

GLOBAL MARKET UPDATE



11 TO 17 SEPTEMBER: WALKING THE TIGHTROPE

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	United States 1.58% , Italy 1.39% , Sweden 1.36%
	Bottom 3:	Denmark -1.18% , Singapore -0.99% , Ireland -0.77%
EMERGING	Top 3:	Brazil 2.32% , Czech Republic 2.25% , Egypt 2.02%
	Bottom 3:	Greece -3.96% , South Africa -1.91% , Turkey -1.56%
FRONTIER	Top 3:	Venezuela 43.42% , Mongolia 12.80% , Pakistan 3.18%
	Bottom 3:	Jamaica -5.98% , Croatia -4.54% , Bulgaria -4.15%

Last week we highlighted the potential for greater monetary policy uncertainty given the FED's Board of Governors is due to change almost entirely over the next 6 months. Indeed, investors everywhere are walking a "Goldilocks tightrope" – the combination of strong near-term growth but low inflation and confidence about longer-term economic conditions means it is "not too hot" to worry about rising rates and "not too cold" to raise concern about slower earnings.

After a summer rally, global bonds sold-off sharply over the past 10 days on a combination of a hawkish Bank of England, declining risk-aversion and reasonable data. For now, this did not upset the unstable equilibrium, with equity markets rallying alongside falling bond prices. We continue to expect central banks to tighten only gradually. In other words, despite the potential for cross-winds, monetary policy will not be the lever that knocks markets off balance.

Elsewhere, the UN Security Council unanimously voted to adopt a watered-down US resolution to impose new sanctions on North Korea. The resolution includes limits on imports of crude oil, a ban on textile exports (the country's 2nd largest export worth USD 700m per year) and a ban on new visas for North Korean workers (estimated to cost USD 500m in tax revenue). North Korea's ambassador to the UN stated, "The forthcoming measures by the Democratic Republic of Korea will make the US suffer the greatest pain it has ever experienced in its history."

UNITED STATES

S&P 2,500 **+1.58%**, 10yr Treasury 2.21% **+15.16bps**, HY Credit Index 325 **-9bps**, Vix 10.17 **-1.95Vol**

The US 10-year gave back much of its recent gains with the yield shifting from 2.06% to 2.20%. Moreover, the **market implied probability of a December rate hike increased to nearly 60% from 30% a week ago**. Contributing to the move, CPI inflation for August came in higher than expected, with the biggest one-month gain since

January (albeit the headline and core measures were still below target at 1.9% and 1.7% respectively). Other data was, however, weaker including below expectations or moderating readings for industrial production, retail sales, Empire State manufacturing and Michigan consumer sentiment. **This week there is an FOMC meeting at which it is expected that balance sheet normalisation will begin** as the FED allow a certain USD amount of bonds to mature each month without reinvestment. More pertinent for the market, will be the discussion around inflation and the likelihood of a rate hike before the end of the year.

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We do not expect a clear consensus from the FOMC. Certainly, some members will mark down their inflation forecasts for 2018 and hurricane season will mean that Q3 growth will come in lower than previously estimated (with Q4 higher). In addition, there might be some recognition of the reduced likelihood of any fiscal support, given little progress on reform in Washington.

EUROPE

Eurostoxx 3,516 +1.28%, German Bund 0.44% +12.10bps, Xover Credit Index 224 -9bps, EURUSD 1.194 +0.75%

The GBP was the best performing currency in the world last week and the 10 year gilt yield rose 32bps, after the Bank of England delivered a much more hawkish statement than expected. In particular, "all MPC members continue to judge that, if the economy follows a path broadly consistent with the August Inflation Report central projection, then monetary policy could need to be tightened by a somewhat greater extent over the forecast period than current market expectations." As a consequence, the FTSE 100 fell to a 4-month low in GBP terms as the value of exports was marked down.

The MPC are playing an uncomfortable hand; currency weakness is importing inflation (August CPI inflation at 5-year highs) and unemployment is at multi-year lows. Conversely, growth is slowing, real wage growth is negative (2.1% in July versus RPI at 3.9% and CPI at 2.9% in August) and the outlook is clouded in Brexit related uncertainty. A rate hike in November is now priced in, but weak activity data is very likely over the coming quarter. This will make it difficult to continue with a hiking cycle proper.

Next weekend, Germany holds a general election. There has been little attention on this event, given polls suggest a clear victory for Angela Merkel's CDU. The incumbent Chancellor is likely to enter a coalition with either the SPD or FDP with, in both cases, a promise of fiscal stimulus.

