

# GLOBAL MARKET UPDATE



## 28 AUGUST TO 3 SEPTEMBER: THE ODD COUPLE

### THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	Canada <b>1.64%</b> , Norway <b>1.64%</b> , Luxembourg <b>1.60%</b>
	Bottom 3:	New Zealand <b>-1.61%</b> , Switzerland <b>-0.46%</b> , Germany <b>-0.45%</b>
EMERGING	Top 3:	Russia <b>3.49%</b> , Egypt <b>3.29%</b> , Thailand <b>2.95%</b>
	Bottom 3:	Greece <b>-2.23%</b> , Mexico <b>-1.66%</b> , Czech Republic <b>-1.50%</b>
FRONTIER	Top 3:	Venezuela <b>15.10%</b> , Jamaica <b>3.13%</b> , Jordan <b>2.96%</b>
	Bottom 3:	Kenya <b>-4.38%</b> , Romania <b>-3.25%</b> , Pakistan <b>-3.21%</b>

We have talked over the last 2 weeks of a “Goldilocks” economic environment, with broad-based growth but weak inflation. As such, we have speculated that any headwind for markets would be more likely to come from the political sphere than from central bank tightening. Indeed, over the summer, US President Donald Trump and North Korean supreme leader Kim Jong Un have combined to stimulate market sell-offs on a roughly one day per week basis.

Last week, North Korea conducted several exercises in response to US-South Korea military exercises. This culminated on Tuesday in a missile that flew over the Japanese island of Hokkaido (the northernmost of Japan’s main islands). In reply, allied aircraft conducted tests of bunker busting bombs near the North Korean border. Equity markets again sold off briefly, with safe havens rallying (the US 10 year yield touching its lowest level since November 2016 at 2.08% yield), before calm was restored.

Until this point, underlying economic strength has therefore ultimately trumped geo-political squabbling. Over the weekend, however, North Korea appears to have “upped the ante”, claiming to have tested a hydrogen bomb that could be mounted on a ballistic missile. The explosion triggered an earthquake measuring 6.3 on the Richter scale and is estimated to have been 10 times more powerful than anything detonated before. Trump’s first reaction was to tweet “North Korea is a rogue nation which has become a great threat and embarrassment to China, which is trying to help but with little success”. It is expected that the principal retaliation tool will be via further economic sanctions.

Although North Korea might provide the most extreme political tail risk, there are certainly a number of other flashpoints on the market’s radar:

- **US domestic politics**, with a failure to raise the US debt ceiling by the 29th September triggering a government shutdown and continued fractious leadership limiting progress on fiscal stimulus and reform.
- **German Federal elections** on the 24th September, which Angela Merkel is expected to win to secure a 4th term in power.

Chris Wehbe  
CEO & Chair of Investment  
Committee

[chris.wehbe@alquity.com](mailto:chris.wehbe@alquity.com)

Twitter: [@cswehbe](https://twitter.com/cswehbe)

Aaron Armstrong  
Senior Investment Analyst  
(Asia)

[aaron.armstrong@alquity.com](mailto:aaron.armstrong@alquity.com)

Florian Gueritte  
Investment Analyst  
(LatAm)

[florian.gueritte@alquity.com](mailto:florian.gueritte@alquity.com)

Temí Iyiola  
Investment Analyst  
(Africa)

[temi.iyiola@alquity.com](mailto:temi.iyiola@alquity.com)

- **EU-UK Brexit negotiations**, which appear deadlocked and are in our view unlikely to progress in the near term.

## UNITED STATES

S&P 2,477 **+1.37%**, 10yr Treasury 2.16% **-0.02bps**, HY Credit Index 323 **-11bps**, Vix 10.13 **-1.15Vol**

**US stocks rose last week** with particularly strong gains for technology (the best performing sector in August, recovering from its early summer wobble) and healthcare (after Gilead Sciences reached a USD 11.9bn agreement to acquire cancer specialist Kite Pharma).

Slow-moving Hurricane Harvey has set new records for rainfall from a single event, with parts of Houston (a city that represents 3% of US GDP) receiving over 50 inches of rain. As a consequence, 23% of US refinery capacity is currently offline, whilst other refineries have struggled to import crude. This has had polarising effects; on the one hand, **US gasoline prices have risen around 17 cents pushing futures to 2-year highs**. On the other, the oil price has come under renewed pressure because of short-term reduced demand. In terms, of overall economic impact, certainly **there will be a shift in US GDP growth from Q3 to Q4**. Thereafter, it will be a trade-off between the (negative) country-level tax on consumption from higher gasoline prices, down-periods for business in Houston and the inevitable hold-up in Washington from disaster-relief, against (positive) re-investment and rebuilding.

