs.
- **Institutions:** he mostly touched on reinforcing independence, transparency, accountability and checks and balances.

The next day, his finance Minister Dujovne delivered the

content of a tax reform. The main highlights were:

- Accelerate VAT reimbursement for CAPEX (incentive for companies to invest)
- Reduce corporate tax rate on undistributed profits (incentive to invest)
- Lower tax on labor cost (incentive to create jobs)
- Increase taxes on alcohol, carbonated drinks and tobacco
- Make the tax on gasoline proportional to CO2 emissions

The 1.5% of GDP cost of this tax reform over 5 years should be absorbed by GDP growth.

Argentina's efforts to implement structural reforms were rewarded by S&P who raised Argentina's sovereign debt rating to B+ from B. The rating agency's communiqué stated that "higher investment and stronger policy predictability will generate moderate albeit sustainable growth in the next 3 years".

Colombia's central bank unexpectedly cut its benchmark rate by 25bps to 5.0%.

Even though, inflation is still close to the upper limit of the central bank's target range, it surprised the board to the downside during the last 3 months, leading it to cut full-year inflation projections for both 2017 (4%) and 2018 (below 3%). The central bank anticipates that indexation effects and the impact on prices from the increase in VAT earlier this year will fade, allowing both total inflation and core inflation measures to converge to the target. According to the press statement, the monetary policy committee is also more confident with the activity recovery (revised the growth forecast for 2018 to 2.7% from 2.4%), but it would not be enough to close the output gap.

Brazil's fundamentals are getting sounder as the fiscal and current accounts are rebalancing and its financial system is deleveraging after a 15-year credit binge.

Brazil's total loan growth in the system fell 2% YOY in October after falling 2.1% in September. From 51% at its peak, the credit to GDP ratio fell to 47%. Non-performing loans slightly declined but remain elevated at 5.4%, while spreads declined to 50.7% in consumer lending and 15.4% in commercial lending.

Once balance sheets are cleaned up and the economic recovery gains momentum, credit will fuel again economic growth, but in a more sustainable fashion in the previous growth cycle.

Brazil's public sector posted a primary deficit of BRL 21.3Bn for September. On a trailing 12-month basis, the primary deficit narrowed to 2.35% of GDP, and the nominal deficit shrank further to 8.75%.

The nominal deficit should slowly converge to the primary deficit as interest rates seem to be lower for longer. In addition, it has been several months that government revenue is surprising to the upside. However, on the expense side, the pension reform remains indispensable to maintain the fiscal discipline.

Brazil's trade surplus reached USD 5.2Bn in October,

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bringing the YTD figure is the highest in the historical series started in 1992. While imports (+9.9%) are recovering due to the stronger BRL and gradual improvement in economic activity, exports (+19.9%) are benefitting from higher commodity prices (+28.2%, reflecting not only higher prices, but also an increase in volumes), a large agricultural harvest and strong demand from China (+33.4%, China purchased 23.7% of Brazilian exports in 10M17, up from 21.3% in 10M16).

Chile's industrial production expanded 1.0% YOY in September (+5.2% in August), leading to growth of 3.2% in 3Q17 (up from -1.7% in 2Q17).

Mexico's GDP growth weakened to 1.6% YOY in 3Q17, dragged by two large earthquakes, which disrupted economic activity in September.

Peru's headline inflation decreased to 2.04% YOY in October (from 2.94% in September), while core inflation fell to 2.35% YOY (from 2.45%) during the same period, on the back of falling food prices.

The fall of inflation fuels expectations of interest cut that would boost even more the economic recovery in sync with the fiscal expansion granted to execute the reconstruction work.

Venezuela is getting closer to default after Maduro called for a restructuring of all government and PDVSA's debt. The restructuring of USD 60Bn bonds outstanding would be last straw after the country already defaulted on its citizen through hyperinflation, on PDVSA's suppliers and after its 2 biggest creditors (China and Russia) already accepted a restructuring. The structuring of such a restructuring seems extremely difficult to execute given the sanctions imposed by the US on Venezuela but the situation remains confusing after Maduro's announcement last week.

