

GLOBAL MARKET UPDATE



31 OCT TO 6 NOV 2016: PLAYING THE TRUMP CARD

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	Ireland 1.37% , Luxembourg 0.27% , Singapore -0.32%
	Bottom 3:	Italy -4.30% , Denmark -3.07% , Spain -2.92%
EMERGING	Top 3:	Hungary 3.63% , China "A" 0.98% , Abu Dhabi -0.26%
	Bottom 3:	Egypt -31.20% , Turkey -6.87% , Brazil -5.40%
FRONTIER	Top 3:	Venezuela 14.00% , Pakistan 4.90% , Macedonia 2.67%
	Bottom 3:	Argentina -5.39% , Qatar -3.99% , Chile -2.74%

Anxiety ahead of the US elections has drip-fed global equities lower over the past 2 weeks. Certainly, it is clear that a Trump victory is seen as market negative – and on this the Mexican Peso and recent polls had suggested the probability of a Republican victory was improving. However, news on Sunday that the FBI will take no action against Democrat candidate Clinton, after a lengthy email probe, has restored market optimism. Assuming no Brexit style surprise, the FED will almost surely raise rates in December, whilst we think a (temporarily) better broader growth picture may support risk assets into the end of the year.

Elsewhere, it looks like Saudi Arabia top ticked the oil price. After hitting a 15-month high on the day of their landmark bond deal, the price of crude has been obliterated, falling 10% last week. This was due not only to perceived difficulties in implementing an OPEC production cut, but also a record build in US oil stocks. As a reminder, Saudi Arabia plan to list up to 5% of the state oil company "Aramco" in 2018 – look out for the oil price surge prior!

UNITED STATES

S&P 2,085 **-1.94%**, 10yr Treasury 1.81% **-7.06bps**, HY Credit Index 434 **+19bps**, Vix 22.51 **+6.32Vol**

Ahead of Tuesday's US elections, **the S&P 500 has declined for 9 consecutive days – the longest losing streak since November 1980**. Actually, it's not as bad as it seems with the total decline amounting to only 3%. Nonetheless, nervousness is palpable; the VIX implied volatility index surged 9 points over those 9 days and investors shifted money to cash at the fastest rate in over 3 years (measured by weekly inflows to money market funds).

In the background, **November's FED meeting saw no change to policy (as expected), but the accompanying**

statement strengthened the stance on inflation.

Specifically, the committee inserted the phrases:

- "Inflation has increased somewhat since earlier this year"
- "Market-based measures of inflation compensation have moved up"

Incoming data also supported this rhetoric. In particular, whilst headline payrolls were marginally below expectations, they remained above the 150k level seen as acceptable to the FOMC. Moreover, the balance of the **employment report was positive**; wage growth rose to its highest level since 2009, there were upward revisions to past numbers and the participation rate fell to 62.8%, with unemployment dropping to 4.9% by implication. This last point is potentially important. Recall, that the

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percentage of the population in the US workforce has fallen from around 66% pre-crisis. Anticipation of a reversion to this level has been used as an argument for continued labour market slack despite an unemployment rate near historical lows. However, participation is now unchanged in 3 years and thus, arguably, the change should be viewed as structural. As summarised by Vice Chairman Stanley Fischer on Friday, the majority of the committee would therefore probably agree: "This recovery has been and continues to be powerful in terms of one of our two main targets-employment-and it is my view that the labour market is close to full employment."

EUROPE

Eurostoxx 2,991 -2.52%, German Bund 0.16% -3.20bps, Xover Credit Index 331 -10bps, EURUSD 1.106 -1.37%

European equities declined alongside global peers.

Italian stocks underperformed, led by Monte Paschi - the bank that has spent at least the last 7 years insolvent. This followed former industry minister Corrado Passera dropping a recapitalisation proposal, leaving only a JPMorgan led deal on the table. In short, no commercially motivated investor will commit funding to the company and ECB rules are limiting the possibility of state aid.

On a more positive note, **Greek bonds posted their biggest weekly advance since June** on optimism that the ECB will finally allow some form of debt forgiveness and therefore the IMF will remain part of the "bailout" program.

In the UK, **the High Court ruled that Prime Minister Theresa May must first gain Parliamentary approval before triggering Brexit via Article 50**. Whilst the UK government has appealed the ruling (judgement likely in January), the market was buoyed by an increased probability of a so called "soft Brexit". Later in the week, the **Bank of England added to the shift in tone by shifting upwards their growth and inflation targets**. Moreover, the previous easing bias was removed and Governor Carney instead stated that "monetary policy could respond, in either direction, to changes in the economic outlook as they unfolded." As a consequence, sterling enjoyed its best week since 2009.

