

23 TO 29 JANUARY: THE APPETISER

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	New Zealand 2.70% , Norway 1.88% , Austria 1.87%
	Bottom 3:	Ireland -1.27% , Italy -0.70% , Luxembourg -0.66%
EMERGING	Top 3:	Mexico 5.75% , Russia 4.78% , Poland 4.72%
	Bottom 3:	Abu Dhabi -1.71% , Turkey -1.42% , Hungary -0.97%
FRONTIER	Top 3:	Jamaica 6.11% , Kuwait 5.11% , Kazakhstan 4.96%
	Bottom 3:	Kenya -3.68% , Slovakia -2.62% , Iceland -1.58%

Many questioned whether Donald Trump would follow through with the wide, and often controversial, range of promises made during the election campaign. His first week in office was busy, but leaves much to follow on the key areas of trade and fiscal stimulus.

Over the first 7 days, the new POTUS announced 17 “Presidential Actions”. These included:

5 Executive Orders - the most formal “actions” available to the President, which are recorded in the Federal Register and considered legally binding (subject to legal review).

- **Obamacare Repeal;** “Minimizing the Economic Burden of the Patient Protection and Affordable Care Act Pending Repeal”
- **Infrastructure Fast-Track;** “Expediting Environmental Reviews and Approvals for High Priority Infrastructure Projects”
- **Immigration Enforcement;** “Enhancing Public Safety in the Interior of the United States”
- **Mexican Wall;** “Border Security and Immigration Enforcement Improvements”¹
- **Anti-Lobbying;** “Ethics Commitments by executive branch appointees”

11 Presidential Memoranda - not legally binding but outlining the administration’s position on a policy issue. These encompassed:

- Defeating ISIS.
- Reducing regulatory burden on domestic manufacturing.
- Restarting construction of various oil pipelines (using materials sourced from within the US)
- Banning US aid to international health groups that promote abortions.
- Withdrawal from the TPP trade agreement (NB: this was never approved by congress).
- A hiring freeze for non-military Federal agencies.

¹ To note, net migration to the US from Mexico has been negative over the past 10 years. That is to say, more Mexicans and their US born children are returning home, than are coming into the US.

There was also **1 Proclamation** recognising January 22-28, 2017 as National School Choice Week

It should be said that executive orders (where the President uses his personal authority rather than passing a measure through congress) have been implemented by all 45 US Presidents, including Obama on 276 occasions. Indeed, Obama delivered 9 in his first 10 days in office. However, the tone and scope of such orders was starkly different- including closing Guantanamo Bay, equal rights for women and same-sex couples and addressing climate change.² We therefore think the past week's events confirm a change in paradigm.

However, equally, there was a lot Trump didn't do. He didn't impose tariffs or label China a currency manipulator, nor did he provide any clarity on fiscal policy (Speaker Ryan stated the House will have completed a tax reform package by the August recess).

So what to conclude? **For the US, in the context of a labour market at full employment, we think there will almost certainly be higher inflation.** In terms of growth, whilst there is probably a bias towards a short-term growth acceleration, this depends on trade (negative) and fiscal (positive) policy. Longer term, we are sceptical reduced regulation and infrastructure spend can overcome the forces of anti-immigration and structural stagnation.

For the rest of the world, some perspective is useful. In the special cases of Canada and Mexico, exports to the US represent circa 20% of GDP and the impact of any protectionist measures would therefore be extremely significant. The same dynamics could hold for individual companies and sectors in the US supply chain. However, for other major trade partners, the share of US exports to GDP is much lower (2-5% for China, Japan, Germany and the UK). Moreover, most of the rhetoric has been aimed at China rather than broader trade partners; we expect a series of bilateral negotiations with a more muted impact.³

This week is central bank heavy – BOJ on Tuesday, FED on Wednesday, BOE on Thursday.

UNITED STATES

S&P 2,295 +1.03%, 10yr Treasury 2.48% +1.75bps, HY Credit Index 341 -10bps, Vix 11.14 -0.96Vol

All major US equity indices hit new all-time highs on Wednesday and the US 10-year briefly traded above 2.50% yield (albeit finishing almost unchanged). Relatedly, the VIX fell to a 2.5 year low (albeit the VIX futures curve remains extremely steep). Data was somewhat mixed – durable goods, existing and new home sales weaker but consumer sentiment continuing to improve.

