

13 TO 19 AUGUST: TURKEY IS IDIOSYNCRATIC, NOT SYSTEMIC

THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	Denmark 0.86% , Australia 0.75% , New Zealand 0.74%
	Bottom 3:	Luxembourg -3.66% , Italy -3.14% , Portugal -2.91%
EMERGING	Top 3:	Hungary 1.05% , Abu Dhabi 0.72% , Pakistan -0.42%
	Bottom 3:	South Africa -6.81% , Indonesia -5.25% , China "A" -4.79%
FRONTIER	Top 3:	Mauritius 1.88% , Bangladesh 1.83% , Romania 0.50%
	Bottom 3:	Argentina -4.41% , Kazakhstan -2.50% , Serbia -2.36%

Headlines were dominated by the market turmoil in Turkey that triggered a mini meltdown in the EM universe. With a few exceptions, all emerging and frontier markets were hit during the week. Consequently, the MSCI Emerging Markets index closed 3.71% lower in USD terms. Recent market movements have been excessive and fundamentally not justified, in our opinion, as most of the emerging and frontier markets do not exhibit such vulnerabilities and idiosyncratic risks as Turkey. The few economies that bear some resemblance to Turkey, such as Argentina, stand ready to deliver appropriate policy responses to curb capital outflow and reduce asset price volatility. Furthermore, there are no significant channels of contagion through the real economy, neither direct or indirect, as the trade linkages between Turkey and other EM countries are rather weak. Although financial linkages between Turkey and the rest of the EM universe are negligible, elevated asset price volatility and excessive capital outflows can sometimes have unintended consequences, such as a sudden changes in the course of monetary policy or an otherwise unexpected downgrade.

Due to the sentiment-driven nature of the recent market mini meltdown, EM indices are likely to bounce back once the risk-averse mood fades. The timing of the rebound depends only on when the US administration deals its finishing blow, as market players want to see what price a disobedient country pays when it openly rebels against the wishes of the POTUS. We are of the view that the global growth story has not been hurt because of the Turkish demise, and once the horizon clears, EM and FM markets will benefit from a restoration of global risk appetite.

Looking ahead

Since the economic calendar is rather light on macroeconomic data releases this week, markets will focus on developments in Turkey, the trade talks between the US and China, the content and tone of the Federal Reserve's minutes and speeches delivered by central bankers in the Fed's annual symposium in Jackson Hole starting on Friday.

The Fed's minutes from the last rate setting meeting should reaffirm that the FOMC will deliver two more 25bp rate hikes this year, as the Committee's reaction function overweights underlying economic developments within the domestic US economy relative to external noise, such as Turkey.

Chair Powell may reflect on this idea in his speech in Jackson Hole. Markets will have to find comfort in the idea that Turkey is an insulated idiosyncratic story that has little chance to be contagious.

In Asia, Taiwanese unemployment and industrial production and Malaysian CPI inflation releases will be published. In Latin America, Chile, Peru and Mexico will release 2018 Q2 GDP data. In addition, the Argentinian trade balance and economic activity index and Mexico's CPI inflation and current account balance can influence local market sentiment. In Africa, South Africa will reveal CPI inflation.

UNITED STATES

S&P 2,850 +0.59%, 10yr Treasury 2.87% -1.27bps, HY Credit Index 335 +1bps, Vix 12.26 -.52Vol

Despite the risk-off mood during the week, US stock markets performed relatively well. The S&P 500 rose 0.59%, the Russell 2000 increased 0.36%, while the Nasdaq Composite decreased 0.29%. US Treasury yields barely changed, as the 2-year yield was 2.61% and the 10-year was 2.86%. The broad dollar index (DXY) decreased, 0.27% last week.

The US and China have relaunched discussions on trade.

President Trump noted that negotiations will be difficult by claiming 'They just are not able to give us an agreement that is acceptable, so we're not going to do any deal until we get one that's fair to our country.'

Industrial production in the US rose 0.1% MoM, while manufacturing output increased 0.3% MoM in July.

Capacity utilisation stagnated at 78.1%. Past datapoint in June was revised up 0.4ppt to 1% MoM. Meanwhile, headline retail sales volume in the US rose 0.5% MoM in July. Excluding autos, sales increased 0.6% MoM. Both measures exceeded Bloomberg consensus.

The delinquency ratio of US household debt moderated to 4.52% in 2018 Q2. The figure is the lowest since 2003. The decrease is mostly explained by student loans.

