

# GLOBAL MARKET UPDATE



## 3 - 9 DECEMBER: IT'S THE ECONOMY, STUPID!

### THIS WEEK'S GLOBAL EQUITY MARKET MOVERS

DEVELOPED	Top 3:	Norway <b>0.23%</b> , Denmark <b>0.18%</b> , Singapore <b>-0.03%</b>
	Bottom 3:	United States <b>-4.60%</b> , Ireland <b>-3.96%</b> , Austria <b>-3.86%</b>
EMERGING	Top 3:	Greece <b>3.66%</b> , Colombia <b>3.03%</b> , Russia <b>3.00%</b>
	Bottom 3:	Pakistan <b>-6.84%</b> , Egypt <b>-6.26%</b> , India <b>-3.81%</b>
FRONTIER	Top 3:	Vietnam <b>3.47%</b> , Oman <b>3.10%</b> , Argentina <b>1.18%</b>
	Bottom 3:	Lebanon <b>-2.15%</b> , Estonia <b>-1.17%</b> , Bahrain <b>-0.67%</b>

**Sovereign yields sank to alarmingly low levels on both sides of the Atlantic by the end of the week.** In addition, the US Treasury curve produced a very unusual shape during the week, i.e. the 5-year yield slipped below 2-year tenor, while the 10-year remains above both – although barely. The question arises: why are yields so depressed, especially when the Fed has been tightening and the ECB is laying the groundwork to start tightening? To answer this question, we quote Bill Clinton's famous Presidential campaign slogan 'It's the economy, stupid!' from 1992, as it remains valid today. **It is, indeed, the current state of the economy and its outlook for growth that weighs on sentiment in financial markets.** In the Eurozone, market participants may believe that the European Central Bank's claim to exit from its ultra-loose monetary policy stance is just not credible, due to the meagre economic growth and the absence of domestic price pressures. Meanwhile, US markets may be distressed by trade war-related concerns that could hurt the profitability of US corporates. Therefore, there is a key difference between what causes European and US markets to stir: the Euro Area continues to face inherent structural deficiencies that are not being addressed due to seemingly irresolvable internal political tensions, while sentiment in the US is curbed by fears induced by trade tensions. **This leads us to conclude that divergence in terms of monetary policies, economic and market performances between the Euro Area and the US may continue next year – especially if volatility brought about by trade wars dissipate.**

During the week ahead, the US is going to release CPI inflation and retail sales figures from November and the Markit manufacturing PMI number for December. Although the releases will not influence short-term interest rate expectations, since the Fed's – expected – rate hike in December is a done deal, **all three indicators should give guidance to financial markets on where the Fed funds rate could peak next year.** The Eurozone will also release CPI inflation and PMIs next week, but most importantly, the **European Central Bank will deliver the last monetary policy decision this year,** including the announcement of the asset purchase programme's termination at the very end of December.

Within the EM universe, **various Asian countries are going to reveal a set of relevant macroeconomic indicators,** such as CPI inflation in India, money supply, retail sales and industrial production in China,

while the Philippine central bank decides on the policy rate. **Latin American markets will focus on high-frequency macroeconomic data** in Mexico, Colombia and Brazil (e.g. industrial production, retail sales, etc.). In addition, the Peruvian central bank announces its decision on the policy rate. Meanwhile, **within the African space, Q3 GDP data will be published** by Morocco, Kenya and Nigeria.

## UNITED STATES

*S&P 2,633 -4.60%, 10yr Treasury 2.85% -14.29bps, HY Credit Index 422 +18bps, Vix 23.23 +5.16Vol*

**Stock markets in the US were hammered during the week.** The sell-off within the equity space was exhibited across the board, and was clearly a consequence of **market sentiment turning risk averse again.** As a result, the S&P 500 fell 4.6%, while the Russell 2000 index decreased 5.6%. As a result, both indices are in the red since the beginning of the year: the S&P 500 is lower by 1.5%, while the Russell 2000 is below its beginning-of-the-year value by 5.6%. Risk aversion not only drove stock indices down, but Treasury yields as well, **which led to an unusual phenomenon, namely that the belly of the curve inverted,** as the 5-year yield dipped below the 2-year. Meanwhile, the 2s10s spread remains positive, but unusually low, at 13bp.

**ISM manufacturing index rose to 59.3 in November,** from 57.7 in October. The sub-indices for new orders, employment and production lifted the headline figure. Meanwhile, the **non-manufacturing index by ISM rose to 60.7,** marking that expectations remain high for an outstandingly strong domestic economy in the US over the course of the next couple of months.

