GLOBAL MARKET UPDATE
20 to 26 June 2016

Global markets were characterised by extreme volatility last week, with almost everyone calling the outcome of the UK's Brexit referendum wrong:

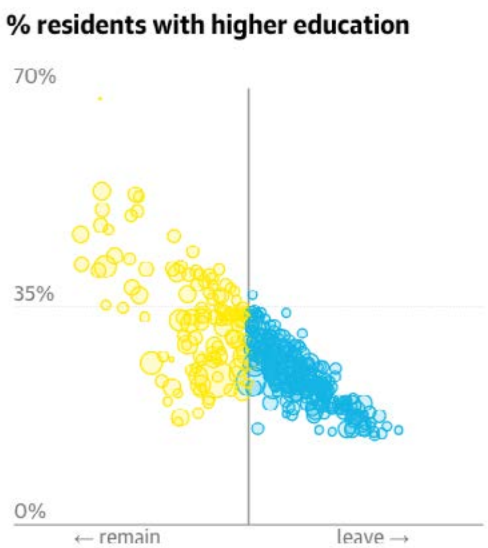
- **By Thursday night, confidence in a "remain" vote pulled the FTSE 100 up 5.26% on the week and saw Trade Weighted GBP hit the highest level since early February.**
- **On Friday's market open, with a clear victory for the "leave" campaign, European equity markets opened down between 8-12% and GBP lost some 9% of its value against the USD to the lowest level since 1985.**
- **A rally over the day mitigated losses (FTSE 100 finishing only 3.15% lower), but European banks and UK property stocks still experienced crisis style losses (-18.02% Stoxx Bank Index, UK house builders down between 25-45%).**
- **Over the week, UK equities therefore actually finished higher (and sit 4% above their level upon the announcement of the referendum date in February) and 10yr Gilts hit all-time low yields at 1.10%.**

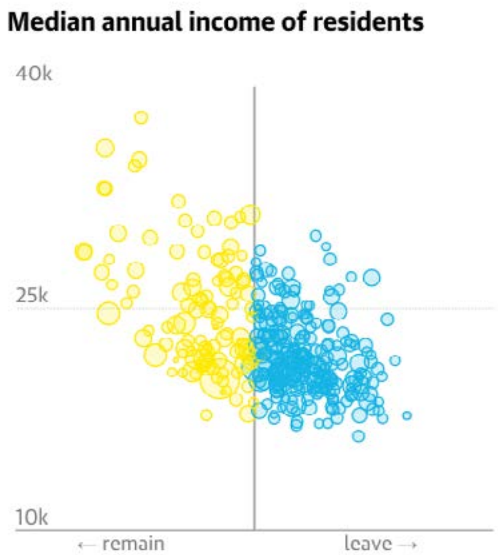
The result has prompted strong, and often emotional, responses both in the UK and abroad. We consider the direct (UK domestic) and indirect (broader global) lessons and consequences in turn.

UK DOMESTIC IMPACT

Social Division:

The polls revealed strong regional biases to voting - Scotland, Northern Ireland and most major cities voting to remain, against rural constituencies in favour of an exit. These results correlate well with household income and education





Source: The Guardian (http://www.theguardian.com/politics/ng-interactive/2016/jun/23/eu-referendum-live-results-and-analysis)

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(lower more likely to vote out) and thus suggest an underlying problem of inequality.

Monetary Policy:
To some extent, the response of the BOE will depend on the path for Sterling. If there is a continued and dramatic weakening, then Governor Carney has already threatened (pre-vote) a rise in rates to tackle imported inflation. For now, trade-weighted GBP remains broadly in its long term range and thus, we should expect potential rate cuts in August (from 0.50% to 0.00%) and a possible increase in the bank's balance sheet via asset purchases.

Government:
Significantly, the surprise outcome will see important changes in leadership across both major political parties. David Cameron's resignation will lead to a new Prime Minister between now and October, whilst the Labour party has seen more than a quarter of its shadow Cabinet resign in protest at Jeremy Corbyn's leadership.

Economic and Financial Market Outlook:
On both sides of the campaign process, it would be reasonable to suggest the discussion often descended into speculation, scaremongering and vitriolic attacks, which perhaps skewed the outcome and understanding of the referendum itself. Indeed, this continues, with "remain" voters calling for a re-vote and aggressive in their view of certain and unnecessary recession – prompted by an ignorant (majority) of the UK population. Our view is more nuanced.