EUROPE

Eurostoxx 3,394 -1.50%, German Bund 0.32% -1.20bps, Xover Credit Index 305 -4bps, USDEUR .876 -0.06%

European stock indices finished the week in the red. The big-four European stock markets fell between 1.2-3.1% in USD terms. Safe havens flows drove down German Bund yield, as the whole curve shifted down bringing the 2-year yield to -0.65% and the 10-year to 0.3%.

The second release of 2018 Q2 GDP growth in the Euro Area was faster than the flash estimate. **The rate of economic expansion in the Eurozone was revised up 0.1ppt to 0.4% QoQ, means 2.2% growth in annual terms.**

Headline CPI inflation in the UK rose to 2.5% YoY in July, due to the sharp increase in fuel prices. Meanwhile, nominal wage growth came in at 2.7% YoY in June.

Turkish authorities, finally, delivered some stabilising measures to curb volatility in the domestic financial markets and address the lira's extreme weakness. Such measures were the limitation of banks' ability to swap lira to other currency and the reduction of reserve requirement ratios for both TRY and FX deposits. Furthermore, the

central bank increased the TRY interest rate in its FX deposit auction by 150bp to 19.25%. **In the second half of the week, the Turkish lira gained vs. major currencies, such as the USD.** The USDTRY cross peaked at 7.24 on Monday and closed the week at 6.02, gaining 17%. Although Turkish markets recuperated to some extent, **political tensions between Turkey and the US have not abated yet.** According to a spokesperson from the US administration, the POTUS continues to have 'a great deal of frustration' with Turkey, since the country has not released US citizens in Turkish captivity yet.

S&P downgraded Turkey's credit rating from BB- to B+ with 'stable' outlook. Moody's downgraded Turkey by one notch as well, to Ba3 with 'negative' outlook. Both agencies cited that policy unpredictability and its lack of credibility contribute to the elevated volatility in domestic financial markets, which fuel inflation and amplify the adverse impact of external vulnerabilities and imbalances.

Russian GDP growth accelerated to 1.8% YoY in 2018 Q2 vs. 1.3% YoY in the previous quarter. Although no details are available yet to assess the drivers of GDP growth in Q2, high-frequency indicators suggested that consumer demand it was supportive.

Polish GDP expanded 5.1% YoY in 2018 Q2, slightly slowing from 5.2% YoY in Q1. In a quarterly comparison, the Polish economy increased 0.9%. Headline CPI inflation was 2% YoY, while the core measure was 0.5% YoY in July.

Hungarian GDP increased 4.6% YoY in 2018 Q2. According to the comment by the Statistical Office, GDP growth was broad-based.

GDP growth in the Czech Republic decelerated to 0.5% QoQ in 2018 Q2. In annual terms, the Czech GDP rose 2.3%, which is considerably slower than the 4.2% pace seen in Q1.

ASIA PACIFIC

HSCEI 10,641 -3.92%, Nikkei 22,199.00 + 0.17%, 10yr JGB 0.10% Obps, USDJPY 110.620 -0.29%

Asian markets fared badly during the week. The MSCI Asia Pacific index plummeted 3.52% in USD terms. Risk-averse market sentiment hit the Indonesian market the most, as the country's stock index lost 5.25% in USD. Vietnam and Bangladesh were the only exceptions in within the Asian EM universe, who managed to rise, 0.1% and 0.17% (all in USD), respectively.

Japanese exports in seasonally adjusted real terms dropped 0.1% MoM, while real imports rose 3.6% MoM SA

in July. The drop in the value of exports was mostly due to the decreasing shipments of autos and auto parts.

The foreign trade deficit in India widened to USD 18bn in July, USD 1.4bn higher than in June. Exports grew 14.3% YoY, while imports skyrocketed 28.8% YoY. The soaring value of imports was mostly driven by the increasing value of crude oil expressed in Indian rupee, as it surged 58% YoY. The cumulative trade deficit was USD 63bn in the period between April and July (YTD FY2018-19).

India's inflation stabilised at 4.17% YoY in July, edging down from 4.92% in the previous month. Meanwhile, the core measure accelerated to 6.3% YoY.

Chinese authorities released a wide range of high-frequency indicators from July, which suggested a moderate deceleration of the Chinese economy. Fixed asset investment growth slowed 0.5ppt to 5.5% YoY in the period between January and July. Retail sales slowed 0.2ppt to 8.8% YoY, while industrial output growth stagnated 6% YoY in July. All three indicators undershot median market estimates.

