

GLOBAL MARKET UPDATE



16 TO 22 JANUARY: WHEN THE RUBBER HITS THE ROAD

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	Norway 1.43% , Finland 0.76% , Austria 0.60%
	Bottom 3:	Switzerland -1.73% , Canada -1.39% , France -1.11%
EMERGING	Top 3:	Brazil 2.53% , Poland 0.98% , China "A" 0.65%
	Bottom 3:	Egypt -3.51% , Russia -1.96% , South Africa -1.76%
FRONTIER	Top 3:	Ukraine 5.77% , Bangladesh 4.25% , Kuwait 4.07%
	Bottom 3:	Venezuela -11.57% , Laos -6.65% , Tanzania -3.86%

Since the 8th November US elections, there has been a sharp acceleration (and in some cases reversal) of asset price moves and market expectations; bonds lower and equities, sentiment surveys and inflation expectations higher (to multi-year highs). We *don't* think this is all about Trump. The global economy rebounded in Q4, led by a manufacturing recovery, whilst the US is now arguably at full employment, which creates the potential for a faster FED rate hiking cycle. Nonetheless, as the Mexican Peso attests, Donald's victory certainly played an important part. The first few weeks of his leadership therefore have the potential to be significant for markets.

We think the global economy has positive momentum that should provide a tail-wind over the next few quarters. However, with respect to the US, additional fiscal stimulus is priced and concrete steps towards government investment (at a 60 year low as a percentage of GDP) and corporate tax review (3rd highest rates in the world) are required to justify the excitement. Moreover, we reiterate our concern that the new Presidency will instead be associated with on-going unpredictability and a primary focus on a divisive ideology. NYU Professor Nouriel Roubini this week tweeted "Trump Carnage: Protectionist, Nationalist, Isolationist, Unilateralist, Xenophobic, Nativist, Chauvinist, Angry, Depressing "America First", whilst ex Treasury Secretary Larry Summers commented "My objection is not to disagreements over economic policy. It is to enabling if not encouraging immoral and reckless policies in other spheres that ultimately bear on our prosperity."

Certainly, **politics is likely to prove an increasingly important determinant of relative performance across asset classes, sectors and regions**. In terms of the aggregate picture, then it seems to us still more likely that we are seeing a "growth and inflation scare" rather than the start of a full-blooded change in economic paradigm. This is to say, we certainly do not see enough to persuade us of a fundamental shift away from structural stagnation (lower growth). There is perhaps slightly more risk of inflation (both from cyclical positioning and protectionism) – albeit on balance, we expect the dominance of easy monetary policy to continue..

UNITED STATES

S&P 2,271 **-0.15%**, 10yr Treasury 2.43% **+7.04bps**, HY Credit Index 350 **+2bps**, Vix 12.27 **+0.31Vol**

Incoming economic data was robust last week as CPI inflation firmed in December (in line with consensus), housing starts touched their second-highest level since 2008 and industrial production rose more than expected. Across two speeches in California, **Janet Yellen continued to backtrack from her suggestion that there might be sense in running a “high pressure economy”**, stating “I think that allowing the economy to run markedly and persistently “hot” would be risky and unwise”. She summarised her views by:

- “It is fair to say the economy is near maximum employment and inflation is moving toward our goal.”
- “Last month I and most of my colleagues were expecting to increase our federal funds rate target a few times a year until, by the end of 2019, it is close to our estimate of its longer-run neutral rate of 3%, a level which neither presses on the gas pedal so the car goes faster, nor eases off so the car slows down.”
- Given all the uncertainties, determining how best to adjust interest rates “will not be easy.”
- Waiting too long to raise rates could risk a “nasty surprise”.

Equity markets were little changed in aggregate, although financials (the sector which has arguably benefited most from Trump’s election) underperformed. Indeed, realised volatility for the S&P 500 over the last 30 days stands at a near motionless 6.57%. **Bonds slipped**, with the US 10-year trading in a wide range between 2.31% and 2.51%.