AFRICA

MSCI Africa 871 *+1.11%*

Kenya's incumbent president, Uhurru Kenyatta, won the repeat presidential election, winning 98.3% of the vote which was boycotted by the main opposition party. Turnout was low, 38.8% compared with 79.5% in August, while violence prevented voting in 25 of Kenya's 290 counties. The opposition party led by Raila Odinga have until Monday 6 November to file a Supreme Court case seeking to overturn the election, otherwise Kenyatta will be inaugurated on November 14.

Kenya's election law states that a president is elected after voting in all 290 constituencies. This could form the basis for the case against Kenyatta. Odinga has not revealed whether he will file a case in the Supreme Court but has called for a new election and asked for the boycott of three companies, including Brookside Diary, for its links with the Kenyatta family and Safaricom for its involvement in transmitting the election results.

The political instability has seen private sector activity fall to a record low. Kenyan PMI for manufacturing and services slumped to 34.4 from 40.9 in September, its lowest since

the series began in January 2014.

In South Africa, private sector activity rose to 49.6 in October from 48.5 in September, though still below the 50 mark that separates expansion from contraction, while new vehicle sales up 4.6% YOY in October and the Absa PMI, an index which gauges manufacturing activity, rose to its best level in five months, 47.8 in October from 44.9 in September, driven by an increase in new sales orders.

In Egypt, we saw mildly positive data prints with **PMI edging up to 48.4 in October vs. 47.4 in September** with contractions in output, new orders and employment all easing and business confidence hitting a 26-month high, while the central bank paid off a USD450mn final instalment loan to Turkey and Libya, and reported a stable MOM net international reserves figure for October at USD36.7bn. Egypt however dropped 6 places to 128 out of 190 countries in the Ease of Doing Business index 2018, though it's noteworthy that the time and cost of starting a business halved to 14.5 days and 7.4% of income per capita, respectively, and the data for the report is typically gathered in Q1 and would not reflect the impact of the reforms implemented since.

Lastly, Nigeria's **manufacturing PMI stood at 55 index points in October 2017,** indicating an expansion in the manufacturing sector for the seventh consecutive month, while the country gained 24 places in the Ease of Doing Business report, improving to 145th position.

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THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
Michigan consumer sentiment (NOV)	Fri/10	101.0
EUROPE		
Eurozone PMI (OCT)	Mon/06	55.9
Germany industrial production (SEP) % YOY	Tue/07	4.3
Eurozone retail sales (SEP) % YOY	Tue/07	2.8
Poland rate decision %	Wed/08	1.5
UK industrial production (SEP) % YOY	Thu/09	1.8
UK trade balance (SEP) Bn GBP	Thu/09	-5.1
France industrial production (SEP) % YOY	Fri/10	3.1
ASIA PACIFIC		
Indonesia GDP (Q3) % YOY	Mon/06	5.1
Australia rate decision %	Tue/07	1.5
China FX reserves (OCT) Bn USD	Tue/07	3113
China trade balance (OCT) Bn USD	Wed/08	39
Thailand rate decision %	Wed/08	1.5
Japan current account (SEP) sa Bn JPY	Thu/09	2053
China CPI (OCT) % YOY	Thu/09	1.7
Malaysia rate decision %	Thu/09	3.0
Philippines rate decision %	Thu/09	3.0
Japan M3 (OCT) % YOY	Fri/10	3.4
China M2 (OCT) % YOY	Fri/10	9.2
India trade balance (OCT) Bn USD	Fri/10	-11.0
LATIN AMERICA		
Mexico rate decision %	Thu/09	7.0
Peru rate decision %	Thu/09	3.3
AFRICA		
South Africa manufacturing production (SEP) sa % MOM	Thu/09	0.0

