

GLOBAL MARKET UPDATE

11 to 18 July 2016



There has been a dramatic change in tone in a few short weeks, from double digit one-day falls in European equities prompted by Brexit and Italian Banks, to a year to date low on the VIX “fear gauge”. We think this is revealing. Policy has been unable to address the real, long-term challenges faced by developed markets – instead supporting just enough growth to keep markets on an even keel. As such, investors have low conviction in their portfolios and, with historical correlations and relative risk/return dynamics turned on their heads, are particularly sensitive to market shocks.

Given even long-term bonds are now near 0% yield, we think an important policy evolution is close. That is to say, central bank’s will need to do something new to generate a meaningful economic reaction. After a visit by Ben Bernanke, this week talk surrounded Japan and the possibility of Helicopter money (n.b. Bernanke’s blog series has also suggested the possibility of negative rates and targeting longer interest rates as additional tools for the FED. Other economists have discussed higher inflation targets and nominal GDP targeting).

For all the positive rhetoric around “helicopter” dropping newly printed money, it surely brings risks to credibility. Indeed, we remain of the view that there is no stimulus package able to generate sufficient real growth to address the developed world’s ills.

UNITED STATES

S&P 2,162 **+1.49%**, 10yr Treasury 1.57% **+19.30bps**, HY Credit Index 393 **-17bps**, Vix 12.67 **-0.53Vol**

US equities edged higher every day last week, with the VIX volatility index reflecting a summer calm (closing

at 12.97 near YTD lows). Concurrently government bond yields moved higher and **high yield bond ETFs saw the largest daily inflow ever** (USD 6.4bn). Whilst better global news flow contributed, there were a number of domestic releases supporting the moves. First, **economic data was generally better than anticipated** - retail sales and industrial production beating

THIS WEEK’S GLOBAL EQUITY MARKET MOVERS (11 TO 18 JULY 2016)

DEVELOPED	Top 3:	Austria 7.06% , Germany 4.61% , Luxembourg 4.61%
	Bottom 3:	New Zealand -1.13% , Denmark 1.00% , Switzerland 1.37%
EMERGING	Top 3:	Czech Republic 6.53% , Turkey 6.11% , China "H" 6.08%
	Bottom 3:	Hungary -0.12% , Abu Dhabi 0.02% , Malaysia 1.98%
FRONTIER	Top 3:	Namibia 7.61% , Qatar 4.65% , Argentina 4.57%
	Bottom 3:	Kenya -2.60% , Bosnia -1.91% , Ghana -1.60%

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expectations.

Second, **earning season started well** – Alcoa reporting a smaller than expected fall in profits and JP Morgan also beating estimates. Nonetheless, in aggregate 2nd quarter earnings are seen declining 5.5% YOY, to mark the 5th consecutive fall in earnings for the S&P 500.

Reflecting the broader sentiment schizophrenia, **FED speakers were buoyed by the price action and delivered generally hawkish comments** - Bullard, George, Harker, Kaplan, and Mester all interpreting the June employment recovery as evidence the May number was an anomaly.

EUROPE

*Eurostoxx 2,959 +4.32%, German Bund -0.02%
+19.50bps, Xover Credit Index 324 -20bps, EURUSD
1.106 +0.14%*

Last Wednesday marked two firsts in European bond markets: **Deutsche Bahn became the first non-financial corporate to issue debt at a negative yield**, a 5yr zero coupon bond at -0.006%, and **Germany sold its first 10yr bond below zero yield**. Actually, this belied the more general trend of a recovery in yields post the Brexit capitulation.

From a data perspective, **Industrial Production disappointed, falling 1.2% in May** vs. April, and this week's PMIs are also expected to show a loss of momentum. However, **it is unlikely the ECB announce a policy change this Thursday. Instead, Draghi et al are likely to strike a dovish tone**, with more time required to see the implications of recent uncertainty shocks and a high probability of extending the time horizon of QE in September (at a minimum). Also upcoming (before the end of July), are the results of the EBA Bank stress tests, with particular focus falling on Portuguese and Italian banks (alongside Deutsche Bank) where there are flagrant capital shortfalls. Last, this week's EU Council confirmed that Portugal and Spain have not taken sufficient action to correct their excessive deficits. Thus

sanctions are to be triggered under the excessive deficit procedure. In reality, these will be only symbolic.