Greek equities continued to buck the broader positive trend - bank shares are down between 15-20% over the past month as the IMF insists on its own review of asset quality as part of the 3rd bailout (this is despite opposition from the EU who carry out their own stress tests).

The Central Bank of Turkey left policy on hold whilst the Central Bank of Russia cut rates by 0.50% to 8.50%. As the oil price and Rouble stabilise, prices pressures are again declining, which should allow a cutting cycle to continue. This week, the National Bank of Hungary is likely to hold interest rates at 0.90%.

ASIA PACIFIC

HSCEI 1,119 -0.86%, Nikkei 1,990.00 + 0.55%, 10yr JGB 0.03% +0bps, USDJPY 111.330 +2.79%

China's latest batch of activity data came in softer than expected, though the property sector remained firm. Retail sales slowed from 10.4% YOY in July to 10.1%

in August, while fixed asset investment (from 8.3% to 7.8%) and industrial production (from 6.4% to 6.0%) also decelerated. This was in contrast to the strong August PMI numbers and the latest property data, which showed nationwide sales in August rose 6.4% YoY.

Within this nationwide property number, we note that listed developers' sale rose much faster at 31% YoY. This demonstrates the ongoing supply-side consolidation within one of China's systemically important industries, as smaller, riskier players are denied funding (a directive itself driven by regulators aiming to control factors contributing to systemic risk).

As for the weaker broader activity data in August, softer exports and mining production were among the most significant causes. Inflation data also came out slightly faster in August, with CPI and PPI now running at 1.8% and 6.3% respectively.

The overarching theme emerging from the Chinese economy this year has been the government's success, in the short term, to both maintain economic growth at around the 6.5% official target, while at the same time implementing a non-trivial number of economic reforms, such as increasing regulation of riskier forms of lending and cutting excess capacity in SOE-dominated heavy industries and extractives. The caveat here is that this process has required pumping record amounts of infrastructure investment and credit generation in to the economy in order to stimulate the growth needed to soften the impact of reforms. Whilst this approach inevitably stores up problems for the long term, in the medium term, it allows the government to dip its toe in the water of economic reforms without facing disinflationary consequences.

At the end of the first half reporting season, it is also apparent that this approach has been well received by the corporate sector, with aggregate earnings of Chinese listed companies growing 22% YOY during 1H17, with a much higher 39% YOY growth rate for corporates ex-financials, the fastest growth rate since 2010.

India's consumer price inflation rate jumped in August to 3.4%, up from 2.4% in July, reaching a 5-month high. **Wholesale prices were also firmer**, with WPI increasing from 1.9% YOY to 3.2%. The cost of food was the standout source of price pressure, and, given that food prices in India have a high degree of volatility, there is little to suggest that we are entering any kind of inflationary cycle in India, with agricultural factors being the key driver at this point.

Industrial production in India picked up in July. From June's 0.2% YOY contraction, July saw growth of 1.2% YOY. This trend is in line with the strength of India's most recent manufacturing PMI data, suggesting that GST-related destocking had a short term impact on activity levels and that a bounce back can reasonably be expected on a 1-2 quarter view.

India's trade deficit was largely unchanged month on month in August, **while the Q2 current account deficit came in at 2.4% of GDP, the highest quarterly deficit since Q2 2013.** While export growth was an impressive 10.3% YOY in August, imports grew even faster at 21.0%.

Elsewhere in Asia, **Indonesia reported a 69-month high**

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trade surplus of US\$1.2bn for August, while Philippines remittance growth accelerated to 7.1% YOY.

LATIN AMERICA

MSCI Lat Am 2,988 +1.56%

Brazil Prosecutor-General Rodrigo Janot filed a new accusation against President Michel Temer of crimes of criminal organisation and obstruction of justice.

According to the law, for the Brazilian President to go on trial, Congress must grant permission in a plenary vote requiring a 2/3 majority. This prosecution is likely to be rejected once again as, last week, new evidence has emerged which strengthened Temer's position versus the Attorney General's office.

Mexico's industrial production fell 1.6% YOY in July, surprising to the downside. A pronounced deterioration of construction activity (which reflects the weakness of investment) explains most of the fall.

Uncertainty in the relationship with the US, the US being late cycle (rising rates and inflation, full employment, capital investment slow-down), uncertainty around Mexican politics (presidential elections in 2018) ... Most indicators point towards Mexico being closer to the end of its economic cycle and, as usual, the industrial sector is leading the rest of the economy.

