

# GLOBAL MARKET UPDATE



## 3 TO 9 APRIL: ILL AT EASE

### THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	Austria <b>1.88%</b> , Luxembourg <b>0.21%</b> , Canada <b>0.04%</b>
	Bottom 3:	Sweden <b>-2.57%</b> , Australia <b>-1.87%</b> , Italy <b>-1.85%</b>
EMERGING	Top 3:	Philippines <b>4.63%</b> , Abu Dhabi <b>3.86%</b> , Dubai <b>2.46%</b>
	Bottom 3:	Turkey <b>-3.37%</b> , South Korea <b>-1.92%</b> , South Africa <b>-0.96%</b>
FRONTIER	Top 3:	Venezuela <b>4.92%</b> , Mongolia <b>4.91%</b> , Sri Lanka <b>4.04%</b>
	Bottom 3:	Namibia <b>-4.62%</b> , Croatia <b>-2.91%</b> , Tunisia <b>-1.90%</b>

In a President Trump world, equity markets apparently don't do big moves; realised volatility on the S&P 500 has come in below 7% since the 8th November election. Therefore, despite equities sitting only 1.7% below their all-time high, the last month has perhaps represented the modern-day version of "risk-off" for the US. This week:

- Gold prices hit a 5-month high.
- Weekly fund flow data showed investors pulled USD 14.5bn from US equities.
- The yield on the 10-year Treasury touched its lowest level since November at 2.27%.

Certainly, US growth for Q1 2017 will have slowed materially from the 2.1% annualised pace in Q4 2016 (consensus is closer to 1%). Moreover, expectations for Trump reform and fiscal stimulus are now almost all priced out.

However, on a global basis the tone is more optimistic. Inflows towards European equities over the last fortnight were the best in over a year, whilst there were also meaningful positive flows into European bond and EM bonds and equities. This helped continue the out-performance of emerging market equities.

Going forward, PMIs suggest the global manufacturing recovery is likely to consolidate after a blockbuster rebound. However, the overall growth momentum should remain positive.

### UNITED STATES

S&P 2,356 **-0.30%**, 10yr Treasury 2.36% **-0.52bps**, HY Credit Index 337 **-3bps**, Vix 13.22 **+0.50Vol**

Last week saw several noteworthy news items from the US:

- **The employment report came in with a much below consensus 98k jobs created for the month of March** (with downward revisions for January and February). However, unemployment still declined more than expected to 4.5% (lowest since May 2007) and average hourly earnings growth was stable at 2.7%. All this reinforces our view that the US is very close to full employment.
- **The minutes to the March FOMC meeting surprised investors with a detailed discussion on shrinking the FED's USD 4.5trn balance sheet.** This is likely to be focused on ceasing re-investment

and trying to communicate early so as to avoid market tantrums. There was a mention that “Some participants viewed equity prices as quite high relative to standard valuation measures.”

- **Hopes for fiscal reform were subdued by Speaker of the House Paul Ryan** admitting “The House has a plan but the Senate doesn’t quite have one yet. They’re working on one. The White House hasn’t nailed it down.”
- **The ISM Manufacturing and Non-Manufacturing both edged lower** (albeit remaining at elevated levels).

Elsewhere, in a momentous “passing of the baton”, Tesla became the largest auto company in the US by market capitalisation. However, the electric carmaker still trails well beyond by number of cars produced (less than 100k per year compared to over 10 million by GM!).

## EUROPE

Eurostoxx 3,490 **-1.06%**, German Bund 0.23% **-10.00bps**, Xover Credit Index 285 **-6bps**, EURUSD 1.058 **+0.62%**

Like their US peer, **the ECB discussed the exit strategy from quantitative easing at their March meeting**. As always with a central bank that represents the interests of 19 independent states, there were a wide range of views on the balance of risks. Most consider that they remain tilted to the downside but others stated that “risks could be characterised as broadly balanced”. The overall conclusion, was that “a discussion on normalisation would become warranted in the future”. Perhaps post French election.

On Wednesday, **the 11 candidates for the French Presidency participated in a 4-hour televised debate**.

Marine Le Pen was repeatedly attacked for her nationalistic agenda, whilst Jean-Luc Mélenchon was seen as the most convincing. Nonetheless, Le Pen and Macron remain well ahead in the polls – with Macron expected to win a second-round run-off by over 20%.

