GLOBAL MARKET UPDATE

2 - 8 JULY: THE 'UNRELIABLE BOYFRIEND' MIGHT KEEP HIS PROMISE AND DELIVER A HIKE IN AUGUST

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	**Top 3:**	Spain **3.54%,** Luxembourg **2.61%,** New Zealand **2.60%**
	Bottom 3:	Japan **-2.04%,** Singapore **-2.00%,** UK **0.28%**
EMERGING	**Top 3:**	Mexico **6.76%,** Turkey **2.79%,** Qatar **2.53%**
	Bottom 3:	China "H" **-4.10%,** Pakistan **-4.02%,** China "A" **-3.79%**
FRONTIER	**Top 3:**	Argentina **9.80%,** Bahrain **1.23%,** Kenya **0.87%**
	Bottom 3:	Vietnam **-4.83%,** Romania **-2.44%,** Sri Lanka **-1.90%**

Bank of England Governor Mark Carney delivered a rather upbeat view on the UK economy last week. In the Governor's opinion, the economic softness observed in Q1 was mostly due to adverse weather conditions and economic momentum picked up in Q2. He added that recent macroeconomic indicators are in line with the BoE's forecast presented in the May Inflation Report and that the recuperation should persist thanks to accommodative monetary conditions. Further acceleration in growth, however, calls for tighter monetary conditions. The Governor therefore implied that the long-awaited second 25bp rate hike of the cycle might just be delivered in August thanks to this (perceived) improvement in the macroeconomic environment. The market agrees, with futures contracts pricing a strong probability of such an increase.

In contrast with the upbeat short-term assessment, Carney pointed out a wide variety of risks that could derail the UK's economy in the long-run. Such risks are related to on-going global trade tensions and Brexit. Indeed, yesterday an example of these risks manifested as David Davis (the UK government's Brexit secretary) resigned after being side-lined and in disagreement with Theresa May's "soft" Brexit strategy. However, should the risks subside going forward, the upbeat mood of business leaders, which is reflected in the May PMI figures, together with ongoing weakness in the BP, could translate into additional economic output that could lead to further policy normalisation by the BoE.

UNITED STATES

S&P 2,760 +1.52%, 10yr Treasury 2.84% -3.84bps, HY Credit Index 345 -10bps, Vix 13.42 -2.72Vol

US equities rallied last week, albeit with defensive sectors outperforming. Although this was a shorter week than usual, since US investors were on holiday on Wednesday, there was a lot for markets to digest:

The Federal Reserve released the minutes of its monetary policy meeting held in June, when the FOMC delivered a 25bp rate hike to lift the Fed's benchmark rate to the 1.75-2.00% range. In addition, the minutes gave a strong hint that the rate hike cycle will continue this year – especially if the FOMC's upbeat macroeconomic assessment becomes reality. **Futures markets are already pricing an over 50% probability of two additional 25bp rate hikes for 2018 H2,**

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one in September and one in Q4. As a result, the Fed funds rate could be as high as 2.25-2.50% by the end of this year. The Jerome Powell-led committee tweaked the language of the post-meeting communique, pointing out that global trade risks should not be neglected and as such calling for caution in the conduct of monetary policy.

We believe that the ongoing reduction of the Fed's balance sheet is currently an underappreciated driver of global asset prices. This is most probably due to the fact the Fed itself refrains from commenting on it.

The US dollar suffered from an underwhelming employment report and also the uncertainties stemming from on-going trade tensions. On Friday, tariff imposition on USD 34bn worth of Chinese imports to the US took effect, to which Chinese authorities immediately reacted by introducing an equal sum of tariffs on US products flowing to China. President Trump not only threatened China with additional, more severe tariffs, but upped the ante by claiming that he stood ready to levy tariffs on ca. USD 500bn worth of Chinese goods. This value is equivalent to the total sum of Chinese exports to the US measured in 2017. It's also equivalent to roughly equivalent to 2.5% of US GDP.

