

GLOBAL MARKET UPDATE

4 to 10 July 2016



There was no clear trend in markets last week as basically any USD asset rallied against more general weakness – particularly in oil, which posted its biggest weekly decline in 5 months. As the Brexit spill over subsides, the path is data dependent and therefore a summer lull is not out of the question.

UNITED STATES

S&P 2,130 **+1.28%**, 10yr Treasury 1.38% **-8.62bps**, HY Credit Index 408 **-14bps**, Vix 13.25 **-1.57Vol**

After a **strong swing higher in payrolls, which posted a 287,000 gain for June** (vs 11,000 for May), markets delivered a perplexing combination on Friday. **Equities (represented by the S&P 500) touched their record closing high** (intra-day) whilst the **10yr Treasury finished at a record low yield below 1.36%**. This is the first time bonds and equities have traded at all-time high prices concurrently.

Investors appeared to read Friday's data as painting a Goldilocks scenario:

- **Not too cold:** *Renewed resilience in the labour market supports continued growth in the domestic economy.*
- **Not too warm:** *One swallow does not a summer make; the FED will require confirmation over coming months to move back towards a policy move. Moreover, global growth and yield dynamics constrain bond yields.*

The result is yet another amplification of the uneasy

post-GFC equilibrium. Market faith in easy policy supports asset prices, just about keeps the economy expanding, but does very little to address the longer-term issues or to challenge the thesis of underlying stagnation.

EUROPE

Eurostoxx 2,872 **-2.29%**, German Bund **-0.19%** **-6.30bps**, Xover Credit Index 334 **-5bps**, EURUSD 1.102 **+0.79%**

European equities underperformed led by banks.

Deutsche Bank's stock hit a record low as the IMF labelled the bank as the world's most systemically risky and its US unit was 1 of only 2 (from 33) to fail stress tests. Much like the Italian banks, DB's under-capitalisation has been extremely well documented (but largely unaddressed) since the crisis. Elsewhere, the Euro group meeting early this week will discuss whether proceedings should begin against Spain and Portugal for their failure to bring down budget deficits.

Last week **six of the UK's biggest commercial property funds, representing more than half of the sector's retail funds, suspended redemptions.**

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS (4 TO 10 JULY 2016)

DEVELOPED	Top 3:	New Zealand 2.89% , United States 1.28% , Canada 0.85%
	Bottom 3:	Ireland -3.66% , Sweden -2.79% , Norway -2.72%
EMERGING	Top 3:	Egypt 3.46% , Hungary 2.82% , Dubai 1.82%
	Bottom 3:	Poland -2.37% , Greece -2.13% , China "H" -2.03%
FRONTIER	Top 3:	Tanzania 5.29% , Macedonia 3.12% , Bahrain 3.05%
	Bottom 3:	Bosnia -6.24% , Venezuela -5.58% , Slovakia -2.75%

Chris Wehbe

Global Market Strategist

christopher.wehbe@alquity.com

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

Aaron Armstrong

Investment Analyst (Asia)

aaron.armstrong@alquity.com

Florian Gueritte

Investment Analyst (Africa & LatAm)

florian.gueritte@alquity.com

The gating of such funds has generated a great deal of media interest. Indeed, there is clearly uncertainty in the commercial real estate space – given it is a levered play on UK investment dynamics, with a dependence on foreign investment. However, some perspective is required. Retail funds make up only 5% of the overall space and the most important story is one of liquidity mismatch; so called **“daily dealing” funds are fundamentally incompatible with illiquid assets such as property.**

Further, the **Bank of England made the first use of its “counter-cyclical capital buffer”** (a policy tool designed to build up excess capital during good times, to be released during bad times in order to support lending). In particular, the BOE reduced the capital requirement on banks by 0.5%, which equates to a decrease in banks’ capital requirements of GBP 5.7 bn. This week sees an MPC meeting. **Expectations are somewhat split on timing, but over the next month (July and August meetings), it is likely we see both a cut in interest rates and asset purchases to include corporate bonds.** There may also be an increase in the “Funding for Lending Scheme”.