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GLOBAL MARKET DATA

30 October - 5 November 2017

Equities				Return (USD)				YTD (Local)	Price/Book
Name	BBG Code	Country	Price	1 Week	MTD	YTD	1Y		
North America									
S&P 500 INDEX	SPX Index	US	2,587.84	0.26%	0.49%	15.59%	23.90%		3.2
RUSSELL 2000 INDEX	RTY Index	US	1,494.91	-0.89%	-0.52%	10.15%	29.22%		2.3
NASDAQ COMPOSITE INDEX	CCMP Index	US	6,764.44	0.94%	0.55%	25.66%	33.73%		3.6
S&P/TSX COMPOSITE INDEX	SPTSX Index	Canada	16,020.16	1.22%	0.95%	10.36%	15.22%		1.9
S&P 500 FINANCIALS INDEX	S5FINL Index	US	444.05	-0.11%	0.66%	14.88%	36.90%		1.5
S&P 500 CONS DISCRET IDX	S5COND Index	US	729.51	-0.77%	-0.34%	12.61%	19.54%		5.1
S&P 500 INFO TECH INDEX	S5INFT Index	US	1,107.65	1.84%	1.04%	37.09%	41.85%		5.5
S&P 500 HEALTH CARE IDX	S5HLTH Index	US	943.75	-0.67%	0.58%	18.43%	23.64%		3.9
S&P 500 ENERGY INDEX	S5ENRS Index	US	508.14	1.74%	1.01%	-8.36%	1.20%		1.9
S&P 500 ECO SECTORS IDX	SPXL1 Index	US	2,587.84	0.26%	0.49%	15.59%	23.90%		3.2
S&P 500 INDUSTRIALS IDX	S5INDU Index	US	607.57	-0.77%	0.38%	12.92%	24.74%		4.6
S&P 500 CONS STAPLES IDX	S5CONS Index	US	547.29	0.05%	0.14%	2.91%	2.43%		5.1
S&P 500 UTILITIES INDEX	S5UTIL Index	US	279.94	0.28%	0.21%	13.41%	14.70%		2.1
S&P 500 MATERIALS INDEX	s5MATR Index	US	368.58	-0.52%	-0.30%	18.07%	27.02%		3.9
S&P 500 TELECOM SERV IDX	S5TELS Index	US	145.95	-2.62%	-1.56%	-17.36%	-5.36%		2.4
Europe									
Euro Stoxx 50 Pr	SX5E Index	Europe	3,675.27	1.15%	0.05%	23.37%	29.57%	12.14%	1.7
CAC 40 INDEX	CAC Index	France	5,501.05	0.55%	-0.12%	24.85%	30.59%	13.48%	1.7
DAX INDEX	DAX Index	Germany	13,449.35	2.09%	1.65%	29.16%	36.29%	17.40%	1.9
Athex Composite Share Pr	ASE Index	Greece	764.33	3.41%	0.17%	30.51%	37.87%	18.63%	0.6
FTSE MIB INDEX	FTSEMIB Index	Italy	22,951.85	1.65%	0.58%	31.63%	46.34%	19.65%	1.3
AEX-Index	AEX Index	Netherlands	553.88	1.15%	-0.07%	26.40%	31.05%	14.90%	2.0
PSI All-Share Index GR	BVLX Index	Portugal	2,985.03	0.33%	-1.33%	30.19%	27.47%	18.34%	1.3
