

GLOBAL MARKET UPDATE

5 to 11 September 2016



Our view remains that monetary policy has reached a critical point – the current toolkit is almost exhausted, with little obvious benefit from “unconventional” measures. As such, policymakers will soon need to give up (unlikely) or innovate further. The important point is that monetary stimulus does have limits; at some stage permanent increases in the money supply, or aggressively negative rates, will cause a loss of faith and for the real economy to abandon the currency.

This perhaps explains the current trend towards fiscal measures – this week in the UK, Chancellor Philip Hammond reaffirmed that he no longer sought to achieve a budget surplus by 2019, setting the stage for fiscal stimulus later this year.

Similar spending packages are likely in the US (whoever wins the election) and have already started in China and Japan. However, whilst fiscal spending might provide a short-term boon, it cannot address the long-term structural growth problems of the developed world.

UNITED STATES

S&P 2,128 **-2.39%**, 10yr Treasury 1.68% **+7.25bps**, HY Credit Index 406 **+11bps**, Vix 20.16 **+5.52Vol**

After going 40 days without moving more than 1.5% (a new record), **Friday's 2.45% loss for the S&P drove stocks to their worst week since February**. Indeed, **bonds and equities moved lower together** as the market responded to a more hawkish tone from policymakers – first the ECB in “wait and see mode” on Thursday and then Boston Fed chief **Eric Rosengren** stating “a reasonable case” can be made for higher rates and that low rates may cause certain asset markets to “become too ebullient”. This rhetoric came

despite the ISM non-manufacturing dropping sharply in August, following the poor manufacturing reading last week. It also prompted large moves in EM currencies (USD strengthening).

Attention is now firmly focused on a **speech by Lael Brainard on Monday (the day before the FOMC pre-meeting blackout period begins)**. If the usually **dovish governor confirms the bias to hike rates, then a September move becomes probable**. Atlanta Fed president Dennis Lockhart and Minneapolis Fed president Neel Kashkari are also due to speak..

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS (5 TO 11 SEPTEMBER 2016)

DEVELOPED	Top 3:	Singapore 2.51% , Spain 1.78% , Austria 1.55%
	Bottom 3:	United States -2.39% , Canada -2.04% , UK -2.03%
EMERGING	Top 3:	China “H” 3.81% , Hong Kong 3.56% , Taiwan 2.14%
	Bottom 3:	Thailand -5.65% , Philippines -4.64% , Mexico -4.07%
FRONTIER	Top 3:	Latvia 8.47% , Bermuda 6.44% , Slovakia 2.99%
	Bottom 3:	Nigeria -5.15% , Qatar -2.78% , Bahrain -2.02%

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EUROPE

Eurostoxx 2,994 **-0.40%**, German Bund 0.05% **+5.40bps**, Xover Credit Index 330 **-6bps**, EURUSD 1.125 **-0.70%**

At the ECB meeting, Mario Draghi surprised the market with an apparently less accommodative tone than expected. In particular, he stated there had been **no discussion about extending the time period for QE** (the current programme is due to end in March). However, he also said **the ECB had asked internal committees to look at options to ensure the smooth running of asset purchases** (the scale of current buying is facing liquidity difficulties) – and therefore it is likely the council will announce technical changes in October. To increase the eligible universe of bonds this could include removal of the yield floor and the tie between purchases and the capital key.

German economic data again disappointed with industrial production falling sharply and factory orders signalling slowing momentum for June.

*Whilst Draghi did not deliver his usual “whatever it takes” swagger, **we don’t think the meeting outcome was really much different to expected**. Adjusting the parameters of asset purchases is a pre-cursor to expanding the time horizon beyond March. Therefore, we still anticipate this change by the end of the year.*

Banca Monte dei Paschi di Siena’s chief executive Fabrizio Viola agreed to step down on Thursday, as the capital raising announced in July is still not sure to go ahead. Given limited interest from investors, underwriters are trying to restructure the deal to save a bank that has now been 8 years (effectively) bankrupt and has already burnt through EUR 12bn of fresh equity.

