

GLOBAL MARKET UPDATE



3 TO 9 JULY: GROWING PAINS

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

| | | |
|-----------|-----------|--|
| DEVELOPED | Top 3: | Italy 2.05% , Finland 1.28% , Sweden 1.16% |
| | Bottom 3: | Luxembourg -3.24% , Japan -2.00% , Australia -1.27% |
| EMERGING | Top 3: | Greece 1.62% , Egypt 1.61% , India 1.50% |
| | Bottom 3: | Turkey -3.16% , South Africa -2.00% , Hong Kong -1.70% |
| FRONTIER | Top 3: | Tunisia 3.56% , Palestine 2.99% , Estonia 2.94% |
| | Bottom 3: | Pakistan -3.82% , Saudi Arabia -2.95% , Tanzania -2.85% |

The upturn in global bond yields continued into its second week as central bank meeting minutes and mostly positive data caused investors to reassess the longer-term outlook for interest rates. However, equities were more resilient than a week ago, ending mostly unchanged. Looking in more detail at bond market moves, it's interesting to note curves steepened, with little action in shorter dated securities. This is to say, the market is not necessarily pricing higher interest rates, but the start of a withdrawal from quantitative easing. In the context of continued economic momentum across most of the globe (UK an obvious exception), this should surely be expected. As former FED Chairman Bill Martin said, the job of a central bank is "to take away the punch bowl just as the party gets going". Nonetheless, whilst there is certainly room for rates to continue to trend higher (we are still talking about small moves and near all-time low yields), we think it is unlikely we are going to see a "taper tantrum" yet. In 2013, US 10 year yields rose 150bps, as opposed to the last fortnight's 25bps move, and this all comes in the context of limited inflationary pressures.

Oil experienced a roller coaster, hitting a 1 month high on Monday, before declining around 4% on the week amidst negative headlines; OPEC shipments and US shale production rising. This alludes to our theme of oil producing nations playing weak hands, which restrict their ability to manage the price higher.

UNITED STATES

S&P 2,425 **+0.07%**, 10yr Treasury 2.38% **+8.19bps**, HY Credit Index 343 **+5bps**, Vix 11.28 **+0.01Vol**

Last week was fairly significant in terms of economic data releases:

- On Wednesday, **the minutes to the June FOMC meeting were modestly hawkish**, indicating governors believe the balance sheet can be reduced with "limited" disruption to financial markets and that recent low inflation readings are due to "idiosyncratic factors, including sharp declines in prices of wireless telephone services and prescription drugs, and expected these developments to have little bearing on inflation over the medium run."
- The **ISM manufacturing index jumped to a 3-year high 57.8**, with the ISM non-manufacturing also hitting an above-consensus 57.4. This somewhat contradicted factory orders (biggest drop in six months), durable goods orders, construction

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spending and vehicle sales, which all disappointed

- **The employment report posted strong numbers**, with non-farm payrolls beating consensus, average hourly earnings rising an annualised 2.5% (with an increase also in average weekly hours) and an improvement in the participation rate to 62.8% from 62.7%.

We maintain our view of a reduction in QE within the next few months and the potential for another rate hike before year end (priced at a 57% chance by markets). Admittedly, the labour market continues to add jobs without an acceleration in wage inflation, but there is nonetheless real earnings growth.

Janet Yellen speaks to Congress on Wednesday and the Senate on Thursday this week

EUROPE

Eurostoxx 3,472 +0.59%, German Bund 0.56% +10.70bps, Xover Credit Index 255 -9bps, EURUSD 1.140 +0.22%

European government bonds were at the epicentre of the bond market selloff last week; the German 10yr Bund yield has more than doubled in a fortnight – albeit this only represents a 32bps move to 0.57%. Underlying the move is continued positive economic data and a (frankly very small) change in rhetoric from the ECB:

- German and French industrial production for May rebounded strongly.
- The ECB minutes stated that “while there were reasons to retain the APP easing bias, as the economic expansion proceeded and if confidence in the inflation outlook improves further, the case for retaining this bias could be reviewed”. However, “It was cautioned that even small and incremental changes in the communication could be misperceived as signalling a more fundamental change in policy direction...this could trigger unwarranted movements in financial conditions, which could put the prospects of a sustained adjustment of inflation at risk.”

The ECB is likely to scale back QE, but appears acutely aware of the long way to go towards sustainable growth in Europe. The move in bond yields is therefore perhaps more symptomatic of the extremity of market positioning and the huge weight of central bank liquidity/distortion, rather than an important change in expectations.

