

# GLOBAL MARKET UPDATE



## 19 TO 25 MARCH: PLAYING THE TRUMP CARD

### THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	New Zealand <b>1.23%</b> , Austria <b>-0.39%</b> , Portugal <b>-1.13%</b>
	Bottom 3:	United States <b>-5.95%</b> , Sweden <b>-4.41%</b> , Japan <b>-3.92%</b>
EMERGING	Top 3:	Pakistan <b>1.81%</b> , Peru <b>1.33%</b> , Malaysia <b>1.04%</b>
	Bottom 3:	Hungary <b>-5.61%</b> , China "H" <b>-4.34%</b> , Philippines <b>-4.09%</b>
FRONTIER	Top 3:	Tunisia <b>4.71%</b> , Kenya <b>1.60%</b> , Lithuania <b>1.00%</b>
	Bottom 3:	Argentina <b>-3.37%</b> , Bangladesh <b>-2.77%</b> , Oman <b>-1.98%</b>

On the face of it, last week's equity market sell-off, the worst in 2 years for the US, was all about the threat of Donald Trump starting a trade war. The reality is a little more nuanced:

- **Anti-Trade or Anti-China?** Whilst the POTUS did announce a 25% tariff on up to USD 60bn on Chinese imports with high intellectual property content, the Trump administration exempted numerous countries, including the entire EU and Korea, from the steel and aluminium tariff. Moreover, progress was made on NAFTA as the US abandoned its requirement that 50% of the content of vehicles assembled in the region must come from the US.
- **Bark or Bite?** Trump's modus operandi is to make aggressive public statements, which are then watered down during implementation. The Chinese also appear keen to maintain a constructive dialogue.
- **Tip of the Iceberg?** It is not just trade via which Trump's unconventional management style threatens to create volatility. Turnover in his administration continued last week with National Security Advisor H. R. McMaster replaced by former U.N. Ambassador John Bolton and John Dowd, Trump's chief attorney in the Mueller probe, resigning. According to the Brookings Institute, this means around half of the President's key staff has left since he was inaugurated. Indeed, the Washington Post highlights that there will have been 3 national security advisers, 4 communications directors, 2 chiefs of staff (and the incumbent is currently out of favour), 2 press secretaries and 2 FBI directors in 14 months.
- **Data Lull?** It's not all about Donald either; after the strongest and most broad-based period of growth since the GFC, the market got carried away in January and has struggled for direction as economic data has moderated.

Whilst we certainly do not wish to ignore the danger of US led geopolitical upheaval, our core outlook remains unchanged. We are in a new more volatile regime, given marginal headwinds are building, but we expect global growth to continue. Greater uncertainty is particularly the case in the US, which we see as later cycle than its global peers.

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Bucking the risk-off trend last week, were oil markets. Crude prices hit seven-week highs, following the biggest weekly gain in 8 months, after increased tension in the Middle East and speculation OPEC could extend output limits.

## UNITED STATES

S&P 2,588 **-5.95%**, 10yr Treasury 2.85% **-3.10bps**, HY Credit Index 343 **+14bps**, Vix 22.52 **+9.07Vol**

**The S&P 500 experienced its worst week in over 2 years** after big falls on Thursday and Friday. Technology stocks fared even worse as Facebook fell almost 15% after data breaches were discovered. This means most indices are now down on the year. Bond yields finished modestly lower.

In terms of Trump's China protectionism, **on Thursday the administration announced its intention to impose USD 60bn of tariffs alongside restrictions on technology transfers and acquisitions of U.S. firms by Chinese competitors.** The Chinese Commerce Ministry branded the plans a "vile precedent" and declared they would target USD 3bn of imported US goods with their own levies. There is now a 30-day window during which politicians in Washington can lobby the U.S. Trade Representative's office. This may lead to a watering down of proposals.

Away from replacing core members of his staff and antagonising the world's biggest economy, **Trump also raised pulses on Friday by threatening (by tweet) to veto the USD 1.3tn spending bill, which will fund government for the next 6 months.** This would have prompted another government shutdown.

Passing virtually unnoticed, **Jerome Powell's first meeting as FED Chair delivered the 6th rate hike of this cycle,** with the Fed Funds Target Rate now set between 1.5%-1.75%. The accompanying press conference and projections highlighted an improved economic outlook, with unemployment expected to drop to 3.6% by 2019. Although the committee made upward adjustments to its projected interest rate path, the 2018 forecast remained for 3 hikes during the calendar year. As such, we would characterise the meeting as neutral and in line with market expectations.

