

# GLOBAL MARKET UPDATE



## 25 SEPTEMBER TO 1 OCTOBER: ROLE REVERSAL

### THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	Ireland <b>1.49%</b> , United States <b>0.68%</b> , Germany <b>0.67%</b>
	Bottom 3:	Australia <b>-1.53%</b> , Denmark <b>-1.27%</b> , Austria <b>-0.89%</b>
EMERGING	Top 3:	Egypt <b>1.83%</b> , Russia <b>1.33%</b> , Thailand <b>0.15%</b>
	Bottom 3:	Hungary <b>-4.08%</b> , Greece <b>-3.53%</b> , Turkey <b>-3.06%</b>
FRONTIER	Top 3:	Venezuela <b>14.82%</b> , Argentina <b>4.28%</b> , Ukraine <b>3.36%</b>
	Bottom 3:	Slovakia <b>-5.75%</b> , Namibia <b>-2.90%</b> , Morocco <b>-2.49%</b>

After 9 months characterised by USD weakness, emerging market strength and an outperformance of mega-caps over small caps, last week saw a “role reversal”. In the US, Donald Trump’s tax reform proposal was positively received whilst Janet Yellen confirmed that the market should expect a hike in December. In Europe, politics took centre stage with unrest in Spain and fallout from the German general election.

This week we have monthly PMI numbers.

### UNITED STATES

S&P 2,519 **+0.68%**, 10yr Treasury 2.36% **+8.37bps**, HY Credit Index 325 **-6bps**, Vix 9.61 **-0.08Vol**

Perhaps for the first time since his inauguration, Donald Trump provided a positive stimulus for equities last week. Whilst large caps were only slightly higher, small caps surged (Russell 2000 +2.76%) in part because of a **Republican tax reform plan proposed on Wednesday**. In particular, the President outlined a desire to reduce the current 7 tax brackets to 3, lower the top tax rate, eliminate the estate and alternative minimum taxes, cut corporate tax from 35% to 20% and treat foreign corporate profits currently accumulated overseas as already repatriated. The overall fiscal stimulus of these measures is estimated at between 1-2% of GDP. Of course, we would continue to urge caution as the outline was short on details and will be (at best) watered down during discussions through congress.

On the monetary policy front, Janet Yellen reinforced the messaging from the FED’s September meeting on Tuesday by stating it would be “prudent” not to wait too long before raising interest rates again. The **probability of a December**

**hike priced by FED fund futures moved up to 76.4% and the USD strengthened**. However, the latest reading of the PCE index (the committee’s preferred measure of inflation) came in below expectations on Friday at 1.3% (well-below the FED’s 2% target). Other economic data had a positive tone – Case Shiller home prices rising, durable goods better and US GDP for the 2nd quarter upgraded to 3.1% YOY.

Elsewhere, **Donald Trump stated, “I’ve had four meetings for Fed chairman and I’ll be making a decision over the next two or three weeks.”** These included existing Governor Jerome Powell and former Governor Kevin Warsh. The latter (son-in-law of Ronald Lauder, a friend of the President’s) would perhaps come as something of a surprise; whilst he has served on the FOMC before, he has no formal training in economics, a limited business career in M&A and is a known hawk (having criticised Ben Bernanke and QE during his tenure). Other rumoured names include John Taylor and Gary Cohn.

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## EUROPE

Eurostoxx 3,597 +0.30%, German Bund 0.49% +1.70bps, Xover Credit Index 252 -4bps, EURUSD 1.174 +1.14%

Most of the action in Europe last week centred around the political arena:

- In Germany, after the elections last weekend, it was announced **Finance Minister Wolfgang Schäuble would be leaving his post**. It is likely that he will become chair of the Bundestag and that his replacement will be drawn from the FDP (one of Angela Merkel's coalition partners). Whilst at first glance, this could provide an important change in terms of Germany's relations with its European partners and in its own fiscal policy (Schäuble is a supporter of austerity and strict financial discipline), it is likely that his replacement will be cut from a similar cloth.
- In France, **Emmanuel Macron continued to lay out his vision for a "sovereign, democratic and unified Europe"**. In particular, the French President wants a bigger EU budget, harmonised corporate taxes, a unified social policy, and a unified asylum policy. This would include a European level finance minister and the relaunch of the European Financial Transaction Tax. Whilst there is still scepticism towards risk-sharing in Germany, Angela Merkel said Macron had set "important building blocks" for EU negotiations. We would view steps towards a fiscal union as positive but are sceptical that there is sufficient popular support to match political will.
- In Spain, **despite concerted efforts from Madrid to thwart the Catalan independence referendum, it is reported 90% of the 2.26m votes cast (about 40% of the 5.4m eligible voters) were in favour of independence**. More than 460 people were injured in clashes with police and Barcelona's football team were forced to play their league game behind closed doors.