ASIA PACIFIC

HSCEI 8,708 **-2.03%**, Nikkei 1,570.00 **-1.77%**, 10yr JGB **-0.26%** *Obps*, USDJPY 102.110 **-1.90%**

Japanese equities again dropped, now down more than 20% for the year, and the Yen strengthened. Indeed, the currency is now unchanged since Abenomics began. This has seen the world’s largest pension funds (Japan’s Government Pension Investment Fund) generate a financial crisis style loss of circa USD 100bn over the 1st half of the year.

The Chinese RMB touched its lowest level for over five years. The PBoC set the trading band for the Chinese currency at its lowest level against the dollar since November 2010 with a 0.39% day on day depreciation.

The RMB has now lost 1.5% of its value against the dollar over the last two weeks, which, most interestingly, has come during a period where expectations for The Fed have become more dovish following Brexit, which should have made the dollar weaker against EM currencies (which was the case for many EM countries other than China). Thus we can interpret that the weaker fixes,

caused by successive daily depreciation within the +/- 2% trading bands on each trading day following Brexit, are due to supply and demand for RMB and expectations for further depreciation, rather than being driven by any kind of interest rate parity relationships, which hold more loosely for economies with capital controls in place. Counterintuitively, this disconnect may ultimately make it easier for the PBoC to resume its interest rate and RRR cutting cycle should the economy require it during 2H16, as relative monetary policy plays a less prominent role in determining the RMB’s value.

A positive to be drawn from the dynamic of the past two weeks is that pressure on the RMB and associated concerns of a large one-off devaluation is no longer enough to cause panic in global markets, as was the case in January (though this was in part due to the Brexit distraction).

We maintain our view that such a one-off devaluation is unlikely in the medium term, due to in part to the pressure this would create in the form of further capital outflows, the 6% depreciation we have already seen against the trade weighted index year to date and the logical inconsistency of rebalancing the economy away from low end manufacturing but at the same time chasing export competitiveness through devaluation.

Taiwan’s inflation rate slowed to a 5 month low of 0.9% YoY in June, down from 1.2% in May. Wholesale prices remained in deflation, with WPI contracting 2.7% YoY.

LATIN AMERICA

MSCI Lat Am 2,259 **-1.09%**

The **Brazilian industrial sector appears to have found a bottom**, after three consecutive months of recovery and a rebound in business confidence. **However, retail sales posted the worst decline in more than a decade.** In Sao Paulo, sales fell 11.1% YOY; the decline in all Brazil was 8.3% in 1H16.

All lights look green in Argentina. This week, IMF staff said it was “impressed by Argentina’s commitment to transparent data”, Syngenta CEO said that Argentina’s improvements were noticeable and German companies announced a plan to invest about USD 3bn in Argentina over the next four years, potentially creating 3000+ jobs.

Chris Wehbé

Global Market Strategist

christopher.wehbe@alquity.com

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

Aaron Armstrong

Investment Analyst (Asia)

aaron.armstrong@alquity.com

Florian Gueritte

Investment Analyst (Africa & LatAm)

florian.gueritte@alquity.com

AFRICA

MSCI Africa 755 -2.05%

The IMF report on South Africa was released last week and it says it all: “South Africa has made impressive economic and social progress in the past two decades. Yet, deep-rooted structural problems—infrastructure bottlenecks, skill mismatches, and harmful insider-outsider dynamics—are holding back growth and exacerbating unemployment and inequality. A combination of rising government debt, low growth, financially-weak SOEs, and spending pressures has increased vulnerabilities in the real and fiscal sectors”.

The central bank of Nigeria took control of Skye Bank after it failed to meet prudential ratios. The regulator also said that “one or two” other institution failed liquidity tests, but are not as bad as Skye (yet).