The Bank of Canada left rates unchanged at their January meeting, but Governor Poloz warned “prospective protectionist trade measures in the United States would have material consequences for Canadian investment and exports.” Consequently, “Should any of those downside risks materialise and put our inflation target at risk, then we would have the room to manoeuvre...., A rate cut remains on the table and it would remain on the table for as long as downside risks are still present.” **The Canadian Dollar was the worst performing global currency last week as a consequence.**

EUROPE

Eurostoxx 3,266 **-0.39%**, German Bund 0.40% **+8.30bps**, Xover Credit Index 289 **-3bps**, EURUSD 1.074 **-0.53%**

The ECB left policy unchanged last week and the accompanying press conference was shorter than usual, with Draghi mostly avoiding being drawn:

- With respect to Trump’s scepticism on the Euro area “I just won’t make any comment on that. It’s just too early. Let’s see what are the real policies following these statements. I’d rather comment on policies and policy actions.”
- On Britain’s Brexit plans “it’s too early to say ... whether it will have economic consequences will

depend on the shape of the outcome and the length of time it will take.”

However, **Draghi did address the recent German based groundswell of concern on rising inflation**, which could pressure a near-term tightening. In particular, he stated “There are no convincing signs yet of an upward trend in underlying inflation” and gave 4 conditions necessary to meet the ECB’s target of 2%:

- It must meet the objective of medium-term price stability.
- It must converge to the ECB’s goal in a “durable” way.
- It must be self-sustaining when the stimulus is eventually removed.
- It is defined for the whole of the euro area, not just individual economies.

In practice, a persistent period of inflation, whether broad-based and sustainable or not, will create discord amongst the governing council. However, it is fair that much of the current headline number is driven by base effects in energy and food prices. As such, we agree with Draghi’s stance and see the overall rhetoric as incrementally dovish.

In the UK, **Prime Minister May’s Brexit negotiation speech (presented in the form of 12 objectives) was taken positively by the market** – pushing USDGBP to its best one-day performance in 9 years. As a consequence, the FTSE 100 ended its six week winning run, with foreign currency earnings marked down in local currency. Our view is that speed and certainty, rather than substance, of Brexit, are the most important for markets.

Ahead of this week’s central bank meeting, the Turkish Lira continued to do what it does best – weakening against all major currencies.

ASIA PACIFIC

HSCEI 9,726 **-0.79%**, Nikkei 1,889.00 **-0.88%**, 10yr JGB 0.06% **+0bps**, USDJPY 113.580 **+0.11%**

Ahead of Donald Trump’s inauguration last Friday, Asian markets traded sideways for the most part, with none of the major markets moving by more than 1% in either direction in USD terms.

Investors continue to be in the dark on the specific details of some of Trump’s key policies that will have far reaching consequences for Asia. This includes tariffs, border taxes, the future of the offshore and outsourcing operations of American businesses, the strength of the dollar and the all-important political and economic relations with China.

Whilst the key details remain a mystery, and we think it too early to speculate on the likely specific outcomes, the broad direction at a superficial level is clear. Both business models and economic development models that depend too highly on relatively easy access to the consumer demand side of the US economy in combination with the low cost supply side of Asia will experience disruption over the next four years. To this end, we remain most constructive on a 3-5 year view on those economies whose destinies lie mostly in their own hands. Countries with domestically driven

sources of sustainable growth, with the urbanisation and demographics mega-trends of India the canonical example, should enjoy a degree of isolation from any Trump-led disruptions to the established order.

China's Q4 GDP growth rate came in 10bps ahead of the market's expectations at 6.8%.

Comparing the Chinese economy at the beginning and the end of 2016 shows two very different pictures. In January 2016 concerns over a hard landing for the Chinese economy (which some believed was imminent) led to a widespread market panic and caused a rocky start to the year for the broader emerging market universe.

The reason the economy had been allowed to soften to this extent was the government's objective to reduce the dependence on state spending and investment as a driver of economic growth.

Fast forward 12 months and this objective has clearly been put on the back burner, with fiscal spending having been used to drive the economy back to a healthy growth rate (while depreciation pressure on the RMB made further relaxation of monetary policy an unviable option).

