

# GLOBAL MARKET UPDATE



## 1 - 7 OCTOBER: POLITICAL TENSIONS AND DEBATES REMAIN THE DRIVER OF MARKETS

### THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	Luxembourg <b>0.23%</b> , Austria <b>-0.14%</b> , Canada <b>-0.81%</b>
	Bottom 3:	Denmark <b>-5.60%</b> , New Zealand <b>-4.40%</b> , Finland <b>-4.20%</b>
EMERGING	Top 3:	Brazil <b>7.61%</b> , Qatar <b>1.21%</b> , Abu Dhabi <b>1.20%</b>
	Bottom 3:	India <b>-7.70%</b> , South Africa <b>-6.80%</b> , Indonesia <b>-6.11%</b>
FRONTIER	Top 3:	Bangladesh <b>1.45%</b> , Lebanon <b>0.99%</b> , Romania <b>0.43%</b>
	Bottom 3:	Tunisia <b>-4.27%</b> , Lithuania <b>-2.78%</b> , Argentina <b>-2.31%</b>

As there are no major policy events scheduled for the coming week in developed economies, financial markets are going to mainly focus on inflation releases in the US and in various Euro Area member states. In addition, ongoing political noise risks volatility in asset prices, such as news related to Brexit talks, trade discussions and political tensions within the European Union about the Italian government's tax approach to fiscal policy.

In emerging Asia, the economic diary is also very light. **The data with the greatest potential to move markets will come from China**, when the country releases its money supply and foreign trade statistics. The former will be a good indication of whether recent policy measures have started to impact the economy, while the latter will shed some light on the effects of trade tariffs. **Latin American markets might gradually shift their focus away from Argentine crisis management and Brazilian elections**, as Mr. Bolsonaro gained the largest number of votes in the first round of presidential elections. This week, inflation data are released by Brazil, Chile, Mexico. Furthermore, the Peruvian central bank holds its monetary policy meeting. In Africa, high-frequency indicators will be released, such as inflation in Tunisia and Egypt, and manufacturing performance in South Africa.

### UNITED STATES

S&P 2,886 **-0.97%**, 10yr Treasury 3.23% **+17.16bps**, HY Credit Index 342 **+8bps**, Vix 16.22 **+2.70Vol**

Rising oil (WTI for November delivery at USD 73.6/bbl; Brent for December delivery at USD 83.1/bbl) spilt over to financial markets in the US. Stock markets had a rough week, as the majority of the broad indices fell. The S&P 500's uptrend came to a halt, as the index decreased 1% by the end of the week. The index was dragged down primarily by consumer discretionary, which lost about 4.4% of their value. Oil prices pushed up inflation expectations too, which in turn raised Treasury yields. As

a result, the 2-year rose 7bp to 2.89%, while the 10-year jumped 17bp to 3.23, bringing the 2s10s spread to 35bp.

The September jobs report in the US brought a lower-than-expected **non-farm payroll (NFP) figure of 134,000**. Some portion of unexpectedly weak employment growth can be explained by adverse weather conditions in September, while some of it is justified by the fact that the US's economy has reached the state of full employment, which implies that the available labour force has become scarce. On the bright side of the release, **NFP numbers were revised up in the previous two months, which**

**broadly offset the weakness in the September figure.** The unemployment rate fell 0.1ppt to 3.7%, while average hourly earnings hovered at 2.8% YoY.