As has been the case for most of this year, economic data was mixed. The consumer confidence index for August strengthened more than expected, the Chicago PMI held firm (against expectations for a retrenchment) and the ADP measure of payrolls improved. However, the employment report was broadly weaker. Payrolls rose less than 156k (versus 180k expected) and were revised down for the 2 prior months (by a total of 41k). The unemployment rate ticked higher (4.4% versus 4.3%) and wage growth was disappointing at 0.1% MOM.

US markets are closed today for Labour Day.

## EUROPE

Eurostoxx 3,427 **-0.09%**, German Bund 0.36% **-0.10bps**, Xover Credit Index 236 **-9bps**, EURUSD 1.189 **+0.57%**

Inflation in the Eurozone for August rose faster than expected (1.5% versus 1.3%) albeit the “core” measure remained well grounded. This week there is an ECB meeting at which there may be some discussion of QE tapering. The governing council face opposing trends:

- **Positive**, Growth is enjoying its best period since the financial crisis and, given the scale of the QE programme, it will become increasingly difficult to continue purchases at the current EUR 60bn per month rate (there simply won't be the bonds available for purchase under current guidelines).
- **Negative**, Inflation is still well below target, overall unemployment (9.3%) suggests still ample spare capacity and the EUR has experienced a more than 5% appreciation this year on a trade weighted basis.

*In aggregate, we think currency weakness and lack of price pressures will see the ECB on hold for longer, with some level of tapering from October. The Riksbank in Sweden also meet on Thursday.*

**German Chancellor Angela Merkel and French President Emmanuel Macron separately voiced support for the creation of a Eurozone finance and economics minister** to increase fiscal integration across the region. There is little detail to the proposal, but we view a lack of fiscal union as the key issue for the single-currency project. Steps in this direction would therefore be positive, assuming popular support.

**Denmark, the country with the highest tax revenue of the developed world (47% of GDP), is proposing to introduce sweeping tax cuts** in order to incentivise work, promote pension saving and reduce levies on cars. The total reform could sum to USD 3.7bn.

Israel left rates on hold at 0.1% for the 28th consecutive month, amid continued deflation.

## ASIA PACIFIC

HSCEI 1,118 **-0.06%**, Nikkei 1,950.00 **+0.25%**, 10yr JGB- 0.01% **0bps**, USDJPY 109.460 **+0.85%**

**18th October was confirmed as the date for China's 19th Party Congress**. This gathering of China's top leaders will produce the next Five Year Plan for the economy, as well as appoint the country's top politicians and bureaucrats for the next five years. The overwhelming expectation is for President Xi to continue to consolidate power across essentially every sphere of government, in a manner not seen in China since the 1980s.

Sticking to the script of having a well performing economy in the run up to the National Congress, **China's official manufacturing PMI strengthened from 51.4 in July to 51.7 in August**.

**India's economic growth rate fell to a three-year low of 5.7% YOY in the three months to June**, significantly missing consensus of around 6.5%, and a slowdown from the previous quarter's growth rate of 6.1%.

*A number of factors contributed to the weakness in India's economy, including GST-related destocking, rupee appreciation, softer agricultural output and adjustments to subsidy pay outs.*

*Manufacturing growth was a significant under-performer, growing just 1.2% YOY, with GST likely the key driver. The chief statistician behind India's GDP numbers pointed this out, commenting that there had been a large-scale drawdown in inventories in the run up to the July 1st GST implementation date. Net exports also detracted 2.6ppt from growth, versus 0.3ppt the previous quarter.*

*India's growth rate, which has been falling since early 2016, has now dropped below that of China. Demonetisation and*

Chris Wehbe  
CEO & Chair of Investment  
Committee

[chris.wehbe@alquity.com](mailto:chris.wehbe@alquity.com)

Twitter: [@cswehbe](https://twitter.com/cswehbe)

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Senior Investment Analyst  
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[aaron.armstrong@alquity.com](mailto:aaron.armstrong@alquity.com)

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Investment Analyst  
(LatAm)

[florian.gueritte@alquity.com](mailto:florian.gueritte@alquity.com)

Temu Iyiola  
Investment Analyst  
(Africa)

[temu.iyiola@alquity.com](mailto:temu.iyiola@alquity.com)

*GST have played pivotal roles in this phenomenon, however the lack of private sector investment activity cannot be ignored.*

*Given such a conducive economic backdrop, we fail to see a scenario where India's economy remains at this kind of growth rate for any meaningful length of time. Low inflation, falling interest rates, record high foreign investment, prudent fiscal policy and a low oil price should ultimately culminate in a much healthier growth outlook for India. Combine these with the government's growth-friendly (though disruptive in the short term) economic reforms, plus India's seismic demographic dividend, and the current GDP growth rate looks inappropriately low.*

In line with the view that short term disruptions have been the most serious detractor from growth, **India's Manufacturing PMI moved back in to the expansion zone for August**, rising to 51.2 from 47.9 in July. The rebound was largely expected, with July's data blighted by the rollout of the Goods and Services Tax.