**The November jobs report was a decent one,** in spite of the fact that the closely scrutinised non-farm payrolls figure was 155,000, undershooting the median market estimate. Both the unemployment rate and the labour force participation rate were unchanged compared to October, at 3.7% and 62.9%, respectively. More importantly, **nominal earnings growth held steady at 3.1% YoY.**

## EUROPE

*Eurostoxx 3,050 -2.93%, German Bund 0.25% -6.40bps, Xover Credit Index 348 -13bps, USDEUR .876 -0.72%*

**European stock markets struggled during the week.** The stock indices in the Euro Area's big four economies fell to a considerable extent. Germany's DAX index was among the greatest disappointments, since the index fell 3.5% in USD terms or 4.2% in EUR terms. Since the beginning of the year, the DAX index has lost 20.8% of its value. Such underwhelming performance suggests that **stock markets are seriously concerned with the Euro Area's economic growth outlook.** 'Smart money' in the fixed income space concurs, as the 10-year German Bund yield retreated 6bp to 0.25% by the end of the week on the back of collapsing inflation expectations within the Eurozone.

**Ailing economic confidence has been gradually recovering within the Eurozone,** as German factory

orders rose for a third successive month in October, by 0.3% MoM. Furthermore, retail sales volume rose 0.3% MoM in the Euro Area in October, pushing the annual growth rate to 1.9%.

## ASIA PACIFIC

*HSCEI 10,272 -2.24%, Nikkei 21,219.50 -2.23%, 10yr JGB 0.04% 0bps, USDJPY 112.670 -0.80%*

Asian markets fared relatively well in the adverse global market environment, as the MSCI Asia Pacific ex. Japan index fell 1.5% in USD terms during the week. The Pakistani, Indian and Chinese 'H' shares underperformed relative to their Asian peers, as they decreased 6.8%, 3.8% and 2.2% (all in USD), respectively. In contrast, the Vietnamese market, Chinese 'A' shares and Sri Lanka outperformed, as the respective indices gained 3.5%, 1.9% and 1% (all in USD).

Manufacturing PMIs in November showed broad-based improvement in many Asian countries with only a few exceptions. Some of the most notable details are the following:

- **The Caixin Chinese manufacturing PMI marginally improved,** to 50.2, indicating the continued expansion of manufacturing output, in contrast with the official Chinese PMI in November that declined to 50 signalling for stagnation. Details reflected that domestic demand remained solid, while export demand somewhat weakened.
- **Vietnam's PMI rose to the greatest extent** (+2.6ppt to 56.5). Both export and domestic orders substantially strengthened. Vietnamese PMI remains well-above its historical average.
- The **bounce in India's PMI** (+0.9ppt to 54) was led by new export orders from abroad.
- **PMI in the Philippines further strengthened** (+0.2ppt to 54.2), as the increase in domestic orders more than offset the decrease in export orders.
- **The PMI in Indonesia barely changed** and remained in the expansionary territory (-0.1ppt to 50.4).
- **Malaysia's PMI considerably declined** to a deeper sub-50 level (-1ppt to 48.2), since domestic demand significantly softened, while export demand virtually stagnated.
- **The Taiwanese PMI continued to signal contraction** (-0.3ppt to 48.4), both domestic and export demand weakened.

**Chinese inflation metrics surprised to the downside**, as headline CPI inflation was 2.2% YoY, while PPI inflation slid to 3.3% YoY in November. Both metrics indicate that the Chinese currency's weakness throughout 2018 and policy measures to boost the domestic economy have not resulted in additional price pressures in China.

In a unanimous decision, **the MPC of the Indian central bank kept the policy rate unchanged at 6.5%**, as expected. The Committee claimed that they will shift to a 'calibrated tightening' stance going forward. The central bank lowered its inflation projection to 2.7-3.2% and to 3.8-4.2% for the first half of FY2019-20, while keeping the projection for FY2019-2020 unchanged at 7.4%.

*As external headwinds dissipate (e.g. lower oil prices, etc.), India's central bank has gained some room for policy manoeuvre without raising the policy rate further. In the context of subdued domestic inflation, the MPC might remain on a wait-and-see stance without changing the policy rate for a prolonged period.*

**Headline CPI inflation in the Philippines slowed 0.7ppt to 6% YoY in November.** The drop in the headline gauge was mostly due to the slower food and non-alcoholic beverage inflation (8% YoY in November vs. 9.4% YoY in October). **Meanwhile, the core measure rose 0.2ppt to 5.1% YoY.** Since the beginning of the year, headline inflation was 5.2% YoY on average, while core inflation hit 4.1% YoY on average. Both measures are outside of the central bank's 2-4% inflation target band. The Governor of the central bank claimed that the MPC will closely monitor the trend of core inflation.

