

GLOBAL MARKET UPDATE



30 APRIL - 7 MAY: BENEFIT OF THE DOUBT

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	Australia 1.46% , New Zealand 1.43% , Germany 0.65%
	Bottom 3:	Portugal -1.94% , Austria -1.92% , Belgium -1.68%
EMERGING	Top 3:	South Africa 0.21% , China "A" -0.11% , Thailand -0.53%
	Bottom 3:	Turkey -8.52% , Brazil -5.22% , Mexico -5.00%
FRONTIER	Top 3:	Kazakhstan 2.09% , Croatia 1.29% , Lebanon 0.34%
	Bottom 3:	Argentina -9.67% , Vietnam -2.25% , Bangladesh -2.08%

On Friday, the US jobs report confirmed unemployment had fallen to 3.9%, a low last reached in December 2000 and before that in January 1970. As a consequence, the probability of a FED interest rate hike in June rose to near enough 100%. Indeed, the market is now pricing an over 40% chance of 4 or more hikes over the full year. However, a more detailed inspection of the labour market numbers reveals the decision to hike rates is not necessarily as obvious as it seems. In April, labour market participation fell back to 62.8%, the middle of the recent range but almost 5 percentage points lower than in 2000. Moreover, average hourly earnings came in below expectations at 2.6%. In short, whilst the FED appear happy to give it "the benefit of the doubt" and assume historical calibrations of the Philips curve (an inverse relationship between unemployment and inflation) will hold, for now the labour market isn't working like it did in the past. This is to say, low unemployment is not attracting more people into work or forcing higher wages. And this is not just a US phenomenon - in Japan unemployment is at 2.5% and in Germany at 3.4%, but similarly there is no meaningful wage growth in real terms.

Whether it is because of ageing demographics, deflationary and job saving technology or overleverage, the window into the economy provided by employment certainly suggests this time is different for many developed economies.

UNITED STATES

S&P 2,673 **-0.24%**, 10yr Treasury 2.95% **-0.71bps**, HY Credit Index 341 **+4bps**, Vix 14.75 **-64Vol**

As on a number of occasions this year, a **Friday rally helped the S&P 500 offset losses during the rest of the week**, albeit the index still delivered a small loss. In fixed income, the yield curve flattened marginally, with the spread between 2 and 10 year Treasuries narrowing to 45bps.

In the corporate space, **earnings season continued in positive vein**. Over 80% of firms have now reported and EPS growth is running around 24% YOY. Last week this included positive numbers from Apple, with the company further buoyed by reports that Warren Buffett had increased his equity stake to just under 5%.

From a macroeconomic perspective, in addition to employment data (see above) there was an FOMC meeting. **Policymakers left interest rates on hold and made modest, but generally more hawkish, changes to the statement** including:

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- Adding the phrase “while business fixed investment continues to grow strongly”
- Describing inflation as having “moved close” to the 2% target (rather than continuing to run below)
- More conservatively, described the 2% inflation target as “symmetric” (perhaps in an effort to temper the market’s reaction)

On Capitol Hill, President Trump decided to extend Canada, Mexico and the EU’s exemption on steel and aluminium imports until 1 June. Meanwhile, **talks between China and the US delegation led by Steve Mnuchin ended without a joint statement or any significant progress.** A Chinese statement summarised the situation by “Both sides recognise there are still big differences on some issues and that they need to continue to step up their work to make progress.” It was also reported that China has ceased imports of US soybeans (its largest import from the US last year at USD 14bn), instead buying in Canada and Brazil.

EUROPE

Eurostoxx 3,564 **-0.33%**, German Bund 0.54% **-2.70bps**, Xover Credit Index 274 **-2bps**, USDEUR .838 **+1.22%**

European equities mostly rose in local currency terms, exporters benefitting from a fall in the Euro, but declined in USD. On a forward-looking basis, it is interesting to note that **US corporate earnings growth has outpaced that of its European peers by a record margin in Q1 2018.** Whilst Europe is generally seen as being in a worse structural position, the cyclical tealeaves are more favourable. For example, monetary policy will remain accommodative for the foreseeable future in Europe, against a FED that is well into a tightening cycle. Indeed, **HICP inflation for the Eurozone came in below expectations at 1.2% YOY** last week, calling into question whether the ECB will end quantitative easing in September.