Recent data suggest that the Chinese economy slowed this summer. We hold the view that the slowdown was not due to the tariffs imposed by the US, but induced by tighter financial conditions last year. The central bank loosened monetary conditions in the first half of this year that should stabilise growth dynamics in 2018 H2.

Fitch retained Malaysia's credit rating at A- with 'stable' outlook. In its assessment, the agency raised Malaysia's government debt estimate by almost 15ppt to ca. 65% of GDP at end-2017, as the government recognized the need to service a large share of explicitly guaranteed debt. Fitch also noted that there are substantial upside risks posed by the contingent liabilities related to public-private partnerships.

The Bangladeshi trade deficit widened by USD 8.7bn to USD 18.3bn in FY2017-18 due to soaring imports, while exports growth lagged behind. As a result, the current account deficit rose to USD 9.8bn in FY2017-18 vs. USD 1.3bn in the previous fiscal year. The financial account registered a surplus of USD 9.1bn.

The Indonesian current account deficit widened to 3% of GDP in 2018 Q2 from 1.9% in 2017 Q2. The larger deficit was due to a greater trade deficit, as tourism revenue and remittances inflows increased moderately.

The government of Indonesia announced plans to curb the country's current account deficit by putting great emphasis on import reduction. Measures include delaying infrastructure projects, optimising domestic content on infrastructure projects, "managing" the imports of 500 products and substituting imports by widening the use of biodiesel towards non-subsidised fuels.

The Indonesian central bank delivered a surprise by raising the policy rate 25bp to 5.5%. This was the fourth hike since this May. According to the communique by the central bank, the decision was brought in order to address the weakening effect of the current account deficit on the Indonesia rupiah and to curb volatility in Indonesian financial markets by stabilising external demand for IDR-

denominated assets. According to the Governor, the Monetary Policy Council remains hawkish and vigilant, and will keep monitoring global market developments to assess whether there is a need to raise rates any further.

The 1-week interbank interest rate (JIBOR) stood at 5.85% after the rate announcement implying that market players expect further policy rate hikes this year in harmony with the central bank Governor's statement. We agree that Indonesia needs to deliver at least 50bp worth of hikes this year to curb the current account deficit and to stabilise the USDIDR exchange rate.

The Pakistani trade deficit stagnated at USD 3.2bn in July, as exports rose 1.2% YoY, while imports increased 0.6% YoY. Current account deficit widened to USD 18bn in FY2017-18.

LATIN AMERICA

MSCI Lat Am 2,501 **-2.50%**

The MSCI Latin America index fell 2.5% in USD. The Argentinian and Peruvian markets fell the most, as they were down 4.41% and 4.21% in USD terms, respectively. Mexico's stock index fell to the smallest extent compared to its Latin American peers, as it decreased 0.85% in USD.

According to the minutes released by the central bank of Mexico, Monetary Policy Council members monitored inflation closely and discussed the intensity of economic activity. The statement implied that MPC members do not see the central bank's 3% inflation target being achieved soon. Furthermore, the MPC see risks related to NAFTA and the fiscal stance.

The statement implied that, in the absence of an external shock, the MPC is unlikely to deliver a rate hike in the second half of the year. The recent turmoil in markets induced by Turkey can only overwrite the MPC's thesis, if the risk-averse sentiment persists for a prolonged period.

Chilean economic activity rose 5.2% YoY in 2Q18. Non-mining activity continued to advance at a good pace, 5.3% YoY in 2Q18.

According to Moody's, Chile's improved macroeconomic environment will support corporate credit quality in 2019. The agency holds a positive view on mining companies, while also believing that consumer-related firms will benefit from higher business and consumer confidence.

The central bank of Peru maintained the policy rate at 2.75%. According to the Monetary Policy Council, inflation indicators remained inside the range around the 2% inflation target, while economic activity improved, but continues to run below potential.

Peruvian GDP growth reached 5.4% YoY in 2Q18. Growth was bolstered by non-agricultural sectors, as non-primary GDP grew 5% YoY, while agricultural performance was rather weak.

Moody's cited that the Peruvian consumer sector will benefit from the improvement in consumer confidence and private consumption growth, and stated that the outlook for the construction sector was positive.

The Argentinian central bank delivered a 500bp rate hike and raised the policy rate to 45%. According to the MPC, the policy rate will not be changed at least until October. In addition, monetary authorities announced plans to sell USD 500mn to defend the peso and curb volatility in the FX market. The central bank is going to phase out short-term notes (Lebac) by the end of this year to reduce unwanted volatility in the FX market that is induced by the roll-over of the short-term notes.