**Inflation in Thailand crept up 10bps to 0.3% YoY in August**, below expectations. Food deflation continues to weigh on the overall price level, while higher fuel prices had the opposite effect.

**Korea's central bank kept rates on hold at 1.25%**, in line with expectations.

## LATIN AMERICA

*MSCI Lat Am 2,912 +0.65%*

**Brazil's unemployment rate fell to 12.8%** in the three-month period ending in July (from 13.0% in June). Similar to June, the improvement in July was mainly due to increases in low quality employment in the informal sector and from self-employed workers. Job creation in the formal market remains subdued.

*A recovery in the job market is one of the 4 factors needed to start a new consumption growth cycle. Real wage growth remains under pressure but there shouldn't be further degradation. Credit availability is improving and should be supported by the fall in interest rates. However, the consumer confidence index fell to 80.9 in August from 82.0 in July, posting its third consecutive decline. Overall, all leading indicators of the consumption cycle are around a bottom and some of them are starting to make a timid recovery.*

**Brazil's business confidence in the industrial sector improved again in August, climbing to 92.2 in August from 90.8 in July.** This is the 3rd consecutive rise for the industrial sector. After a blip in May due to political uncertainty, the indicator is resuming its recovery fuelled by FX stability, low inflation and lower interest rates.

**Brazil's central government posted a primary fiscal deficit of BRL 20.2Bn in July**, slightly up from BRL 19.8Bn in June, reaching BRL 76.2Bn in 7M17, up from BRL 55.7Bn in 7M16. Budget cuts continue to be insufficient to offset the rise in mandatory spending and the decline in revenues. The social security deficit surged to BRL 96.70Bn in 7M17 from BRL 75.4Bn in 7M16, highlighting the importance of passing

the pension reform in Congress.

**Colombia's central bank cut the policy rate by 25bps, to 5.25%**, in line with expectations.

The governor indicated that this could be one of the final rate cuts of the year (after a 250bps easing cycle) around the neutral real interest rate.

**Argentina's Industrial activity rose by 5.9% YOY in July**, marking the 3rd consecutive increase after several months posting contraction. In 7M17, manufacturing grew 0.8% YOY against the same period one year ago.

**In 7M17, Mexico registered a budget surplus of MXN 119.3Bn versus a MXN 378.7bn deficit** in the same period of last year. Even excluding the payment from the central bank due to reserves appreciation (linked to MXN appreciation YTD) and a rise in oil prices (revenue benefitted from a 20% increase in oil-related income) the fiscal consolidation is happening as expenses contracted by 1.9% in the period.

Mexico's Ministry of Finance forecasts a budget surplus of 1.4% of GDP in 2014, implying a Debt/GDP ratio of 48% from 50% observed last year.

## AFRICA

*MSCI Africa 915 +0.45%*

**The Kenyan Supreme Court annulled the results of last month's presidential election** and ordered a new election to be held within 60 days. The ruling saw the Kenyan Shilling fall 0.4% against the dollar, the NSE-20 (Kenya's main stock index) drop 3.5% to close at 3887.28 points on Friday and the stock exchange halt trading briefly after shares had fallen by the maximum daily limit of 10%.

*There is a risk of political instability but Initial fears of a repeat of the 2007 post-election violence have abated after President Uhuru Kenyatta urged his supporters to respect the decision.*

Staying in Kenya, YOY CPI rose 57bps to 8.04% in July, driven by a 1.04% increase in the food and non-alcoholic drinks index.

**Nigeria's inflation moderated 5ps to 16.05% YOY in July**, marking the sixth consecutive month of decline from the 18.72% peak in January. Core inflation eased 30bps to 12.2% YOY. MOM, headline inflation increased 1.21%, 0.37% lower than the rate recorded in June, while core inflation increased 1% vs. 1.32% in June. Bucking the trend however is food inflation, which rose to 20.28% YOY in July (the biggest YOY increase in 8 years), owing to increases in the prices of staples such as bread and cereals, meat, fish, oils and fats, coffee, tea and cocoa, potatoes yam and other tubers and vegetables.