On the one hand, **there will be an unequivocal increase in uncertainty** over the medium term. This will accelerate the recent slowdown via reduced investment and confidence and thus there is **a very high likelihood of a recession over the next 2 quarters – albeit given higher inflation nominal GDP might be unchanged**. Economic cycles display significant momentum; hence this could be difficult to escape, particularly given the limitations of monetary policy at the interest rate lower bound. In addition, the UK could well loose its AAA credit rating.

Conversely, **the longer term impact of sitting outside the EU is much less obvious** – and at present more or less impossible to forecast with any degree of accuracy. The outcome is path dependent, contingent on indirect effects (see below), the evolution of the UK political process, and the result of a lengthy negotiation. The country should gain from less regulation and savings on EU contributions but risks loss of access to the single market and damage to the financial sector. However, to be clear, **the knee-jerk interpretation of leaving the Union being equivalent to a blanket ban on immigration, exponential rise in trade barriers and cataclysmic loss of foreign investment, is in our opinion likely very wide of the ultimate mark**. Nonetheless, uncertainty means i**t is extremely unlikely UK assets can perform until there is some clarity** on this final outcome. Indeed, GBP weakness continues this morning.

GLOBAL IMPACT

In and of itself, the UK exiting the European Union should not have a material impact on Global Growth. The UK contributes only 2% of World GDP and represents only 4% of US exports and less than 3% of Asian exports. The key impact is instead via an interaction with the broader context of developed market fragility.

As we have argued at length over the past months and years, we think the developed world is unable to generate the real (inflation adjusted) growth it requires to redress unprecedented leverage, unfavourable demographics, broadening

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inequality and languishing productivity. Indeed, we think the current malaise is a direct consequence of over-active policy, which has failed to allow ongoing, smaller and gradual adjustment and contributed to growing issues of "moral hazard" (bad risk bailed out and socialised). This speaks to the idea of a "volatility paradox" where periods of very low volatility sow the seeds of future crises.

In this setting, where policy is only delaying (and potentially exacerbating) ultimate economic adjustments, social and political cohesion is extremely fragile. Thus, we think **the key parameters for the global picture are not movements in UK assets per se but the political ramifications in Europe and policy consequences in Japan.**

As it relates to Europe, **the first test of contagion was this weekend's Spanish election. Rather than buoy the anti-establishment vote, as was expected, "Unios Podemos" came a distant 3rd in the voting, as incumbent PM Mariano Roy's "Popular" party gained 14 seats and 33% of the vote.** This apparent flight to safety, puts Rajoy in a better position to form a government, albeit with still no clear majority the legislature will remain delicate. Further forward, markets will watch closely the result of the EBA Bank stress test released in Q3, the Italian constitutional referendum in October, the evolution of budget deficits in Portugal and Spain, the Greek Great Depression and the French elections in 9 months' time.

In terms of Japan, then the poster child for policy failure continues to experience currency strength in spite of unparalleled monetary stimulus. This will likely **prompt new measures from the BOJ – and a nuclear option such as helicopter money could have an explosive read across**; there is no-free lunch and the risk of a loss of faith in the currency is high.

Perhaps more positively, raised uncertainty will **delay indefinitely the FED rate hiking cycle** – indeed this was confirmed by Janet Yellen at her semi-annual testimony to Congress given also weakness across the last 2 employment reports. In fact, the extent to which Brexit can continue to sour the broader tone is not necessarily obvious. **With the FED back on the side lines and generally better emerging market sentiment (oil dependent nations benefitting from the recent bounce and on-going idiosyncratic reform across Latin America and India), resilience in European markets could lead to a quick return to "risk on" in EM space.** Actually, we reiterate our view that, whilst the current environment makes volatility unavoidable, investment in selected EM regions now offers not only real growth dynamics the Western World cannot match, but also lower fundamental risk.

UNITED STATES

S&P 2,037 -1.63%, 10yr Treasury 1.51% -4.79bps, HY Credit Index 459 +10bps, Vix 25.76 +6.35Vol

Friday's moves **pushed the S&P 500 back into negative territory for the year** and saw the US 10 year (momentarily) at the lowest yield in almost 4 years and **the 2s10s curve at its flattest since 2008**. Data was more mixed with weaker durable goods orders and new home sales against rising existing home sales.