Contrary to "remain" voter fears of a prolonged period with no clear leadership, Theresa May succeeded David Cameron as British Prime Minister, with a cabinet reshuffle also displacing George Osborne as Chancellor. Further, the Bank of England left policy unchanged. The market was split as to whether the BOE would move this week or in August and there was indeed clear guidance towards action next month. The broad expectation is now for a 0.25% rate cut, an increase in QE of around £100bn and some more targeted "credit easing". Thereafter, a further 0.25% rate move to 0.00% base rates may follow in Q4. The combined effect of these political and central bank announcements was a modest reduction in uncertainty, which prompted a rally in Sterling (now more or less unchanged on the month against the USD).

We have talked in recent months about the implosion of the Turkish economy, with visitors falling 23% in the first 5 months of the year and an increasingly autocratic leadership. Over the weekend an apparent military coup resulted in the death of at least 265 people in scenes which serve to reinforce the spill over of the Syrian crisis. The central bank meets on Tuesday.

ASIA PACIFIC

*HSCEI 9,062 +6.08%, Nikkei 1,649.00 + 4.15%, 10yr JGB-
0.23% +0bps, USDJPY 105.650 +4.33%*

Japanese equities jumped 9.2% this week (albeit much of this reflecting a 5.6% weakening in the JPY) as investors speculated this month end (when the BOJ meet next) could prompt a substantial policy innovation. In particular, Ben Bernanke is said to have raised the possibility of "helicopter money" in a meeting with PM Abe and BOJ Chief Kuroda. In reality, this is relatively unlikely at present (it is indeed illegal at present), and instead we expect coordinated monetary and fiscal easing, which special economic advisor Hamada suggested "can produce effects similar to those than can be generated by what Bernanke refers to

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as helicopter money”.

Asian equities rose 4% on the week (MSCI Apac ex Japan), following risk on trading driven by a more sanguine view of the global environment, taking the market to its 2016 high.

China’s economy grew a reported 6.7% YoY in Q2, ahead of the official full year target of 6.5% growth for 2016 and ahead of market expectations. Hong Kong H-shares outperformed, rising 6%.

Within the broader expansion, retail sales and industrial production outperformed, while fixed asset investment and property (which has been vital for growth over the last two decades but which regulators have tightened at the micro level this year) disappointed. Weak exports continue to weigh on the economy.

The impact of policymakers’ latest attempt to stimulate the economy was clear during 1H16, with total social financing rising strongly on the back of loosening measures from the PBOC which formed part of the largest stimulus package China has seen since the aftermath of the global financial crisis.

With growth exceeding the full year target rate during the first half of the year, the government now has some juice in the tank (i.e. there can be a small deceleration in growth in the second half without the full year target being missed). This suggests the PBoC can afford to be less accommodating (which is not equivalent to switching to policy tightening) during the second half of 2016, with consensus expectations of more loosening in Q3 dampening.

Indian equities rose 2.7% as investors became more optimistic on the economic recovery. Industrial production for June picked up from May’s weakness, while the latest reports suggest that monsoon rains (vital for the rural economy, which is responsible for around half of output and employment) are currently 4% of normal levels. A credible frontrunner candidate also emerged as favourite to be the next Reserve Bank

of India Governor. Arvind Panagariyals is a former academic of Colombia University and served as an economist at the Asian Development Bank.

Bank of Korea held interest rates at 1.25% in line with expectations. The accompanying statement from policymakers was more constructive on the economy versus last month.

LATIN AMERICA

MSCI Lat Am 2,354 +4.19%

Brazilian inflation (IPCA) came in at 0.35% MOM in June, bringing it down to 8.84% YOY from 9.32% a month earlier. Recent currency appreciation should help bring inflation and inflation expectations lower and may trigger an easing cycle before the end of the year.

In June, Chilean pension funds were net buyers of local equities (USD 95.7mn) for a second consecutive month. The allocation to this asset class is at a decade low and this is the first sign of more constructive sentiment.

Peru’s new president announced Fernando Zavala will be prime minister. An Open admirer of Margaret Thatcher, the economic orthodoxy of the former finance minister and CEO of SAB Miller in Peru, is in line with that of the PPK party.

The IMF approved a USD 364mn emergency loan for Ecuador without requiring an economic program. It will help Ecuador meet its urgent balance of payments need caused by the earthquake affecting coastal areas on the 16th April.