This week sees a Bank of England meeting at which no change to policy is expected. Committee member Gertjan Vlieghe could, however, dissent and vote for a cut. Elsewhere, **the CBR in Russia is likely to cut rates to 10% following declining inflation.**

ASIA PACIFIC

HSCEI 9,684 **+3.81%**, Nikkei 1,667.00 **+1.40%**, 10yr JGB 0.00% **+0bps**, USDJPY 102.270 **-1.20%**

In Japan, Q2 GDP was revised up to 0.7% annualised (from 0.2). In his first speech since Jackson Hole,

Governor Kuroda stated that the upcoming policy assessment will focus on factors hampering the attainment of 2% CPI inflation and the costs and benefits of negative interest rates.

Emerging markets continue their strong performance.

The MSCI Emerging Markets Index was up 3% last week, bringing its year to date gains to 17%. The rally continues to be driven by the same group of factors that have been present all year (though in varying proportions). They can be split in to two categories, relative (the case for EM vs DM) and absolute.

Relative:

- Faster economic growth in emerging markets, with the disparity increased by sustained stagnation in developed markets.
- The break down of the idea that political risk is always lower in developed markets (Brexit, Trump, the slow rise of European populism).
- Over USD 13 trillion of bonds (mainly in developed markets) offering a negative yield.
- The relative cheapness of many emerging market equities versus developed, after five years of under performance.

Absolute:

- China avoiding the implosion that the market began to price during the panics of August 2015 and January 2016.
- A realisation that the Fed’s original intention to raise interest rates four times during 2016 (and the implications for EM currencies and monetary policy) was a fantasy.

Fund flows data support this, with **emerging markets attracting another USD 1.8bn of inflows in the week to Wednesday 7th September.**

Attracting a big slice of these flows, as a source of “EM beta”, **Chinese H Shares continue to outperform, up 3.8% last week.**

As well as the re-rating of emerging markets, there are a handful of specific factors that keep driving up the Chinese market. Chief among them are stronger Chinese economic data, back door QE from the PBoC and the expectations for a wave of southbound investment flows from the new Shenzhen Stock Connect programme, due to be rolled out by the end of the year.

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This final point has already become something of a self-fulfilling prophecy, with net southbound flows through the existing Shanghai channel jumping to USD 700m last week. The announcement that Chinese insurance companies will be soon be allowed to invest in H shares poured fuel on the fire.

We note that the increase in Chinese share prices, especially the banks which make up ~40% of the HSCEI Index, is firmly compatible with the interests of the Chinese government. Under local regulations, the upcoming IPO of the state owned Postal Savings Bank of China (set to be largest IPO in the world this year) cannot be completed at a valuation below book value.

China PPI inflation increased from -1.7% in July to -0.8% August, another data point suggesting China's ongoing efforts to de-stock inventories and cut excess capacity are beginning to bear fruit.

Malaysia and South Korea both left interest rates on hold. Korea paused as expected, while many expected further easing from Malaysia, following a 25bps cut in July.

LATIN AMERICA

MSCI Lat Am 2,383 **-2.83%**

Industrial confidence in Brazil increased 0.1% MOM in July. This is the 5th consecutive month of increases.

Improving industrial confidence confirms our thesis that the industrial cycle has bottomed after a severe adjustment, while the consumer still lags.

Chilean president Bachelet's approval rate fell to 19% during August 2016, while unfavourable opinions reached an all-time high 77%. This is the result of increasing unemployment (7.1% in July) and a falling consumer confidence indicator (-1.5 in August to 31.5 points, completing 27 months in pessimistic territory). As a consequence, the central bank reduced GDP potential and trend forecasts.

After 4 years of poor management by President Bachelet, the Chilean economy is bottoming and the general election of 2017 represents an important catalyst for Chilean equities.