The **Turkish lira fell to a record low against the dollar on Friday** after authorities arrested the leaders of the main pro-Kurdish opposition party. The country remains on a precipitous path - jailing more journalists than any other country, having nationalised some 500 companies since the failed coup and purging officials across government institutions. Indeed, this week's World Justice Project's rule of law index placed Turkey 99th out of 113 countries.

ASIA PACIFIC

HSCEI 9,608 -0.28%, Nikkei 1,717.00 -1.07%, 10yr JGB -0.05% Obps, USDJPY 104.510 -1.50%

The Bank of Japan left policy unchanged this week but, again, pushed back the time horizon for reaching its 2% inflation target (by a year into 2018). There appears to be a change in approach by Japanese policymakers - moving from unpredictable, poor execution of massive policy bets

to, well, doing nothing. We expect this new regime to be as wholly unsuccessful as the last. The JPY rallied and subsequently Japanese stocks fell. The **RBA in Australia also left policy unchanged** (at 1.5%), whilst the RBNZ in New Zealand may cut rates this week.

India took another step towards implementation of one of the country's key economic reforms - the Goods and Services Tax. The government are continuing to work to an implementation deadline of April 1st 2017, with this week's developments another important step towards hitting that objective (though far from a guarantee).

The Goods and Services Tax (GST) Council, formed of state and union Finance Ministers, agreed four 'slabs' of tax rates for goods and services traded across India - 5%, 12%, 18% and 28%. The 5% rate will apply to items of mass consumption, the two intermediate rates to the majority of other products, and the 28% rate applying to consumer durables (currently taxed at 31%), along with luxury and sin goods.

Finance Minister Arun Jaitley also confirmed that INR 500bn will be made available by the central government to compensate those states which lose revenue during the first year of implementation.

The next steps for the government are to obtain approval of these tax rates from parliament during the upcoming winter session (beginning 16th November) and to finalise the categorisation of goods and services in to each tier.

Achieving consensus among the GST Council members is a significant achievement for the government, one which many commentators thought would prove illusive for some time. We believe this increases the likelihood that the government are able to hit the April 1st implementation target date for the GST, though does not make it a certainty. To recap, the GST is one of the Modi government's flagship reforms and aims to unite India as a single common tax market for the first time, reduce tax evasion and remove barriers to interstate trade.

Another notable development from this week's announcements is that foods representing over half of the Consumer Price Index basket (CPI is the primary measure of inflation targeted by the central bank) will be taxed at 0%. This mitigates the impact which many feared the GST would have on inflation during its first year of implementation. The two key implications of this are, firstly, the Reserve Bank of India can continue its interest rate cutting cycle without a one-off inflation shock upon GST implementation and, secondly, that the BJP will not have to contest the 2018 general elections on the back of a period of rising inflation (which creates a higher cost of living for the electorate and decreases support for the incumbent government).

China's official October Manufacturing PMI came in at a 27-month high of 51.7, well ahead of expectation.

Caixin's unofficial PMI data also supported the view of a strengthening Chinese economy, as did a number of other data points for October, including power consumption, which rose 13.1% YoY. The range of PMI price indices also touched multiyear highs.

This batch of data is unambiguously consistent with the

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view we have held throughout 2016, that the government has been able to successfully stimulate the Chinese economy, and in doing so has put the 6.5% to 7.0% official GDP growth target for the year within touching distance. As expected, the government turned on both the fiscal and monetary taps this year, which have flowed through to increased economy activity since the middle of the year.

We note that the mix of stimulus is being adjusted. Measures of banking sector liquidity and credit growth reflect the tighter bias being adopted by the People's Bank of China, which drained 104 billion yuan from the monetary system via open market operations last week (though medium term lending operations were increased to soften the effects).

Tighter liquidity conditions are being pursued in order to reduce pressure on the currency (with some success; the yuan appreciated 0.3% against the dollar last week) and as part of macro-prudential risk management objectives to reduce the likelihood of asset bubbles (most notably in the property sector, upon which specific tightening measures have been imposed in order to reduce speculative activity).