**Headline CPI inflation in Thailand was 0.9% YoY in November**, slowing from 1.2% YoY in October. The deceleration of the headline gauge was mainly induced by the monthly decrease of domestic fuel prices. Meanwhile, core inflation remained broadly stable at 0.7% YoY.

**Pakistani CPI inflation slowed 6.5% YoY in November** from 6.8% YoY in October. Meanwhile, core inflation – excluding fuel and food items – accelerated to 8.3% YoY.

## LATIN AMERICA

MSCI Lat Am 2,591 **-0.35%**

**Latin American markets held their own despite deteriorating global market sentiment.** The MSCI EM Latin America index went sideways (in USD). Clearly, Colombia was the strongest spot on the Latin American space, as the country's stock index gained 5% in USD, followed by Peru (+1.5% in USD) and Argentina (+1.2% in USD). During the week, the Brazilian stock market underperformed, as the stock index lost 1.1% of its value in USD.

**The Chilean central bank kept the policy rate stable at 2.75%**, in line with the median market estimate. The Monetary Policy Committee (MPC) cited that the negative output gap has been narrowing and is about to close, while inflation is on the rise. Consequently, the current monetary policy stance is 'highly expansionary,' according to the MPC. Members agreed and concluded that financial

conditions will gradually tighten going ahead.

*Based on the guidance the central bank provided, the probability is quite high for a rate hike at the next monetary policy meeting in January 2019.*

**Industrial production in Brazil increased 0.2% MoM SA in October.** Compared to October 2017, industrial output rose 1.1%. Volume of industrial production remains lower than before the truckers' stoppage.

**The central bank of Argentina is on track with its scheme to keep the monetary base growth vis-à-vis inflation under control.** The monetary authority achieved its target for October and November, which in turn helped inflation to decelerate. Inflation expectations adjusted as well, indicating that the central bank's credibility has been gradually strengthening.

**Inflation in Colombia eased to 3.3% YoY in November.** Food inflation was flat on the month, while in an annual comparison food prices rose by 2.2%. Meanwhile, annual non-food inflation slowed to 3.7%. Both food and non-food inflation measures were below expectations.

## AFRICA

MSCI Africa 743 **-2.35%**

**African markets delivered a mixed performance during the week**, as the Kenyan, Nigerian and Moroccan markets rose 0.9%, 0.3% and 0.2% (all in USD), respectively. In contrast, the Egyptian stock market underperformed, as the country's broad stock index fell 6.3% in USD.

**The current account deficit of South Africa widened to 3.5% of GDP in Q3**, vs. 3.4% of GDP in Q2. The widening of the deficit was mainly due to greater income outflows (i.e. dividend payments) from South Africa, while the foreign trade surplus shrank.

**South African real GDP expanded by 2.2% in seasonally adjusted annualised terms in Q3.** In an annual comparison, GDP grew by 1.1%. On the production side, agricultural, mining and construction activity declined, while manufacturing, financial services, transportation and communication boosted GDP growth. On the demand side, household consumption, government spending and inventory-building contributed positively, while investment activity weakened.

*Should Q4 deliver a positive surprise in terms of economic activity, South African GDP growth this year might hit 0.7-1%. Should the recovery of the underlying economy be sustained, real GDP may increase 1.5-2% in 2019.*

**Credit rating agency Fitch kept South Africa's grade at BB+**, one notch below investment grade. The agency cited that low growth prospects, a sizeable amount of public debt and contingent liabilities constrain the country's ability to attain a better credit rating.

Purchasing manager indices (PMI) in November suggested **that the ongoing gradual recuperation of the South African economy continued, as manufacturing PMI bounced to 49.5** from October's 42.4. PMIs in

Kenya and Nigeria remained firmly in the expansionary territory, as the respective values were observed at 53.1 and 55.5, signalling strong corporate confidence in the manufacturing output growth going ahead. Although the Egyptian index was 49.2, below 50 again, signalling contraction of manufacturing output, the headline figure itself significantly improved compared to previous months marking the gradual return of confidence.

**Headline CPI inflation in Tunisia was stable at 7.4% YoY in November.** Details revealed that prices of food and non-alcoholic beverages rose 6% YoY, housing, water and energy prices increased 6.1% YoY, while transport prices were higher 13.5% YoY.