Eurozone inflation held at 1.5%, below expectations.

## ASIA PACIFIC

HSCEI 1,091 -1.82%, Nikkei 2,040.00 -0.16%, 10yr JGB 0.08% +0bps, USDJPY 113.000 +0.48%

In Japan, **Prime Minister Shinzo Abe dissolved the lower house and called a snap election**, expected to take place on the 22nd October. This had been rumoured for weeks, but comes with some risk; although the Japanese economy is in the best shape for at least a decade, Abe's popularity is on the wane and a new opposition led by the popular Tokyo Governor Yuriko Koike, the "Party of Hope," has been formed to run against him.

**The Saudi Arabian economy contracted for the 2nd consecutive quarter**, as the kingdom struggles to cope with low oil prices and the cost of reforms announced to appease its people during the Arab spring. Q2 GDP came in at -1% following Q1 at -0.5%.

As we head in to the last few data points to be reported before China's twice a decade National Congress convenes

on 19th October, **Chinese Industrial Profit growth came out strong at +24% YOY in August, an acceleration from July's 16.5% rate of expansion**. Primary industries led the gains, with mining, metals and oil industries all posting outsized growth rates.

In addition, **both China's NBS Manufacturing (52.4 from 51.7) and Non-Manufacturing (55.4 from 53.4) PMIs rose in September**, ahead of consensus. **The unofficial Caixin Manufacturing PMI, however, slowed from 51.6 in August to 51.0 in September**. The overall picture painted by China's activity data, though, remains positive.

*The Chinese economy continues to perform strongly during the 2H17, as the country heads towards its most important political event since the 2012 National Congress, which saw Xi Jinping ascend to the Presidency. Regardless of the outcome of the reshuffling of senior government officials and state government leaders that will take place at this year's event, we see very little chance that the Chinese Communist Party will perform a U-turn on its long-standing ambition of doubling the size of the economy between 2010 and 2020. Having been the overarching goal of Chinese economic policy for the last seven years, this target implies that the government will continue to strive for an economic growth rate around 6-7% in the medium term, in order to hit the 2020 deadline for national income.*

*From a policy perspective, this requires more of what we have seen over the last two years: fiscal stimulus, low and stable interest rates and keeping 'noise' (capital outflows, proliferation of shadow banking, speculation over a devaluation) to an absolute minimum. Based on the track record of the last two years and the efficiency of policymaking associated with the ever intensifying centralisation of power around President Xi, we see this as achievable (perhaps 'enforceable' is more apt) between now and the self-imposed 2020 deadline.*

Elsewhere in the Chinese economy, **the RMB continued its mini-correction, dropping to a six-week low against the dollar**, culminating in a 0.3% drop on Friday, after the central bank had set the daily fixing rate (around which the currency is allowed to fluctuate +/- 2% in a single day) at successively lower levels for five consecutive days. The currency has now dropped 3% against the dollar since September 8th when the People's Bank of China incrementally relaxed the capital controls imposed to stabilise the RMB in 2016, following a 6% appreciation since the beginning of 2017.

*We see this as a conscious policy move by the central bank to reverse some of this year's appreciation, rather than as a result of renewed capital outflows pressure following the relaxation of controls. The paradigm of self-fulfilling devaluation speculation against the RMB appears, for now, confined to the annals of 2015 and 2016, with the People's Bank of China now firmly in the driving seat regarding management of the currency.*

Over the weekend, the People's Bank of China announced what is being described as a 'tweak' in policy, that **reserve requirement ratios are to be cut for select banks from 2018** that meet certain requirements for lending to "inclusive financing", which includes supporting SMEs and the rural economy. Those banks with more than 1.5% of

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their loan books deployed in these areas become eligible for a 50bps reduction in their RRR, while those with more than 10% exposure will receive a 100bps reduction.