*Food inflation continues to erode household purchasing power and is likely to increase further given the recent floods across the Southern region. However, further declines in MOM and core inflation should see headline inflation ease to 15% by year end.*

South Africa's manufactured goods PPI increased 3.6%

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[chris.wehbe@alquity.com](mailto:chris.wehbe@alquity.com)

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(Africa)

[temi.iyiola@alquity.com](mailto:temi.iyiola@alquity.com)

YOY (vs. 4.0% in June) and 0.5 % MOM, and personal consumption expenditures beat expectations at 6.81% (c.6.1%) compared to 6.2% YOY in June. However, trade surplus declined to ZAR8.99 billion from ZAR10.56 billion in June; exports fell 8.7% MOM to ZAR93.1 billion while imports fell 8% to ZAR84.1 billion.

## THE WEEK AHEAD

	Date	Consensus
<b>UNITED STATES</b>		
Trade balance (JUL) Bn USD	Wed/06	-44.5
<b>EUROPE</b>		
Eurozone PMI (AUG)	Tue/05	55.8
Eurozone retail sales (JUL) % YOY	Tue/05	2.6
UK PMI (AUG)	Tue/05	
Poland rate decision %	Wed/06	1.5
ECB rate decision %	Thu/07	0.0
Sweden rate decision %	Thu/07	-0.5
Eurozone GDP (Q2) % QOQ	Thu/07	0.6
UK industrial production (AUG) %YOY	Fri/08	0.3
<b>ASIA PACIFIC</b>		
Australia rate decision %	Tue/05	1.5
Australia GDP (Q2) % QOQ	Wed/06	1.8
Malaysia rate decision %	Thu/07	3.0
China FX reserves (AUG) Bn USD	Thu/07	3080
China trade balance (AUG) Bn USD	Fri/08	48.6
India trade balance (AUG) Bn USD	Fri/08	-12.5
Japan GDP (Q2) % QOQ saar	Fri/08	2.9
Japan balance of payment (JUL) Bn JPY sa	Fri/08	1654
<b>LATIN AMERICA</b>		
Brazil rate decision %	Wed/06	8.25
<b>AFRICA</b>		
South Africa GDP (AUG) % YOY	Tue/05	0.5

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**Chris Wehbe**  
CEO & Chair of Investment  
Committee

[chris.wehbe@alquity.com](mailto:chris.wehbe@alquity.com)

Twitter: [@cswehbe](https://twitter.com/cswehbe)

**Aaron Armstrong**  
Senior Investment Analyst  
(Asia)

[aaron.armstrong@alquity.com](mailto:aaron.armstrong@alquity.com)

**Florian Gueritte**  
Investment Analyst  
(LatAm)

[florian.gueritte@alquity.com](mailto:florian.gueritte@alquity.com)

**Temí Iyiola**  
Investment Analyst  
(Africa)

[temi.iyiola@alquity.com](mailto:temi.iyiola@alquity.com)