MICEX INDEX	INDEXCF Index	Russia	2,081.15	-1.00%	-0.54%	-3.47%	14.31%	-6.79%	0.8
IBEX 35 INDEX	IBEX Index	Spain	10,289.80	1.69%	-1.95%	21.84%	21.79%	10.75%	1.5
OMX STOCKHOLM 30 INDEX	OMX Index	Sweden	1,675.38	-0.04%	-0.43%	19.05%	25.41%	10.58%	2.4
SWISS MARKET INDEX	SMI Index	Switzerland	9,317.36	1.23%	0.34%	15.16%	18.59%	13.41%	2.6
BIST 100 INDEX	XUI00 Index	Turkey	111,874.70	1.14%	-1.24%	29.34%	16.38%	42.43%	1.4
FTSE 100 INDEX	UKX Index	UK	7,558.86	0.37%	-0.70%	12.00%	16.85%	5.85%	1.9
Asia Pacific									
MSCI AC ASIA x JAPAN	MXASJ Index	MSCI Asia Ex	699.57	2.05%	1.10%	36.01%	30.85%	36.01%	1.7
S&P/ASX 200 INDEX	AS51 Index	Australia	5,953.78	0.82%	0.65%	11.44%	13.59%	5.19%	2.1
DSE 30 Index	DS30 Index	Bangladesh	2,208.49	0.80%	1.76%	15.42%	18.52%	21.57%	-
HANG SENG CHINA ENT INDEX	HSCFI Index	China "H"	11,524.64	-0.34%	0.81%	22.73%	21.62%	23.50%	1.0
SHANGHAI SE COMPOSITE	SHCOMP Index	China "A"	3,388.17	-1.04%	-0.64%	13.73%	9.82%	8.64%	1.8
HANG SENG INDEX	HSI Index	HK	28,596.80	0.59%	1.25%	29.20%	25.34%	30.01%	1.4
Nifty 50	NIFTY Index	India	10,486.40	1.74%	1.13%	34.24%	27.04%	27.69%	3.1
JAKARTA COMPOSITE INDEX	JCI Index	Indonesia	6,052.85	1.60%	0.74%	14.08%	9.54%	14.02%	2.5
NIKKEI 225	NKY Index	Japan	22,548.35	2.31%	2.03%	20.55%	19.14%	17.92%	1.9
KOSPI 200 INDEX	KOSPI2 Index	Korea	337.40	3.83%	1.69%	40.79%	37.24%	30.31%	1.2
Laos Composite Index	LSXC Index	Laos	1,041.00	1.23%	-0.62%	1.31%	3.08%	2.86%	0.9
FTSE Bursa Malaysia KLCI	FBMVKLCI index	Malaysia	1,742.81	-0.23%	-0.52%	12.26%	4.61%	6.04%	1.8
KARACHI 100 INDEX	KSE100 Index	Pakistan	41,072.42	0.01%	3.71%	-14.83%	-2.65%	-14.10%	1.6
PSEi - PHILIPPINE SE IDX	PCOMP Index	Philippines	8,523.07	1.73%	0.89%	18.30%	10.30%	22.45%	2.6
STRAITS TIMES INDEX STI	FSSTI Index	Singapore	3,379.89	0.05%	0.08%	24.47%	22.43%	17.41%	1.2
SRI LANKA COLOMBO ALL SH	CSEALL Index	Sri Lanka	6,607.52	0.10%	0.08%	3.68%	-0.74%	6.31%	1.4
TAIWAN TAIEX INDEX	TWSE Index	Taiwan	10,786.19	0.73%	-0.20%	25.10%	24.16%	16.72%	1.8
STOCK EXCH OF THAI INDEX	SET Index	Thailand	1,704.53	-0.56%	-1.02%	19.16%	20.07%	10.27%	2.1