## EUROPE

Eurostoxx 3,314 **-3.48%**, German Bund 0.54% **-4.40bps**, Xover Credit Index 290 **-39bps**, USDEUR .806 **-0.52%**

European equities sold off and bonds rallied with the broader "risk-off" sentiment, whilst both the EUR and the GBP strengthened against the USD. **Economic (soft) data was unambiguously weaker;** the March PMI, German IFO and French business climate all pointing towards a moderation in activity.

In the UK, the BOE monetary policy committee voted 7-2 to leave rates on hold as expected. However, **the bank confirmed its intention to raise rates in May** commenting that "given the prospect of excess demand over the forecast period, an ongoing tightening of monetary policy

over the forecast period will be appropriate to return inflation sustainably to its target at a more conventional horizon." Elsewhere, a technical agreement was reached between the EU and the UK regarding a 21 month transition period for Brexit. This will start on March 2019 and was hailed as a "new dynamic" by PM Theresa May.

## ASIA PACIFIC

HSCEI 12,198 **-4.34%**, Nikkei 20,766.10 **-3.92%**, 10yr JGB 0.02% **0bps**, USDJPY 105.130 **-1.21%**

**Chinese equities underperformed last week, on account of rate hike announcements and hostile trade rhetoric coming out of the US.**

**The People's Bank of China raised the seven-day repo rate by five basis points to 2.55%.** The SLF and MLF rates were left unchanged. There were a number of factors driving the decision.

*The move follows the appointment of Yi Gang as head of the central bank on 19th March. Prior to assuming the role, Gang had spoken of the extent to which the global economic recovery and policy normalisation in developed economies restricts the ability of China to manage its monetary policy in isolation, which we view through the lens of the need to maintain FX stability and suppress capital outflows. On this basis, the prospect of the PBoC following the Fed in further raising rates this year, in direction and not necessarily the same magnitude, appears increasingly likely.*

*In addition to adjusting monetary policy in awareness of developments in global capital markets, the increase in rates is also consistent with China's high-level objectives for managing the domestic financial system. The government has well-articulated targets for de-leveraging the banking sector, improving the efficiency of capital allocation and risk taking within the economy, and strengthening financial regulation, all of which can be effectively pursued alongside a tighter monetary environment.*

*Lastly, a rate hike also served the purposes of narrowing the gap between the policy rate and money market rates, which had begun to widen.*

**Chinese equities sold off on Friday after the latest protectionist announcements from the Trump administration.** H shares finished the week down -2.4%, while mainland A shares fared better, down -1.0%.

While announcing punitive trade measures under the Section 301 investigation, Trump appeared to leave the door open for a deal to be made to avoid an all-out trade war.

*A back of the envelope calculation of the impact on China of the measures announced by President Trump suggest*

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little cause for concern in terms of economic fundamentals. Assuming Trump does impose a worst case 45% tariff on US\$60bn of Chinese goods, the overall impact on the Chinese economy would be less than 0.25% of GDP. Granted, this is a highly simplistic analysis and ignores second-round effects. At the same time, the numbers demonstrate the relative negotiating positions of the US and China, dispelling any misconceptions that President Trump can use protectionism to strong-arm China in to submission any time soon.

China's early responses to the US have been steadfast. Vice Premier Liu He reportedly warned US Treasury Secretary Steve Mnuchin of China's preparedness to fight back with its own trade restrictions during a phone call with the White House over the weekend. This follows an announcement from Beijing on Friday of plans to impose controls on 128 American imports.

**Moody's released comments warning Pakistan of the risk of a sovereign downgrade.** A widening fiscal deficit, persistent external imbalances and political instability were highlighted as the main calls for concern. The agency declined, however, to adjust its current B3 rating on Pakistan, and left the outlook unchanged at stable.

**The Philippines central bank remained dovish at its most recent meeting,** leaving rates on hold at 3.0% while playing down inflationary risks, emphasising their view that the recent increase in CPI is transitory and driven largely by tax reform.

**Sri Lanka's economic growth rate fell to a 16-year low in 2017 of 3.3% YOY,** down from 4.4% in 2016. According to the Department of Census and Statistics, the agricultural sector underperformed due to unfavourable weather conditions while services, which account for 55% of GDP, also dragged on headline growth.