# GLOBAL MARKET DATA

## 28 September to 3 August 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	2,476.55	1.37%	0.20%	10.62%	14.08%		3.1
RUSSELL 2000 INDEX	RTY Index	US	1,413.57	2.62%	0.59%	4.16%	14.02%		2.2
NASDAQ COMPOSITE INDEX	CCMP Index	US	6,435.33	2.71%	0.10%	19.55%	23.11%		4.1
S&P/TSX COMPOSITE INDEX	SPTSX Index	Canada	15,191.60	1.64%	1.02%	7.93%	9.51%		1.8
S&P 500 FINANCIALS INDEX	S5FINL Index	US	410.24	-0.10%	0.44%	6.13%	24.71%		1.4
S&P 500 CONS DISCRET IDX	S5COND Index	US	715.39	1.56%	0.46%	10.43%	11.82%		5.1
S&P 500 INFO TECH INDEX	S5INFT Index	US	1,011.68	2.21%	-0.05%	25.22%	28.77%		5.2
S&P 500 HEALTH CARE IDX	S5HLTH Index	US	937.49	2.98%	-0.08%	17.64%	11.93%		4.0
S&P 500 ENERGY INDEX	S5ENRS Index	US	465.36	0.78%	0.81%	-16.08%	-7.69%		1.8
S&P 500 ECO SECTORS IDX	SPXL1 Index	US	2,476.55	1.37%	0.20%	10.62%	14.08%		3.1
S&P 500 INDUSTRIALS IDX	S5INDU Index	US	582.90	1.50%	0.15%	8.33%	15.07%		4.6
S&P 500 CONS STAPLES IDX	S5CONS Index	US	564.14	0.51%	0.41%	6.08%	1.36%		5.3
S&P 500 UTILITIES INDEX	S5UTIL Index	US	276.45	-0.64%	-0.30%	12.00%	11.72%		2.1
S&P 500 MATERIALS INDEX	s5MATR Index	US	346.85	1.86%	0.63%	11.11%	13.58%		3.8
S&P 500 TELECOM SERV IDX	S5TELS Index	US	156.93	-1.34%	0.05%	-11.14%	-9.12%		2.6
Europe									
Euro Stoxx 50 Pr	SX5E Index	Europe	3,427.40	-0.09%	0.46%	17.67%	20.86%	4.66%	1.6
CAC 40 INDEX	CAC Index	France	5,099.55	0.13%	0.55%	18.46%	22.20%	5.37%	1.5
DAX INDEX	DAX Index	Germany	12,082.79	-0.45%	0.52%	18.91%	22.06%	5.76%	1.8
Athex Composite Share Pr	ASE Index	Greece	812.08	-2.23%	-1.02%	43.00%	49.76%	27.19%	0.7
FTSE MIB INDEX	FTSEMIB Index	Italy	21,762.17	0.27%	0.67%	27.77%	36.78%	13.64%	1.2
AEX-Index	AEX Index	Netherlands	516.83	-0.10%	0.22%	20.58%	20.90%	7.25%	1.8
PSI All-Share Index GR	BVLX Index	Portugal	2,885.73	0.62%	0.60%	29.24%	22.44%	14.95%	1.2
MICEX INDEX	INDEXCF Index	Russia	2,005.24	3.49%	0.34%	-4.15%	16.59%	-9.93%	0.7
IBEX 35 INDEX	IBEX Index	Spain	10,255.60	-0.43%	0.06%	24.13%	24.78%	10.41%	1.5
OMX STOCKHOLM 30 INDEX	OMX Index	Sweden	1,551.33	0.87%	0.26%	16.58%	17.50%	2.74%	2.3
SWISS MARKET INDEX	SMI Index	Switzerland	8,888.20	-0.46%	-0.14%	14.68%	11.44%	8.78%	2.6
BIST 100 INDEX	XU100 Index	Turkey	110,010.50	-0.24%	0.00%	43.44%	24.19%	40.79%	1.5
FTSE 100 INDEX	UKX Index	UK	7,419.89	1.08%	0.60%	9.30%	7.62%	4.14%	1.9
Asia Pacific									
MSCI AC ASIA x JAPAN	MXASJ Index	MSCI Asia Ex	663.84	0.53%	0.16%	29.07%	22.43%	29.07%	1.7
S&P/ASX 200 INDEX	AS51 Index	Australia	5,702.00	0.09%	0.74%	11.62%	11.57%	1.04%	2.0
DSE 30 Index	D530 Index	Bangladesh	2,148.68	1.67%	0.00%	15.01%	18.90%	18.10%	-
HANG SENG CHINA ENT INTX	HSCEI Index	China "H"	11,187.96	-0.06%	-0.06%	19.05%	16.48%	20.12%	1.1
SHANGHAI SE COMPOSITE	SHCOMP Index	China "A"	3,379.58	2.37%	0.73%	14.77%	11.76%	8.49%	1.9
HANG SENG INDEX	HSI Index	HK	27,769.64	0.34%	-0.04%	25.92%	19.65%	27.06%	1.3
Nifty 50	NIFTY Index	India	9,903.35	1.53%	0.83%	29.79%	19.04%	21.85%	2.9
