

GLOBAL MARKET UPDATE



6 TO 12 NOVEMBER: WORST CASE SCENARIO

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	Singapore 1.42% , Australia 1.34% , Japan 1.15%
	Bottom 3:	Europe -2.14% , Germany -2.14% , Spain -2.09%
EMERGING	Top 3:	Russia 4.12% , Colombia 2.15% , Czech Republic 2.10%
	Bottom 3:	Dubai -4.76% , Greece -3.39% , India -2.31%
FRONTIER	Top 3:	Iceland 4.17% , Vietnam 2.88% , Ukraine 2.85%
	Bottom 3:	Venezuela -6.87% , Kuwait -5.02% , Bermuda -3.47%

Last week, developed market bonds and equities fell in unison. These moves were of course small and, in the context of a blockbuster year for equities alongside another positive total return for fixed income, of little isolated significance. Nonetheless, given “risk-free” bond yields in many currencies now trade near the zero lower bound, it is a reminder that, in the next crisis, traditional “balanced” asset allocation may not protect a portfolio.

In particular, we view inflation as the most sizeable tail risk for markets. As a reminder, global inflation has steadily fallen over the past 40 years (see chart 1). In our opinion, this has been driven by more pro-active monetary policy, ageing populations, technology and increasing leverage. The question now is whether the maturing cycle, with unemployment at multi-year lows, could start to stimulate increasing price pressures, therefore forcing higher interest rates and bursting the world’s liquidity filled bubble.

Our take is that, for now, this is unlikely. The forces of secular stagnation are the equal of tightening capacity utilisation and thus this “worst case scenario” will not be realised in the current environment. However, this is not to say we are positive on the longer-term outlook. The developed world continues to live beyond its means, with very low probability of generating sustained and sufficient real growth. Moreover, monetary policy has reached its limit. This is to say, moving beyond quantitative easing (to helicopter money or large negative rates) will challenge faith in fiat currency – and it is this that could unleash the inflation tsunami.

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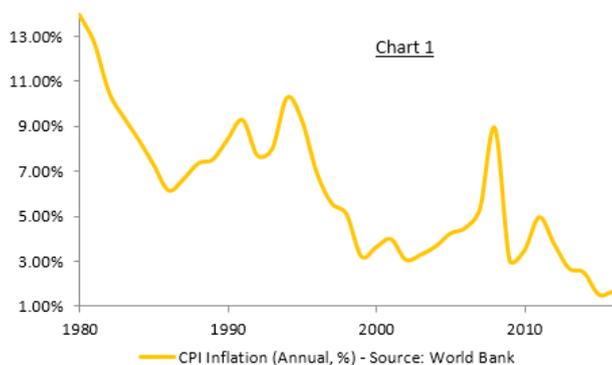
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Last week, oil continued its march higher on the basis of uncertainty in Venezuela and unrest in Saudi Arabia (arrests of officials and members of the royal family, as well as the apparent detention of Lebanese PM Saad Hariri in connection with his refusal to confront Hezbollah). US oil inventories however rose, which suggests some ability for US producers to offset any reduction in global supply.

UNITED STATES

S&P 2,582 **-0.21%**, 10yr Treasury 2.37% **+6.59bps**, HY Credit Index 331 **+17bps**, Vix 11.29 **+2.15Vol**

Recent excitement around Donald Trump's tax reform plans was tempered last week, as the Senate Finance Committee put forward a tax reform bill that differed from that proposed by Republicans in the house. Most notable was the suggestion that any cuts in corporation tax should be delayed until 2019. This discord was enough to **snap the S&P 500's 8 week winning** streak, with small caps and financials underperforming and defensive sectors finishing higher.

After Donald Trump's trip to Asia, **the White House announced some USD 250bn in trade deals with China**. However, the achievement has been met with much scepticism as most measures were already announced or not contractual. Still, certain trade barriers (such as on the importation of beef) appear to have been removed.

It appears nobody wants to stay on the FED merry-go-round, **as yet another Governor announced his departure - this time NY chief Bill Dudley** to early retirement. There must be at least some sense of warning lights flashing as Dudley's resignation follows only months after vice-chair Stanley Fischer.

The University of Michigan consumer sentiment survey declined modestly from elevated levels.