Morocco will move to a flexible exchange rate regime in early 2017. After decade of capital controls, the change is likely to be a very gradual process. The timing couldn't be more appropriate in this favourable macroeconomic environment: twin deficits have narrowed, inflation outlook is stable and foreign reserves rose 50% in the last two years to EUR 22bn. This move is consistent with the economic policy of enhancing competitiveness, transitioning from a closed economy into an open one, slashing subsidies and seeking foreign investment to increase competition.

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THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
Retail sales (JUN) % MOM	Fri/15	0.1
Core CPI (JUN) % YOY	Fri/15	2.2
Industrial Production (JUN) % MOM	Fri/15	0.2
Capacity utilization (JUN) %	Fri/15	75.1
Michigan consumer sentiment (JUL)	Fri/15	93.5
EUROPE		
Italy industrial production (MAY) % YOY	Mon/11	1.2
Ireland GDP (Q1) % MOM	Tue/12	-
Germany CPI (JUN) % YOY	Tue/12	0.3
France CPI (JUN) % YOY	Tue/12	0.2
Eurozone industrial production (MAY) % YOY	Wed/13	1.4
BoE rate decision %	Thu/14	0.25
BoE asset purchase decision Bn £	Thu/14	375.0
Eurozone trade balance (MAY) sa Bn €	Fri/15	25.0
Eurozone Core CPI (JUN) % YOY	Fri/15	0.9
ASIA PACIFIC		
China CPI (JUN) % YOY	Sun/10	1.8
China M2 growth (JUN) % YOY	Sun/10	11.3
India CPI (JUN) % YOY	Mon/11	-
Malaysia rate decision %	Wed/13	-
Singapore GDP (Q2) % YOY	Thu/14	2.3
South Korea rate decision %	Thu/14	1.25
China industrial production (JUN) % YOY	Fri/15	5.9
China retail sales (JUN) % YOY	Fri/15	9.9
China GDP (Q2) % YOY	Fri/15	6.6
LATIN AMERICA		
Brazil retail sales (MAY) % YOY	Tue/12	-
Mexico industrial production (MAY) % YOY	Tue/12	-
Peru rate decision %	Thu/14	-
Colombia retail sales (MAY) % YOY	Fri/15	5.8
Colombia industrial production (MAY) % YOY	Fri/15	8.8
AFRICA		
South Africa manufacturing output (MAY) sa % MOM	Tue/12	-
South Africa retail sales (MAY) sa % MOM	Wed/13	-
Nigeria CPI (JUN) % YOY	Thu/14	-

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christopher.wehbe@alquity.com