Chile's consumer confidence rose to 41.1 in August from 41 in July and up 9.6 points compared to last year.

The indicator is still in negative territory but both consumer and business confidence are improving sharply ahead of presidential elections in a few months.

Colombia's recovery is underway as retail sales gained 3.1% YOY in July and industrial production grew 6.2% YOY, well above the market consensus (4%). After a sluggish start to the year following the fiscal reform and the peace process, 2H17 growth should come higher.

Argentina's central bank kept the benchmark interest rates unchanged at 26.25% as expected.

Real interest rates have doubled in the past few months. However, Argentina's central bank maintains a tight policy due to CPI inflation being much stickier than expected. Argentinian inflation reached 1.4% MOM in August, down from 1.7% in July, but still about central bank's expectation. Prices have increased by 15.4% YTD.

Peru's central bank cut the benchmark interest rate to 3.5% from 3.75%. From now on, the central bank will become inflation-dependent and will closely watch how the economy reacts to the fiscal stimulus from reconstruction works (following floods and El Nino).

Peru's government will be reshuffled as Congress denied the vote of confidence to Fernando Zavala's cabinet. Prime minister, Fernando Zavala asked for a vote of confidence because the Fujimori controlled Congress called to vote for a censorship for Minister of Education Marilú Martens on alleged mismanagement of a 2-month long teacher's union strike.

This episode weakens the relationship between Congress and the government. This shouldn't threaten the unity with regards to the reconstruction work and the fiscal stimulus in 2H17 and 2018 but it may slow down the adoption of structural reforms.

AFRICA

MSCI Africa 878 -2.05%

In Egypt, the current account deficit halved YOY to USD2.4bn in 2Q17, driven by:

- A contraction in the trade deficit following an increase in FDI to USD8bn in FY16/17 and USD16bn net portfolio inflows.
- A rebound in tourism and remittances which are up 43.9% YOY, generating a total inflow of USD14.5 billion since EGP floatation.

We believe these positive data prints together with an ease in consumer pressures should see the EGP strengthen.

In Kenya, rumblings this week were all about rate caps with the Kenyan central bank signalling a repeal of the year-old interest rate cap (government capped commercial lending rates at 4% above the central bank rate). This would be to encourage more lending from banks and make them more responsive to monetary policy. Legislators however remain unsupportive and have warned that any attempt to change the law is doomed to fail.

In Nigeria, the administration of President Buhari and the 36 states of the federation have borrowed N7.51tn (USD 20.8bn) in the last two years, taking Nigeria's total debt to N19.63tn (USD 64bn).

While a 62% increase in debt is significant, Nigeria has over USD400bn GDP which should in theory make it solvent. The problem, however, lies in the government's inability to generate sustainable revenue internally; c.60% of the economy is informal and due to the lack of transparency and accountability in the management of government resources, the federal government has YTD raised only 25% of the N807bn it requires from revenue generating agencies, despite reducing the target after generating only 35% of its N1.3tn 2016 target. Hence the addiction to oil and why the government will resist OPEC's attempts to curb oil production.

Staying in Nigeria, external reserves rose to USD33bn (a 31-month high) on the back of rising oil prices, increased production and relative stability in the Niger Delta. Also, annual inflation slowed for a seventh month in August, easing to 16.01% compared to 16.05% in July.

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THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
Current account balance (Q2) Bn USD	Tue/19	-110.5
Existing home sales (AUG) Mn	Wed/20	5.5
FOMC rate decision %	Wed/20	1.00 - 1.25
Philadelphia Fed mfg index (SEP)	Thu/21	17.0
EUROPE		
Eurozone final HICP inflation (AUG) % YOY	Mon/18	1.5
Eurozone current account (JUL) Bn EUR	Tue/19	
Germany PPI inflation(AUG) % YOY	Wed/20	2.5
UK retail sales (AUG) % YOY	Wed/20	1.2
Eurozone flash consumer confidence (SEP)	Thu/21	-1.6
Netherlands final GDP (Q2) % QOQ	Fri/22	1.5
France final GDP (Q2) % QOQ	Fri/22	0.5
Eurozone flash composite PMI	Fri/22	55.6
ASIA PACIFIC		
Japan trade balance (AUG) Bn JPY, nsa/sa	Wed/20	104/400
Malaysia CPI inflation (AUG) % YOY	Wed/20	3.1
New Zealand GDP (Q2) % YOY	Thu/21	2.5
Taiwan rate decision %	Thu/21	1.375
Philippines rate decision %	Thu/21	3.0
Indonesia rate decision	Fri/22	4.5
Taiwan industrial production (AUG) % YOY	Fri/22	2.0
LATIN AMERICA		
Argentina GDP (Q2) % YOY	Thu/21	x%
AFRICA		
Kenya rate decision %	Mon/18	10.0
South Africa CPI inflation (AUG) % YOY	Wed/20	4.9
South Africa rate decision %	Thu/21	6.5