EUROPE

Eurostoxx 3,599 **-2.14%**, German Bund 0.40% **+4.60bps**, Xover Credit Index 243 **-19bps**, EURUSD 1.164 **-0.49%**

European economic data was mixed last week, as the final readings of the October PMIs confirmed a slight moderation in confidence and German and Italian industrial production declined but German factory orders and French industrial production came in ahead of expectations. Nonetheless, the economy has done much better than expected this year and the European Commission upgraded its growth forecast to 2.2% for 2017 (from 1.7% earlier in the year). European stocks, however, underperformed. With earnings season mostly complete, earnings surprises have come in at the weakest level since Q2 2016.

The EU commission's bullish perspective on continental Europe, was not shared for the UK - which saw its growth estimate slashed to 1.5%, with a further slowdown next year. Indeed, last week saw further calamity for the incumbent Conservative party, with the defence minister and secretary of state for international development both forced to resign.

The MPC in **Poland left rates on hold at 1.50%**.

ASIA PACIFIC

HSCEI 1,168 **+1.23%**, Nikkei 2,238.00 **+1.15%**, 10yr JGB 0.05% **Obps**, USDJPY 113.490 **-0.40%**

Japan continued its recent outperformance last week. Whilst we still see the longer-term economic story as woeful, there is no disputing the positive effects of the recent global upturn on the export-driven country. The PMIs hit a 2 year high and the Economy Watchers Survey "diffusion indices" hit 3-year highs last week, whilst stocks gained for the 9th consecutive week.

In China, consumer price inflation ticked up to 1.9% YOY in October, from 1.6% in September, **whilst producer price inflation remained unchanged** at 6.9% YOY. Both figures

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came out ahead of market expectations. Food prices caused the increase in CPI, with the cost of pork and vegetables both rising. Non-food CPI was unchanged at 2.4% YOY.

Trade data in China came in broadly as expected for October. Export growth decelerated, from 8.1% YOY in September to 6.9% in October, whilst import growth printed at 17.2% YOY, down from the revised September figure of 18.6% YOY. *Both data points were largely in line with recent trends, and with the previously reported October PMI data, thus providing little fresh information.*

Away from macro data, more meaningful developments in China this week revolved around newly announced financial reforms.

In the afterglow of last month's National Congress in Beijing, policymakers announced plans to either **relax, or remove entirely, foreign ownership limits in commercial banking, asset managers and insurers.**

Although analysis of the details announced by vice-minister of finance Zhu Guangyao shows that many of the most meaningful changes are three years or more from full implementation, the move has been regarded as carrying strong symbolism. Coming just weeks after the National Congress, we interpret this announcement of concrete action to promote financial liberalisation as the current administration cementing a pragmatic and forward looking stance on economic reform.

These reforms, which include removing the current 20% ownership cap for a single foreign investor in a Chinese commercial bank, and increasing the foreign ownership limit in fund management, securities and futures businesses to 51%, follow on from announcements made back in May this year, which permitted foreign credit rating agencies to operate fully owned subsidiaries in China. Whilst none of these constitutes a 'Big Bang' financial reform, we believe that a clear direction of travel towards greater financial liberalisation has been established by the Chinese administration under Xi Jinping.

The obvious exception to this trend, however, remains the stringent measures deployed in 2016 to tighten controls on capital outflows, which had been blamed for fanning the flames of speculation that forced the central bank to run down its foreign reserves to prop up the value of the RMB.

Adding a second dimension to the symbolism, these announcement also followed US President Trump's meeting with Chinese counterpart President Xi Jinping, after which Trump renewed calls for US firms to be granted greater market access in China.

Whilst these measures will do little to address trade imbalances between the US and China, the correction of which formed a key part of Trump's 2016 campaign, they represent an olive branch being handed between two nations crossing in opposite directions – America, slowly withdrawing from the Asia Pacific region under a President harshly critical of the impact global trade has had on the living standard of his citizens, and China, who at this year's World Economic Forum in Davos, took on the mantle of defender of free trade, urging the rest of the world to continue to pursue globalisation and integration as a means

towards collective prosperity.

Indonesia's GDP growth rate accelerated slightly in Q3, to 5.1% YOY from Q2's 5.0% growth rate. The 7.1% YOY growth rate in the investment component was the star of the show, recording its fastest growth rate since 2012. Consumption, on the other hand, remained a drag, expanding 4.9% YOY and dragging the headline number downward.