This week there is a FED meeting at which no change in policy is expected, but the market will focus on the extent to which the committee changes its messaging. This could include a discussion of balance sheet run-off, commentary on the labour market (explicitly stating it is at or near full employment) and guidance on the timing of rate hikes. It is probably too early to signal an imminent policy move (market prices a hike by July and there is still little visibility on Trump policy), but we think there is a hawkish bias.

EUROPE

Eurostoxx 3,291 +0.19%, German Bund 0.48% +4.10bps, Xover Credit Index 295 -6bps, EURUSD 1.070 +0.02%

The build up to elections across Europe was in focus this week, with politics hitting the front page across the continent.

In Germany (election on 24th September), the centre-left SPD party announced Martin Schulz, ex-President of the EU, as their new leader. Schulz has a stronger approval rating than Chancellor Merkel and is staunchly pro-Europe. Nonetheless, Merkel's centre-right CDU/CSU still retain a healthy advantage in the polls.

In France (elections on 23rd April and 7th May), there was an unexpected result in the first round of the socialist primary election; Benoît Hamon topping polls to face outgoing Prime Minister Manuel Valls in yesterday's second round – which he also won. This is seen as increasing the possibility of independent candidate Emmanuel Macron reaching the second round in the Presidential elections proper – although the base case remains a runoff between Marine Le Pen and François Fillon.

In Italy, the Constitutional Court struck-down a provision

² See https://en.wikipedia.org/wiki/List_of_United_States_federal_executive_orders_13489%E2%80%9313764 for a full list of Obama's orders.

³ See Trump's trade promises at <https://www.donaldjtrump.com/policies/trade>

within former Prime Minister Renzi's election law reform, which would lead to a second round if no party reached 40% in a first round. This means Italy now has a clear electoral process and increases the probability of snap elections in Q2 of this year (parliamentary term currently runs until May 2018).

The ESM and EFSF (The EU vehicles to support banks and sovereigns) announced "short-term debt relief" measures for Greece. This is a misnomer, with no debt relief, but adjustment of coupons to reduce interest payments. Leaks from an IMF report painted a truer picture "even with the full implementation of policies agreed under the European Stability Mechanism program, public debt and financing needs will become explosive in the long run."

In the UK, the Supreme Court ruled that parliament must vote to initiate the triggering of Article 50. However, no approval is required from the devolved governments of Wales, Scotland and Northern Ireland. Prime Minister Theresa May thus presented a bill to Commons to allow Article 50 to be triggered in late March. Later in the week, May travelled to the US to meet with President Trump.

The CBT in Turkey raised the Overnight Lending and Late Liquidity Window, but left the 1-week rep rate (seen as the main policy rate) unchanged. This may have been politically motivated, to appease President Erdogan who is fiercely opposed to tighter policy. **The Turkish Lira weakened again.** Elsewhere, the National Bank of Hungary kept its policy rate on hold at 90bps.

ASIA PACIFIC

HSCEI 9,804 +0.92%, Nikkei 1,936.00 +1.43%, 10yr JGB 0.09% +0bps, USDJPY 114.860 +0.38%

The People's Bank of China made its latest tweak to monetary policy by raising the Medium Term Lending Facility by 10bps, the first time the central bank has increased the MLF rate since the launch of the scheme in 2014. This followed increases in SHIBOR and 7 day repo rates over the last two months.

The People's Bank of China certainly has a lot on its plate.

- *With its latest move to tighten short term interbank funding rates, the PBOC is trying to create deleveraging of speculators, following a dramatic increase in speculative borrowing at low short term rates to buy higher yielding long term assets and profiting from the maturity mismatch. As many central banks in the West learned in 2008, the PBOC is cautious that borrowers reliant on short term liquidity in this way can present a systemic risk to the financial system should a short term liquidity shock arise.*
- *To maintain some balance in the overall amount of liquidity in the system, while tightening at the very short end, the PBOC has provided additional liquidity at the 14 and 28 day repo maturities, in addition to increasing the amount of direct lending to policy banks and smaller lenders*
- *In addition, USD 200bn of short term additional liquidity was injected through market operations ahead of the Chinese New Year holiday*

Piecing together the policy moves and rhetoric over the last few months, it is clear that the central bank is pursuing a fairly complex set of objectives

