Monthly Market Roundup
covering January 2024

Overview

- Developed market equities moved modestly higher in January on the back of strong performance from the technology sector and continued optimism that central banks will begin cutting interest rates later this year.
- Global bond markets, however, were held back by central bank warnings that interest rate cuts are not likely to arrive as soon as previously expected.
- Emerging market equities were challenged by ongoing economic weakness in China and rising geopolitical concerns in the Middle East.

Summary

Less dovish expectations around monetary policy had an outsized impact on market behaviour during the month of January. Both the Federal Reserve and European Central Banks indicated rate cuts are likely to commence later than they had previously insinuated. Developed equity markets were nonetheless able to register modest gains due to stronger than expected economic data and strength in the technology sector. Emerging markets, however, were challenged by underperformance in China and rising geopolitical concerns in the Middle East.

Europe

European equity markets moved slightly higher in January, but with a large degree of variation between sectors and stocks. The technology sector delivered returns in the high single digits as AI bullishness was once again to the fore. Communication services also performed well, financials were broadly in line, and cyclical sectors underperformed and gave back some of their strong fourth quarter returns. Materials, energy, and utilities were among the laggards.

The eurozone's headline and core Inflation rates both edged down in January, with headline inflation falling from 2.9% in December to 2.8% in January. The eurozone economy barely avoided a technical recession and was stagnant in the final three months of last year. Growth was held back by shrinking German output and stalled French growth that offset a stronger than expected rebound in Spain and Italy.

UK

The UK equity market closed lower in January following a surprise uptick in inflation and disappointing retail sales data. The Office for National Statistics (ONS) figures showed UK inflation rose unexpectedly to 4% in December, up from 3.9% in November. The reading was driven higher by increases in alcohol and tobacco prices. Following the inflation news, markets have scaled back expectations on when they believe the Bank of England will start cutting interest rates.

UK GDP grew by 0.3% between October and November, bouncing back from the fall of 0.3% between September and October. This was driven by retail, car leasing, and computer game companies, as well as fewer strikes. The latest data brings optimism that the UK avoided contraction in the final quarter of 2023. UK wage growth slowed in the three months to November, while consumer confidence rose for the third consecutive month according to a survey done by research group GfK.

US

US equity markets had a positive month in January with all three major indices (S&P 500, Dow Jones Industrial Average, and Nasdaq Composite) registering gains. Towards the end of the month the positive sentiment waned slightly when the Fed indicated that rate cuts in March were unlikely. In the Fed's January 31st meeting it elected to keep interest rates unchanged at 5.5%.

US CPI inflation for December rose from 3.1% to 3.4% which was higher than the 3.2% forecast, dimming market expectations that US interest rates would be cut as soon as March. The US economy grew by 3.3% in the fourth quarter of 2023, significantly more than the 2.0% figure that economists had forecasted. The US labour market also showed some resilience with the unemployment rate staying at 3.7%.

Asia

Asian equity markets broadly fell in January due to weakness in China and Korea. The top performing markets in the region were Japan and India, which both registered gains. Materials, consumer discretionary and consumer staples sectors fell significantly during the month, while energy was the stand-out positive contributor.

Chinese equity markets declines were led by the consumer discretionary, communication services and information technology sectors. Energy provided a positive return and was the best performing sector. Equity markets in South Korea saw the weakest sector performance in information technology, industrials, and materials. Indian equity markets delivered a solid month with energy, information technology and industrials performing positively. Japanese and Australian equities also had a positive month.

Emerging markets

Emerging equity markets struggled relative to developed markets due to disappointing economic data in China. Equity markets in Latin America also had a slow start to the year, with Chile and Brazil—the largest and most important economy in the region—registering negative returns for the month. Colombian and Peruvian equity markets were broadly flat. With a monetary easing cycle in most countries in Latin America, there could be support for both economic activity and asset prices. In addition to this part of the economic cycle, the whole region is benefitting from being somewhat isolated from global geopolitical conflicts, with Mexico being a key beneficiary of shifting global supply chains.

