GLOBAL MARKET UPDATE

Alquity

13 TO 19 NOVEMBER: ARE WE NEARLY THERE YET?

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	**Top 3:**	Ireland **1.51%,** Switzerland **1.26%,** Denmark **0.91%**
	Bottom 3:	Norway **-2.65%,** Australia **-2.40%**, Sweden **-1.99%**
EMERGING	**Top 3:**	South Africa **3.75%,** Brazil **2.36%**, Thailand **2.17%**
	Bottom 3:	Egypt **-2.98%**, Turkey **-2.79%,** Greece **-1.76%**
FRONTIER	**Top 3:**	Venezuela **4.52%,** Bermuda **3.83%,** Vietnam **2.59%**
	Bottom 3:	Lebanon **-3.12%,** Tanzania **-1.69%,** Laos **-1.56%**

There was not necessarily a clear catalyst for the more elevated volatility seen last week. However, it would be fair to say that weakness in credit over the past month has spilt into broader nervousness. We would continue to highlight strong economic momentum at the global level. However, there is also a sense that the best period for markets is behind us; valuations are generally rich, the monetary impulse is likely to turn negative in 2018 and there is a feeling of investor fatigue.

This week, US markets are closed on Thursday for Thanksgiving.

UNITED STATES

S&P 2,579 -0.13%, 10yr Treasury 2.33% -5.49bps, HY Credit Index 327 -6bps, Vix 11.43 +0.14Vol

Last week, **the S&P 500 had both its worst trading session in 50 days (a 0.55% decline on Wednesday) and its best in 67 days (a 0.82% gain on Thursday).** This pushed the VIX volatility index to its highest intraday level since August at 14.51%. Indeed, the skittishness extended to fixed income and the US Dollar:

- **High Yield bond funds experienced one of their largest weeks of outflows on record** (USD 4.43bn). This came after a relatively sharp decline in prices over the last month, which a Bank of America note aptly summarised as "driven primarily by a confluence of several meaningful and yet only loosely related events." These include the collapse of the Sprint/T-Mobile merger and Teva's credit downgrade.
- **The US Treasury yield curve (represented by the yield differential between the 2 and 10 year bonds) touched its flattest level in 10 years** at 0.65%. This implies investors are sceptical about the longer-term potential for higher interest rates.
- The **trade weighted USD lost ground** for the second consecutive week.

From a fundamental perspective, **economic data was mostly robust** (retail sales, CPI inflation, industrial production and housing starts all meeting or exceeding expectations). Moreover, Congressional Republicans continued to make progress on tax reform, with approvals from the House and a Senate panel. However, the tone on Capitol Hill was not all positive; on Thursday Robert Mueller subpoenaed Trump's election campaign for documents relating to Russian Interference.

Elsewhere, at the corporate level, General Electric shares fell over 12% after announcing a restructuring that included halving of its dividend.

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EUROPE

Eurostoxx 3,547 -0.08%, German Bund 0.36% -4.90bps, Xover Credit Index 246 -3bps, EURUSD 1.177 -1.06%

The **2nd release of Q3 GDP growth for the Eurozone, saw a modest upward revision (0.613% QOQ from 0.585% QOQ).** Although this is a marginal slowdown from Q2 (0.65% QOQ), it confirms the improved momentum. Nonetheless, equities declined and bond yields tightened with broader sentiment. This week, Europe also starts on the back foot after the **FDP in Germany pulled out of coalition talks with Angel Merkel**. This leaves the Chancellor facing either new elections, running a minority government or seeking alternative partners such as the Social Democrats.

In the UK, CPI inflation came in at 3.0% YOY and retail sales were slightly better than expected, but still declined 0.3% YOY. Meanwhile, reports suggest **Theresa May will "blink first" and raise her offer of a Brexit divorce settlement** to EUR 40bn from EUR 20bn in order to break the current negotiation deadlock.

After the **Turkish Lira fell to record lows versus both USD and EUR** on Friday, President Erdogan commented "they say central banks are independent, so we shouldn't interfere. This is the end result because we haven't interfered." Indeed, he went on to say it should not be "taboo" for him to comment on monetary policy. Counterintuitively, the President wants lower rates, which would surely exacerbate the problem

Norway's central bank, which runs the world's largest sovereign wealth fund holding some 1.5% of global equities, proposed that oil and gas companies be removed from its benchmark index. This would require divestment of some USD 35bn in oil related stocks in order to reduce the country's exposure to the space. A final decision is likely at least a year away.

ASIA PACIFIC

HSCEI 1,155 -1.28%, Nikkei 2,226.00 + 0.05%, 10yr JGB 0.04% 0bps, USDJPY 112.060 -1.20%

Japanese stocks fell last week, ending their 9-week consecutive positive run.