## LATIN AMERICA

MSCI Lat Am 3,001 -1.16%

**Brazil cut the SELIC rate once again, by 25bps to 6.5%,** the lowest in history. In the context of low inflation and anchored expectations, consistent recovery of economic activity, which is becoming increasingly widespread, the central bank signalled the possibility of another rate cut at the next meeting. It acknowledged that its monetary policy turned dovish from neutral (making clear that the neutral real interest rate for Brazil is currently at 3.5-4% and can decline further with more structural reforms).

Argentina's numbers came in mixed:

- On the one hand, a **GDP recovery (3.9% YOY in 4Q17)** is helping tax revenue (26.7% YOY in February, although only +1% in real terms) and boosting imports, whilst subsidy cuts are also helping the primary fiscal balance
- On the other hand, the overvalued currency is making exports uncompetitive, inflation is still not under control (mostly due to subsidies being cut, wage indexation and the lack of monetary policy

credibility) and high indebtedness means debt servicing is weighing on the aggregated fiscal deficit

Argentina targets a primary fiscal deficit of 3.2% of GDP in 2018 (from 3.9% in 2017 and 4.3% excluding extraordinary revenue from the repatriation). **The current account deficit for 4Q17 came in at USD 8.7bn** (compared to USD 4.2bn in 4Q16) and **4.8% of GDP for 2017 as a whole, its worst level in 20 years.**

**Chile's GDP expanded by 3.3% YOY during 4Q17,** its biggest expansion in more than 4 years. The current account deficit closed 2017 at USD 4.1bn (1.5% of GDP).

**PPK resigned Peru's presidency** and announced an orderly transition. The move came after Fuerza Popular (opposition party with a majority in Congress) leaked a video showing how Kenji Fujimori's congressmen (brother of Fuerza Popular's leader Keiko Fujimori and son of former president Alberto Fujimori) and lesser government officials promised public works (and bribes) in lieu of votes for PPK to remain in power in the vacancy vote that was scheduled for last week. **Vice President Martin Vizcarra will become successor and will take over in next few days and finish out the mandate through 2021.**

*Markets were left undeterred: PEN strengthened 0.46% and the local index +0.88% on the news, while Fitch ratified Peru's sovereign rating at BBB+ stable outlook. Peruvian gross sovereign debt reached 23.9% of GDP in 2017 and with FX reserves of USD 62bn, the country is in a very comfortable position.*

## AFRICA

MSCI Africa 1,013 -1.20%

**Moody's affirmed South Africa's investment-grade credit rating and revised its credit outlook to stable,** citing a reversal in the erosion of strength of South Africa's institutions and a new resolve to put the economy on a new and positive path.

*A downgrade to non-investment grade by Moody's would have seen South Africa removed from Citi's World Government Bond Index and could have triggered up to USD 9bn in asset sales by foreign investors. The decision is a vote of confidence for the steps taken by the new Ramaphosa administration.*

**South Africa's headline consumer inflation slowed to 4.0% YOY in February from 4.4% in January.** On a MOM basis, inflation rose to 0.8% in February from 0.4% in January. Core inflation was unchanged at 4.1% YOY in February.

*The positive data prints and developments over the last couple of months include:*

- Inflation below the midpoint of the 3%-6% central bank's target range
- Higher than expected GDP growth in Q4 2017
- Strengthening business confidence
- A ratings reprieve

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Collectively, this makes it highly likely that monetary policy will become accommodative from the committee's next sitting on 28th March.

**Kenya surprisingly cut rates to boost growth.** Kenya's central bank cut its base interest rate 50bps to 9.5% to boost economic growth, after a combination of drought, prolonged elections, high and rising government debt, and slow private sector growth saw growth fall 100bps to 4.8% in 2017.

*The rates cut is most likely a signal for the removal/modification of the cap on commercial lending rates (set at 4% above base rate) which has choked out private sector lending to 2.1% YOY in February, compared to the central bank's target rate of 12-15%.*

**Morocco's central bank kept its benchmark interest rate unchanged at 2.25%.**

**Nigeria's senate approved the appointment of two deputy central bank governors and three members of the Monetary Policy Committee.** This gives the rate setting committee sufficient numbers to meet for the first time this year. The next MPC meeting is scheduled for April 3-4.