- *Reduce systemic risk in the financial system without cutting off credit growth (as trillions of dollars of incremental credit is still required for China to hit its economic growth targets over the coming years)*
- *Keep the credit growth created in the domestic banking system from flowing overseas, by plugging leaks in the capital account wherever possible, such as making it more difficult for individuals to transfer money out of China to buy financial assets and property and clamping down on overseas acquisitions by Chinese companies*
- *Tackling asset price bubbles early, before they present a risk to the system. Last year, the central bank saw property prices in top tier cities (such as Shanghai and Shenzhen where prices had more than doubled year on year in some areas) as a bubble in the making, with specific measures taken to reduce liquidity flowing in to property by making it harder for low quality developers to raise funding and requiring larger down payments for mortgages*

With the Party Congress on the horizon for Autumn 2017, we doubt the central bank will take any significant tightening measures and risk damaging economic growth, based on the PBOC's track record for stimulating the economy ahead of China's key leadership event. Supportive of this opinion is that each of the above mentioned measures deployed so far by the PBOC have all been short term in nature and are fairly easily reversible.

The Philippines economy remained strong in Q4 2016, growing 6.6% YoY. This is slightly slower than the 7.0% growth rate recorded in Q3, though still among the fastest rates of economic expansion in emerging markets. The subsiding of the higher government spending and private consumption around the presidential election in May 2016 contributed to the slower growth rate. The overall growth rate for 2016 came in at 6.8% YoY for the Philippines, versus 5.8% in 2015.

The outlook for the Philippines economy over the next few years will be dictated by the interaction of the two key elements of President Duterte's policy agenda - isolationism and infrastructure spending. Whether the President's pledge to upgrade the country's creaking infrastructure and raise the productivity of the population of over 100 million people can override the detrimental potential impact his foreign policy objectives could have on business process outsourcing and remittance flows will dictate the path of the Philippines' economy in the coming years.

Despite the disruptions of political upheaval, Korea's economy still posted a respectable 2.3% YoY growth rate in Q4, down slightly from the 2.6% rate in Q3. The central bank had been guiding for weaker growth, following the impeachment of President Park and slowdown already observed in private sector spending.

Taiwan's GDP grew 2.6% YoY in Q4, the fastest quarterly expansion since 2014. This is the fourth consecutive quarter of increasing growth rates, following a short

recession in 2015. In the face of an uncertain global trade outlook, Taiwan's President has promised a fiscal stimulus package and economic restructuring programme to support growth and reduce dependence on exports.

LATIN AMERICA

MSCI Lat Am 2,548 +3.79%

Trump trade policy puts Mexico in difficult terrain, according to the IMF. The MXN depreciation and liberalisation of petrol prices is exacerbating inflationary pressures. To keep inflation under control, and anchor the currency, the central bank has already started hiking interest rates and is expected to continue, which should weigh on activity. 2017 will be a year of slowing growth and high inflation. All this combined with previously stretched valuations and uncertainty shouldn't be supportive for asset prices.

Despite the chaos of diplomatic relationship with the US, the MXN strengthened 3.4% last week. President Pena-Neto cancelled his trip to Washington and said he would refuse to pay for "The Wall". Trump responded by threatening to finance it through a 20% tax on Mexican exports to the US. There was no apparent reason for this FX move except maybe some short covering (after the MXN depreciated 14.8% in the last 12 months) or central bank intervention.

Brazil's industrial and consumer confidence rose 3.7% and 8.5% MOM respectively in January.

We still expect industrial production to pick up before consumption indicators, helped by inventory rebuilding, while consumers should still suffer from unemployment (currently around 10% but has yet to peak) and the need to deleverage.

FDIs to Brazil reached USD 78.9Bn in 2016 (4.4% of GDP). They fully covered the current-account deficit (USD 23.5 Bn in 2016 or 1.3% of GDP vs 3.3% in 2015).

Argentina posted a primary deficit of 4.6% of GDP in 2016 (vs. 4.8% targeted and 5.4% in 2015), supported by the unexpected success of the tax amnesty program.

2017 will be a make-or-break year for Argentina and President Macri. His credibility for investors and voters depends on economic growth, inflation control, public and private investments.

Argentina recorded USD 65Mn trade surplus in December. The weaker currency led exports to rise 34% YOY to USD 4.6bn, and imports were unchanged at USD 4.5bn.

Weak currencies in Argentina, Colombia and Brazil explain improvements in their respective trade balances. Argentina recorded a USD 65Mn trade surplus in December. Colombia's imports contracted for the 22nd month in a row during November. Brazil trade surplus also jumped to USD 45Bn from USD 17.7Bn, as imports fell much more than exports.