*The September jobs report is strong enough to keep the idea of reflation alive, i.e. that inflation in the US has returned and bears the potential to accelerate further going forward. Should wage pressure translate into domestic inflation, the repricing of assets will continue, as the Fed's forward-looking rate hike trajectory might become steeper.*

## EUROPE

Eurostoxx 3,326 **-2.44%**, German Bund 0.55% **+10.30bps**, Xover Credit Index 283 **-7bps**, USDEUR .871 **+0.88%**

Tensions between the Italian government and the EU weighed on market sentiment in the Euro Area. The deterioration of sentiment was well-reflected in European stock prices, as most of the major indices decreased – expressed in terms of USD – last week. European bond yields rose across the board, as oil prices raised inflation expectations. Consequently, the yield on the 10-year German Bund rose 10bp to 0.56%. The impact lifted all European bond yields, including Italian, which have been burdened by idiosyncratic issues as well. Due to the combined effect of the two stimuli, the Italian 10-year spiked 28bp to 3.52%, bringing the spread over the Bund to 296bp, a level last seen in 2013.

**September PMIs in the Euro Area signalled stable growth in 2018 Q3.** The Euro Area composite output PMI was revised down slightly to 54.1, the lowest reading since Nov-2016. The services sector PMI was 54.7, bringing the level of the index to the highest since June. The composite PMI is still highest in Germany, at 55. French composite PMI comes second at 54.0, Spain is third, at 52.5. Finally, Italy is at 52.4.

*In our opinion, the report reflects a growing divergence between the manufacturing sectors of the largest economies of the Euro Area, while the services sector may suggest that the domestic economy remains relatively resilient to external weaknesses.*

According to media speculations, the ECB might change the capital key rule in October or December meetings, since the capital key – which defines how much of each Eurozone countries' sovereign debt is owned in the asset purchase programme – is due for rebalancing.

## ASIA PACIFIC

HSCEI 10,388 **-4.55%**, Nikkei 23,783.72 **-1.52%**, 10yr JGB 0.16% **+0bps**, USDJPY 113.710 **+0.12%**

Asian markets delivered a weak performance during the week. The broad MSCI Asia Pacific ex. Japan index fell 5.2% in USD. The Indian stock market was one of the greatest detractors as the index lost 7.7% of its value in USD. Indonesia, Taiwan and Pakistan also underperformed compared to their peers, decreasing 5-6% in USD, respectively.

**The Indian central bank (RBI) surprised markets by holding the key policy rate on hold**, while the market broadly expected a 25bp hike in response to the recent INR weakness. The tone of the MPC's statement came through relaxed, as MPC members saw no significant domestic price pressures from elevated oil prices and currency weakness. The MPC pointed out that the output gap has closed and there are upside risks for overheating in the coming quarters. This can be interpreted as a hawkish comment, which signals that members stand ready to hike rates further if domestic developments warrant such a move, while external developments will not influence them to a huge extent.

*In our opinion, the MPC can ignore what the market wants as long as volatility in the domestic FX and bond market is not excessive. The decision strongly implies that in the MPC's judgment, volatility remained tolerable and manageable. A weaker currency will help to rebalance the current account. Once sentiment clears, the currency will retrace to stronger levels, as the INR is oversold. We do not see the extent justified by macroeconomic fundamentals.*

**Philippine CPI inflation hit 6.7% YoY in September**, while core inflated eased to 4.7% YoY. Food inflation was one of the largest contributors to the elevated headline figure, as food prices rose 9.7% YoY, due to the bad agricultural harvest and adverse weather conditions.

*As inflation is likely to remain outside the central bank's inflation target band and FX weakness persists, the central bank will need to consider the continuation of the tightening cycle at its next rate setting meeting – especially given that it has been behind the curve for a long time.*

**The Chinese central bank (PBOC) announced on Sunday that the reserve requirement ratio (RRR) will be reduced by 100bp effective on 15th October.** According to the PBOC, the main purpose was to support the real economy by enhancing the stability of the banking sector's funding and by improving the liquidity structure of banks and financial markets, while the monetary policy stance or the overall liquidity position of the Chinese banking system did not change.