We believe this pivot away from monetary and towards fiscal stimulus will be a defining theme for the Chinese economy during 2017 due to the following

- The government will have to provide some kind of stimulus in order to hit the growth target again next year
- Monetary policy is becoming less attractive due to the pressure created for the currency and the risk of higher capital outflows
- The government will rely increasingly on fiscal policy

2016 so far has shown that the Chinese government is able to stimulate its economy and inject growth arguably as effectively as any other government of a large economy anywhere in the world. On a long term, generational view, China will ultimately have to pay its debts and restructure. On a medium term, 3-5 year view, however, we maintain that the government will continue to be effective in stimulating growth and rebalancing the economy towards a new growth model more compatible with a higher income level.

LATIN AMERICA

MSCI Lat Am 2,463 -5.22%

The Colombian central bank kept rates unchanged at 7.75% but delivered a dovish message hinting at the beginning of an easing cycle by 4Q16/1Q17. BanRep cut its GDP forecast from 2.3% to 2% for 2016 and mentioned that "temporary factors affecting inflation last year are fading faster than initially projected". That said, monetary policy will be influenced by the approval of the tax reform.

In Brazil and Argentina, repatriation programs have been a big success. The amnesty to taxpayers who declare undisclosed offshore assets in exchange for a fine, has already generated BRL 51Bn in revenue to the Brazilian budget and the repatriation of USD 5Bn worth of assets held by 100,000 Argentinians. This additional revenue

should decrease Brazil's fiscal deficit to 2.5% from 2.7% this year and the capital will hopefully be invested in productive assets and projects in Argentina.

The credibility of Peru's institutions took a hit when congress appointed 3 directors to the central bank tied to Fuerza Popular (opposition party, leading in congress). Although, this is not a good signal for the independence of Peruvian institutions, one should keep in mind that the President of the central bank Julio Velarde is highly regarded.

There is now concrete evidence that economic adjustment in Argentina is underway. After changes in personnel, we have access to credible macro-level statistics, allowing for analysis and comments on the direction of the economy. In particular, inflation remains high due to the floating of the Peso and the removal of subsidies and regulated prices. However, the recession, high real interest rates and fiscal consolidation efforts are seeing price pressures gradually subside. In turn, lower inflation is creating room for the central bank to cut interest rates (currently at 26.75% from 38% in March), setting the scene for the economy to recover in 2017 (from -2% in 2016 to 3.5% forecast next year).

AFRICA

MSCI Africa 762 -2.30%

Egypt made a number of important steps last week. First, the country **signed a USD 2.7Bn swap deal with China.** China has been Egypt's top trading partner since 2013, with total trade registering USD 10Bn in 2015 (USD 9.1Bn of which are goods flowing from China to Egypt) and increasing by almost 30% over the last 3 years. This facility will be used to fund imports from China and temporarily reduce the need for hard currency.

Second, **the long-awaited devaluation of the EGP finally took place.** The central bank announced that the Egyptian currency will float freely and by Friday the EGP traded at 15.56 per USD, a 43% devaluation from the 8.8 peg. **The devaluation came alongside a 300bps interest rate hike,** setting the benchmark rate at 14%. Last, **less than 24h after the float, the government issued a decision raising prices of fuel, diesel, butane gas, and natural gas by up to 47%.**

Egypt now fulfils all the conditions set by the IMF to release the USD 2.5Bn first tranche of its USD 12Bn loan. Specifically, that it has a freely floating currency, energy subsidies have been removed and USD 6Bn of financial resources have been committed by its allies (China and the Gulf countries).

Egyptian equities rallied over 6% in local currency terms last week (making a loss of around a third to USD investors marked at the official FX rate) as the news flow moved the country closer to a sustainable and investable economic footing. Nonetheless, real interest rates remain in negative territory, given inflation reached 18% last September and will increase with the implementation of VAT and removal of subsidies. Thus, interest rates are very likely to be raised again to attract USD and prevent further currency devaluation.

The ZAR rallied last week after charges against Finance minister Gordhan were dropped. In addition, an investigation into links between Zuma, his ministers and SOE executives with the powerful Gupta family was formally launched.

The South African trade balance recorded a surplus of ZAR 6.7Bn in September from a deficit of ZAR 8.9Bn in August. It benefited from a struggling economy with a weak consumer (fewer imports) and improving commodity prices. The economy is adjusting through the usual mechanisms: twin deficit, recession, cheaper currency, improving trade balance (exports become more competitive, imports become more expensive) before initiating a new growth cycle (conditionally on structural reforms to be implemented, fiscal discipline to remain tight and avoiding a downgrade by rating agencies).