This week, there is a Bank of England meeting at which the MPC had been expected to raise rates, but recent commentary and data suggest this is now more likely not to happen (in fact the market prices almost no chance). Last week’s PMI survey was a case in point, with **services, manufacturing and construction all coming in below expectations.** This saw GBP weaken against most other currencies.

The **Turkish Lira fell to a new record low** following inflation data and an S&P credit rating downgrade.

ASIA PACIFIC

HSCEI 12,155 **-1.48%**, Nikkei 22,508.69 **-0.68%**, 10yr JGB 0.05% **Obps**, USDJPY 108.910 **-0.11%**

China played host to a US trade delegation led by Treasury Secretary Steve Mnuchin in Beijing last week.

Mnuchin, in his public appearances, attempted to put a positive spin on proceedings, commenting “we’re having very good conversations” when asked about the progress

being made on a trade deal, before using another TV interview to talk down the significance of China’s position as the largest foreign holder of US government paper.

The two talking points that grabbed headlines were a **request from the US that China cut the bilateral trade surplus by US\$200bn by May 2020, and at the same time abandon the incentive programmes behind its ‘Made in China 2025’ initiative.**

Since having first laid out a specific target for reducing the bilateral surplus back in March, the Trump administration has now doubled its reduction demand, from \$100bn to \$200bn, in the space of less than two months.

The second demand seems more ridiculous, in our view. For Trump to ask China to abandon the cornerstone of its industrial policy for the next seven years, which China believes is critical in establishing global leadership in strategic industries that will drive the world economy for decades to come, highlights both the lack of realism in Trump’s trade policy and the disparity in time horizons in policymaking on opposite sides of the Pacific.

With Trump far from certain to be in office beyond 2020, and China’s President Xi now constitutionally permitted to serve indefinitely, there is strong incentive for Xi to simply wait out his firebrand opposite number and instead deal with a potentially more conservative successor. Further, with China able to impose its own retaliatory trade restrictions that would strike at the heart of blue-collar-America, one of Trump’s most vital support bases, it appears we have one world power playing chess and another playing (not-so-Chinese) checkers.

On the macro side, **China’s April PMI data revealed little new insight.** The official NBS Manufacturing PMI came off slightly, dropping from 51.5 to 51.4. Conversely, the unofficial Caixin PMI rose slightly from 51.0 to 51.1.

Inflation in the Philippines climbed higher to 4.5% in April, up from 4.3% in March, remaining above the central bank’s target range of 2%-4%. Whilst this represents a five-year high for inflation in the Philippines, the central bank has thus far remained adamant that the underlying causes are largely transitory, with tax reform singled out as the greatest single cause of price pressure. Despite this, the market is beginning to price in a 25bps rate hike during the next central bank meeting on 10th May.

Headline inflation in Thailand was unchanged at 0.6% YOY in April, with seasonal food price inflation outweighed by general stability elsewhere. The central bank also released its monthly report on economic and monetary conditions this week, attributing the strength witnessed in Q1 to buoyant export demand and tourist spending.

Indonesia’s inflation rate also came in flat for April at 3.40%.

LATIN AMERICA

MSCI Lat Am 2,818 **-5.27%**

Argentine financial markets were in panic mode last week, following the decision by the central bank to hike the

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benchmark interest rate by 300bps to 33.35% on Thursday and then to 40% in Friday in 2 emergency Monetary Policy Committee meetings, less than a week after a surprising first 300bps hike. The 7-day repo rate is now 1275bps above its level 2 weeks ago. The ARS depreciated 8.1% last week and 30% over the past 6 months, the “century bond” (100y maturity, issued in 2017) fell 9% since the middle of April and is now yielding 8.35% (in USD). The central bank continued to intervene in the FX market, but it has little ammunition, given the low reserves (standing at USD 33bn) and the wide current account deficit (4.8% of GDP last year).