EUROPE

Eurostoxx 2,779 -3.44%, German Bund -0.08% -6.60bps, Xover Credit Index 394 -18bps, EURUSD 1.105 +1.50%

Peripheral markets underperformed and the **German 10yr Bund joined the negative yield party**, hitting a

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS (20 TO 26 JUNE 2016)

DEVELOPED	**Top 3:**	Sweden **6.70%**, Finland **4.96%**, Denmark **0.69%**
	Bottom 3:	Italy **-7.92%**, Spain **-7.70%**, Luxembourg **-4.72%**
EMERGING	**Top 3:**	Abu Dhabi **4.11%**, Brazil **2.31%**, Colombia **1.97%**
	Bottom 3:	Greece **-9.64%**, Hungary **-3.96%**, Czech Republic **-2.56**%
FRONTIER	**Top 3:**	Mongolia **10.44%**, Israel **3.08%**, Namibia **1.89%**
	Bottom 3:	Nigeria **-25.96%**, Venezuela **-5.82%**, Bosnia **-4.59%**

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record low of -0.169%. The market gyrations prompted the Swiss National to intervene, selling CHF to offset safe-haven flows.

In Turkey, the Central Bank cut rates by 0.50% at its June meeting, as lower inflation allowed the MPC to offer some support to a fragile economy tainted by an increasingly authoritarian government and spill overs from the Syrian crisis including an implosion of the tourism industry. Meanwhile, Hungary left policy unchanged.

ASIA PACIFIC

HSCEI 8,580 +0.56%, Nikkei 1,530.00 -2.28%, 10yr JGB -0.19% 0bps, USDJPY 102.130 -1.80%

Asian markets reacted to Brexit on Friday as expected, with the main indices down 2-3% in local currency terms on the day. Korea (-3.1%) and Hong Kong (-2.9%) were the worst hit outside Japan (-7.9%). As the first equity markets to open following the exit poll numbers, Asia provided early opportunities for investors to express risk-off views.

Whilst the short term implications of Brexit for Asian markets are likely to be increased volatility and investor caution, we look beyond this to what Brexit means for the fundamentals of Asian economies. Not a single country in Asia sends more than 3% of its exports to the UK, whilst UK trade as a whole accounts for less than 1% of GDP of any Asian economy. From this we draw the conclusion that a weaker UK economy in and of itself means little for the fundamentals of Asia. The ramifications of Brexit for Asia will come through the channels of global sentiment and, in the short term, perhaps a more cautious policy stance from domestic central banks and governments.

Asia's largest economies will continue to be dominated by domestic issues. China's economic future lies squarely in the government's efforts to rebalance away from the export-investment model to the services-consumption approach, alongside the government's ability to manage a +200% debt to GDP burden. India's growth path will continue to revolve around the government's economic reforms and the huge demographic potential of what will become the world's most populous country within a generation. Brexit changes none of this on a medium term view. The fate of the Asian giants lies, mostly, in their own hands.

This morning, the PBoC set the Renminbi at its lowest fix since 2010.

Both Thailand and Indonesia kept rates on hold at their June meetings.

LATIN AMERICA

MSCI Lat Am 2,136 +1.55%

Colombia increased its benchmark rate 25bps to 7.5% (in line with consensus), in order to fight inflation, which is supported by a weaker Peso and El Nino. The current account deficit stopped widening in Q1 although it remains large (6.1% of GDP for the 12 months to march). The adjustment is underway, thanks to a sharp depreciation of the currency.

Mexican GDP grew 2.6% YOY, led by private consumption (3.3%) while investment was weak (0.6%) and exports slowed down (1.4%).

Oi, one of the largest Brazilian telecoms operators, filed for bankruptcy protection. The company failed to reach an agreement with holders of its 64Bn BRL debt. This should trigger 14Bn USD worth of CDS payment and may affect large banks provisions.

AFRICA

MSCI Africa 743 +0.94%

The Nigerian currency (Naira) has depreciated 30% in a week since the adoption of a flexible exchange rate by the central bank. It now trades in the 280-285 UDG/NGN range.

We view the freeing up of the exchange rate as good news for the country as it will allow Nigeria's economy to adjust more efficiently (trade balance, current account, inflation...), increase government revenue (tax on oil exports in USD will translate into more Naira) and will de-bottleneck an FX situation that was starting to paralyze the real economy. More importantly, this shows the will of the Nigerian government to retain and attract foreign investment.

However, although the devaluation was sharp, an

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unofficial FX market had developed and the devaluation was integrated into market-participant expectations. Indeed, the devaluation doesn't solve all Nigeria's problems and one should not forget the structural challenges: an unfunded USD 9Bn budget deficit in 2016, 5 bankrupt federal states, terrorism (Boko Haram, Delta Avengers…), a chunk of the economy being informal, public finances being dependent on oil prices, to name a few.