Whilst our base case for 2017 is a continuation of firm growth supported by fiscal stimulus, we acknowledge the inevitability that this framework will not sustain +6% growth rates for the next decade as it has done for the past two, and that the government will have to incrementally lower its growth targets in the coming years. Of course, the Trump administration has many spanners that could be thrown in to the works and add new complications to the management of China's economy.

Both Korea (1.25%) and Malaysia (3.0%) left interest rates on hold at their January meetings. The Korean central bank continues to face a deteriorating growth and inflation outlook, while Malaysia's activity data has shown signs of improvement.

LATIN AMERICA

MSCI Lat Am 2,455 **+1.28%**

Chile's central bank cut benchmark rate by 25bps to 3.25% after 14 months on hold. Economic growth is still sluggish, confidence and PMI data are at multi-year lows, inflation is decelerating quickly towards the central bank target and expectations are anchored at the bottom of the target range. The fiscal account is constitutionally constrained thus monetary policy is (for now) the only tool available to support the economy.

Political change (elections in December 2016) has the potential to usher in improved leadership (as seen across much of the continent over the last 2 years).

Brazilian executives are twice as optimistic that business will improve in the next 12 months than at the beginning of 2016, according to a PWC survey published during the Davos WEF forum. 2017 should continue to be challenging (GDP expectations have come down from 2% post-impeachment to 0.5% currently for 2017) but this shows Brazilian companies consider the economy to have

bottomed.

S&P reaffirmed Colombia's sovereign rating at BBB.

On the one hand, the snapshot macroeconomic picture isn't that great. On the other hand, the direction of travel is positive. The current account deficit has shown a stronger than expected correction in 2016 (4.7% of GDP as of September 2016 vs. 6.7% in 2015, helped by a strong devaluation in 2015) and last month, the government showed a strong willingness to keep the fiscal account under control thanks to tax reform (diversifying government revenue away from oil, increasing VAT, reducing the corporate tax rate).

AFRICA

MSCI Africa 790 **-1.53%**

Egypt's budget deficit shrank to 10.2% of GDP in H1 16-17

(July to December 2016), coming in at EGP 174Bn, down from 12.2% a year ago. This is still above IMF targets. The USD 12Bn IMF rescue plan, together with the elimination of fuel and electricity subsidies (by 2019 and 2021 respectively), the floating of the currency and proper monetary policy to bring down inflation to single-digit territory, should gradually rebalance the fiscal and current account of the country.

Increasing interest rates appears the best solution to anchor the currency, attract capital inflows (via high real interest rates) and fight inflation. Moreover, increasing interest rates would not hurt the real economy so much as it is under-leveraged (private sector debt to GDP stands at 26% according to World Bank data) and banking penetration is still rather low.

Nigerian inflation reached an 11-year high in December at 18.6% YOY, driven by poor monetary and fiscal policies resulting in a sharp devaluation of the Naira in the black market (the only rate most Nigerians have access to) from 198 USD/NGN a year ago to circa 490 currently.

South African retail sales rose by 3.8% YOY in November, following a decline of 0.2% in October. The resilience of South African retail sales remains puzzling as consumers' disposable income is under pressure from inflation (6.8% in December, 12% food inflation) and high levels of unemployment.

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THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
Markit manufacturing PMI (JAN)	Tue/24	54.3
GDP (Q4) % QoQ saar	Fri/27	2.1
Real consumer spending(Q4) % QoQ saar	Fri/27	2.5
Michigan consumer sentiment (JAN)	Fri/27	98
EUROPE		
Eurozone consumer confidence (JAN)	Mon/23	-4.8
Israel rate decision %	Mon/23	0.1
France PMI (JAN)	Tue/24	53.2
Germany PMI (JAN)	Tue/24	55.4
Eurozone PMI (JAN)	Tue/24	54.5
Turkey rate decision %	Tue/24	8.5
Hungary rate decision %	Tue/24	0.9
UK GDP (Q4) % YoY	Thu/26	2.1
Eurozone M3 (DEC) % YoY	Fri/27	4.9
ASIA PACIFIC		
Korea GDP (Q4) % YoY	Wed/25	2.2
Taiwan GDP (Q4) % YoY	Wed/25	3.3
Philippines GDP (Q4)	Thu/26	6.3
Japan core CPI (DEC) % YoY	Fri/27	-0.3
LATIN AMERICA		
Brazil current account balance (DEC) USD Bn	Tue/24	-4.5
AFRICA		
Ghana rate decision %	Mon/23	25.0
South Africa rate decision %	Tue/24	7.0
Nigeria rate decision %	Tue/24	14.0