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## THE WEEK AHEAD

	Date	Consensus
<b>UNITED STATES</b>		
Case-Shiller HPI (JAN) % YOY	Tue/27	6.1
Consumer confidence (MAR)	Tue/27	131.0
GDP (Q4) QOQ	Wed/28	2.7
<b>EUROPE</b>		
France GDP (Q4) % QOQ	Mon/26	0.6
Eurozone M3 (FEB) % YOY	Tue/27	4.6
Eurozone industrial confidence (MAR)	Tue/27	1.0
Eurozone consumer confidence (MAR)	Tue/27	1.0
UK current account (Q4) bn GBP	Thu/29	-23.5
UK GDP (Q4) % YOY	Thu/29	1.4
Turkey GDP (Q4) % YOY	Thu/29	6.5
<b>ASIA PACIFIC</b>		
Korea GDP (Q4) % YOY	Wed/28	3.0
Thailand interest rate %	Wed/28	1.50
Japan industrial production (FEB) % MOM	Fri/30	5.0
<b>LATIN AMERICA</b>		
Argentina interest rate %	Tue/27	27.25
<b>AFRICA</b>		
South Africa interest rate %	Wed/28	6.5
Egypt interest rate %	Thu/29	16.75

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# GLOBAL MARKET DATA (CONTD.)

## 19 TO 25 MARCH

### Market Summary

### Data: Last Calendar Week

Mon/26/03/2018

From: Fri/16/03/18 Wed/28/02/18 Sun/31/12/17 Thu/23/03/17  
 To: Fri/23/03/18 Fri/23/03/18 Fri/23/03/18 Fri/23/03/18