The June jobs report did not help the case of dollar strength either, as **employment figures were not seen as convincing enough to serve as evidence for the US economy's domestic resilience.** NFP figures surpassed expectations by coming in at 213K, raising the 3m average to 211K. However, the unemployment rate increased by 0.2ppt to 4%. One could argue that this simply reflected a healthy increase in the labour force participation rate, but currency markets appeared to focus on the negative headline. Indeed, the **dollar's intraday weakness was amplified by continued underwhelming nominal wage growth,** at 2.7% YoY.

Of course, June was not the first month when wage growth has disappointed. Indeed, as long as low unemployment does not translate into wage growth, markets may remain sceptical about the potential for inflation and therefore for higher interest rates over the long-term. **Clearly, bond market vigilantes are not impressed by recent high-frequency data, which is reflected in the flatness of the yield curve.** The 2s10s spread reached new 11-year lows by hitting 28bp on Friday, strongly implying that both the rate-hike cycle and the current economic cycle are nearing the end.

EUROPE

Eurostoxx 3,460 +2.16%, German Bund 0.30% -1.00bps, Xover Credit Index 305 -14bps, USDEUR .850 -0.57%

European equities moved higher last week, whilst fixed income markets were broadly unchanged.

ECB-related news flow dominated the European news flow last week:

- Monthly asset purchase (QE) figures released by the ECB revealed that the sovereign portion (PSPP) within the comprehensive programme increased to 83% in June. As asset purchases are phased out by the end of this year, we see re-investment policy gaining further importance and taking the place of net asset purchases in the limelight.
- ECB chief economist Praet delivered a speech in which he reiterated that interest rates should regain their prominent role as policy tools once QE ends. We do not see this happening before the second half of last year based on the message delivered by President Draghi at the last press conference, when he emphasised that the policy rate should remain unchanged at least until the end of summer 2019.
- **Resurfacing rumours about the tension between Governing Council (GC) members about the timing of the first rate hike spurred the market to moderately reprice interest rate expectations. Due to the alleged concerns of some members about the lack of interest rate hike expectations,** markets brought forward the date of the first expected rate hike from December 2019 to September 2019. In our opinion, these changes in market expectations are negligible and do not overwrite the outlook for the Euro Area. Further market speculations about the ECB's potential monetary policy measures citing that an 'operation twist'-like programme may be initiated by the GC brought down long-dated sovereign bond yields.

Turkish CPI inflation substantially exceeded market expectations, as it soared to 15.4% YoY in June from May's 12.15% YoY. Core inflation rose to 14.60% whilst producer price inflation was even more worrying, as June PPI edged up 23.70%, raising red flags about the prevailing inflationary pressure in Turkey.

The central bank of Turkey has to act very cautiously in such a fragile macro-environment. TRY weakness is yet to fully impact inflationary dynamics, and additionally Turkey has quite high gross external financing needs of around 25% of GDP. Consequently, in the context of tightening USD liquidity and global policy normalisation, the Turkish CB will react by raising rates soon.

Even though inflation reached 5.4% YoY in May, **the National Bank of Romania left the policy rate unchanged at 2.5%.** The CB governor played down further inflationary risks and cited that the pace of rising consumer prices should slow going forward.

Depending on global market sentiment and domestic inflationary dynamics, the Romanian CB may deliver further rate hikes in the coming quarters. Should the intensity of inflation persist and/or capital outflows from the EM universe intensify, the CB may deliver a hike as soon as August.

ASIA PACIFIC

HSCEI 10,798 -4.10%, Nikkei 22,052.18 -2.04%, 10yr JGB 0.04% 0bps, USDJPY 110.530 -0.28%

Asian markets continued to take pain last week on account of escalating Sino-US trade tensions, with the implementation of Trump's first round of 25% tariffs on $34bn of Chinese imports weighing on sentiment. The onshore Chinese A-share stock market fell -3.8% over

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the week, taking the market index below those levels last seen during the 2015-16 panic selloff. Hong Kong indices followed suit, with the HSCEI Index losing -4.1%.