AFRICA

MSCI Africa 793 +0.41%

Despite its 19% appreciation in a year, the ZAR ranked the 4th cheapest currency on the "Big Mac Index" by the Economist. The most undervalued currency is another African currency: the EGP, following a 60% depreciation since its float in November 2016.

Egypt issued USD 4.5Bn in Eurobonds last Wednesday. The pricing stood at 6.125%/7.5%/8.5% for the 5Y/10Y/30Y issues. On Friday, all bonds were trading above par and the 30y yield fell to 8.27%, a major vote of confidence for structural reforms implemented after the IMF USD 12Bn loan was granted. International investors are still hungry for yield.

Ghana's public debt has increased to GHS 119.9bn (USD 27.5Bn) or 71.9% of GDP as at November 2016. 55% is denominated in foreign currency and therefore implies an increased debt burden for the country following the sharp devaluation of the cedi. In addition, the budget deficit reached 7% of GDP in the Jan-Nov period (vs 1.7% targeted). The IMF program helped Ghana to rebalance its accounts but it remains vulnerable to external shocks.

Kenya's total debt hit KES 3.6Tn (USD 34.6Bn) in the fiscal year ending in June 2016, a 27% increase compared to year before. This represents 54.8% of GDP, of which 50% is denominated in foreign currency.

Even if only 11% of this debt is maturing within 4 years, Kenya appears extremely vulnerable on many fronts: fiscal deficit target at 9% of GDP, only 60% recovery rate of tax revenue in 2H16, current account deficit expected at 5.5% of GDP. Reserves are running low and the currency remains under pressure.

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CALENDAR &
MARKET DATA**

THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
Case-Shiller index (NOV) % YoY	Tue/31	5.0
Consumer confidence index (JAN)	Tue/31	112.8
SM manufacturing (JAN)	Wed/01	5.5
Fed rate dscision %	Wed/01	0.5
non farm payrolls change (JAN) th	Fri/03	168
EUROPE		
Eurozone industriqI confidence (JAN)	Tue/31	0.2
Eurozone consumer confidence (JAN)	Mon/30	-4.9
Germany HICP (JAN) % YoY	Mon/30	2.0
France GDP (Q4) % QoQ	Tue/31	0.4
Eurozone GDP (Q4) % QoQ	Tue/31	0.4
Eurozone HICP (JAN) % YoY	Tue/31	1.5
BoE rate decision %	Thu/02	0.25
Eurozone PMI (JAN)	Fri/03	54.3
Eurozone retail sales (DEC) % YoY	Fri/03	1.7
UK PMI (JAN)	Fri/03	56.1
Russia rate decision %	Fri/03	10.0
ASIA PACIFIC		
Japan industrial production (DEC) % MoM	Tue/31	0.3
China Caixin manufacturing PMI (JAN)	Fri/03	51.8
LATIN AMERICA		
Mexico GDP (Q4) % YoY	Tue/31	1.9
Brazil industrial production (DEC) % YoY	Wed/01	0.6
AFRICA		
Kenya rate decision %	Mon/30	10.0