The global narrative surrounding India's economic progress has shifted somewhat during the second half of 2017. From a tone of optimism and recognition for the transformational work carried out by the Modi government, both foreign news outlets and India's domestic champagne socialist English- speaking media have turned to criticising the government for the short-term disruption these policies have caused. Almost a year on from its implementation, many commentators have been taking shots at Modi's demonetisation programme, labelling the project a failure based on the percentage of banknotes which were returned to the formal system. Others have focused on the compliance burden and adjustment costs associated with the new Goods and Services Tax.

The talking heads eulogizing these myopic views took an inevitable kick in the teeth this week, as two key new developments reminded investors just why India has been one of the best performing stock markets globally in 2017.

Firstly, **Moody's upgraded India's sovereign credit rating for the first time since 2004**. After raising India's rating from Baa3 to Baa2, the US-based institution commented that it expects that "continued progress on economic and institutional reforms will over time enhance India's high growth potential… and will likely contribute to a gradual decline in the general government debt burden over the medium term".

This is a vote of confidence in the Indian reform story. It strikes at the heart of the arguments being made against Modi's economic reforms, by those who claim that the undeniable long term structural benefits they bring are not worth the sacrifice of 1-2 quarters of below-trend GDP growth.

Not wishing to over-sensationalise the current government, we would highlight that the inflation targeting policy followed by the Reserve Bank of India, which began in 2013 before Modi was elected, has played a key role in creating economic stability. Under former Governor Raghuram Rajan, the RBI maintained a vigilance against inflation and refused to cut rates despite relentless pressure from the finance ministry to do so. It is this improvement in institutional quality, which outlives Rajan in the form of a new monetary policy committee at the RBI, that helped to stabilise inflation, the current account deficit, and the rupee, all of which combined provided the Modi government with a macroeconomic backdrop conducive to rolling out a raft of reform measures unlike any other government in the world currently.

From the more specific standpoint of an equity investor, a visible recovery in corporate earnings has been among the most important developments required to maintain a compelling investment case for India, given the market's strong outperformance year to date. The end of the reporting period for the three months to September provided investors with just that this week, with the **Nifty companies collectively witnessing double-digit earnings growth for the first time in six quarters**. This came despite the disruption associated with the Goods and Services Tax (GST) implementation on 1st July.

The acceleration we are now seeing in corporate earnings reconfirms our conviction that the Indian economy is in the process of bouncing back from the short term disruptions created by demonetisation and GST. Further, this feeds through to our view that Prime Minister Modi will continue to enjoy strong support among the Indian electorate, to be demonstrated firstly at next month's Gujurat state elections, then, in 2019, at the general elections where his BJP party fights for a second four-year term in office.

China's latest data batch showed a slight slowdown across the board in October. Retail sales fell from 10.3% YOY in September to 10.0%, fixed asset investment growth dropped from 7.5% to 7.3%, while industrial production slowed from 6.6% to 6.3%.

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These sequential changes are small enough to be attributed to the disruption caused by the National Congress held in Beijing last month, which saw much tighter activity controls in and around the capital, as well as creating a disruption in activity of the inner workings of the government machine, which sprawls over every sphere of the economy.

The Philippines' economy grew 6.9% YOY in Q3, bouncing from the 6.5% expansion rate of the previous three months. This was the fastest rate of expansion for four quarters, and was a significant upside surprise to consensus, with the market expecting a more muted rate of growth on the account of being only a year in to President Duterte's term, with new leaders in the Philippines historically taking time to get their feet under the table and begin enacting growth-friendly policies. *The quality of growth however, is slightly weaker than the headline figure suggests, with private consumption growing only 4.5% YOY and investment growth slowing from 9.4% YOY in Q2 to 7.1% in Q3.*

Indonesia's central bank left rates on hold at 4.25%, in line with expectations. Policymakers cited 'limited growth in household consumption and banking intermediary', leaving the window open for further rate cuts in the medium term.

Malaysia' economy accelerated to a 6.2% YOY growth rate in Q3, up from the 5.8% recorded in Q2. This was an upside surprise, with both domestic and external driven growth accelerating. *The outperformance of the Malaysian economy so far in 2017 has raised the spectre of rate tightening from the central bank early next year.*

LATIN AMERICA

MSCI Lat Am 2,776 +0.74%

Standard & Poor's rating agency has downgraded Venezuela's rating from highly speculative (CC) to default (D) after it missed a USD 200Mn payment of interest on its 2019 and 2024 bonds within the 30-day grace period. Venezuela's 1 to 10-year bonds are now trading between 20% and 30% of par value. Also last week, ISDA, the International Swaps and Derivatives Association, has ruled that Venezuela and its state oil company PDVSA have defaulted on their debts, which will trigger insurance-like contracts on its bonds (CDS).