HO CHI MINH STOCK INDEX	VNINDEX Index	Vietnam	849.09	0.41%	0.81%	27.23%	24.25%	26.90%	2.4
Rest of the World									
MSCI ACWI	MXWD Index	MSCI World	498.86	0.64%	0.45%	18.26%	23.23%	18.26%	2.3
MSCI EM	MXEF Index	MSCI EM	1,126.18	1.44%	0.63%	30.61%	27.26%	30.61%	1.8
MSCI Frontier Market Index	MXFEM Index	MSCI FM	2,861.70	-0.27%	0.10%	18.33%	17.04%	18.33%	1.9
DFM GENERAL INDEX	DFMGI Index	Dubai	3,540.26	-0.79%	-0.37%	2.59%	9.82%	2.59%	1.3
MSCI EM LATIN AMERICA	MXLA Index	Latin America	2,772.74	-2.77%	-1.30%	18.46%	12.52%	18.46%	1.9
ARGENTINA MERVAL INDEX	MERVAL Index	Argentina	27,978.33	1.96%	0.22%	49.33%	43.32%	65.38%	2.1
MSCI BRAZIL	MXBR Index	Brazil	1,979.33	-3.71%	-1.58%	18.39%	13.19%	18.39%	1.8
CHILE STOCK MKT SELECT	IPSA Index	Chile	5,485.89	-0.73%	-1.62%	39.53%	32.90%	32.15%	1.8
IGBC GENERAL INDEX	IGBC Index	Colombia	10,574.24	-2.86%	-0.46%	3.38%	6.35%	4.63%	-
S&P/BMV IPC	MEXBOL Index	Mexico	48,534.84	-1.16%	-0.24%	14.68%	3.97%	6.34%	2.6
Bolsa de Panama General	BVPSBVPS Index	Panama	439.06	-0.01%	0.00%	6.18%	7.25%	6.24%	2.0
S&P/BVLPeruGeneralTRPEN	SPBLPGPT Index	Peru	20,099.63	0.89%	1.07%	33.39%	39.37%	29.12%	1.9
VENEZUELA STOCK MKT INDEX	IBVC Index	Venezuela	709.37	-0.04%	9.60%	2121.02%	4417.99%	2137.41%	15.8
MSCI EFM AFRICA	MXFMEAF Index	Africa	870.69	1.11%	0.32%	13.17%	10.61%	13.17%	2.3
EGYPT HERMES INDEX	HERMES Index	Egypt	1,342.06	2.60%	0.20%	27.80%	34.81%	24.43%	1.8
GSE Composite Index	GGSECI Index	Ghana	2,367.28	0.17%	0.13%	35.69%	25.22%	40.15%	2.2
Nairobi SE 20 Share	KNSMIDX Index	Kenya	3,800.43	4.17%	2.00%	17.86%	14.14%	19.28%	2.4
MASI Free Float Index	MOSENEW Index	Morocco	12,451.64	0.46%	0.12%	13.24%	20.66%	6.93%	3.0
NIGERIA STOCK EXCH ALL SHR	NGSEINDX Index	Nigeria	36,939.59	1.31%	0.71%	20.26%	19.61%	37.45%	1.6
FTSE/JSE AFRICA TOP40 IX	TOP40 Index	South Africa	53,615.04	1.08%	0.60%	17.02%	15.41%	21.18%	2.4
Average				0.50%	0.37%	49.94%	86.24%	58.67%	
Top 25%				1.27%	0.78%	27.51%	28.34%	25.05%	
Bottom 25%				-0.25%	-0.36%	13.04%	13.39%	9.87%	