*This step by the PBOC implies that Chinese authorities continue to take measures in an attempt to minimise the adverse impact of ongoing trade discussions. As a consequence of such short-term measures, long-term structural plans (e.g. deleveraging) are put on hold – temporarily.*

## LATIN AMERICA

MSCI Lat Am 2,633 **+2.19%**

Latin American stock markets were weak during the week, as the majority of the broad stock indices fell. The only exception was the Brazilian market, which gained 6.7% in USD, as the first round of elections approached on Sunday.

Jair Bolsonaro gained the greatest number of votes in the first round of Brazil's presidential elections on Sunday. Fernando Haddad was second. The outcome matched projections of political polls that **Mr. Bolsonaro and Mr. Haddad would progress through to the second round of**

**elections.** According to latest simulations, it will be a close call between Mr. Bolsonaro and Mr. Haddad in the second round. Latest polls indicated that Mr. Bolsonaro's chances are somewhat higher, as his rejection rate decreased, while Mr. Haddad's rejection rate significantly increase just before the first round.

*Financial markets favour Mr. Bolsonaro over Mr. Haddad, as the former's pro-market and pro-business rhetoric appeals to investors. Although the economic plans of Mr. Bolsonaro are not crystal clear yet, the fact that he has already enlisted an adviser who is in favour of privatisations and overhauling the pension and tax systems relaxes financial market players.*

*The second round of voting will be held on 28th October. Should Mr. Bolsonaro be able to strengthen his support, and ultimately win, Brazilian asset prices will bounce and sustain their gains.*

**The announcement of a trilateral NAFTA agreement should help restore business confidence in the Mexican economy and stabilise Mexican asset prices,** as visibility on the horizon ahead is always favoured over uncertainty. The new pact US-Mexico-Canada Agreement (USMCA) governing about USD 1.2tn in trade, reduces tail risks-related to external trade between the three parties. The deal includes a chapter for dispute settlements, a chapter focused on transparency for exchange rate practices, a recognition of Mexico's sovereignty on hydrocarbons, stronger regional content rules for autos, a cap on Canadian/Mexican auto exports to avoid auto tariffs, a 60-day exemption in case of further national security tariffs, etc.

*The agreement should grant support to the Mexican central bank's policymakers, as members saw trade negotiations between the three parties as a potential source of uncertainty that could lead to persistent FX weakness and higher inflation. As talks have finally concluded, the MPC might shift away from its hawkish stance to a - more - neutral one.*

## AFRICA

MSCI Africa 730 **-7.33%**

The broad MSCI EFM Africa index fell 7.3% in USD, as the majority of the African markets sold off. The South African stock index delivered the weakest performance compared to its African peers, as the index lost 6.8% of its value in USD.

According to central bank officials in South Africa, **the central bank will only intervene if excess volatility in the domestic FX market prevails and need to be addressed.** The MPC continues to closely monitor developments in the domestic economy and in its financial markets. The Deputy Governor argued that the exchange rate acted as a shock absorber and adjustment mechanism.

*The Deputy's speech implies that the MPC favours a weaker currency to a higher policy rate, as the economy has been struggling to expand, as a higher policy rate could dampen economic growth.*

**Egypt's non-oil private-sector activity shrank in**

**September to its lowest level in nine months.** The Emirates NBD Egypt Purchasing Managers' Index (PMI) for the non-oil private sector weakened to 48.7 in September from 50.5 in August, putting it below the threshold of 50. It was the first time the sector had contracted since June. New export orders in September, due to the decline caused by weaker foreign demand for Egyptian goods and services. Despite the dip below 50, the outlook remains positive.

**Tunisia's annual inflation rate in September fell to 7.4%** from 7.5% in August. The central bank of Tunisia expects an inflation rate of 7.8% this year and 7% next year. The International Monetary Fund (IMF) called for further monetary tightening by Tunisia to tackle the country's record levels of inflation.