The restructuring of the USD 60+ Bn international debt is technically complicated by:

- *he US sanctions imposed on Venezuela as a classic restructuring usually involves the issuance of new bonds, but US investors are prohibited from investing in new issues from Venezuela.*
- *Venezuela's lead negotiator with creditors, Vice-president Aissami has himself been sanctioned by the US as an alleged narcotics trafficker, which means US investment groups (the biggest holders of Venezuelan debt) cannot enter talks with him.*
- *Venezuela lacks a credible plan to get out of this crisis and the government refuses all help from international organisations.*
- *The exact amount, seniority and collateralization of Venezuela's external debt are unknown as they include bonds, promissory notes, bi-lateral loans from China and Russia (including a non-reported USD 6Bn loan by Rosneft to PDVSA backed by oil deliveries and 49.9% of Citco) and other external obligations.*
- *The opacity is reinforced by the multiple issuers (government, state-owned oil company PDVSA, state-owned utility companies and other).*

Several options are on the table:

- *More support from China and Russia would postpone the problem but not solve it.*
- *A default on government or SOEs bonds would most probably trigger more the seizure of PDVSA's assets abroad (super-tankers and Citco, a Texas-based gas distribution company) and a blockade of the country (including oil).*
- *A change in leadership with (most probably) the army stepping in and engineering a debt restructuring with international organisations (mostly IMF and the Paris Club), bondholders, other creditors and other stakeholders like the US, EU, China and Russia's government.*

Most of Colombia's leading indicators signal that the bottom of its cycle was observed in 1H17.

- **Colombia's retail sales advanced 1.1% YOY in 3Q17**, implying an acceleration against 2Q17 (-0.3%) and 1Q17 (-1.4%), suggesting that the negative effect from both the VAT hike and high interest rates in the 2016-1Q17 period, is gradually fading amid higher disposable income and lower rates (ex-auto sales increased by 1.5% y/y in 3Q17 vs 0.2% in 2Q17 and -1.3% in 1Q17).
- **Colombia's industrial production rose 0.6% YOY in 3Q17,** slightly recovering from a very weak 1H17 (+0.4% in 1Q17 and -3.0% in 2Q17).
- **Colombia's trade deficit in 3Q17 came in at USD 1.7Bn,** below the USD 3.0Bn deficit recorded in 3Q16, leading to a narrowing of the 12-month rolling deficit to USD 8.5Bn (from USD 11.5Bn in 2016). The better than expected print was favoured by a firm recovery in traditional exports and a still weak internal demand as the whole economy is rebalancing through the FX mechanism (freely floating currency).

As a result, Colombia's GDP expanded by 2.0% YOY in 3Q17, which is still below its long-term potential, but the output gap is slowly closing.

The economy accelerated vs 1H17 when it posted the weakest pace of growth since 2009 (1.3%), implying that the worst of the current economic cycle is finally behind. That said, activity is still sluggish, suggesting that the recovery will continue to be gradual.

Brazil's IPCA Inflation accelerated to 2.70% YOY in October from 2.54% the month before, still below the

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central bank's target.

Fitch affirmed Brazil´s Long-Term Foreign Currency rating at BB with a negative outlook. In the release, the agency cited that "Brazil's ratings are constrained by the structural weaknesses in its public finances and high government indebtedness and weak growth prospects." However, "the country's capacity to absorb shocks is underpinned by its flexible exchange rate, robust international reserves position, a strong net sovereign external creditor position, and deep and developed domestic government debt markets." The agency concluded by stating that **"an improved policy environment, reduced external imbalances, and the passage of some microeconomic reforms in recent months are supportive of the credit profile".**

Brazil's core retail sales expanded 6.4% YOY in September 2017. This suggests that retail sales resumed an upward trend following 2 slower months that probably reflected a reversal of the temporary boost provided by withdrawals from inactive accounts held under employment protection program FGTS. In the coming quarters, retail sales should slowly recover towards their pre-crisis level driven by falling interest rates (lower risk-free rate and contraction of spreads), lower debt levels among households, and gradual improvement in the labour market.

The only question remains the pace of the recovery in consumption as most of these factors will be very gradual and part of the increasing disposable income will first go towards deleveraging.

Peru's GDP expanded 3.2% YOY in September 2017, a strong sequential acceleration (2.3% in 3Q17 vs. 2.4% in 2Q17). This was the 98th consecutive month of growth.