The Peruvian budget was presented in congress last week. Half of the USD 42Bn pool will go to prioritised projects:

- Improving the quality and access of safe drinking water,
- Strengthening domestic safety,
- Improving the quality and access to education and health services,
- Closing the infrastructure gap (500Mn more than in the previous budget)

AFRICA

MSCI Africa 795 **+0.29%**

South Africa PMI, stabilised but remained in negative territory at 49.8 in August, from 49.9 in July. The MMI/UNISA consumer financial vulnerability index also fell to 50.71 from 51.28 in Q1. Conditions remain tough for consumers and corporates, while the list of SOEs under investigation for corruption is growing by the week.

South Africa 2Q16 GDP came in at 3.3% QOQ beating consensus, following a -1.2% decrease in Q1 2016. The rebound in Q2 was driven by manufacturing, mining, financial services and strong exports. Expectations are now for a contraction in Q3, underlying the fragility of South African growth (formation of fixed capital, manufacturing production and consumption points to 0% growth in 2016).

Egyptian real GDP growth reached 3.6% in Q3 15/16 and 4.3% in 9M 15/16. Despite the difficult situation in the FX market and inflation in the 15-20% range, the Egyptian economy appears very resilient, although the rate of growth is down from 4.8% last year.

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CALENDAR & MARKET DATA**

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THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
Current account balance (Q2) Bn USD	Thu/15	-119.8
Retail sales (AUG) % MOM	Thu/15	-0.1
Industrial production (AUG) % MOM	Thu/15	-0.2
EUROPE		
UK inflation (AUG) % YOY	Tue/13	0.7
Eurozone industrial production (JUL) % YOY	Tue/13	-0.7
Eurozone inflation (AUG) % YOY	Thu/15	0.2
UK rate decision %	Thu/15	0.3
UK retail sales (AUG) % YOY	Thu/15	5.4
ASIA PACIFIC		
India CPI (AUG) % YOY	Mon/12	5.23
China industrial production (AUG) % YOY	Tue/13	6.2
China retail sales (AUG) % YOY	Tue/13	10.0
Thailand rate decision %	Wed/14	1.5
New Zealand GDP (Q2) % QOQ	Thu/15	1.1
LATIN AMERICA		
Brazil retail sales (JUL) % YOY	Tue/13	4.25
AFRICA		
Mozambique rate decision %	Fri/16	