JAKARTA COMPOSITE INDEX	JCI Index	Indonesia	5,815.98	-0.85%	0.00%	12.46%	9.44%	10.71%	2.5
NIKKEI 225	NIKY Index	Japan	19,508.25	0.25%	0.11%	8.96%	8.96%	3.02%	1.7
KOSPI 200 INDEX	KOSPI2 Index	Korea	304.19	-1.08%	0.16%	27.41%	19.75%	18.37%	1.1
Laos Composite Index	LSXC Index	Laos	1,028.79	1.08%	-0.08%	0.10%	0.81%	1.47%	0.9
FTSE Bursa Malaysia KLCI	FBMVKLI Index	Malaysia	1,773.16	0.27%	0.00%	13.48%	1.63%	8.01%	1.7
KARACHI 100 INDEX	KSE100 Index	Pakistan	41,206.99	-3.21%	0.00%	-14.48%	3.24%	-13.81%	1.6
PSEI - PHILIPPINE SE IDX	PCOMP Index	Philippines	8,035.20	-0.82%	0.00%	12.74%	-6.50%	16.34%	2.4
STRAITS TIMES INDEX STI	FSSTI Index	Singapore	3,236.43	0.43%	0.00%	21.26%	16.47%	13.76%	1.2
SRI LANKA COLOMBO ALL SH	CSEALL Index	Sri Lanka	6,397.03	-0.15%	0.00%	0.61%	-6.94%	2.61%	1.4
TAIWAN TAIEX INDEX	TWSE Index	Taiwan	10,569.87	0.89%	0.44%	23.47%	24.29%	14.50%	1.8
STOCK EXCH OF THAI INDEX	SET Index	Thailand	1,616.63	2.95%	0.19%	13.38%	9.63%	4.89%	1.9
HO CHI MINH STOCK INDEX	VNINDEX Index	Vietnam	788.73	2.15%	0.73%	18.80%	15.63%	18.63%	2.3
Rest of the World									
MSCI ACWI	MXWD Index	MSCI World	479.90	1.03%	0.31%	13.76%	14.99%	13.76%	2.3
MSCI EM	MXEF Index	MSCI EM	1,091.36	0.55%	0.34%	26.57%	22.48%	26.57%	1.8
MSCI Frontier Market Index	MXFEM Index	MSCI FM	2,815.87	-0.10%	0.34%	16.44%	10.36%	16.44%	1.9
DFM GENERAL INDEX	DFMGI Index	Dubai	3,627.10	0.36%	0.00%	3.02%	3.58%	3.02%	1.3
MSCI EM LATIN AMERICA	MXLA Index	Latin America	2,912.25	0.65%	1.36%	24.42%	21.25%	24.42%	2.1
ARGENTINA MERVAL INDEX	MERVAL Index	Argentina	23,657.64	0.72%	1.07%	29.26%	29.60%	39.84%	1.7
MSCI BRAZIL	MXBR Index	Brazil	2,038.52	1.44%	2.04%	21.93%	23.45%	21.93%	1.9
CHILE STOCK MKT SELECT	IPSA Index	Chile	5,173.91	1.48%	0.59%	33.58%	36.76%	24.63%	1.7
IGBC GENERAL INDEX	IGBC Index	Colombia	11,164.39	1.94%	1.53%	13.09%	12.07%	10.47%	-
S&P/BMV IPC	MEXBOL Index	Mexico	51,080.85	-1.66%	-0.40%	29.78%	13.41%	11.91%	2.9
Bolsa de Panama General	BVPSBVPS Index	Panama	432.32	0.22%	0.14%	4.55%	7.70%	4.60%	2.1
S&P/BVLPeruGeneralTRPEN	SPBLPGPT Index	Peru	17,830.31	1.50%	1.23%	18.53%	22.68%	14.54%	1.7
VENEZUELA STOCK MKT INTX	IBVC Index	Venezuela	234,286.10	15.10%	-0.37%	629.15%	1832.56%	638.95%	5.7
MSCI EFM AFRICA	MXFMEAF Index	Africa	915.12	0.45%	0.51%	18.94%	19.29%	18.94%	2.5
EGYPT HERMES INDEX	HERMES Index	Egypt	1,209.93	3.29%	0.00%	14.19%	-16.38%	11.11%	1.9
GSE Composite Index	GGSECI Index	Ghana	2,389.01	1.70%	0.00%	35.95%	17.77%	41.44%	2.2
Nairobi SE 20 Share	KNSMID Index	Kenya	3,887.28	-4.38%	-3.66%	21.26%	20.14%	22.00%	2.4
MASI Free Float Index	MOSENEW Index	Morocco	12,397.12	1.80%	0.00%	14.69%	30.16%	6.47%	2.9
NIGERIA STCK EXC ALL SHR	NGSEINDX Index	Nigeria	35,504.62	-2.59%	0.00%	16.22%	8.34%	32.11%	1.6
FTSE/JSE AFRICA TOP40 IX	TOP40 Index	South Africa	49,922.12	0.31%	0.71%	21.03%	22.87%	13.88%	2.2
<b>Average</b>				0.80%	0.26%	25.25%	42.44%	26.10%	
<b>Top 25%</b>				1.55%	0.59%	23.80%	22.43%	21.87%	
<b>Bottom 25%</b>				-0.10%	0.00%	10.62%	9.99%	5.66%	