Whilst the latest print does represent an acceleration versus the previous quarter, the Indonesian economy is yet to fully bear the fruits of the cumulative 175bps of interest rate cuts delivered by the central bank since December 2015. Until recently, the investment cycle had been one of the largest missing pieces of the growth-puzzle. With the recent pickup in investment, however, it is now the elusive revival of domestic consumer demand that has become the sticking point for policymakers in achieving higher GDP growth rates. We attribute this partly to weaker credit growth, which continues to languish in the single digits, in comparison to a +20% credit growth rate achieved during the previous monetary easing cycle of a decade ago, which coincided with +6% GDP growth.

The Philippines' central bank left interest rates on hold for the 25th consecutive meeting, keeping the overnight policy rate at 3.0%. On the back of a weaker peso and higher oil prices, Governor Espenilla's statement surmised that inflation risks remain tilted to the upside and announced a higher official inflation forecast for 2018 of 3.4%, from the previous level of 3.2%.

With inflationary tax reforms on the horizon, in addition to the above FX and commodity considerations, the Philippines' central bank is expected to initiate a monetary tightening cycle in 2018.

Malaysia left interest rates on hold at 3.0%.

LATIN AMERICA

MSCI Lat Am 2,755 -0.62%

Colombian inflation came in below consensus at 0.02% MOM in October. The YOY CPI (4.05%) now lies just above the central bank's target range as a result of an unfavourable statistical base. October's print conforms the rapid pace of disinflation in the country.

Argentina's central bank raised the benchmark rate by 100bps, to 28.75%, following a 150bps hike 2 weeks ago. The central bank took a hawkish stance citing consistent increases in inflation expectations and very weak signs of a deceleration in core CPI.

Brazil's vehicle production was up 42.2% YOY, sales grew 27.6% YOY, and exports surged 52.9% YoY in October.

Data is confirming our analysis of the industrial sector recovering faster and stronger than consumption led by the rebuilding of inventory and revival of exports, while unemployment and consumer leverage remain high and real disposable income growth is still sluggish.

Peru's central bank cut its benchmark rate by 25bps to

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3.25%, for the 4th time in 6 months. This rate cut came as the October CPI print showed the steepest drop in consumer prices since 2006 and the economy continues to recover from a 3-year investment slump.

Easing Peruvian monetary policy, with still low inflation, is another tailwind for a faster and stronger economic rebound.

Peru's business confidence reached 64pts in October, its highest level since May 2013.

Business confidence is a leading indicator of investment, which is a major driver of growth in Peru.

Mexico's central bank maintained rates on hold at 7.0% as October CPI came in at 6.37% YOY, far above the central bank's 3% target. Annual core inflation was also basically unchanged (at 4.8%).

AFRICA

MSCI Africa 870 **-0.11%**

In Nigeria, President Muhammadu Buhari presented the 2018 budget to lawmakers, with the following highlights:

- NGN8.6trn (USD23.9bn) budget, c.16% higher than 2017;
- NGN6.6tr revenue target, 36% from oil and 64% non-oil revenue sources;
- Proposed capital expenditure makes up around 28% of the total expenditure; and
- Debt servicing accounts for 23% of total expenditure.

The budget is predicated on 2.3mn barrels of oil per day, a crude oil price of USD 45 per barrel, an exchange rate of N305/USD, 3.5% GDP growth and N2.0trn budget deficit with plans of finding N710bn by restructuring the government's equity in JV oil assets and increasing private sector participation.

The underlying assumption are unrealistic:

- *Oil output projections make no allowance for disruption from militancy in the oil rich Niger Delta region (with some militants currently threatening to resume hostilities).*
- *The exchange rate of N305/USD compares to N360/USD at the main I&E window and is negative for rate convergence.*
- *3.5% GDP growth compares to 2.4% World Bank and 2.5% IMF forecasts.*
- *More worryingly, a N2.0trn budget deficit will make the already unsustainable debt profile worse, particularly with the revenue targets implying a 40% YOY jump in 2017 projected non-oil revenue.*

Staying in Nigeria, **Moody's downgraded the country's sovereign issuer rating** to B2 with a stable outlook, driven by concerns that the 'country's balance sheet remains exposed to further economic shocks and that interest payments as a share of total revenues remain elevated'.

In Kenya, **the election saga continued, this time with petitions filed against the re-election of President Uhuru Kenyatta at the Supreme Court**, and the opposition leader called for an interim government to run the country for a period of 6 months while the constitution is reviewed. Should the court deem the October 26th re-run invalid, a fresh presidential election will be conducted within 60 days of the Supreme Court ruling (deadline January 19th, 2018).