A key change since the turn of the year in emerging markets has been on the geopolitical front, with tensions in the Red Sea raising fears of a bigger regional conflict. This raised concerns around the economic implications of higher oil prices and import costs.

Fixed income

Global bond markets lost ground in January as investors heeded warnings from central banks that while interest rate cuts are coming, they are not imminent. US treasuries, German bunds and UK gilts returned -0.18%, -0.72% and -2.40%, respectively. US and euro investment grade and high yield bonds recorded modest gains.

A sense that the US Federal Reserve is not yet ready to slash interest rates was reinforced by remarks from Fed Chair Powell that a cut in March is unlikely. Across the Atlantic, ECB President Lagarde said it was premature to discuss rate cuts since price pressures have not been fully extinguished and many wage negotiations have yet to conclude. Expectations that UK interest rates will be cut this year remain in place despite an unexpected uptick in the inflation rate.

Europe

- European markets tick higher to start the year
- Inflation edges down in January
- Eurozone economy stagnant in quarter four, avoiding a technical recession

European equity markets moved slightly higher in January, but with a large degree of variation between sectors and stocks. The technology sector delivered returns in the high single digits as AI bullishness was once again to the fore. Communication services also performed well, while financials were broadly in line. However, cyclical sectors underperformed, giving back some of their strong fourth quarter returns, with materials among the laggards. Energy was also an underperforming sector despite oil prices ticking higher in January. Utilities were weak on worries about falling gas prices and the impact on renewables of a potential Trump presidency.

The eurozone's headline and core inflation rates both edged down in January, with the decline in headline inflation from 2.9% in December to 2.8% in January being in line with the consensus forecast, and ending a run of four consecutive months in which the headline rate came in below expectations. Energy inflation edged up from -6.7% in December to -6.3%, but that was more than offset by the continued decline in food inflation from 6.1% to 5.7% and the core rate edging down from 3.4% to 3.3%.

The concern for policymakers is that services inflation—unchanged at 4.0% since November—has stopped falling. Admittedly, the increase in the valued-added tax (VAT) on restaurants in Germany was expected to push up services prices in Germany, but that effect seems to have been quite small. Furthermore, France's national CPI measure of services inflation ticked up in January.

Nevertheless, with the labour market softening and gas prices having fallen in recent months, a resurgence in services inflation seems unlikely.

The eurozone economy was stagnant in the final three months of last year, held back by shrinking German output and stalled French growth that offset a stronger than expected rebound in Spain and Italy. The data for Q4, showing an unchanged reading for eurozone GDP, was marginally better than the consensus forecast of a 0.1% quarterly contraction, meaning that the region avoided a technical recession.

UK

- Inflation unexpectedly increases
- GDP figures bounce back
- Sharp fall in retail sales

The UK equity market closed lower in January following a surprise uptick in inflation and disappointing retail sales data.

The Office for National Statistics (ONS) figures showed UK inflation rose unexpectedly to 4% in December, up from 3.9% in November. Consensus estimates had expected a fall to 3.8%. The reading was driven higher by increases in alcohol and tobacco prices. Following the inflation news, markets have scaled back expectations on when they believe the Bank of England will start cutting interest rates. Core inflation, which excludes energy and food prices, remained unchanged at 5.1%.

UK gross domestic product (GDP) grew by 0.3% between October and November, bouncing back from the fall of 0.3% between September and October. This was driven by retail, car leasing, and computer game companies, as well as fewer strikes. The latest data brings optimism that the UK avoided contraction in the final quarter of 2023.

UK wage growth slowed in the three months to November, while ONS data showed that vacancies continued to decline. According to the ONS, average total pay grew at an annual rate of 6.5% (including bonuses) in the three months to November. With wage growth slowing and the economy stagnating, interest rate cuts may come sooner in the year than anticipated. However, low unemployment and the unexpected uptick in inflation may keep the Bank of England hawkish.

UK consumer confidence rose for the third consecutive month in January according to a survey done by research group GfK. The consumer confidence index, a measure of how people view their personal finances and wider economic prospects, has increased as wages continue to rise faster than inflation and mortgage rates continue to fall from their summer peak.