*We do not interpret this move as an attempt by the central bank to inject more liquidity in to the system explicitly. Our view stems from the 3-month fuse built in to the announcement and the fact 10 out of 18 listed banks are already benefiting from a 50bps RRR cut on this basis. Lastly, there is an element of smoothing of regulatory impacts here, with a 50bps RRR reduction for some banks likely to mitigate the impact of new regulation coming in to force in 2018 which adjusts which assets come under the scope of the central bank's macro-prudential assessment framework.*

**Thailand kept interest rates on hold at 1.50%**, in line with expectations. The Bank of Thailand was decidedly upbeat on the economy, raising its growth forecasts to 3.8% YOY for both 2017 and 2018, up from 3.5% and 3.7% respectively. Recent export growth data was one of the foremost sources of optimism, with August's export growth rate hitting a 55-month high of 13.2% YOY.

**Inflation in South Korea fell more than expected in September**, dropping to 2.1% YOY from 2.6% in August, though still above the central bank's target of 2.0%.

**Pakistan continues to pursue a 'head in the sand' approach to economic policy.** Newly promoted Prime Minister Abbasi commented this week that, despite an overvalued rupee crippling export competitiveness and the depletion of foreign reserves like water through a colander, that "currency devaluation is not on the table, it's not. A lot of people thought it was... [but] it is important to have stability for the rupee". Almost comedically, the Prime Minister went on to criticise the former head of the central bank, whom the last Prime Minister Sharif had fired for trying to devalue the currency by 3%: "The government stepped in to defend the currency... [after] the acting governor forced it to drop. That was probably a sign of a lack of experience in the post."

**Sri Lanka left rates on hold at 7.25%.**

## LATIN AMERICA

MSCI Lat Am 2,917 -2.23%

**Mexico's central bank kept the benchmark rate unchanged at 7.0%.** The communiqué focused on the rate differential with the US, insinuating a limited ability to cut rates. This highlights the fact that Banxico is more focused on defending the MXN than on its mandate of inflation targeting.

Argentina's accumulated current account deficit in the year to June 2017 reached USD 19.7Bn or 3.4% of GDP, its highest level since 2000. July and August trade deficit data points to the deficit reaching 4% in 2017. The strong currency and the recovery of internal demand are driving a large trade deficit. This deficit is funded by large issuance of foreign currency denominated debt.

## AFRICA

MSCI Africa 851 -3.21%

**South Africa Q2 employment was down 0.4% QOQ**, reflecting what other recent data prints have been showing: low GDP growth, high unemployment, low business and consumer confidence. In the same week, COSATU, South Africa's biggest labour union, organised a national strike and a march to protest President Zuma.

*COSATU have been absent from all other marches against Zuma, indeed they were previously among his biggest supporters but broke with him last year, and backed Cyril Ramaphosa to succeed him as the ANC's leader. This is less about corruption and more about electioneering. The jostling for ANC leadership has truly started.*

**OPEC extended Nigeria's exemption from its oil production cut**, giving room for its production to stabilise above 1.8mbp, while the central bank left rates on hold at 14% weighing improvements in the economy and modest growth of non-oil sectors against contraction of money supply, slowdown in credit growth and inflation, particularly food inflation which remains sticky at above 20%.

*Nigeria reached the 1.8mbp oil production threshold in August but the government asked for some leeway which was to be expected. The extension and higher prices (Brent touched USD59/bbl - 26 months high - in the week on the back of threats to Kurdistan exports from Turkey and increase in Chinese demand) gives Nigeria a window to both ramp up production and reinforce its federal reserve.*

The **Central Bank of Egypt kept its policy rates on hold at 19.25%**, on the back of high annual inflation and strengthening economic activity.