GLOBAL MARKET DATA

23 to 29 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	2,294.69	1.03%	2.50%	2.50%	21.20%		3.0
RUSSELL 2000 INDEX	RTY Index	US	1,370.70	1.39%	1.00%	1.00%	36.62%		2.3
NASDAQ COMPOSITE INDEX	CCMP Index	US	5,660.78	1.90%	5.16%	5.16%	25.61%		3.8
S&P/TSX COMPOSITE INDEX	SPTSX Index	Canada	15,575.81	1.85%	4.33%	4.33%	32.27%		2.0
S&P 500 FINANCIALS INDEX	S5FINL Index	US	392.44	2.14%	1.53%	1.53%	37.85%		1.4
S&P 500 CONS DISCRET IDX	S5COND Index	US	677.34	1.40%	4.56%	4.56%	16.46%		4.9
S&P 500 INFO TECH INDEX	S5INFT Index	US	855.21	2.30%	5.85%	5.85%	29.13%		4.6
S&P 500 HEALTH CARE IDX	S5HLTH Index	US	806.11	-0.15%	1.15%	1.15%	6.59%		3.4
S&P 500 ENERGY INDEX	S5ENRS Index	US	544.42	-0.55%	-1.82%	-1.82%	28.53%		2.1
S&P 500 ECO SECTORS IDX	SPXL1 Index	US	2,294.69	1.03%	2.50%	2.50%	21.20%		3.0
S&P 500 INDUSTRIALS IDX	S5INDU Index	US	554.79	1.42%	3.11%	3.11%	30.59%		4.6
S&P 500 CONS STAPLES IDX	S5CONS Index	US	537.31	-0.39%	1.04%	1.04%	5.37%		5.3
S&P 500 UTILITIES INDEX	S5UTIL Index	US	245.75	-0.49%	-0.44%	-0.44%	8.56%		1.8
S&P 500 MATERIALS INDEX	s5MATR Index	US	332.04	3.44%	6.37%	6.37%	39.68%		4.0
S&P 500 TELECOM SERV IDX	S5TELS Index	US	171.00	-1.74%	-3.18%	-3.18%	10.07%		2.9
Europe									
Euro Stoxx 50 Pr	SX5E Index	Europe	3,291.28	0.19%	1.68%	1.68%	8.22%	0.39%	1.6
CAC 40 INDEX	CAC Index	France	4,823.00	-0.15%	0.82%	0.82%	9.30%	-0.46%	1.5
DAX INDEX	DAX Index	Germany	11,779.77	1.66%	4.23%	4.23%	19.63%	2.90%	1.9
Athex Composite Share Pr	ASE Index	Greece	636.54	-0.34%	0.17%	0.17%	14.59%	-1.10%	0.5
FTSE MIB INDEX	FTSEMIB Index	Italy	19,199.04	-0.70%	1.79%	1.79%	3.72%	0.49%	1.0
AEX-Index	AEX Index	Netherlands	484.69	0.05%	1.86%	1.86%	12.89%	0.56%	1.7
PSI All-Share Index GR	BVLX Index	Portugal	2,492.69	0.39%	0.71%	0.71%	2.22%	-0.57%	1.5
MICEX INDEX	INDEXCF Index	Russia	2,250.91	4.78%	3.68%	3.68%	63.37%	1.49%	0.9
IBEX 35 INDEX	IBEX Index	Spain	9,452.10	1.40%	2.94%	2.94%	7.99%	1.63%	1.3
OMX STOCKHOLM 30 INDEX	OMX Index	Sweden	1,534.04	1.52%	4.08%	4.08%	10.88%	1.42%	2.3
SWISS MARKET INDEX	SMI Index	Switzerland	8,366.24	1.78%	3.71%	3.71%	4.22%	1.94%	2.5
BIST 100 INDEX	XUI00 Index	Turkey	84,872.52	-1.42%	-2.35%	-2.35%	-11.16%	7.28%	1.2
FTSE 100 INDEX	UKX Index	UK	7,148.11	1.43%	2.16%	2.16%	5.68%	0.58%	1.9
Asia Pacific									
MSCI AC ASIA x JAPAN	MXASJ Index	MSCI Asia Ex	548.42	2.38%	6.63%	6.63%	21.68%	6.63%	1.5
S&P/ASX 200 INDEX	AS51 Index	Australia	5,661.52	1.14%	5.45%	5.45%	22.18%	0.85%	2.0
DSE 30 Index	DS30 Index	Bangladesh	1,980.87	1.79%	12.02%	12.02%	17.04%	12.57%	-
HANG SENG CHINA ENT INDX	HSCEI Index	China "H"	9,804.05	0.92%	4.30%	4.30%	22.70%	4.36%	1.0
SHANGHAI SE COMPOSITE	SHCOMP Index	China "A"	3,159.17	1.11%	2.69%	2.69%	13.73%	1.79%	1.8
HANG SENG INDEX	HSI Index	HK	23,360.78	2.08%	6.12%	6.12%	22.28%	6.18%	1.2