Equities			Return (USD)				YTD (Local)	Volume lwk/3mo	14d RSI	30d Vol
Name	Country	Price	1 Week	MTD	YTD	1Y				
North America										
S&P 500 INDEX	US	2,588.26	-5.95%	-4.63%	-3.19%	10.33%		99%	40.22	17.24%
RUSSELL 2000 INDEX	US	1,510.08	-4.79%	-0.16%	-1.66%	11.57%		96%	44.91	17.64%
NASDAQ COMPOSITE INDEX	US	6,992.67	-6.54%	-3.85%	1.29%	20.20%		100%	43.93	18.91%
S&P/TSX COMPOSITE INDEX	Canada	15,223.74	-1.17%	-1.60%	-8.34%	2.48%	-6.08%	104%	39.41	10.49%
S&P 500 CONS DISCRET IDX	US	798.05	-4.79%	-3.54%	1.62%	16.06%		90%	44.15	16.45%
S&P 500 CONS STAPLES IDX	US	523.40	-4.62%	-4.66%	-10.89%	-7.19%		104%	33.60	15.08%
S&P 500 FINANCIALS INDEX	US	445.64	-7.22%	-6.94%	-3.94%	13.76%		102%	39.82	22.27%
S&P 500 HEALTH CARE IDX	US	922.73	-6.79%	-5.06%	-3.51%	7.44%		96%	39.18	18.40%
S&P 500 INFO TECH INDEX	US	1,122.40	-7.88%	-5.57%	1.47%	25.24%		115%	43.78	21.33%
S&P 500 ENERGY INDEX	US	493.31	-0.93%	0.54%	-7.52%	-2.36%		89%	44.47	20.04%
S&P 500 ECO SECTORS IDX	US	2,588.26	-5.95%	-4.63%	-3.19%	10.33%		99%	40.22	17.24%
S&P 500 INDUSTRIALS IDX	US	612.52	-4.97%	-4.70%	-3.97%	10.12%		88%	41.51	19.27%
S&P 500 MATERIALS INDEX	US	351.03	-5.33%	-5.87%	-7.37%	7.19%		91%	38.54	18.95%
S&P 500 REAL ESTATE IDX	US	186.12	-3.82%	0.08%	-8.70%	-4.15%		94%	42.55	15.23%
S&P 500 TELECOM SERV IDX	US	147.07	-5.64%	-4.10%	-11.44%	-12.90%		85%	38.28	15.77%
S&P 500 UTILITIES INDEX	US	248.78	-2.53%	0.44%	-6.95%	-5.22%		94%	44.69	17.65%
Europe										
Euro Stoxx 50 Pr	Europe	3,314.07	-3.48%	-2.90%	-3.21%	9.55%	-5.88%	94%	39.25	14.09%
CAC 40 INDEX	France	5,114.82	-2.98%	-3.03%	-1.38%	16.09%	-4.09%	98%	40.74	13.91%
DAX INDEX	Germany	11,955.40	-3.49%	-3.22%	-5.38%	13.20%	-7.98%	106%	38.86	16.57%
Athex Composite Share Pr	Greece	789.17	-2.89%	-4.80%	0.69%	40.73%	-2.08%	121%	42.08	16.03%
FTSE MIB INDEX	Italy	22,274.62	-1.91%	-0.17%	4.88%	26.73%	1.99%	95%	46.56	16.32%
AEX-Index	Netherlands	523.46	-2.30%	-1.42%	-1.54%	16.64%	-4.25%	101%	42.48	13.85%
PSI All-Share Index GR	Portugal	2,958.75	-0.82%	0.04%	2.36%	32.99%	-0.45%	69%	46.40	11.58%
MOEX Russia Index	Russia	2,279.04	0.31%	-2.05%	9.17%	12.09%	8.33%	84%	54.18	14.36%
IBEX 35 INDEX	Spain	9,445.10	-3.20%	-3.35%	-3.83%	4.32%	-6.48%	103%	37.09	12.52%
OMX STOCKHOLM 30 INDEX	Sweden	1,519.77	-4.41%	-4.05%	-4.73%	2.58%	-4.04%	94%	41.23	15.97%
SWISS MARKET INDEX	Switzerland	8,647.43	-3.00%	-4.11%	-6.15%	4.07%	-8.66%	103%	38.24	15.24%
BIST 100 INDEX	Turkey	116,814.90	-1.75%	-6.16%	-3.49%	18.93%	1.10%	106%	51.73	16.10%
FTSE 100 INDEX	UK	6,947.63	-1.90%	-1.74%	-5.79%	6.62%	-9.96%	103%	35.29	10.85%
Asia Pacific										
MSCI AC ASIA x JAPAN	MSCI Asia Ex	715.37	-4.07%	-1.80%	0.27%	22.38%	0.27%	92%	45.57	16.50%
S&P/ASX 200 INDEX	Australia	5,790.47	-2.01%	-3.98%	-5.01%	3.27%	-4.03%	99%	42.48	11.16%
DSE 30 Index	Bangladesh	2,075.36	-1.92%	-3.50%	-9.95%	-4.42%	-8.80%		35.65	10.76%
HANG SENG CHINA ENT INDX	China "H"	12,197.70	-4.34%	-2.29%	3.14%	14.49%	3.58%	81%	46.44	23.08%
SHANGHAI SE COMPOSITE	China "A"	3,133.72	-3.32%	-3.04%	-1.79%	5.82%	-4.67%	91%	38.82	21.08%
HANG SENG INDEX	HK	30,548.77	-3.83%	-1.98%	0.88%	23.34%	1.30%	85%	46.84	21.34%
Nifty 50	India	10,130.65	-1.81%	-4.45%	-6.74%	10.77%	-5.06%	103%	39.41	13.26%
JAKARTA COMPOSITE INDEX	Indonesia	6,200.17	-1.49%	-5.87%	-3.57%	7.97%	-2.28%	88%	41.76	13.06%