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Equities			Return (USD)				YTD	Price/
Name	Country	Price	1 Week	MTD	YTD	1Y	(Local)	Book
North America								
S&P 500 INDEX	US	2,127.81	-2.39%	-1.99%	4.10%	8.99%		2.8
RUSSELL 2000 INDEX	US	1,219.21	-2.61%	-1.67%	7.34%	5.74%		2.1
NASDAQ COMPOSITE INDEX	US	5,125.91	-2.36%	-1.67%	2.37%	6.87%		3.5
S&P/TSX COMPOSITE INDEX	Canada	14,540.00	-2.04%	0.32%	18.59%	8.67%		1.9
S&P 500 FINANCIALS INDEX	US	323.25	-2.21%	-2.13%	0.47%	4.55%		1.3
S&P 500 CONS DISCRET IDX	US	621.11	-3.06%	-2.74%	0.02%	4.75%		4.6
S&P 500 INFO TECH INDEX	US	768.76	-2.51%	-1.81%	6.55%	14.57%		4.3
S&P 500 HEALTH CARE IDX	US	824.40	-1.62%	-1.77%	-1.06%	1.94%		3.7
S&P 500 ENERGY INDEX	US	511.68	0.66%	1.23%	14.10%	10.18%		1.9
S&P 500 ECO SECTORS IDX	US	2,127.81	-2.39%	-1.99%	4.10%	8.99%		2.8
S&P 500 INDUSTRIALS IDX	US	493.25	-3.03%	-2.57%	6.41%	12.05%		4.1
S&P 500 CONS STAPLES IDX	US	538.55	-3.87%	-3.18%	3.88%	12.59%		5.3
S&P 500 UTILITIES INDEX	US	244.40	-2.44%	-1.65%	11.09%	17.69%		1.9
S&P 500 MATERIALS INDEX	US	296.85	-3.59%	-2.47%	8.48%	10.73%		3.4
S&P 500 TELECOM SERV IDX	US	168.88	-2.49%	-1.93%	12.65%	16.40%		2.9
Europe								
Euro Stoxx 50 Pr	Europe	2,994.33	-0.40%	1.51%	-3.56%	-5.62%	-6.56%	1.4
CAC 40 INDEX	France	4,407.83	-0.66%	1.72%	-0.03%	-2.70%	-3.14%	1.4
DAX INDEX	Germany	10,337.75	-0.57%	0.33%	1.16%	3.11%	-1.58%	1.6
Athex Composite Share Pr	Greece	566.80	-2.18%	-1.33%	-7.34%	-16.40%	-10.22%	0.5
FTSE MIB INDEX	Italy	16,800.06	0.31%	1.77%	-17.67%	-22.00%	-19.90%	0.9
AEX-Index	Netherlands	444.42	-1.86%	0.18%	5.80%	3.38%	2.50%	1.6
PSI All-Share Index GR	Portugal	2,446.80	-1.12%	-0.06%	2.00%	6.92%	-1.17%	1.4
MICEX INDEX	Russia	2,012.25	1.86%	3.78%	30.66%	23.48%	15.15%	0.8
IBEX 35 INDEX	Spain	8,841.30	1.78%	4.07%	-2.40%	-8.84%	-5.43%	1.3
OMX STOCKHOLM 30 INDEX	Sweden	1,405.52	0.24%	1.31%	-2.27%	-6.00%	-1.40%	2.2
SWISS MARKET INDEX	Switzerland	8,163.41	-0.01%	1.36%	-5.01%	-6.25%	-6.28%	2.5
BIST 100 INDEX	Turkey	77,053.54	-0.46%	0.94%	5.41%	9.32%	7.43%	1.2
FTSE 100 INDEX	UK	6,681.25	-2.03%	0.86%	-2.27%	-5.43%	8.56%	1.8
Asia Pacific								
MSCI AC ASIA x JAPAN	MSCI Asia Ex	556.78	2.23%	2.49%	11.37%	13.46%	11.37%	1.5
S&P/ASX 200 INDEX	Australia	5,219.61	-0.74%	-1.26%	4.51%	12.04%	0.82%	1.8
DSE 30 Index	Bangladesh	1,759.66	0.93%	1.47%	0.68%	-3.71%	0.52%	-
HANG SENG CHINA ENT INDX	China "H"	9,684.19	3.81%	5.41%	4.02%	2.75%	4.11%	1.0
SHANGHAI SE COMPOSITE	China "A"	3,021.98	0.14%	-0.41%	-15.70%	-8.29%	-13.01%	1.7
HANG SENG INDEX	HK	23,378.55	3.56%	4.89%	9.88%	11.67%	9.97%	1.2
Nifty 50	India	8,727.60	0.20%	1.03%	10.51%	13.16%	11.58%	2.9