Fitch downgraded Nigeria's credit rating from BB- to B+, reflecting the fragile state of the economy, falling fiscal revenue, slower GDP and widening current account deficit.

Egyptian budget deficit widened to 9.8% of GDP in 10 months to May. Increasing public sector wages and welfare costs explain the bulk of this deficit.

South African inflation slowed to 6.1% YOY in April. This surprise to the downside is explained by lower than expected food inflation (10.8% vs 11.3% in March).

THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
Real GDP (Q1) % QOQ Annualised	Tue/28	1.0
Case Shiller House Price Index (APR) % YOY	Tue/28	5.5
Consumer Confidence (JUN)	Tue/28	93.1
ISM manufacturing index (JUN)	Fri/01	51.5
EUROPE		
Eurozone flash HCPI (JUN) % YOY	Thu/30	0.0
Eurozone manufacturing PMI (JUN)	Fri/01	52.6
UK GDP (Q1) % YOY	Thu/30	2.0
UK current account (Q1) £ Bn	Thu/30	-28.0
UK manufacturing PMI (JUN)	Fri/01	50.1
Israel rate decision %	Mon/27	0.1
ASIA PACIFIC		
Japan Industrial Production (MAY) % MOM	Thu/30	-0.2
Taiwan rate decision %	Thu/30	-
China Caxin manufacturing PMI (JUN)	Fri/01	49.2
LATIN AMERICA		
Brazil inflation (Q2)	Tue/28	-
Argentina GDP (Q1) % YOY	Wed/29	-
Costa Rica GDP (Q1) % YOY	Thu/30	-
Mexico rate decision	Thu/30	4.25
Brazil industrial production (MAY) % YOY	Fri/01	-
AFRICA		
Angola rate decision %	Mon/27	-
Kenya GDP (Q1) % YOY	Thu/30	-
Botswana GDP (Q1) % YOY	Thu/30	-