## THE WEEK AHEAD

	Date	Consensus
<b>UNITED STATES</b>		
US CPI (SEP) % YOY	Thu/11	2.4
US Michigan consumer sentiment (OCT)	Fri/12	100.8
<b>EUROPE</b>		
UK GDP (AUG) % MOM	Wed/10	0.1
UK industrial production (AUG) % YOY	Wed/10	1.0
UK trade balance (AUG) Bn GBP	Wed/10	-1.1
Germany CPI (SEP) % YOY	Fri/12	2.3
Eurozone industrial production (AUG) % YOY	Fri/12	-0.3
<b>ASIA PACIFIC</b>		
China FX reserves (SEP) Bn USD	Sun/07	3105
Japan current account balance (AUG) Bn JPY	Tue/09	1890
China trade balance (SEP) Bn USD	Fri/12	24.5
China M2 (SEP) % YOY	Fri/12	8.50
<b>LATIN AMERICA</b>		
Peru interest rate %	Thu/11	2.75

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# GLOBAL MARKET DATA (CONTD.)

## 1 TO 7 OCTOBER

Market Summary			Data: Last Calendar Week					
Equities			Return (USD)				YTD (Local)	Volume 1wk/3mo
Name	Country	Price	1 Week	MTD	YTD	1Y		
<b>North America</b>								
S&P 500 INDEX	US	2,885.57	-0.97%	-0.97%	7.93%	13.07%		104%
RUSSELL 2000 INDEX	US	1,632.11	-3.80%	-3.80%	6.29%	7.94%		112%
NASDAQ COMPOSITE INDEX	US	7,788.45	-3.21%	-3.21%	12.82%	18.27%		124%
S&P/TSX COMPOSITE INDEX	Canada	15,946.17	-0.81%	-0.81%	-4.77%	-1.93%	-1.62%	111%
S&P 500 CONS DISCRET IDX	US	897.19	-4.37%	-4.37%	14.24%	23.03%		86%
S&P 500 CONS STAPLES IDX	US	549.89	-0.90%	-0.90%	-6.38%	-1.64%		96%
S&P 500 FINANCIALS INDEX	US	465.07	1.50%	1.50%	0.24%	6.41%		98%
S&P 500 HEALTH CARE IDX	US	1,092.32	-0.82%	-0.82%	14.22%	13.75%		97%
S&P 500 INFO TECH INDEX	US	1,292.51	-2.24%	-2.24%	16.84%	25.43%		89%
S&P 500 ENERGY INDEX	US	571.36	1.86%	1.86%	7.11%	12.49%		90%
S&P 500 ECO SECTORS IDX	US	2,885.57	-0.97%	-0.97%	7.93%	13.07%		104%
S&P 500 INDUSTRIALS IDX	US	664.07	0.76%	0.76%	4.12%	8.39%		141%
S&P 500 MATERIALS INDEX	US	361.28	-0.51%	-0.51%	-4.66%	-0.65%		111%
S&P 500 REAL ESTATE IDX	US	196.35	-2.73%	-2.73%	-3.68%	-2.11%		76%
S&P 500 COMM SVC	US	156.96	-2.24%	-2.24%	-5.49%	-4.22%		266%
S&P 500 UTILITIES INDEX	US	272.24	1.86%	1.86%	1.82%	0.44%		95%
<b>Europe</b>								
Euro Stoxx 50 Pr	Europe	3,325.63	-2.44%	-2.44%	-8.56%	-8.97%	-4.52%	122%
CAC 40 INDEX	France	5,324.36	-3.29%	-3.29%	-3.39%	-2.04%	0.88%	105%