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Name	Equities BBG Code	Country	Price	Return (USD)				YTD (Local)	Volume 1wk/3mo	14d RSI	30d Vol
				1 Week	MTD	YTD	1Y				
North America											
S&P 500 INDEX	SPX Index	US	2,129.90	1.28%	1.48%	4.21%	3.83%		95%	56.65	17.57%
RUSSELL 2000 INDEX	RTY Index	US	1,177.36	1.78%	2.21%	3.65%	-4.60%		91%	56.03	23.74%
NASDAQ COMPOSITE INDEX	CCMP Index	US	4,956.76	1.94%	2.36%	-1.01%	0.70%		88%	55.12	20.83%
S&P/TSX COMPOSITE INDEX	SPTSX Index	Canada	14,259.84	0.85%	0.85%	16.16%	-2.63%		85%	57.28	12.97%
S&P 500 FINANCIALS INDEX	S5FINL Index	US	309.07	0.75%	0.22%	-3.93%	-5.74%		98%	50.56	26.08%
S&P 500 CONS DISCRET IDX	S5COND Index	US	640.15	2.27%	3.18%	3.08%	5.43%		96%	56.63	17.86%
S&P 500 INFO TECH INDEX	S5INFT Index	US	726.32	1.73%	1.86%	0.67%	6.70%		87%	53.45	20.34%
S&P 500 HEALTH CARE IDX	S5HLTH Index	US	850.85	1.99%	2.58%	2.11%	-0.92%		87%	58.97	16.72%
S&P 500 ENERGY INDEX	S5ENRS Index	US	509.01	-1.12%	-0.66%	13.51%	-4.95%		95%	54.50	23.39%
S&P 500 ECO SECTORS IDX	SPXLI Index	US	2,129.90	1.28%	1.48%	4.21%	3.83%		95%	56.65	17.57%
S&P 500 INDUSTRIALS IDX	S5INDU Index	US	497.86	1.75%	2.12%	7.41%	7.71%		101%	56.94	20.16%
S&P 500 CONS STAPLES IDX	S5CONS Index	US	571.15	1.40%	1.09%	10.17%	14.33%		104%	62.96	11.77%
S&P 500 UTILITIES INDEX	S5UTIL Index	US	266.87	0.12%	0.06%	21.30%	22.93%		102%	64.43	12.22%
S&P 500 MATERIALS INDEX	S5MATR Index	US	294.27	1.20%	1.26%	7.54%	-0.28%		93%	52.37	23.29%
S&P 500 TELECOM SERV IDX	S5TELS Index	US	181.81	-1.11%	-0.45%	21.28%	20.78%		110%	64.39	11.89%
Europe											
Euro Stoxx 50 Pr	SX5E Index	Europe	2,871.87	-2.29%	-1.09%	-11.63%	-16.63%	-13.14%	104%	46.26	37.68%
CAC 40 INDEX	CAC Index	France	4,238.29	-2.67%	-1.27%	-8.05%	-11.49%	-9.63%	93%	46.55	36.29%
DAX INDEX	DAX Index	Germany	9,770.78	-2.22%	-0.68%	-9.18%	-12.02%	-10.36%	103%	47.23	32.80%
Athex Composite Share Pr	ASE Index	Greece	537.10	-2.13%	-1.09%	-13.45%	-33.26%	-14.93%	74%	42.55	56.90%
FTSE MIB INDEX	FTSEMIB Index	Italy	16,192.19	-2.13%	-0.97%	-24.00%	-27.51%	-24.99%	123%	44.28	53.33%
AEX-Index	AEX Index	Netherlands	438.34	-1.89%	-0.65%	-0.11%	-7.27%	-1.82%	95%	49.64	30.48%
PSI All-Share Index GR	BVLX Index	Portugal	2,389.51	-1.68%	-0.44%	-4.76%	-6.47%	-6.39%	58%	47.00	30.82%
MICEX INDEX	INDEXCF Index	Russia	1,894.10	0.07%	0.39%	23.78%	5.07%	7.55%	60%	50.41	17.32%