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GLOBAL MARKET DATA (CONTD.)

30 October - 5 November 2017

FX (vs USD)				Return +ive=USD Stronger			
Name	BBG Code	Country	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	DXYS Index	USD Index	94.93	0.03%	0.41%	-7.11%	-2.28%
USD-EUR X-RATE	USDEUR Curncy	Europe	0.86	0.00%	0.31%	-9.38%	-4.34%
Russian Ruble SPOT (TOM)	USDRUB Curncy	Russia	58.99	0.78%	0.29%	-5.01%	-7.92%
USD-TRY X-RATE	USDTRY Curncy	Turkey	3.86	2.62%	2.53%	10.34%	24.99%
USD-GBP X-RATE	USDGBP Curncy	UK	0.76	0.39%	1.58%	-5.62%	-4.70%
Bloomberg JPMorgan Asia Dollar	ADXY Index	Asia USD Index	107.71	0.24%	0.05%	4.59%	1.61%
USD-AUD X-RATE	USDAUD Curncy	Australia	1.31	0.36%	0.08%	-5.83%	0.43%
USD-CNY X-RATE	USDCNY Curncy	China	6.63	-0.22%	-0.04%	-4.64%	-1.87%
USD-INR X-RATE	USDINR Curncy	India	64.69	-0.36%	-0.04%	-4.87%	-3.02%
USD-JPY X-RATE	USDJPY Curncy	Japan	114.27	0.34%	0.37%	-2.51%	10.76%
USD-KRW X-RATE	USDKRW Curncy	Korea	1,113.37	-0.90%	-0.20%	-7.56%	-2.42%
USD-TWD X-RATE	USDTWD Curncy	Taiwan	30.19	0.06%	0.01%	-6.82%	-4.11%
USD-ARS X-RATE	USDARS Curncy	Argentina	17.63	0.18%	-0.02%	11.09%	16.98%
USD-BRL X-RATE	USDBRL Curncy	Brazil	3.31	1.65%	0.99%	1.54%	1.93%
USD-CLP X-RATE	USDCLP Curncy	Chile	633.20	-0.11%	-0.34%	-5.35%	-2.64%
USD-MXN X-RATE	USDMXN Curncy	Mexico	19.14	0.35%	0.28%	-7.38%	0.14%
USD-EGP X-RATE	USDEGP Curncy	Egypt	17.66	-0.03%	-0.03%	-2.64%	28.14%
USD-NGN X-RATE	USDNGN Curncy	Nigeria	360.25	0.28%	0.14%	14.45%	14.35%
USD-ZAR X-RATE	USDZAR Curncy	South Africa	14.22	0.89%	0.68%	3.68%	5.68%
Commodities				Return (USD)			
WTI CRUDE FUTURE Dec17	CLA Comdty	US	56.00	3.23%	2.32%	-2.49%	12.18%
BRENT CRUDE FUTR Jan18	COA Comdty	UK	62.51	3.23%	1.85%	5.80%	20.29%
BALTIC DRY INDEX	BDIY Comdty		1,476.00	-4.53%	-3.02%	53.59%	73.85%
Natural Gas Futures	NG1 Comdty		3.07	8.43%	3.04%	-19.87%	7.76%
Gold Spot \$/Oz	XAU Curncy		1,269.84	-0.33%	-0.11%	10.19%	-2.53%
Silver Spot \$/Oz	XAG Curncy		16.89	-0.19%	0.71%	5.78%	-8.29%
LME COPPER 3MO (\$)	LMCADS03 Comdty		###	0.95%	0.82%	24.56%	39.01%
Government Bond Yields %				Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	US 2yr	1.61	0.03	0.01	0.43	0.81
US Generic Govt 5 Year Yield	USGG5YR Index	US 5yr	1.98	-0.04	-0.03	0.06	0.73
US Generic Govt 10 Year Yield	USGG10YR Index	US 10yr	2.32	-0.07	-0.05	-0.11	0.52
Canadian Govt Bonds 10 Year No	GCAN10YR Index	Canada 10yr	1.96	-0.03	0.00	0.24	0.76
Mexico Generic 10 Year	GMXN10YR Index	Mexico 10yr	7.25	-0.02	-0.01	-0.18	0.90
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	UK 10yr	1.25	-0.09	-0.07	0.02	0.06
Switzerland Govt Bonds 10 Year	GSWISS10 Index	Swiss 10yr	-0.10	-0.04	-0.01	0.10	0.25
German Government Bonds 2 Yr	GDBR2 Index	German 2yr	-0.76	0.02	0.00	0.01	-0.12
German Government Bonds 5 Yr	GDBR5 Index	German 5yr	-0.36	0.01	0.00	0.18	0.06
Germany Generic Govt 10Y Yield	GDBR10 Index	German 10yr	0.34	-0.02	0.00	0.16	0.21