Chris Wehbé

CEO

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

GLOBAL MARKET DATA

16 to 22 January 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	2,271.31	-0.15%	1.45%	1.45%	21.53%		2.9
RUSSELL 2000 INDEX	RTY Index	US	1,351.85	-1.47%	-0.39%	-0.39%	35.55%		2.3
NASDAQ COMPOSITE INDEX	CCMP Index	US	5,555.33	-0.34%	3.20%	3.20%	24.22%		3.7
S&P/TSX COMPOSITE INDEX	SPTSX Index	Canada	15,547.88	-1.39%	2.43%	2.43%	38.26%		2.0
S&P 500 FINANCIALS INDEX	S5FINL Index	US	384.22	-1.64%	-0.60%	-0.60%	36.41%		1.3
S&P 500 CONS DISCRET IDX	S5COND Index	US	667.96	-0.07%	3.11%	3.11%	16.77%		4.8
S&P 500 INFO TECH INDEX	S5INFT Index	US	835.97	0.23%	3.47%	3.47%	27.82%		4.6
S&P 500 HEALTH CARE IDX	S5HLTH Index	US	807.33	-1.49%	1.31%	1.31%	4.57%		3.5
S&P 500 ENERGY INDEX	S5ENRS Index	US	547.41	0.08%	-1.28%	-1.28%	36.92%		2.1
S&P 500 ECO SECTORS IDX	SPXL1 Index	US	2,271.31	-0.15%	1.45%	1.45%	21.53%		2.9
S&P 500 INDUSTRIALS IDX	S5INDU Index	US	547.00	0.13%	1.66%	1.66%	29.80%		4.4
S&P 500 CONS STAPLES IDX	S5CONS Index	US	539.42	1.94%	1.43%	1.43%	8.62%		5.3
S&P 500 UTILITIES INDEX	S5UTIL Index	US	246.97	0.26%	0.06%	0.06%	12.87%		1.8
S&P 500 MATERIALS INDEX	s5MATR Index	US	321.00	0.49%	2.83%	2.83%	34.49%		3.9
S&P 500 TELECOM SERV IDX	S5TELS Index	US	174.03	0.79%	-1.46%	-1.46%	17.53%		2.9
Europe									
Euro Stoxx 50 Pr	SX5E Index	Europe	3,265.69	-0.39%	1.49%	1.49%	10.33%	0.27%	1.6
CAC 40 INDEX	CAC Index	France	4,806.81	-1.11%	0.97%	0.97%	13.52%	-0.24%	1.5
DAX INDEX	DAX Index	Germany	11,520.86	0.37%	2.53%	2.53%	19.58%	1.30%	1.8
Athex Composite Share Pr	ASE Index	Greece	639.16	-1.57%	0.51%	0.51%	20.30%	-0.70%	0.5
FTSE MIB INDEX	FTSEMIB Index	Italy	19,319.18	0.18%	2.50%	2.50%	2.42%	1.27%	1.0
AEX-Index	AEX Index	Netherlands	481.66	-0.08%	1.80%	1.80%	17.69%	0.58%	1.7
PSI All-Share Index GR	BVLX Index	Portugal	2,479.56	-0.34%	0.32%	0.32%	9.11%	-0.88%	1.5