## THE WEEK AHEAD

	Date	Consensus
<b>UNITED STATES</b>		
CPI inflation (Nov) YoY	Wed/12	2.2%
Retail sales (Nov) MoM	Fri/14	0.1%
Markit manufacturing PMI (Dec)	Fri/14	55.1
<b>EUROPE</b>		
Euro Area industrial production (Oct) YoY	Wed/12	0.8%
ECB policy rate decision	Thu/13	-0.4%
Euro Area Markit manufacturing PMI (Dec)	Fri/14	51.8
<b>ASIA PACIFIC</b>		
India CPI inflation (Nov) YoY	Wed/12	
Philippines policy rate decision	Thu/13	4.75%
China Industrial Production (Nov) YoY	Fri/14	5.9%
<b>LATIN AMERICA</b>		
Mexico industrial production (Oct) YoY	Wed/12	1.7%
Brazil retail sales (Oct) YoY	Thu/13	2.6%
Peru policy rate decision	Thu/13	2.75%
<b>AFRICA</b>		
South Africa manufacturing (Oct) YoY	Tue/11	0.8%
South Africa CPI inflation (Oct) YoY	Wed/12	5.1%

**PLEASE CONTINUE FOR  
MARKET DATA**

# GLOBAL MARKET DATA

## 3 - 9 DECEMBER

Market Summary

Data: Last Calendar Week

Market Summary			Data:				Last Calendar Week	
Mon/10/12/2018			From:	Fri/30/11/18	Fri/30/11/18	Sun/31/12/17	Thu/07/12/17	
			To:	Fri/07/12/18	Fri/07/12/18	Fri/07/12/18	Fri/07/12/18	
Equities			Return (USD)				YTD (Local)	Volume 1wk/3mo
Name	Country	Price	1 Week	MTD	YTD	1Y		
<b>North America</b>								
S&P 500 INDEX	US	2,633.08	-4.60%	-4.60%	-1.52%	-0.15%		131%
RUSSELL 2000 INDEX	US	1,448.09	-5.56%	-5.56%	-5.69%	-4.76%		113%
NASDAQ COMPOSITE INDEX	US	6,969.25	-4.93%	-4.93%	0.95%	2.30%		115%
S&P/TSX COMPOSITE INDEX	Canada	14,795.13	-2.60%	-2.60%	-14.01%	-10.92%	-8.72%	107%
S&P 500 CONS DISCRET IDX	US	817.53	-4.22%	-4.22%	4.10%	6.37%		125%
S&P 500 CONS STAPLES IDX	US	558.64	-3.08%	-3.08%	-4.89%	-3.65%		138%
S&P 500 FINANCIALS INDEX	US	415.43	-7.08%	-7.08%	-10.46%	-9.84%		138%
S&P 500 HEALTH CARE IDX	US	1,046.01	-4.63%	-4.63%	9.38%	10.41%		140%
S&P 500 INFO TECH INDEX	US	1,129.59	-5.07%	-5.07%	2.12%	3.03%		119%
S&P 500 ENERGY INDEX	US	471.34	-3.10%	-3.10%	-11.64%	-6.75%		135%
S&P 500 ECO SECTORS IDX	US	2,633.08	-4.60%	-4.60%	-1.52%	-0.15%		131%
S&P 500 INDUSTRIALS IDX	US	569.63	-6.29%	-6.29%	-10.69%	-8.90%		129%
S&P 500 MATERIALS INDEX	US	323.38	-5.20%	-5.20%	-14.66%	-12.89%		115%
S&P 500 REAL ESTATE IDX	US	209.45	0.27%	0.27%	2.74%	2.76%		147%
S&P 500 COMM SVC	US	143.70	-4.11%	-4.11%	-13.47%	-7.71%		149%
S&P 500 UTILITIES INDEX	US	284.46	1.34%	1.34%	6.39%	1.35%		134%