AFRICA

MSCI Africa 911 +4.73%

In Zimbabwe, **President Robert Mugabe's 37 years tenure seems to be ending.** Mr Mugabe was fired as the leader of the ruling Zanu PF party on Sunday and was given 24 hours to quit as head of state or face impeachment. This came after a de facto coup saw Mr Mugabe, his wife Grace Mugabe, and other associates detained by the military earlier in the week. In his place, the ex-vice-president Emmerson Mnangagwa, who had been fired by Mr Mugabe two weeks earlier, was appointed as the interim leader of Zanu PF.

Mr Mugabe had ruthlessly outwitted his rivals for three decades, but his wife's leadership ambition which led to the sacking of Mr Mnangagwa, became his undoing. Mr Mnangagwa is no saint; he was a long-time supporter of Mugabe and was implicated in the massacre of more than 20,000 Zimbabweans to quash an anti-Mugabe uprising in the 1980s. He has however been quietly positioning himself as a business-friendly candidate for presidency. It's very much early days but we could have a reformed crocodile and changing times in Zimbabwe.

In Nigeria, headline inflation moderated for the ninth consecutive month; YOY, CPI declined to 15.91% in October from 15.98% in September, and 2bps to 0.76% on a MOM basis. Food inflation however remained sticky at 20.31% YOY vs. 20.32% in September.

In Egypt, the central Bank kept overnight deposit and lending rates on hold at 18.75% and 19.75%, respectively, the trade deficit fell 26.7% YOY to USD3.31bn in August, driven by a 17% YOY increase in exports and 14% decrease in imports, and S&P upgraded Egypt's outlook to positive from stable, on the back of rising reserves and strengthening economic growth. In other news, the UK is expected to lift its travel ban on Sharm El Sheikh, which is positive for the country's tourism industry.

Lastly, an IMF delegation emphasised that Morocco is ready to move towards a flexible exchange rate regime.

THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
Michigan consumer sentiment (NOV)	Wed/22	98.2
EUROPE		
Hungary rate decision %	Tue/21	0.9
Eurozone consumer confidence (NOV)	Wed/22	-0.8
Germany GDP (Q3) % QOQ	Thu/23	0.8
Eurozone PMI (NOV)	Thu/23	55.9
UK GDP (Q3) % YOY	Thu/23	1.5
ASIA PACIFIC		
Japan trade balance (OCT) sa Bn JPY	Mon/20	207
Thailand GDP (Q3) % YOY	Mon/20	3.8
Singapore GDP (Q3) % YOY	Thu/23	5.1
Taiwan GDP (Q3) % YOY	Fri/24	3.1
LATIN AMERICA		
Chile GDP (Q3) % YOY	Mon/20	2.2
Peru GDP (Q3)	Tue/21	2.2
Colombia rate decision %	Fri/24	5.0
Mexico GDP (Q3) % YOY	Fri/24	1.6
AFRICA		
Nigeria GDP (Q3) % YOY	Mon/20	1.5
Nigeria rate decision %	Tue/21	14.0
South Africa CPI (OCT) % YOY	Wed/22	4.8
South Africa rate decision %	Thu/23	6.8
kenya rate decision %	Thu/23	10.0

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GLOBAL MARKET DATA
13 TO 19 November