MICEX INDEX	INDEXCF Index	Russia	2,143.37	-1.96%	-1.05%	-1.05%	77.06%	-3.26%	0.8
IBEX 35 INDEX	IBEX Index	Spain	9,299.10	-1.03%	1.52%	1.52%	9.35%	0.30%	1.3
OMX STOCKHOLM 30 INDEX	OMX Index	Sweden	1,514.02	0.18%	2.52%	2.52%	11.85%	0.55%	2.3
SWISS MARKET INDEX	SMI Index	Switzerland	8,208.59	-1.73%	1.89%	1.89%	3.55%	0.67%	2.5
BIST 100 INDEX	XUI100 Index	Turkey	83,294.36	0.59%	-0.95%	-0.95%	-3.19%	6.31%	1.2
FTSE 100 INDEX	UKX Index	UK	7,135.04	-0.83%	0.71%	0.71%	8.26%	0.78%	1.9
Asia Pacific									
MSCI AC ASIA x JAPAN	MXASJ Index	MSCI Asia Ex	535.65	-0.30%	4.14%	4.14%	23.03%	4.14%	1.4
S&P/ASX 200 INDEX	AS51 Index	Australia	5,610.97	-0.47%	4.26%	4.26%	25.44%	-0.20%	2.0
DSE 30 Index	DS30 Index	Bangladesh	2,025.56	4.50%	10.05%	10.05%	13.53%	9.54%	-
HANG SENG CHINA ENT INDX	HSCEI Index	China "H"	9,726.82	-0.79%	3.35%	3.35%	24.84%	3.42%	1.0
SHANGHAI SE COMPOSITE	SHCOMP Index	China "A"	3,136.78	0.65%	1.56%	1.56%	3.74%	0.63%	1.8
HANG SENG INDEX	HSI Index	HK	22,898.52	-0.28%	3.96%	3.96%	24.27%	4.02%	1.2
Nifty 50	NIFTY Index	India	8,352.05	-0.52%	1.82%	1.82%	14.33%	2.00%	2.7
JAKARTA COMPOSITE INDEX	JCI Index	Indonesia	5,262.15	-0.89%	0.12%	0.12%	22.67%	-0.80%	2.3
NIKKEI 225	NKY Index	Japan	18,891.03	-0.88%	1.65%	1.65%	22.38%	0.12%	1.8
KOSPI 200 INDEX	KOSPI2 Index	Korea	267.12	-0.37%	5.26%	5.26%	22.08%	2.50%	1.0
Laos Composite Index	LSXC Index	Laos	1,054.48	-6.65%	1.57%	1.57%	-13.06%	1.58%	0.9
FTSE Bursa Malaysia KLCI	FBM KLCI Index	Malaysia	1,672.81	0.06%	2.46%	2.46%	1.64%	1.41%	1.7
KARACHI 100 INDEX	KSE100 Index	Pakistan	49,826.68	0.32%	2.84%	2.84%	60.53%	3.26%	2.2
PSEI - PHILIPPINE SE IDX	PCOMP Index	Philippines	7,374.35	-0.49%	4.72%	4.72%	13.64%	5.73%	2.4
STRAITS TIMES INDEX STI	FSSTI Index	Singapore	3,022.60	-0.20%	6.02%	6.02%	19.70%	4.52%	1.2
SRI LANKA COLOMBO ALL SH	CSEALL Index	Sri Lanka	6,155.86	-0.83%	-1.17%	-1.17%	-6.80%	-0.94%	1.2
TAIWAN TAIEX INDEX	TWSE Index	Taiwan	9,424.05	-0.47%	3.46%	3.46%	29.54%	0.84%	1.6