President Macri’s economic strategy was to reduce the fiscal deficit gradually and increase the competitiveness of the economy (by reducing the tax burden), while managing political deadlines and social pressures. However, this strategy can only work if financing for the temporarily wide deficits are available. Recent price action strongly suggests financial conditions for Argentina are becoming tighter. With the depreciation of the ARS, the external debt/GDP ratio is approaching dangerous levels.

The fiscal adjustment is likely to be brutal and weigh heavily on growth. Also, high inflation (fuelled by FX devaluation and subsidy withdrawal), high borrowing cost and lower confidence due to the lost credibility of the central bank and the government, will be growth-negative.

Brazil’s Supreme Court inflicted a potentially significant blow to the country’s culture of impunity. It ruled that the legal protections enjoyed by federal deputies and senators should be scaled back. From now on: the parliamentary immunity will be restricted to crimes committed during their current mandate (not to all their previous ones) and they can be judged by lower courts (not only by the Supreme Court).

Brazil’s unemployment rate climbed to 13.1% in March, from 12.6% in February.

Combined with slightly declining real wages, analysts will have to downgrade GDP expectations as consumption will recover but more gradually. According to the Ministry of Labour, an excess of 141,000 formal jobs was created in Brazil during the 12 months to March, the most for similar periods since December 2014. This is encouraging but still not enough to lower the unemployment rate significantly.

Brazil’s central government posted a deficit of BRL 24.8bn in March. The negative surprise was explained by lower oil royalties and greater discretionary spending. Over 12 months, the central government’s primary deficit worsened to 1.7% of GDP in March from 1.5% in February. The general government’s gross debt expanded to 75.3% of GDP in March from 75.1% a month prior.

Fiscal consolidation remains a priority for Brazil, which is why the pension reform must be voted early in the next President’s mandate. In Brazil, there is no alternative to a primary fiscal surplus to achieve structural stabilisation of indebtedness.

Mexico’s GDP growth accelerated in 1Q18 as it came in at 1.2%, in spite of tight macro policies and the uncertainties

associated to NAFTA renegotiation and presidential elections.

Mexico’s trade balance surprised to the upside in March by posting a USD 1.9bn surplus, on the back of a growing non-energy surplus. The strong US economy is lifting manufacturing exports from Mexico. Tight macroeconomic policies (fiscal and monetary), uncertainties over NAFTA and presidential elections may curb imports in 2018, further supporting an improvement of the trade balance.

Colombia decreased its benchmark rate by 25bps to 4.25%. Food prices and other core measures led the disinflationary process. Inflation expectations are well anchored around the central bank target. An easing monetary policy should support a gradual recovery of economic activity alongside the supportive external environment and lower uncertainty over domestic politics.

Chile’s industrial production expanded 8.7% YOY in March (9.1% in February), mainly driven by mining activity.

Strong external demand, high copper prices, low interest rates, low inflation and increased confidence should support an economic rebound this year.

Peru’s annual inflation increased from 0.36% YOY in March to 0.48% April but remains below the lower limit of the target range (1.0% - 3.0%). Meanwhile, core inflation, which excludes food and energy, fell to 1.91%, its lowest level in 64 months.

AFRICA

MSCI Africa 943 -1.82%

Kenya’s inflation fell to its lowest rate in 5 years. YOY inflation fell to 3.7% in April from 4.2% in March mainly due to improved food production on the back of good rains and strengthening of the shilling against the dollar. YOY food inflation decreased to 0.3% in April from 2.2% the previous month. On a MOM basis, CPI increased by 1.4%.

Given the country’s fiscal constraints, CPI settling within the central bank’s target range of 5% +/- 2.5% for the last 8 months increases the possibility of an interest rate cut. However, the country’s interest rate cap, which has reduced credit growth and made monetary policy ineffectual, remains a barrier to an accommodative monetary policy.

Egypt’s non-oil private sector activity expanded in April for only the second time in 31 months. The Emirates NBD Egypt PMI for the private sector excluding the oil industry rose to 50.1 in April from 49.2 in March, putting it just above the 50 mark that separates growth from contraction.