GDP growth in Colombia accelerated to 2.8% YoY (0.6% QoQ) in 2018 Q2. Growth was broad-based, as almost all of the economic sectors and industries positively contributed to growth.

Colombian retail sales rose 6.3% YoY in June, while manufacturing production slowed to 1.3% YoY. Foreign trade deficit was USD 1.6bn in 2018 Q2, while the 12-month rolling deficit was USD 5bn.

AFRICA

MSCI Africa 778 -7.23%

African markets were hit strongly last week. The MSCI Africa index lost 7.23% of its value driven by the South African stock market that plummeted 6.81% in (all in USD terms). Egypt fell as well, as the country's stock index decreased 3.49% in USD. Meanwhile, the Kenyan stock index outperformed its peers, as it rose 0.36% expressed in USD.

Egypt's central bank left its policy rate unchanged, as expected. The central bank's deposit rate remains at 16.75% and the overnight lending rate at 17.75%.

The South African rand depreciated 5.3% against the US during the week. The country's central bank communicated at the beginning of the week that the authority was surprised by the magnitude of the currency weakness, but it did not call for central bank action. According to the South African central bank, economic recovery may take longer than previously expected, and consequently, reduced its GDP growth forecast 0.5ppt to 1.2% for this year.

Moody's raised concerns that it may take longer than previously expected for South African GDP to rebound. Moody's also pointed out fiscal strains that need to be addressed in the short-term.

The extent of FX weakness and bond yield increase was amplified by Moody's comments, since Moody's is the only major credit rating agency that retains the country in investment grade category. A downgrade by Moody's will lead to the country exclusion from the FTSE World Government Bond Index, which will trigger capital outflow that drives down stocks and weakens the currency.

Nigeria's national debt stood at about USD 73.1bn at the end of June 2018, up 3% from six months earlier, according to director-general of the Debt Management Office Patience Oniha. Oniha said debt rose after the office issued a USD 2.5bn Eurobond in February. The director-general added that Nigeria's debt mix is moving towards a target of 40% foreign and 60% domestic. The government plans

to sell USD 2.8bn of debt offshore this year. Parliament needs to approve the new borrowing.

THE WEEK AHEAD

	Date	Consensus
UNITED STATES		
Markit US manufacturing PMI (AUG)	Thu/23	55.0
Markit US services PMI (AUG)	Thu/23	56.0
EUROPE		
Hungary interest rate %	Tue/21	0.9
Markit Eurozone manufacturing PMI (AUG)	Thu/23	55.2
Eurozone consumer confidence (AUG)	Thu/23	-0.7
Germany GDP (Q2) % YOY	Fri/24	2.3
ASIA PACIFIC		
Thailand GDP (Q2) % YOY	Mon/20	4.4
Japan CPI (JUL) % YOY	Fri/24	1.0
LATIN AMERICA		
Chile GDP (Q2) % YOY	Mon/20	5.2
Mexico GDP (Q2) % YOY	Fri/24	2.8
AFRICA		
South Africa CPI (JUL) % YOY	Wed/22	5.0

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MARKET DATA**

GLOBAL MARKET DATA (CONTD.)