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GLOBAL MARKET DATA

20 to 26 June 2016

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	2,037.41	-1.63%	-2.84%	-0.32%	-3.09%		117%	45.72	14.50%
RUSSELL 2000 INDEX	RTY Index	US	1,127.54	-1.50%	-2.36%	-0.74%	-12.14%		161%	49.11	19.56%
NASDAQ COMPOSITE INDEX	CCMP Index	US	4,707.98	-1.92%	-4.85%	-5.98%	-7.91%		139%	44.04	18.02%
S&P/TSX COMPOSITE INDEX	SPTSX Index	Canada	13,891.88	-0.76%	-0.21%	13.90%	-11.18%		88%	51.34	10.16%
S&P 500 FINANCIALS INDEX	S5FINL Index	US	297.92	-2.44%	-6.71%	-7.40%	-10.92%		123%	42.79	22.44%
S&P 500 CONS DISCRET IDX	S5COND Index	US	605.69	-2.23%	-3.67%	-2.47%	-1.66%		111%	43.16	14.51%
S&P 500 INFO TECH INDEX	S5INFT Index	US	696.41	-2.08%	-5.07%	-3.47%	-2.32%		124%	43.88	18.18%
S&P 500 HEALTH CARE IDX	S5HLTH Index	US	802.20	-0.94%	-2.45%	-3.72%	-8.79%		106%	47.34	14.56%
S&P 500 ENERGY INDEX	S5ENRS Index	US	497.72	-0.62%	0.24%	10.99%	-10.48%		105%	52.47	18.56%
S&P 500 ECO SECTORS IDX	SPXL1 Index	US	2,037.41	-1.63%	-2.84%	-0.32%	-3.09%		117%	45.72	14.50%
S&P 500 INDUSTRIALS IDX	S5INDU Index	US	472.67	-2.40%	-2.28%	1.97%	-0.31%		136%	45.17	15.78%
S&P 500 CONS STAPLES IDX	S5CONS Index	US	544.56	-0.77%	1.02%	5.04%	9.64%		113%	51.00	11.61%
S&P 500 UTILITIES INDEX	S5UTIL Index	US	256.12	-0.27%	3.21%	16.42%	21.32%		108%	58.92	12.83%
S&P 500 MATERIALS INDEX	S5MATR Index	US	289.15	-2.55%	-1.65%	5.67%	-7.16%		104%	48.61	18.72%
S&P 500 TELECOM SERV IDX	S5TELS Index	US	176.60	1.36%	5.70%	17.80%	12.94%		131%	62.68	11.33%
Europe											
Euro Stoxx 50 Pr	SX5E Index	Europe	2,779.35	-3.44%	-9.16%	-12.69%	-23.39%	-15.04%	148%	41.47	35.28%
CAC 40 INDEX	CAC Index	France	4,097.56	-2.95%	-8.63%	-8.99%	-18.84%	-11.44%	154%	41.81	33.13%
DAX INDEX	DAX Index	Germany	9,543.21	-1.66%	-6.65%	-8.96%	-17.00%	-11.04%	151%	44.63	30.06%
Athex Composite Share Pr	ASE Index	Greece	534.78	-9.64%	-17.14%	-12.96%	-31.83%	-15.30%	133%	40.64	55.89%
FTSE MIB INDEX	FTSEMIB Index	Italy	15,738.10	-7.92%	-12.56%	-24.87%	-33.73%	-26.59%	150%	39.56	50.38%
AEX-Index	AEX Index	Netherlands	420.70	-0.33%	-5.06%	-1.34%	-14.16%	-3.99%	140%	45.27	27.13%
PSI All-Share Index GR	BVLX Index	Portugal	2,306.07	-3.39%	-8.58%	-5.96%	-13.20%	-8.48%	146%	41.56	27.49%
MICEX INDEX	INDEXCF Index	Russia	1,884.34	0.18%	0.79%	20.88%	-2.88%	6.99%	68%	49.07	16.11%
IBEX 35 INDEX	IBEX Index	Spain	7,993.00	-7.70%	-13.59%	-16.15%	-31.38%	-18.40%	136%	38.33	47.48%
OMX STOCKHOLM 30 INDEX	OMX Index	Sweden	1,288.46	6.70%	1.09%	-3.23%	-14.49%	-5.95%	130%	51.46	26.88%
SWISS MARKET INDEX	SMI Index	Switzerland	7,729.69	-0.67%	-3.53%	-10.39%	-17.39%	-12.14%	137%	44.64	19.11%
BIST 100 INDEX	XU100 Index	Turkey	75,625.70	-0.04%	-2.46%	4.73%	-17.93%	5.07%	85%	43.57	22.78%
FTSE 100 INDEX	UKX Index	UK	6,094.31	-2.01%	-6.62%	-8.17%	-21.17%	-1.66%	186%	49.08	20.36%
Asia Pacific											
MSCI AC ASIA x JAPAN	MXASJ Index	MSCI Asia Ex	487.46	-0.49%	-1.39%	-2.50%	-18.69%	-2.50%	118%	47.29	17.14%
S&P/ASX 200 INDEX	AS51 Index	Australia	5,137.23	0.13%	-1.87%	-1.11%	-12.47%	-3.45%	105%	44.45	16.03%
DSE 30 Index	DS30 Index	Bangladesh	1,722.47	-0.84%	-1.79%	-1.94%	-0.81%	-2.07%		51.35	9.24%
HANG SENG CHINA ENT INDX	HSCEI Index	China "H"	8,580.44	0.56%	-1.87%	-11.80%	-36.71%	-11.71%	128%	47.35	21.11%
SHANGHAI SE COMPOSITE	SHCOMP Index	China "A"	2,895.70	-1.71%	-2.82%	-21.06%	-40.95%	-19.35%	93%	46.17	17.71%
HANG SENG INDEX	HSI Index	HK	20,275.66	0.48%	-2.53%	-7.65%	-25.43%	-7.55%	130%	47.63	19.76%