The BRVM will be admitted to the MSCI frontier index. The stock exchange of West African countries (Benin, Burkina Faso, Guinea Bissau, Ivory Coast, Mali, Niger, Senegal and Togo) will be represented in the index by Sonatel, Onatel and Societe Generale Cote d'Ivoire. This should put this region under the spotlight and bring it under the radar of international investors.

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THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
US Elections	Tues/8	-
Budget balance (OCT) Bn USD	Thu/10	-81.9
Michigan consumer sentiment (NOV)	Fri/11	87.3
EUROPE		
Eurozone retail sales (OCT) % YOY	Tue/08	1.2
Germany industrial production (SEP) % MOM	Tue/08	-0.5
UK industrial production (SEP) % YOY	Tue/08	0.8
Poland rate decision %	Wed/09	1.5
France industrial production (SEP) % YOY	Thu/10	0.5
Italy industrial production (SEP) % MOM	Thu/10	-1.0
Germany HICP (OCT) % YOY	Fri/11	0.7
ASIA PACIFIC		
China FX reserves (OCT) Bn USD	Mon/07	3140
China trade balance (OCT) Bn USD	Tue/08	52.3
China CPI (OCT) %YOY	Wed/09	2.1
Japan BoP (SEP) Bn JPY	Wed/09	1630
Japan M2 (OCT) % YOY	Thu/10	3.6
Thailand rate decision %	Wed/09	1.5
New Zealand rate decision %	Thu/10	1.75
Philippines rate decision %	Thu/10	3.0
China M2 (OCT) % YOY	Thu/01	11.4
Malaysia GDP (Q3) % YOY	Fri/11	-
LATIN AMERICA		
Brazil inflation IPCA (OCT) % YOY	Wed/09	-
Brazil retail sales (SEP) % YOY	Thu/10	-
Peru rate decision %	Thu/10	-