Market Summary — Data: Last Calendar Week

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	2,578.85	-0.13%	0.14%	15.19%	17.91%		3.2
RUSSELL 2000 INDEX	RTY Index	US	1,492.82	1.19%	-0.66%	10.00%	14.00%		2.3
NASDAQ COMPOSITE INDEX	CCMP Index	US	6,782.79	0.47%	0.82%	26.00%	27.16%		3.8
S&P/TSX COMPOSITE INDEX	SPTSX Index	Canada	15,998.57	-0.95%	0.81%	10.21%	13.86%		1.9
S&P 500 FINANCIALS INDEX	S5FINL Index	US	433.36	0.25%	-1.77%	12.12%	18.03%		1.4
S&P 500 CONS DISCRET IDX	S5COND Index	US	744.25	1.26%	1.68%	14.89%	15.18%		5.2
S&P 500 INFO TECH INDEX	S5INFT Index	US	1,103.47	-0.38%	0.66%	36.58%	38.26%		5.4
S&P 500 HEALTH CARE IDX	S5HLTH Index	US	938.86	0.02%	0.05%	17.81%	15.45%		3.9
S&P 500 ENERGY INDEX	S5ENRS Index	US	496.33	-3.38%	-1.34%	-10.49%	-4.30%		1.9
S&P 500 ECO SECTORS IDX	SPXL1 Index	US	2,578.85	-0.13%	0.14%	15.19%	17.91%		3.2
S&P 500 INDUSTRIALS IDX	S5INDU Index	US	594.59	-1.06%	-1.77%	10.50%	12.56%		4.5
S&P 500 CONS STAPLES IDX	S5CONS Index	US	563.97	0.97%	3.19%	6.05%	8.65%		5.3
S&P 500 UTILITIES INDEX	S5UTIL Index	US	281.84	0.24%	0.89%	14.18%	20.15%		2.1
S&P 500 MATERIALS INDEX	s5MATR Index	US	364.61	0.17%	-1.37%	16.80%	20.34%		2.9
S&P 500 TELECOM SERV IDX	S5TELS Index	US	145.16	0.81%	-2.09%	-17.81%	-8.08%		2.4
Europe									
Euro Stoxx 50 Pr	SX5E Index	Europe	3,547.46	-0.08%	-2.17%	20.64%	29.41%	7.81%	1.7
CAC 40 INDEX	CAC Index	France	5,319.17	0.07%	-2.07%	22.41%	30.36%	9.40%	1.6
DAX INDEX	DAX Index	Germany	12,993.73	0.20%	-0.33%	26.64%	34.93%	13.18%	1.9
Athex Composite Share Pr	ASE Index	Greece	712.46	-1.76%	-4.93%	23.86%	31.53%	10.69%	0.6
FTSE MIB INDEX	FTSEMIB Index	Italy	22,092.95	-0.87%	-1.79%	28.53%	48.08%	14.86%	1.2
AEX-Index	AEX Index	Netherlands	536.62	-0.75%	-1.75%	24.28%	31.79%	11.06%	1.9
PSI All-Share Index GR	BVLX Index	Portugal	2,928.18	-0.16%	-1.46%	30.02%	36.59%	16.19%	1.5
MICEX INDEX	INDEXCF Index	Russia	2,135.55	-1.55%	1.95%	-1.05%	14.18%	-4.52%	0.9
IBEX 35 INDEX	IBEX Index	Spain	10,010.40	0.40%	-3.62%	19.78%	27.41%	7.04%	1.5
OMX STOCKHOLM 30 INDEX	OMX Index	Sweden	1,613.90	-1.99%	-3.96%	14.82%	20.28%	6.62%	2.3
SWISS MARKET INDEX	SMI Index	Switzerland	9,183.61	1.26%	0.18%	14.98%	17.40%	11.72%	2.6
BIST 100 INDEX	XU100 Index	Turkey	105,931.80	-2.79%	-5.48%	23.79%	22.81%	35.96%	1.3
FTSE 100 INDEX	UKX Index	UK	7,380.68	-0.61%	-1.99%	10.55%	15.38%	3.33%	1.9
Asia Pacific									
MSCI AC ASIA x JAPAN	MXASJ Index	MSCI Asia Ex	705.92	0.47%	2.02%	37.25%	36.71%	37.25%	1.7
S&P/ASX 200 INDEX	AS51 Index	Australia	5,945.67	-2.40%	-0.45%	10.23%	13.69%	5.14%	2.0
DSE 30 Index	DS30 Index	Bangladesh	2,286.87	1.14%	4.36%	18.36%	22.03%	25.88%	-
HANG SENG CHINA ENT INDX	HSCEI Index	China "H"	11,551.81	-1.28%	0.75%	22.65%	23.60%	23.56%	1.1
SHANGHAI SE COMPOSITE	SHCOMP Index	China "A"	3,392.40	-1.03%	-0.14%	14.31%	9.61%	9.00%	1.8
HANG SENG INDEX	HSI Index	HK	29,267.84	0.16%	3.24%	31.74%	30.24%	32.72%	1.4