Figures from the British Retail Consortium show retail sales grew at an annual rate of 1.7% in December, down from 2.7% in November and below the 12-month average of 3.6%. Similarly, ONS figures showed that British retail sales fell by 3.2% between November and December, the biggest decline in nearly three years.

The UK government borrowed less than expected in December. This was because interest payments on government debt fell by more than £10bn, in comparison to December 2022. The decline in inflation helped, and analysts believe this could allow for the possibility of tax cuts.

Fixed Income

- Government bonds lose ground as central banks signal they are in no rush to cut interest rates
- Credit spreads[1] narrow in another positive month for corporate bonds
- US economy continues to display strength but stuttering growth rates in Europe prevail

Global bond markets lost ground in January as investors heeded warnings from central banks that while interest rate cuts are coming, they are not imminent. US treasuries, German bunds, and UK gilts returned -0.18%, -0.72% and -2.40%, respectively. (Data from ICE BofA).

A sense that the US Federal Reserve is not yet ready to slash interest rates was reinforced by remarks from Fed Chair Powell that a cut in March is unlikely. Erring on caution, the Fed said it was looking for "greater confidence" that inflation is moving back to 2% on a sustainable basis. The headline rate edged up more than expected in December, rising by 3.4% on an annualised basis versus 3.2% expectations. However, the core personal consumption expenditures price index (the Fed's preferred inflation measure) advanced at a 2% rate in the fourth quarter—following a similar rise in the July-September period—suggesting that core inflation is already on target. Underlining the continued resilience of the economy, US GDP grew at an annual rate of 3.3% in the final quarter of the year.

By comparison, Europe's economy avoided ending 2023 in a recession by the narrowest of margins, with weakness in Germany holding back performance. That marked the sixth consecutive quarter of little or no growth for the eurozone. Having held interest rates at a record-high of 4%, ECB President Lagarde said it was premature to discuss rate cuts since price pressures have not been fully extinguished and many wage negotiations have yet to conclude. Inflation in the eurozone dropped marginally in January but less than expected: 2.8% year-on-year versus forecasts of 2.7%.

Expectations that UK interest rates will be cut this year remain in place despite an unexpected uptick in the inflation rate, which rose marginally to 4% in December, up from 3.9% in November. The majority of the Monetary Policy Committee members voted to leave borrowing costs unchanged at 5.25%, while two voted for a rate hike and one favoured a cut. That was the first three-way split on whether to cut, hold or raise since 2008. The Governor of the Bank of England said "more evidence" of lower inflation was needed before interest rates could be reduced.

It was a positive month for corporate bond markets, with a few exceptions. After leading the gains in December, sterling investment grade underperformed in January, returning -1.10%. By comparison, dollar and euro investment grade eked out modest gains, returning 0.15% and 0.09%, respectively. Credit spreads narrowed with sterling, dollar and euro spreads moving from 134bps to 129bps, 104bps to 102bps and 136bps to 130bps, respectively.

In the high yield corporate market, European currency bonds returned 0.91% versus a modest 0.02% gain for US high yield bonds.

Asia

- Weakness in Asian equity markets driven by China and Korea underperforming
- The Indian equity market is a bright spot, making positive gains
- Japanese equities have a strong start to 2024

Asian equity markets broadly fell in January. The weakest performers in the region were China and Korea. The top performing markets in the region were Japan and India, which both registered gains. Sector performance in the region was weak across the board with materials, consumer discretionary, and consumer staples falling significantly during the month. Energy was the stand-out positive contributor.

Chinese equity markets fell with consumer discretionary, communication services and information technology showing the greatest weakness. Energy was the best performing sector and provided a positive return. The People's Bank of China (PBoC) left the medium-term policy rate unchanged at 2.5%, defying market expectations for a cut to provide a near term boost to the challenged economy. China's credit data continues to disappoint with anaemic money supply growth.

Equity markets in South Korea saw the weakest market sector performance in information technology, industrials and materials. The Bank of Korea left its policy rate on hold in January at 3.5% but struck a more dovish tone than after previous meetings. Inflation, which stood at 3.2% in December, is on a downward trajectory in South Korea.