AFRICA

MSCI Africa 797.50 +5.69%

The IMF expects Nigeria’s economy to contract this

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year as energy shortages and the delayed budget weigh on output. Government revenue also declined 40% YOY as oil prices declined and production is still threatened by the Delta Avengers' attacks on pipelines.

Egyptian inflation was at seven-year high of 14% in June from 12.3% in May. The March devaluation propped up prices of imported goods, as a result food inflation accelerated to 17.6% YOY. The CBE appears powerless in containing inflation, even having hiked the benchmark rate 250bps year-to-date. The currency weakened to USDEGP 11.54 last week in the parallel market and the gap with the official rate of 8.89 keeps on widening. Another devaluation seems inevitable.

Fitch downgraded the local currency sovereign debt of Kenya due to the country's high exposure to exchange rate movements from growing debt denominated in foreign currency. The Long term foreign currency remains at "B+" and long term local currency was downgraded to "B+" from "BB-". Fitch expects Kenya's interest payment to remain at 14% of revenues for FY16/17.

THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
NAHB housing market index (JUL)	Tue/19	60.0
Merkit US manufacturing PMI (JUL)	Fri/22	51.3
EUROPE		
UK CPI (JUN) % YOY	Tue/19	0.4
Turkey rate decision %	Tue/19	7.5
UK unemployment rate (MAY) %	Wed/20	5.0
UK retail sales (JUN) % YOY	Wed/20	5.1
ECB rate decision (JUL)	Thu/21	0.0
Eurozone PMI (JUL)	Fri/22	52.5
UK manufacturing PMI (JUL)	Fri/22	48.50
ASIA PACIFIC		
Indonesia rate decision	Thu/21	5.25
LATIN AMERICA		
Brazil rate decision	Wed/20	14.25
AFRICA		
Nigeria CPI (JUN) % YOY	Mon/18	-
Ghana rate decision	Mon/18	-
Mozambique rate decision	Mon/18	-
South Africa CPI (JUN) % YOY	Wed/20	-
South Africa rate decision	Thu/21	-