The upcoming high-profile IPO of Chinese tech giant Xiaomi became collateral damage, with negativity on the Chinese market taking the expected valuation down almost 50% from its earlier touted levels of around $100bn. Thought to be trading at a 10% discount in the grey market, what was expected to be one of the stars of China's 'New Economy' has now become a proxy for investor sentiment on the trade war with the US.

While the firing of Trump's opening salvo on trade was well telegraphed, market sentiment became more negative following the announcement from the Whitehouse of a potential further round of tariffs affecting all $500bn of America's imports from China.

We maintain our previously articulated view that Chinese strategy regarding trade with the US will follow a course of retaliation, insulation and ultimate de-escalation. These three elements will allow the Chinese government to avoid an implicit submission to Trump's accusations of foul play, maintain a domestic economic growth rate conducive to the current five-year plan, while at the same time support China's attempts to integrate further with the global economic system and join the group of, historically western, voices advocating free trade and integration.

A key aspect of this final point (gaining acceptance within the global community of major economies as a 'team player' within the international system) is the internationalisation of the RMB, for which a stable exchange rate is crucial. This is consistent with comments this week from the PBoC chairman, downplaying the possibility of weaponisation of the RMB.

With regards to this final point, Europe has become an interesting chess piece. With Donald Tusk and Jean-Claude Junker both set to visit Beijing next week, China will be hoping to bring Europe onside so as to create a united front against the disruptive force of President Trump. With Trump seemingly going out of his way at the G8 summit in Canada to distance himself from, and embarrass, Europe's key leaders, and China looking to confirm its status as a relevant world power in global geopolitical discussion, Trump could well be playing directly in to Xi's hands with his current course of action.

Philippines inflation rose more than expected in June, with the CPI index hitting 5.2% YOY. At the current rate of price rises, we see potential for a 50bps rate hike from the BSP at the next meeting.

In Malaysia, following the shocking electoral victory of an opposition party for the first time since the country's independence, **former Prime Minister Najib Razak was arrested on corruption charges in relation to the 1MDB scandal.** With over a decade of alleged corruption to unravel at 1MDB, this development is expected to be only the tip of the iceberg in the new government's anti-corruption campaign.

India's Nikkei Manufacturing PMI strengthen in June, to 53.1 versus 51.2 the previous month.

LATIN AMERICA

MSCI Lat Am 2,523 *+1.85%*

Chile's data for the month of May confirmed the robustness of this cycle. Industrial production and retail sales grew 3.6% and 3.0% YOY respectively. The Business Confidence indicator was 55.1 pts, comfortably in expansionary territory. In the first 5 months of 2018, GDP grew 4.9% YOY, boosted by low inflation, positive external tailwinds and a boost of confidence following Pinera's election last December.

Peru's CPI inflation came in at 1.4% YOY in June, coming back within the central bank's target range (1-3%). Core inflation accelerated to 2.2% YOY due to an increase in excise tax. Peru's GDP grew above 5% YOY in May, according to the President of the Central Bank.

Absent any major shock, the central bank should keep the benchmark rate on hold at 2.75% for the rest of the year.

Brazil's trade surplus reached USD 5.9bn in June, slightly below expectations due the truck drivers' stoppage in the beginning of the month. However, **industrial production fell 10.9% MOM and 6.7% YOY in May.** Activity was heavily impacted by the truck drivers' strike, which paralyzed the whole country for 10 days.

AFRICA

MSCI Africa 870 +1.33%

South Africa's private sector activity expanded in June after two months of stagnation. The Standard Bank PMI inched up to 50.9 in June from 50.0 in May.

Elsewhere in SA, domestic vehicle sales figures exceeded industry expectations, growing 3% in June to 46,678 units (June 2017: 45,332). Notably, new car sales improved 4.4% YOY and car rentals recovered 15.1% on the back of fleeting replenishment.

Activity has stalled in recent months with disappointing sets of data including a Q1 GDP contraction stifling some of the optimism generated by Cyril Ramaphosa's rise to the presidency. The better than expected data on car sales and private sector activity improvement, suggests the slump was temporary and likely signals a return of momentum for the economy.