Nifty 50	NIFTY Index	India	10,285.30	0.27%	-0.93%	31.50%	33.13%	25.63%	3.0
JAKARTA COMPOSITE INDEX	JCI Index	Indonesia	6,084.00	0.79%	1.18%	14.58%	15.51%	14.25%	2.5
NIKKEI 225	NKY Index	Japan	22,261.76	0.05%	3.26%	22.01%	22.98%	17.17%	1.9
KOSPI 200 INDEX	KOSPI2 Index	Korea	332.92	1.87%	2.39%	41.76%	43.27%	28.53%	1.1
Laos Composite Index	LSXC Index	Laos	1,008.24	-1.56%	-2.43%	-0.54%	2.49%	0.95%	0.9
FTSE Bursa Malaysia KLCI	FBMKLCI index	Malaysia	1,718.58	-0.33%	0.35%	13.23%	11.62%	4.87%	1.8
KARACHI 100 INDEX	KSE100 Index	Pakistan	40,505.23	-1.38%	3.06%	-15.36%	-4.16%	-14.56%	1.5
PSEi - PHILIPPINE SE IDX	PCOMP Index	Philippines	8,321.98	-0.65%	1.01%	18.45%	15.10%	21.50%	2.4
STRAITS TIMES INDEX STI	FSSTI Index	Singapore	3,387.50	-0.64%	0.85%	25.43%	26.00%	17.41%	1.2
SRI LANKA COLOMBO ALL SH	CSEALL Index	Sri Lanka	6,469.56	-1.09%	-2.03%	1.49%	-1.40%	4.10%	1.3
TAIWAN TAIEX INDEX	TWSE Index	Taiwan	10,664.55	0.19%	-0.54%	24.68%	26.43%	15.65%	1.8
STOCK EXCH OF THAI INDEX	SET Index	Thailand	1,715.12	2.17%	0.54%	21.03%	25.35%	10.79%	2.0
HO CHI MINH STOCK INDEX	VNINDEX Index	Vietnam	903.55	2.59%	6.40%	34.28%	30.57%	33.96%	2.6
Rest of the World									
MSCI ACWI	MXWD Index	MSCI World	496.75	-0.22%	0.03%	17.76%	20.71%	17.76%	2.3
MSCI EM	MXEF Index	MSCI EM	1,136.45	0.71%	1.55%	31.80%	34.14%	31.80%	1.8
MSCI Fronter Market Index	MXFEM Index	MSCI FM	2,859.58	0.19%	0.02%	18.25%	19.24%	18.25%	1.9
DFM GENERAL INDEX	DFMGI Index	Dubai	3,413.32	0.30%	-4.83%	-2.00%	4.54%	-2.00%	1.2
MSCI EM LATIN AMERICA	MXLA Index	Latin America	2,775.74	0.74%	-1.19%	18.59%	22.14%	18.59%	1.9
ARGENTINA MERVAL INDEX	MERVAL Index	Argentina	27,128.50	0.26%	-1.97%	46.06%	45.78%	60.35%	1.9
MSCI BRAZIL	MXBR Index	Brazil	1,986.05	1.31%	-1.24%	18.80%	23.85%	18.80%	1.7
CHILE STOCK MKT SELECT	IPSA Index	Chile	5,391.75	0.82%	-1.94%	39.08%	39.12%	29.88%	1.8
IGBC GENERAL INDEX	IGBC Index	Colombia	10,817.39	0.70%	3.07%	7.05%	17.56%	7.04%	-
S&P/BMV IPC	MEXBOL Index	Mexico	47,857.14	0.55%	-0.50%	14.38%	13.96%	4.85%	2.6
Bolsa de Panama General	BVPSBVPS Index	Panama	440.43	0.14%	0.31%	6.51%	7.57%	6.57%	2.0
S&P/BVLPeruGeneralTRPEN	SPBLPGPT Index	Peru	19,518.28	-0.82%	-1.80%	29.60%	34.29%	25.38%	1.8
VENEZUELA STOCK MKT IND	IBVC Index	Venezuela	685.45	4.52%	6.69%	2061.96%	2473.30%	#####	12.5
MSCI EFM AFRICA	MXFMEAF Index	Africa	910.85	4.73%	4.95%	18.39%	24.20%	18.39%	2.4
EGYPT HERMES INDEX	HERMES Index	Egypt	1,305.71	-2.98%	-2.72%	24.07%	21.35%	20.75%	1.8
GSE Composite Index	GGSECI Index	Ghana	2,520.87	1.97%	2.85%	39.37%	31.77%	49.24%	2.3
Nairobi SE 20 Share	KNSMIDX Index	Kenya	3,730.15	-0.68%	0.11%	15.68%	11.51%	17.07%	2.4
MASI Free Float Index	MOSENEW Index	Morocco	12,621.52	0.85%	2.85%	16.32%	25.91%	8.39%	2.9
NIGERIA STCK EXC ALL SHR	NGSEINDX Index	Nigeria	36,703.58	-0.99%	0.20%	19.66%	26.23%	36.57%	1.6
FTSE/JSE AFRICA TOP40 IX	TOP40 Index	South Africa	54,265.33	3.75%	3.68%	20.62%	25.56%	22.79%	2.4