*Inflation eased to 31.6% in August from 33% in July. YOY inflation in the mid to low 20% by the end of FY17/18 and further weakening of inflation expectations would create the necessary backdrop for monetary easing.*

## PLEASE CONTINUE FOR CALENDAR & MARKET DATA

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## THE WEEK AHEAD

	Date	Consensus
<b>UNITED STATES</b>		
ISM manufacturing (SEP)	Mon/02	57.5
ADP private payrolls (SEP) thous	Wed/04	138.0
ISM non-manufacturing (SEP)	Wed/04	55.1
Trade balance (AUG) bn USD	Thu/05	-43.4
<b>EUROPE</b>		
Eurozone final manufacturing PMI (SEP)	Mon/02	58.2
UK manufacturing PMI (SEP) %	Mon/02	56.2
Eurozone unemployment rate (AUG) %	Mon/02	9.0
Eurozone PPI inflation (AUG) % YOY	Tue/03	2.3
UK services PMI (SEP) %	Wed/04	53.1
Eurozone retail sales (AUG) % YOY	Wed/04	2.6
Germany factory orders (AUG) % YOY	Fri/06	4.7
<b>ASIA PACIFIC</b>		
Thailand CPI inflation (SEP) % YOY	Mon/02	0.5
Indonesia CPI inflation (SEP) % YOY	Mon/02	3.7
Australia rate decision %	Tue/03	1.5
India rate decision %	Wed/04	6.0
Australia trade balance (AUG) mn AUD	Thu/05	870.0
Philippines CPI inflation (SEP) % YOY	Fri/06	-
Taiwan CPI inflation (SEP) % YOY	Fri/06	0.9
<b>LATIN AMERICA</b>		
Uruguay CPI inflation (SEP) % MOM	Wed/04	-
Colombia CPI inflation (SEP) % MOM	Thu/05	0.18
Brazil IPCA inflation (SEP) % MOM	Fri/06	0.08
<b>AFRICA</b>		
South Africa manufacturing PMI (SEP)	Mon/02	45.0
Egypt GDP (Q2) % QOQ	Wed/04	-