STOCK EXCH OF THAI INDEX	SET Index	Thailand	1,569.43	-0.84%	2.45%	2.45%	28.17%	1.30%	1.9
HO CHI MINH STOCK INDEX	VNINDEX Index	Vietnam	687.15	0.13%	4.11%	4.11%	30.53%	3.22%	2.1
Rest of the World									
MSCI ACWI	MXWD Index	MSCI World	430.22	-0.31%	1.99%	1.99%	20.02%	1.99%	2.1
MSCI EM	MXEF Index	MSCI EM	893.28	-0.30%	3.60%	3.60%	29.74%	3.60%	1.5
MSCI Frontier Market Index	MXFEM Index	MSCI FM	2,537.14	0.39%	4.91%	4.91%	21.98%	4.91%	1.7
DFM GENERAL INDEX	DFMGI Index	Dubai	3,725.29	-0.81%	4.52%	4.52%	40.75%	4.52%	1.4
MSCI EM LATIN AMERICA	MXLA Index	Latin America	2,454.80	1.28%	4.88%	4.88%	55.06%	4.88%	1.8
ARGENTINA MERVAL INDEX	MERVAL Index	Argentina	19,039.49	0.46%	12.66%	12.66%	65.66%	12.54%	0.7
MSCI BRAZIL	MXBR Index	Brazil	1,820.99	1.93%	8.92%	8.92%	111.78%	8.92%	1.7
CHILE STOCK MKT SELECT	IPSA Index	Chile	4,258.37	1.04%	4.80%	4.80%	35.42%	2.58%	1.4
IGBC GENERAL INDEX	IGBC Index	Colombia	10,122.93	-0.28%	2.98%	2.98%	40.42%	0.17%	-
MEXICO IPC INDEX	MEXBOL Index	Mexico	46,331.60	-0.08%	-3.21%	-3.21%	-3.89%	1.51%	2.6
S&P/BVLPeruGeneralTRPEN	SPBLPGPT Index	Peru	15,696.10	-0.05%	2.52%	2.52%	84.69%	0.83%	1.6
MSCI EFM AFRICA	MXFMEAF Index	Africa	789.54	-1.53%	2.62%	2.62%	37.38%	2.62%	2.3
EGYPT HERMES INDEX	HERMES Index	Egypt	1,139.54	-3.51%	-0.84%	-0.84%	-10.52%	3.38%	2.1
GSE Composite Index	GGSECI Index	Ghana	1,759.27	-0.57%	2.42%	2.42%	-19.56%	4.15%	1.6
Nairobi SE 20 Share	KNSMID Index	Kenya	2,913.84	-1.83%	-9.72%	-9.72%	-23.62%	-8.55%	1.9
MASI Free Float Index	MOSENEW Index	Morocco	12,592.53	-0.78%	8.98%	8.98%	40.27%	8.14%	3.0
NIGERIA STCK EXC ALL SHR	NGSEINDX Index	Nigeria	26,223.54	-0.90%	-3.04%	-3.04%	-30.68%	-2.42%	1.2
FTSE/JSE AFRICA TOP40 IX	TOP40 Index	South Africa	45,837.85	-1.76%	5.08%	5.08%	33.50%	4.28%	2.0
Average				-0.41%	2.31%	2.31%	22.39%	2.23%	
Top 25%				0.18%	3.60%	3.60%	33.50%	4.11%	
Bottom 25%				-0.88%	0.97%	0.97%	9.35%	0.36%	