At the Eurogroup meeting in Malta on Friday, **an agreement was reached on policy reforms required to unlock a second review for Greece**. Specifically, reducing spending on pensions from 2019 and increasing income tax from 2020 by lowering the tax-free threshold. This would decrease government spending in aggregate by 2%.

**The PMIs in the UK highlighted a big divergence between manufacturing (3rd consecutive month of decline) and services**, which jumped 2 points to 55. Industrial, manufacturing and construction output were all weaker.

Poland left rates on hold at 1.50%.

## ASIA PACIFIC

HSCEI 1,023 **+0.04%**, Nikkei 1,879.00 **-1.15%**, 10yr JGB 0.05% **0bps**, USDJPY 111.290 **-0.20%**

**The Reserve Bank of Australia left rates on hold at 1.5% as they continue to weigh the house price bubble against weak inflation and employment**. The market expected a balanced statement, however the AUD weakened as the

commentary was interpreted as dovish: “By reinforcing strong lending standards, the recently announced supervisory measures should help address the risks associated with high and rising levels of indebtedness.”

**China’s foreign reserves increased by \$4bn in March, to \$3.009trn**. This was slightly below consensus estimates of +\$6bn. March was the second consecutive month of increasing reserves (though this was partly attributable to revaluation effects) following eight consecutive months of decline.

*Following a range of measures to tighten capital controls (including clamping down on individuals transferring funds abroad, greater scrutiny of Chinese companies making overseas acquisitions and increasing the penalties for those caught evading such controls), the PBOC has engineered a period of stability for the renminbi thus far in 2017, which has now appreciated 0.6% against the dollar YTD versus a 6.5% depreciation in 2016.*

*The recent increases in foreign reserves suggest that the central bank is achieving this without intervening in the market and buying renminbi to prop up its value, a far more sustainable dynamic than we saw last year. A well-communicated policy that interest rates will not be cut (and that money market conditions are, conversely, tightening) has been a significant contributing factor.*

**The Reserve Bank of India kept headline interest rates on hold at 6.25% at its bi-monthly meeting, though increased the reverse repo rate by 25bps**. This had the impact of narrowing the corridor between the repo and reverse repo rates, which are the rates at which banks can withdraw and deposit short term liquidity at the central bank respectively. The corridor is now only 50bps wide, having been as wide as 200bps in the past. The decision to keep the policy rate on hold was in line with expectations.

*The reverse repo rate is the rate at which banks can park excess liquidity at the central bank. However, due to an abundance of liquidity in India at the short end of the yield curve following demonetisation and the associated flood of deposits in to the system, overnight rates had been trading below the repo rate. When there is this excess of liquidity in the system, the reverse repo rate becomes the anchor rate. The 25bps increase in the reverse repo rate, therefore, was done to remove some of this excess liquidity.*

*In a similar vein to the views we have put forward previously on the objectives of the People’s Bank of China, we see this as a targeted measure by the Reserve Bank of India to address a specific imbalance in money markets, rather than as a means to introduce an overall tightening bias. We note that the RBI has not even used its most offensive weapon in this specific regard, to increase the cash reserve requirement ratio (CRR), which directly drains liquidity from the system though at the expense of profitability of the banking system (banks do not receive interest on their cash reserves). Leaving the CRR unchanged suggests there is currently no real sense of urgency at the RBI that this liquidity issue poses any material risk to the system in its present guise.*

**Thailand’s King Maha Vajiralongkorn has signed off on the country’s new constitution**. The 20th constitution in 85 years, this latest incarnation is a double-edged sword. On

the one edge, it brings closer the prospects of a general election (now expected for September 2018, having been originally scheduled for 2015) however, on the other, it further entrenches the power of the ruling elite and military leadership. The new constitution includes the right for the military to oversee all appointments to the upper house of parliament, with a proportion of seats permanently reserved for military officers. This compounds the effects of last year's gerrymandering, which re-drew electoral boundaries to the disadvantage of the opposition parties.

**Despite GDP growth touching a three-year low of 5.1% YOY in Q1 2017, Vietnam's stock market broke a new nine-year high last week.** The construction and commodities sectors dragged on the headline number, while agriculture and services were strong. Conversely, March's PMI touched a 22-month high of 54.6.