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Market Summary

Date: Last Calendar Week

Equities				Return (USD)				YTD	Volume	14d	30d
Name	BBG Code	Country	Price	1 Week	MTD	YTD	1Y	(Local)	1wk/3mo	RSI	Vol
North America											
S&P 500 INDEX	SPX Index	US	2,161.74	1.49%	3.00%	5.76%	1.76%		89%	###	17.66%
RUSSELL 2000 INDEX	RTY Index	US	1,205.31	2.37%	4.63%	6.1%	-5.30%		85%	59.10	###
NASDAQ COMPOSITE INDEX	CCMP Index	US	5,029.59	1.47%	3.86%	0.44%	-2.59%		85%	57.43	###
S&P/TSX COMPOSITE INDEX	SPTSX Index	Canada	14,482.42	2.16%	3.03%	18.66%	-1.85%		86%	###	13.12%
S&P 500 FINANCIALS INDEX	S5FINL Index	US	317.02	2.57%	2.80%	-1.46%	-7.47%		94%	###	###
S&P 500 CONS DISCRET IDX	S5COND Index	US	643.30	0.49%	3.69%	3.59%	2.25%		85%	###	17.98%
S&P 500 INFO TECH INDEX	S5INFT Index	US	742.04	2.16%	4.07%	2.85%	3.74%		89%	57.24	20.71%
S&P 500 HEALTH CARE IDX	S5HLTH Index	US	856.25	0.63%	3.23%	2.76%	-3.92%		83%	60.01	16.26%
S&P 500 ENERGY INDEX	S5ENRS Index	US	519.62	2.08%	1.41%	15.87%	-3.35%		84%	###	23.61%
S&P 500 ECO SECTORS IDX	SPXL1 Index	US	2,161.74	1.49%	3.00%	5.76%	1.76%		89%	###	17.66%
S&P 500 INDUSTRIALS IDX	S5INDU Index	US	510.58	2.55%	4.73%	10.15%	7.74%		102%	61.50	###
S&P 500 CONS STAPLES IDX	S5CONS Index	US	571.61	0.08%	1.17%	10.26%	11.05%		86%	62.37	11.65%
S&P 500 UTILITIES INDEX	S5UTIL Index	US	264.07	-1.05%	-0.99%	20.03%	18.68%		86%	###	12.72%
S&P 500 MATERIALS INDEX	S5MATR Index	US	305.77	3.91%	5.21%	11.74%	1.58%		96%	58.33	###
S&P 500 TELECOM SERV IDX	S5TELS Index	US	183.00	0.65%	0.20%	22.07%	18.12%		91%	65.13	11.37%
Europe											
Euro Stoxx 50 Pr	SX5E Index	Europe	2,958.65	4.32%	3.18%	-7.82%	-18.15%	-9.45%	114%	51.28	###
CAC 40 INDEX	CAC Index	France	4,372.51	4.40%	3.08%	-4.00%	-13.16%	-5.71%	91%	51.82	###
DAX INDEX	DAX Index	Germany	10,066.90	4.61%	3.89%	-5.00%	-12.61%	-6.29%	96%	52.77	###
Athex Composite Share Pr	ASE Index	Greece	557.36	3.84%	2.71%	-10.13%	-30.70%	-11.72%	84%	###	###
FTSE MIB INDEX	FTSEMIB Index	Italy	16,748.59	4.31%	3.30%	-20.72%	-28.37%	-21.80%	115%	###	###
AEX-Index	AEX Index	Netherlands	447.51	3.23%	2.57%	3.11%	-9.15%	1.29%	100%	53.76	###
PSI All-Share Index GR	BVLX Index	Portugal	2,416.59	2.33%	1.87%	-2.54%	-8.53%	-4.27%	84%	###	31.16%
MICEX INDEX	INDEXCF Index	Russia	1,940.85	3.10%	3.50%	27.62%	5.17%	10.19%	73%	###	###
IBEX 35 INDEX	IBEX Index	Spain	8,531.00	4.28%	4.40%	-9.00%	-24.62%	-10.62%	109%	50.14	###
OMX STOCKHOLM 30 INDEX	OMX Index	Sweden	1,372.80	3.87%	2.80%	-6.57%	-16.17%	-5.12%	83%	53.26	###
SWISS MARKET INDEX	SMI Index	Switzerland	8,156.26	1.37%	1.04%	-6.91%	-16.02%	-7.51%	109%	53.87	###
BIST 100 INDEX	XUI00 Index	Turkey	80,616.87	6.11%	7.09%	16.40%	-8.14%	15.47%	107%	58.79	24.12%
FTSE 100 INDEX	UKX Index	UK	6,669.24	2.88%	1.85%	-4.44%	-17.14%	6.84%	106%	###	###
Asia Pacific											
MSCI AC ASIA x JAPAN	MXASJ Index	MSCI Asia Ex	523.52	4.58%	3.94%	4.72%	-7.61%	4.72%	132%	###	18.36%
S&P/ASX 200 INDEX	AS51 Index	Australia	5,458.47	4.18%	5.73%	6.73%	-2.01%	2.52%	85%	57.98	17.22%
DSE 30 Index	DS30 Index	Bangladesh	1,785.46	0.38%	0.38%	1.70%	-3.06%	1.61%		62.81	7.35%
HANG SENG CHINA ENT INDX	HSCEI Index	China "H"	9,062.40	6.08%	3.93%	-6.38%	-23.01%	-6.33%	109%	###	###
SHANGHAI SE COMPOSITE	SHCOMP Index	China "A"	3,047.42	2.16%	3.70%	-16.32%	-25.87%	-13.70%	137%	58.72	###
HANG SENG INDEX	HSI Index	HK	21,749.40	5.38%	4.23%	-1.22%	-13.96%	-11.6%	115%	###	###