Egypt recorded a full-year primary budget surplus for first time in 15 years in FY2017-18, achieving a 0.2% primary budget surplus, worth EGP 4mn (USD 223mn). Building on this, the government is aiming for a 2% primary surplus in the current fiscal year, July 2018 to June 2019.

Economic indicators in Egypt are encouraging; unemployment fell to 10.6% in Q1 2018, GDP growth crossed the 5% threshold and balance of payments recorded a surplus in the last print. The overall budget deficit is expected to come in at around 9.8% in the FY2017-18 fiscal year. This is still too high, but the country is moving in the right direction after an economic crisis in 2016.

Kenya's private sector activity grew at a slower pace in June, hit by slower expansion in output and new businesses, with higher food and fuel prices posing a

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challenge to consumers. The Markit Stanbic Bank Kenya PMI fell to 55.0 in June from 55.4 in May.

Tunisia's annual inflation rate rose to 7.8% in June from 7.7% in May. Tunisia's central bank last month raised its key interest rate by 100 basis points to 6.8%, for the second hike in three months to tackle inflation. Government officials expect inflation to reach to about 9% by the end of this year.

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THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
US CPI (JUN) % YOY	Thu/12	2.9
Michigan consumer sentiment (JUL)	Fri/13	98.0
EUROPE		
Poland interest rate %	Wed/11	1.5
Eurozone industrial production (MAY) % YOY	Thu/12	2.3
ASIA PACIFIC		
Japan current account balance (MAY)bn JPY	Mon/09	1266
China CPI (JUN) % YOY	Tue/10	1.9
Malaysia interest rate %	Wed/11	3.25
Korea interest rate %	Thu/12	1.5
LATIN AMERICA		
Peru interest rate %	Fri/13	2.75

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GLOBAL MARKET DATA (CONTD.)