Nifty 50	NIFTY Index	India	8,113.25	-2.09%	-1.92%	-0.62%	-9.81%	1.79%	89%	53.52	14.34%
JAKARTA COMPOSITE INDEX	JCI Index	Indonesia	4,836.22	-0.74%	2.23%	8.59%	-2.73%	5.26%	131%	51.27	9.72%
NIKKEI 225	NKY Index	Japan	15,309.21	-2.28%	-6.08%	-7.32%	-12.98%	-21.44%	103%	38.90	33.67%
KOSPI 200 INDEX	KOSPI2 Index	Korea	239.28	-0.72%	-0.16%	0.26%	-10.34%	-0.49%	94%	44.82	14.56%
Laos Composite Index	LSXC Index	Laos	1,109.88	-0.93%	-1.12%	-4.14%	-18.09%	-4.58%	48%	44.46	10.50%
FTSE Bursa Malaysia KLCI	FBMKLCI index	Malaysia	1,628.75	0.68%	0.97%	1.57%	-12.65%	-3.45%	90%	45.45	7.00%
KARACHI 100 INDEX	KSE100 Index	Pakistan	37,155.60	-3.60%	3.78%	14.07%	6.63%	13.94%	77%	59.60	15.18%
PSEi - PHILIPPINE SE IDX	PCOMP Index	Philippines	7,715.90	-1.01%	2.65%	9.74%	-3.42%	9.75%	121%	56.51	16.94%
STRAITS TIMES INDEX STI	FSSTI Index	Singapore	2,744.58	-0.91%	0.08%	-0.25%	-18.66%	-5.11%	94%	44.65	12.44%
SRI LANKA COLOMBO ALL SH	CSEALL Index	Sri Lanka	6,330.17	-2.99%	-2.36%	-9.58%	-17.79%	-7.61%	48%	42.48	5.26%
TAIWAN TAIEX INDEX	TWSE Index	Taiwan	8,458.87	-1.11%	-0.10%	3.36%	-14.44%	1.67%	106%	49.92	15.66%
STOCK EXCH OF THAI INDEX	SET Index	Thailand	1,419.48	-0.76%	0.39%	12.06%	-11.05%	9.72%	109%	51.62	11.60%
HO CHI MINH STOCK INDEX	VNINDEX Index	Vietnam	619.30	0.14%	0.69%	8.00%	3.23%	7.21%	116%	55.76	11.51%
Rest of the World											
MSCI ACWI	MXWD Index	MSCI World	388.27	-1.48%	-3.55%	-2.78%	-10.59%	-2.78%	96%	44.18	19.17%
MSCI EM	MXEF Index	MSCI EM	805.87	-0.04%	-0.20%	1.48%	-18.45%	1.48%	89%	48.51	18.91%
MSCI Fronter Market Index	MXFEM Index	MSCI FM	2,498.85	-3.00%	-0.12%	5.68%	-11.44%	5.68%	138%	48.79	13.00%
DFM GENERAL INDEX	DFMGI Index	Dubai	3,298.54	1.81%	1.63%	6.87%	-18.79%	6.88%	59%	45.89	18.00%
MSCI EM LATIN AMERICA	MXLA Index	Latin America	2,135.97	1.55%	4.80%	16.73%	-15.57%	16.73%	125%	51.57	27.65%
ARGENTINA MERVAL INDEX	MERVAL Index	Argentina	13,924.54	-0.46%	3.92%	4.42%	-25.62%	19.27%	198%	57.73	28.26%
MSCI BRAZIL	MXBR Index	Brazil	1,383.36	3.13%	10.40%	33.50%	-15.50%	33.50%	91%	54.48	33.81%
CHILE STOCK MKT SELECT	IPSA Index	Chile	3,965.17	0.37%	2.43%	12.38%	-4.64%	7.74%	160%	52.01	8.25%
IGBC GENERAL INDEX	IGBC Index	Colombia	9,812.72	1.72%	6.35%	22.62%	-17.23%	14.80%		51.71	11.01%
MEXICO IPC INDEX	MEXBOL Index	Mexico	44,885.82	-1.23%	-3.72%	-4.74%	-18.81%	4.44%	92%	47.32	13.88%
Bolsa de Panama General	BVPSBVPS Index	Panama	394.47	0.16%	1.37%	-2.09%	-7.65%	-2.22%	13%	54.61	6.08%
S&P/BVLPeruGeneralTRPEN	SPBLPGPT Index	Peru	13,487.69	-1.13%	1.36%	40.94%	-2.30%	36.95%	38%	54.96	15.20%
VENEZUELA STOCK MKT INDX	IBVC Index	Venezuela	13,296.72	-5.82%	-14.22%	-42.58%	-36.56%	-8.85%	23%	30.96	32.38%
MSCI EFM AFRICA	MXFMEAF Index	Africa	743.17	0.94%	2.26%	8.08%	-21.92%	8.08%	144%	50.44	30.58%
EGYPT HERMES INDEX	HERMES Index	Egypt	627.49	-2.22%	-3.04%	-7.17%	-23.54%	5.36%	75%	39.09	22.82%
GSE Composite Index	GGSECI Index	Ghana	1,775.57	0.07%	-0.61%	-14.04%	-16.37%	-10.99%	234%	36.10	4.90%
Nairobi SE 20 Share	KNSMIDX Index	Kenya	3,706.44	-2.11%	-3.55%	-7.37%	-24.84%	-8.27%	148%	33.73	7.96%
MASI Free Float Index	MOSENEW Index	Morocco	9,603.16	-1.06%	-1.57%	9.35%	-0.36%	7.59%	24%	47.00	6.99%
NIGERIA STCK EXC ALL SHR	NGSEINDX Index	Nigeria	30,649.66	-25.96%	-21.75%	-24.31%	-35.08%	7.01%	150%	67.34	30.06%
FTSE/JSE AFRICA TOP40 IX	TOP40 Index	South Africa	45,205.55	-0.56%	-1.08%	2.34%	-22.52%	-0.50%	99%	46.19	19.53%