Nifty 50	NIFTY Index	India	8,578.15	2.67%	3.69%	6.08%	-6.20%	7.49%	94%	###	12.43%
JAKARTA COMPOSITE INDEX	JCI Index	Indonesia	5,124.86	2.66%	2.32%	17.58%	6.81%	11.26%	126%	62.85	12.39%
NIKKEI 225	NKY Index	Japan	16,497.85	4.15%	3.69%	-0.82%	-5.74%	-13.32%	115%	###	###
KOSPI 200 INDEX	KOSPI2 Index	Korea	251.52	4.07%	4.12%	8.14%	0.59%	4.43%	81%	57.81	16.18%
Laos Composite Index	LSXC Index	Laos	1,095.79	0.35%	-0.62%	-4.79%	-15.88%	-5.35%	32%	45.14	11.76%
FTSE Bursa Malaysia KLCI	FBM KLCI Index	Malaysia	1,665.83	1.98%	1.22%	6.65%	-7.81%	-1.42%	95%	54.01	7.83%
KARACHI 100 INDEX	KSE100 Index	Pakistan	38,968.82	3.18%	3.72%	19.56%	6.12%	19.42%	97%	67.67	16.28%
PSEI - PHILIPPINE SE IDX	PCOMP Index	Philippines	7,978.90	4.00%	3.75%	15.85%	1.82%	15.51%	131%	###	###
STRAITS TIMES INDEX STI	FSTSI Index	Singapore	2,934.70	2.59%	3.12%	6.74%	-11.57%	1.48%	88%	59.71	13.58%
SRI LANKA COLOMBO ALL SH	CSEALL Index	Sri Lanka	6,417.65	0.39%	2.08%	-7.87%	-17.23%	-6.84%	223%	50.15	6.40%
TAIWAN TAIEX INDEX	TWSE Index	Taiwan	9,008.21	4.79%	4.06%	10.54%	-3.78%	7.34%	131%	###	15.22%
STOCK EXCH OF THAI INDEX	SET Index	Thailand	1,492.00	3.19%	3.76%	19.49%	-1.47%	15.84%	126%	###	###
HO CHI MINH STOCK INDEX	VNINDEX Index	Vietnam	668.90	0.88%	5.11%	15.73%	3.69%	14.77%	122%	###	15.28%
Rest of the World											
MSCI ACWI	MXWD Index	MSCI World	411.22	2.55%	2.99%	2.97%	-4.85%	2.97%	90%	###	###
MSCI EM	MXEF Index	MSCI EM	867.84	4.71%	4.05%	9.28%	-7.84%	9.28%	86%	60.21	21.70%
MSCI Frontier Market Index	MXFEM Index	MSCI FM	N/A N/A	2.54%	2.28%	9.24%	-6.87%	9.24%	103%	###	12.62%
DFM GENERAL INDEX	DFMGI Index	Dubai	3,486.01	2.99%	4.86%	10.18%	-15.36%	10.18%	126%	59.13	15.23%
MSCI EM LATIN AMERICA	MXLA Index	Latin America	2,354.03	4.19%	3.73%	28.65%	-5.78%	28.65%	100%	###	33.61%
ARGENTINA Merval INDEX	MERVAL Index	Argentina	15,643.26	4.57%	6.56%	16.44%	-23.03%	33.99%	15%	###	###
MSCI BRAZIL	MXBR Index	Brazil	1,575.48	5.25%	5.36%	52.04%	-3.34%	52.04%	104%	62.61	###
CHILE STOCK MKT SELECT	IPSA Index	Chile	4,098.61	3.00%	3.80%	21.13%	3.57%	11.37%	91%	61.83	9.42%
IGBC GENERAL INDEX	IGBC Index	Colombia	9,945.75	4.36%	1.71%	26.57%	-8.44%	16.36%	###	###	11.43%
MEXICO IPC INDEX	MEXBOL Index	Mexico	46,713.43	2.40%	1.56%	1.33%	-11.97%	8.69%	98%	###	15.77%
Bolsa de Panama General	BVPSBVPS Index	Panama	395.11	0.30%	-0.82%	-2.10%	-7.04%	-2.06%	425%	###	6.49%
S&P/BVLPeruGeneralTRPEN	SPBLPGPT Index	Peru	14,412.62	2.52%	4.33%	52.37%	10.07%	46.34%	94%	###	17.79%
VENEZUELA STOCK MKT INDX	IBVC Index	Venezuela	12,131.01	2.73%	-5.60%	-47.61%	-48.98%	-16.84%	14%	###	28.16%
MSCI EFM AFRICA	MXFMEAF Index	Africa	N/A N/A	5.69%	4.20%	15.98%	-13.27%	15.98%	91%	###	43.31%
EGYPT HERMES INDEX	HERMES Index	Egypt	698.17	4.94%	8.57%	-2.97%	-14.37%	10.15%	120%	###	###
GSE Composite Index	GGSECI Index	Ghana	1,781.08	-1.60%	-0.39%	-14.02%	-34.30%	-10.72%	53%	###	4.57%
Nairobi SE 20 Share	KNMSIDX Index	Kenya	3,596.98	-2.60%	-1.51%	-10.21%	-22.26%	-10.98%	116%	32.15	8.80%
MASI Free Float Index	MOSENEX Index	Morocco	9,794.68	1.78%	3.02%	10.89%	2.03%	9.74%	75%	55.57	8.38%
NIGERIA STOCK EXC ALL SHR	NGSEINDX Index	Nigeria	28,805.45	-0.17%	-2.68%	-29.05%	-34.82%	0.57%	71%	55.76	###
FTSE/JSE AFRICA TOP40 IX	TOP40 Index	South Africa	46,454.35	4.65%	3.44%	9.48%	-15.09%	1.43%	90%	51.14	###
Average				2.75%	2.92%	5.48%	-8.11%	4.54%	102%	56.57	21.42%
Top 25%				4.23%	4.05%	15.79%	1.09%	10.46%	109%	###	26.14%
Bottom 25%				1.64%	1.98%	-3.49%	-15.22%	-5.85%	85%	###	12.92%