Chris Wehbe  
CEO & Chair of Investment  
Committee

Aaron Armstrong  
Senior Investment Analyst  
(Asia)

Florian Gueritte  
Investment Analyst  
(LatAm)

Temu Iyiola  
Investment Analyst  
(Africa)

chris.wehbe@alquity.com

aaron.armstrong@alquity.com

florian.gueritte@alquity.com

temu.iyiola@alquity.com

Twitter: @cswehbe



# GLOBAL MARKET DATA (CONTD.)

28 September to 3 August 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	92.60	0.08%	0.16%	-9.19%	-2.97%
USD-EUR X-RATE	USDEUR Curncy	Europe	0.84	0.57%	0.43%	-11.29%	-5.58%
Russian Ruble SPOT (TOM)	USDRUB Curncy	Russia	57.87	-1.90%	-0.97%	-6.69%	-12.92%
USD-TRY X-RATE	USDTRY Curncy	Turkey	3.44	-0.31%	-0.71%	-2.70%	15.78%
USD-GBP X-RATE	USDGBP Curncy	UK	0.77	-0.54%	-0.19%	-4.70%	2.44%
Bloomberg JPMorgan Asia Dollar	ADXY Index	Asia USD Index	108.24	0.59%	0.30%	5.20%	1.09%
USD-AUD X-RATE	USDAUD Curncy	Australia	1.26	-0.38%	-0.29%	-9.60%	-5.24%
USD-CNY X-RATE	USDCNY Curncy	China	6.53	-1.31%	-0.56%	-5.62%	-1.64%
USD-INR X-RATE	USDINR Curncy	India	64.14	-0.08%	-0.25%	-6.11%	-4.49%
USD-JPY X-RATE	USDJPY Curncy	Japan	109.46	0.85%	0.26%	-5.75%	6.81%
USD-KRW X-RATE	USDKRW Curncy	Korea	1,132.64	0.02%	-0.27%	-7.09%	0.33%
USD-TWD X-RATE	USDTWD Curncy	Taiwan	30.04	-0.01%	-0.26%	-6.99%	-5.01%
USD-ARS X-RATE	USDARS Curncy	Argentina	17.21	-0.04%	-0.70%	8.45%	15.36%
USD-BRL X-RATE	USDBRL Curncy	Brazil	3.14	-0.62%	-0.27%	-3.52%	-3.59%
USD-CLP X-RATE	USDCLP Curncy	Chile	625.38	-1.48%	-0.12%	-6.75%	-8.09%
USD-MXN X-RATE	USDMXN Curncy	Mexico	17.88	1.13%	-0.40%	-14.06%	-4.98%
USD-EGP X-RATE	USDEGP Curncy	Egypt	17.64	-0.35%	0.02%	-2.68%	98.64%
USD-NGN X-RATE	USDNGN Curncy	Nigeria	358.50	-0.28%	0.00%	13.82%	15.46%
USD-ZAR X-RATE	USDZAR Curncy	South Africa	12.97	-0.61%	-0.47%	-5.69%	-11.35%
Commodities				Return (USD)			
WTI CRUDE FUTURE Oct17	CLA Comdty	US	47.31	-1.21%	0.13%	-17.08%	-1.40%
BRENT CRUDE FUTR Nov17	COA Comdty	UK	52.17	1.48%	-0.21%	-10.24%	6.74%
BALTIC DRY INDEX	BDIY Comdty		1,183.00	-2.15%	-0.08%	23.10%	66.15%
Natural Gas Futures	NGI Comdty		3.04	6.15%	0.99%	-17.56%	9.96%
Gold Spot \$/Oz	XAU Curncy		1,338.07	2.60%	0.26%	14.98%	0.84%
Silver Spot \$/Oz	XAG Curncy		17.86	3.87%	0.76%	11.37%	-6.18%
LME COPPER 3MO (\$)	LMCADSO3 Comdty		6,835.00	2.54%	0.69%	23.48%	47.62%
Government Bond Yields %				Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	US 2yr	1.34	0.01	0.02	0.15	0.56
US Generic Govt 5 Year Yield	USGG5YR Index	US 5yr	1.74	-0.02	0.04	-0.19	0.56
US Generic Govt 10 Year Yield	USGG10YR Index	US 10yr	2.17	0.00	0.05	-0.28	0.60
Canadian Govt Bonds 10 Year No	GCAN10YR Index	Canada 10yr	1.91	0.04	0.07	0.19	0.91
Mexico Generic 10 Year	GMXN10YR Index	Mexico 10yr	6.87	0.03	0.02	-0.57	1.01
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	UK 10yr	1.04	0.00	0.02	-0.18	0.39
Switzerland Govt Bonds 10 Year	GSWISS10 Index	Swiss 10yr	-0.13	0.00	0.01	0.06	0.34
German Government Bonds 2 Yr B	GDBR2 Index	German 2yr	-0.73	0.00	0.00	0.04	-0.10
German Government Bonds 5 Yr O	GDBR5 Index	German 5yr	-0.35	-0.02	0.01	0.20	0.18
Germany Generic Govt 10Y Yield	GDBR10 Index	German 10yr	0.36	0.00	0.02	0.17	0.45
French Generic Govt 10Y Yield	GTFRF10Y Govt	French 10yr	0.67	-0.01	0.02	0.00	0.51
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	Greece 10yr	5.49	-0.01	0.00	-1.54	-2.55
Italy Generic Govt 10Y Yield	GBTGPR10 Index	Italy 10yr	2.05	-0.02	0.03	0.26	0.91