2 - 8 JULY

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	2,718.37	-1.33%	0.48%	1.67%	12.34%		104%
RUSSELL 2000 INDEX	US	1,643.07	-2.52%	0.58%	7.00%	16.02%		103%
NASDAQ COMPOSITE INDEX	US	7,510.30	-2.37%	0.92%	8.79%	22.23%		106%
S&P/TSX COMPOSITE INDEX	Canada	16,277.73	0.26%	-0.11%	-4.30%	6.02%	0.42%	114%
S&P 500 CONS DISCRET IDX	US	870.23	-1.87%	3.50%	10.81%	22.55%		102%
S&P 500 CONS STAPLES IDX	US	529.08	-0.25%	4.15%	-9.93%	-6.46%		116%
S&P 500 FINANCIALS INDEX	US	441.15	-1.93%	-2.02%	-4.91%	7.64%		104%
S&P 500 HEALTH CARE IDX	US	965.78	-1.79%	1.51%	0.99%	5.21%		98%
S&P 500 INFO TECH INDEX	US	1,218.64	-2.19%	-0.39%	10.17%	29.46%		107%
S&P 500 ENERGY INDEX	US	561.54	1.03%	0.57%	5.27%	17.93%		88%
S&P 500 ECO SECTORS IDX	US	2,718.37	-1.33%	0.48%	1.67%	12.34%		104%
S&P 500 INDUSTRIALS IDX	US	602.10	-1.35%	-3.43%	-5.60%	4.08%		112%
S&P 500 MATERIALS INDEX	US	363.65	-0.80%	0.12%	-4.03%	8.27%		86%
S&P 500 REAL ESTATE IDX	US	201.90	1.06%	3.88%	-0.96%	1.42%		108%
S&P 500 TELECOM SERV IDX	US	148.12	1.18%	2.24%	-10.81%	-3.53%		101%
S&P 500 UTILITIES INDEX	US	263.30	2.25%	2.46%	-1.52%	-0.30%		105%
Europe								
Euro Stoxx 50 Pr	Europe	3,395.60	-1.09%	-0.27%	-5.87%	-0.07%	-3.09%	83%
CAC 40 INDEX	France	5,323.53	-0.94%	-1.34%	-2.67%	5.51%	0.21%	98%
DAX INDEX	Germany	12,306.00	-1.93%	-2.32%	-7.47%	1.25%	-4.73%	105%
Athex Composite Share Pr	Greece	757.57	-1.52%	0.28%	-8.29%	-5.58%	-5.58%	79%
FTSE MIB INDEX	Italy	21,626.27	-0.95%	-0.67%	-3.88%	6.71%	-1.04%	80%
AEX-Index	Netherlands	551.68	-1.30%	-0.16%	-1.60%	10.83%	1.30%	89%
PSI All-Share Index GR	Portugal	3,229.25	-0.08%	1.57%	5.62%	16.97%	8.75%	73%
MOEX Russia Index	Russia	2,293.20	2.42%	-0.93%	-0.14%	15.83%	8.83%	73%
IBEX 35 INDEX	Spain	9,622.70	-1.49%	1.71%	-6.94%	-6.65%	-4.19%	77%
OMX STOCKHOLM 30 INDEX	Sweden	1,539.38	0.03%	-0.90%	-9.68%	-8.50%	-1.15%	95%
SWISS MARKET INDEX	Switzerland	8,609.30	-0.39%	1.04%	-9.94%	-7.19%	-8.23%	107%
BIST 100 INDEX	Turkey	96,094.44	2.30%	-5.24%	-31.03%	-25.96%	-16.31%	115%
FTSE 100 INDEX	UK	7,636.93	-1.03%	-1.28%	-3.09%	5.54%	-0.66%	114%
Asia Pacific								
MSCI AC ASIA x JAPAN	MSCI Asia Ex	672.23	-2.39%	-5.20%	-5.78%	6.96%	-5.78%	161%
S&P/ASX 200 INDEX	Australia	6,177.79	-1.01%	0.70%	-3.33%	2.68%	2.14%	105%
DSE 30 Index	Bangladesh	1,932.36	-0.25%	-1.46%	-15.53%	-9.50%	-14.16%	
HANG SENG CHINA ENT INDX	China "H"	11,073.00	-2.34%	-7.58%	-5.84%	5.58%	-5.43%	126%
SHANGHAI SE COMPOSITE	China "A"	2,778.01	-3.12%	-10.98%	-15.43%	-8.38%	-13.90%	89%
HANG SENG INDEX	HK	28,955.11	-1.30%	-4.99%	-3.64%	10.92%	-3.22%	129%
Nifty 50	India	10,621.35	-1.86%	-1.74%	-5.13%	6.68%	1.74%	111%
JAKARTA COMPOSITE INDEX	Indonesia	5,774.88	-1.62%	-5.49%	-13.13%	-7.14%	-8.75%	97%
NIKKEI 225	Japan	21,811.93	-1.69%	-1.39%	-0.43%	11.49%	-2.02%	92%