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GLOBAL MARKET DATA

11 TO 17 SEPTEMBER

Equities				Return (USD)				YTD	Price/	Volume	14d RSI	30d Vol
Name	BBG Code	Country	Price	1 Week	MTD	YTD	1Y	(Local)	Book	1wk/3mo		
North America												
S&P 500 INDEX	SPX Index	US	2,500.23	1.58%	1.16%	11.68%	16.44%		3.2	131%	59.83	9.54%
RUSSELL 2000 INDEX	RTY Index	US	1,431.71	2.31%	1.88%	5.50%	16.68%		2.3	138%	56.73	12.43%
NASDAQ COMPOSITE INDEX	COMP Index	US	6,448.47	1.39%	0.31%	19.79%	22.84%		4.1	127%	57.66	13.14%
S&P/TSX COMPOSITE INDEX	SPTSX Index	Canada	15,173.03	0.70%	2.39%	9.40%	12.75%		1.8	153%	50.42	6.12%
S&P 500 FINANCIALS INDEX	S5FINL Index	US	411.81	3.32%	0.82%	6.54%	27.84%		1.4	137%	52.54	15.10%
S&P 500 CONS DISCRET IDX	S5COND Index	US	714.22	0.91%	0.29%	10.25%	14.26%		5.1	125%	50.19	11.00%
S&P 500 INFO TECH INDEX	S5INFT Index	US	1,014.93	1.40%	0.27%	25.62%	27.72%		5.2	120%	58.97	13.84%
S&P 500 HEALTH CARE IDX	S5HLTH Index	US	955.98	0.44%	1.89%	19.96%	14.70%		4.1	144%	63.52	10.81%
S&P 500 ENERGY INDEX	S5ENRS Index	US	487.76	3.46%	5.66%	-12.04%	-2.66%		1.9	127%	56.57	12.28%
S&P 500 ECO SECTORS IDX	SPXL1 Index	US	2,500.23	1.58%	1.16%	11.68%	16.44%		3.2	131%	59.83	9.54%
S&P 500 INDUSTRIALS IDX	S5INDU Index	US	591.55	2.07%	1.64%	9.94%	19.60%		4.6	148%	57.16	10.67%
S&P 500 CONS STAPLES IDX	S5CONS Index	US	568.86	0.75%	1.25%	6.97%	4.58%		5.4	123%	51.33	7.41%
S&P 500 UTILITIES INDEX	S5UTIL Index	US	277.90	-0.40%	0.22%	12.59%	12.03%		2.1	142%	56.46	9.41%
S&P 500 MATERIALS INDEX	s5MATR Index	US	351.43	2.45%	1.96%	12.58%	19.11%		3.8	141%	59.40	11.84%
S&P 500 TELECOM SERV IDX	S5TELS Index	US	155.68	3.89%	-0.75%	-11.85%	-8.68%		2.6	127%	49.06	14.40%
Europe												
Euro Stoxx 50 Pr	SX5E Index	Europe	3,515.55	1.28%	3.30%	21.00%	25.61%	6.84%	1.6	119%	53.86	11.13%
CAC 40 INDEX	CAC Index	France	5,213.91	1.28%	3.08%	21.44%	26.68%	7.23%	1.6	146%	53.67	10.78%
DAX INDEX	DAX Index	Germany	12,518.81	1.06%	4.40%	23.49%	27.52%	9.04%	1.8	126%	55.56	11.68%
Athex Composite Share Pr	ASE Index	Greece	776.20	-3.96%	-5.46%	36.58%	49.43%	20.60%	0.7	116%	39.06	15.30%
FTSE MIB INDEX	FTSEMIB Index	Italy	22,229.49	1.39%	3.13%	30.89%	42.33%	15.57%	1.2	118%	58.68	12.68%
AEX-Index	AEX Index	Netherlands	526.78	0.85%	2.63%	23.48%	26.29%	9.03%	1.8	112%	54.03	10.11%
PSI All-Share Index GR	BVLX Index	Portugal	2,916.51	1.19%	2.02%	31.07%	27.79%	15.73%	1.3	118%	56.11	8.19%