Moving on to data prints, the charged political climate and a credit squeeze driven by a cap on interest rates, saw growth in home prices fall to a three-year low. Remittances from the diaspora however bulked the trend, hitting record highs for two consecutive month and Kenya farmers saw some reprieve from the government's cancellation of an international tender for supply of 550,000 bags of maize and 20,000 bags of rice in favour of local purchase.

In Egypt, headline inflation moderated to 30.8% YOY in October from 31.6% in September. On a MOM basis, inflation was up 1.1%, driven in part by a 7% MOM increase in communication costs following increases in prepaid card prices, and 20% MOM increase in education prices at the start of the new school year.

In other developments, the IMF reached a staff level agreement for the next instalment of the three-year, USD12bn loan programme, while a new 4.2m tons capacity refinery, which will reduce Egypt's diesel import by about

THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
PPI (OCT) % YOY	Tue/14	2.5
CPI (OCT) % YOY	Wed/15	2.0
Retail sales (OCT) % MOM	Wed/15	0.1
EUROPE		
UK CPI (OCT) % YOY	Tue/14	3.2
Poland GDP (Q3) % YOY	Tue/14	3.9
Czech republic GDP (Q3) % YOY	Tue/14	4.6
Hungary GDP (Q3) % YOY	Tue/14	3.7
ASIA PACIFIC		
China retail sales (OCT) % YOY	Tue/14	10.4
China industrial production (OCT) % YOY	Tue/14	6.3
Japan GDP (preliminary) % QOQ	Wed/15	0.4
LATIN AMERICA		
Chile rate decision	Tue/14	2.5
Colombia industrial production (SEP) % YOY	Tue/14	-0.9
Colombia GDP (Q3) % YOY	Wed/15	2.1
AFRICA		
Nigeria CPI (OCT) % YOY	Wed/15	15.8