Indian equity markets delivered a solid month with energy, information technology and industrials performing positively.

Japanese equities also had a positive month. A weak yen, which helps Japanese exporters, combined with a new set of corporate reforms to provide a boost to Japanese equities. In terms of key data prints, Japan's core inflation stayed above the central bank's 2% target in December but slowed for a second straight month at 2.3%.

The Australian equity market was up over the month with the financial sector, and in particular Australian banks, being a key contributor. The Reserve Bank of Australia (RBA) did leave interest rates unchanged at 4.35%. However, Q4 2023 inflation rate came in at 4.1%, lower than 4.3% expected, marking its lowest level since the quarter ended December 2021.

Emerging Markets

- Emerging markets (EM) equities are weighed down by the underperformance of China and Korea
- Asia is the weakest region, followed by Latin America, Emerging Europe and the Middle East
- India stands out as a positive performer in the EM group

Emerging equity markets started 2024 with losses and struggled relative to developed markets due to disappointing economic data in China. Weakness in consumer discretionary, communication services, and information technology detracted strongly from regional performance. Energy provided a positive return and was the best performing sector.

The People's Bank of China (PBoC) left the medium-term policy rate unchanged at 2.5%, defying market expectations for a cut to provide a near term boost to the challenged economy. China's credit data continues to disappoint with anaemic money supply growth.

Towards the end of the month, the PBoC cut the reserve requirement ratio (RRR) by 50 basis points (bps) to 10% for large banks, and 7% for all financial institutions. Chinese equities responded positively to this news.

Equity markets in South Korea saw weak market sector performance with strong falls in information technology, industrials, and materials. The Bank of Korea left its policy rate on hold in January at 3.5% but struck a more dovish tone than commentary following previous meetings. Inflation, which stood at 3.2% in December, is on the way down in South Korea.

Indian equity markets delivered a solid month with energy, information technology and industrials performing positively.

Equity markets in Latin America had a slow start to the year, with Chile and Brazil—the largest and most important economy in the region—registering negative returns for the month. Colombian and Peruvian equity markets were broadly flat. Brazil's annual inflation rate eased to 4.5% in January from 4.7%. Inflation was driven by higher food and beverage costs, partially offset by a drop in transportation prices. This leaves room for the central bank to continue its cycle of interest rate cuts. Overall, the whole region is benefitting from being somewhat isolated from global geopolitical conflicts, with Mexico being a key beneficiary of shifting global supply chains.

A key change since the turn of the year in emerging markets has been on the geopolitical front, with tensions in the Red Sea raising fears of a bigger regional conflict. This raised concerns around the economic implications of higher oil prices and import costs.

US

- US equity markets finish the month positively with all three major indices registering gains
- The US Federal Reserve (Fed) keep interest rates at 5.5% but dampen hopes of early rate cuts
- US economy grows by a forecast-beating 3.3% in the fourth quarter of 2023

US equity markets had a positive month in January with all three major indices (S&P 500, Dow Jones Industrial Average, and Nasdaq Composite) registering gains. At the beginning of the month, investor sentiment was bolstered by optimism around a potential soft-landing scenario, which led to the S&P 500 and the Dow Jones Industrial Average reaching record highs. Towards the back end of the month this sentiment waned slightly when the Fed indicated that rate cuts in March were unlikely. Stocks fell after Powell's comments, with the S&P 500 ending the day down 1.6 per cent— its worst day in four months—and the Nasdaq Composite down 2.2 per cent—its worst day in three months. In the Fed's January 31st meeting it elected to keep interest rates unchanged at 5.5%.

US CPI inflation for December rose from 3.1% to 3.4% which was higher than the 3.2% forecast, dimming market expectations that US interest rates would be cut as soon as March. US core inflation also came in higher than expected, which further supported the Fed's signalling of a cautious approach to monetary policy.

The US economy grew by 3.3% in the fourth quarter of 2023, significantly more than the 2.0% figure that economists had forecasted. Markets responded positively to the news as the World's largest economy capped off 2023 by defying recession fears. Manufacturing and services PMI readings for January were positive and came in above expectations.