The combination of ongoing economic reforms, which aim to improve the country’s finances and private sector participation, declining input cost inflation and loose monetary policy, should encourage greater private sector activity in the coming quarters.

South Africa’s trade balance returned to a surplus in March of R9.5bn compared to February’s revised deficit of R0.6bn and the record R27bn deficit in January. Exports

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rose 9.2% to R98.3bn on a MOM basis in March, while imports fell 2% to R88.8bn, bringing trade deficit YTD to R18.6bn against a surplus of R4.2bn a year earlier.

Tunisia's annual inflation rose to a record level of 7.7% in April from 7.6% in March, driven by high food prices. The food and drink price index rose 8.9% in April from a year earlier vs. 8.7% in March, while the price of vegetables rose 23.8%. On a MOM basis, consumer prices rose 1%.

The Tunisian central bank raised interest rate 75bps to 5.75% in March to tackle inflation and is expected to raise it further this month.

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THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
US CPI (APR) % YOY	Thu/10	2.5
Michigan consumer sentiment (MAY)	Fri/11	98.0
EUROPE		
Germany industrial production (MAR) % YOY	Tue/08	3.0
France industrial production (MAR) % YOY	Wed/09	2.6
BoE interest rate %	Thu/10	0.5
UK industrial production (MAR) % YOY	Thu/10	3.1
ASIA PACIFIC		
China FX reserves (APR) bn USD	Mon/07	3131.0
Indonesia GDP (Q1) % YOY	Mon/07	5.2
China trade balance (APR) bn USD	Tue/08	27.9
Japan current account (MAR) sa bn JPY	Thu/10	1623.0
China CPI (APR) % YOY	Thu/10	1.9
Philippines GDP (Q1) % YOY	Thu/10	6.8
Malaysia interest rate %	Thu/10	3.25
Philippines interest rate %	Thu/10	3.25
LATIN AMERICA		
Mexico CPI (APR) % YOY	Wed/09	4.59
Brazil Cinfation IPCA (APR) % MOM	Thu/10	0.28
Peru interest rate %	Fri/11	2.75
AFRICA		
Egypt CPI (APR) % YOY	Thu/10	5.8