GLOBAL MARKET DATA

31 October to 6 November 2016

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	2,085.18	-1.94%	-1.93%	2.02%	-0.70%		2.7
RUSSELL 2000 INDEX	RTY Index	US	1,163.44	-2.04%	-2.35%	2.43%	-2.29%		1.9
NASDAQ COMPOSITE INDEX	CCMP Index	US	5,046.37	-2.77%	-2.75%	0.78%	-1.59%		3.4
S&P/TSX COMPOSITE INDEX	SPTSX Index	Canada	14,509.25	-2.10%	-1.95%	14.96%	4.95%		1.8
S&P 500 FINANCIALS INDEX	S5FINL Index	US	322.84	-1.60%	-1.50%	0.35%	-1.93%		1.1
S&P 500 CONS DISCRET IDX	S5COND Index	US	608.93	-1.73%	-1.87%	-1.95%	-5.74%		4.4
S&P 500 INFO TECH INDEX	S5INFT Index	US	777.71	-2.87%	-2.86%	7.79%	4.44%		4.2
S&P 500 HEALTH CARE IDX	S5HLTH Index	US	769.12	-1.79%	-1.24%	-7.69%	-7.54%		3.3
S&P 500 ENERGY INDEX	S5ENRS Index	US	499.68	-2.17%	-1.03%	11.43%	-3.24%		1.9
S&P 500 ECO SECTORS IDX	SPXLI Index	US	2,085.18	-1.94%	-1.93%	2.02%	-0.70%		2.7
S&P 500 INDUSTRIALS IDX	S5INDU Index	US	487.92	-1.13%	-1.32%	5.26%	2.49%		4.0
S&P 500 CONS STAPLES IDX	S5CONS Index	US	529.04	-2.05%	-2.26%	2.05%	3.74%		5.2
S&P 500 UTILITIES INDEX	S5UTIL Index	US	243.19	-1.12%	-3.05%	10.54%	9.44%		1.8
S&P 500 MATERIALS INDEX	s5MATR Index	US	291.16	-0.64%	-0.71%	6.40%	2.53%		3.5
S&P 500 TELECOM SERV IDX	S5TELS Index	US	154.25	-2.29%	-2.24%	2.90%	4.24%		2.6
Europe									
Euro Stoxx 50 Pr	SX5E Index	Europe	2,991.13	-2.52%	-1.96%	-7.51%	-12.33%	-9.58%	1.5
CAC 40 INDEX	CAC Index	France	4,432.33	-2.22%	-1.58%	-3.44%	-10.08%	-5.60%	1.4
DAX INDEX	DAX Index	Germany	10,381.57	-2.55%	-2.47%	-2.72%	-3.61%	-4.50%	1.6
Athex Composite Share Pr	ASE Index	Greece	573.92	-0.51%	-1.57%	-7.01%	-14.49%	-9.10%	0.5
FTSE MIB INDEX	FTSEMIB Index	Italy	16,570.12	-4.30%	-3.39%	-22.39%	-24.88%	-23.81%	0.9
AEX-Index	AEX Index	Netherlands	445.50	-1.72%	-1.32%	1.99%	-3.42%	-0.30%	1.6
PSI All-Share Index GR	BVLX Index	Portugal	2,429.53	-2.72%	-2.56%	-2.42%	-3.53%	-4.61%	1.4
MICEX INDEX	INDEXCF Index	Russia	1,962.07	-2.24%	-1.90%	28.39%	10.00%	11.43%	0.8
IBEX 35 INDEX	IBEX Index	Spain	8,906.50	-2.92%	-2.51%	-5.77%	-13.78%	-7.89%	1.3
OMX STOCKHOLM 30 INDEX	OMX Index	Sweden	1,422.95	-2.87%	-2.09%	-8.64%	-10.97%	-2.81%	2.1
SWISS MARKET INDEX	SMI Index	Switzerland	7,683.50	-1.78%	-1.01%	-12.14%	-13.20%	-13.89%	2.3
BIST 100 INDEX	XU100 Index	Turkey	75,457.65	-6.87%	-7.46%	-4.52%	-18.78%	3.54%	1.1
FTSE 100 INDEX	UKX Index	UK	6,777.21	-1.66%	-1.61%	-9.03%	-13.58%	7.22%	1.8
Asia Pacific									
MSCI AC ASIA x JAPAN	MXASJ Index	MSCI Asia Ex	533.33	-1.84%	-1.68%	6.68%	0.61%	6.68%	1.4
S&P/ASX 200 INDEX	AS51 Index	Australia	5,250.80	-0.80%	-1.69%	3.02%	7.15%	-2.17%	1.9
DSE 30 Index	DS30 Index	Bangladesh	1,763.29	0.28%	1.33%	0.43%	2.47%	0.41%	-
HANG SENG CHINA ENT INDX	HSCEI Index	China "H"	9,608.24	-0.28%	-0.72%	-1.83%	-10.67%	-1.75%	0.9
SHANGHAI SE COMPOSITE	SHCOMP Index	China "A"	3,133.33	0.98%	0.96%	-15.23%	-16.69%	-11.69%	1.7
HANG SENG INDEX	HSI Index	HK	22,801.40	-1.39%	-1.28%	3.24%	-1.84%	3.32%	1.2
Nifty 50	NIFTY Index	India	8,521.50	-2.38%	-2.24%	5.22%	4.52%	6.13%	2.7