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FX (vs USD)			Return +ive=USD Stronger			
Name	Country	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	USD Index	96.61	0.29%	0.45%	-2.08%	-1.11%
USD-EUR X-RATE	Europe	0.90	0.14%	0.64%	-1.60%	-1.46%
Russian Ruble SPOT (TOM)	Russia	63.41	0.51%	-0.40%	-11.40%	11.82%
USD-TRY X-RATE	Turkey	2.94	4.26%	4.81%	3.36%	13.53%
USD-GBP X-RATE	UK	0.76	-1.81%	0.92%	11.72%	18.34%
Bloomberg JPMorgan Asia Dollar	Asia USD Index	106.79	0.14%	-0.09%	0.22%	-3.80%
USD-AUD X-RATE	Australia	1.32	-0.11%	-1.65%	-3.80%	-2.26%
USD-CNY X-RATE	China	6.70	0.06%	0.77%	3.06%	7.74%
USD-INR X-RATE	India	67.11	0.01%	-0.54%	1.40%	5.77%
USD-JPY X-RATE	Japan	105.65	4.34%	1.66%	-12.62%	-15.50%
USD-KRW X-RATE	Korea	1,136.63	-0.90%	-1.16%	-3.14%	-0.64%
USD-TWD X-RATE	Taiwan	31.97	-0.89%	-0.75%	-2.63%	2.90%
USD-ARS X-RATE	Argentina	14.93	1.52%	-0.71%	15.50%	63.54%
USD-BRL X-RATE	Brazil	3.28	-0.60%	2.16%	-17.15%	3.97%
USD-CLP X-RATE	Chile	653.16	-0.63%	-0.95%	-7.57%	1.93%
USD-MXN X-RATE	Mexico	18.48	0.49%	1.72%	8.10%	17.48%
USD-EGP X-RATE	Egypt	8.87	-0.10%	-0.17%	13.32%	13.28%
USD-NGN X-RATE	Nigeria	283.00	0.53%	0.62%	42.62%	43.21%
USD-ZAR X-RATE	South Africa	14.29	0.27%	-1.14%	-5.84%	17.61%
Commodities			Return (USD)			
WTI CRUDE FUTURE Aug16	US	45.87	1.19%	-4.92%	9.72%	-17.27%
BRENT CRUDE FUTR Sep16	UK	47.63	1.82%	-4.22%	12.00%	-22.76%
BALTIC DRY INDEX		745.00	5.97%	12.88%	55.86%	-26.16%
Natural Gas Futures		2.79	-1.61%	-5.75%	17.93%	-3.43%
Gold Spot \$/Oz		1,327.78	-2.11%	1.16%	26.01%	16.77%
Silver Spot \$/Oz		19.90	-0.22%	8.11%	45.99%	34.75%
LME COPPER 3MO (\$)		4,918.00	4.41%	1.51%	4.53%	-11.55%
Government Bond Yields %			Change (Bps)			
US Generic Govt 2 Year Yield	US 2yr	0.68	0.06	0.09	-0.38	0.01
US Generic Govt 5 Year Yield	US 5yr	1.12	0.16	0.10	-0.66	-0.55
US Generic Govt 10 Year Yield	US 10yr	1.57	0.19	0.08	-0.72	-0.80
Canadian Govt Bonds 10 Year No	Canada 10yr	1.08	0.12	0.02	-0.31	-0.50
Mexico Generic 10 Year	Mexico 10yr	6.00	0.15	0.09	-0.28	0.01
UK Govt Bonds 10 Year Note Gen	UK 10yr	0.83	0.10	-0.03	-1.13	-1.24
Switzerland Govt Bonds 10 Year	Swiss 10yr	-0.55	0.06	0.03	-0.48	-0.65
German Government Bonds 2 Yr B	German 2yr	-0.66	0.04	0.01	-0.31	-0.43
German Government Bonds 5 Yr O	German 5yr	-0.57	0.07	0.02	-0.51	-0.70
Germany Generic Govt 10Y Yield	German 10yr	-0.02	0.20	0.14	-0.62	-0.83