IBEX 35 INDEX	IBEX Index	Spain	8,283.20	-1.73%	0.11%	-12.74%	-23.18%	-14.23%	90%	45.69	49.05%
OMX STOCKHOLM 30 INDEX	OMX Index	Sweden	1,338.96	-2.79%	-1.03%	-10.05%	-15.16%	-8.34%	84%	49.06	36.54%
SWISS MARKET INDEX	SMI Index	Switzerland	8,079.37	-1.49%	-0.33%	-8.17%	-13.68%	-8.85%	98%	51.53	22.54%
BIST 100 INDEX	XUI00 Index	Turkey	78,821.26	0.19%	0.92%	9.69%	-12.16%	8.77%	74%	49.55	21.57%
FTSE 100 INDEX	UKX Index	UK	6,626.55	-2.21%	-1.00%	-7.11%	-15.45%	5.58%	121%	58.73	25.59%
Asia Pacific											
MSCI AC ASIA x JAPAN	MXASJ Index	MSCI Asia Ex	500.59	-1.16%	-0.61%	0.13%	-9.81%	0.13%	88%	52.34	17.70%
S&P/ASX 200 INDEX	AS5I Index	Australia	5,337.11	0.73%	1.49%	2.45%	-2.81%	-1.23%	84%	50.06	17.80%
DSE 30 Index	DS30 Index	Bangladesh	1,757.16	0.00%	0.00%	1.32%	-2.05%	1.16%		59.05	8.04%
HANG SENG CHINA ENT INDX	HSCEI Index	China "H"	8,708.88	-2.03%	-2.03%	-11.75%	-25.50%	-11.66%	83%	47.78	21.75%
SHANGHAI SE COMPOSITE	SHCOMP Index	China "A"	2,994.92	1.45%	1.51%	-18.09%	-25.20%	-15.57%	134%	54.86	17.92%
HANG SENG INDEX	HSI Index	HK	20,883.13	-1.09%	-1.09%	-6.26%	-15.77%	-8.34%	86%	50.20	20.10%
Nifty 50	NIFTY Index	India	8,466.20	0.04%	1.00%	3.32%	-5.74%	4.74%	78%	59.40	12.30%
JAKARTA COMPOSITE INDEX	JCI Index	Indonesia	5,061.47	0.00%	-0.33%	14.53%	4.41%	8.24%	110%	58.16	12.41%
NIKKEI 225	NKY Index	Japan	15,708.82	-1.77%	-0.44%	-4.78%	-8.18%	-20.63%	89%	41.20	35.92%
KOSPI 200 INDEX	KOSPI2 Index	Korea	246.99	-1.14%	0.05%	3.91%	-2.74%	1.27%	69%	50.23	16.61%
Laos Composite Index	LSXC Index	Laos	1,104.91	-1.00%	-0.96%	-5.12%	-19.18%	-5.74%	85%	42.20	10.83%
FTSE Bursa Malaysia KLCI	FBMKLCI Index	Malaysia	1,652.17	-0.23%	-0.75%	4.58%	-8.58%	-2.83%	72%	48.54	7.52%
KARACHI 100 INDEX	KSE100 Index	Pakistan	38,093.94	0.52%	0.52%	15.88%	5.02%	15.69%	74%	62.07	15.99%
PSEI - PHILIPPINE SE IDX	PCOMP Index	Philippines	7,865.27	-0.94%	-0.23%	11.40%	0.95%	11.79%	98%	58.15	15.58%
STRAITS TIMES INDEX STI	FSSTI Index	Singapore	2,872.97	0.11%	0.51%	4.05%	-12.44%	-1.24%	90%	53.92	13.42%
SRI LANKA COLOMBO ALL SH	CSEALL Index	Sri Lanka	6,373.12	1.87%	1.68%	-8.22%	-15.61%	-7.66%	58%	45.75	6.11%
TAIWAN TAIEX INDEX	TWSE Index	Taiwan	8,786.47	-1.43%	-0.70%	5.48%	-6.87%	3.63%	105%	53.50	15.28%
STOCK EXCH OF THAI INDEX	SET Index	Thailand	1,468.85	0.55%	0.55%	15.79%	-4.69%	13.01%	112%	58.47	10.99%