DAX INDEX	Germany	12,033.76	-1.96%	-1.96%	-10.21%	-8.17%	-6.24%	104%
Athex Composite Share Pr	Greece	648.68	-5.56%	-5.56%	-21.35%	-13.00%	-17.87%	196%
FTSE MIB INDEX	Italy	20,003.13	-2.62%	-2.62%	-10.84%	-11.35%	-6.90%	139%
AEX-Index	Netherlands	536.24	-2.69%	-2.69%	-5.13%	-2.28%	-0.93%	99%
PSI All-Share Index GR	Portugal	3,058.15	-3.39%	-3.39%	-0.64%	1.06%	3.76%	119%
MOEX Russia Index	Russia	2,451.15	-2.73%	-2.73%	0.33%	1.25%	16.17%	92%
IBEX 35 INDEX	Spain	9,205.30	-2.30%	-2.30%	-11.77%	-10.92%	-7.87%	127%
OMX STOCKHOLM 30 INDEX	Sweden	1,626.77	-3.80%	-3.80%	-6.58%	-11.32%	3.67%	121%
SWISS MARKET INDEX	Switzerland	8,970.06	-2.07%	-2.07%	-5.40%	-3.67%	-3.62%	107%
BIST 100 INDEX	Turkey	94,415.47	-5.81%	-5.81%	-49.27%	-46.99%	-17.73%	99%
FTSE 100 INDEX	UK	7,293.03	-2.16%	-2.16%	-7.83%	-2.82%	-4.80%	111%
<b>Asia Pacific</b>								
MSCI AC ASIA x JAPAN	MSCI Asia Ex	621.00	-5.24%	-5.24%	-12.96%	-7.79%	-12.96%	48%
S&P/ASX 200 INDEX	Australia	6,100.31	-2.94%	-2.94%	-8.00%	-1.15%	1.98%	86%
DSE 30 Index	Bangladesh	1,910.46	0.76%	0.49%	-18.25%	-15.77%	-16.86%	
HANG SENG CHINA ENT INDEX	China "H"	10,388.36	-4.55%	-4.55%	-10.34%	-7.93%	-10.07%	89%
SHANGHAI SE COMPOSITE	China "A"	2,716.51	0.00%	0.00%	-19.19%	-18.63%	-14.69%	107%
HANG SENG INDEX	HK	26,201.08	-4.50%	-4.50%	-11.45%	-6.70%	-11.19%	100%
Nifty 50	India	10,279.80	-7.70%	-7.70%	-15.68%	-8.40%	-2.03%	162%
JAKARTA COMPOSITE INDEX	Indonesia	5,776.91	-6.11%	-6.11%	-19.54%	-14.19%	-9.81%	119%
NIKKEI 225	Japan	23,783.72	-1.52%	-1.52%	3.50%	14.40%	4.48%	107%
KOSPI 200 INDEX	Korea	289.91	-5.05%	-5.05%	-15.19%	-6.97%	-10.30%	114%
Laos Composite Index	Laos	870.52	-0.90%	-0.90%	-15.07%	-16.97%	-12.81%	85%
FTSE Bursa Malaysia KLCI	Malaysia	1,776.59	-1.17%	-1.17%	-3.21%	2.95%	-1.09%	83%
KARACHI 100 INDEX	Pakistan	38,355.44	-5.13%	-5.13%	-13.85%	-17.75%	-3.08%	71%
PSEi - PHILIPPINE SE IDX	Philippines	7,050.82	-3.16%	-3.16%	-23.73%	-19.56%	-17.30%	70%
STRAITS TIMES INDEX STI	Singapore	3,186.46	-2.56%	-2.56%	-8.80%	-2.93%	-5.68%	88%
SRI LANKA COLOMBO ALL SH	Sri Lanka	5,921.62	-0.31%	-0.31%	-16.70%	-18.60%	-7.62%	71%
TAIWAN TAIEX INDEX	Taiwan	10,455.93	-5.79%	-5.79%	-5.18%	-1.82%	-1.18%	93%