The US labour market showed some resilience with the unemployment rate staying at 3.7% despite expectations it would rise. Non-farm payrolls recorded at 216,000 for December, exceeding the 170,000 forecast.

Government Bonds

Yield to maturity[1] (%)

	Current	1 month	3 months	6 months	12 months
US Treasuries 2 year	4.21	4.25	5.09	4.88	4.20
US Treasuries 10 year	3.91	3.88	4.93	3.96	3.51
US Treasuries 30 year	4.17	4.03	5.09	4.01	3.63
UK Gilts 2 year	4.26	3.98	4.78	5.00	3.47
UK Gilts 10 year	3.79	3.54	4.51	4.31	3.33
UK Gilts 30 year	4.46	4.14	4.98	4.46	3.71
German Bund 2 year	2.43	2.40	3.02	3.04	2.65
German Bund 10 year	2.17	2.02	2.81	2.49	2.29
German Bund 30 year	2.41	2.26	3.09	2.57	2.22

Source: Bloomberg LP, Merrill Lynch data. Data as at 31 January 2024. The yield is not guaranteed and may do down as well as up.

Corporate Bonds

Yield to maturity[1] (%)/Spread[2] (bps)

	Current		1 month		3 months		6 months		12 months	
£ AAA Investment Grade Corporate	4.59	57	4.29	56	5.37	67	5.34	71	4.26	78
£ AA	4.71	72	4.43	71	5.60	96	5.54	91	4.41	95
£ A	5.17	107	4.93	110	6.06	136	5.94	127	4.87	135
£ BBB	5.77	161	5.55	167	6.77	204	6.60	192	5.59	203
£ High Yield	8.83	467	9.13	526	10.62	593	10.32	545	9.64	618
£ BB	7.33	305	7.40	342	8.63	384	8.68	376	8.13	459
€ AAA Investment Grade Corporate	2.84	69	2.76	70	3.64	88	3.37	77	3.07	74
€ AA	3.17	90	3.10	95	3.93	109	3.71	100	3.35	96
€ A	3.52	116	3.45	120	4.30	139	4.07	130	3.71	129
€ BBB	3.88	150	3.85	158	4.78	186	4.53	172	4.27	178
€ High Yield	6.52	385	6.51	396	7.87	483	7.41	438	7.07	441
€ BB	5.45	271	5.50	288	6.76	367	6.36	327	5.94	323
European High Yield (inc € + £)	6.78	394	6.80	411	8.16	495	7.72	450	7.33	459

Source: Bloomberg LP, ICE BofA. Data as at 31 January 2024. The yield is not guaranteed and may go down as well as up.

1 Yield to maturity – is the total return anticipated on a bond if the bond is held until it matures.

2 Credit spread – difference in yields offered by corporate bonds over government bonds, that have similar maturity but different credit quality.