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# GLOBAL MARKET DATA

## 25 September to 1 October 2017

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	2,519.36	0.68%	1.93%	12.53%	17.12%		3.2
RUSSELL 2000 INDEX	RTY Index	US	1,490.86	2.76%	6.09%	9.85%	20.45%		2.4
NASDAQ COMPOSITE INDEX	CCMP Index	US	6,495.96	1.07%	1.05%	20.67%	23.28%		3.9
S&P/TSX COMPOSITE INDEX	SPTSX Index	Canada	15,634.94	-0.02%	3.13%	10.19%	11.44%		1.9
S&P 500 FINANCIALS INDEX	S5FINL Index	US	429.08	1.51%	5.05%	11.01%	35.65%		1.4
S&P 500 CONS DISCRET IDX	S5COND Index	US	717.47	0.60%	0.75%	10.75%	13.74%		5.1
S&P 500 INFO TECH INDEX	S5INFT Index	US	1,018.15	0.99%	0.59%	26.02%	27.70%		5.2
S&P 500 HEALTH CARE IDX	S5HLTH Index	US	946.31	0.14%	0.86%	18.75%	14.66%		4.0
S&P 500 ENERGY INDEX	S5ENRS Index	US	506.72	1.87%	9.77%	-8.62%	-1.35%		1.9
S&P 500 ECO SECTORS IDX	SPXL1 Index	US	2,519.36	0.68%	1.93%	12.53%	17.12%		3.2
S&P 500 INDUSTRIALS IDX	S5INDU Index	US	604.38	0.21%	3.84%	12.32%	20.71%		4.7
S&P 500 CONS STAPLES IDX	S5CONS Index	US	555.39	-0.06%	-1.14%	4.44%	2.61%		5.3
S&P 500 UTILITIES INDEX	S5UTIL Index	US	268.97	-0.47%	-3.00%	8.97%	7.35%		2.0
S&P 500 MATERIALS INDEX	s5MATR Index	US	356.15	0.36%	3.33%	14.09%	19.62%		3.9
S&P 500 TELECOM SERV IDX	S5TELS Index	US	162.37	0.48%	3.52%	-8.06%	-5.10%		2.7
Europe									
Euro Stoxx 50 Pr	SX5E Index	Europe	3,596.82	0.30%	4.38%	22.26%	26.38%	9.25%	1.7
CAC 40 INDEX	CAC Index	France	5,335.94	-0.28%	4.11%	22.67%	26.14%	9.61%	1.6
DAX INDEX	DAX Index	Germany	12,890.10	0.67%	5.71%	25.05%	29.66%	11.74%	1.9
Athex Composite Share Pr	ASE Index	Greece	757.47	-3.53%	-9.07%	31.38%	39.85%	17.40%	0.6
FTSE MIB INDEX	FTSEMIB Index	Italy	22,743.54	-0.46%	4.05%	32.05%	46.09%	18.00%	1.3
AEX-Index	AEX Index	Netherlands	538.76	0.50%	3.39%	24.39%	25.08%	11.15%	1.9
PSI All-Share Index GR	BVLX Index	Portugal	2,989.38	0.07%	3.56%	33.05%	26.87%	18.89%	1.3
MICEX INDEX	INDEXCF Index	Russia	2,081.42	1.33%	3.57%	-1.06%	14.10%	-6.97%	0.8
IBEX 35 INDEX	IBEX Index	Spain	10,298.70	-0.46%	0.13%	24.23%	24.12%	11.01%	1.5
OMX STOCKHOLM 30 INDEX	OMX Index	Sweden	1,638.60	-0.04%	3.32%	20.14%	19.82%	7.95%	2.4
SWISS MARKET INDEX	SMI Index	Switzerland	9,189.89	0.28%	1.81%	16.91%	11.81%	11.41%	2.6
BIST 100 INDEX	XU100 Index	Turkey	103,358.40	-3.06%	-9.14%	30.33%	12.40%	31.70%	1.4
FTSE 100 INDEX	UKX Index	UK	7,397.75	-0.16%	3.08%	12.00%	9.98%	3.22%	1.9
Asia Pacific									
MSCI AC ASIA x JAPAN	MXASJ Index	MSCI Asia Ex	660.98	-1.62%	-0.27%	28.51%	18.57%	28.51%	1.7
S&P/ASX 200 INDEX	AS51 Index	Australia	5,729.33	-1.53%	-1.67%	8.95%	6.27%	0.28%	2.0
DSE 30 Index	DS30 Index	Bangladesh	2,178.58	-0.88%	0.39%	15.46%	17.08%	20.25%	-
HANG SENG CHINA ENT INDX	H5CEI Index	China "H"	10,910.04	-1.82%	-3.24%	15.27%	10.59%	16.13%	1.0
SHANGHAI SE COMPOSITE	SHCOMP Index	China "A"	3,348.94	-0.93%	-0.94%	12.86%	12.15%	7.90%	1.8
HANG SENG INDEX	HSI Index	HK	27,554.30	-1.20%	-1.31%	24.32%	15.24%	25.24%	1.3
Nifty 50	NIFTY Index	India	9,788.60	-2.49%	-3.37%	24.39%	16.45%	19.58%	2.9