GLOBAL MARKET DATA (CONTD.)

16 to 22 January 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	100.34	-0.43%	-1.44%	-1.44%	1.70%
USD-EUR X-RATE	USDEUR Curncy	Europe	0.93	-0.53%	-1.69%	-1.69%	1.62%
Russian Ruble SPOT (TOM)	USDRUB Curncy	Russia	59.41	0.12%	-2.48%	-2.48%	-27.74%
USD-TRY X-RATE	USDTRY Curncy	Turkey	3.78	1.21%	6.94%	6.94%	25.09%
USD-GBP X-RATE	USDGBP Curncy	UK	0.80	-1.55%	-0.22%	-0.22%	14.95%
Bloomberg JPMorgan Asia Dollar	ADXY Index	Asia USD Index	104.31	0.14%	1.03%	1.03%	-1.02%
USD-AUD X-RATE	USDAUD Curncy	Australia	1.32	-0.71%	-4.69%	-4.69%	-7.36%
USD-CNY X-RATE	USDCNY Curncy	China	6.85	-0.35%	-0.99%	-0.99%	4.51%
USD-INR X-RATE	USDINR Curncy	India	68.11	0.04%	0.38%	0.38%	0.23%
USD-JPY X-RATE	USDJPY Curncy	Japan	113.58	0.11%	-2.00%	-2.00%	-2.62%
USD-KRW X-RATE	USDKRW Curncy	Korea	1,166.27	-0.49%	-3.20%	-3.20%	-3.68%
USD-TWD X-RATE	USDTWD Curncy	Taiwan	31.43	-0.21%	-2.24%	-2.24%	-6.68%
USD-ARS X-RATE	USDARS Curncy	Argentina	15.91	0.36%	0.19%	0.19%	17.05%
USD-BRL X-RATE	USDBRL Curncy	Brazil	3.17	-1.36%	-2.33%	-2.33%	-23.60%
USD-CLP X-RATE	USDCLP Curncy	Chile	656.91	-0.92%	-2.05%	-2.05%	-9.37%
USD-MXN X-RATE	USDMXN Curncy	Mexico	21.43	0.52%	4.15%	4.15%	15.26%
USD-EGP X-RATE	USDEGP Curncy	Egypt	18.83	0.28%	3.88%	3.88%	140.46%
USD-NGN X-RATE	USDNGN Curncy	Nigeria	314.88	-0.36%	-0.11%	-0.11%	58.65%
USD-ZAR X-RATE	USDZAR Curncy	South Africa	13.54	0.61%	-1.03%	-1.03%	-17.90%
Commodities				Return (USD)			
WTI CRUDE FUTURE Mar17	CLA Comdty	US	52.87	0.13%	-2.63%	-2.63%	44.03%
BRENT CRUDE FUTR Mar17	COA Comdty	UK	55.18	0.07%	-2.34%	-2.34%	54.18%
BALTIC DRY INDEX	BDIY Comdty		925.00	1.65%	-3.75%	-3.75%	160.56%
Natural Gas Futures	NG1 Comdty		3.22	-6.29%	-13.96%	-13.96%	49.86%
Gold Spot \$/Oz	XAU Curncy		1,212.75	1.08%	5.47%	5.47%	9.91%
Silver Spot \$/Oz	XAG Curncy		17.08	1.59%	7.30%	7.30%	21.27%
LME COPPER 3MO (\$)	LMCADSO3 Comdty		5,748.00	-2.72%	3.84%	3.84%	29.75%
Government Bond Yields %				Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	US 2yr	1.18	0.00	0.00	0.00	0.36
US Generic Govt 5 Year Yield	USGG5YR Index	US 5yr	1.91	0.04	0.01	0.01	0.49
US Generic Govt 10 Year Yield	USGG10YR Index	US 10yr	2.44	0.07	0.02	0.02	0.44
Canadian Govt Bonds 10 Year No	GCANI0YR Index	Canada 10yr	1.75	0.04	0.03	0.03	0.49
Mexico Generic 10 Year	GMXN10YR Index	Mexico 10yr	7.64	0.07	0.20	0.20	1.38
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	UK 10yr	1.41	0.07	0.19	0.19	-0.24
Switzerland Govt Bonds 10 Year	GSWISS10 Index	Swiss 10yr	-0.08	0.09	0.14	0.14	0.15
German Government Bonds 2 Yr B	GDBR2 Index	German 2yr	-0.68	0.04	0.10	0.10	-0.22
German Government Bonds 5 Yr O	GDBR5 Index	German 5yr	-0.43	0.06	0.12	0.12	-0.18
Germany Generic Govt 10Y Yield	GDBR10 Index	German 10yr	0.40	0.08	0.21	0.21	-0.03
French Generic Govt 10Y Yield	GTFRF10Y Govt	French 10yr	0.90	0.10	0.22	0.22	0.13
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	Greece 10yr	6.98	0.13	0.00	0.00	-2.77