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Market Summary

Data: Last Calendar Week

Equities			Return (USD)				YTD (Local)	Volume 1wk/3mo
Name	Country	Price	1 Week	MTD	YTD	1Y		
North America								
S&P 500 INDEX	US	2,669.91	-0.01%	1.10%	-0.14%	11.77%	88%	
RUSSELL 2000 INDEX	US	1,556.24	-0.50%	1.75%	1.35%	9.82%	81%	
NASDAQ COMPOSITE INDEX	US	7,119.80	-0.37%	0.80%	3.13%	17.70%	86%	
S&P/TSX COMPOSITE INDEX	Canada	15,668.93	0.29%	2.34%	-5.79%	7.16%	85%	
S&P 500 CONS DISCRET IDX	US	828.41	1.09%	2.66%	5.49%	15.09%	90%	
S&P 500 CONS STAPLES IDX	US	520.27	0.46%	-3.96%	-11.43%	-8.17%	91%	
S&P 500 FINANCIALS INDEX	US	459.78	-0.67%	0.49%	-0.90%	16.56%	82%	
S&P 500 HEALTH CARE IDX	US	966.38	1.75%	2.73%	1.05%	11.05%	88%	
S&P 500 INFO TECH INDEX	US	1,147.79	-0.60%	0.54%	3.76%	24.05%	92%	
S&P 500 ENERGY INDEX	US	544.78	0.61%	9.33%	2.13%	9.33%	71%	
S&P 500 ECO SECTORS IDX	US	2,669.91	-0.01%	1.10%	-0.14%	11.77%	88%	
S&P 500 INDUSTRIALS IDX	US	615.51	-3.15%	-1.51%	-3.50%	7.68%	97%	
S&P 500 MATERIALS INDEX	US	361.40	-2.13%	1.42%	-4.63%	7.70%	96%	
S&P 500 REAL ESTATE IDX	US	191.32	2.56%	-0.38%	-6.15%	-2.66%	78%	
S&P 500 TELECOM SERV IDX	US	152.30	1.50%	0.43%	-8.29%	-6.01%	110%	
S&P 500 UTILITIES INDEX	US	262.13	2.79%	2.34%	-1.96%	-0.46%	76%	
Europe								
Euro Stoxx 50 Pr	Europe	3,518.49	-0.82%	3.15%	1.17%	9.96%	0.42%	119%
CAC 40 INDEX	France	5,477.47	-0.23%	4.56%	3.98%	15.82%	3.21%	88%
DAX INDEX	Germany	12,606.79	-1.20%	2.48%	-1.89%	12.58%	-2.61%	96%
Athex Composite Share Pr	Greece	849.26	-0.98%	7.22%	6.63%	33.85%	5.84%	87%
FTSE MIB INDEX	Italy	23,953.34	-1.11%	5.20%	10.30%	29.36%	9.49%	89%
AEX-Index	Netherlands	554.16	-0.70%	3.27%	2.66%	18.41%	1.90%	98%
PSI All-Share Index GR	Portugal	3,094.53	-0.46%	1.61%	5.24%	26.35%	4.46%	84%
MOEX Russia Index	Russia	2,309.91	1.90%	-6.84%	1.14%	5.27%	9.09%	52%
IBEX 35 INDEX	Spain	9,924.90	-1.10%	1.87%	-0.45%	3.45%	-1.18%	149%
OMX STOCKHOLM 30 INDEX	Sweden	1,580.72	-2.25%	-0.91%	-5.57%	-0.37%	0.24%	127%
SWISS MARKET INDEX	Switzerland	8,838.41	-0.97%	-2.01%	-7.13%	0.58%	-5.74%	103%
BIST 100 INDEX	Turkey	108,035.80	-2.71%	-8.61%	-12.80%	0.39%	-6.69%	93%
FTSE 100 INDEX	UK	7,506.77	-0.07%	4.49%	-0.59%	10.70%	-2.41%	104%
Asia Pacific								
MSCI AC ASIA x JAPAN	MSCI Asia Ex	712.15	-0.84%	-0.61%	-0.18%	19.49%	-0.18%	94%
S&P/ASX 200 INDEX	Australia	5,982.70	0.07%	1.93%	-4.90%	1.94%	-1.84%	102%
DSE 30 Index	Bangladesh	2,150.52	-2.75%	1.44%	-7.31%	4.32%	-4.88%	
HANG SENG CHINA ENT INDX	China "H"	12,339.84	0.06%	0.58%	2.58%	16.58%	3.05%	71%
SHANGHAI SE COMPOSITE	China "A"	3,082.23	-0.30%	-3.49%	-4.31%	6.34%	-6.80%	81%
HANG SENG INDEX	HK	30,795.11	-0.50%	0.63%	0.75%	21.54%	1.21%	73%
Nifty 50	India	10,749.80	0.52%	3.35%	-2.71%	10.10%	1.53%	107%
JAKARTA COMPOSITE INDEX	Indonesia	5,983.51	-6.13%	-5.26%	-8.70%	-0.32%	-6.87%	72%