MICEX INDEX	INDEXCF Index	Russia	2,060.89	0.53%	2.40%	-2.19%	15.78%	-8.01%	0.7	135%	62.82	8.56%
IBEX 35 INDEX	IBEX Index	Spain	10,317.40	1.17%	0.71%	24.94%	25.71%	10.32%	1.5	108%	46.87	13.15%
OMX STOCKHOLM 30 INDEX	OMX Index	Sweden	1,583.05	1.36%	2.03%	18.64%	18.59%	4.06%	2.3	99%	51.19	11.40%
SWISS MARKET INDEX	SMI Index	Switzerland	9,028.05	-0.10%	1.35%	16.39%	11.75%	9.83%	2.6	135%	52.87	11.17%
BIST 100 INDEX	XU100 Index	Turkey	108,016.90	-1.56%	-1.54%	41.23%	20.78%	37.89%	1.4	109%	54.95	15.00%
FTSE 100 INDEX	UKX Index	UK	7,215.47	0.65%	2.21%	11.06%	10.09%	1.02%	1.8	134%	41.84	10.48%
Asia Pacific												
MSCI AC ASIA x JAPAN	MXASJ Index	MSCI Asia Ex	671.16	1.13%	1.27%	30.49%	23.67%	30.49%	1.7	114%	63.79	9.76%
S&P/ASX 200 INDEX	AS51 Index	Australia	5,720.60	-0.34%	0.63%	11.49%	16.08%	0.52%	2.0	95%	47.51	7.85%
DSE 30 Index	DS30 Index	Bangladesh	2,222.16	1.81%	2.69%	18.10%	20.98%	22.88%	-		72.14	6.18%
HANG SENG CHINA ENT INDX	HSCEI Index	China "H"	11,992.03	-0.86%	-1.93%	16.82%	14.44%	17.80%	1.1	87%	54.13	15.38%
SHANGHAI SE COMPOSITE	SHCOMP Index	China "A"	3,363.44	-1.21%	0.62%	14.64%	13.87%	8.05%	1.9	111%	59.33	9.69%
HANG SENG INDEX	HSI Index	HK	28,137.28	0.37%	-0.50%	25.34%	18.24%	26.39%	1.4	88%	58.91	12.94%
Nifty 50	NIFTY Index	India	10,163.95	1.22%	1.46%	30.60%	20.29%	23.21%	3.0	114%	59.12	10.78%
JAKARTA COMPOSITE INDEX	JCI Index	Indonesia	5,869.58	-0.47%	0.72%	13.27%	10.54%	10.87%	2.5	120%	54.37	7.87%
NIKKEI 225	NKY Index	Japan	19,909.50	0.55%	0.74%	9.64%	11.99%	4.16%	1.7	103%	53.56	11.08%
KOSPI 200 INDEX	KOSPI2 Index	Korea	318.93	2.08%	1.05%	28.54%	24.12%	20.65%	1.1	110%	55.54	11.71%
Laos Composite Index	LSXC Index	Laos	1,034.08	0.40%	0.48%	0.66%	3.11%	2.03%	0.9	6%	52.59	7.67%
FTSE Bursa Malaysia KLCI	FBMVKLCI Index	Malaysia	1,784.48	0.62%	2.69%	16.53%	6.68%	8.81%	1.7	114%	56.13	4.74%
KARACHI 100 INDEX	KSE100 Index	Pakistan	42,667.00	3.18%	3.66%	-11.35%	5.65%	-10.50%	1.6	81%	44.15	20.89%
PSEI - PHILIPPINE SE IDX	PSEI Index	Philippines	8,266.61	1.15%	2.50%	15.56%	-1.46%	19.59%	2.5	122%	60.88	8.15%
STRAITS TIMES INDEX STI	FSSTI Index	Singapore	3,240.96	-0.99%	-1.19%	19.81%	15.97%	11.41%	1.2	93%	44.08	8.86%
SRI LANKA COLOMBO ALL SH	CSEALL Index	Sri Lanka	6,409.27	0.33%	0.10%	0.71%	-5.75%	2.79%	1.4	188%	39.02	4.46%
TAIWAN TAIEX INDEX	TWSE Index	Taiwan	10,631.57	-0.35%	0.18%	23.15%	25.22%	14.34%	1.8	118%	56.01	9.27%
STOCK EXCH OF THAI INDEX	SET Index	Thailand	1,675.94	1.62%	3.05%	16.61%	19.72%	7.62%	2.0	121%	77.12	7.24%