Italy continued its belated banking sector recapitalisation last week, after the European Commission gave its approval to a restructuring plan for Monte Paschi. The real story here is that the EU has brought an end to the stalemate but breaking its own rules and allowing state aid. The precautionary recapitalisation will involve up to EUR 8.8bn of taxpayer money, as well as a shift of EUR 28.6bn in bad loans to the government sponsored bad-bank “Atlante”. As we’ve said before, you can look at this in 2 ways:

1. In the short term as a positive, with Italian banks now in a position to ease lending conditions and contribute to a recovery.

2. In the long run as a negative, with the collective actions of the past few weeks pushing Italian debt to GDP from an already unsustainable (in light of not having its own currency) 132.5% towards 140%. Moreover, again threatening the credibility of EU institutions and their ability to do anything more than transfer banking problems to the sovereign.

UK data was soft – manufacturing and services PMIs both declining (particularly in forward looking categories such as new orders and business expectations). Activity data was also lower.

The **Russia rouble fell to a 5-month low against the USD** on weak oil prices and ahead of the weekend’s G20 summit.

ASIA PACIFIC

HSCEI 1,023 -1.15%, Nikkei 2,008.00 -2.00%, 10yr JGB 0.09% +0bps, USDJPY 114.260 +1.35%

After two years of stability, Pakistan devalued the rupee by 3% on Wednesday, in an attempt to help rebalance the current account and stop the outflow of foreign reserves.

With the exchange rate having reached a point of between 10%-20% overvaluation on a real effective exchange rate basis, the central bank’s insistence in maintaining the value of the rupee against the US dollar had caused the country’s export sector to lose competitiveness. 61% of Pakistan’s exports come from the textile industry, where fierce competition exists from newly emerging global players such as Vietnam and Bangladesh.

This combined with steady import growth led to a widening current account deficit, from less than USD 1bn in Q4 2016 to USD 2.6bn in Q1 2017 (versus total annual GDP of \$284bn). Remittances from overseas Pakistani workers, mostly in the Middle East, had also slowed.

FX reserves dropped to the level of 3.4 months of import coverage last quarter, below the IMF’s prescribed minimum threshold of 3 months.

A devaluation of some form had begun to be widely expected by the market over the last 12 months, in light of the deteriorating current account deficit and falling foreign reserves. The only factor suggesting that the government may refrain from allowing the rupee to weaken was the sensitive political backdrop.

With the current Prime Minister fresh from a Supreme Court investigation into his family’s wealth, which arose on the back of the Panama Papers leak, his position has become somewhat precarious - a joint investigation team is still questioning his immediate family members. Pakistan is also scheduled to hold general elections in 2018, before which a significant devaluation would be an embarrassing blow to the government among a voting population that is inclined to associate a strong currency with a strong economy.

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This is the first of two key reasons behind our thinking that a significant further devaluation (of a double digit magnitude) is unlikely over the next twelve months.

The second reason lies with two entities which are likely to offer Pakistan assistance in the form of hard currency should it be required. Firstly, the IMF, with whom Pakistan established a cordial relationship during the completion of a USD 6bn extended fund facility initiative in 2013. Secondly, China, which has begun a \$60bn infrastructure investment package in Pakistan as part of the One Belt One Road initiative, and thus has a vested interest in maintaining domestic stability.

Given the stage of the political cycle in Pakistan, and the likely support of the IMF or China should it be required, we see the possibility of a further significant devaluation of the rupee over the next twelve months as remote.

China's Caixin Manufacturing PMI rose in June to 50.4 (versus 49.6 in May) ending four months of decline. Caixin Services PMI declined, though remained above 50. The unofficial services index printed at 51.6, down from the 4-month high of 52.8 registered in May. The last services print of Q2 dragged the quarterly average down to slightly below that of Q1. **Conversely, official non-manufacturing PMI strengthened in June.** Overall, we take little new information away from this batch of data, with our broad view of a well-performing Chinese economy unchanged.

India's Services PMI improved in June to 53.1, up from 52.2 in May, reaching an 8-month high. The New Business sub-index drove the gains.

Philippines President Rodrigo Duterte celebrated one year in office this week by reaching an all-time high approval rating. According to the Social Weather Stations survey, 78% of Filipinos are satisfied with Duterte at present. This follows the Supreme Court's decision to uphold the President's decision to impose martial law on the island of Mindanao, in the face of an Islamic terrorist insurgency.

With public support at these levels, Duterte now has a strong footing on which to pursue his economic agenda, which is at present centred around tax reforms favourable to low income earners and on infrastructure spending.

Bank of Thailand kept interest rates on hold at 1.50%, with a unanimous vote. The central bank described an improving growth outlook, however lowered its inflation forecasts.