<b>Europe</b>								
Euro Stoxx 50 Pr	Europe	3,050.38	-2.93%	-2.93%	-17.26%	-17.32%	-12.71%	104%
CAC 40 INDEX	France	4,805.20	-3.13%	-3.13%	-14.13%	-13.65%	-9.40%	109%
DAX INDEX	Germany	10,733.61	-3.49%	-3.49%	-20.84%	-20.12%	-16.49%	98%
Athex Composite Share Pr	Greece	648.71	3.66%	3.66%	-23.37%	-14.02%	-19.15%	89%
FTSE MIB INDEX	Italy	18,634.02	-1.64%	-1.64%	-18.71%	-19.40%	-14.24%	93%
AEX-Index	Netherlands	500.87	-2.28%	-2.28%	-12.28%	-10.60%	-7.46%	105%
PSI All-Share Index GR	Portugal	2,816.10	-0.31%	-0.31%	-9.68%	-8.43%	-4.71%	92%
MOEX Russia Index	Russia	2,421.46	3.00%	3.00%	0.15%	3.20%	15.24%	79%
IBEX 35 INDEX	Spain	8,798.70	-2.20%	-2.20%	-16.81%	-17.03%	-12.23%	98%
OMX STOCKHOLM 30 INDEX	Sweden	1,443.06	-3.24%	-3.24%	-16.53%	-14.80%	-7.79%	101%
SWISS MARKET INDEX	Switzerland	8,703.02	-2.59%	-2.59%	-8.53%	-5.63%	-6.83%	107%
BIST 100 INDEX	Turkey	93,285.93	-2.74%	-2.74%	-41.84%	-35.84%	-18.76%	91%
FTSE 100 INDEX	UK	6,761.62	-3.07%	-3.07%	-17.00%	-12.21%	-11.83%	109%
<b>Asia Pacific</b>								
MSCI AC ASIA x JAPAN	MSCI Asia Ex	605.29	-1.52%	-1.52%	-15.16%	-11.43%	-15.16%	105%
S&P/ASX 200 INDEX	Australia	5,552.50	-0.97%	-0.97%	-13.57%	-8.95%	-6.33%	102%
DSE 30 Index	Bangladesh	1,850.62	0.11%	0.11%	-19.77%	-19.09%	-18.43%	
HANG SENG CHINA ENT INDX	China "H"	10,271.90	-2.24%	-2.24%	-11.46%	-7.05%	-11.44%	115%
SHANGHAI SE COMPOSITE	China "A"	2,584.58	1.92%	1.92%	-25.42%	-23.38%	-21.20%	100%
HANG SENG INDEX	HK	25,748.25	-1.54%	-1.54%	-12.91%	-7.96%	-12.89%	116%
Nifty 50	India	10,535.70	-3.81%	-3.81%	-9.03%	-4.80%	1.55%	96%
JAKARTA COMPOSITE INDEX	Indonesia	6,090.89	-0.25%	-0.25%	-9.88%	-4.98%	-3.61%	104%
NIKKEI 225	Japan	21,219.50	-2.23%	-2.23%	-4.90%	-3.61%	-4.77%	98%
KOSPI 200 INDEX	Korea	265.35	-1.52%	-1.52%	-21.35%	-19.51%	-17.39%	89%
Laos Composite Index	Laos	827.26	-0.81%	-0.81%	-20.19%	-21.43%	-17.84%	32%
FTSE Bursa Malaysia KLCI	Malaysia	1,667.12	0.45%	0.45%	-8.75%	-4.30%	-6.47%	93%
KARACHI 100 INDEX	Pakistan	39,205.40	-6.84%	-6.84%	-24.74%	-24.97%	-4.72%	96%
PSEI - PHILIPPINE SE IDX	Philippines	7,348.21	0.51%	0.51%	-17.47%	-12.48%	-12.82%	161%
STRAITS TIMES INDEX STI	Singapore	3,080.07	-0.03%	-0.03%	-10.83%	-9.56%	-8.57%	98%
SRI LANKA COLOMBO ALL SH	Sri Lanka	6,044.66	0.97%	0.97%	-18.08%	-18.31%	-4.71%	82%