NIKKEI 225	Japan	20,766.10	-3.92%	-5.06%	-2.92%	14.21%	-9.43%	96%	39.31	22.93%
KOSPI 200 INDEX	Korea	314.89	-4.02%	0.12%	-4.52%	14.76%	-3.79%	87%	45.00	19.07%
Laos Composite Index	Laos	914.38	1.27%	-2.50%	-8.40%	-18.27%	-8.41%	31%	43.62	23.64%
FTSE Bursa Malaysia KLCI	Malaysia	1,859.91	1.04%	0.72%	7.72%	20.82%	3.81%	79%	57.12	7.55%
KARACHI 100 INDEX	Pakistan	45,083.57	1.81%	2.13%	8.95%	-14.59%	11.26%	82%	60.76	12.27%
PSEI - PHILIPPINE SE IDX	Philippines	7,932.38	-4.09%	-6.47%	-11.07%	5.15%	-6.87%	106%	38.77	17.65%
STRAITS TIMES INDEX STI	Singapore	3,412.46	-2.26%	-1.98%	2.36%	16.63%	0.54%	78%	45.62	14.76%
SRI LANKA COLOMBO ALL SH	Sri Lanka	6,448.60	-1.10%	-2.36%	-0.57%	4.84%	1.17%	80%	43.78	4.29%
TAIWAN TAIEX INDEX	Taiwan	10,840.05	-2.04%	0.45%	3.42%	13.82%	1.70%	90%	49.50	21.87%
STOCK EXCH OF THAI INDEX	Thailand	1,801.10	-0.90%	-1.04%	6.88%	26.89%	2.31%	70%	50.78	9.58%
HO CHI MINH STOCK INDEX	Vietnam	1,171.22	0.14%	2.68%	16.82%	60.27%	17.21%	93%	62.58	23.77%
Rest of the World										
MSCI ACWI	MSCI World	499.36	-4.42%	-3.61%	-2.66%	11.59%	-2.66%	95%	39.31	13.39%
MSCI EM	MSCI EM	1,172.10	-3.38%	-1.93%	1.18%	21.09%	1.18%	94%	45.79	15.50%
MSCI Frontier Market Index	MSCI FM	2,989.87	-1.53%	-1.48%	0.05%	15.39%	0.05%	105%	43.67	6.40%
DFM GENERAL INDEX	Dubai	3,103.80	-1.49%	-2.92%	-6.55%	-9.01%	-6.54%	56%	32.65	10.90%
MSCI EM LATIN AMERICA	Latin America	3,001.26	-1.16%	-2.16%	6.12%	15.81%	6.12%	164%	47.65	17.05%
ARGENTINA MERVAL INDEX	Argentina	31,461.26	-3.37%	-5.02%	-3.43%	23.39%	4.64%	62%	48.51	26.95%
MSCI BRAZIL	Brazil	2,229.84	-1.12%	-2.91%	10.23%	22.70%	10.23%	90%	49.50	20.65%
CHILE STOCK MKT SELECT	Chile	5,490.40	-1.83%	-4.11%	-0.04%	26.77%	-1.34%	90%	45.01	10.16%
IGBC GENERAL INDEX	Colombia	11,408.41	-0.35%	0.80%	4.48%	16.04%	-0.61%		47.13	14.24%
S&P/BMV IPC	Mexico	46,515.93	-0.81%	-0.26%	0.39%	-2.09%	-5.75%	103%	38.83	11.70%
Bolsa de Panama General	Panama	458.49	-0.02%	0.35%	3.51%	10.42%	3.51%	91%	76.70	1.03%
S&P/BVLPeruGeneralTRPEN	Peru	20,640.33	1.33%	0.28%	3.76%	34.02%	3.33%	82%	51.45	10.37%
MSCI EFM AFRICA	Africa	1,013.08	-1.20%	-2.64%	-0.05%	17.70%	-0.05%	101%	48.67	27.64%
EGYPT HERMES INDEX	Egypt	1,635.83	-0.43%	7.17%	14.74%	43.54%	13.77%	162%	67.63	11.52%
GSE Composite Index	Ghana	3,291.18	1.79%	-0.33%	31.05%	72.82%	27.58%	91%	73.94	7.45%
Nairobi SE 20 Share	Kenya	3,847.18	1.60%	3.38%	6.01%	27.39%	3.64%	112%	61.81	7.08%
MASI Free Float Index	Morocco	13,090.74	-0.69%	0.58%	7.56%	21.95%	5.46%	78%	52.37	5.73%
NIGERIA STCK EXC ALL SHR	Nigeria	41,561.58	-1.12%	-4.29%	8.44%	41.21%	8.44%	67%	47.33	14.08%
FTSE/JSE AFRICA TOP40 IX	South Africa	49,378.74	-0.88%	-2.23%	0.52%	18.34%	-5.29%	121%	41.08	20.00%
Global Style										
MSCI WORLD GROWTH INDEX	US	2,456.12	-4.71%	-3.49%	-0.89%	16.43%	-0.89%	99%	41.53	14.37%
MSCI WORLD VALUE INDEX	US	2,717.08	-4.42%	-4.22%	-5.51%	4.51%	-5.51%	99%	36.17	12.92%
MSCI World Large Cap	US	1,242.80	-4.79%	-4.19%	-3.39%	9.91%	-3.39%	98%	38.19	13.91%
MSCI World Mid-Cap	US	1,353.74	-3.51%	-2.16%	-2.16%	12.65%	-2.16%	98%	41.62	12.22%
Average			-2.49%	-2.28%	-0.20%	14.40%	0.13%	94%	45.47	15.36%
Top 25%			-1.02%	-0.22%	3.28%	21.52%	3.53%	103%	47.49	18.93%
Bottom 25%			-4.04%	-4.11%	-4.63%	5.48%	-5.12%	87%	39.41	11.64%