JAKARTA COMPOSITE INDEX	JCI Index	Indonesia	5,388.04	-1.26%	-1.80%	23.39%	20.97%	16.76%	2.5
NIKKEI 225	NIKY Index	Japan	17,177.21	-1.07%	-1.29%	3.81%	4.38%	-11.18%	1.7
KOSPI 200 INDEX	KOSPI2 Index	Korea	254.60	-1.02%	-0.91%	8.50%	0.24%	5.07%	0.9
Laos Composite Index	LSXC Index	Laos	999.79	-0.35%	-0.38%	-15.51%	-20.18%	-15.57%	0.8
FTSE Bursa Malaysia KLCI	FBMVKLCI index	Malaysia	1,653.85	-1.75%	-1.71%	-0.44%	-0.21%	-2.62%	1.7
KARACHI 100 INDEX	KSEI00 Index	Pakistan	42,154.72	4.90%	4.88%	27.59%	22.26%	27.50%	1.9
PSEI - PHILIPPINE SE IDX	PCOMP Index	Philippines	7,197.19	-2.52%	-2.52%	0.53%	-2.03%	3.96%	2.4
STRAITS TIMES INDEX STI	FSSTI Index	Singapore	2,807.45	-0.32%	-0.31%	-0.92%	-6.21%	-3.26%	1.1
SRI LANKA COLOMBO ALL SH	CSEALL Index	Sri Lanka	6,444.17	-0.10%	0.21%	-9.14%	-12.46%	-6.66%	1.5
TAIWAN TAIEX INDEX	TWSE Index	Taiwan	9,189.84	-2.04%	-2.15%	13.83%	5.70%	8.76%	1.6
STOCK EXCH OF THAI INDEX	SET Index	Thailand	1,500.14	-0.34%	-0.48%	18.97%	6.99%	15.35%	1.8
HO CHI MINH STOCK INDEX	VNINDEX Index	Vietnam	674.14	-2.29%	-1.35%	15.96%	8.35%	15.15%	1.9
Rest of the World									
MSCI ACWI	MXWD Index	MSCI World	403.10	-1.91%	-1.92%	0.94%	-2.42%	0.94%	2.0
MSCI EM	MXEF Index	MSCI EM	880.12	-2.59%	-2.76%	10.83%	1.85%	10.83%	1.5
MSCI Frontier Market Index	MXFEM Index	MSCI FM	2,444.21	-2.89%	-2.57%	3.37%	-3.09%	3.37%	1.7
DFM GENERAL INDEX	DFMGI Index	Dubai	3,302.96	-0.60%	-1.02%	4.67%	-4.42%	4.68%	1.2
MSCI EM LATIN AMÉRICA	MXLA Index	Latin America	2,462.83	-5.22%	-5.72%	34.59%	18.85%	34.59%	1.8
ARGENTINA Mervalvado INDEX	MERVAL Index	Argentina	16,754.93	-5.39%	-4.22%	23.75%	-17.34%	43.51%	0.6
MSCI BRAZIL	MXBR Index	Brazil	1,745.07	-6.17%	-7.29%	68.41%	-44.59%	68.41%	1.6
CHILE STOCK MKT SELECT	IPSA Index	Chile	4,213.17	-2.74%	-2.74%	23.64%	15.57%	14.48%	1.5
IGBC GENERAL INDEX	IGBC Index	Colombia	9,997.77	-3.57%	-2.62%	21.32%	0.56%	16.97%	-
MEXICO IPC INDEX	MEXBOL Index	Mexico	46,694.81	-4.08%	-3.32%	-1.35%	-9.69%	8.65%	2.6
Bolsa de Panama General	BVPSBVP Index	Panama	409.36	1.45%	1.48%	1.44%	1.03%	1.47%	2.1
S&P/BVLPeruGeneralTRPEN	SPBLPGPT Index	Peru	15,163.60	-0.31%	-0.65%	55.25%	39.78%	53.97%	1.6
VENEZUELA STOCK MKT INDX	IBVC Index	Venezuela	16,680.50	14.00%	13.55%	-27.96%	-11.95%	14.34%	1.6
MSCI EFM AFRICA	MXFMEAF Index	Africa	762.48	-2.30%	-4.59%	10.89%	-6.59%	10.89%	2.3
EGYPT HERMES INDEX	HERMES Index	Egypt	856.09	-31.20%	-31.94%	-29.34%	-32.22%	24.39%	1.6
GSE Composite Index	GGSECI Index	Ghana	1,706.19	-0.46%	-1.35%	-18.28%	-18.04%	-14.47%	1.5
Nairobi SE 20 Share	KNSMIDX Index	Kenya	3,251.46	1.33%	0.49%	-19.06%	-15.57%	-19.53%	2.0
MAFI Free Float Index	MOSENEW Index	Morocco	10,522.42	1.31%	0.38%	19.42%	16.08%	17.89%	2.5
NIGERIA STCK EXC ALL SHR	NGSEINDX Index	Nigeria	26,981.60	-1.07%	-2.13%	-40.45%	-41.41%	-5.80%	1.3
FTSE/JSE AFRICA TOP40 IX	TOP40 Index	South Africa	43,679.31	-0.51%	-2.22%	7.80%	-8.69%	-5.61%	1.9
Average				-1.93%	-2.01%	3.61%	-2.15%	5.35%	
Top 25%				-0.62%	-1.03%	10.68%	4.31%	12.16%	
Bottom 25%				-2.53%	-2.52%	-3.98%	-10.82%	-5.60%	