13 TO 19 AUGUST

Market Summary			Data: Last Calendar Week					YTD (Local)	Volume 1wk/3mo
Equities			Return (USD)						
Name	Country	Price	1 Week	MTD	YTD	1Y			
North America									
S&P 500 INDEX	US	2,850.13	0.59%	1.20%	6.60%	17.29%		87%	
RUSSELL 2000 INDEX	US	1,692.95	0.36%	1.33%	10.25%	24.58%		86%	
NASDAQ COMPOSITE INDEX	US	7,816.33	-0.29%	1.88%	13.22%	25.63%		92%	
S&P/TSX COMPOSITE INDEX	Canada	16,323.71	0.38%	-1.26%	-3.60%	4.99%	0.71%	106%	
S&P 500 CONS DISCRET IDX	US	894.78	-0.22%	1.09%	13.94%	26.90%		82%	
S&P 500 CONS STAPLES IDX	US	564.08	3.23%	2.63%	-3.97%	-0.84%		87%	
S&P 500 FINANCIALS INDEX	US	466.68	0.61%	0.61%	0.59%	14.42%		82%	
S&P 500 HEALTH CARE IDX	US	1,052.91	1.60%	2.38%	10.10%	16.41%		86%	
S&P 500 INFO TECH INDEX	US	1,279.16	-0.17%	2.87%	15.64%	30.43%		96%	
S&P 500 ENERGY INDEX	US	534.27	-3.59%	-6.13%	0.16%	17.55%		83%	
S&P 500 ECO SECTORS IDX	US	2,850.13	0.59%	1.20%	6.60%	17.29%		87%	
S&P 500 INDUSTRIALS IDX	US	639.72	1.42%	-0.94%	0.30%	11.39%		83%	
S&P 500 MATERIALS INDEX	US	366.13	-0.50%	-2.20%	-3.38%	8.99%		103%	
S&P 500 REAL ESTATE IDX	US	208.94	2.90%	2.46%	2.49%	4.99%		84%	
S&P 500 TELECOM SERV IDX	US	157.77	3.65%	5.46%	-5.00%	0.61%		76%	
S&P 500 UTILITIES INDEX	US	275.17	2.54%	2.63%	2.92%	0.53%		84%	
Europe									
Euro Stoxx 50 Pr	Europe	3,394.25	-1.50%	-6.75%	-8.65%	-5.33%	-3.74%	75%	
CAC 40 INDEX	France	5,375.52	-1.23%	-5.47%	-4.52%	0.91%	0.61%	84%	
DAX INDEX	Germany	12,304.25	-1.66%	-7.06%	-10.29%	-2.77%	-5.47%	87%	
Athex Composite Share Pr	Greece	713.02	-4.43%	-9.04%	-15.98%	-17.04%	-11.47%	96%	
FTSE MIB INDEX	Italy	20,490.92	-3.14%	-10.43%	-11.34%	-8.95%	-6.58%	89%	
AEX-Index	Netherlands	556.44	-1.72%	-6.14%	-3.64%	2.60%	1.54%	87%	
PSI All-Share Index GR	Portugal	3,240.67	-2.27%	-4.58%	3.08%	8.07%	8.61%	74%	
MOEX Russia Index	Russia	2,270.27	-0.51%	-10.23%	-8.77%	1.64%	6.89%	67%	
IBEX 35 INDEX	Spain	9,470.70	-1.86%	-7.01%	-11.02%	-12.38%	-6.24%	67%	
OMX STOCKHOLM 30 INDEX	Sweden	1,625.09	-0.11%	-3.85%	-8.31%	-6.85%	2.90%	74%	
SWISS MARKET INDEX	Switzerland	9,038.63	-0.21%	-2.34%	-6.05%	-2.64%	-4.03%	79%	
BIST 100 INDEX	Turkey	89,620.46	-0.53%	-25.63%	-51.77%	-51.62%	-23.06%	145%	
FTSE 100 INDEX	UK	7,592.00	-1.57%	-5.41%	-7.46%	1.13%	-1.68%	89%	
Asia Pacific									
MSCI AC ASIA x JAPAN	MSCI Asia Ex	644.59	-3.52%	-4.44%	-9.65%	-0.99%	-9.65%	96%	
S&P/ASX 200 INDEX	Australia	6,344.99	0.75%	-1.16%	-2.57%	0.98%	4.52%	104%	
DSE 30 Index	Bangladesh	1,943.14	1.87%	2.69%	-17.51%	-12.06%	-16.12%		
HANG SENG CHINA ENT INDX	China "H"	10,640.76	-3.92%	-4.64%	-10.64%	-2.99%	-10.21%	88%	
SHANGHAI SE COMPOSITE	China "A"	2,698.47	-4.79%	-7.96%	-23.65%	-20.81%	-19.30%	87%	
HANG SENG INDEX	HK	27,558.49	-4.06%	-4.80%	-9.47%	-0.82%	-9.04%	90%	
Nifty 50	India	11,557.95	-0.94%	-1.26%	-0.68%	6.09%	8.93%	111%	
JAKARTA COMPOSITE INDEX	Indonesia	5,896.55	-5.25%	-4.02%	-15.40%	-10.22%	-9.00%	91%	