Average	0.09%	0.07%	48.74%	58.10%	56.34%
Top 25%	0.76%	1.37%	25.06%	30.30%	25.44%
Bottom 25%	-0.79%	-1.77%	13.71%	14.64%	7.62%

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GLOBAL MARKET DATA (CONTD.)

13 to 19 November

FX (vs USD)				Return +ive=USD Stronger			
Name	BBG Code	Country	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	DXY Index	USD Index	93.80	-0.77%	-0.94%	-8.36%	-7.16%
USD-EUR X-RATE	USDEUR Curncy	Europe	0.85	-1.06%	-1.23%	-10.78%	-9.88%
Russian Ruble SPOT (TOM)	USDRUB Curncy	Russia	59.25	-0.39%	1.17%	-4.17%	-9.00%
USD-TRY X-RATE	USDTRY Curncy	Turkey	3.89	0.32%	2.24%	10.04%	15.03%
USD-GBP X-RATE	USDGBP Curncy	UK	0.76	-0.21%	0.50%	-6.62%	-6.05%
Bloomberg JPMorgan Asia Dollar	ADXY Index	Asia USD Index	108.06	0.55%	0.48%	5.05%	4.00%
USD-AUD X-RATE	USDAUD Curncy	Australia	1.32	1.26%	1.20%	-4.77%	-2.07%
USD-CNY X-RATE	USDCNY Curncy	China	6.63	-0.26%	-0.06%	-4.66%	-3.84%
USD-INR X-RATE	USDINR Curncy	India	65.00	-0.73%	0.36%	-4.49%	-4.58%
USD-JPY X-RATE	USDJPY Curncy	Japan	112.06	-1.28%	-1.37%	-4.21%	1.78%
USD-KRW X-RATE	USDKRW Curncy	Korea	1,098.38	-2.29%	-2.05%	-9.27%	-7.17%
USD-TWD X-RATE	USDTWD Curncy	Taiwan	30.05	-0.24%	-0.26%	-7.08%	-5.81%
USD-ARS X-RATE	USDARS Curncy	Argentina	17.48	-0.03%	-0.87%	10.15%	12.75%
USD-BRL X-RATE	USDBRL Curncy	Brazil	3.26	-0.61%	-0.46%	0.09%	-4.72%
USD-CLP X-RATE	USDCLP Curncy	Chile	629.21	-0.83%	-1.63%	-6.57%	-7.41%
USD-MXN X-RATE	USDMXN Curncy	Mexico	18.95	-0.97%	-1.20%	-8.74%	-7.42%
USD-EGP X-RATE	USDEGP Curncy	Egypt	17.60	-0.08%	-0.04%	-2.65%	9.76%
USD-NGN X-RATE	USDNGN Curncy	Nigeria	360.50	0.14%	0.14%	14.45%	14.08%
USD-ZAR X-RATE	USDZAR Curncy	South Africa	14.06	-2.84%	-0.98%	1.96%	-3.05%
Commodities				**Return (USD)**			
WTI CRUDE FUTURE Dec17	CLA Comdty	US	56.55	-0.33%	3.99%	-0.89%	12.38%
BRENT CRUDE FUTR Jan18	COA Comdty	UK	62.40	-1.26%	2.92%	6.90%	20.66%
BALTIC DRY INDEX	BDIY Comdty		1,371.00	-6.35%	-9.92%	42.66%	11.37%
Natural Gas Futures	NG1 Comdty		3.05	-3.61%	6.94%	-16.84%	14.58%
Gold Spot $/Oz	XAU Curncy		1,291.51	1.47%	1.82%	12.32%	6.39%
Silver Spot $/Oz	XAG Curncy		17.15	2.55%	3.53%	8.75%	3.80%
LME COPPER 3MO ($)	LMCADS03 Comdty		6,777.00	-0.13%	-0.91%	22.43%	23.32%
Government Bond Yields %				**Change (percentage points)**			
US Generic Govt 2 Year Yield	USGG2YR Index	US 2yr	1.72	0.07	0.12	0.53	0.68
US Generic Govt 5 Year Yield	USGG5YR Index	US 5yr	2.05	0.01	0.04	0.13	0.32
US Generic Govt 10 Year Yield	USGG10YR Index	US 10yr	2.34	-0.05	-0.04	-0.10	0.04
Canadian Govt Bonds 10 Year No	GCAN10YR Index	Canada 10yr	1.94	-0.03	-0.01	0.22	0.37
Mexico Generic 10 Year	GMXN10YR Index	Mexico 10yr	7.28	0.02	0.02	-0.16	0.20
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	UK 10yr	1.31	-0.05	-0.04	0.06	-0.12
Switzerland Govt Bonds 10 Year	GSWISS10 Index	Swiss 10yr	-0.13	-0.05	-0.04	0.07	0.01
German Government Bonds 2 Yr B	GDBR2 Index	German 2yr	-0.71	0.03	0.04	0.05	-0.08
German Government Bonds 5 Yr O	GDBR5 Index	German 5yr	-0.35	-0.03	0.00	0.18	-0.01