JAKARTA COMPOSITE INDEX	Indonesia	5,281.92	-1.07%	-1.02%	21.07%	32.00%	15.00%	2.4
NIKKEI 225	Japan	16,672.92	1.40%	0.97%	4.62%	8.81%	-10.86%	1.6
KOSPI 200 INDEX	Korea	250.53	0.96%	0.96%	13.83%	16.03%	7.04%	0.9
Laos Composite Index	Laos	1,014.44	0.24%	0.32%	-14.22%	-20.03%	-14.79%	0.9
FTSE Bursa Malaysia KLCI	Malaysia	1,686.44	0.56%	-0.33%	4.53%	9.31%	-0.36%	1.8
KARACHI 100 INDEX	Pakistan	40,340.23	2.29%	1.74%	23.60%	19.55%	22.93%	1.9
PSEI - PHILIPPINE SE IDX	Philippines	7,581.79	-4.64%	-4.22%	7.92%	8.43%	9.06%	2.5
STRAITS TIMES INDEX STI	Singapore	2,873.33	2.51%	2.09%	3.96%	3.60%	-0.33%	1.2
SRI LANKA COLOMBO ALL SH	Sri Lanka	6,494.86	-0.23%	-0.18%	-6.28%	-13.05%	-5.80%	1.5
TAIWAN TAIEX INDEX	Taiwan	8,947.06	2.14%	1.00%	9.87%	8.23%	9.92%	1.6
STOCK EXCH OF THAI INDEX	Thailand	1,428.11	-5.65%	-7.23%	16.14%	7.14%	12.21%	1.8
HO CHI MINH STOCK INDEX	Vietnam	657.63	-0.33%	-1.16%	16.12%	17.44%	15.17%	1.9
Rest of the World								
MSCI ACWI	MSCI World	414.90	-1.25%	-0.41%	3.89%	5.93%	3.89%	2.1
MSCI EM	MSCI EM	909.32	1.08%	1.75%	14.50%	13.08%	14.50%	1.6
MSCI Frontier Market Index	MSCI FM	2,538.64	-1.05%	-0.46%	7.37%	2.66%	7.37%	1.8
DFM GENERAL INDEX	Dubai	3,519.22	0.21%	0.42%	11.68%	-2.81%	11.69%	1.3
MSCI EM LATIN AMERICA	Latin America	2,383.01	-2.83%	-0.78%	30.23%	20.98%	30.23%	1.7
ARGENTINA Merval INDEX	Argentina	15,975.57	-1.27%	0.71%	17.48%	-10.77%	36.83%	1.1
MSCI BRAZIL	Brazil	1,642.90	-2.96%	-0.50%	58.55%	43.19%	58.55%	1.5
CHILE STOCK MKT SELECT	Chile	4,092.76	-1.05%	0.78%	17.54%	11.19%	11.21%	1.4
IGBC GENERAL INDEX	Colombia	10,324.48	2.12%	3.48%	32.07%	14.06%	20.79%	-
MEXICO IPC INDEX	Mexico	46,459.17	-4.07%	-2.20%	-1.18%	-3.60%	8.10%	2.7
Bolsa de Panama General	Panama	400.20	-1.11%	-0.70%	-1.22%	-3.21%	-0.80%	2.0
S&P/BVLPeruGeneralTRPEN	Peru	15,482.85	0.20%	2.68%	58.49%	43.40%	57.21%	1.7
VENEZUELA STOCK MKT INDX	Venezuela	12,009.04	1.40%	0.39%	-48.14%	-46.76%	-17.68%	1.2
MSCI EFM AFRICA	Africa	795.39	0.29%	3.46%	15.67%	2.97%	15.67%	2.4
EGYPT HERMES INDEX	Egypt	732.61	0.47%	0.20%	2.26%	1.72%	16.19%	1.4
GSE Composite Index	Ghana	1,791.95	-1.62%	-0.72%	-13.69%	-13.25%	-10.17%	1.6
Nairobi SE 20 Share	Kenya	3,208.25	0.72%	0.98%	-19.74%	-20.81%	-20.60%	1.9
MAFI Free Float Index	Morocco	9,996.97	0.96%	1.75%	14.22%	6.72%	12.00%	2.3
NIGERIA STCK EXC ALL SHR	Nigeria	27,577.52	-5.15%	-3.46%	-41.00%	-42.87%	-3.72%	1.4
FTSE/JSE AFRICA TOP40 IX	South Africa	45,757.21	-0.26%	2.94%	9.46%	0.21%	2.05%	2.1
Average			-0.72%	0.11%	5.95%	4.15%	6.07%	
Top 25%			0.61%	1.41%	13.24%	12.04%	12.05%	
Bottom 25%			-2.29%	-1.49%	-0.54%	-3.41%	-3.29%	