Global currency movements – figures to 31 January 2024

		Change Over:															
	Current value	1 Month (%)	3 Months (%)	6 Months (%)	YTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)
Euro/US Dollar	1.08	-2.0	2.3	-1.6	-2.0	3.1	-5.8	-6.9	8.9	-2.2	-4.5	14.1	-3.2	-10.2	-10.2	-12.0	1.8
Euro/GB Sterling	0.85	-1.7	-2.0	-0.5	-1.7	-2.1	5.2	-5.9	5.7	-5.9	1.2	4.1	15.8	-5.1	-5.1	-6.5	-2.6
Euro/Swiss Franc	0.93	0.3	-3.2	-2.8	0.3	-6.1	-4.6	-4.0	-0.4	-3.5	-3.8	9.2	-1.5	-9.5	-9.5	-2.0	-0.7
Euro/Swedish Krona	11.24	1.0	-4.9	-2.9	1.0	-0.2	8.4	2.4	-4.3	3.4	3.2	2.7	4.4	-2.9	-2.9	6.7	-3.8
Euro/Norwegian Krone	11.36	1.2	-3.9	2.0	1.2	6.9	4.7	-4.4	6.5	-0.6	0.6	8.3	-5.4	6.6	6.6	8.1	-5.2
Euro/Danish Krone	7.45	0.0	-0.1	0.0	0.0	0.2	0.0	-0.1	-0.4	0.1	0.3	0.2	-0.4	0.2	0.2	-0.2	0.4
Euro/Polish Zloty	4.33	-0.3	-2.8	-1.7	-0.3	-7.3	2.1	0.6	7.2	-0.8	2.7	-5.1	3.4	-0.6	-0.6	3.2	-8.7
Euro/Hungarian Forint	383.63	0.1	0.3	-0.9	0.1	-4.1	8.2	1.8	9.5	3.1	3.3	0.4	-1.9	-0.4	-0.4	6.5	-7.5
US Dollar/Yen	146.92	4.2	-3.1	3.3	4.2	7.6	13.9	11.5	-4.9	-1.0	-2.7	-3.7	-2.7	0.4	0.4	13.7	12.8
US Dollar/Canadian Dollar	1.34	1.4	-3.2	1.9	1.4	-2.3	7.3	-0.7	-2.0	-4.7	8.5	-6.5	-2.9	19.1	19.1	9.4	-2.9
US Dollar/South African Rand	18.68	1.8	0.2	4.7	1.8	7.8	6.9	8.5	5.0	-2.4	15.9	-9.9	-11.2	33.7	33.7	10.3	4.7
US Dollar/Brazilian Real	4.96	2.0	-1.6	4.9	2.0	-8.0	-5.3	7.3	29.0	4.0	17.1	1.8	-18.0	49.1	49.1	12.7	9.5
US Dollar/South Korean Won	1334.65	3.6	-1.2	4.7	3.6	1.8	6.4	9.4	-6.0	3.6	4.2	-11.4	3.0	6.7	6.7	4.1	-7.1
US Dollar/Taiwan Dollar	31.29	1.9	-3.5	-0.4	1.9	0.0	11.0	-2.2	-5.8	-2.2	3.1	-7.6	-2.1	4.0	4.0	6.1	-3.9
US Dollar/Thai Baht	35.47	3.9	-1.3	3.7	3.9	-1.3	3.6	11.5	-0.1	-7.9	-0.1	-9.0	-0.8	9.7	9.7	0.1	-3.1
US Dollar/Singapore Dollar	1.34	1.6	-2.1	0.8	1.6	-1.4	-0.7	2.0	-1.8	-1.2	2.0	-7.7	2.0	7.0	7.0	4.9	-5.8
US Dollar/GB Sterling	0.79	0.3	-4.2	1.2	0.3	-5.1	12.0	1.0	-3.0	-3.8	5.9	-8.6	19.4	5.7	5.7	6.3	-4.4
GB Sterling/South African Rand	23.71	1.8	4.6	3.4	1.8	13.1	-4.6	7.4	8.2	1.3	9.6	-1.3	-25.7	26.5	26.5	3.7	9.3
Australian Dollar/US Dollar	0.66	-3.6	3.6	-2.2	-3.6	0.0	-6.2	-5.6	9.6	-0.4	-9.7	8.3	-1.1	-10.9	-10.9	-8.3	1.8
New Zealand Dollar/US Dollar	0.61	-3.2	5.0	-1.5	-3.2	-0.5	-7.0	-5.0	6.6	0.3	-5.3	2.4	1.5	-12.4	-12.4	-5.1	6.6

Source: Bloomberg, all figures subject to rounding.

An investment cannot be made into an index directly. The performance data shown relates to a past period. Past performance does not predict future returns.

Global equity and commodity index performance – figures to 31 January 2024 (%)