STOCK EXCH OF THAI INDEX	Thailand	1,705.64	-3.59%	-3.59%	-2.66%	3.47%	-1.89%	112%
HO CHI MINH STOCK INDEX	Vietnam	996.12	-0.96%	-0.96%	-0.32%	21.93%	2.45%	117%
<b>Rest of the World</b>								
MSCI ACWI	MSCI World	514.69	-1.82%	-1.82%	0.32%	4.75%	0.32%	77%
MSCI EM	MSCI EM	1,000.76	-4.50%	-4.50%	-13.61%	-9.25%	-13.61%	73%
MSCI Frontier Market Index	MSCI FM	2,544.04	-2.02%	-2.02%	-14.87%	-12.08%	-14.87%	89%
DFM GENERAL INDEX	Dubai	2,791.50	-1.20%	-1.53%	-17.16%	-22.26%	-17.16%	140%
MSCI EM LATIN AMERICA	Latin America	2,632.96	2.19%	2.19%	-6.90%	-12.23%	-6.90%	100%
ARGENTINA MERVAL INDEX	Argentina	30,168.72	-2.31%	-2.31%	-50.72%	-48.87%	0.34%	79%
MSCI BRAZIL	Brazil	1,844.94	6.68%	6.68%	-8.80%	-14.90%	-8.80%	150%
S&P/CLX IPSA (CLP) TR	Chile	5,260.00	-3.29%	-3.29%	-14.09%	-10.28%	-5.47%	68%
IGBC GENERAL INDEX	Colombia	12,428.43	-2.58%	-2.58%	6.53%	7.83%	8.28%	
S&P/BMV IPC	Mexico	48,052.85	-4.14%	-4.14%	1.16%	-7.66%	-2.64%	95%
Bolsa de Panama General	Panama	457.41	-0.40%	-0.40%	3.27%	5.11%	3.27%	37%
S&P/BVLPeruGeneralTRPEN	Peru	19,357.74	-1.75%	-1.75%	-5.51%	-3.34%	-3.09%	125%
MSCI EFM AFRICA	Africa	730.11	-7.33%	-7.33%	-27.97%	-15.56%	-27.97%	92%
EGYPT HERMES INDEX	Egypt	1,333.90	-3.56%	-3.80%	-7.67%	1.30%	-7.08%	87%
GSE Composite Index	Ghana	2,928.26	2.22%	2.22%	4.15%	14.29%	13.51%	24%
Nairobi SE 20 Share	Kenya	2,864.99	-0.42%	-0.42%	-21.02%	-20.82%	-22.82%	133%
MASI Free Float Index	Morocco	11,211.21	-1.27%	-1.27%	-10.60%	-9.59%	-9.51%	83%
NIGERIA STCK EXC ALL SHR	Nigeria	32,383.15	-0.73%	-0.73%	-16.02%	-9.73%	-15.32%	70%
FTSE/JSE AFRICA TOP40 IX	South Africa	47,917.02	-6.80%	-6.80%	-23.17%	-12.46%	-8.14%	96%
<b>Global Style</b>								
MSCI WORLD GROWTH INDEX	US	2,640.02	-2.46%	-2.46%	6.54%	12.21%	6.54%	108%
MSCI WORLD VALUE INDEX	US	2,816.99	-0.46%	-0.46%	-2.04%	1.21%	-2.04%	111%
MSCI World Large Cap	US	1,324.64	-1.29%	-1.29%	2.97%	7.32%	2.97%	111%
MSCI World Mid-Cap	US	1,370.27	-2.49%	-2.49%	-0.96%	3.82%	-0.96%	105%
<b>Average</b>			-2.27%	-2.28%	-7.63%	-4.26%	-6.06%	103%
<b>Top 25%</b>			-0.90%	-0.90%	0.28%	3.21%	-1.05%	114%
<b>Bottom 25%</b>			-3.70%	-3.80%	-14.48%	-11.71%	-11.59%	86%