KOSPI 200 INDEX	Korea	292.93	-1.41%	-6.35%	-11.21%	-1.37%	-7.72%	81%
Laos Composite Index	Laos	897.54	-0.86%	-2.56%	-10.97%	-13.16%	-9.50%	38%
FTSE Bursa Malaysia KLCI	Malaysia	1,681.58	-0.73%	-4.07%	-5.17%	1.91%	-5.86%	85%
KARACHI 100 INDEX	Pakistan	41,693.29	0.74%	-6.83%	-5.94%	-22.61%	3.56%	107%
PSEi - PHILIPPINE SE IDX	Philippines	7,222.07	1.69%	-5.36%	-21.26%	-12.37%	-15.95%	98%
STRAITS TIMES INDEX STI	Singapore	3,235.22	-0.89%	-6.31%	-5.80%	1.60%	-3.94%	97%
SRI LANKA COLOMBO ALL SH	Sri Lanka	6,169.85	-0.14%	-3.26%	-5.69%	-10.39%	-2.74%	73%
TAIWAN TAIEX INDEX	Taiwan	10,777.94	-1.08%	-1.85%	-0.80%	4.05%	1.82%	91%
STOCK EXCH OF THAI INDEX	Thailand	1,596.80	-2.76%	-10.33%	-10.31%	4.02%	-9.02%	104%
HO CHI MINH STOCK INDEX	Vietnam	948.10	-2.67%	-1.78%	-3.44%	23.27%	-2.38%	81%
Rest of the World								
MSCI ACWI	MSCI World	505.20	-1.27%	-0.70%	-1.53%	8.43%	-1.53%	98%
MSCI EM	MSCI EM	1,069.52	-1.70%	-4.57%	-7.68%	5.47%	-7.68%	97%
MSCI Fronter Market Index	MSCI FM	2,649.82	-0.97%	-3.46%	-11.33%	-1.60%	-11.33%	89%
DFM GENERAL INDEX	Dubai	2,864.98	-3.66%	-4.83%	-16.29%	-16.83%	-16.29%	167%
MSCI EM LATIN AMERICA	Latin America	2,477.08	1.54%	-3.26%	-12.41%	-2.16%	-12.41%	89%
ARGENTINA MERVAL INDEX	Argentina	26,037.01	-19.66%	-21.52%	-44.36%	-30.94%	-13.40%	105%
MSCI BRAZIL	Brazil	1,647.27	0.83%	-8.45%	-18.57%	-2.64%	-18.57%	87%
Santiago Exchange IPSA	Chile	5,301.25	-3.83%	-6.01%	-10.23%	13.89%	-4.73%	98%
IGBC GENERAL INDEX	Colombia	12,499.63	3.72%	0.37%	11.17%	20.14%	8.90%	
S&P/BMV IPC	Mexico	47,663.20	3.21%	7.73%	-3.96%	-11.52%	-3.43%	92%
Bolsa de Panama General	Panama	483.55	0.94%	1.77%	9.17%	14.36%	9.17%	164%
S&P/BVLPeruGeneralTRPEN	Peru	19,800.26	-2.82%	-4.84%	-1.84%	22.75%	-0.87%	131%
MSCI EFM AFRICA	Africa	858.71	0.06%	-4.03%	-15.28%	3.41%	-15.28%	88%
EGYPT HERMES INDEX	Egypt	1,584.68	-0.15%	-1.02%	9.55%	31.66%	10.27%	70%
GSE Composite Index	Ghana	2,878.66	-0.83%	-11.25%	5.46%	36.07%	11.59%	102%
Nairobi SE 20 Share	Kenya	3,289.31	-0.58%	-0.89%	-9.42%	-6.02%	-11.39%	92%
MASI Free Float Index	Morocco	11,878.65	-2.62%	-3.57%	-5.68%	0.12%	-4.12%	444%
NIGERIA STCK EXC ALL SHR	Nigeria	38,278.55	0.82%	0.25%	-0.32%	0.33%	0.09%	97%
FTSE/JSE AFRICA TOP40 IX	South Africa	51,516.06	-0.76%	-4.60%	-11.67%	8.21%	-1.94%	162%
Global Style								
MSCI WORLD GROWTH INDEX	US	2,563.09	-1.46%	-0.02%	3.43%	15.10%	3.43%	97%
MSCI WORLD VALUE INDEX	US	2,736.37	-0.95%	-0.33%	-4.84%	2.64%	-4.84%	100%
MSCI World Large Cap	US	1,277.66	-1.14%	-0.08%	-0.68%	8.74%	-0.68%	100%
MSCI World Mid-Cap	US	1,375.12	-1.56%	-0.61%	-0.61%	9.32%	-0.61%	99%
Average			-1.04%	-2.29%	-5.44%	3.75%	-4.03%	106%
Top 25%			-0.03%	0.43%	-0.88%	11.21%	0.12%	107%
Bottom 25%			-1.83%	-4.71%	-10.08%	-4.56%	-8.82%	89%