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GLOBAL MARKET DATA

6 TO 12 NOVEMBER

Market Summary

Data: Last Calendar Week

Equities				Return (USD)				YTD	Price/
Name	BBG Code	Country	Price	1 Week	MTD	YTD	1Y	(Local)	Book
North America									
S&P 500 INDEX	SPX Index	US	2,582.30	-0.21%	0.27%	15.34%	19.14%		3.2
RUSSELL 2000 INDEX	RTY Index	US	1,475.28	-1.31%	-1.83%	8.71%	17.87%		2.3
NASDAQ COMPOSITE INDEX	CCMP Index	US	6,750.94	-0.20%	0.35%	25.41%	29.61%		3.6
S&P/TSX COMPOSITE INDEX	SPTSX Index	Canada	16,039.26	0.81%	1.77%	11.26%	15.35%		1.9
S&P 500 FINANCIALS INDEX	S5FINL Index	US	432.27	-2.65%	-2.02%	11.83%	20.73%		1.4
S&P 500 CONS DISCRET IDX	S5COND Index	US	734.96	0.75%	0.41%	13.45%	16.81%		5.1
S&P 500 INFO TECH INDEX	S5INFT Index	US	1,107.67	0.00%	1.04%	37.10%	41.11%		5.5
S&P 500 HEALTH CARE IDX	S5HLTH Index	US	938.63	-0.54%	0.03%	17.78%	13.60%		3.9
S&P 500 ENERGY INDEX	S5ENRS Index	US	513.67	1.09%	2.11%	-7.36%	-1.19%		1.9
S&P 500 ECO SECTORS IDX	S5E1 Index	US	2,582.30	-0.21%	0.27%	15.34%	19.14%		3.2
S&P 500 INDUSTRIALS IDX	S5INDU Index	US	600.98	-1.08%	-0.71%	11.69%	14.42%		4.5
S&P 500 CONS STAPLES IDX	S5CONS Index	US	558.57	2.06%	2.20%	5.04%	7.70%		5.2
S&P 500 UTILITIES INDEX	S5UTIL Index	US	281.17	0.44%	0.65%	13.91%	20.07%		2.1
S&P 500 MATERIALS INDEX	s5MATR Index	US	363.98	-1.25%	-1.54%	16.60%	19.10%		2.9
S&P 500 TELECOM SERV IDX	S5TELS Index	US	143.99	-1.34%	-2.88%	-18.47%	-6.65%		2.3
Europe									
Euro Stoxx 50 Pr	SX5E Index	Europe	3,599.36	-2.14%	-2.09%	20.73%	26.28%	9.22%	1.7
CAC 40 INDEX	CAC Index	France	5,382.21	-2.02%	-2.13%	22.33%	27.13%	10.66%	1.6
DAX INDEX	DAX Index	Germany	13,155.62	-2.14%	-0.52%	26.40%	32.20%	14.34%	1.9
Athex Composite Share Pr	ASE Index	Greece	734.12	-3.39%	-3.22%	26.08%	33.88%	14.06%	0.6
FTSE MIB INDEX	FTSEMIB Index	Italy	22,510.42	-1.50%	-0.93%	29.66%	43.72%	17.29%	1.2
AEX-Index	AEX Index	Netherlands	548.47	-0.93%	-1.00%	25.22%	30.20%	13.28%	1.9
PSI All-Share Index GR	BVLX Index	Portugal	2,970.08	0.02%	-1.30%	30.22%	34.68%	17.80%	1.3
MICEX INDEX	INDEXCF Index	Russia	2,182.20	4.12%	3.56%	0.51%	16.85%	-2.84%	0.9
IBEX 35 INDEX	IBEX Index	Spain	10,079.90	-2.09%	-4.00%	19.30%	23.38%	7.92%	1.5
OMX STOCKHOLM 30 INDEX	OMX Index	Sweden	1,632.67	-1.59%	-2.01%	17.15%	21.32%	7.74%	2.3
SWISS MARKET INDEX	SMI Index	Switzerland	9,182.36	-1.41%	-1.07%	13.55%	14.30%	11.12%	2.6
BIST 100 INDEX	XUI00 Index	Turkey	108,422.00	-1.54%	-2.76%	27.34%	19.92%	39.43%	1.4
FTSE 100 INDEX	UKX Index	UK	7,458.50	-0.69%	-1.38%	11.23%	14.53%	4.06%	1.9
Asia Pacific									
MSCI AC ASIA x JAPAN	MXASJ Index	MSCI Asia Ex	702.62	0.44%	1.54%	36.61%	31.45%	36.61%	1.7
S&P/ASX 200 INDEX	AS51 Index	Australia	6,021.77	1.34%	2.00%	12.93%	13.71%	6.42%	2.1
DSE 30 Index	DS30 Index	Bangladesh	2,258.57	1.39%	3.18%	17.03%	20.36%	23.92%	-
HANG SENG CHINA ENT IND	HSCEI Index	China "H"	11,684.51	1.23%	2.05%	24.24%	22.32%	25.02%	1.1
SHANGHAI SE COMPOSITE	SHCOMP Index	China "A"	3,447.84	1.55%	0.90%	15.49%	11.01%	10.60%	1.9
HANG SENG INDEX	HSI Index	HK	29,182.18	1.80%	3.08%	31.53%	26.75%	32.36%	1.4