TAIWAN TAIEX INDEX	Taiwan	9,647.54	-1.51%	-1.51%	-11.99%	-8.45%	-8.29%	117%
STOCK EXCH OF THAI INDEX	Thailand	1,649.99	0.74%	0.74%	-6.74%	-3.86%	-5.91%	69%
HO CHI MINH STOCK INDEX	Vietnam	955.89	3.47%	3.47%	-5.15%	-0.51%	-2.61%	101%
<b>Rest of the World</b>								
MSCI ACWI	MSCI World	473.88	-3.46%	-3.46%	-7.63%	-5.49%	-7.63%	89%
MSCI EM	MSCI EM	981.37	-1.34%	-1.34%	-15.29%	-10.83%	-15.29%	88%
MSCI Frontier Market Index	MSCI FM	2,558.33	0.86%	0.86%	-14.69%	-11.22%	-14.69%	114%
DFM GENERAL INDEX	Dubai	2,503.11	-3.31%	-3.31%	-23.44%	-23.96%	-23.44%	144%
MSCI EM LATIN AMERICA	Latin America	2,590.58	-0.35%	-0.35%	-8.40%	-3.80%	-8.40%	84%
ARGENTINA Merval INDEX	Argentina	31,550.40	1.18%	1.18%	-47.72%	-45.67%	4.94%	68%
MSCI BRAZIL	Brazil	1,971.27	-1.13%	-1.13%	-2.55%	1.43%	-2.55%	95%
S&P/CLX IPSA (CLP) TR	Chile	5,094.63	-0.79%	-0.79%	-16.49%	1.24%	-8.45%	61%
IGBC GENERAL INDEX	Colombia	11,853.53	4.99%	4.99%	-1.99%	4.31%	3.27%	
S&P/BMV IPC	Mexico	41,870.13	0.99%	0.99%	-17.40%	-16.61%	-15.16%	99%
Bolsa de Panama General	Panama	456.54	-0.58%	-0.58%	3.07%	2.68%	3.07%	61%
S&P/BVLPeruGeneralTRPEN	Peru	19,405.23	1.52%	1.52%	-6.62%	-3.16%	-2.85%	151%
MSCI EFM AFRICA	Africa	742.52	-2.35%	-2.35%	-26.74%	-17.09%	-26.74%	94%
EGYPT HERMES INDEX	Egypt	1,203.34	-6.26%	-6.26%	-16.31%	-11.94%	-15.70%	73%
GSE Composite Index	Ghana	2,534.91	-3.84%	-3.84%	-11.07%	-10.86%	-1.74%	178%
Nairobi SE 20 Share	Kenya	2,819.00	0.89%	0.89%	-23.48%	-24.53%	-24.06%	37%
MASI Free Float Index	Morocco	11,204.04	0.23%	0.23%	-11.02%	-9.64%	-9.56%	126%
NIGERIA STCK EXC ALL SHR	Nigeria	30,866.82	0.25%	0.25%	-19.96%	-22.68%	-19.29%	98%
FTSE/JSE AFRICA TOP40 IX	South Africa	44,441.23	-0.73%	-0.73%	-24.89%	-15.82%	-14.33%	86%
<b>Global Style</b>								
MSCI WORLD GROWTH INDEX	US	2,375.69	-3.78%	-3.78%	-4.13%	-2.28%	-4.13%	91%
MSCI WORLD VALUE INDEX	US	2,613.12	-3.68%	-3.68%	-9.13%	-7.37%	-9.13%	105%
MSCI World Large Cap	US	1,213.09	-3.79%	-3.79%	-5.70%	-3.99%	-5.70%	103%
MSCI World Mid-Cap	US	1,236.00	-3.41%	-3.41%	-10.67%	-8.46%	-10.67%	98%
<b>Average</b>			-1.68%	-1.68%	-12.53%	-9.90%	-9.91%	106%
<b>Top 25%</b>			0.24%	0.24%	-6.68%	-3.72%	-4.76%	119%
<b>Bottom 25%</b>			-3.39%	-3.39%	-17.43%	-16.21%	-15.19%	92%