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# GLOBAL MARKET DATA (CONTD.)

## 19 TO 25 MARCH

From: Fri/16/03/18 Wed/28/02/18 Sun/31/12/17 Thu/23/03/17  
 To: Fri/23/03/18 Fri/23/03/18 Fri/23/03/18 Fri/23/03/18

FX (vs USD)			Return +ive=USD Stronger			
Name	BBG Code	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	DXY Index	89.25	-0.88%	-1.30%	-2.92%	-10.35%
USD-EUR X-RATE	USDEUR Curncy	0.81	-0.52%	-1.29%	-2.81%	-12.71%
Russian Ruble SPOT (TOM)	USDRUB Curncy	56.94	-0.39%	1.67%	-0.66%	-0.24%
USD-TRY X-RATE	USDTRY Curncy	3.98	1.62%	4.82%	5.03%	9.58%
USD-GBP X-RATE	USDGBP Curncy	0.70	-1.32%	-2.63%	-4.40%	-11.38%
Bloomberg JPMorgan Asia Dollar	ADXY Index	111.74	-0.12%	0.23%	1.30%	5.57%
USD-AUD X-RATE	USDAUD Curncy	1.29	0.17%	0.80%	1.46%	-0.92%
USD-CNY X-RATE	USDCNY Curncy	6.28	-0.30%	-0.24%	-2.94%	-8.26%
USD-INR X-RATE	USDINR Curncy	64.83	-0.01%	-0.31%	1.92%	-0.57%
USD-JPY X-RATE	USDJPY Curncy	105.13	-1.21%	-1.83%	-7.06%	-5.60%
USD-KRW X-RATE	USDKRW Curncy	1,077.59	1.25%	-0.12%	1.57%	-3.46%
USD-TWD X-RATE	USDTWD Curncy	29.09	0.22%	-0.52%	-1.60%	-4.21%
USD-ARS X-RATE	USDARS Curncy	20.18	-0.02%	0.30%	8.47%	29.16%
USD-BRL X-RATE	USDBRL Curncy	3.30	1.01%	2.24%	0.01%	5.49%
USD-CLP X-RATE	USDCLP Curncy	607.85	-0.01%	2.33%	-1.14%	-8.23%
USD-MXN X-RATE	USDMXN Curncy	18.43	-0.91%	-1.69%	-5.75%	-2.14%
USD-EGP X-RATE	USDEGP Curncy	17.64	0.24%	-0.19%	-0.80%	-2.74%
USD-NGN X-RATE	USDNGN Curncy	360.00	-0.26%	-0.14%	-0.28%	15.53%
USD-ZAR X-RATE	USDZAR Curncy	11.67	-1.87%	-0.54%	-5.23%	-5.83%
Commodities			Return (USD)			
WTI CRUDE FUTURE May18	CLA Comdty	65.84	5.56%	7.17%	9.31%	32.40%
BRENT CRUDE FUTR May18	COA Comdty	70.54	6.40%	8.84%	6.60%	36.74%
BALTIC DRY INDEX	BDIY Comdty	1,122.00	-2.43%	-5.87%	-17.86%	-6.19%
Natural Gas Futures	NGI Comdty	2.60	-3.61%	-2.85%	-12.26%	-15.08%
Gold Spot \$/Oz	XAU Curncy	1,348.83	2.50%	2.19%	3.39%	8.19%
Silver Spot \$/Oz	XAG Curncy	16.66	1.32%	0.88%	-2.23%	-5.83%
LME COPPER 3MO (\$)	LMCADS03 Comdty	6,660.00	-3.31%	-3.91%	-8.10%	14.33%
Government Bond Yields %			Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	2.29	-0.04	0.00	0.37	1.00
US Generic Govt 5 Year Yield	USGG5YR Index	2.64	-0.04	-0.04	0.39	0.65
US Generic Govt 10 Year Yield	USGG10YR Index	2.85	-0.03	-0.05	0.41	0.39
Canadian Govt Bonds 10 Year No	GCAN10YR Index	2.22	0.06	-0.04	0.15	0.51
Mexico Generic 10 Year	GMXN10YR Index	7.50	-0.05	-0.14	-0.16	0.40
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	1.47	0.02	-0.06	0.26	0.22
Switzerland Govt Bonds 10 Year	GSWISS10 Index	0.07	-0.02	-0.03	0.21	0.07
German Government Bonds 2 Yr B	GDBR2 Index	-0.60	-0.02	-0.07	0.02	0.12
German Government Bonds 5 Yr O	GDBR5 Index	-0.06	-0.03	-0.09	0.13	0.23