LATIN AMERICA

MSCI Lat Am 2,542 -0.07%

Brazil's trade surplus in 1H17 reached an all-time high (series started in 1992) at USD 36.2Bn (vs USD 23.6Bn in 1H16). The trade surplus reached USD 7.2Bn in June. Exports increased 19.3% YTD (mainly due to higher commodity prices) and imports rose 7.3%. Over 12 months, the trade surplus increased again, to USD 60.3Bn.

Brazil's industrial production grew 3.9% YOY in June, beating consensus expectations of +2.9%. The breakdown

by economic category shows gains for all components, with an emphasis on capital goods (3.5%) and durable consumer goods (6.7%).

Peru's headline inflation fell significantly in June, to 2.73% YOY (from 3.04% in May), reaching the lowest level in almost 3 years. MOM CPI inflation was negative for a third consecutive month, as the agricultural supply shock (caused by the coastal El Niño) continued to revert.

Importantly, June's inflation results will influence the central bank to cut interest rates in its next policy meeting.

Colombia's headline inflation decreased to 3.99% in June 2017, back within the central bank's target range for the first time since January 2015. Inflation collapsed by 498 bps since July 2016, when it peaked at 8.96%. Similar to that observed last month, the strong slowdown in prices was widespread as food prices normalised following last year's higher levels due to El Niño and softer economic activity.

Similar to Peru, the fall in inflation could provide room for Banco de la Republica to cut rates at their next meeting. An easing monetary policy will support the economy.

AFRICA

MSCI Africa 807 -2.37%

Egypt raised its benchmark interest rates by 200bps to contain inflation following a rise in fuel and electricity prices. Overnight deposit rate increased to 18.75% and the lending rate to 19.75%, bringing total increase in borrowing costs since the EGP float in November 2016 to 700bps.

Non-oil private-sector PMI contracts fell for the 21st consecutive month to 47.2 points in June from 47.3 points in May, owing to further declines in output and weak domestic demand, but at a reduced rate vs. pre-devaluation. New export orders did however rise for the third consecutive month, reflecting the improvement in competitiveness since the devaluation. The average PMI in Q2 2017 was 47.3, higher than 45.3 in Q1 2017 and 42.2 in Q4 2016.

The Central Bank of Nigeria injected another USD 195 million into various segments of the inter-bank forex market to narrow the spread between official and black-market rates. This brings the amount injected since February to USD 5billion.

The ANC proposed a nationalisation of the South African Reserve Bank. This comes after a recommendation to revisit the SARB's mandate by an anti-graft watchdog. We note however that the shareholding of the SARB has no bearing on its mandate, and some notable bodies including the South African Treasury and Parliament have come out against the recommendation.

Looking back at the ANC national policy conference, it was altogether a damp squib with no realistic policy proposals and little indication on the direction of the party post Zuma.

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THE WEEK AHEAD

| | Date | Consensus |
|---|--------|-----------|
| UNITED STATES | | |
| Budget balance (JUN) Bn USD | Thu/13 | -23.0 |
| CPI inflation (JUN) % YOY | Fri/14 | 1.7 |
| Retail sales (JUN) % MOM | Fri/14 | 0.1 |
| Industrial production (JUN) % MOM | Fri/14 | 0.3 |
| Michigan consumer sentiment (JUL) | Fri/14 | 95.0 |
| EUROPE | | |
| Eurozone industrial production (MAY) % YOY | Wed/12 | 3.5 |
| Eurozone trade balance (MAY) sa Bn USD | Fri/14 | 20.1 |
| ASIA PACIFIC | | |
| Japan BoP current account (MAY) nsa Bn JPY | Mon/10 | 1790 |
| China CPI inflation (JUN) % YOY | Mon/10 | 1.6 |
| China M2 (JUN) % YOY | Mon/10 | 9.5 |
| Japan M3 (JUN) % YOY | Tue/11 | 3.4 |
| India CPI inflation (MAY) % YOY | Wed/12 | 1.8 |
| Malaysia rate decision % | Thu/13 | 3.0 |
| Korea rate decision % | Thu/13 | 1.25 |
| China trade balance (JUN) Bn USD | Thu/13 | 43 |
| India trade balance (JUN) Bn USD | Fri/14 | -13 |
| LATIN AMERICA | | |
| Peru rate decision % | Thu/13 | 3.75 |
| AFRICA | | |
| Egypt CPI inflation (JUN) % YOY | Mon/10 | |
| South Africa manufacturing production (MAY) % YOY | Tue/11 | -3.30 |