Italy Generic Govt 10Y Yield	GBTGPR10 Index	Italy 10yr	2.03	0.13	0.21	0.21	0.46
Spain Generic Govt 10Y Yield	GSPG10YR Index	Spanish 10yr	1.51	0.07	0.12	0.12	-0.22
Portugal Generic Govt 10Y Yield	GSPT10YR Index	Portugal 10yr	3.89	-0.03	0.11	0.11	0.78
Australia Govt Bonds Generic Y	GACGB10 Index	Aus 10yr	2.76	0.09	0.02	0.02	0.09
India Govt Bond Generic Bid Yi	GIND10YR Index	India 10yr	6.45	0.05	-0.05	-0.05	-1.28
KCMP South Korea Treasury Bond	GVSKI0YR Index	Korea 10yr	2.12	0.04	0.03	0.03	0.13
Japan Generic Govt 10Y Yield	GJGB10 Index	Japan 10yr	0.06	0.02	0.02	0.02	-0.17
South Africa Govt Bonds 10 Yea	GSAB10YR Index	SA 10yr	8.72	0.07	-0.20	-0.20	-0.91
Corporate Credit Indices				Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 12/21	ITRXEXE CBIL Curncy	EUR XOVER	288.51	-2.88	-3.32	-3.32	-94.15
MARKIT ITRX EUROPE 12/21	ITRXEBE CBIL Curncy	EUR MAIN	69.77	0.05	-3.04	-3.04	-26.52
MARKIT ITRX EUR SNR FIN 12/21	ITRXESE CBIL Curncy	EUR SNR FIN	86.91	-1.10	-7.79	-7.79	-5.96
MARKIT ITRX EUR SUB FIN 12/21	ITRXEUE CBIL Curncy	EUR SUB FIN	214.30	-3.17	-11.29	-11.29	7.65
MARKIT CDX.NA.IG.27 12/21	IBOXUMAE CBIL Curncy	US IG	65.89	0.39	-1.35	-1.35	-41.18
MARKIT CDX.NA.HY.27 12/21	IBOXHYSE CBIL Curncy	US HY	350.35	2.48	-3.75	-3.75	-193.29
Implied Volatility (Equity Index)				Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SXSE Index	Europe	15.58	-0.34	-2.26	-2.26	-11.32
FTSE 100 500 3month ATM	UKX Index	UK	11.55	-1.09	-1.42	-1.42	-10.76
Hang Seng 3month ATM	HSI Index	HK	14.79	-0.05	-1.40	-1.40	-16.45
Nikkei 3month ATM	NKY Index	Japan	18.99	1.86	-0.24	-0.24	-15.25
S&P 500 3month ATM	SPX Index	US	11.25	-0.29	-2.22	-2.22	-10.61
Volatility (VIX)	VIX Index	US	12.27	0.31	-2.50	-2.50	-15.15
Inflation (Long term inflation expectation proxy) %				Change (percentage points)			
US 5Y5YF Inflation Swap	FWISUS55 Index	USD	2.47	2.80	2.19	2.19	56.40
UK 5Y5YF Inflation Swap	FWISBP55 Index	GBP	3.54	-16.00	-1.25	-1.25	32.25
JPY 5Y5YF Inflation Swap	FWISJY55 Index	JPY	0.57	5.50	14.50	14.50	14.50
EUR 5Y5YF Inflation Swap	FWISEU55 Index	EUR	1.79	1.00	1.15	1.15	19.00
Economic Data Surprise (+ive = above expectations)							
Citi Economic Surprise Index	CESIAPAC Index	Asia Pacific	52.80				
Citi Economic Surprise Index	CESICNY Index	China	44.10				
Citi Economic Surprise Index -	CESIEM Index	EM	38.50				
Citi Economic Surprise Index -	CESIEUR Index	Eurozone	63.50				
Citi Economic Surprise Index -	CESIG10 Index	G10	43.40				
Citi Economic Surprise - Japan	CESIJPY Index	Japan	2.40				
Citi Economic Surprise Index -	CESILTAM Index	Latin America	30.30				
Citi Economic Surprise - Unite	CESIUSD Index	US	44.60				

Chris Wehbe

CEO

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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Swiss Representative: FIRST INDEPENDENT FUND SERVICES LTD., Klausstrasse 33, 8008 Zurich.

Swiss Paying Agent: Neue Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zurich.

Chris Wehbé
CEO
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