*Equities in Vietnam are playing catch up. The stock market is now being driven by asset-class-specific news flow, such as increasing of foreign ownership limits, SOE reform and privatisations. The excellent domestic drivers for the equity market (one of the most competitive export basis in Asia, young and growing population, economy expected to grow at around 6% p.a. over the medium term) may finally be beginning to unlock.*

## LATIN AMERICA

MSCI Lat Am 2,648 +1.43%

**The on-going disinflationary trend in LatAm ex-Mexico continues** as the Itaú Inflationary Surprise Index reached -0.16 in March, coming from -0.22 in February. Activity in the region points to a slow and unsteady recovery. High real interest rates, currency stabilization, more benign terms of trades and decreasing food inflation (following the El Niño phenomenon in 2016) provide a supportive backdrop for declining interest rates in South America.

**Brazil's most illustrious industrial sector, the car market, is now showing clearer signs of stabilisation.** In March, sales of cars and commercial vehicles increased 6.2% YOY, imports declined and exports increased. As a result, production increased 18.6% YOY. This is the fifth consecutive month of production growth, for both cars and trucks.

*Even assuming no sales growth, many industrial sectors will benefit from rebuilding inventories in 2017 from multi-year lows.*

**Brazil's Finance Minister Meirelles set clear objectives for structural reforms** in order to increase potential annual GDP growth from the level of 3.3% in the last 20 years by around 1.5pp:

- The role of the state in the economy to fall from 20% to 15%
- Improvement in ease of doing business indicators: time to open a company to fall from 101 days to 3 days and time to pay taxes to fall from 2,600 hours to 600 hours.

**Inflation in Peru accelerated to 4% YOY in March,** influenced by the "coastal El Niño". Destructive flooding

and landslides destroyed crops and disrupted transport, causing a significant increase in food prices (2.1% MOM), which accounted for two thirds of the monthly inflation print. This temporary event shouldn't derail the structural economic trajectory of Peru but can postpone monetary easing and increase momentarily budget deficit.

**Mexico's cheap currency boosted auto production** by 36.2% YOY, exports by 32.7% and exports to the US by 37.8% in March.

## AFRICA

MSCI Africa 781 -1.49%

**S&P and Fitch downgraded South Africa international debt to junk** arguing that Zuma's cabinet reshuffle is putting at risk the fiscal discipline and private investment needed to prop up potential growth. 89% of SA's debt is still investment grade by S&P (lowered the local debt from BBB to BBB-).

The ANC leadership was unable to reach a clear consensus on the pressing issues and divisions that it faces as a result of President Zuma's moves. The current situation is effectively a standstill until the ANC's next national elective conference, which will be held in December this year.

**As a consequence, the ZAR depreciated 10% in the last 2 weeks** and the flat performance of the MSCI SA hides a 14% fall in bank stocks (seen as a leveraged play on SA economy) offset by commodity and exporters (who benefit from a cheaper ZAR). The 10y yield on SA international bond shot up to 4.89% (from 4.48% 2 weeks ago).

*This materialisation of political risk is happening at the same time SA's key macroeconomic variables (inflation, current account, PMI) have all turned the corner. These trends may be scuppered by political woes that weigh on the ZAR.*

*The state capture initiatives of the past 2 years by president Zuma are testing the strength of South Africa institutions and question the young democracy.*

**Egypt's cabinet approved the 2017-18 budget, targeting a 9.1% of GDP deficit** (EGP370bn vs. an expected deficit in current FY16/17 of between 10.5-10.7%). Revenues are expected to grow 27% YOY, driven mostly by a 31% increase in tax revenues (following VAT implementation), while spending is budgeted to increase 19%. Energy subsidies will gradually be reduced and the rationalisation of the wage bill is continuing (negative real wage growth), lending notable support to fiscal consolidation, coming largely in line with commitments to the IMF programme. The key risk to this budget lies in the EGP/USD assumption of 16 and the very optimistic statement that: "the government is budgeting for Egypt's first primary surplus in a decade".

**Kenya's inflation rose to 10.3% YOY in March, its highest level since May 2012,** driven by higher food prices.

*Real rates are now negative, PMIs turned below 50 in March for the first time since the creation of the series, FX reserves dipped to 4 months of imports, Presidential elections are in August, twin deficits are worsening, Kenya*

postponed several international bond issuances and the government is not raising taxes. It is increasingly difficult to be positive on Kenya's outlook.