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# GLOBAL MARKET DATA (CONTD.)

## 1 TO 7 OCTOBER

FX (vs USD)			Return +ive=USD Stronger			
Name	BBG Code	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	DXY Index	95.91	0.52%	0.52%	3.80%	1.77%
USD-EUR X-RATE	USDEUR Curncy	0.87	0.88%	0.88%	4.41%	1.71%
Russian Ruble SPOT (TOM)	USDRUB Curncy	67.01	1.79%	1.79%	15.79%	15.91%
USD-TRY X-RATE	USDTRY Curncy	6.18	0.78%	0.78%	62.17%	71.57%
USD-GBP X-RATE	USDGBP Curncy	0.77	-0.40%	-0.40%	3.27%	0.30%
Bloomberg JPMorgan Asia Dollar	ADXY Index	103.62	-0.90%	-0.90%	-5.39%	-3.09%
USD-AUD X-RATE	USDAUD Curncy	1.42	2.67%	2.67%	10.85%	10.71%
USD-CNY X-RATE	USDCNY Curncy	6.91	0.00%	0.00%	5.57%	3.44%
USD-INR X-RATE	USDINR Curncy	74.09	2.25%	2.25%	16.18%	13.89%
USD-JPY X-RATE	USDJPY Curncy	113.71	0.12%	0.12%	0.94%	0.78%
USD-KRW X-RATE	USDKRW Curncy	1,135.78	2.08%	2.08%	6.15%	-0.70%
USD-TWD X-RATE	USDTWD Curncy	30.97	1.43%	1.43%	4.22%	1.84%
USD-ARS X-RATE	USDARS Curncy	37.84	-7.71%	-7.71%	103.63%	118.41%
USD-BRL X-RATE	USDBRL Curncy	3.85	-3.59%	-3.59%	17.06%	23.58%
USD-CLP X-RATE	USDCLP Curncy	675.73	2.94%	2.94%	10.03%	7.78%
USD-MXN X-RATE	USDMXN Curncy	18.82	1.26%	1.26%	-3.75%	3.08%
USD-EGP X-RATE	USDEGP Curncy	17.93	-0.19%	0.44%	0.63%	1.22%
USD-NGN X-RATE	USDNGN Curncy	362.50	-0.45%	-0.45%	0.83%	0.28%
USD-ZAR X-RATE	USDZAR Curncy	14.93	4.56%	4.56%	19.57%	8.55%
Commodities			Return (USD)			
WTI CRUDE FUTURE Nov18	CLA Comdty	73.50	1.49%	1.49%	27.34%	44.49%
BRENT CRUDE FUTR Dec18	COA Comdty	82.99	1.73%	1.73%	32.24%	52.00%
Baltic Dry Index	BDIY Comdty	1,536.00	-0.26%	-0.26%	12.45%	11.14%
Natural Gas Futures	NG1 Comdty	3.19	4.49%	4.49%	6.43%	7.53%
Gold Spot \$/Oz	XAU Curncy	1,194.27	0.75%	0.75%	-8.02%	-5.59%
Silver Spot \$/Oz	XAG Curncy	14.42	-0.55%	-0.55%	-14.41%	-12.34%
LME COPPER 3MO (\$)	LMCADS03 Comdty	6,173.00	-1.36%	-1.36%	-14.82%	-7.87%
Government Bond Yields %			Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	2.89	0.07	0.07	1.00	1.40
US Generic Govt 5 Year Yield	USGG5YR Index	3.07	0.12	0.12	0.86	1.12
US Generic Govt 10 Year Yield	USGG10YR Index	3.23	0.17	0.17	0.83	0.88
Canadian Govt Bonds 10 Year No	GCAN10YR Index	2.60	0.17	0.17	0.56	0.50
Mexico Generic 10 Year	GMXN10YR Index	8.14	0.20	0.20	0.48	1.11
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	1.70	0.15	0.15	0.53	0.34
Switzerland Govt Bonds 10 Year	GSWISS10 Index	0.08	0.04	0.04	0.23	0.10
German Government Bonds 2 Yr B	GDBR2 Index	-0.53	0.01	0.01	0.11	0.18
German Government Bonds 5 Yr O	GDBR5 Index	-0.04	0.07	0.07	0.18	0.24
German Government Bonds 10 Yr	GDBR10 Index	0.55	0.10	0.10	0.15	0.12