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FX (vs USD)			Return +ive=USD Stronger			
Name	Country	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	USD Index	95.17	-0.53%	-0.71%	-3.34%	-0.13%
USD-EUR X-RATE	Europe	0.89	-0.70%	-0.67%	-3.33%	0.41%
Russian Ruble SPOT (TOM)	Russia	65.03	-0.82%	-0.97%	-9.93%	-4.39%
USD-TRY X-RATE	Turkey	2.97	0.63%	0.40%	1.77%	-1.78%
USD-GBP X-RATE	UK	0.75	0.21%	-0.96%	11.08%	16.42%
Bloomberg JPMorgan Asia Dollar	Asia USD Index	106.96	-0.12%	0.00%	0.41%	-0.47%
USD-AUD X-RATE	Australia	1.33	0.42%	-0.31%	-3.34%	-6.20%
USD-CNY X-RATE	China	6.68	0.08%	0.15%	2.99%	4.72%
USD-INR X-RATE	India	66.90	0.52%	-0.07%	1.07%	0.96%
USD-JPY X-RATE	Japan	102.27	-1.20%	-0.71%	-14.47%	-14.87%
USD-KRW X-RATE	Korea	1,113.30	-0.66%	-0.65%	-5.72%	-6.21%
USD-TWD X-RATE	Taiwan	31.75	-0.13%	-0.32%	-3.60%	-2.07%
USD-ARS X-RATE	Argentina	14.97	0.73%	1.13%	16.71%	61.27%
USD-BRL X-RATE	Brazil	3.27	0.54%	1.46%	-17.33%	-14.93%
USD-CLP X-RATE	Chile	671.10	0.08%	-1.21%	-5.16%	-1.91%
USD-MXN X-RATE	Mexico	18.95	1.73%	0.66%	9.93%	12.73%
USD-EGP X-RATE	Egypt	8.88	-0.18%	-0.14%	13.23%	13.23%
USD-NGN X-RATE	Nigeria	325.25	4.75%	3.50%	63.20%	64.16%
USD-ZAR X-RATE	South Africa	14.38	-0.45%	-2.11%	-6.83%	5.74%
Commodities			Return (USD)			
WTI CRUDE FUTURE Oct16	US	45.30	3.24%	2.64%	7.02%	-11.02%
BRENT CRUDE FUTR Nov16	UK	47.54	2.52%	2.39%	9.66%	-15.61%
BALTIC DRY INDEX		804.00	11.67%	13.08%	68.20%	-3.13%
Natural Gas Futures		2.84	0.18%	-3.12%	19.68%	4.25%
Gold Spot \$/Oz		1,328.87	0.22%	1.45%	25.11%	19.55%
Silver Spot \$/Oz		19.01	-2.03%	2.11%	37.46%	29.71%
LME COPPER 3MO (\$)		4,633.00	0.13%	0.35%	-1.53%	-14.17%
Government Bond Yields %			Change (Bps)			
US Generic Govt 2 Year Yield	US 2yr	0.79	0.00	-0.02	-0.27	0.05
US Generic Govt 5 Year Yield	US 5yr	1.23	0.03	0.02	-0.54	-0.32
US Generic Govt 10 Year Yield	US 10yr	1.68	0.07	0.09	-0.59	-0.55
Canadian Govt Bonds 10 Year No	Canada 10Yr	1.15	0.09	0.13	-0.24	-0.34
Mexico Generic 10 Year	Mexico 10yr	5.94	0.08	0.09	-0.34	-0.18
UK Govt Bonds 10 Year Note Gen	UK 10yr	0.89	0.13	0.22	-1.10	-1.01
Switzerland Govt Bonds 10 Year	Swiss 10yr	-0.39	0.02	0.05	-0.37	-0.34
German Government Bonds 2 Yr B	German 2yr	-0.62	0.00	-0.01	-0.29	-0.41
German Government Bonds 5 Yr O	German 5yr	-0.47	0.01	0.02	-0.44	-0.53
Germany Generic Govt 10Y Yield	German 10yr	0.05	0.05	0.08	-0.62	-0.68