NIKKEI 225	Japan	22,467.87	-0.09%	1.97%	1.85%	19.05%	-1.30%	91%
KOSPI 200 INDEX	Korea	323.56	1.26%	1.25%	-0.94%	18.53%	-1.21%	103%
Laos Composite Index	Laos	922.02	-3.49%	-2.41%	-7.81%	-11.64%	-7.65%	32%
FTSE Bursa Malaysia KLCI	Malaysia	1,865.15	-1.86%	-1.53%	7.42%	16.87%	3.71%	86%
KARACHI 100 INDEX	Pakistan	45,661.83	0.67%	0.08%	7.50%	-16.59%	12.53%	105%
PSEI - PHILIPPINE SE IDX	Philippines	7,822.84	1.06%	-2.04%	-12.65%	-2.33%	-9.78%	87%
STRAITS TIMES INDEX STI	Singapore	3,623.87	-0.58%	3.27%	6.09%	18.97%	5.12%	81%
SRI LANKA COLOMBO ALL SH	Sri Lanka	6,531.06	-1.01%	-0.44%	-0.19%	-3.93%	2.54%	44%
TAIWAN TAIEX INDEX	Taiwan	10,657.88	-2.35%	-4.82%	-0.46%	9.28%	-0.84%	101%
STOCK EXCH OF THAI INDEX	Thailand	1,782.96	-1.87%	-0.99%	4.73%	24.51%	1.39%	87%
HO CHI MINH STOCK INDEX	Vietnam	1,050.26	-6.16%	-10.49%	6.51%	46.45%	6.71%	85%
Rest of the World								
MSCI ACWI	MSCI World	511.31	-0.28%	1.09%	-0.34%	12.16%	-0.34%	74%
MSCI EM	MSCI EM	1,156.30	-1.02%	-1.25%	-0.19%	18.03%	-0.19%	71%
MSCI Frontier Market Index	MSCI FM	2,965.09	-0.76%	-1.78%	-0.78%	13.96%	-0.78%	86%
DFM GENERAL INDEX	Dubai	3,055.39	-1.27%	-2.12%	-9.71%	-10.95%	-9.71%	110%
MSCI EM LATIN AMERICA	Latin America	3,011.67	-0.63%	-0.70%	6.49%	16.03%	6.49%	79%
ARGENTINA Mervalv Index	Argentina	30,006.35	-5.48%	-5.50%	-9.67%	7.78%	-0.20%	116%
MSCI BRAZIL	Brazil	2,177.47	-0.50%	-3.19%	7.64%	19.57%	7.64%	85%
CHILE STOCK MKT SELECT	Chile	5,690.48	-1.75%	2.31%	3.64%	30.00%	2.26%	70%
IGBC GENERAL INDEX	Colombia	12,421.57	-1.54%	8.63%	14.99%	28.51%	8.22%	
S&P/BMV IPC	Mexico	48,284.61	-0.90%	2.11%	2.98%	-0.57%	-2.17%	96%
Bolsa de Panama General	Panama	474.98	1.69%	3.54%	7.24%	13.18%	7.24%	71%
S&P/BVLPeruGeneralITRPN	Peru	21,410.30	-0.69%	3.73%	7.23%	38.15%	7.19%	93%
MSCI EFM AFRICA	Africa	955.60	-3.06%	-2.07%	-5.72%	14.78%	-5.72%	67%
EGYPT HERMES INDEX	Egypt	1,735.66	2.50%	4.61%	21.61%	55.21%	21.13%	111%
GSE Composite Index	Ghana	3,471.39	-0.87%	1.42%	35.78%	71.30%	34.56%	38%
Nairobi SE 20 Share	Kenya	3,723.30	-0.05%	-2.60%	3.10%	20.99%	0.31%	94%
MASI Free Float Index	Morocco	13,056.86	-0.25%	-1.04%	5.95%	21.70%	5.39%	53%
NIGERIA STCK EXC ALL SHR	Nigeria	41,245.36	1.05%	-0.78%	7.70%	39.97%	7.85%	67%
FTSE/JSE AFRICA TOP40 IX	South Africa	50,982.62	-2.91%	-0.96%	-3.86%	15.72%	-3.52%	59%
Global Style								
MSCI WORLD GROWTH INDEX	US	2,514.59	-0.36%	1.17%	1.47%	15.78%	1.47%	101%
MSCI WORLD VALUE INDEX	US	2,812.13	0.02%	1.67%	-2.21%	7.12%	-2.21%	100%
MSCI World Large Cap	US	1,280.79	-0.12%	1.46%	-0.44%	11.29%	-0.44%	100%
MSCI World Mid-Cap	US	1,384.63	-0.44%	1.18%	0.08%	12.10%	0.08%	101%
Average			-0.72%	0.37%	0.87%	13.78%	1.82%	87%
Top 25%			0.06%	2.34%	4.98%	19.27%	5.51%	96%
Bottom 25%			-1.23%	-1.52%	-4.09%	4.80%	-2.23%	76%