Nifty 50	NIFTY Index	India	10,266.40	-2.31%	-1.20%	31.14%	24.21%	26.09%	3.0
JAKARTA COMPOSITE INDEX	JCI Index	Indonesia	6,027.44	-0.35%	0.39%	13.68%	9.88%	13.69%	2.5
NIKKEI 225	NKY Index	Japan	22,380.99	1.15%	3.21%	21.94%	22.88%	18.66%	1.9
KOSPI 200 INDEX	KOSPI2 Index	Korea	334.33	-1.16%	0.51%	39.16%	36.82%	29.21%	1.1
Laos Composite Index	LSX Index	Laos	1,026.75	-0.27%	-0.89%	1.03%	2.11%	2.61%	0.9
FTSE Bursa Malaysia KLCI	FBMVKLCI Index	Malaysia	1,742.16	1.20%	0.68%	13.61%	9.24%	6.12%	1.8
KARACHI 100 INDEX	KSE100 Index	Pakistan	41,207.80	0.78%	4.51%	-14.17%	-3.64%	-13.33%	1.6
PSEI - PHILIPPINE SE IDX	PCOMP Index	Philippines	8,330.02	0.77%	1.67%	19.22%	12.22%	23.28%	2.5
STRAITS TIMES INDEX STI	FSSTI Index	Singapore	3,422.03	1.42%	1.51%	26.24%	24.91%	18.72%	1.2
SRI LANKA COLOMBO ALL SH	CSEALL Index	Sri Lanka	6,521.70	-1.04%	-0.96%	2.60%	-1.90%	5.21%	1.4
TAIWAN TAIEX INDEX	TWSE Index	Taiwan	10,683.92	-0.52%	-0.72%	24.45%	23.45%	15.98%	1.8
STOCK EXCH OF THAI INDEX	SET Index	Thailand	1,684.28	-0.59%	-1.60%	18.46%	18.55%	9.48%	2.0
HO CHI MINH STOCK INDEX	VNINDEX Index	Vietnam	879.34	2.88%	3.72%	30.89%	25.81%	30.58%	2.5
Rest of the World									
MSCI ACWI	MXWD Index	MSCI World	497.86	-0.20%	0.25%	18.02%	20.91%	18.02%	2.3
MSCI EM	MXEF Index	MSCI EM	1,128.49	0.21%	0.84%	30.87%	28.88%	30.87%	1.8
MSCI Frontier Market Index	MXFM Index	MSCI FM	2,854.13	-0.26%	-0.17%	18.02%	16.85%	18.02%	1.9
DFM GENERAL INDEX	DFMGI Index	Dubai	3,464.68	-4.76%	-5.12%	-2.30%	5.37%	-2.30%	1.3
MSCI EM LATIN AMERICA	MXLA Index	Latin America	2,755.47	-0.62%	-1.92%	17.72%	18.69%	17.72%	1.9
ARGENTINA Merval INDEX	MERVAL Index	Argentina	27,080.55	-2.44%	-2.22%	45.68%	43.42%	60.07%	2.0
MSCI BRAZIL	MXBR Index	Brazil	1,960.45	-0.95%	-2.51%	17.26%	18.33%	17.26%	1.7
CHILE STOCK MKT SELECT	IPSA Index	Chile	5,394.70	-1.13%	-2.73%	37.96%	33.49%	29.95%	1.8
IGBC GENERAL INDEX	IGBC Index	Colombia	10,761.69	2.82%	2.35%	6.30%	13.95%	6.49%	-
S&P/BMV IPC	MEXBOL Index	Mexico	48,028.30	-0.81%	-1.05%	13.75%	14.02%	5.23%	2.6
Bolsa de Panama General	BVPSBVPS Index	Panama	439.80	0.17%	0.16%	6.36%	7.53%	6.41%	2.0
S&P/BVLPeruGeneralTRPEN	SPBLPGPT Index	Peru	19,680.91	-2.04%	-0.99%	30.67%	31.03%	26.43%	1.9
VENEZUELA STOCK MKT IND	IBVC Index	Venezuela	655.78	-6.87%	2.07%	1968.38%	2976.03%	####	11.8
MSCI EFM AFRICA	MXFMEAF Index	Africa	869.70	-0.11%	0.21%	13.04%	15.39%	13.04%	2.3
EGYPT HERMES INDEX	HERMES Index	Egypt	1,342.67	0.07%	0.27%	27.88%	33.89%	24.53%	1.8
GSE Composite Index	GGSECI Index	Ghana	2,407.98	0.73%	0.86%	36.68%	27.58%	42.56%	2.2
Nairobi SE 20 Share	KNSMIDX Index	Kenya	3,752.15	-1.18%	0.80%	16.48%	13.45%	17.76%	2.4
MASI Free Float Index	MOSENEW Index	Morocco	12,612.90	1.86%	1.98%	15.34%	24.66%	8.32%	3.1
NIGERIA STCK EXC ALL SHR	NGSEINDX Index	Nigeria	37,120.28	0.49%	1.20%	20.85%	23.87%	38.12%	1.6
FTSE/JSE AFRICA TOP40 IX	TOP40 Index	South Africa	53,686.02	-0.66%	-0.06%	16.26%	15.68%	21.69%	2.4
Average				-0.37%	-0.01%	47.29%	64.15%	54.88%	
Top 25%				0.76%	1.35%	26.32%	26.94%	25.29%	
Bottom 25%				-1.28%	-1.34%	13.24%	14.16%	8.22%	