Nifty 50	NIFTY Index	India	8,658.65	3.45%	5.33%	5.33%	16.25%	5.56%	2.8
JAKARTA COMPOSITE INDEX	JCI Index	Indonesia	5,319.59	1.34%	1.46%	1.46%	19.24%	0.30%	2.4
NIKKEI 225	NIKY Index	Japan	19,368.85	1.43%	3.10%	3.10%	17.76%	1.85%	1.8
KOSPI 200 INDEX	KOSPI2 Index	Korea	270.48	2.02%	7.39%	7.39%	20.48%	4.03%	1.0
Laos Composite Index	LSXC Index	Laos	1,020.59	-0.84%	0.72%	0.72%	-13.70%	0.73%	0.9
FTSE Bursa Malaysia KLCI	FBMVKLI Index	Malaysia	1,686.36	1.48%	3.98%	3.98%	-3.16%	2.72%	1.7
KARACHI 100 INDEX	KSE100 Index	Pakistan	49,634.15	1.16%	4.03%	4.03%	60.16%	4.51%	2.2
PSEI - PHILIPPINE SE IDX	PCOMP Index	Philippines	7,336.71	1.93%	6.74%	6.74%	7.25%	7.21%	2.4
STRAITS TIMES INDEX STI	FSSTI Index	Singapore	3,064.85	1.54%	7.65%	7.65%	19.32%	6.39%	1.2
SRI LANKA COLOMBO ALL SH	CSEALL Index	Sri Lanka	6,145.66	-0.62%	-1.78%	-1.78%	-6.89%	-1.45%	1.2
TAIWAN TAIEX INDEX	TWSE Index	Taiwan	9,447.95	2.09%	5.63%	5.63%	28.05%	2.10%	1.6
STOCK EXCH OF THAI INDEX	SET Index	Thailand	1,594.37	2.22%	4.72%	4.72%	25.26%	3.10%	1.9
HO CHI MINH STOCK INDEX	VNINDEX Index	Vietnam	697.28	1.51%	5.68%	5.68%	27.26%	4.87%	2.1
Rest of the World									
MSCI ACWI	MXWD Index	MSCI World	435.84	1.31%	3.32%	3.32%	18.55%	3.32%	2.1
MSCI EM	MXEF Index	MSCI EM	915.92	2.53%	6.22%	6.22%	26.82%	6.22%	1.5
MSCI Frontier Market Index	MXFEM Index	MSCI FM	2,582.86	1.80%	6.80%	6.80%	17.65%	6.80%	1.8
DFM GENERAL INDEX	DFMGI Index	Dubai	3,676.14	0.30%	4.83%	4.83%	29.55%	4.83%	1.3
MSCI EM LATIN AMERICA	MXLA Index	Latin America	2,547.95	3.79%	8.86%	8.86%	52.90%	8.86%	1.8
ARGENTINA Merval INDEX	MERVAL Index	Argentina	19,215.78	0.98%	13.77%	13.77%	53.97%	13.58%	0.7
MSCI BRAZIL	MXBR Index	Brazil	1,885.53	3.54%	12.78%	12.78%	108.02%	12.78%	1.8
CHILE STOCK MKT SELECT	IPSA Index	Chile	4,275.72	1.24%	6.10%	6.10%	30.01%	2.99%	1.4
IGBC GENERAL INDEX	IGBC Index	Colombia	10,274.83	1.08%	4.10%	4.10%	34.95%	1.67%	-
MEXICO IPC INDEX	MEXBOL Index	Mexico	47,421.12	5.75%	2.36%	2.36%	-2.54%	3.90%	2.6
S&P/BVLPeruGeneralTRPEN	SPBLPGPT Index	Peru	16,023.49	2.32%	4.90%	4.90%	81.48%	2.93%	1.6
MSCI EFM AFRICA	MXFMEAF Index	Africa	792.81	0.41%	3.04%	3.04%	26.29%	3.04%	2.3
EGYPT HERMES INDEX	HERMES Index	Egypt	1,159.41	3.58%	2.72%	2.72%	-11.74%	6.50%	2.1
GSE Composite Index	GGSECI Index	Ghana	1,767.89	0.43%	2.86%	2.86%	-19.59%	4.67%	1.6
Nairobi SE 20 Share	KNSMIDX Index	Kenya	2,812.04	-3.68%	-13.04%	-13.04%	-26.54%	-11.74%	1.8
MASI Free Float Index	MOSENEW Index	Morocco	12,507.99	-0.67%	8.25%	8.25%	37.84%	7.42%	2.9
NIGERIA STCK EXC ALL SHR	NGSEINDX Index	Nigeria	26,328.22	1.97%	-1.14%	-1.14%	-29.05%	-2.03%	1.2
FTSE/JSE AFRICA TOP40 IX	TOP40 Index	South Africa	46,083.02	1.79%	6.96%	6.96%	26.37%	5.11%	2.0
Average				1.26%	3.61%	3.61%	19.89%	3.43%	
Top 25%				1.97%	5.68%	5.68%	28.53%	6.03%	
Bottom 25%				0.39%	1.68%	1.68%	7.99%	0.99%	