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GLOBAL MARKET DATA (CONTD.)

30 APRIL - 7 MAY

FX (vs USD)			Return +ive=USD Stronger			
Name	BBG Code	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	DXY Index	91.55	1.36%	1.74%	-0.63%	-7.60%
USD-EUR X-RATE	USDEUR Curncy	0.82	1.29%	1.54%	-1.03%	-10.37%
Russian Ruble SPOT (TOM)	USDRUB Curncy	62.42	1.36%	8.48%	7.85%	9.06%
USD-TRY X-RATE	USDTRY Curncy	4.05	-0.84%	2.20%	6.59%	13.51%
USD-GBP X-RATE	USDGBP Curncy	0.73	1.62%	1.74%	-1.96%	-6.35%
Bloomberg JPMorgan Asia Dollar	ADXY Index	110.89	-0.29%	-0.73%	1.13%	5.28%
USD-AUD X-RATE	USDAUD Curncy	1.32	1.18%	1.46%	3.02%	-1.52%
USD-CNY X-RATE	USDCNY Curncy	6.34	0.59%	0.68%	-2.66%	-8.11%
USD-INR X-RATE	USDINR Curncy	66.48	0.38%	2.14%	4.13%	3.66%
USD-JPY X-RATE	USDJPY Curncy	109.23	1.28%	2.61%	-3.23%	-1.99%
USD-KRW X-RATE	USDKRW Curncy	1,067.72	-0.26%	0.66%	0.10%	-5.60%
USD-TWD X-RATE	USDTWD Curncy	29.59	0.37%	1.98%	-0.35%	-1.98%
USD-ARS X-RATE	USDARS Curncy	20.53	1.68%	1.91%	10.33%	33.27%
USD-BRL X-RATE	USBRL Curncy	3.46	1.32%	4.57%	4.39%	8.59%
USD-CLP X-RATE	USDCLP Curncy	606.20	1.68%	0.33%	-1.49%	-8.57%
USD-MXN X-RATE	USDMXN Curncy	18.63	0.43%	2.36%	-5.31%	-2.20%
USD-EGP X-RATE	USDEGP Curncy	17.66	-0.08%	0.24%	-0.41%	-2.00%
USD-NGN X-RATE	USDNGN Curncy	360.00	0.14%	0.28%	0.28%	18.15%
USD-ZAR X-RATE	USDZAR Curncy	12.36	1.99%	4.26%	-0.26%	-7.53%
Commodities			Return (USD)			
WTI CRUDE FUTURE Jun18	CLA Comdty	67.48	-0.44%	4.98%	13.39%	35.15%
BRENT CRUDE FUTR Jun18	COA Comdty	73.88	0.78%	7.64%	13.47%	41.74%
Baltic Dry Index	BDIY Comdty	1,361.00	6.25%	29.00%	-0.37%	20.02%
Natural Gas Futures	NG1 Comdty	2.77	1.17%	1.39%	-6.16%	-14.45%
Gold Spot \$/Oz	XAU Curncy	1,317.70	-0.92%	-0.12%	1.56%	4.67%
Silver Spot \$/Oz	XAG Curncy	16.42	-3.55%	0.87%	-2.52%	-4.36%
LME COPPER 3MO (\$)	LMCADSO3 Comdty	6,797.00	-2.79%	1.24%	-6.21%	19.41%
Government Bond Yields %			Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	2.49	0.03	0.22	0.60	1.23
US Generic Govt 5 Year Yield	USGG5YR Index	2.81	0.00	0.24	0.59	0.98
US Generic Govt 10 Year Yield	USGG10YR Index	2.97	0.00	0.22	0.55	0.66
Canadian Govt Bonds 10 Year No Mexico Generic 10 Year	GCAN10YR Index	2.32	-0.01	0.23	0.28	0.75
UK Govt Bonds 10 Year Note Gen	GMXN10YR Index	7.48	-0.02	0.15	-0.18	0.21
Switzerland Govt Bonds 10 Year	GUKG10 Index	1.45	-0.03	0.10	0.26	0.38
German Government Bonds 2 Yr B	GSWISS10 Index	0.10	-0.03	0.07	0.24	0.21
German Government Bonds 5 Yr O	GDBR2 Index	-0.57	-0.02	0.02	0.05	0.16
Germany Generic Govt 10Y Yield	GDBR5 Index	-0.03	-0.02	0.06	0.16	0.36