HO CHI MINH STOCK INDEX	VNINDEX Index	Vietnam	808.69	0.62%	2.96%	21.44%	20.57%	21.20%	2.3	75%	64.08	10.40%
Rest of the World												
MSCI ACWI	MXWD Index	MSCI World	485.18	1.16%	1.42%	15.02%	17.42%	15.02%	2.3	130%	63.23	6.99%
MSCI EM	MXEF Index	MSCI EM	1,102.16	1.01%	1.33%	27.82%	23.98%	27.82%	1.8	134%	65.40	9.46%
MSCI Frontier Market Index	MXFEM Index	MSCI FM	2,863.23	0.93%	2.03%	18.40%	13.24%	18.40%	1.9	101%	68.61	5.80%
DFM GENERAL INDEX	DFMGI Index	Dubai	3,649.37	0.35%	0.54%	3.58%	5.03%	3.58%	1.4	87%	56.33	6.64%
MSCI EM LATIN AMERICA	MXLA Index	Latin America	2,987.90	1.56%	4.00%	27.65%	28.18%	27.65%	2.1	105%	69.31	11.44%
ARGENTINA MERVAL INDEX	MERVAL Index	Argentina	23,715.54	0.11%	2.85%	31.53%	32.73%	40.18%	1.6	11%	59.88	19.71%
MSCI BRAZIL	MXBR Index	Brazil	2,148.47	2.52%	7.54%	28.51%	33.71%	28.51%	2.0	125%	71.93	15.09%
CHILE STOCK MKT SELECT	IPSA Index	Chile	5,202.05	1.20%	1.14%	34.31%	37.43%	25.31%	1.7	107%	62.25	8.43%
IGBC GENERAL INDEX	IGBC Index	Colombia	11,159.20	-0.04%	2.74%	14.44%	11.57%	10.42%	-		58.11	8.99%
S&P/BMV IPC	MEXBOL Index	Mexico	49,921.84	-0.31%	-2.05%	27.63%	18.26%	9.37%	2.8	140%	43.95	6.92%
Bolsa de Panama General	BVPSBVPS Index	Panama	432.07	0.13%	0.08%	4.49%	6.30%	4.54%	1.9	22%	64.29	5.11%
S&P/BVLPeruGeneralTRPEN	SPBLPGPT Index	Peru	18,150.42	0.36%	2.74%	20.29%	23.60%	16.60%	1.8	113%	71.92	10.11%
ENEZUELA STOCK MKT IND	IBVC Index	Venezuela	397,471.30	43.42%	71.04%	1151.78%	3224.28%	###	9.8	12%	93.33	72.84%
MSCI EFM AFRICA	MXFMEAF Index	Africa	877.82	-2.05%	-3.59%	14.09%	10.80%	14.09%	2.3	99%	49.56	14.77%
EGYPT HERMES INDEX	HERMES Index	Egypt	1,239.88	2.02%	2.14%	16.63%	-13.14%	13.43%	1.7	175%	58.60	10.68%
GSE Composite Index	GGSECI Index	Ghana	2,310.28	-2.39%	-3.05%	31.80%	16.58%	36.78%	2.2	112%	60.62	14.86%
Nairobi SE 20 Share	KNSMIDX Index	Kenya	3,783.98	-1.65%	-6.22%	18.04%	14.83%	18.76%	2.4	86%	50.18	23.18%
MASI Free Float Index	MOSENEW Index	Morocco	12,716.01	-0.07%	2.68%	17.76%	31.68%	9.20%	2.9	168%	66.69	6.43%
NIGERIA STCK EXC ALL SHR	NGSEINDX Index	Nigeria	35,005.57	-2.70%	-1.87%	14.05%	10.73%	30.26%	1.6	59%	50.56	17.17%
FTSE/JSE AFRICA TOP40 IX	TOP40 Index	South Africa	49,274.60	-1.91%	-2.66%	16.99%	16.09%	12.24%	2.2	117%	54.30	10.49%
Average				1.28%	2.16%	33.93%	65.21%	36.49%		113%	57.23	11.75%
Top 25%				1.40%	2.65%	25.14%	24.67%	21.62%		131%	60.75	12.81%
Bottom 25%				-0.06%	0.28%	11.58%	11.87%	7.95%		103%	52.57	8.31%