# GLOBAL MARKET DATA (CONTD.)

## 3 - 9 DECEMBER

### Market Summary

Mon/10/12/2018

### Data: Last Calendar Week

From: Fri/30/11/18 Fri/30/11/18 Sun/31/12/17 Thu/07/12/17  
To: Fri/07/12/18 Fri/07/12/18 Fri/07/12/18 Fri/07/12/18

Equities			Return (USD)				YTD (Local)	Volume
Name	Country	Price	1 Week	MTD	YTD	1Y		1wk/3mo
<b>North America</b>								
S&P 500 INDEX	US	2,633.08	-4.60%	-4.60%	-1.52%	-0.15%		131%
RUSSELL 2000 INDEX	US	1,448.09	-5.56%	-5.56%	-5.69%	-4.76%		113%
NASDAQ COMPOSITE INDEX	US	6,969.25	-4.93%	-4.93%	0.95%	2.30%		115%
S&P/TSX COMPOSITE INDEX	Canada	14,795.13	-2.60%	-2.60%	-14.01%	-10.92%	-8.72%	107%
S&P 500 CONS DISCRET IDX	US	817.53	-4.22%	-4.22%	4.10%	6.37%		125%
S&P 500 CONS STAPLES IDX	US	558.64	-3.08%	-3.08%	-4.89%	-3.65%		138%
S&P 500 FINANCIALS INDEX	US	415.43	-7.08%	-7.08%	-10.46%	-9.84%		138%
S&P 500 HEALTH CARE IDX	US	1,046.01	-4.63%	-4.63%	9.38%	10.41%		140%
S&P 500 INFO TECH INDEX	US	1,129.59	-5.07%	-5.07%	2.12%	3.03%		119%
S&P 500 ENERGY INDEX	US	471.34	-3.10%	-3.10%	-11.64%	-6.75%		135%
S&P 500 ECO SECTORS IDX	US	2,633.08	-4.60%	-4.60%	-1.52%	-0.15%		131%
S&P 500 INDUSTRIALS IDX	US	569.63	-6.29%	-6.29%	-10.69%	-8.90%		129%
S&P 500 MATERIALS INDEX	US	323.38	-5.20%	-5.20%	-14.66%	-12.89%		115%
S&P 500 REAL ESTATE IDX	US	209.45	0.27%	0.27%	2.74%	2.76%		147%
S&P 500 COMM SVC	US	143.70	-4.11%	-4.11%	-13.47%	-7.71%		149%
S&P 500 UTILITIES INDEX	US	284.46	1.34%	1.34%	6.39%	1.35%		134%
<b>Europe</b>								
Euro Stoxx 50 Pr	Europe	3,050.38	-2.93%	-2.93%	-17.26%	-17.32%	-12.71%	104%
CAC 40 INDEX	France	4,805.20	-3.13%	-3.13%	-14.13%	-13.65%	-9.40%	109%
DAX INDEX	Germany	10,733.61	-3.49%	-3.49%	-20.84%	-20.12%	-16.49%	98%
Athex Composite Share Pr	Greece	648.71	3.66%	3.66%	-23.37%	-14.02%	-19.15%	89%
FTSE MIB INDEX	Italy	18,634.02	-1.64%	-1.64%	-18.71%	-19.40%	-14.24%	93%
AEX-Index	Netherlands	500.87	-2.28%	-2.28%	-12.28%	-10.60%	-7.46%	105%
PSI All-Share Index GR	Portugal	2,816.10	-0.31%	-0.31%	-9.68%	-8.43%	-4.71%	92%
MOEX Russia Index	Russia	2,421.46	3.00%	3.00%	0.15%	3.20%	15.24%	79%
IBEX 35 INDEX	Spain	8,798.70	-2.20%	-2.20%	-16.81%	-17.03%	-12.23%	98%
OMX STOCKHOLM 30 INDEX	Sweden	1,443.06	-3.24%	-3.24%	-16.53%	-14.80%	-7.79%	101%
SWISS MARKET INDEX	Switzerland	8,703.02	-2.59%	-2.59%	-8.53%	-5.63%	-6.83%	107%
BIST 100 INDEX	Turkey	93,285.93	-2.74%	-2.74%	-41.84%	-35.84%	-18.76%	91%
FTSE 100 INDEX	UK	6,761.62	-3.07%	-3.07%	-17.00%	-12.21%	-11.83%	109%
<b>Asia Pacific</b>								
MSCI AC ASIA x JAPAN	MSCI Asia Ex	605.29	-1.52%	-1.52%	-15.16%	-11.43%	-15.16%	105%
S&P/ASX 200 INDEX	Australia	5,552.50	-0.97%	-0.97%	-13.57%	-8.95%	-6.33%	102%
DSE 30 Index	Bangladesh	1,850.62	0.11%	0.11%	-19.77%	-19.09%	-18.43%	
HANG SENG CHINA ENT INDX	China "H"	10,271.90	-2.24%	-2.24%	-11.46%	-7.05%	-11.44%	115%
SHANGHAI SE COMPOSITE	China "A"	2,584.58	1.92%	1.92%	-25.42%	-23.38%	-21.20%	100%
HANG SENG INDEX	HK	25,748.25	-1.54%	-1.54%	-12.91%	-7.96%	-12.89%	116%
Nifty 50	India	10,535.70	-3.81%	-3.81%	-9.03%	-4.80%	1.55%	96%