HO CHI MINH STOCK INDEX	VNINDEX Index	Vietnam	651.85	2.89%	4.20%	14.72%	3.58%	13.76%	114%	66.86	12.91%
Rest of the World											
MSCI ACWI	MXWD Index	MSCI World	400.99	-0.02%	0.43%	0.41%	-3.87%	0.41%	68%	52.00	22.21%
MSCI EM	MXEF Index	MSCI EM	828.84	-1.24%	-0.63%	4.37%	-9.89%	4.37%	61%	52.93	21.12%
MSCI Frontier Market Index	MXFEM Index	MSCI FM	2,518.96	-0.46%	-0.26%	6.53%	-7.71%	6.53%	51%	50.89	13.36%
DFM GENERAL INDEX	DFMGI Index	Dubai	3,406.10	1.82%	1.82%	6.98%	-16.08%	6.99%	75%	53.77	16.17%
MSCI EM LATIN AMERICA	MXLA Index	Latin America	2,259.47	-1.09%	-0.43%	23.48%	-6.12%	23.48%	66%	56.34	32.92%
ARGENTINA MERVAL INDEX	MERVAL Index	Argentina	14,689.61	0.05%	1.90%	11.35%	-20.65%	25.82%	120%	60.19	30.31%
MSCI BRAZIL	MXBR Index	Brazil	1,496.94	-0.12%	0.10%	44.46%	-2.93%	44.46%	80%	59.23	38.47%
CHILE STOCK MKT SELECT	IPSA Index	Chile	4,024.96	-0.36%	0.78%	17.60%	4.12%	9.37%	54%	56.34	9.72%
IGBC GENERAL INDEX	IGBC Index	Colombia	9,612.51	-1.79%	-2.54%	21.29%	-11.65%	12.46%		46.22	11.08%
MEXICO IPC INDEX	MEXBOL Index	Mexico	45,744.29	-1.79%	-0.82%	-1.04%	-12.44%	6.44%	75%	51.87	15.63%
Bolsa de Panama General	BVPSBVPS Index	Panama	394.26	0.06%	-1.12%	-2.40%	-7.70%	-2.27%	49%	52.09	6.63%
S&P/BVLPeruGeneralTRPEN	SPBPLPGPT Index	Peru	14,052.08	0.87%	1.77%	48.63%	7.79%	42.68%	65%	60.26	18.57%
VENEZUELA STOCK MKT INDX	IBVC Index	Venezuela	11,809.16	-5.58%	-8.11%	-49.00%	-49.33%	-19.05%	6%	24.06	26.50%
MSCI EFM AFRICA	MXFMEAF Index	Africa	754.53	-2.05%	-1.41%	9.73%	-15.77%	9.73%	55%	51.64	43.48%
EGYPT HERMES INDEX	HERMES Index	Egypt	687.98	3.46%	3.46%	-7.54%	-14.88%	4.96%	90%	54.21	27.00%
GSE Composite Index	GGSECI Index	Ghana	1,795.73	1.23%	1.23%	-12.62%	-28.29%	-9.98%	65%	45.65	5.01%
Nairobi SE 20 Share	KNSMIDX Index	Kenya	3,688.46	0.78%	1.11%	-7.82%	-22.77%	-8.72%	125%	38.28	8.57%
MASI Free Float Index	MOSENEW Index	Morocco	9,620.44	0.62%	1.22%	8.95%	0.19%	7.78%	305%	48.98	7.13%
NIGERIA STCK EXC ALL SHR	NGSEINX Index	Nigeria	28,854.98	-1.82%	-2.51%	-28.93%	-35.95%	0.74%	76%	56.23	30.27%
FTSE/JSE AFRICA TOP40 IX	TOP40 Index	South Africa	45,551.01	-1.85%	-1.16%	4.61%	-15.54%	-1.91%	87%	45.24	23.46%
Average				-0.28%	0.18%	2.64%	-8.10%	1.43%	89%	52.46	21.26%
Top 25%				0.86%	1.24%	9.95%	-0.05%	7.90%	98%	56.79	26.29%
Bottom 25%				-1.71%	-0.72%	-6.68%	-15.50%	-8.43%	74%	48.76	12.94%