JAKARTA COMPOSITE INDEX	JCI Index	Indonesia	5,917.07	-1.45%	-0.40%	12.01%	4.66%	11.41%	2.5
NIKKEI 225	NKY Index	Japan	20,400.78	-0.16%	1.34%	10.30%	9.52%	6.50%	1.8
KOSPI 200 INDEX	KOSPI2 Index	Korea	316.27	-1.12%	0.84%	28.27%	17.19%	21.64%	1.1
Laos Composite Index	LSXC Index	Laos	1,028.84	-1.74%	-1.84%	-1.67%	-0.88%	-0.25%	0.9
FTSE Bursa Malaysia KLCI	FBMVKLI Index	Malaysia	1,752.57	-1.45%	0.13%	13.63%	2.68%	6.93%	1.7
KARACHI 100 INDEX	KSE100 Index	Pakistan	42,240.46	-0.81%	2.72%	-12.15%	4.50%	-11.29%	1.6
PSEI - PHILIPPINE SE IDX	PCOMP Index	Philippines	8,256.28	-1.81%	3.14%	16.27%	0.47%	19.45%	2.5
STRAITS TIMES INDEX STI	FSSTI Index	Singapore	3,255.44	-0.84%	-1.68%	19.21%	12.16%	11.77%	1.2
SRI LANKA COLOMBO ALL SH	CSEALL Index	Sri Lanka	6,468.41	-0.05%	0.55%	1.16%	-5.59%	3.37%	1.4
TAIWAN TAIEX INDEX	TWSE Index	Taiwan	10,465.16	-0.94%	-3.06%	16.26%	15.15%	11.63%	1.8
STOCK EXCH OF THAI INDEX	SET Index	Thailand	1,688.24	0.15%	3.16%	16.74%	16.77%	8.44%	2.0
HO CHI MINH STOCK INDEX	VNINDEX Index	Vietnam	802.25	-0.34%	2.73%	21.16%	14.61%	20.99%	2.3
Rest of the World									
MSCI ACWI	MXWD Index	MSCI World	486.88	0.05%	1.77%	15.42%	16.57%	15.42%	2.3
MSCI EM	MXEF Index	MSCI EM	1,081.72	-1.86%	-0.55%	25.45%	18.43%	25.45%	1.7
MSCI Frontier Market Index	MXFEM Index	MSCI FM	2,855.42	-0.81%	1.75%	18.07%	12.50%	18.07%	1.9
DFM GENERAL INDEX	DFMGI Index	Dubai	3,554.76	-1.88%	-2.02%	0.94%	2.58%	0.94%	1.3
MSCI EM LATIN AMERICA	MXLA Index	Latin America	2,916.69	-2.23%	1.52%	24.61%	21.48%	24.61%	2.1
ARGENTINA Merval INDEX	MERVAL Index	Argentina	26,078.29	4.28%	10.90%	41.83%	38.47%	54.15%	1.8
MSCI BRAZIL	MXBR Index	Brazil	2,080.85	-2.61%	4.16%	24.47%	24.58%	24.47%	1.9
CHILE STOCK MKT SELECT	IPSA Index	Chile	5,341.93	-1.19%	1.69%	35.04%	35.88%	28.68%	1.8
IGBC GENERAL INDEX	IGBC Index	Colombia	11,097.07	-1.40%	0.77%	12.24%	9.64%	9.80%	-
S&P/BMV IPC	MEXBOL Index	Mexico	50,346.06	-2.17%	-3.72%	25.46%	13.14%	10.30%	2.7
Bolsa de Panama General	BVPSBVPS Index	Panama	433.18	0.33%	0.34%	4.76%	6.42%	4.81%	1.9
S&P/BVLPPeruGeneralTRPEN	SPBLPGT Index	Peru	18,538.27	2.28%	4.38%	22.21%	25.91%	19.09%	1.7
VENEZUELA STOCK MKT INDX	IBVC Index	Venezuela	489,499.30	14.82%	107.47%	1418.40%	3681.54%	1443.91%	12.0
MSCI EFM AFRICA	MXFMEAF Index	Africa	850.85	-3.21%	-6.55%	10.59%	4.82%	10.59%	2.3
EGYPT HERMES INDEX	HERMES Index	Egypt	1,291.23	1.83%	5.71%	20.71%	-8.52%	17.47%	1.7
GSE Composite Index	GGSECI Index	Ghana	2,326.09	1.74%	-1.80%	33.49%	18.15%	37.71%	2.2
Nairobi SE 20 Share	KNSMIDX Index	Kenya	3,751.46	-0.25%	-7.12%	16.91%	14.38%	17.74%	2.4
MASI Free Float Index	MOSENEW Index	Morocco	12,140.47	-3.03%	-2.64%	11.66%	24.76%	4.26%	2.8
NIGERIA STCK EXC ALL SHR	NGSEINDX Index	Nigeria	35,439.98	0.28%	-0.45%	15.70%	10.09%	31.87%	1.6
FTSE/JSE AFRICA TOP40 IX	TOP40 Index	South Africa	49,750.38	-2.64%	-5.06%	14.10%	9.90%	12.47%	2.2
<b>Average</b>				-0.19%	2.45%	37.49%	70.23%	42.20%	
<b>Top 25%</b>				0.42%	3.36%	24.39%	22.38%	20.43%	
<b>Bottom 25%</b>				-1.45%	-1.23%	11.34%	9.77%	8.32%	