**Morocco's economy grew 4.3% YOY in 1Q17** (vs. 1.7% in 1Q16 and 1.2% in 4Q16). Agricultural output (15% of GDP) rose by 12.9% YOY due to greater rainfall, the country is on course for a favourable cereal harvest, with a 41% following a devastating drought last year that drove agricultural output down 70%. The non-agricultural sector grew 3% YOY.

**Nigeria needs USD 139/bbl oil price to balance its budget**, according to ratings agency Fitch.

## PLEASE CONTINUE FOR MARKET DATA

## THE WEEK AHEAD

	Date	Consensus
<b>UNITED STATES</b>		
Michigan consumer sentiment (APR)	Thu/13	97.0
CPI (MAR) % YOY	Fri/14	2.6
Retail sales (MAR) % MoM	Fri/14	0.0
<b>EUROPE</b>		
Eurozone industrial production (FEB) % YoY	Tue/11	1.9
UK CPI (MAR) % YoY	Tue/11	2.3
Germany CPI (MAR) % YoY	Thu/13	1.6
<b>ASIA PACIFIC</b>		
Japan current account (FEB) sa Bn JPY	Mon/10	1789
China M2 growth (MAR) % YoY	Mon/10	11.1
India trade balance (MAR) Bn USD	Mon/10	-10.0
Japan M3 growth (MAR) % YoY	Wed/12	3.6
China CPI (MAR) % YoY	Wed/12	1.0
Korea rate decision %	Thu/13	1.25
China trade balance (MAR) Bn USD	Thu/13	11.0
<b>LATIN AMERICA</b>		
Brazil rate decision %	Tue/11	11.25
<b>AFRICA</b>		
Mozambique rate decision %	Mon/10	23.25
Kenya GDP (Q4) % YoY	Wed/12	5.6