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GLOBAL MARKET DATA

3 TO 9 JULY

Market Summary

Data: Last Calendar Week

| Equities | | | | Return (USD) | | | | YTD (Local) | Price/Book |
|----------------------------|----------------|---------------|------------|--------------|--------|---------|---------|-------------|------------|
| Name | BBG Code | Country | Price | 1 Week | MTD | YTD | 1Y | | |
| North America | | | | | | | | | |
| S&P 500 INDEX | SPX Index | US | 2,425.18 | 0.07% | 0.07% | 8.32% | 15.60% | | 3.1 |
| RUSSELL 2000 INDEX | RTY Index | US | 1,415.84 | 0.03% | 0.03% | 4.33% | 23.14% | | 2.3 |
| NASDAQ COMPOSITE INDEX | CCMP Index | US | 6,153.08 | 0.21% | 0.21% | 14.30% | 26.17% | | 4.0 |
| S&P/TSX COMPOSITE INDEX | SPTSX Index | Canada | 15,027.16 | -0.02% | -0.02% | 2.80% | 7.42% | | 1.8 |
| S&P 500 FINANCIALS INDEX | S5FINL Index | US | 415.60 | 1.47% | 1.47% | 7.52% | 36.94% | | 1.4 |
| S&P 500 CONS DISCRET IDX | S5COND Index | US | 709.49 | -0.64% | -0.64% | 9.52% | 12.78% | | 5.1 |
| S&P 500 INFO TECH INDEX | S5INFT Index | US | 945.57 | 0.56% | 0.56% | 17.03% | 32.38% | | 5.0 |
| S&P 500 HEALTH CARE IDX | S5HLTH Index | US | 916.54 | -0.04% | -0.04% | 15.01% | 8.89% | | 4.0 |
| S&P 500 ENERGY INDEX | S5ENRS Index | US | 471.95 | -1.25% | -1.25% | -14.89% | -6.09% | | 1.8 |
| S&P 500 ECO SECTORS IDX | SPXL1 Index | US | 2,425.18 | 0.07% | 0.07% | 8.32% | 15.60% | | 3.1 |
| S&P 500 INDUSTRIALS IDX | S5INDU Index | US | 586.76 | 0.66% | 0.66% | 9.05% | 20.10% | | 4.7 |
| S&P 500 CONS STAPLES IDX | S5CONS Index | US | 562.39 | -0.78% | -0.78% | 5.75% | -0.55% | | 5.4 |
| S&P 500 UTILITIES INDEX | S5UTIL Index | US | 261.32 | -0.93% | -0.93% | 5.87% | -1.12% | | 2.0 |
| S&P 500 MATERIALS INDEX | s5MATR Index | US | 339.41 | 0.59% | 0.59% | 8.73% | 18.20% | | 3.9 |
| S&P 500 TELECOM SERV IDX | S5TELS Index | US | 150.68 | -2.17% | -2.17% | -14.68% | -16.33% | | 2.6 |
| Europe | | | | | | | | | |
| Euro Stoxx 50 Pr | SX5E Index | Europe | 3,472.44 | 0.59% | 0.59% | 13.86% | 28.47% | 5.27% | 1.6 |
| CAC 40 INDEX | CAC Index | France | 5,151.21 | 0.43% | 0.43% | 14.46% | 28.83% | 5.82% | 1.5 |
| DAX INDEX | DAX Index | Germany | 12,441.13 | 0.47% | 0.47% | 16.71% | 35.62% | 7.91% | 1.7 |
| Athex Composite Share Pr | ASE Index | Greece | 837.43 | 1.62% | 1.62% | 40.73% | 62.42% | 30.11% | 0.7 |
| FTSE MIB INDEX | FTSEMIB Index | Italy | 21,119.71 | 2.05% | 2.05% | 18.18% | 40.37% | 9.26% | 1.2 |
| AEX-Index | AEX Index | Netherlands | 511.38 | 0.50% | 0.50% | 14.15% | 23.33% | 5.54% | 1.7 |