French Generic Govt 10Y Yield	GFRFR10Y Govt	French 10yr	0.73	-0.04	0.00	0.07	0.28
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	Greece 10yr	5.07	-0.40	-0.34	-1.93	-2.63
Italy Generic Govt 10Y Yield	GBTGPR10 Index	Italy 10yr	1.77	-0.16	-0.03	-0.02	0.10
Spain Generic Govt 10Y Yield	GSPG10YR Index	Spanish 10yr	1.46	-0.11	0.01	0.09	0.24
Portugal Generic Govt 10Y Yield	GSPT10YR Index	Portugal 10yr	2.05	-0.13	-0.01	-1.70	-1.18
Australia Govt Bonds Generic Y	GACGB10 Index	Aus 10yr	2.57	-0.20	-0.10	-0.19	0.27
India Govt Bond Generic Bid Yi	GIND10YR Index	India 10yr	6.90	0.05	0.00	0.34	0.04
KMP South Korea Treasury Bond	GYSK10YR Index	Korea 10yr	2.53	0.00	-0.04	0.44	0.86
Japan Generic Govt 10Y Yield	GJGB10 Index	Japan 10yr	0.02	-0.02	-0.02	0.01	0.12
South Africa Govt Bonds 10 Yea	GSAB10YR Index	SA 10yr	9.35	0.14	0.18	0.35	0.63
Corporate Credit Indices				Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 12/22	ITRXEXE CBIL Curncy	EUR XOVER	223.69	-10.37	-1.94	-65.03	-112.07
MARKIT ITRX EUROPE 12/22	ITRXEBE CBIL Curncy	EUR MAIN	49.54	-2.19	-0.47	-22.34	-25.39
MARKIT ITRX EUR SNR FIN 12/22	ITRXESE CBIL Curncy	EUR SNR FIN	50.53	-4.20	-1.11	-43.29	-49.01
MARKIT ITRX EUR SUB FIN 12/22	ITRXEUE CBIL Curncy	EUR SUB FIN	113.81	-8.75	-2.84	-107.86	-117.07
MARKIT CDX.NA.IG.29 12/22	BOXUMAE CBIL Curnc	US IG	53.19	-0.24	0.40	-14.51	-26.66
MARKIT CDX.NA.HY.29 12/22	BOXHYSE CBIL Curnc	US HY	314.78	0.61	2.40	-42.18	-117.81
Implied Volatility (Equity Index)				Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SX5E Index	Europe	11.51	-0.22	0.01	-6.33	-9.98
FTSE 100 500 3month ATM	UKX Index	UK	8.67	-0.22	-0.22	-4.31	-7.26
Hang Seng 3month ATM	HSI Index	HK	13.38	-0.46	-0.50	-2.81	-4.87
Nikkei 3month ATM	NKY Index	Japan	15.04	1.68	1.46	-4.19	-4.30
S&P 500 3month ATM	SPX Index	US	9.27	0.49	0.21	-4.19	-7.12
Volatility (VIX)	VIX Index	US	9.58	-0.66	-1.04	-4.90	-12.94
Inflation (Long term inflation expectation proxy) %				Change (percentage points)			
US 5Y5YF Inflation Swap		USD	2.23	-0.06	0.00	-0.20	0.10
UK 5Y5YF Inflation Swap		GBP	3.33	0.00	-0.03	-0.16	-0.11
JPY 5Y5YF Inflation Swap		JPY	0.34	0.01	0.01	-0.22	0.23
EUR 5Y5YF Inflation Swap		EUR	1.66	-0.01	0.00	-0.09	0.20
Economic Data Surprise (+ive = above expectations)							
Citi Economic Surprise Index	CESIAPAC Index	Asia Pacific	22.60				
Citi Economic Surprise Index -	CESICNY Index	China	-28.40				
Citi Economic Surprise Index -	CESIEM Index	EM	18.30				
Citi Economic Surprise Index -	CESIEUR Index	Eurozone	58.70				
Citi Economic Surprise Index -	CESIGIO Index	GIO	40.90				
Citi Economic Surprise - Japan	CESIJPY Index	Japan	53.70				
Citi Economic Surprise Index -	CESILTAM Index	Latin America	5.70				
Citi Economic Surprise - Unite	CESIUSD Index	US	40.90				

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All performance data is weekly and in USD unless otherwise specified.

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