# GLOBAL MARKET DATA

3 to 9 April 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	2,355.54	-0.30%	-0.30%	5.21%	15.36%		3.1
RUSSELL 2000 INDEX	RTY Index	US	1,364.56	-1.54%	-1.54%	0.55%	24.87%		2.0
NASDAQ COMPOSITE INDEX	CCMP Index	US	5,877.81	-0.57%	-0.57%	9.19%	21.23%		3.8
S&P/TSX COMPOSITE INDEX	SPTSX Index	Canada	15,667.13	0.04%	0.04%	2.87%	16.07%		2.0
S&P 500 FINANCIALS INDEX	S5FINL Index	US	390.72	-0.98%	-0.98%	1.08%	31.96%		1.4
S&P 500 CONS DISCRET IDX	S5COND Index	US	694.52	-0.82%	-0.82%	7.21%	12.10%		5.1
S&P 500 INFO TECH INDEX	S5INFT Index	US	900.93	-0.58%	-0.58%	11.51%	23.60%		4.8
S&P 500 HEALTH CARE IDX	S5HLTH Index	US	859.90	0.02%	0.02%	7.90%	6.91%		3.8
S&P 500 ENERGY INDEX	S5ENRS Index	US	517.13	0.61%	0.61%	-6.74%	13.21%		2.0
S&P 500 ECO SECTORS IDX	SPXL1 Index	US	2,355.54	-0.30%	-0.30%	5.21%	15.36%		3.1
S&P 500 INDUSTRIALS IDX	S5INDU Index	US	560.03	0.07%	0.07%	4.08%	18.02%		4.6
S&P 500 CONS STAPLES IDX	S5CONS Index	US	562.47	0.12%	0.12%	5.77%	3.25%		5.4
S&P 500 UTILITIES INDEX	S5UTIL Index	US	260.69	0.17%	0.17%	5.62%	5.63%		2.0
S&P 500 MATERIALS INDEX	S5MATR Index	US	329.74	0.31%	0.31%	5.63%	18.66%		4.0
S&P 500 TELECOM SERV IDX	S5TELS Index	US	165.83	-1.10%	-1.10%	-6.10%	-1.36%		2.8
Europe									
Euro Stoxx 50 Pr	SX5E Index	Europe	3,489.70	-1.06%	-1.06%	6.76%	13.42%	6.24%	1.6
CAC 40 INDEX	CAC Index	France	5,120.01	-0.67%	-0.67%	6.13%	12.69%	5.61%	1.5
DAX INDEX	DAX Index	Germany	12,237.63	-1.62%	-1.62%	7.01%	19.51%	6.48%	1.8
Athex Composite Share Pr	ASE Index	Greece	681.08	1.32%	1.32%	6.34%	14.44%	5.82%	0.6
FTSE MIB INDEX	FTSEMIB Index	Italy	20,266.95	-1.85%	-1.85%	6.06%	12.46%	5.54%	1.1
AEX-Index	AEX Index	Netherlands	518.93	-0.50%	-0.50%	7.88%	12.72%	7.35%	1.7
PSI All-Share Index GR	BVLX Index	Portugal	2,729.09	-0.51%	-0.51%	9.11%	8.40%	8.58%	1.3
MICEX INDEX	INDEXCF Index	Russia	1,998.74	-0.40%	-0.40%	-3.16%	29.62%	-9.52%	0.8
IBEX 35 INDEX	IBEX Index	Spain	10,495.90	-0.29%	-0.29%	13.14%	18.29%	12.58%	1.5
OMX STOCKHOLM 30 INDEX	OMX Index	Sweden	1,567.87	-2.57%	-2.57%	3.71%	6.19%	3.46%	2.2
SWISS MARKET INDEX	SMI Index	Switzerland	8,624.96	-0.99%	-0.99%	6.10%	5.55%	5.12%	2.5
BIST 100 INDEX	XUI100 Index	Turkey	89,056.02	-3.37%	-3.37%	6.77%	-16.52%	13.26%	1.3
FTSE 100 INDEX	UKX Index	UK	7,354.24	-0.90%	-0.90%	3.22%	5.43%	2.89%	1.8
Asia Pacific									
MSCI AC ASIA x JAPAN	MXASJ Index	MSCI Asia Ex	584.28	0.39%	0.39%	13.60%	17.85%	13.60%	1.6
S&P/ASX 200 INDEX	AS51 Index	Australia	5,912.88	-1.87%	-1.87%	7.61%	18.11%	3.47%	2.0
DSE 30 Index	DS30 Index	Bangladesh	2,114.11	2.02%	2.02%	16.29%	24.43%	17.85%	-
HANG SENG CHINA ENT INDEX	HSCEI Index	China "H"	10,239.36	0.04%	0.04%	9.15%	18.65%	9.36%	1.0
SHANGHAI SE COMPOSITE	SHCOMP Index	China "A"	3,269.39	1.63%	1.63%	6.48%	2.30%	5.90%	1.8
HANG SENG INDEX	HSI Index	HK	24,234.09	0.68%	0.68%	10.09%	19.58%	10.30%	1.3
Nifty 50	NIFTY Index	India	9,191.40	1.16%	1.16%	18.81%	26.51%	12.37%	3.0