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GLOBAL MARKET DATA (CONTD.)

23 to 29 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	100.55	-0.21%	-1.64%	-1.64%	2.05%
USD-EUR X-RATE	USDEUR Curncy	Europe	0.93	0.02%	-1.68%	-1.68%	2.24%
Russian Ruble SPOT (TOM)	USDRUB Curncy	Russia	60.15	0.48%	-2.85%	-2.85%	-21.66%
USD-TRY X-RATE	USDTRY Curncy	Turkey	3.86	2.72%	9.87%	9.87%	30.36%
USD-GBP X-RATE	USDGBP Curncy	UK	0.80	-1.43%	-1.65%	-1.65%	14.43%
Bloomberg JPMorgan Asia Dollar	ADXY Index	Asia USD Index	103.92	-0.16%	0.86%	0.86%	-1.48%
USD-AUD X-RATE	USDAUD Curncy	Australia	1.33	0.11%	-4.58%	-4.58%	-6.18%
USD-CNY X-RATE	USDCNY Curncy	China	6.90	0.30%	-0.77%	-0.77%	4.94%
USD-INR X-RATE	USDINR Curncy	India	68.02	0.01%	0.22%	0.22%	0.05%
USD-JPY X-RATE	USDJPY Curncy	Japan	114.86	0.38%	-1.65%	-1.65%	-3.16%
USD-KRW X-RATE	USDKRW Curncy	Korea	1,178.24	0.35%	-2.33%	-2.33%	-2.39%
USD-TWD X-RATE	USDTWD Curncy	Taiwan	31.52	0.09%	-2.54%	-2.54%	-5.97%
USD-ARS X-RATE	USDARS Curncy	Argentina	15.88	-0.13%	0.10%	0.10%	14.85%
USD-BRL X-RATE	USDBRL Curncy	Brazil	3.14	-0.96%	-3.50%	-3.50%	-22.82%
USD-CLP X-RATE	USDCLP Curncy	Chile	648.29	-0.84%	-2.91%	-2.91%	-8.43%
USD-MXN X-RATE	USDMXN Curncy	Mexico	20.92	-3.20%	0.81%	0.81%	14.04%
USD-EGP X-RATE	USDEGP Curncy	Egypt	18.88	-0.64%	3.28%	3.28%	139.10%
USD-NGN X-RATE	USDNGN Curncy	Nigeria	313.13	-0.63%	-0.46%	-0.46%	57.95%
USD-ZAR X-RATE	USDZAR Curncy	South Africa	13.65	-0.90%	-1.83%	-1.83%	-16.87%
Commodities				Return (USD)			
WTI CRUDE FUTURE Mar17	CLA Comdty	US	53.12	-0.09%	-2.73%	-2.73%	27.81%
BRENT CRUDE FUTR Mar17	COA Comdty	UK	55.43	0.05%	-2.29%	-2.29%	34.24%
BALTIC DRY INDEX	BDIY Comdty		827.00	-10.59%	-13.94%	-13.94%	154.46%
Natural Gas Futures	NGI Comdty		3.30	5.84%	-8.94%	-8.94%	55.41%
Gold Spot \$/Oz	XAU Curncy		1,190.06	-1.59%	3.39%	3.39%	6.81%
Silver Spot \$/Oz	XAG Curncy		17.12	0.30%	7.69%	7.69%	20.38%
LME COPPER 3MO (\$)	LMCADSO3 Comdty		5,899.00	2.63%	6.57%	6.57%	30.22%
Government Bond Yields %				Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	US 2yr	1.22	0.03	0.03	0.03	0.40
US Generic Govt 5 Year Yield	USGG5YR Index	US 5yr	1.94	0.01	0.02	0.02	0.55
US Generic Govt 10 Year Yield	USGG10YR Index	US 10yr	2.49	0.02	0.04	0.04	0.51
Canadian Govt Bonds 10 Year No	GCAN10YR Index	Canada 10yr	1.78	0.03	0.06	0.06	0.54
Mexico Generic 10 Year	GMXN10YR Index	Mexico 10yr	7.52	-0.12	0.09	0.09	1.38
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	UK 10yr	1.49	0.04	0.23	0.23	-0.20
Switzerland Govt Bonds 10 Year	GSWISS10 Index	Swiss 10yr	-0.05	-0.01	0.13	0.13	0.15
German Government Bonds 2 Yr B	GDBR2 Index	German 2yr	-0.66	0.01	0.10	0.10	-0.22
German Government Bonds 5 Yr O	GDBR5 Index	German 5yr	-0.35	0.05	0.17	0.17	-0.11
Germany Generic Govt 10Y Yield	GDBR10 Index	German 10yr	0.48	0.04	0.25	0.25	0.06