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GLOBAL MARKET DATA (CONTD.)

11 TO 17 SEPTEMBER

FX (vs USD)				Return +ive=USD Stronger			
Name	BBG Code	Country	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	DXYS Index	USD Index	91.91	0.57%	-0.86%	-10.11%	-3.58%
USD-EUR X-RATE	USDEUR Curncy	Europe	0.84	0.75%	-0.31%	-11.94%	-5.88%
Russian Ruble SPOT (TOM)	USDRUB Curncy	Russia	57.61	0.64%	-0.62%	-6.36%	-10.91%
USD-TRY X-RATE	USDTRY Curncy	Turkey	3.45	0.74%	-0.44%	-2.44%	15.83%
USD-GBP X-RATE	USDGBP Curncy	UK	0.74	-2.93%	-4.90%	-9.20%	-2.61%
Bloomberg JPMorgan Asia Dollar	ADXY Index	Asia USD Index	108.42	-0.38%	0.39%	5.29%	1.33%
USD-AUD X-RATE	USDAUD Curncy	Australia	1.25	0.68%	-0.74%	-10.00%	-6.11%
USD-CNY X-RATE	USDCNY Curncy	China	6.56	0.72%	-0.81%	-5.86%	-1.96%
USD-INR X-RATE	USDINR Curncy	India	64.04	0.32%	0.29%	-5.61%	-4.03%
USD-JPY X-RATE	USDJPY Curncy	Japan	111.33	2.79%	0.78%	-5.26%	8.54%
USD-KRW X-RATE	USDKRW Curncy	Korea	1,127.50	0.08%	0.71%	-6.18%	0.71%
USD-TWD X-RATE	USDTWD Curncy	Taiwan	30.09	0.24%	-0.40%	-7.12%	-4.95%
USD-ARS X-RATE	USDARS Curncy	Argentina	16.97	-1.53%	-2.06%	6.96%	12.71%
USD-BRL X-RATE	USBRL Curncy	Brazil	3.11	0.75%	-1.22%	-4.44%	-5.85%
USD-CLP X-RATE	USDCLP Curncy	Chile	624.75	0.64%	-0.38%	-7.00%	-7.21%
USD-MXN X-RATE	USDMXN Curncy	Mexico	17.65	-0.27%	-1.26%	-14.80%	-8.71%
USD-EGP X-RATE	USDEGP Curncy	Egypt	17.66	0.00%	0.02%	-2.68%	98.62%
USD-NGN X-RATE	USDNGN Curncy	Nigeria	360.25	0.28%	0.56%	14.45%	14.26%
USD-ZAR X-RATE	USDZAR Curncy	South Africa	13.21	1.64%	1.14%	-4.16%	-7.70%
Commodities				Return (USD)			
WTI CRUDE FUTURE Oct17	CLA Comdty	US	50.15	5.08%	5.63%	-12.52%	0.65%
BRENT CRUDE FUTR Nov17	COA Comdty	UK	55.75	3.42%	5.22%	-5.36%	9.04%
BALTIC DRY INDEX	BDIY Comdty		1,385.00	3.98%	16.98%	44.12%	81.28%
Natural Gas Futures	NGI Comdty		3.07	4.64%	-0.53%	-18.80%	3.31%
Gold Spot \$/Oz	XAU Curncy		1,315.82	-1.95%	-0.09%	14.57%	0.41%
Silver Spot \$/Oz	XAG Curncy		17.56	-2.09%	-0.06%	10.46%	-7.38%
LME COPPER 3MO (\$)	LMCADS03 Comdty		6,507.00	-2.78%	-4.14%	17.55%	36.10%
Government Bond Yields %				Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	US 2yr	1.39	0.12	0.05	0.19	0.65
US Generic Govt 5 Year Yield	USGG5YR Index	US 5yr	1.81	0.17	0.10	-0.12	0.63
US Generic Govt 10 Year Yield	USGG10YR Index	US 10yr	2.21	0.15	0.09	-0.24	0.51
Canadian Govt Bonds 10 Year No	GCAN10YR Index	Canada 10yr	2.09	0.11	0.24	0.37	0.89
Mexico Generic 10 Year	GMXN10YR Index	Mexico 10yr	6.82	0.06	-0.04	-0.62	0.76
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	UK 10yr	1.34	0.32	0.28	0.07	0.42
Switzerland Govt Bonds 10 Year	GSWISS10 Index	Swiss 10yr	-0.05	0.11	0.09	0.14	0.30
German Government Bonds 2 Yr B	GDBR2 Index	German 2yr	-0.70	0.06	0.03	0.07	-0.05
German Government Bonds 5 Yr O	GDBR5 Index	German 5yr	-0.27	0.11	0.07	0.26	0.21
Germany Generic Govt 10Y Yield	GDBR10 Index	German 10yr	0.44	0.12	0.07	0.23	0.40