JAKARTA COMPOSITE INDEX	JCI Index	Indonesia	5,640.44	1.50%	1.50%	8.42%	15.03%	6.74%	2.5
NIKKEI 225	NKY Index	Japan	18,797.88	-1.15%	-1.15%	2.47%	15.31%	-2.35%	1.7
KOSPI 200 INDEX	KOSPI2 Index	Korea	277.21	-2.11%	-2.11%	14.08%	17.64%	7.31%	1.0
Laos Composite Index	LSXC Index	Laos	1,096.46	-0.68%	-0.68%	6.29%	-6.41%	6.62%	0.9
FTSE Bursa Malaysia KLCI	FBMKLCI Index	Malaysia	1,738.26	-0.12%	-0.12%	7.33%	-10.26%	6.09%	1.7
KARACHI 100 INDEX	KSE100 Index	Pakistan	48,023.21	-0.52%	-0.52%	-0.23%	41.16%	0.17%	2.0
PSEi - PHILIPPINE SE IDX	PCOMP Index	Philippines	7,617.91	4.63%	4.63%	10.37%	-2.52%	10.86%	2.6
STRAITS TIMES INDEX STI	FSSTI Index	Singapore	3,175.76	-0.42%	-0.42%	13.70%	8.84%	10.29%	1.2
SRI LANKA COLOMBO ALL SH	CSEALL Index	Sri Lanka	6,292.94	4.04%	4.04%	-0.29%	-3.72%	1.04%	1.2
TAIWAN TAIEX INDEX	TWSE Index	Taiwan	9,882.54	-0.15%	-0.15%	12.98%	23.25%	6.70%	1.7
STOCK EXCH OF THAI INDEX	SET Index	Thailand	1,579.99	-0.19%	-0.19%	6.39%	18.81%	2.63%	1.9
HO CHI MINH STOCK INDEX	VNINDEX Index	Vietnam	729.95	1.04%	1.04%	9.97%	25.23%	9.49%	2.2
Rest of the World									
MSCI ACWI	MXWD Index	MSCI World	447.26	-0.36%	-0.36%	6.03%	14.34%	6.03%	2.2
MSCI EM	MXEF Index	MSCI EM	961.61	0.34%	0.34%	11.52%	18.82%	11.52%	1.7
MSCI Frontier Market Index	MXFEM Index	MSCI FM	2,623.62	1.85%	1.85%	8.49%	8.32%	8.49%	1.9
DFM GENERAL INDEX	DFMGI Index	Dubai	3,543.62	2.46%	2.46%	1.00%	5.32%	1.00%	1.3
MSCI EM LATIN AMERICA	MXLA Index	Latin America	2,648.31	1.43%	1.43%	13.14%	30.20%	13.14%	1.9
ARGENTINA Merval INDEX	MERVAL Index	Argentina	20,727.56	2.48%	2.48%	27.02%	65.14%	22.52%	0.6
MSCI BRAZIL	MXBR Index	Brazil	1,851.74	0.92%	0.92%	10.76%	50.96%	10.76%	1.8
CHILE STOCK MKT SELECT	IPSA Index	Chile	4,888.35	2.92%	2.92%	20.35%	30.90%	17.75%	1.6
IGBC GENERAL INDEX	IGBC Index	Colombia	10,175.87	0.65%	0.65%	5.58%	14.01%	0.69%	-
MEXICO IPC INDEX	MEXBOL Index	Mexico	49,343.64	2.38%	2.38%	19.76%	5.42%	8.11%	2.6
Bolsa de Panama General	BVPSBVPS Index	Panama	416.91	-0.10%	-0.10%	0.83%	6.55%	0.88%	1.9
S&P/BVLPeruGeneralTRPEN	SPBLPGPT Index	Peru	15,844.20	0.76%	0.76%	5.05%	45.62%	1.78%	1.6
VENEZUELA STOCK MKT INDX	IBVC Index	Venezuela	46,012.10	4.92%	4.92%	45.16%	198.04%	45.12%	3.7
MSCI EFM AFRICA	MXFMEAF Index	Africa	780.96	-1.49%	-1.49%	1.50%	8.23%	1.50%	2.3
EGYPT HERMES INDEX	HERMES Index	Egypt	1,155.49	1.27%	1.27%	8.11%	-15.25%	7.68%	1.9
GSE Composite Index	GGSECI Index	Ghana	1,898.34	3.90%	3.90%	13.59%	-9.34%	12.39%	1.8
Nairobi SE 20 Share	KNSMIDX Index	Kenya	3,104.89	-0.58%	-0.58%	-3.43%	-24.97%	-2.55%	1.9
MASI Free Float Index	MOSNEW Index	Morocco	11,319.54	-1.02%	-1.02%	-2.50%	13.33%	-2.79%	2.4
NIGERIA STCK EXC ALL SHR	NGSEINDX Index	Nigeria	25,746.52	0.67%	0.67%	-1.63%	-34.15%	-4.20%	1.2
FTSE/JSE AFRICA TOP40 IX	TOP40 Index	South Africa	46,299.08	-0.96%	-0.96%	4.40%	12.88%	4.97%	2.1
<b>Average</b>				0.21%	0.21%	7.56%	16.14%	7.24%	
<b>Top 25%</b>				0.98%	0.98%	10.23%	19.54%	10.42%	
<b>Bottom 25%</b>				-0.75%	-0.75%	3.89%	5.91%	2.83%	