French Generic Govt 10Y Yield	GTFRF10Y Govt	0.89	0.10	0.10	0.12	0.17
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	4.58	0.33	0.33	0.41	-1.06
Italy Generic Govt 10Y Yield	GBTGRI10 Index	3.54	0.28	0.28	1.41	1.27
Spain Generic Govt 10Y Yield	GSPG10YR Index	1.59	0.08	0.08	0.01	-0.12
Portugal Generic Govt 10Y Yield	GSPT10YR Index	1.96	0.06	0.06	0.00	-0.46
Australia Govt Bonds Generic Y	GACGB10 Index	2.77	0.05	0.05	0.08	-0.07
India Govt Bond Generic Bid Yi	GIND10YR Index	8.01	0.00	0.00	0.70	1.30
KCMP South Korea Treasury Bond	GVSKI0YR Index	2.45	0.09	0.09	-0.02	0.07
Japan Generic Govt 10Y Yield	GJGB10 Index	0.16	0.03	0.03	0.11	0.11
South Africa Govt Bonds 10 Yea	GSAB10YR Index	8.72				
Corporate Credit Indices			Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 12/23	ITRXEXE CBIL Curncy	283.36	6.61	6.61	48.14	35.27
MARKIT ITRX EUROPE 12/23	ITRXEBE CBIL Curncy	70.42	0.47	0.47	24.29	13.56
MARKIT ITRX EUR SNR FIN 12/23	ITRXESE CBIL Curncy	89.49	3.15	3.15	43.06	27.82
MARKIT ITRX EUR SUB FIN 12/23	ITRXEUE CBIL Curncy	180.73	6.03	6.03	71.90	41.10
MARKIT CDX.NA.IG.31 12/23	IBOXUMAE CBIL Curncy	61.49	1.39	1.39	12.07	7.63
MARKIT CDX.NA.HY.31 12/23	IBOXHYSE CBIL Curncy	341.87	8.38	8.38	35.18	24.71
Implied Volatility (Equity Index)			Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SX5E Index	14.28	1.21	1.21	0.61	2.39
FTSE 100 500 3month ATM	UKX Index	12.52	0.95	0.95	3.14	3.23
Hang Seng 3month ATM	HSI Index	19.04	1.35	1.35	4.13	5.20
Nikkei 3month ATM	NKY Index	15.50	0.37	0.37	-0.03	2.55
S&P 500 3month ATM	SPX Index	12.61	1.53	1.53	2.69	3.66
Volatility (VIX)	VIX Index	16.22	2.70	2.70	3.78	5.63
Inflation (Long term inflation expectation proxy) %			Change (percentage points)			
US 5Y5YF Inflation Swap		2.45	-0.04	-0.04	0.07	0.16
UK 5Y5YF Inflation Swap		3.54	0.02	0.02	0.05	0.10
JPY 5Y5YF Inflation Swap		0.27	0.00	0.00	-0.13	-0.04
EUR 5Y5YF Inflation Swap		1.68	-0.01	-0.01	-0.04	0.04
Economic Data Surprise (+ive/-ive = above/below expectations)						
Citi Economic Surprise Index	CESIAPAC Index	-11.90				
Citi Economic Surprise Index -	CESICNY Index	-23.10				
Citi Economic Surprise Index -	CESIEM Index	-12.10				
Citi Economic Surprise Index -	CESIEUR Index	-29.30				
Citi Economic Surprise Index -	CESIGIO Index	-6.00				
Citi Economic Surprise - Japan	CESIJPY Index	-31.80				
Citi Economic Surprise Index -	CESILTAM Index	-14.30				
Citi Economic Surprise - Unite	CESIUSD Index	6.40				

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

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