| PSI All-Share Index GR | BVLX Index | Portugal | 2,818.26 | -0.33% | -0.33% | 20.94% | 24.33% | 11.82% | 1.3 |
| MICEX INDEX | INDEXCF Index | Russia | 1,926.39 | -0.33% | -0.33% | -13.14% | 8.40% | -14.34% | 0.7 |
| IBEX 35 INDEX | IBEX Index | Spain | 10,499.00 | 0.38% | 0.38% | 21.31% | 35.05% | 12.15% | 1.5 |
| OMX STOCKHOLM 30 INDEX | OMX Index | Sweden | 1,624.92 | 1.16% | 1.16% | 14.95% | 26.14% | 6.58% | 2.3 |
| SWISS MARKET INDEX | SMI Index | Switzerland | 8,907.65 | -0.78% | -0.78% | 14.03% | 13.15% | 8.07% | 2.5 |
| BIST 100 INDEX | XU100 Index | Turkey | 100,787.80 | -3.16% | -3.16% | 24.79% | 2.43% | 28.09% | 1.4 |
| FTSE 100 INDEX | UKX Index | UK | 7,365.51 | -0.41% | -0.41% | 7.43% | 12.37% | 2.91% | 1.8 |
| Asia Pacific | | | | | | | | | |
| MSCI AC ASIA x JAPAN | MXASJ Index | MSCI Asia Ex | 620.09 | -0.84% | -0.84% | 20.56% | 23.32% | 20.56% | 1.6 |
| S&P/ASX 200 INDEX | AS51 Index | Australia | 5,724.44 | -1.27% | -1.27% | 6.06% | 10.86% | 0.67% | 2.0 |
| DSE 30 Index | DS30 Index | Bangladesh | 2,121.60 | 0.17% | 0.17% | 12.56% | 14.58% | 16.16% | - |
| HANG SENG CHINA ENT IND | HSCXI Index | China "H" | 10,231.06 | -1.15% | -1.15% | 8.32% | 18.40% | 9.12% | 1.0 |
| SHANGHAI SE COMPOSITE | SHCOMP Index | China "A" | 3,212.63 | 0.37% | 0.37% | 5.91% | 4.88% | 3.68% | 1.7 |
| HANG SENG INDEX | HSI Index | HK | 25,516.25 | -1.70% | -1.70% | 14.34% | 21.56% | 15.18% | 1.3 |
| Nifty 50 | NIFTY Index | India | 9,723.60 | 1.50% | 1.50% | 24.18% | 21.03% | 18.08% | 2.9 |
| JAKARTA COMPOSITE INDEX | JCI Index | Indonesia | 5,791.83 | -0.89% | -0.89% | 10.86% | 14.31% | 9.78% | 2.4 |
| NIKKEI 225 | NKY Index | Japan | 20,080.98 | -2.00% | -2.00% | 6.63% | 15.15% | 4.26% | 1.8 |
| KOSPI 200 INDEX | KOSPI2 Index | Korea | 311.46 | -1.25% | -1.25% | 24.92% | 27.38% | 19.48% | 1.1 |
| Laos Composite Index | LSXC Index | Laos | 1,022.38 | -0.07% | -0.07% | -1.12% | -10.37% | -0.17% | 0.9 |
| FTSE Bursa Malaysia KLCI | FBMVKLI Index | Malaysia | 1,756.23 | -0.21% | -0.21% | 11.90% | 0.06% | 7.20% | 1.7 |
| KARACHI 100 INDEX | KSE100 Index | Pakistan | 45,926.11 | -3.82% | -3.82% | -6.75% | 17.80% | -5.41% | 1.8 |
| PSEI - PHILIPPINE SE IDX | PCOMP Index | Philippines | 7,837.47 | 0.24% | 0.24% | 12.91% | -5.27% | 15.33% | 2.4 |
| STRAITS TIMES INDEX STI | FSSTI Index | Singapore | 3,242.47 | -0.31% | -0.31% | 17.34% | 10.11% | 12.09% | 1.2 |
| SRI LANKA COLOMBO ALL S | CSEALL Index | Sri Lanka | 6,756.48 | -0.21% | -0.21% | 5.47% | 1.48% | 8.18% | 1.5 |
| TAIWAN TAIEX INDEX | TWSE Index | Taiwan | 10,289.91 | -1.55% | -1.55% | 17.93% | 26.09% | 11.28% | 1.7 |