# GLOBAL MARKET DATA (CONTD.)

3 to 9 April 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	101.22	0.83%	0.83%	-1.01%	7.09%
USD-EUR X-RATE	USDEUR Curncy	Europe	0.94	0.62%	0.62%	-0.66%	7.44%
Russian Ruble SPOT (TOM)	USDRUB Curncy	Russia	57.38	1.77%	1.77%	-7.06%	-15.79%
USD-TRY X-RATE	USDTRY Curncy	Turkey	3.73	2.74%	2.74%	6.05%	30.56%
USD-GBP X-RATE	USDGBP Curncy	UK	0.81	1.46%	1.46%	-0.23%	13.62%
Bloomberg JPMorgan Asia Dollar	ADXY Index	Asia USD Index	104.98	-0.37%	-0.37%	2.13%	-2.61%
USD-AUD X-RATE	USDAUD Curncy	Australia	1.34	1.69%	1.69%	-3.97%	0.05%
USD-CNY X-RATE	USDCNY Curncy	China	6.91	0.39%	0.39%	-0.65%	6.81%
USD-INR X-RATE	USDINR Curncy	India	64.56	-0.80%	-0.80%	-5.40%	-3.76%
USD-JPY X-RATE	USDJPY Curncy	Japan	111.29	-0.26%	-0.26%	-5.04%	2.67%
USD-KRW X-RATE	USDKRW Curncy	Korea	1,142.50	1.50%	1.50%	-6.04%	-2.27%
USD-TWD X-RATE	USDTHD Curncy	Taiwan	30.64	0.91%	0.91%	-5.48%	-5.68%
USD-ARS X-RATE	USDARS Curncy	Argentina	15.34	-0.23%	-0.23%	-3.31%	6.02%
USD-BRL X-RATE	USDBRL Curncy	Brazil	3.15	0.79%	0.79%	-3.33%	-14.73%
USD-CLP X-RATE	USDCLP Curncy	Chile	656.31	-0.57%	-0.57%	-2.17%	-4.20%
USD-MXN X-RATE	USDMXN Curncy	Mexico	18.70	-0.31%	-0.31%	-9.99%	4.38%
USD-EGP X-RATE	USDEGP Curncy	Egypt	18.05	-0.26%	-0.26%	-0.71%	102.81%
USD-NGN X-RATE	USDNGN Curncy	Nigeria	306.15	-0.30%	-0.30%	-0.51%	57.44%
USD-ZAR X-RATE	USDZAR Curncy	South Africa	13.88	2.57%	2.57%	0.35%	-9.77%
Commodities				Return (USD)			
WTI CRUDE FUTURE May17	CLA Comdty	US	52.51	3.24%	3.24%	-6.80%	23.32%
BRENT CRUDE FUTR Jun17	COA Comdty	UK	55.52	3.19%	3.19%	-5.48%	28.02%
BALTIC DRY INDEX	BDIY Comdty		1,223.00	-5.71%	-5.71%	27.26%	136.56%
Natural Gas Futures	NGI Comdty		3.24	2.23%	2.23%	-12.43%	61.60%
Gold Spot \$/Oz	XAU Curncy		1,253.73	0.41%	0.41%	8.87%	1.13%
Silver Spot \$/Oz	XAG Curncy		17.93	-1.42%	-1.42%	13.11%	18.27%
LME COPPER 3MO (\$)	LMCADS03 Comdty		5,834.00	-0.06%	-0.06%	5.39%	25.45%
Government Bond Yields %				Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	US 2yr	1.28	0.03	0.03	0.10	0.60
US Generic Govt 5 Year Yield	USGG5YR Index	US 5yr	1.90	0.00	0.00	-0.01	0.78
US Generic Govt 10 Year Yield	USGG10YR Index	US 10yr	2.37	-0.01	-0.01	-0.06	0.69
Canadian Govt Bonds 10 Year No	GCAN10YR Index	Canada 10yr	1.60	-0.03	-0.03	-0.13	0.43
Mexico Generic 10 Year	GMXN10YR Index	Mexico 10yr	7.19	0.16	0.16	-0.25	1.24
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	UK 10yr	1.09	-0.06	-0.06	-0.16	-0.25
Switzerland Govt Bonds 10 Year	GSWISS10 Index	Swiss 10yr	-0.15	-0.07	-0.07	0.02	0.21
German Government Bonds 2 Yr B	GDBR2 Index	German 2yr	-0.82	-0.07	-0.07	-0.04	-0.30
German Government Bonds 5 Yr O	GDBR5 Index	German 5yr	-0.50	-0.10	-0.10	0.05	-0.10
Germany Generic Govt 10Y Yield	GDBR10 Index	German 10yr	0.23	-0.10	-0.10	0.02	0.14