French Generic Govt 10Y Yield	GDBR10 Index	0.59	-0.02	0.07	0.14	0.28
Greece Generic Govt 10Y Yield	GTFRF10Y Govt	0.81	-0.01	0.08	0.01	-0.03
Italy Generic Govt 10Y Yield	GTGRD10Y Govt	3.90	-0.12	-0.39	-0.17	-2.41
Spain Generic Govt 10Y Yield	GBTGPR10 Index	1.76	-0.04	-0.04	-0.28	-0.50
Portugal Generic Govt 10Y Yield	GSPG10YR Index	1.28	-0.02	0.10	-0.31	-0.36
Australia Govt Bonds Generic Y	GSPT10YR Index	1.66	0.00	0.04	-0.29	-1.81
India Govt Bond Generic Bid Yi	GACGB10 Index	2.77	0.02	0.22	0.19	0.21
KCMP South Korea Treasury Bond	GIND10YR Index	7.77	0.05	0.37	0.44	0.82
Japan Generic Govt 10Y Yield	GVS10YR Index	2.70	0.03	0.07	0.23	0.50
South Africa Govt Bonds 10 Year	GJGB10 Index	0.06	-0.01	0.01	0.01	0.03
	GSAB10YR Index	8.72				
Corporate Credit Indices			Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 06/23	ITRXEXE CBIL Curncy	271.66	-3.59	-13.60	39.10	2.98
MARKIT ITRX EUROPE 06/23	ITRXEBE CBIL Curncy	54.49	-0.40	-5.43	9.51	-12.46
MARKIT ITRX EUR SNR FIN 06/23	ITRXESE CBIL Curncy	56.46	-0.74	-9.27	12.41	-18.78
MARKIT ITRX EUR SUB FIN 06/23	ITRXEUE CBIL Curncy	113.40	-2.50	-16.49	8.22	-54.89
MARKIT CDX.NA.IG.30 06/23	IBOXUMAE CBIL Curncy	60.14	-0.32	-5.35	11.06	-3.35
MARKIT CDX.NA.HY.30 06/23	IBOXHYE CBIL Curncy	337.53	-2.70	-22.81	31.58	9.60
Implied Volatility (Equity Index)			Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SX5E Index	11.48	-0.22	-2.69	-2.18	-2.49
FTSE 100 500 3month ATM	UKX Index	10.14	-0.51	-3.10	0.75	-0.28
Hang Seng 3month ATM	HSI Index	16.93	0.46	-4.93	2.02	4.54
Nikkei 3month ATM	NKY Index	15.19	-0.35	-4.25	-0.33	0.81
S&P 500 3month ATM	SPX Index	13.96	-0.22	-3.41	4.03	3.93
Volatility (VIX)	VIX Index	15.41	-1.47	-4.56	4.37	5.05
Inflation (Long term inflation expectation proxy) %			Change (percentage points)			
US 5Y5YF Inflation Swap		2.46	-0.01	0.09	0.08	0.03
UK 5Y5YF Inflation Swap		3.41	-0.01	-0.02	-0.09	0.03
JPY 5Y5YF Inflation Swap		0.40	-0.01	-0.01	0.00	-0.01
EUR 5Y5YF Inflation Swap		1.75	0.01	0.03	-0.02	0.08
Economic Data Surprise (+ive/-ive = above/below expectations)						
Citi Economic Surprise Index	CESIAPAC Index	27.80				
Citi Economic Surprise Index -	CESICNY Index	45.80				
Citi Economic Surprise Index -	CESIEM Index	8.70				
Citi Economic Surprise Index -	CESIEUR Index	-83.40				
Citi Economic Surprise Index -	CESIG10 Index	-19.10				
Citi Economic Surprise - Japan	CESIJPY Index	-44.60				
Citi Economic Surprise Index -	CESILTAM Index	-34.90				
Citi Economic Surprise - Unite	CESIUSD Index	46.00				

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

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