French Generic Govt 10Y Yield	GFRFR10Y Govt	French 10yr	0.72	0.09	0.05	0.03	0.38
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	Greece 10yr	5.36	-0.03	-0.09	-1.63	-3.12
Italy Generic Govt 10Y Yield	GBTGRI10 Index	Italy 10yr	2.07	0.12	0.03	0.26	0.75
Spain Generic Govt 10Y Yield	GSPGI0YR Index	Spanish 10yr	1.60	0.06	0.05	0.23	0.54
Portugal Generic Govt 10Y Yield	GSPT10YR Index	Portugal 10yr	2.68	0.00	-0.03	-0.96	-0.62
Australia Govt Bonds Generic Y	GACGB10 Index	Aus 10yr	2.80	0.16	0.03	-0.02	0.64
India Govt Bond Generic Bid Yi	GIND10YR Index	India 10yr	6.61	0.05	0.07	0.08	-0.29
KCMP South Korea Treasury Bond	GVSU10YR Index	Korea 10yr	2.25	0.02	-0.02	0.16	0.69
Japan Generic Govt 10Y Yield	GJGB10 Index	Japan 10yr	0.03	0.03	0.02	-0.02	0.07
South Africa Govt Bonds 10 Yea	GSABI0YR Index	SA 10yr	8.39	-0.01	-0.17	-0.52	-0.28
Corporate Credit Indices				Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 06/22	ITRXEXE CBIL Curncy	EUR XOVER	223.76	-8.85	-11.93	-63.44	-106.68
MARKIT ITRX EUROPE 06/22	ITRXEBE CBIL Curncy	EUR MAIN	50.18	-2.92	-4.65	-21.46	-19.70
MARKIT ITRX EUR SNR FIN 06/22	ITRXESE CBIL Curncy	EUR SNR FIN	47.89	-3.67	-5.21	-45.22	-43.56
MARKIT ITRX EUR SUB FIN 06/22	ITRXEUE CBIL Curncy	EUR SUB FIN	108.97	-8.58	-13.16	-111.02	-89.86
MARKIT CDX.NA.IG.28 06/22	BOXUMAE CBIL Curncy	US IG	56.09	-3.46	-2.29	-11.24	-19.13
MARKIT CDX.NA.HY.28 06/22	IBOXHYSE CBIL Curncy	US HY	325.26	-8.86	-1.95	-30.49	-84.62
Implied Volatility (Equity Index)				Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SX5E Index	Europe	12.96	-1.23	-1.32	-4.89	-8.43
FTSE 100 500 3month ATM	UKX Index	UK	11.24	-0.13	0.84	-1.74	-4.06
Hang Seng 3month ATM	HSI Index	HK	14.59	-0.60	-0.80	-1.60	-4.33
Nikkei 3month ATM	NKY Index	Japan	12.67	-2.18	0.10	-6.56	-9.61
S&P 500 3month ATM	SPX Index	US	9.86	-1.70	-0.75	-3.60	-5.08
Volatility (VIX)	VIX Index	US	10.17	-1.95	-0.42	-3.87	-6.13
Inflation (Long term inflation expectation proxy) %				Change (percentage points)			
US 5Y5YF Inflation Swap		USD	2.26	0.02	0.04	-0.16	0.29
UK 5Y5YF Inflation Swap		GBP	3.34	-0.03	0.00	-0.22	0.10
JPY 5Y5YF Inflation Swap		JPY	0.23	-0.01	-0.02	-0.33	0.19
EUR 5Y5YF Inflation Swap		EUR	1.62	0.01	0.01	-0.13	0.30
Economic Data Surprise (+ive = above expectations)							
Citi Economic Surprise Index	CESIAPAC Index	Asia Pacific	9.60				
Citi Economic Surprise Index -	CESICNY Index	China	7.90				
Citi Economic Surprise Index -	CESIEM Index	EM	15.90				
Citi Economic Surprise Index -	CESIEUR Index	Eurozone	18.40				
Citi Economic Surprise Index -	CESIGIO Index	G10	4.20				
Citi Economic Surprise - Japan	CESIJPY Index	Japan	20.10				
Citi Economic Surprise Index -	CESILTAM Index	Latin America	47.20				
Citi Economic Surprise - Unite	CESIUSD Index	US	-19.00				

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

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