NIKKEI 225	Japan	22,199.00	0.17%	0.00%	-0.24%	12.40%	-2.17%	91%	
KOSPI 200 INDEX	Korea	288.61	-1.01%	-3.98%	-15.27%	-5.24%	-11.14%	89%	
Laos Composite Index	Laos	879.75	-0.93%	-3.82%	-15.05%	-16.92%	-12.72%	141%	
FTSE Bursa Malaysia KLCI	Malaysia	1,789.22	-1.65%	-1.45%	-1.74%	5.13%	-0.74%	77%	
KARACHI 100 INDEX	Pakistan	42,429.87	-0.42%	-1.10%	-6.05%	-15.87%	4.88%	98%	
PSEI - PHILIPPINE SE IDX	Philippines	7,500.53	-3.01%	-1.73%	-16.93%	-9.55%	-11.39%	72%	
STRAITS TIMES INDEX STI	Singapore	3,208.99	-2.28%	-4.16%	-8.16%	-2.35%	-5.69%	96%	
SRI LANKA COLOMB ALL SH	Sri Lanka	6,053.53	-1.78%	-2.01%	-9.07%	-9.74%	-5.00%	66%	
TAIWAN TAIEX INDEX	Taiwan	10,699.05	-2.67%	-4.03%	-3.11%	1.73%	0.45%	97%	
STOCK EXCH OF THAI INDEX	Thailand	1,697.48	-0.73%	-0.85%	-5.53%	7.76%	-3.63%	103%	
HO CHI MINH STOCK INDEX	Vietnam	970.81	0.10%	1.31%	-3.97%	23.21%	-1.56%	108%	
Rest of the World									
MSCI ACWI	MSCI World	513.08	-0.49%	-1.30%	0.01%	8.68%	0.01%	80%	
MSCI EM	MSCI EM	1,022.94	-3.71%	-5.93%	-11.70%	-3.80%	-11.70%	78%	
MSCI Frontier Market Index	MSCI FM	2,648.52	-2.20%	-3.28%	-11.37%	-4.39%	-11.37%	90%	
DFM GENERAL INDEX	Dubai	2,815.79	-4.00%	-5.16%	-16.82%	-22.16%	-16.82%	55%	
MSCI EM LATIN AMERICA	Latin America	2,500.81	-2.50%	-7.45%	-11.57%	-10.32%	-11.57%	80%	
ARGENTINA MERVAL INDEX	Argentina	26,238.82	-4.41%	-17.67%	-45.42%	-33.05%	-12.73%	97%	
MSCI BRAZIL	Brazil	1,679.58	-3.09%	-8.71%	-16.97%	-12.21%	-16.97%	94%	
S&P/CLX IPSA (CLP) TR	Chile	5,242.77	-2.84%	-8.37%	-13.56%	-1.19%	-5.78%	92%	
IGBC GENERAL INDEX	Colombia	12,074.71	-2.46%	-5.15%	3.78%	9.41%	5.20%		
S&P/BMV IPC	Mexico	48,264.63	-0.85%	-5.09%	0.98%	-11.74%	-2.21%	78%	
Bolsa de Panama General	Panama	473.89	-0.87%	-1.40%	6.99%	10.26%	6.99%	52%	
S&P/BVLPeruGeneralTRPEN	Peru	19,533.29	-4.27%	-6.21%	-4.68%	11.56%	-2.21%	82%	
MSCI EFM AFRICA	Africa	777.50	-7.23%	-13.26%	-23.29%	-12.24%	-23.29%	87%	
EGYPT HERMES INDEX	Egypt	1,479.00	-3.49%	-2.18%	2.45%	22.91%	3.14%	86%	
GSE Composite Index	Ghana	2,867.17	-0.58%	-1.33%	3.12%	13.99%	11.14%	54%	
Nairobi SE 20 Share	Kenya	3,336.06	0.36%	0.86%	-8.01%	-15.40%	-10.13%	70%	
MASI Free Float Index	Morocco	11,720.32	0.52%	-1.00%	-7.23%	-4.89%	-5.40%	47%	
NIGERIA STCK EXC ALL SHR	Nigeria	35,266.29	-0.09%	-4.44%	-8.04%	-2.49%	-7.78%	68%	
FTSE/JSE AFRICA TOP40 IX	South Africa	51,297.08	-6.81%	-12.76%	-19.38%	-8.06%	-3.68%	103%	
Global Style									
MSCI WORLD GROWTH INDEX	US	2,628.17	-0.27%	-0.04%	6.06%	16.16%	6.06%	95%	
MSCI WORLD VALUE INDEX	US	2,794.50	0.12%	-1.38%	-2.82%	4.68%	-2.82%	87%	
MSCI World Large Cap	US	1,312.34	-0.02%	-0.54%	2.01%	10.71%	2.01%	89%	
MSCI World Mid-Cap	US	1,382.66	-0.36%	-1.42%	-0.07%	9.08%	-0.07%	91%	
Average			-1.35%	-3.67%	-6.47%	0.19%	-5.09%	86%	
Top 25%			0.00%	-0.90%	0.23%	9.20%	0.49%	94%	
Bottom 25%			-2.92%	-6.03%	-11.36%	-9.25%	-11.20%	78%	