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GLOBAL MARKET DATA (CONTD.)

31 October to 6 November 2016

FX (vs USD)				Return +ive=USD Stronger			
Name	BBG Code	Country	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	DXY Index	USD Index	97.68	-1.30%	-1.40%	-1.59%	-0.89%
USD-EUR X-RATE	USDEUR Curncy	Europe	0.90	-1.37%	-1.43%	-2.52%	-2.30%
Russian Ruble SPOT (TOM)	USDRUB Curncy	Russia	63.92	1.35%	0.76%	-11.33%	0.63%
USD-TRY X-RATE	USDTRY Curncy	Turkey	3.15	1.61%	2.03%	8.20%	10.36%
USD-GBP X-RATE	USDGBP Curncy	UK	0.81	-2.64%	-2.22%	17.71%	21.49%
Bloomberg JPMorgan Asia Dollar	ADXY Index	Asia USD Index	105.82	0.19%	0.09%	-0.53%	-2.15%
USD-AUD X-RATE	USDAUD Curncy	Australia	1.30	-0.97%	-0.84%	-5.02%	-6.90%
USD-CNY X-RATE	USDCNY Curncy	China	6.78	-0.21%	-0.09%	4.10%	6.54%
USD-INR X-RATE	USDINR Curncy	India	66.75	0.01%	0.16%	0.86%	1.37%
USD-JPY X-RATE	USDJPY Curncy	Japan	104.51	-1.55%	-1.63%	-14.12%	-15.31%
USD-KRW X-RATE	USDKRW Curncy	Korea	1,143.11	-0.54%	-0.20%	-2.97%	0.27%
USD-TWD X-RATE	USDTHW Curncy	Taiwan	31.46	-0.57%	-0.16%	-4.15%	-2.97%
USD-ARS X-RATE	USDARS Curncy	Argentina	15.09	-0.63%	-0.52%	16.68%	57.52%
USD-BRL X-RATE	USDBRL Curncy	Brazil	3.23	0.85%	1.39%	-18.36%	-14.45%
USD-CLP X-RATE	USDCLP Curncy	Chile	654.40	0.38%	0.62%	-7.36%	-5.47%
USD-MXN X-RATE	USDMXN Curncy	Mexico	18.63	0.15%	0.85%	10.58%	14.56%
USD-EGP X-RATE	USDEGP Curncy	Egypt	15.44	75.18%	74.75%	98.42%	93.54%
USD-NGN X-RATE	USDNGN Curncy	Nigeria	314.99	0.00%	1.36%	58.30%	58.74%
USD-ZAR X-RATE	USDZAR Curncy	South Africa	13.53	-1.78%	0.81%	-12.25%	-2.25%
Commodities				Return (USD)			
WTI CRUDE FUTURE Dec16	CLA Comdty	US	44.69	-9.51%	-5.95%	0.55%	-13.84%
BRENT CRUDE FUTR Jan17	COA Comdty	UK	46.10	-10.06%	-6.23%	1.38%	-18.20%
BALTIC DRY INDEX	BDIY Comdty		855.00	2.52%	-0.23%	78.87%	33.59%
Natural Gas Futures	NGI Comdty		2.83	-10.89%	-8.56%	18.40%	17.05%
Gold Spot \$/Oz	XAU Curncy		1,287.41	2.28%	2.14%	22.91%	18.18%
Silver Spot \$/Oz	XAG Curncy		18.23	3.82%	2.93%	33.01%	23.01%
LME COPPER 3MO (\$)	LMCADS03 Comdty		4,991.00	3.06%	2.84%	6.08%	-0.40%
Government Bond Yields %				Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	US 2yr	0.82	-0.07	-0.06	-0.26	-0.04
US Generic Govt 5 Year Yield	USGG5YR Index	US 5yr	1.28	-0.09	-0.07	-0.53	-0.40
US Generic Govt 10 Year Yield	USGG10YR Index	US 10yr	1.81	-0.07	-0.05	-0.49	-0.46
Canadian Govt Bonds 10 Year No	GCAN10YR Index	Canada 10yr	1.16	-0.07	-0.04	-0.24	-0.49
Mexico Generic 10 Year	GMXN10YR Index	Mexico 10yr	6.32	0.05	0.05	0.04	0.29
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	UK 10yr	1.18	-0.13	-0.12	-0.83	-0.84
Switzerland Govt Bonds 10 Year	GSWISS10 Index	Swiss 10yr	-0.34	0.03	0.04	-0.30	-0.06
German Government Bonds 2 Yr B	GDBR2 Index	German 2yr	-0.63	-0.02	-0.02	-0.29	-0.32
German Government Bonds 5 Yr O	GDBR5 Index	German 5yr	-0.41	-0.04	-0.03	-0.38	-0.38