	1 Week	MTD	YTD	1Y	YTD (Local)	Volume 1wk/3mo	14d RSI	30d Vol
Average	-1.59%	-2.22%	0.12%	-13.39%	-0.31%	113%	47.60	19.33%
Top 25%	-0.04%	0.88%	7.43%	-5.90%	6.99%	137%	51.41	22.80%
Bottom 25%	-2.16%	-3.61%	-7.34%	-18.80%	-8.33%	92%	44.11	12.63%

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GLOBAL MARKET DATA (CONTD.)

20 to 26 June 2016

FX (vs USD)			Return +ive=USD Stronger			
Name	Country	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	USD Index	95.96	1.32%	-0.46%	-3.23%	0.27%
USD-EUR X-RATE	Europe	0.90	1.50%	0.08%	-2.28%	0.84%
Russian Ruble SPOT (TOM)	Russia	65.12	-0.22%	-3.01%	-10.11%	18.10%
USD-TRY X-RATE	Turkey	2.93	0.04%	-0.73%	0.35%	10.27%
USD-GBP X-RATE	UK	0.74	4.94%	5.84%	7.69%	15.07%
Bloomberg JPMorgan Asia Dollar	Asia USD Index	106.20	-0.40%	0.20%	-0.12%	-4.77%
USD-AUD X-RATE	Australia	1.35	-0.95%	-3.10%	-2.37%	3.65%
USD-CNY X-RATE	China	6.64	0.58%	0.60%	1.98%	6.65%
USD-INR X-RATE	India	67.86	1.18%	0.95%	2.52%	6.82%
USD-JPY X-RATE	Japan	102.13	-1.88%	-7.70%	-14.88%	-17.33%
USD-KRW X-RATE	Korea	1,178.84	0.11%	-1.57%	-0.38%	5.39%
USD-TWD X-RATE	Taiwan	32.51	0.32%	-0.41%	-1.15%	4.87%
USD-ARS X-RATE	Argentina	14.92	7.16%	6.61%	15.28%	64.03%
USD-BRL X-RATE	Brazil	3.37	-1.15%	-6.50%	-14.75%	7.97%
USD-CLP X-RATE	Chile	679.20	-0.78%	-1.97%	-4.17%	7.60%
USD-MXN X-RATE	Mexico	18.82	0.40%	2.44%	9.98%	22.19%
USD-EGP X-RATE	Egypt	8.88	-0.05%	0.05%	13.34%	16.38%
USD-NGN X-RATE	Nigeria	282.50	41.58%	41.55%	41.37%	41.62%
USD-ZAR X-RATE	South Africa	15.07	-0.61%	-4.14%	-2.70%	24.36%
Commodities			**Return (USD)**			
WTI CRUDE FUTURE Aug16	US	47.89	-1.89%	-3.82%	13.75%	-23.47%
BRENT CRUDE FUTR Aug16	UK	48.84	-1.55%	-2.97%	15.79%	-28.88%
BALTIC DRY INDEX		609.00	3.75%	-0.49%	27.41%	-26.54%
Natural Gas Futures		2.68	1.49%	16.35%	13.91%	-6.60%
Gold Spot $/Oz		1,323.93	1.27%	8.24%	23.93%	12.12%
Silver Spot $/Oz		17.73	1.40%	10.96%	28.05%	11.87%
LME COPPER 3MO ($)		4,698.00	3.21%	0.58%	-0.15%	-18.58%
Government Bond Yields %			**Change (Bps)**			
US Generic Govt 2 Year Yield	US 2yr	0.59	-0.07	-0.25	-0.42	-0.06
US Generic Govt 5 Year Yield	US 5yr	1.03	-0.04	-0.30	-0.69	-0.64
US Generic Govt 10 Year Yield	US 10yr	1.52	-0.05	-0.29	-0.71	-0.85
Canadian Govt Bonds 10 Year No	Canada 10yr	1.16	0.04	-0.16	-0.23	-0.65
Mexico Generic 10 Year	Mexico 10yr	6.05	-0.04	-0.10	-0.23	-0.07
UK Govt Bonds 10 Year Note Gen	UK 10yr	1.06	-0.06	-0.34	-0.87	-1.06
Switzerland Govt Bonds 10 Year	Swiss 10yr	-0.51	-0.02	-0.17	-0.43	-0.62
German Government Bonds 2 Yr B	German 2yr	-0.64	-0.04	-0.13	-0.30	-0.44