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GLOBAL MARKET DATA (CONTD.)

2 - 8 JULY

FX (vs USD)			Return +ive=USD Stronger			
Name	BBG Code	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	DXY Index	94.76	-0.05%	0.52%	2.55%	-1.21%
USD-EUR X-RATE	USDEUR Curncy	0.86	-0.24%	-0.07%	2.95%	-2.11%
Russian Ruble SPOT (TOM)	USDRUB Curncy	63.12	-0.35%	0.64%	8.98%	5.38%
USD-TRY X-RATE	USDTRY Curncy	4.63	-1.57%	1.20%	21.34%	30.12%
USD-GBP X-RATE	USDGBP Curncy	0.76	0.44%	0.74%	2.49%	-1.55%
Bloomberg JPMorgan Asia Dollar	ADXY Index	106.70	-1.01%	-2.39%	-2.43%	1.04%
USD-AUD X-RATE	USDAUD Curncy	1.36	0.54%	2.31%	5.65%	3.69%
USD-CNY X-RATE	USDCNY Curncy	6.65	1.71%	3.33%	1.80%	-2.51%
USD-INR X-RATE	USDINR Curncy	68.64	0.89%	1.56%	7.24%	5.67%
USD-JPY X-RATE	USDJPY Curncy	110.67	0.75%	1.88%	-1.60%	-1.06%
USD-KRW X-RATE	USDKRW Curncy	1,119.23	0.09%	2.91%	4.31%	-2.80%
USD-TWD X-RATE	USDTWD Curncy	30.50	0.52%	1.53%	2.64%	-0.07%
USD-ARS X-RATE	USDARS Curncy	28.94	7.28%	16.17%	55.63%	75.69%
USD-BRL X-RATE	USDBRL Curncy	3.88	2.66%	3.60%	16.64%	16.80%
USD-CLP X-RATE	USDCLP Curncy	653.58	2.55%	3.40%	6.12%	-1.60%
USD-MXN X-RATE	USDMXN Curncy	20.08	-1.19%	-0.94%	0.56%	9.49%
USD-EGP X-RATE	USDEGP Curncy	17.89	0.15%	0.01%	0.64%	-1.26%
USD-NGN X-RATE	USDNGN Curncy	361.50	0.28%	0.21%	0.42%	14.67%
USD-ZAR X-RATE	USDZAR Curncy	13.84	2.55%	8.47%	11.02%	5.30%
Commodities			Return (USD)			
WTI CRUDE FUTURE Aug18	CLA Comdty	73.70	8.12%	10.82%	24.79%	56.53%
BRENT CRUDE FUTR Sep18	COA Comdty	78.38	5.19%	2.56%	22.34%	57.67%
Baltic Dry Index	BDIY Comdty	1,385.00	3.28%	27.06%	1.39%	50.54%
Natural Gas Futures	NG1 Comdty	2.90	-0.71%	-0.95%	-0.98%	-3.88%
Gold Spot $/Oz	XAU Curncy	1,248.55	-1.05%	-3.57%	-3.89%	0.76%
Silver Spot $/Oz	XAG Curncy	15.97	-1.55%	-2.13%	-5.33%	-3.26%
LME COPPER 3MO ($)	LMCADS03 Comdty	6,626.00	-2.40%	-3.30%	-8.57%	11.55%
Government Bond Yields %			Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	2.51	-0.01	0.10	0.65	1.16
US Generic Govt 5 Year Yield	USGG5YR Index	2.71	-0.03	0.04	0.53	0.89
US Generic Govt 10 Year Yield	USGG10YR Index	2.83	-0.03	0.00	0.45	0.59
Canadian Govt Bonds 10 Year No	GCAN10YR Index	2.17	0.04	-0.08	0.12	0.46
Mexico Generic 10 Year	GMXN10YR Index	7.62	-0.15	-0.19	-0.04	0.87
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	1.25	-0.04	0.05	0.09	0.03
Switzerland Govt Bonds 10 Year	GSWISS10 Index	-0.07	-0.02	0.00	0.09	-0.02
German Government Bonds 2 Yr B	GDBR2 Index	-0.67	0.00	-0.01	-0.04	-0.10
German Government Bonds 5 Yr O	GDBR5 Index	-0.31	0.00	-0.03	-0.10	-0.07