| STOCK EXCH OF THAI INDEX | SET Index | Thailand | 1,569.44 | -0.88% | -0.88% | 6.91% | 11.28% | 1.72% | 1.9 |
| HO CHI MINH STOCK INDEX | VNINDEX Index | Vietnam | 767.62 | -0.20% | -0.20% | 16.82% | 15.08% | 16.67% | 2.3 |
| Rest of the World | | | | | | | | | |
| MSCI ACWI | MXWD Index | MSCI World | 463.96 | -0.24% | -0.24% | 9.98% | 16.89% | 9.98% | 2.2 |
| MSCI EM | MXEF Index | MSCI EM | 1,002.48 | -0.82% | -0.82% | 16.26% | 21.22% | 16.26% | 1.6 |
| MSCI Frontier Market Index | MXFEM Index | MSCI FM | 2,699.60 | -0.04% | -0.04% | 11.63% | 7.62% | 11.63% | 1.9 |
| DFM GENERAL INDEX | DFMGI Index | Dubai | 3,428.27 | 0.27% | 0.27% | -3.67% | 0.89% | -3.67% | 1.2 |
| MSCI EM LATIN AMERICA | MXLA Index | Latin America | 2,542.32 | -0.07% | -0.07% | 8.62% | 15.50% | 8.62% | 1.8 |
| ARGENTINA Merval INDEX | MERVAL Index | Argentina | 22,027.84 | -1.80% | -1.80% | 22.04% | 29.43% | 30.20% | 1.6 |
| MSCI BRAZIL | MXBR Index | Brazil | 1,691.66 | -0.50% | -0.50% | 1.19% | 16.88% | 1.19% | 1.5 |
| CHILE STOCK MKT SELECT | IPSA Index | Chile | 4,854.98 | 1.84% | 1.84% | 17.57% | 21.31% | 16.95% | 1.6 |
| IGBC GENERAL INDEX | IGBC Index | Colombia | 10,938.12 | -0.83% | -0.83% | 5.17% | 9.76% | 8.23% | - |
| S&P/BMV IPC | MEXBOL Index | Mexico | 50,059.02 | 0.35% | 0.35% | 25.16% | 15.18% | 9.68% | 2.7 |
| Bolsa de Panama General | BVPSBVP Index | Panama | 424.57 | 0.41% | 0.41% | 2.68% | 7.67% | 2.73% | 2.1 |
| S&P/BVLPeruGeneralTRPEN | SPBPLGPT Index | Peru | 16,172.49 | 0.01% | 0.01% | 7.19% | 18.63% | 3.89% | 1.6 |
| ENEZUELA STOCK MKT IND | IBVC Index | Venezuela | 123,451.20 | -0.04% | -0.04% | 283.67% | 938.70% | #### | 10.6 |
| MSCI EFM AFRICA | MXFMEAF Index | Africa | 806.98 | -2.37% | -2.37% | 4.89% | 8.88% | 4.89% | 2.2 |
| EGYPT HERMES INDEX | HERMES Index | Egypt | 1,221.12 | 1.61% | 1.61% | 13.75% | -8.31% | 12.15% | 1.9 |
| GSE Composite Index | GGSECI Index | Ghana | 1,991.00 | 1.46% | 1.46% | 14.52% | 0.38% | 17.87% | 1.9 |
| Nairobi SE 20 Share | KNSMIX Index | Kenya | 3,604.06 | -0.23% | -0.23% | 11.56% | -4.33% | 13.11% | 2.2 |
| MASI Free Float Index | MOSENEW Index | Morocco | 12,354.35 | 2.91% | 2.91% | 11.20% | 30.59% | 6.10% | 2.7 |
| NIGERIA STCK EXC ALL SHR | NGSEINDX Index | Nigeria | 32,459.17 | -1.99% | -1.99% | 20.87% | 0.44% | 20.78% | 1.5 |
| FTSE/JSE AFRICA TOP40 IX | TOP40 Index | South Africa | 45,715.71 | -2.00% | -2.00% | 6.66% | 12.26% | 4.03% | 2.1 |
| Average | | | | -0.24% | -0.24% | 14.96% | 28.83% | 15.14% | |
| Top 25% | | | | 0.40% | 0.40% | 16.76% | 23.32% | 15.54% | |
| Bottom 25% | | | | -0.86% | -0.86% | 6.35% | 7.64% | 4.73% | |