Chris Wehbé

Global Market Strategist

christopher.wehbe@alquity.com

Twitter: @cswhebe

Aaron Armstrong

Investment Analyst (Asia)

aaron.armstrong@alquity.com

Florian Gueritte

Investment Analyst (Africa & LatAm)

florian.gueritte@alquity.com

GLOBAL MARKET DATA (CONTD.)

2 to 10 July 2016

FX (vs USD)			Return +ive=USD Stronger			
Name	Country	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	USD Index	96.66	0.68%	0.17%	-2.36%	-0.31%
USD-EUR X-RATE	Europe	0.91	0.79%	0.50%	-1.74%	-0.12%
Russian Ruble SPOT (TOM)	Russia	64.18	-0.70%	-0.91%	-11.85%	10.84%
USD-TRY X-RATE	Turkey	2.90	-0.32%	0.52%	-0.86%	7.98%
USD-GBP X-RATE	UK	0.77	2.47%	2.78%	13.78%	18.77%
Bloomberg JPMorgan Asia Dollar	Asia USD Index	106.59	-0.22%	-0.23%	0.08%	-4.30%
USD-AUD X-RATE	Australia	1.33	-0.91%	-1.55%	-3.70%	-1.58%
USD-CNY X-RATE	China	6.69	0.48%	0.70%	3.00%	7.67%
USD-INR X-RATE	India	67.19	-0.08%	-0.55%	1.39%	6.03%
USD-JPY X-RATE	Japan	102.11	-1.94%	-2.57%	-16.25%	-17.13%
USD-KRW X-RATE	Korea	1,148.60	-0.08%	-0.26%	-2.26%	1.55%
USD-TWD X-RATE	Taiwan	32.21	0.07%	0.14%	-1.76%	3.84%
USD-ARS X-RATE	Argentina	14.70	-2.38%	-2.19%	13.77%	61.37%
USD-BRL X-RATE	Brazil	3.30	2.04%	2.77%	-16.65%	2.52%
USD-CLP X-RATE	Chile	661.50	-0.34%	-0.32%	-6.98%	2.01%
USD-MXN X-RATE	Mexico	18.55	0.76%	1.22%	7.57%	16.99%
USD-EGP X-RATE	Egypt	8.88	0.02%	-0.07%	13.43%	13.41%
USD-NGN X-RATE	Nigeria	282.00	0.22%	0.09%	41.87%	42.16%
USD-ZAR X-RATE	South Africa	14.64	-0.19%	-1.41%	-6.10%	16.22%
Commodities			Return (USD)			
WTI CRUDE FUTURE Aug16	US	44.96	-7.31%	-6.04%	8.43%	-20.50%
BRENT CRUDE FUTR Sep16	UK	46.37	-7.13%	-5.93%	10.00%	-26.36%
BALTIC DRY INDEX		703.00	3.84%	6.52%	47.07%	-17.58%
Natural Gas Futures		2.86	-6.23%	-4.21%	19.85%	2.75%
Gold Spot \$/Oz		1,358.11	1.83%	3.34%	28.73%	17.85%
Silver Spot \$/Oz		20.24	2.63%	8.35%	46.32%	31.52%
LME COPPER 3MO (\$)		4,710.50	-4.08%	-2.78%	0.12%	-16.33%
Government Bond Yields %			Change (Bps)			
US Generic Govt 2 Year Yield	US 2yr	0.64	0.02	0.02	-0.44	0.02
US Generic Govt 5 Year Yield	US 5yr	0.98	-0.05	-0.05	-0.81	-0.64
US Generic Govt 10 Year Yield	US 10yr	1.38	-0.09	-0.11	-0.91	-0.96
Canadian Govt Bonds 10 Year No	Canada 10yr	0.96	-0.10	-0.10	-0.43	-0.63
Mexico Generic 10 Year	Mexico 10yr	5.85	-0.07	-0.05	-0.43	-0.14
UK Govt Bonds 10 Year Note Gen	UK 10yr	0.73	-0.13	-0.13	-1.23	-1.22
Switzerland Govt Bonds 10 Year	Swiss 10yr	-0.61	-0.02	-0.03	-0.54	-0.63
German Government Bonds 2 Yr B	German 2yr	-0.70	-0.04	-0.03	-0.35	-0.44
German Government Bonds 5 Yr O	German 5yr	-0.63	-0.06	-0.06	-0.58	-0.73
Germany Generic Govt 10Y Yield	German 10yr	-0.19	-0.06	-0.06	-0.82	-0.91
French Generic Govt 10Y Yield	French 10yr	0.10	-0.05	-0.08	-0.88	-1.05
Greece Generic Govt 10Y Yield	Greece 10yr	7.91	0.10	-0.31	-0.19	-9.99