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GLOBAL MARKET DATA (CONTD.)

6 TO 12 NOVEMBER

FX (vs USD)				Return +ive=USD Stronger			
Name	BBG Code	Country	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	DXYS Index	USD Index	94.62	-0.58%	-0.17%	-7.65%	-4.45%
USD-EUR X-RATE	USDEUR Curncy	Europe	0.86	-0.49%	-0.17%	-9.83%	-6.63%
Russian Ruble SPOT (TOM)	USDRUB Curncy	Russia	59.24	1.28%	1.57%	-3.80%	-9.79%
USD-TRY X-RATE	USDTRY Curncy	Turkey	3.87	-0.60%	1.91%	9.68%	18.86%
USD-GBP X-RATE	USDGBP Curncy	UK	0.76	-0.85%	0.72%	-6.42%	-4.81%
Bloomberg JPMorgan Asia Dollar	ADXY Index	Asia USD Index	107.50	-0.11%	-0.07%	4.48%	2.69%
USD-AUD X-RATE	USDAUD Curncy	Australia	1.31	-0.14%	-0.06%	-5.96%	-0.61%
USD-CNY X-RATE	USDCNY Curncy	China	6.64	0.24%	0.20%	-4.41%	-2.37%
USD-INR X-RATE	USDINR Curncy	India	65.46	1.14%	1.10%	-3.78%	-2.72%
USD-JPY X-RATE	USDJPY Curncy	Japan	113.49	-0.46%	-0.10%	-2.97%	6.27%
USD-KRW X-RATE	USDKRW Curncy	Korea	1,121.16	0.45%	0.24%	-7.14%	-3.88%
USD-TWD X-RATE	USDTWD Curncy	Taiwan	30.18	-0.04%	-0.02%	-6.86%	-5.11%
USD-ARS X-RATE	USDARS Curncy	Argentina	17.49	-0.82%	-0.84%	10.18%	16.25%
USD-BRL X-RATE	USDBRL Curncy	Brazil	3.28	-0.82%	0.16%	0.70%	-3.20%
USD-CLP X-RATE	USDCLP Curncy	Chile	631.83	-0.46%	-0.81%	-5.79%	-4.26%
USD-MXN X-RATE	USDMXN Curncy	Mexico	19.15	-0.51%	-0.24%	-7.85%	-7.16%
USD-EGP X-RATE	USDEGP Curncy	Egypt	17.61	0.06%	0.04%	-2.58%	4.65%
USD-NGN X-RATE	USDNGN Curncy	Nigeria	360.08	-0.14%	0.00%	14.29%	14.29%
USD-ZAR X-RATE	USDZAR Curncy	South Africa	14.45	1.22%	1.91%	4.94%	1.98%
Commodities				Return (USD)			
WTI CRUDE FUTURE Dec17	CLA Comdty	US	56.68	1.98%	4.34%	-0.56%	13.05%
BRENT CRUDE FUTR Jan18	COA Comdty	UK	63.40	2.34%	4.23%	8.27%	22.48%
BALTIC DRY INDEX	BDIY Comdty		1,464.00	-0.81%	-3.81%	52.34%	50.31%
Natural Gas Futures	NG1 Comdty		3.16	7.67%	10.95%	-13.72%	22.07%
Gold Spot \$/Oz	XAU Curncy		1,276.56	0.45%	0.35%	10.69%	1.31%
Silver Spot \$/Oz	XAG Curncy		16.90	0.25%	0.96%	6.05%	-9.29%
LME COPPER 3MO (\$)	LMCADS03 Comdty		6,786.00	-1.58%	-0.77%	22.59%	21.16%
Government Bond Yields %				Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	US 2yr	1.65	0.04	0.05	0.47	0.74
US Generic Govt 5 Year Yield	USGG5YR Index	US 5yr	2.04	0.06	0.03	0.12	0.49
US Generic Govt 10 Year Yield	USGG10YR Index	US 10yr	2.38	0.07	0.02	-0.05	0.25
Canadian Govt Bonds 10 Year No	GCAN10YR Index	Canada 10yr	1.97	0.01	0.02	0.25	0.54
Mexico Generic 10 Year	GMXN10YR Index	Mexico 10yr	7.26	0.01	0.00	-0.17	0.18
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	UK 10yr	1.32	0.08	0.01	0.10	0.00
Switzerland Govt Bonds 10 Year	GSWISS10 Index	Swiss 10yr	-0.07	0.02	0.01	0.12	0.13
German Government Bonds 2 Yr B	GDBR2 Index	German 2yr	-0.74	0.01	0.00	0.02	-0.13
German Government Bonds 5 Yr O	GDBR5 Index	German 5yr	-0.33	0.02	0.02	0.21	0.04
Germany Generic Govt 10Y Yield	GDBR10 Index	German 10yr	0.40	0.05	0.05	0.20	0.14