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# GLOBAL MARKET DATA (CONTD.)

25 September to 1 October 2017

FX (vs USD)				Return +ive=USD Stronger			
Name	BBG Code	Country	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	DXY Index	USD Index	93.57	0.98%	0.44%	-8.94%	-2.57%
USD-EUR X-RATE	USDEUR Curncy	Europe	0.85	1.14%	0.81%	-10.95%	-4.99%
Russian Ruble SPOT (TOM)	USDRUB Curncy	Russia	57.86	-0.22%	-0.84%	-6.57%	-8.62%
USD-TRY X-RATE	USDTRY Curncy	Turkey	3.58	1.91%	3.19%	1.13%	18.79%
USD-GBP X-RATE	USDGBP Curncy	UK	0.75	0.74%	-3.50%	-7.86%	-3.20%
Bloomberg JPMorgan Asia Dollar	ADXY Index	Asia USD Index	106.94	-0.75%	-0.69%	4.17%	-0.03%
USD-AUD X-RATE	USDAUD Curncy	Australia	1.28	1.59%	1.38%	-8.08%	-2.57%
USD-CNY X-RATE	USDCNY Curncy	China	6.65	0.74%	0.57%	-4.55%	-0.53%
USD-INR X-RATE	USDINR Curncy	India	65.35	0.66%	2.16%	-3.85%	-2.20%
USD-JPY X-RATE	USDJPY Curncy	Japan	113.00	0.48%	2.32%	-3.82%	11.38%
USD-KRW X-RATE	USDKRW Curncy	Korea	1,147.97	1.10%	1.82%	-5.14%	3.87%
USD-TWD X-RATE	USDTWD Curncy	Taiwan	30.45	0.49%	0.45%	-6.33%	-3.53%
USD-ARS X-RATE	USDARS Curncy	Argentina	17.31	0.08%	-0.14%	9.07%	12.67%
USD-BRL X-RATE	USDBRL Curncy	Brazil	3.16	1.22%	0.46%	-2.82%	-2.94%
USD-CLP X-RATE	USDCLP Curncy	Chile	640.05	2.30%	2.18%	-4.61%	-3.08%
USD-MXN X-RATE	USDMXN Curncy	Mexico	18.31	2.88%	2.06%	-11.94%	-6.49%
USD-EGP X-RATE	USDEGP Curncy	Egypt	17.65	-0.12%	0.02%	-2.68%	98.47%
USD-NGN X-RATE	USDNGN Curncy	Nigeria	359.00	-0.42%	0.14%	13.98%	13.97%
USD-ZAR X-RATE	USDZAR Curncy	South Africa	13.65	2.31%	4.33%	-1.14%	-2.29%
Commodities				Return (USD)			
WTI CRUDE FUTURE Nov17	CLA Comdty	US	51.38	1.99%	7.74%	-9.43%	-0.48%
BRENT CRUDE FUTR Dec17	COA Comdty	UK	56.31	0.66%	7.48%	-3.30%	5.93%
BALTIC DRY INDEX	BDIY Comdty		1,356.00	-9.72%	14.53%	41.10%	52.70%
Natural Gas Futures	NGI Comdty		3.01	1.62%	-1.09%	-19.25%	1.62%
Gold Spot \$/Oz	XAU Curncy		1,271.80	-1.33%	-3.12%	11.10%	-3.05%
Silver Spot \$/Oz	XAG Curncy		16.56	-2.02%	-5.35%	4.61%	-12.83%
LME COPPER 3MO (\$)	LMCADS03 Comdty		6,481.00	0.37%	-4.52%	17.08%	33.88%
Government Bond Yields %				Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	US 2yr	1.50	0.05	0.16	0.29	0.75
US Generic Govt 5 Year Yield	USGG5YR Index	US 5yr	1.97	0.07	0.23	0.01	0.82
US Generic Govt 10 Year Yield	USGG10YR Index	US 10yr	2.37	0.08	0.22	-0.11	0.77
Canadian Govt Bonds 10 Year No	GCANI0YR Index	Canada 10yr	2.10	-0.01	0.25	0.38	1.15
Mexico Generic 10 Year	GMXNI0YR Index	Mexico 10yr	6.87	0.09	0.02	-0.56	0.85
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	UK 10yr	1.39	0.01	0.33	0.13	0.64
Switzerland Govt Bonds 10 Year	GSWISS10 Index	Swiss 10yr	0.00	0.02	0.12	0.17	0.51
German Government Bonds 2 Yr B	GDBR2 Index	German 2yr	-0.69	-0.01	0.04	0.07	-0.01
German Government Bonds 5 Yr O	GDBR5 Index	German 5yr	-0.25	-0.01	0.08	0.27	0.31
Germany Generic Govt 10Y Yield	GDBR10 Index	German 10yr	0.49	0.02	0.10	0.26	0.58