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GLOBAL MARKET DATA (CONTD.)

13 TO 19 AUGUST

FX (vs USD)			Return +ive=USD Stronger			
Name	BBG Code	Price	1 Week	MTD	YTD	1Y
DOLLAR INDEX SPOT	DX Index	96.24	-0.27%	1.64%	4.32%	2.65%
USD-EUR X-RATE	USDEUR Curncy	0.88	-0.06%	2.60%	5.36%	2.91%
Russian Ruble SPOT (TOM)	USDRUB Curncy	67.18	-0.37%	8.23%	17.17%	14.28%
USD-TRY X-RATE	USDTRY Curncy	6.10	-6.04%	23.07%	59.52%	71.69%
USD-GBP X-RATE	USDGBP Curncy	0.78	0.17%	3.12%	6.23%	1.17%
Bloomberg JPMorgan Asia Dollar	ADX Index	105.05	0.12%	-0.69%	-4.28%	-1.86%
USD-AUD X-RATE	USDAUD Curncy	1.37	0.20%	2.12%	7.26%	8.61%
USD-CNY X-RATE	USDCNY Curncy	6.85	0.28%	0.81%	5.70%	3.12%
USD-INR X-RATE	USDINR Curncy	69.73	1.32%	2.29%	9.67%	9.17%
USD-JPY X-RATE	USDJPY Curncy	110.62	-0.29%	-1.25%	-1.94%	0.56%
USD-KRW X-RATE	USDKRW Curncy	1,121.93	-0.72%	1.04%	5.26%	-1.45%
USD-TWD X-RATE	USDTWD Curncy	30.76	0.01%	0.75%	3.68%	1.34%
USD-ARS X-RATE	USDARS Curncy	29.86	2.21%	8.82%	59.91%	72.46%
USD-BRL X-RATE	USDBRL Curncy	3.91	2.10%	5.05%	18.87%	24.25%
USD-CLP X-RATE	USDCLP Curncy	668.03	2.44%	5.28%	8.99%	3.81%
USD-MXN X-RATE	USDMXN Curncy	18.92	0.61%	2.33%	-3.16%	7.24%
USD-EGP X-RATE	USDEGP Curncy	17.92	0.21%	0.18%	0.69%	0.75%
USD-NGN X-RATE	USDNGN Curncy	362.12	-0.41%	-0.30%	0.28%	-0.41%
USD-ZAR X-RATE	USDZAR Curncy	14.56	5.27%	13.03%	19.48%	12.18%
Commodities			Return (USD)			
WTI CRUDE FUTURE Sep18	CLA Comdty	65.87	-2.54%	-4.14%	11.58%	37.23%
BRENT CRUDE FUTR Oct18	COA Comdty	71.86	-1.35%	-3.21%	11.55%	40.46%
Baltic Dry Index	BDIY Comdty	1,723.00	1.89%	-1.37%	26.13%	38.17%
Natural Gas Futures	NGI Comdty	2.90	0.07%	5.90%	-0.24%	0.58%
Gold Spot \$/Oz	XAU Curncy	1,187.57	-2.84%	-3.98%	-9.87%	-8.52%
Silver Spot \$/Oz	XAG Curncy	14.81	-4.29%	-5.92%	-14.13%	-14.11%
LME COPPER 3MO (\$)	LMCADSO3 Comdty	5,926.00	-4.26%	-5.94%	-18.23%	-8.69%
Government Bond Yields %			Change (percentage points)			
US Generic Govt 2 Year Yield	USGG2YR Index	2.61	0.00	-0.06	0.72	1.31
US Generic Govt 5 Year Yield	USGG5YR Index	2.74	0.00	-0.11	0.53	0.99
US Generic Govt 10 Year Yield	USGG10YR Index	2.87	-0.01	-0.10	0.46	0.68
Canadian Govt Bonds 10 Year No	GCMX10YR Index	2.27	-0.03	-0.04	0.22	0.42
Mexico Generic 10 Year	GMXN10YR Index	7.90	0.14	0.13	0.24	1.04
UK Govt Bonds 10 Year Note Gen	GUKG10 Index	1.25	-0.01	-0.09	0.05	0.15
Switzerland Govt Bonds 10 Year	GSWISS10 Index	-0.11	-0.02	-0.11	0.02	-0.03
German Government Bonds 2 Yr B	GDBR2 Index	-0.64	-0.02	-0.08	-0.02	0.05
German Government Bonds 5 Yr O	GDBR5 Index	-0.26	-0.02	-0.14	-0.07	-0.01