French Generic Govt 10Y Yield	GTFRF10Y Govt	French 10yr	0.76	0.03	0.02	0.10	0.10
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	Greece 10yr	5.13	0.03	-0.31	-1.90	-2.07
Italy Generic Govt 10Y Yield	GBTGR10 Index	Italy 10yr	1.83	0.05	0.02	0.03	-0.05
Spain Generic Govt 10Y Yield	GSPG10YR Index	Spanish 10yr	1.55	0.10	0.12	0.19	0.19
Portugal Generic Govt 10Y Yield	GSPT10YR Index	Portugal 10yr	2.05	-0.01	-0.01	-1.71	-1.34
Australia Govt Bonds Generic Y	GACGB10 Index	Aus 10yr	2.62	0.04	-0.06	-0.15	0.11
India Govt Bond Generic Bid Yi	GIND10YR Index	India 10yr	6.97	0.10	0.09	0.44	0.30
KCMP South Korea Treasury Bond	GVSK10YR Index	Korea 10yr	2.57	0.04	-0.01	0.48	0.74
Japan Generic Govt 10Y Yield	GJGB10 Index	Japan 10yr	0.05	-0.01	-0.03	0.00	0.08
South Africa Govt Bonds 10 Year	GSAB10YR Index	SA 10yr	9.42	0.08	0.26	0.43	0.32
Corporate Credit Indices				Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 12/22	ITRXEXE CBIL Curncy	EUR XOVER	242.72	18.64	16.70	-46.39	-91.36
MARKIT ITRX EUROPE 12/22	ITRXEBE CBIL Curncy	EUR MAIN	51.55	2.28	1.81	-20.06	-22.24
MARKIT ITRX EUR SNR FIN 12/22	ITRXESE CBIL Curncy	EUR SNR FIN	51.77	1.81	0.70	-41.48	-44.16
MARKIT ITRX EUR SUB FIN 12/22	ITRXEUE CBIL Curncy	EUR SUB FIN	120.24	6.64	3.80	-101.22	-101.54
MARKIT CDX.NA.IG.29 12/22	BOXUMAE CBIL Curncy	US IG	56.00	3.27	3.67	-11.24	-18.52
MARKIT CDX.NA.HY.29 12/22	IBOXHYSE CBIL Curncy	US HY	330.57	17.43	19.83	-24.75	-79.68
Implied Volatility (Equity Index)				Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SX5E Index	Europe	13.69	2.18	2.19	-4.15	-5.57
FTSE 100 500 3month ATM	UKX Index	UK	10.27	1.61	1.38	-2.70	-4.94
Hang Seng 3month ATM	HSI Index	HK	14.20	0.82	0.32	-1.99	-1.79
Nikkei 3month ATM	NKY Index	Japan	17.13	2.09	3.55	-2.10	2.77
S&P 500 3month ATM	SPX Index	US	10.58	1.31	1.52	-2.89	-2.71
Volatility (VIX)	VIX Index	US	11.29	2.15	1.11	-2.75	-3.45
Inflation (Long term inflation expectation proxy) %				Change (percentage points)			
US 5Y5YF Inflation Swap		USD	2.28	0.05	0.05	-0.15	-0.19
UK 5Y5YF Inflation Swap		GBP	3.46	0.02	-0.01	-0.15	-0.15
JPY 5Y5YF Inflation Swap		JPY	0.41	0.06	0.07	-0.16	0.28
EUR 5Y5YF Inflation Swap		EUR	1.68	0.02	0.02	-0.07	0.15
Economic Data Surprise (+ive = above expectations)							
Citi Economic Surprise Index	CESIAPAC Index	Asia Pacific	18.00				
Citi Economic Surprise Index -	CESICNY Index	China	-19.70				
Citi Economic Surprise Index -	CESIEM Index	EM	14.10				
Citi Economic Surprise Index -	CESIEUR Index	Eurozone	58.90				
Citi Economic Surprise Index -	CESIGIO Index	G10	37.50				
Citi Economic Surprise - Japan	CESIJPY Index	Japan	30.70				
Citi Economic Surprise Index -	CESILTAM Index	Latin America	2.90				
Citi Economic Surprise - Unite	CESIUSD Index	US	38.50				

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

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