Germany Generic Govt 10Y Yield	GDBR10 Index	German 10yr	0.16	-0.03	-0.03	-0.49	-0.47
French Generic Govt 10Y Yield	GTFRF10Y Govt	French 10yr	0.48	0.00	0.00	-0.53	-0.49
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	Greece 10yr	7.56	-0.61	-0.53	-0.38	0.06
Italy Generic Govt 10Y Yield	GBTTPGR10 Index	Italy 10yr	1.76	0.17	0.09	0.16	0.06
Spain Generic Govt 10Y Yield	GSPGI0YR Index	Spanish 10yr	1.27	0.04	0.07	-0.50	-0.53
Portugal Generic Govt 10Y Yield	GSPT10YR Index	Portugal 10yr	3.25	-0.05	-0.03	0.78	0.68
Australia Govt Bonds Generic Y	GACGB10 Index	Aus 10yr	2.35	-0.05	-0.02	-0.55	-0.46
India Govt Bond Generic Bid Yi	GIND10YR Index	India 10yr	6.84	0.05	0.05	-0.92	-0.84
KCMP South Korea Treasury Bond	GVSK10YR Index	Korea 10yr	1.71	-0.01	0.03	-0.38	-0.45
Japan Generic Govt 10Y Yield	GJGB10 Index	Japan 10yr	-0.05	-0.02	-0.01	-0.33	-0.38
South Africa Govt Bonds 10 Yea	GSAB10YR Index	SA 10yr	8.67	-0.18	-0.02	-1.10	0.24
Corporate Credit Indices				Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 12/21	ITRXEXE CBIL Curncy	EUR XOVER	331.46	10.07	8.85	23.95	47.44
MARKIT ITRX EUROPE 12/21	ITRXEBE CBIL Curncy	EUR MAIN	74.30	3.58	3.13	-1.18	5.26
MARKIT ITRX EUR SNR FIN 12/21	ITRXESE CBIL Curncy	EUR SNR FIN	98.39	4.46	3.34	23.40	31.79
MARKIT ITRX EUR SUB FIN 12/21	ITRXEU E CBIL Curncy	EUR SUB FIN	227.61	11.17	8.44	77.99	85.40
MARKIT CDX.NA.IG.27 12/21	IBOXUMAE CBIL Curncy	US IG	80.98	4.39	2.36	-7.94	2.10
MARKIT CDX.NA.HY.27 12/21	IBOXHYSE CBIL Curncy	US HY	434.07	19.15	11.33	-40.59	4.68
Implied Volatility (Equity Index)				Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SX5E Index	Europe	21.48	2.75	1.82	-2.01	1.74
FTSE 100 500 3month ATM	UKX Index	UK	16.91	2.81	2.00	0.71	2.48
Hang Seng 3month ATM	HSI Index	HK	18.76	1.31	1.51	0.74	0.26
Nikkei 3month ATM	NKY Index	Japan	20.83	3.82	3.43	2.67	9.89
S&P 500 3month ATM	SPX Index	US	16.71	2.50	2.22	0.52	2.58
Volatility (VIX)	VIX Index	US	22.51	6.32	5.45	4.30	7.46
Inflation (Long term inflation expectation proxy) %				Change (percentage points)			
US 5Y5YF Inflation Swap		USD	2.14	-0.02	-0.02	-0.05	0.01
UK 5Y5YF Inflation Swap		GBP	3.49	-0.13	-0.13	0.13	0.12
JPY 5Y5YF Inflation Swap		JPY	0.12	0.01	0.00	-0.58	-0.67
EUR 5Y5YF Inflation Swap		EUR	1.47	-0.02	-0.01	-0.23	-0.28
Economic Data Surprise (+ive = above expectations)							
Citi Economic Surprise Index	CESIAPAC Index	Asia Pacific	1.00				
Citi Economic Surprise Index -	CESICNY Index	China	13.50				
Citi Economic Surprise Index -	CESIEM Index	EM	-3.00				
Citi Economic Surprise Index -	CESIEUR Index	Eurozone	36.20				
Citi Economic Surprise Index -	CESIG10 Index	G10	13.50				
Citi Economic Surprise - Japan	CESIJPY Index	Japan	18.10				
Citi Economic Surprise Index -	CESILTAM Index	Latin America	-3.70				
Citi Economic Surprise - Unite	CESIUSD Index	US	-12.90				

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

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