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GLOBAL MARKET DATA (CONTD.)

3 TO 9 JULY

| FX (vs USD) | | | | Return +ive=USD Stronger | | | |
|---|---------------------|----------------|----------|---|--------|---------|---------|
| Name | BBG Code | Country | Price | 1 Week | MTD | YTD | 1Y |
| DOLLAR INDEX SPOT | DX Index | USD Index | 96.04 | 0.40% | 0.40% | -6.07% | -0.33% |
| USD-EUR X-RATE | USDEUR Curncy | Europe | 0.88 | 0.22% | 0.22% | -7.73% | -2.96% |
| Russian Ruble SPOT (TOM) | USDRUB Curncy | Russia | 60.33 | 4.01% | 4.01% | -2.02% | -6.56% |
| USD-TRY X-RATE | USDTRY Curncy | Turkey | 3.61 | 2.75% | 2.75% | 2.69% | 23.15% |
| USD-GBP X-RATE | USDGBP Curncy | UK | 0.78 | 1.04% | 1.04% | -4.25% | 0.14% |
| Bloomberg JPMorgan Asia Dollar | ADXY Index | Asia USD Index | 105.79 | -0.40% | -0.40% | 2.81% | -0.53% |
| USD-AUD X-RATE | USDAUD Curncy | Australia | 1.32 | 1.11% | 1.11% | -5.27% | -1.64% |
| USD-CNY X-RATE | USDCNY Curncy | China | 6.80 | 0.38% | 0.38% | -2.25% | 1.68% |
| USD-INR X-RATE | USDINR Curncy | India | 64.55 | 0.03% | 0.03% | -4.91% | -4.25% |
| USD-JPY X-RATE | USDJPY Curncy | Japan | 114.26 | 1.35% | 1.35% | -2.66% | 13.01% |
| USD-KRW X-RATE | USDKRW Curncy | Korea | 1,151.12 | 0.72% | 0.72% | -4.45% | -0.41% |
| USD-TWD X-RATE | USDTWD Curncy | Taiwan | 30.57 | 0.50% | 0.50% | -5.64% | -5.54% |
| USD-ARS X-RATE | USDARS Curncy | Argentina | 16.97 | 2.06% | 2.06% | 6.91% | 15.32% |
| USD-BRL X-RATE | USDBRL Curncy | Brazil | 3.28 | -0.82% | -0.82% | 0.77% | -2.61% |
| USD-CLP X-RATE | USDCLP Curncy | Chile | 667.50 | 0.55% | 0.55% | -0.47% | 0.31% |
| USD-MXN X-RATE | USDMXN Curncy | Mexico | 17.91 | -0.19% | -0.19% | -12.75% | -4.01% |
| USD-EGP X-RATE | USDEGP Curncy | Egypt | 17.90 | -1.34% | -1.34% | -1.40% | 101.29% |
| USD-NGN X-RATE | USDNGN Curncy | Nigeria | 314.75 | 0.00% | 0.00% | -0.07% | 11.61% |
| USD-ZAR X-RATE | USDZAR Curncy | South Africa | 13.35 | 2.52% | 2.52% | -2.40% | -9.27% |
| Commodities | | | | Return (USD) | | | |
| WTI CRUDE FUTURE Aug17 | CLA Comdty | US | 44.26 | -3.93% | -3.93% | -22.27% | -11.86% |
| BRENT CRUDE FUTR Sep17 | COA Comdty | UK | 46.75 | -4.22% | -4.22% | -20.62% | -9.46% |
| BALTIC DRY INDEX | BDIY Comdty | | 822.00 | -8.77% | -8.77% | -14.46% | 17.60% |
| Natural Gas Futures | NGI Comdty | | 2.87 | -5.63% | -5.63% | -23.09% | 3.13% |
| Gold Spot \$/Oz | XAU Curncy | | 1,207.09 | -2.29% | -2.29% | 5.28% | -10.82% |
| Silver Spot \$/Oz | XAG Curncy | | 15.28 | -6.09% | -6.09% | -1.90% | -20.70% |
| LME COPPER 3MO (\$) | LMCADSO3 Comdty | | 5,828.00 | -1.84% | -1.84% | 5.28% | 24.34% |
| Government Bond Yields % | | | | Change (percentage points) | | | |
| US Generic Govt 2 Year Yield | USGG2YR Index | US 2yr | 1.40 | 0.02 | 0.02 | 0.21 | 0.81 |
| US Generic Govt 5 Year Yield | USGG5YR Index | US 5yr | 1.94 | 0.06 | 0.06 | 0.02 | 0.99 |
| US Generic Govt 10 Year Yield | USGG10YR Index | US 10yr | 2.38 | 0.08 | 0.08 | -0.06 | 1.00 |
| Canadian Govt Bonds 10 Year No | GCAN10YR Index | Canada 10yr | 1.88 | 0.12 | 0.12 | 0.16 | 0.90 |
| Mexico Generic 10 Year | GMXN10YR Index | Mexico 10yr | 6.85 | 0.05 | 0.05 | -0.59 | 0.91 |
| UK Govt Bonds 10 Year Note Gen | GUKG10 Index | UK 10yr | 1.31 | 0.05 | 0.05 | 0.07 | 0.52 |
| Switzerland Govt Bonds 10 Year | GSWISS10 Index | Swiss 10yr | 0.02 | 0.04 | 0.04 | 0.21 | 0.62 |
| German Government Bonds 2 Yr B | GDBR2 Index | German 2yr | -0.61 | -0.03 | -0.03 | 0.17 | 0.09 |
| German Government Bonds 5 Yr C | GDBR5 Index | German 5yr | -0.10 | 0.14 | 0.14 | 0.45 | 0.52 |