Germany Generic Govt 10Y Yield	GDBR10 Index	German 10yr	0.36	-0.05	0.00	0.15	0.08
French Generic Govt 10Y Yield	GTFRF10Y Govt	French 10yr	0.70	-0.07	-0.05	0.02	-0.04
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	Greece 10yr	5.20	0.05	-0.25	-1.84	-2.07
Italy Generic Govt 10Y Yield	GBTPGR10 Index	Italy 10yr	1.83	-0.01	0.01	0.02	-0.26
Spain Generic Govt 10Y Yield	GSPG10YR Index	Spanish 10yr	1.55	-0.02	0.09	0.17	-0.04
Portugal Generic Govt 10Y Yield	GSPT10YR Index	Portugal 10yr	1.98	-0.08	-0.09	-1.78	-1.76
Australia Govt Bonds Generic Y	GACGB10 Index	Aus 10yr	2.54	-0.04	-0.10	-0.19	0.00
India Govt Bond Generic Bid Yi	GIND10YR Index	India 10yr	6.91	0.09	0.19	0.53	0.63
KCMP South Korea Treasury Bond	GVSK10YR Index	Korea 10yr	2.57	0.00	-0.01	0.48	0.52
Japan Generic Govt 10Y Yield	GJGB10 Index	Japan 10yr	0.04	-0.01	-0.04	-0.01	0.03
South Africa Govt Bonds 10 Yea	GSAB10YR Index	SA 10yr	9.38	-0.02	0.24	0.42	0.34
Corporate Credit Indices				**Change (Bps) +ive = Widening**			
MARKIT ITRX EUR XOVER 12/22	ITRXEXE CBIL Curncy	EUR XOVER	246.17	2.65	19.35	-43.74	-97.49
MARKIT ITRX EUROPE 12/22	ITRXEBE CBIL Curncy	EUR MAIN	51.59	-0.36	1.45	-20.42	-27.83
MARKIT ITRX EUR SNR FIN 12/22	ITRXESE CBIL Curncy	EUR SNR FIN	51.15	-0.84	-0.15	-42.32	-53.88
MARKIT ITRX EUR SUB FIN 12/22	ITRXEUE CBIL Curncy	EUR SUB FIN	117.37	-1.00	2.80	-102.22	-121.00
MARKIT CDX.NA.IG.29 12/22	BOXUMAE CBIL Curncy	US IG	55.26	-1.08	2.59	-12.31	-19.60
MARKIT CDX.NA.HY.29 12/22	IBOXHYSE CBIL Curncy	US HY	326.55	-6.09	13.74	-30.84	-86.84
Implied Volatility (Equity Index)				**Change (Volatility Points) +ive = Volatility Rising**			
Eurostoxx 3month ATM	SX5E Index	Europe	13.75	0.06	2.25	-4.09	-5.30
FTSE 100 500 3month ATM	UKX Index	UK	10.19	-0.08	1.30	-2.78	-4.10
Hang Seng 3month ATM	HSI Index	HK	14.25	0.05	0.37	-1.94	-2.63
Nikkei 3month ATM	NKY Index	Japan	18.11	0.99	4.53	-1.12	-1.16
S&P 500 3month ATM	SPX Index	US	10.52	-0.05	1.46	-2.94	-2.18
Volatility (VIX)	VIX Index	US	11.43	0.14	1.25	-2.61	-1.92
Inflation (Long term inflation expectation proxy) %				**Change (percentage points)**			
US 5Y5YF Inflation Swap		USD	2.24	-0.05	0.00	-0.20	-0.25
UK 5Y5YF Inflation Swap		GBP	3.45	0.01	0.00	-0.14	-0.13
JPY 5Y5YF Inflation Swap		JPY	0.41	0.00	0.07	-0.15	0.28
EUR 5Y5YF Inflation Swap		EUR	1.67	0.00	0.01	-0.07	0.11
Economic Data Surprise (+ive = above expectations)							
Citi Economic Surprise Index	CESIAPAC Index	Asia Pacific	19.10				
Citi Economic Surprise Index -	CESICNY Index	China	-23.80				
Citi Economic Surprise Index -	CESIEM Index	EM	14.50				
Citi Economic Surprise Index -	CESIEUR Index	Eurozone	58.90				
Citi Economic Surprise Index -	CESIG10 Index	G10	42.50				
Citi Economic Surprise - Japan	CESIJPY Index	Japan	20.70				
Citi Economic Surprise Index -	CESILTAM Index	Latin America	1.70				
Citi Economic Surprise - Unite	CESIUSD Index	US	56.00				

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