German Government Bonds 10 Yr	GDBR10 Index	0.32	-0.01	-0.14	-0.12	-0.12
French Generic Govt 10Y Yield	GTFRF10Y Govt	0.66	-0.01	-0.07	-0.12	-0.06
Greece Generic Govt 10Y Yield	GTGRD10Y Govt	4.30	0.13	0.37	0.24	-1.26
Italy Generic Govt 10Y Yield	GBTGPR10 Index	3.10	0.13	0.40	1.11	1.09
Spain Generic Govt 10Y Yield	GSPG10YR Index	1.44	0.04	0.05	-0.12	0.01
Portugal Generic Govt 10Y Yield	GSPT10YR Index	1.84	0.08	0.11	-0.09	-0.92
Australia Govt Bonds Generic Y	GACGB10 Index	2.52	-0.04	-0.11	-0.09	-0.10
India Govt Bond Generic Bid Yi	GIND10YR Index	7.84	0.11	0.09	0.54	1.33
KCMP South Korea Treasury Bond	GVSK10YR Index	2.43	-0.07	-0.14	-0.04	0.11
Japan Generic Govt 10Y Yield	GJGB10 Index	0.10	0.00	0.04	0.05	0.04
South Africa Govt Bonds 10 Yea	GSAB10YR Index	8.72				
Corporate Credit Indices			Change (Bps) +ive = Widening			
MARKIT ITRX EUR XOVER 06/23	ITRXEXE CBIL Curncy	304.75	3.85	22.84	73.37	61.77
MARKIT ITRX EUROPE 06/23	ITRXEBE CBIL Curncy	71.03	3.62	10.01	25.96	14.41
MARKIT ITRX EUR SNR FIN 06/23	ITRXESE CBIL Curncy	86.41	2.02	12.53	42.60	32.37
MARKIT ITRX EUR SUB FIN 06/23	ITRXEUE CBIL Curncy	178.41	2.98	20.32	73.36	54.29
MARKIT CDX.NA.IB.30 06/23	IBOXUMAE CBIL Curncy	60.99	0.77	3.49	12.63	0.52
MARKIT CDX.NA.HY.30 06/23	IBOXHYE CBIL Curncy	334.59	1.36	6.77	30.36	-5.23
Implied Volatility (Equity Index)			Change (Volatility Points) +ive = Volatility Rising			
Eurostoxx 3month ATM	SX5E Index	14.27	0.73	2.51	0.61	0.18
FTSE 100 500 3month ATM	UKX Index	11.84	0.27	1.22	2.45	1.43
Hang Seng 3month ATM	HSI Index	17.76	1.42	1.82	2.85	3.50
Nikkei 3month ATM	NKY Index	14.47	0.40	1.35	-1.06	2.17
S&P 500 3month ATM	SPX Index	11.27	-0.05	0.32	1.35	-1.10
Volatility (VIX)	VIX Index	12.26	-0.52	-0.19	1.60	-2.91
Inflation (Long term inflation expectation proxy) %			Change (percentage points)			
US 5Y5YF Inflation Swap		2.41	-0.01	-0.04	0.06	0.14
UK 5Y5YF Inflation Swap		3.44	0.00	-0.01	-0.06	0.08
JPY 5Y5YF Inflation Swap		0.16	0.00	-0.24	-0.24	-0.16
EUR 5Y5YF Inflation Swap		1.69	-0.03	-0.05	-0.03	0.10
Economic Data Surprise (+ive/-ive = above/below expectations)						
Citi Economic Surprise Index	CESIAPAC Index	-18.90				
Citi Economic Surprise Index -	CESICNY Index	-44.80				
Citi Economic Surprise Index -	CESIEM Index	-9.40				
Citi Economic Surprise Index -	CESIEUR Index	-16.30				
Citi Economic Surprise Index -	CESIG10 Index	-7.50				
Citi Economic Surprise - Japan	CESIJPY Index	-2.80				
Citi Economic Surprise Index -	CESILTAM Index	28.00				
Citi Economic Surprise - Unite	CESIUSD Index	-16.30				

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