French Generic Govt 10Y Yield	French 10yr	0.34	0.12	0.13	-0.68	-0.79
Greece Generic Govt 10Y Yield	Greece 10yr	8.21	0.19	0.20	0.14	-0.20
Italy Generic Govt 10Y Yield	Italy 10yr	1.05	0.08	0.10	-0.30	-0.62
Spain Generic Govt 10Y Yield	Spanish 10yr	1.13	0.05	0.07	-0.69	-1.02
Portugal Generic Govt 10Y Yield	Portugal 10yr	3.24	0.12	0.12	0.65	0.58
Australia Govt Bonds Generic Y	Aus 10yr	2.05	0.11	0.14	-0.92	-0.75
India Govt Bond Generic Bid Yi	India 10yr	6.85	-0.07	-0.06	-0.72	-0.73
KCMP South Korea Treasury Bond	Korea 10yr	1.51	-0.01	0.02	-0.58	-0.72
Japan Generic Govt 10Y Yield	Japan 10yr	0.00	0.02	0.05	-0.28	-0.37
South Africa Govt Bonds 10 Yea	SA 10yr	8.77	-0.19	-0.31	-1.04	0.28
Corporate Credit Indices			Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 06/21	EUR XOVER	329.66	5.74	6.04	1.17	-8.89
MARKIT ITRX EUROPE 06/21	EUR MAIN	71.13	-0.14	-0.18	-9.55	-2.83
MARKIT ITRX EUR SNR FIN 06/21	EUR SNR FIN	92.52	0.36	-1.84	11.13	6.54
MARKIT ITRX EUR SUB FIN 06/21	EUR SUB FIN	205.58	-5.28	-7.63	43.10	34.89
MARKIT CDX.NA.IG.26 06/21	US IG	75.79	1.92	1.82	-14.04	-6.02
MARKIT CDX.NA.HY.26 06/21	US HY	406.14	10.92	8.58	-71.70	8.80
Implied Volatility (Equity Index)			Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	Europe	19.86	0.69	0.14	-3.62	-6.47
FTSE 100 500 3month ATM	UK	14.27	1.15	0.55	-1.93	-6.97
Hang Seng 3month ATM	HK	15.90	-1.24	-0.86	-2.11	-12.05
Nikkei 3month ATM	Japan	20.28	-4.49	-0.94	2.12	-9.08
S&P 500 3month ATM	US	15.24	2.91	2.37	-0.95	-5.25
Volatility (VIX)	US	20.16	5.52	4.08	-0.71	-6.87
Inflation (Long term inflation expectation proxy) %			Change (Bps)			
US 5Y5YF Inflation Swap	USD	1.99	0.02	0.02	-0.21	-0.23
UK 5Y5YF Inflation Swap	GBP	3.24	0.03	0.05	-0.10	-0.13
JPY 5Y5YF Inflation Swap	JPY	0.11	0.00	-0.01	-0.60	-0.86
EUR 5Y5YF Inflation Swap	EUR	1.30	0.01	0.00	-0.38	-0.39
Economic Data Surprise (+ive = above expectations)						
Citi Economic Surprise Index	Asia Pacific	14.60				
Citi Economic Surprise Index -	China	5.10				
Citi Economic Surprise Index -	EM	-11.60				
Citi Economic Surprise Index -	Eurozone	-18.70				
Citi Economic Surprise Index -	G10	-0.20				
Citi Economic Surprise - Japan	Japan	17.20				
Citi Economic Surprise Index -	Latin America	-32.50				
Citi Economic Surprise - Unite	US	-4.90				

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

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