German Government Bonds 5 Yr O	German 5yr	-0.54	-0.03	-0.15	-0.48	-0.66
Germany Generic Govt 10Y Yield	German 10yr	-0.08	-0.07	-0.19	-0.68	-0.91
French Generic Govt 10Y Yield	French 10yr	0.35	-0.05	-0.10	-0.61	-0.85
Greece Generic Govt 10Y Yield	Greece 10yr	8.56	0.42	1.30	0.41	-2.25
Italy Generic Govt 10Y Yield	Italy 10yr	1.36	0.04	0.24	0.01	-0.54
Spain Generic Govt 10Y Yield	Spanish 10yr	1.50	0.08	0.16	-0.14	-0.43
Portugal Generic Govt 10Y Yield	Portugal 10yr	3.34	0.04	0.29	0.84	0.67
Australia Govt Bonds Generic Y	Aus 10yr	2.06	-0.07	-0.30	-0.87	-1.05
India Govt Bond Generic Bid Yi	India 10yr	7.46	-0.03	0.00	-0.29	-0.35
KCMP South Korea Treasury Bond	Korea 10yr	1.50	-0.10	-0.31	-0.59	-1.00
Japan Generic Govt 10Y Yield	Japan 10yr	-0.19	-0.02	-0.07	-0.44	-0.65
South Africa Govt Bonds 10 Yea	SA 10yr	9.06	0.02	-0.31	-0.71	0.87
Corporate Credit Indices			**Change (Bps) +ive = Widening**			
MARKIT ITRX EUR XOVER 06/21	EUR XOVER	393.77	18.07	79.59	75.06	99.98
MARKIT ITRX EUROPE 06/21	EUR MAIN	92.38	7.08	20.12	15.22	25.43
MARKIT ITRX EUR SNR FIN 06/21	EUR SNR FIN	124.30	12.90	35.75	48.63	48.29
MARKIT ITRX EUR SUB FIN 06/21	EUR SUB FIN	264.86	6.53	52.95	93.38	85.81
MARKIT CDX.NA.IG.26 06/21	US IG	87.03	3.69	9.70	-1.90	20.11
MARKIT CDX.NA.HY.26 06/21	US HY	459.43	9.59	23.81	-13.49	122.74
Implied Volatility (Equity Index)			**Change (Volatility Points) +ive = Volatility Rising**			
Eurostoxx 3month ATM	Europe	28.51	0.19	7.90	5.02	7.33
FTSE 100 500 3month ATM	UK	19.95	-2.31	3.67	3.75	7.42
Hang Seng 3month ATM	HK	20.50	-1.21	-2.73	2.48	4.15
Nikkei 3month ATM	Japan	17.71	-10.25	-5.09	-0.44	0.87
S&P 500 3month ATM	US	18.62	2.09	5.18	2.43	5.54
Volatility (VIX)	US	25.76	6.35	11.57	7.55	11.75
Inflation (Long term inflation expectation proxy) %			**Change (Bps)**			
US 5Y5YF Inflation Swap	USD	1.92	0.08	-0.12	-0.27	-0.51
UK 5Y5YF Inflation Swap	GBP	3.07	0.05	0.04	-0.26	-0.34
JPY 5Y5YF Inflation Swap	JPY	0.27	0.00	0.13	-0.35	-0.99
EUR 5Y5YF Inflation Swap	EUR	1.31	-0.04	-0.16	-0.37	-0.52
Economic Data Surprise (+ive/-ive = above/below expectations)						
Citi Economic Surprise Index	Asia Pacific	-19.60				
Citi Economic Surprise Index -	China	-23.70				
Citi Economic Surprise Index -	EM	-5.90				
Citi Economic Surprise Index -	Eurozone	3.80				
Citi Economic Surprise Index -	G10	-0.80				
Citi Economic Surprise - Japan	Japan	36.10				
Citi Economic Surprise Index -	Latin America	42.80				
Citi Economic Surprise - Unite	US	-23.80				

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

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