| Germany Generic Govt 10Y Yield | GDBR10 Index | German 10yr | 0.56 | 0.11 | 0.11 | 0.37 | 0.74 |
| French Generic Govt 10Y Yield | GTFRF10Y Govt | French 10yr | 0.94 | 0.12 | 0.12 | 0.26 | 0.80 |
| Greece Generic Govt 10Y Yield | GTGRD10Y Govt | Greece 10yr | 5.34 | 0.00 | 0.00 | -1.66 | -2.51 |
| Italy Generic Govt 10Y Yield | GBTGPR10 Index | Italy 10yr | 2.33 | 0.19 | 0.19 | 0.53 | 1.10 |
| Spain Generic Govt 10Y Yield | GSPG10YR Index | Spanish 10yr | 1.72 | 0.19 | 0.19 | 0.35 | 0.55 |
| Portugal Generic Govt 10Y Yield | GSPT10YR Index | Portugal 10yr | 3.16 | 0.13 | 0.13 | -0.60 | 0.09 |
| Australia Govt Bonds Generic Y | GACGB10 Index | Aus 10yr | 2.74 | 0.13 | 0.13 | -0.04 | 0.86 |
| India Govt Bond Generic Bid Yi | GIND10YR Index | India 10yr | 6.50 | 0.02 | 0.02 | 0.02 | -0.85 |
| KCMP South Korea Treasury Bond | GVSKI10YR Index | Korea 10yr | 2.32 | 0.11 | 0.11 | 0.23 | 0.94 |
| Japan Generic Govt 10Y Yield | GJGB10 Index | Japan 10yr | 0.09 | 0.00 | 0.00 | 0.04 | 0.36 |
| South Africa Govt Bonds 10 Yea | GSAB10YR Index | SA 10yr | 8.88 | 0.15 | 0.15 | 0.01 | 0.16 |
| Corporate Credit Indices | | | | Change (Bps) +ive = Widening | | | |
| MARKIT ITRX EUR XOVER 06/22 | ITRXEXE CBIL Curncy | EUR XOVER | 254.56 | 8.77 | 8.77 | -33.18 | -109.73 |
| MARKIT ITRX EUROPE 06/22 | ITRXEBE CBIL Curncy | EUR MAIN | 56.55 | 0.77 | 0.77 | -15.27 | -25.30 |
| MARKIT ITRX EUR SNR FIN 06/22 | ITRXESE CBIL Curncy | EUR SNR FIN | 53.87 | 1.83 | 1.83 | -38.90 | -62.33 |
| MARKIT ITRX EUR SUB FIN 06/22 | ITRXEUE CBIL Curncy | EUR SUB FIN | 132.96 | 2.73 | 2.73 | -85.89 | -123.82 |
| MARKIT CDX.NA.IG.28 06/22 | BOXUMAE CBIL Curncy | US IG | 61.67 | 0.94 | 0.94 | -5.43 | -14.56 |
| MARKIT CDX.NA.HY.28 06/22 | BOXHYSE CBIL Curncy | US HY | 342.68 | 4.55 | 4.55 | -10.20 | -80.92 |
| Implied Volatility (Equity Index) | | | | Change (Volatility Points) +ive = Volatility Rising | | | |
| Eurostoxx 3month ATM | SX5E Index | Europe | 15.03 | -0.28 | -0.28 | -2.82 | -9.81 |
| FTSE 100 500 3month ATM | UKX Index | UK | 10.02 | -1.68 | -1.68 | -2.95 | -7.75 |
| Hang Seng 3month ATM | HSI Index | HK | 13.44 | 0.23 | 0.23 | -2.75 | -6.20 |
| Nikkei 3month ATM | NKY Index | Japan | 14.02 | 0.28 | 0.28 | -5.21 | -11.75 |
| S&P 500 3month ATM | SPX Index | US | 10.68 | 0.17 | 0.17 | -2.78 | -3.44 |
| Volatility (VIX) | VIX Index | US | 11.28 | 0.01 | 0.01 | -2.85 | -3.57 |
| Inflation (Long term inflation expectation proxy) % | | | | Change (percentage points) | | | |
| US 5Y5YF Inflation Swap | | USD | 2.24 | 0.03 | 0.03 | -0.19 | 0.35 |
| UK 5Y5YF Inflation Swap | | GBP | 3.35 | -0.05 | -0.05 | -0.21 | 0.22 |
| JPY 5Y5YF Inflation Swap | | JPY | 0.32 | 0.00 | 0.00 | -0.24 | 0.41 |
| EUR 5Y5YF Inflation Swap | | EUR | 1.59 | 0.00 | 0.00 | -0.16 | 0.33 |
| Economic Data Surprise (+ive = above expectations) | | | | | | | |
| Citi Economic Surprise Index | CESIAPAC Index | Asia Pacific | 1.80 | | | | |
| Citi Economic Surprise Index - | CESICNY Index | China | 18.00 | | | | |
| Citi Economic Surprise Index - | CESIEM Index | EM | 18.30 | | | | |
| Citi Economic Surprise Index - | CESIEUR Index | Eurozone | 40.10 | | | | |
| Citi Economic Surprise Index - | CESIGIO Index | GIO | -10.80 | | | | |
| Citi Economic Surprise - Japan | CESIJPY Index | Japan | -2.50 | | | | |
| Citi Economic Surprise Index - | CESILTAM Index | Latin America | 57.60 | | | | |
| Citi Economic Surprise - Unite | CESIUSD Index | US | -58.50 | | | | |

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

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