Italy Generic Govt 10Y Yield	Italy 10yr	1.00	-0.04	-0.06	-0.35	-0.98
Spain Generic Govt 10Y Yield	Spanish 10yr	1.15	0.00	-0.02	-0.62	-1.03
Portugal Generic Govt 10Y Yield	Portugal 10yr	3.10	0.06	0.07	0.56	0.16
Australia Govt Bonds Generic Y	Aus 10yr	1.90	-0.07	-0.10	-1.00	-0.92
India Govt Bond Generic Bid Yi	India 10yr	7.39	-0.03	-0.07	-0.38	-0.41
KCMP South Korea Treasury Bond	Korea 10yr	1.39	-0.01	-0.08	-0.70	-1.10
Japan Generic Govt 10Y Yield	Japan 10yr	-0.26	-0.03	-0.07	-0.55	-0.73
South Africa Govt Bonds 10 Yea	SA 10yr	8.67	0.00	-0.12	-1.08	0.51
Corporate Credit Indices			Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 06/21	EUR XOVER	334.27	-5.43	-21.58	29.13	16.48
MARKIT ITRX EUROPE 06/21	EUR MAIN	75.25	-2.55	-6.47	-0.06	2.17
MARKIT ITRX EUR SNR FIN 06/21	EUR SNR FIN	104.75	2.65	-3.72	31.35	16.46
MARKIT ITRX EUR SUB FIN 06/21	EUR SUB FIN	237.47	25.59	17.40	94.94	67.35
MARKIT CDX.NA.IG.26 06/21	US IG	72.96	-3.53	-5.77	-15.17	0.90
MARKIT CDX.NA.HY.26 06/21	US HY	407.87	-13.92	-18.76	-62.16	48.95
Implied Volatility (Equity Index)			Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	Europe	23.62	0.30	-0.29	0.13	-1.30
FTSE 100 500 3month ATM	UK	16.94	-0.78	-1.00	0.74	1.15
Hang Seng 3month ATM	HK	19.95	0.15	0.15	1.93	-4.98
Nikkei 3month ATM	Japan	26.52	2.14	0.99	8.36	2.88
S&P 500 3month ATM	US	12.89	-1.12	-1.36	-3.30	-3.75
Volatility (VIX)	US	13.25	-1.57	-2.43	-5.01	-6.77
Inflation (Long term inflation expectation proxy) %			Change (Bps)			
US 5Y5YF Inflation Swap	USD	1.90	0.02	0.02	-0.30	-0.47
UK 5Y5YF Inflation Swap	GBP	3.08	0.02	0.03	-0.22	-0.33
JPY 5Y5YF Inflation Swap	JPY	-0.11	-0.17	-0.20	-0.82	-1.33
EUR 5Y5YF Inflation Swap	EUR	1.25	-0.06	-0.06	-0.43	-0.54
Economic Data Surprise (+ive/-ive = above/below expectations)						
Citi Economic Surprise Index	Asia Pacific	-20.30				
Citi Economic Surprise Index -	China	-47.50				
Citi Economic Surprise Index -	EM	-14.60				
Citi Economic Surprise Index -	Eurozone	7.40				
Citi Economic Surprise Index -	G10	11.60				
Citi Economic Surprise - Japan	Japan	27.00				
Citi Economic Surprise Index -	Latin America	10.20				
Citi Economic Surprise - Unite	US	5.30				

Chris Wehbe

Global Market Strategist

christopher.wehbe@alquity.com

Twitter: @cswehbe

Aaron Armstrong

Investment Analyst (Asia)

aaron.armstrong@alquity.com

Florian Gueritte

Investment Analyst (Africa & LatAm)

florian.gueritte@alquity.com

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

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Chris Wehbé

Global Market Strategist

christopher.wehbe@alquity.com

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

Aaron Armstrong

Investment Analyst (Asia)

aaron.armstrong@alquity.com

Florian Gueritte

Investment Analyst (Africa & LatAm)

florian.gueritte@alquity.com