French Generic Govt 10Y Yield	GTFRF10Y Govt	French 10yr	1.07	0.12	0.35	0.35	0.30
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	Greece 10yr	7.14	0.08	0.09	0.09	-2.28
Italy Generic Govt 10Y Yield	GBTGRI0 Index	Italy 10yr	2.26	0.20	0.41	0.41	0.71
Spain Generic Govt 10Y Yield	GSPGI0YR Index	Spanish 10yr	1.62	0.08	0.20	0.20	-0.03
Portugal Generic Govt 10Y Yield	GSPT10YR Index	Portugal 10yr	4.18	0.27	0.38	0.38	1.17
Australia Govt Bonds Generic Y	GACGB10 Index	Aus 10yr	2.72	0.00	0.01	0.01	0.09
India Govt Bond Generic Bid Yi	GIND10YR Index	India 10yr	6.41	-0.06	-0.11	-0.11	-1.40
KCMP South Korea Treasury Bond	GVSKI0YR Index	Korea 10yr	2.19	0.07	0.09	0.09	0.17
Japan Generic Govt 10Y Yield	GJGB10 Index	Japan 10yr	0.09	0.02	0.04	0.04	-0.15
South Africa Govt Bonds 10 Ya	GSAB10YR Index	SA 10yr	8.94	0.13	-0.07	-0.07	-0.62
Corporate Credit Indices				Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 12/21	ITRXEXE CBIL Curncy	EUR XOVER	294.98	6.40	3.08	3.08	-84.37
MARKIT ITRX EUROPE 12/21	ITRXEBE CBIL Curncy	EUR MAIN	71.02	1.20	-1.84	-1.84	-23.30
MARKIT ITRX EUR SNR FIN 12/21	ITRXESE CBIL Curncy	EUR SNR FIN	88.47	1.03	-6.76	-6.76	-4.60
MARKIT ITRX EUR SUB FIN 12/21	ITRXEUE CBIL Curncy	EUR SUB FIN	207.67	-6.84	-18.12	-18.12	5.63
MARKIT CDX.NA.IG.27 12/21	IBOXUMAE CBIL Curncy	US IG	64.16	-1.90	-3.25	-3.25	-38.64
MARKIT CDX.NA.HY.27 12/21	IBOXHYSE CBIL Curncy	US HY	341.45	-9.76	-13.51	-13.51	-171.16
Implied Volatility (Equity Index)				Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SX5E Index	Europe	15.70	0.12	-2.15	-2.15	-10.13
FTSE 100 500 3month ATM	UKX Index	UK	11.27	-0.28	-1.71	-1.71	-9.60
Hang Seng 3month ATM	HSI Index	HK	13.78	-1.01	-2.41	-2.41	-12.93
Nikkei 3month ATM	NKY Index	Japan	17.04	-1.95	-2.19	-2.19	-13.05
S&P 500 3month ATM	SPX Index	US	10.82	-0.43	-2.64	-2.64	-9.25
Volatility (VIX)	VIX Index	US	11.14	-0.96	-3.46	-3.46	-11.84
Inflation (Long term inflation expectation proxy) %				Change (percentage points)			
US 5Y5YF Inflation Swap	FWISUS55 Index	USD	2.48	3.20	5.39	5.39	50.80
UK 5Y5YF Inflation Swap	FWISBP55 Index	GBP	3.68	13.05	11.80	11.80	42.55
JPY 5Y5YF Inflation Swap	FWISJY55 Index	JPY	0.68	5.50	20.00	20.00	21.50
EUR 5Y5YF Inflation Swap	FWISEU55 Index	EUR	1.79	4.25	5.40	5.40	26.25
Economic Data Surprise (+ive = above expectations)							
Citi Economic Surprise Index	CESIAPAC Index	Asia Pacific	49.80				
Citi Economic Surprise Index -	CESICNY Index	China	36.10				
Citi Economic Surprise Index -	CESIEM Index	EM	39.10				
Citi Economic Surprise Index -	CESIEUR Index	Eurozone	51.90				
Citi Economic Surprise Index -	CESIG10 Index	G10	36.60				
Citi Economic Surprise - Japan	CESIJPY Index	Japan	19.90				
Citi Economic Surprise Index -	CESILTAM Index	Latin America	46.20				
Citi Economic Surprise - Unite	CESIUSD Index	US	32.20				

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