Germany Generic Govt 10Y Yield	GDBR10 Index	0.54	-0.04	-0.13	0.10	0.10
French Generic Govt 10Y Yield	GTFRF10Y Govt	0.77	-0.06	-0.16	-0.02	-0.29
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	4.37	0.19	-0.02	0.29	-2.93
Italy Generic Govt 10Y Yield	GBTGRI10 Index	1.92	-0.11	-0.10	-0.14	-0.40
Spain Generic Govt 10Y Yield	GSPG10YR Index	1.28	-0.11	-0.27	-0.30	-0.46
Portugal Generic Govt 10Y Yield	GSPT10YR Index	1.74	-0.03	-0.27	-0.22	-2.47
Australia Govt Bonds Generic Y	GACGB10 Index	2.66	-0.04	-0.16	0.02	-0.10
India Govt Bond Generic Bid YI	GIND10YR Index	7.62	-0.01	-0.17	0.23	0.73
KCMP South Korea Treasury Bond	GVSKI0YR Index	2.69	-0.06	-0.09	0.18	0.50
Japan Generic Govt 10Y Yield	GJGB10 Index	0.02	-0.01	-0.03	-0.02	-0.03
South Africa Govt Bonds 10 Yea	GSAB10YR Index	8.72				
Corporate Credit Indices			Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 06/23	ITRXXE CBIL Curncy	289.74	39.14	26.80	58.54	-3.68
MARKIT ITRX EUROPE 06/23	ITRXXE CBIL Curncy	60.68	10.99	8.25	15.77	-14.99
MARKIT ITRX EUR SNR FIN 06/23	ITRXXE CBIL Curncy	67.59	15.97	14.34	23.49	-22.54
MARKIT ITRX EUR SUB FIN 06/23	ITRXXE CBIL Curncy	136.32	3.92	1.05	8.91	-81.28
MARKIT CDX.NA.IG.30 06/23	IBOXUMAE CBIL Curncy	65.93	11.75	11.42	16.91	-1.61
MARKIT CDX.NA.HY.29 12/22	IBOXHYSE CBIL Curncy	343.02	14.41	16.94	37.96	13.53
Implied Volatility (Equity Index)			Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SX5E Index	16.04	2.96	1.82	2.38	-1.54
FTSE 100 500 3month ATM	UKX Index	14.91	3.55	3.10	5.53	2.43
Hang Seng 3month ATM	HSI Index	21.35	2.75	1.61	6.44	7.09
Nikkei 3month ATM	NKY Index	21.55	2.52	3.48	6.02	4.55
S&P 500 3month ATM	SPX Index	18.65	4.81	3.79	8.73	6.55
Volatility (VIX)	VIX Index	22.52	9.07	5.02	13.83	11.75
Inflation (Long term inflation expectation proxy) %			Change (percentage points)			
US 5Y5YF Inflation Swap		2.37	0.06	0.00	0.06	0.03
UK 5Y5YF Inflation Swap		3.42	0.04	-0.04	-0.06	-0.05
JPY 5Y5YF Inflation Swap		0.41	0.01	0.01	0.00	-0.10
EUR 5Y5YF Inflation Swap		1.69	-0.01	-0.05	-0.04	0.05
Economic Data Surprise (+ive/-ive = above/below expectations)						
Citi Economic Surprise Index	CESIAPAC Index	51.50				
Citi Economic Surprise Index -	CESICNY Index	97.10				
Citi Economic Surprise Index -	CESIEM Index	35.40				
Citi Economic Surprise Index -	CESIEUR Index	-57.90				
Citi Economic Surprise Index -	CESIGIO Index	-1.50				
Citi Economic Surprise - Japan	CESIJPY Index	-8.10				
Citi Economic Surprise Index -	CESILTAM Index	-3.00				
Citi Economic Surprise - Unite	CESIUSD Index	46.30				

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

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