French Generic Govt 10Y Yield	GTFRF10Y Govt	French 10yr	0.77	0.01	0.08	0.06	0.56
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	Greece 10yr	5.59	0.10	0.12	-1.42	-2.58
Italy Generic Govt 10Y Yield	GBTGPR10 Index	Italy 10yr	2.15	0.00	0.07	0.30	0.90
Spain Generic Govt 10Y Yield	GSPGI0YR Index	Spanish 10yr	1.68	-0.02	0.04	0.22	0.69
Portugal Generic Govt 10Y Yield	GSPT10YR Index	Portugal 10yr	2.41	-0.05	-0.44	-1.38	-0.92
Australia Govt Bonds Generic Y	GACGB10 Index	Aus 10yr	2.84	0.04	0.13	0.07	0.87
India Govt Bond Generic Bid Yi	GIND10YR Index	India 10yr	6.66	0.00	0.14	0.15	-0.20
KCMP South Korea Treasury Bond	GVSK10YR Index	Korea 10yr	2.37	0.11	0.10	0.28	0.93
Japan Generic Govt 10Y Yield	GJGB10 Index	Japan 10yr	0.08	0.03	0.06	0.02	0.15
South Africa Govt Bonds 10 Yea	GSAB10YR Index	SA 10yr	8.63	0.10	-0.01	-0.36	-0.11
Corporate Credit Indices				Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 12/22	ITRXXE CBIL Curncy	EUR XOVER	252.10	-3.81	16.70	-34.82	-78.11
MARKIT ITRX EUROPE 12/22	ITRXXE BE CBIL Curncy	EUR MAIN	56.44	-1.72	1.77	-15.05	-15.80
MARKIT ITRX EUR SNR FIN 12/22	ITRXXESE CBIL Curncy	EUR SNR FIN	59.56	0.44	6.10	-33.91	-42.15
MARKIT ITRX EUR SUB FIN 12/22	ITRXXEUB CBIL Curncy	EUR SUB FIN	136.77	3.19	12.79	-85.08	-103.79
MARKIT CDX.NA.IG.29 12/22	IBOXUMAE CBIL Curncy	US IG	55.65	-4.37	-2.76	-11.71	-21.46
MARKIT CDX.NA.HY.29 12/22	IBOXHYSE CBIL Curncy	US HY	324.78	-6.00	-1.63	-30.17	-83.42
Implied Volatility (Equity Index)				Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SX5E Index	Europe	12.16	-0.22	-2.12	-5.68	-8.13
FTSE 100 500 3month ATM	UKX Index	UK	9.63	-0.36	-0.77	-3.35	-4.36
Hang Seng 3month ATM	HSI Index	HK	14.21	-0.14	-1.19	-1.98	-2.86
Nikkei 3month ATM	NKY Index	Japan	13.36	1.00	0.78	-5.87	-5.15
S&P 500 3month ATM	SPX Index	US	9.53	-0.19	-1.08	-3.94	-4.37
Volatility (VIX)	VIX Index	US	9.61	-0.08	-1.08	-4.53	-4.51
Inflation (Long term inflation expectation proxy) %				Change (percentage points)			
US 5Y5YF Inflation Swap		USD	2.27	0.03	0.07	-0.13	0.34
UK 5Y5YF Inflation Swap		GBP	3.38	0.00	0.06	-0.16	0.03
JPY 5Y5YF Inflation Swap		JPY	0.32	0.00	0.07	-0.24	0.27
EUR 5Y5YF Inflation Swap		EUR	1.64	0.04	0.04	-0.10	0.30
Economic Data Surprise (+ive = above expectations)							
Citi Economic Surprise Index	CESIAPAC Index	Asia Pacific	11.40				
Citi Economic Surprise Index -	CESICNY Index	China	-5.30				
Citi Economic Surprise Index -	CESIEM Index	EM	15.00				
Citi Economic Surprise Index -	CESIEUR Index	Eurozone	50.20				
Citi Economic Surprise Index -	CESIG10 Index	G10	19.20				
Citi Economic Surprise - Japan	CESIJPY Index	Japan	39.40				
Citi Economic Surprise Index -	CESILTAM Index	Latin America	30.90				
Citi Economic Surprise - Unite	CESIUSD Index	US	-7.90				

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

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