French Generic Govt 10Y Yield	French 10yr	0.21	0.13	0.05	-0.76	-0.91
Greece Generic Govt 10Y Yield	Greece 10yr	7.77	-0.14	-0.45	-0.33	-3.70
Italy Generic Govt 10Y Yield	Italy 10yr	1.06	0.06	0.00	-0.29	-0.74
Spain Generic Govt 10Y Yield	Spanish 10yr	1.21	0.08	0.06	-0.54	-0.75
Portugal Generic Govt 10Y Yield	Portugal 10yr	3.12	0.05	0.13	0.62	0.46
Australia Govt Bonds Generic Y	Aus 10yr	1.99	0.09	-0.01	-0.91	-1.00
India Govt Bond Generic Bid Yi	India 10yr	7.29	-0.11	-0.18	-0.49	-0.57
KCMP South Korea Treasury Bond	Korea 10yr	1.39	0.00	-0.08	-0.70	-1.09
Japan Generic Govt 10Y Yield	Japan 10yr	-0.23	0.06	-0.01	-0.49	-0.67
South Africa Govt Bonds 10 Yea	SA 10yr	8.76	0.03	-0.09	-1.06	0.68
Corporate Credit Indices			Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 06/21	EUR XOVER	323.59	-19.53	-41.12	9.59	54.05
MARKIT ITRX EUROPE 06/21	EUR MAIN	70.91	-6.07	-12.54	-6.13	9.87
MARKIT ITRX EUR SNR FIN 06/21	EUR SNR FIN	96.65	-11.02	-14.74	20.33	26.60
MARKIT ITRX EUR SUB FIN 06/21	EUR SUB FIN	220.17	-27.46	-10.06	67.48	75.93
MARKIT CDX.NA.IG.26 06/21	US IG	71.72	-1.40	-7.18	-16.57	6.62
MARKIT CDX.NA.HY.26 06/21	US HY	392.72	-17.27	-36.03	-79.42	54.46
Implied Volatility (Equity Index)			Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	Europe	21.01	-2.61	-2.90	-2.47	2.24
FTSE 100 500 3month ATM	UK	14.05	-2.89	-3.89	-2.15	2.29
Hang Seng 3month ATM	HK	18.16	-1.79	-1.64	0.14	-0.89
Nikkei 3month ATM	Japan	24.25	-2.28	-1.29	6.09	8.17
S&P 500 3month ATM	US	12.27	-0.62	-1.97	-3.92	0.16
Volatility (VIX)		12.67	-0.53	-2.96	-5.54	0.56
Inflation (Long term inflation expectation proxy) %			Change (Bps)			
US 5Y5YF Inflation Swap	USD	1.97	0.09	0.11	-0.22	-0.39
UK 5Y5YF Inflation Swap	GBP	3.08	-0.03	0.00	-0.25	-0.36
JPY 5Y5YF Inflation Swap	JPY	-0.03	0.09	-0.11	-0.73	-1.23
EUR 5Y5YF Inflation Swap	EUR	1.37	0.11	0.04	-0.32	-0.45
Economic Data Surprise (+ive/-ive = above/below expectatio						
Citi Economic Surprise Index	Asia Pacific	-9.80				
Citi Economic Surprise Index -	China	-39.50				
Citi Economic Surprise Index -	EM	-12.20				
Citi Economic Surprise Index -	Eurozone	4.50				
Citi Economic Surprise Index -	G10	16.90				
Citi Economic Surprise - Japan	Japan	15.30				
Citi Economic Surprise Index -	Latin America	-16.80				
Citi Economic Surprise - Unite	US	21.90				

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

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