JAKARTA COMPOSITE INDEX	Indonesia	6,090.89	-0.25%	-0.25%	-9.88%	-4.98%	-3.61%	104%
NIKKEI 225	Japan	21,219.50	-2.23%	-2.23%	-4.90%	-3.61%	-4.77%	98%
KOSPI 200 INDEX	Korea	265.35	-1.52%	-1.52%	-21.35%	-19.51%	-17.39%	89%
Laos Composite Index	Laos	827.26	-0.81%	-0.81%	-20.19%	-21.43%	-17.84%	32%
FTSE Bursa Malaysia KLCI	Malaysia	1,667.12	0.45%	0.45%	-8.75%	-4.30%	-6.47%	93%
KARACHI 100 INDEX	Pakistan	39,205.40	-6.84%	-6.84%	-24.74%	-24.97%	-4.72%	96%
PSEI - PHILIPPINE SE IDX	Philippines	7,348.21	0.51%	0.51%	-17.47%	-12.48%	-12.82%	161%
STRAITS TIMES INDEX STI	Singapore	3,080.07	-0.03%	-0.03%	-10.83%	-9.56%	-8.57%	98%
SRI LANKA COLOMBO ALL SH	Sri Lanka	6,044.66	0.97%	0.97%	-18.08%	-18.31%	-4.71%	82%
TAIWAN TAIEX INDEX	Taiwan	9,647.54	-1.51%	-1.51%	-11.99%	-8.45%	-8.29%	117%
STOCK EXCH OF THAI INDEX	Thailand	1,649.99	0.74%	0.74%	-6.74%	-3.86%	-5.91%	69%
HO CHI MINH STOCK INDEX	Vietnam	955.89	3.47%	3.47%	-5.15%	-0.51%	-2.61%	101%
<b>Rest of the World</b>								
MSCI ACWI	MSCI World	473.88	-3.46%	-3.46%	-7.63%	-5.49%	-7.63%	89%
MSCI EM	MSCI EM	981.37	-1.34%	-1.34%	-15.29%	-10.83%	-15.29%	88%
MSCI Fronter Market Index	MSCI FM	2,558.33	0.86%	0.86%	-14.69%	-11.22%	-14.69%	114%
DFM GENERAL INDEX	Dubai	2,503.11	-3.31%	-3.31%	-23.44%	-23.96%	-23.44%	144%
MSCI EM LATIN AMERICA	Latin America	2,590.58	-0.35%	-0.35%	-8.40%	-3.80%	-8.40%	84%
ARGENTINA Merval INDEX	Argentina	31,550.40	1.18%	1.18%	-47.72%	-45.67%	4.94%	68%
MSCI BRAZIL	Brazil	1,971.27	-1.13%	-1.13%	-2.55%	1.43%	-2.55%	95%
S&P/CLX IPSA (CLP) TR	Chile	5,094.63	-0.79%	-0.79%	-16.49%	1.24%	-8.45%	61%
IGBC GENERAL INDEX	Colombia	11,853.53	4.99%	4.99%	-1.99%	4.31%	3.27%	
S&P/BMV IPC	Mexico	41,870.13	0.99%	0.99%	-17.40%	-16.61%	-15.16%	99%
Bolsa de Panama General	Panama	456.54	-0.58%	-0.58%	3.07%	2.68%	3.07%	61%
S&P/BVLPeruGeneralITRPN	Peru	19,405.23	1.52%	1.52%	-6.62%	-3.16%	-2.85%	151%
MSCI EFM AFRICA	Africa	742.52	-2.35%	-2.35%	-26.74%	-17.09%	-26.74%	94%
EGYPT HERMES INDEX	Egypt	1,203.34	-6.26%	-6.26%	-16.31%	-11.94%	-15.70%	73%
GSE Composite Index	Ghana	2,534.91	-3.84%	-3.84%	-11.07%	-10.86%	-1.74%	178%
Nairobi SE 20 Share	Kenya	2,819.00	0.89%	0.89%	-23.48%	-24.53%	-24.06%	37%
MASI Free Float Index	Morocco	11,204.04	0.23%	0.23%	-11.02%	-9.64%	-9.56%	126%
NIGERIA STCK EXC ALL SHR	Nigeria	30,866.82	0.25%	0.25%	-19.96%	-22.68%	-19.29%	98%
FTSE/JSE AFRICA TOP40 IX	South Africa	44,441.23	-0.73%	-0.73%	-24.89%	-15.82%	-14.33%	86%
<b>Global Style</b>								
MSCI WORLD GROWTH INDEX	US	2,375.69	-3.78%	-3.78%	-4.13%	-2.28%	-4.13%	91%
MSCI WORLD VALUE INDEX	US	2,613.12	-3.68%	-3.68%	-9.13%	-7.37%	-9.13%	105%
MSCI World Large Cap	US	1,213.09	-3.79%	-3.79%	-5.70%	-3.99%	-5.70%	103%
MSCI World Mid-Cap	US	1,236.00	-3.41%	-3.41%	-10.67%	-8.46%	-10.67%	98%
Average			-1.68%	-1.68%	-12.53%	-9.90%		106%
Top 25%			0.24%	0.24%	-6.68%	-3.72%		119%
Bottom 25%			-3.39%	-3.39%	-17.43%	-16.21%		92%

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

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