Spain Generic Govt 10Y Yield	GSPG10YR Index	Spanish 10yr	1.58	-0.01	0.04	0.22	0.54
Portugal Generic Govt 10Y Yield	GSPT10YR Index	Portugal 10yr	2.82	-0.03	0.01	-0.92	-0.20
Australia Govt Bonds Generic Y	GACGB10 Index	Aus 10yr	2.62	0.02	-0.05	-0.11	0.82
India Govt Bond Generic Bid Yi	GIND10YR Index	India 10yr	6.52	-0.06	-0.04	-0.03	-0.64
KCMP South Korea Treasury Bond	GVSK10YR Index	Korea 10yr	2.28	0.03	0.01	0.19	0.75
Japan Generic Govt 10Y Yield	GJGB10 Index	Japan 10yr	-0.01	-0.02	-0.01	-0.05	0.05
South Africa Govt Bonds 10 Ya	GSAB10YR Index	SA 10yr	8.51	-0.08	-0.07	-0.42	-0.50
Corporate Credit Indices				Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 06/22	ITRXEXE CBIL Curncy	EUR XOVER	236.08	-9.31	-3.36	-54.87	-79.05
MARKIT ITRX EUROPE 06/22	ITRXEBE CBIL Curncy	EUR MAIN	54.88	-2.58	-1.48	-18.29	-15.12
MARKIT ITRX EUR SNR FIN 06/22	ITRXESE CBIL Curncy	EUR SNR FIN	53.00	-2.79	-0.98	-40.99	-37.01
MARKIT ITRX EUR SUB FIN 06/22	ITRXEUE CBIL Curncy	EUR SUB FIN	122.14	-6.26	-2.64	-100.50	-83.54
MARKIT CDX.NA.IG.28 06/22	IBOXUMAE CBIL Curncy	US IG	57.71	-2.25	-0.96	-9.90	-15.87
MARKIT CDX.NA.HY.28 06/22	IBOXHYSE CBIL Curncy	US HY	322.64	-10.74	-3.72	-32.26	-71.50
Implied Volatility (Equity Index)				Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SX5E Index	Europe	13.53	-0.48	-0.75	-4.32	-6.75
FTSE 100 500 3month ATM	UKX Index	UK	10.06	-0.42	-0.34	-2.92	-4.29
Hang Seng 3month ATM	HSI Index	HK	15.30	0.50	-0.10	-0.89	-1.31
Nikkei 3month ATM	NKY Index	Japan	12.84	-0.01	0.27	-6.39	-8.80
S&P 500 3month ATM	SPX Index	US	10.40	-0.69	-0.21	-3.06	-2.56
Volatility (VIX)	VIX Index	US	10.13	-1.15	-0.46	-3.91	-3.35
Inflation (Long term inflation expectation proxy) %				Change (percentage points)			
US 5Y5YF Inflation Swap		USD	2.24	0.02	0.01	-0.19	0.28
UK 5Y5YF Inflation Swap		GBP	3.36	0.05	0.03	-0.18	0.14
JPY 5Y5YF Inflation Swap		JPY	0.25	-0.04	0.00	-0.31	0.14
EUR 5Y5YF Inflation Swap		EUR	1.62	0.03	0.01	-0.13	0.33
Economic Data Surprise (+ive = above expectations)							
Citi Economic Surprise Index	CESIAPAC Index	Asia Pacific	18.10				
Citi Economic Surprise Index -	CESICNY Index	China	35.00				
Citi Economic Surprise Index -	CESIEM Index	EM	19.80				
Citi Economic Surprise Index -	CESIEUR Index	Eurozone	25.80				
Citi Economic Surprise Index -	CESIG10 Index	G10	5.10				
Citi Economic Surprise - Japan	CESIJPY Index	Japan	-1.80				
Citi Economic Surprise Index -	CESILTAM Index	Latin America	28.90				
Citi Economic Surprise - Unite	CESIUSD Index	US	-18.20				

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(Africa)

chris.wehbe@alquity.com

aaron.armstrong@alquity.com

florian.gueritte@alquity.com

temu.iyola@alquity.com

Twitter: @cswehbe

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

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*Swiss Representative: FIRST INDEPENDENT FUND SERVICES LTD., Klausstrasse 33, 8008 Zurich.*

*Swiss Paying Agent: Neue Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zurich.*

**Chris Wehbe**  
CEO & Chair of Investment  
Committee

[chris.wehbe@alquity.com](mailto:chris.wehbe@alquity.com)

Twitter: [@cswehbe](https://twitter.com/cswehbe)

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Senior Investment Analyst  
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(Africa)

[temi.iyiola@alquity.com](mailto:temi.iyiola@alquity.com)