Germany Generic Govt 10Y Yield	GDBR10 Index	0.29	-0.04	-0.04	-0.13	-0.15
French Generic Govt 10Y Yield	GTFRF10Y Govt	0.66	-0.04	0.00	-0.12	-0.14
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	3.93	-0.18	-0.62	-0.14	-1.44
Italy Generic Govt 10Y Yield	GBTPGR10 Index	2.72	-0.01	-0.11	0.66	0.53
Spain Generic Govt 10Y Yield	GSPG10YR Index	1.34	-0.03	-0.18	-0.25	-0.21
Portugal Generic Govt 10Y Yield	GSPT10YR Index	1.80	-0.03	-0.19	-0.16	-1.25
Australia Govt Bonds Generic Y	GACGB10 Index	2.60	-0.02	-0.04	0.00	0.13
India Govt Bond Generic Bid Yi	GIND10YR Index	7.90	0.08	0.08	0.58	1.39
KCMP South Korea Treasury Bond	GVSK10YR Index	2.56	-0.06	-0.14	0.09	0.36
Japan Generic Govt 10Y Yield	GJGB10 Index	0.03	0.00	0.00	-0.01	-0.03
South Africa Govt Bonds 10 Yea	GSAB10YR Index	8.72				
Corporate Credit Indices			Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 06/23	ITRXEXE CBIL Curncy	327.27	15.74	16.31	89.41	77.30
MARKIT ITRX EUROPE 06/23	ITRXEBE CBIL Curncy	75.50	3.23	4.88	29.16	18.57
MARKIT ITRX EUR SNR FIN 06/23	ITRXESE CBIL Curncy	92.89	8.36	4.34	46.75	37.77
MARKIT ITRX EUR SUB FIN 06/23	ITRXEUE CBIL Curncy	184.12	13.50	-9.07	77.45	48.75
MARKIT CDX.NA.IG.30 06/23	IBOXUMAE CBIL Curncy	67.62	2.46	0.29	17.78	5.44
MARKIT CDX.NA.HY.30 06/23	IBOXHYSE CBIL Curncy	361.69	15.66	4.19	50.59	13.92
Implied Volatility (Equity Index)			Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SX5E Index	14.67	1.37	-0.30	1.01	-0.82
FTSE 100 500 3month ATM	UKX Index	12.27	1.33	0.47	2.88	0.79
Hang Seng 3month ATM	HSI Index	17.95	1.82	1.65	3.04	5.15
Nikkei 3month ATM	NKY Index	14.93	0.28	0.78	-0.60	2.32
S&P 500 3month ATM	SPX Index	13.61	1.67	0.93	3.69	2.98
Volatility (VIX)	VIX Index	16.09	2.32	0.66	5.05	4.65
Inflation (Long term inflation expectation proxy) %			Change (percentage points)			
US 5Y5YF Inflation Swap		2.41	-0.04	0.02	0.06	0.16
UK 5Y5YF Inflation Swap		3.41	0.01	0.02	-0.08	0.03
JPY 5Y5YF Inflation Swap		0.40	0.00	0.00	0.00	0.08
EUR 5Y5YF Inflation Swap		1.74	-0.01	0.01	0.00	0.13
Economic Data Surprise (+ive/-ive = above/below expectations)						
Citi Economic Surprise Index	CESIAPAC Index	-9.10				
Citi Economic Surprise Index -	CESICNY Index	-46.40				
Citi Economic Surprise Index -	CESIEM Index	-11.70				
Citi Economic Surprise Index -	CESIEUR Index	-61.00				
Citi Economic Surprise Index -	CESIG10 Index	-25.70				
Citi Economic Surprise - Japan	CESIJPY Index	-11.40				
Citi Economic Surprise Index -	CESILTAM Index	-11.80				
Citi Economic Surprise - Unite	CESIUSD Index	-4.90				

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