French Generic Govt 10Y Yield	GTFRF10Y Govt	French 10yr	0.92	-0.08	-0.08	0.21	0.45
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	Greece 10yr	6.77	-0.11	-0.11	-0.23	-2.17
Italy Generic Govt 10Y Yield	GBTGPR10 Index	Italy 10yr	2.26	-0.10	-0.10	0.41	0.83
Spain Generic Govt 10Y Yield	GSPG10YR Index	Spanish 10yr	1.64	-0.05	-0.05	0.23	0.01
Portugal Generic Govt 10Y Yield	GSPT10YR Index	Portugal 10yr	3.91	-0.11	-0.11	0.10	0.45
Australia Govt Bonds Generic Y	GACGB10 Index	Aus 10yr	2.57	-0.15	-0.15	-0.21	0.10
India Govt Bond Generic Bid Yi	GIND10YR Index	India 10yr	6.86	0.14	0.14	0.31	-0.63
KCMP South Korea Treasury Bond	GVSK10YR Index	Korea 10yr	2.20	0.01	0.01	0.11	0.40
Japan Generic Govt 10Y Yield	GJGB10 Index	Japan 10yr	0.05	-0.01	-0.01	0.02	0.11
South Africa Govt Bonds 10 Ya	GSAB10YR Index	SA 10yr	9.04	0.07	0.07	0.03	-0.32
Corporate Credit Indices				Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 06/22	ITRXEXE CBIL Curncy	EUR XOVER	285.18	-6.45	-6.45	-5.01	-48.31
MARKIT ITRX EUROPE 06/22	ITRXEBE CBIL Curncy	EUR MAIN	75.30	0.39	0.39	2.25	-6.46
MARKIT ITRX EUR SNR FIN 06/22	ITRXESE CBIL Curncy	EUR SNR FIN	90.10	0.24	0.24	-4.67	-12.33
MARKIT ITRX EUR SUB FIN 06/22	ITRXEUE CBIL Curncy	EUR SUB FIN	196.90	1.13	1.13	-27.26	-43.44
MARKIT CDX.NA.IG.28 06/22	IBOXUMAE CBIL Curncy	US IG	65.45	-1.21	-1.21	-2.43	-16.42
MARKIT CDX.NA.HY.28 06/22	IBOXHYSE CBIL Curncy	US HY	336.52	-3.43	-3.43	-21.49	-123.37
Implied Volatility (Equity Index)				Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SX5E Index	Europe	16.97	0.27	0.27	-0.87	-6.13
FTSE 100 500 3month ATM	UKX Index	UK	10.98	-0.35	-0.35	-1.99	-8.23
Hang Seng 3month ATM	HSI Index	HK	13.54	0.28	0.28	-2.65	-6.49
Nikkei 3month ATM	NKY Index	Japan	17.38	0.53	0.53	-1.85	-8.75
S&P 500 3month ATM	SPX Index	US	11.21	0.27	0.27	-2.25	-4.40
Volatility (VIX)	VIX Index	US	13.22	0.50	0.50	-1.17	-3.29
Inflation (Long term inflation expectation proxy) %				Change (percentage points)			
US 5Y5YF Inflation Swap		USD	2.38	-0.03	-0.03	-0.05	0.32
UK 5Y5YF Inflation Swap		GBP	3.51	0.13	0.13	-0.07	0.31
JPY 5Y5YF Inflation Swap		JPY	0.45	-0.02	-0.02	-0.11	0.28
EUR 5Y5YF Inflation Swap		EUR	1.61	0.05	0.05	-0.14	0.18
Economic Data Surprise (+ive = above expectations)							
Citi Economic Surprise Index	CESIAPAC Index	Asia Pacific	30.90				
Citi Economic Surprise Index -	CESICNY Index	China	-4.50				
Citi Economic Surprise Index -	CESIEM Index	EM	29.20				
Citi Economic Surprise Index -	CESIEUR Index	Eurozone	41.10				
Citi Economic Surprise Index -	CESIG10 Index	G10	33.00				
Citi Economic Surprise - Japan	CESIJPY Index	Japan	-16.60				
Citi Economic Surprise Index -	CESILTAM Index	Latin America	16.00				
Citi Economic Surprise - Unite	CESIUSD Index	US	38.80				

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