	1 month	3 months	6 months	YTD	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Global US & Canada														
MSCI World (US$)	1.2	16.2	5.5	1.2	24.4	-17.7	22.4	16.5	28.4	-8.2	23.1	8.2	-0.3	5.6
MSCI World Value (US$)	0.3	13.7	3.9	0.3	12.4	-5.8	22.8	-0.3	22.8	-10.1	18.0	13.3	-4.0	4.5
MSCI World Growth (US$)	2.1	18.7	7.1	2.1	37.3	-29.0	21.4	34.2	34.2	-6.4	28.5	3.2	3.5	6.6
MSCI World Small Cap (US$)	-2.8	16.6	-0.1	-2.8	16.4	-18.4	16.2	16.5	26.8	-13.5	23.2	13.2	0.8	2.3
MSCI Emerging Markets (US$)	-4.6	7.0	-5.9	-4.6	10.2	-19.8	-2.3	18.8	18.8	-14.3	37.8	11.8	-14.6	-2.0
FTSE World (US$)	0.9	16.0	5.3	0.9	24.2	-17.5	21.0	16.4	27.8	-8.7	24.1	8.7	-1.4	4.8
Dow Jones Industrials	1.3	16.0	8.4	1.3	16.2	-6.9	20.9	9.7	25.3	-3.5	28.1	16.4	0.2	10.0
S&P 500	1.7	16.0	6.4	1.7	26.3	-18.1	28.7	18.4	31.5	-4.4	21.8	11.9	1.4	13.7
NASDAQ	1.0	18.3	6.2	1.0	44.7	-32.5	22.2	45.0	36.7	-2.8	29.7	9.0	7.1	14.8
Russell 2000	-3.9	17.6	-2.0	-3.9	16.9	-20.5	14.8	19.9	25.5	-11.0	14.6	21.3	-4.4	4.9
S&P/ TSX Composite	0.6	12.3	3.6	0.6	11.8	-5.8	25.2	5.6	22.9	-8.9	9.1	21.1	-8.3	10.5
Europe & Africa														
FTSE World Europe ex-UK €	1.9	13.6	4.6	1.9	18.4	-11.9	25.1	2.9	27.6	-10.5	12.9	3.2	10.7	7.2
MSCI Europe	1.6	12.2	3.9	1.6	16.5	-9.0	25.8	-2.8	26.8	-10.1	10.8	3.2	8.8	7.5
CAC 40	1.6	11.6	2.6	1.6	20.1	-6.7	31.9	-5.0	30.5	-8.1	12.5	8.8	11.9	2.5
DAX	0.9	14.1	2.8	0.9	20.3	-12.3	15.8	3.5	25.5	-18.3	12.5	6.9	9.6	2.7
Ibex 35	0.2	12.7	6.1	0.2	28.1	-2.0	10.5	-12.7	16.5	-11.5	11.3	2.5	-3.7	8.5
FTSEMIB	1.7	12.2	5.2	1.7	34.3	-9.4	26.8	-3.3	33.8	-13.6	16.9	-6.5	15.8	3.0
Swiss Market Index (capital returns)	1.8	9.1	0.2	1.8	3.8	-16.7	20.3	0.8	26.0	-10.2	14.1	-6.8	-1.8	9.5
Amsterdam Exchanges	4.0	14.3	4.5	4.0	17.2	-11.4	30.5	5.5	28.5	-7.4	16.5	13.6	7.3	8.7
MSCI EM Europe, Middle East and Africa (US$)	0.3	10.8	1.1	0.3	10.5	-35.3	24.1	-7.3	19.9	-7.4	16.5	22.8	-14.5	-28.2
FTSE/JSE Africa All-Share (SA)	-2.9	7.5	-3.6	-2.9	9.3	4.0	29.3	7.1	12.1	-8.4	21.0	2.8	5.3	10.9
UK														
FTSE All-Share	-1.3	6.2	1.0	-1.3	7.7	0.2	18.3	-9.7	19.1	-9.5	13.1	16.8	0.9	1.2
FTSE 100	-1.3	4.9	0.7	-1.3	7.7	4.6	18.4	-11.4	17.2	-8.8	12.0	19.2	-1.4	0.7
FTSE 250	-1.6	14.1	2.7	-1.6	8.0	-17.4	16.9	-4.6	28.9	-13.3	17.8	6.7	11.2	3.7
FTSE Small Cap ex Investment Trusts	-2.2	10.7	3.0	-2.2	10.4	-17.3	31.3	1.7	17.7	-13.8	15.6	12.5	13.0	-2.7
FTSE TechMARK 100	3.8	15.8	4.7	3.8	6.1	-7.5	13.6	7.3	39.2	-4.9	9.8	10.0	16.6	12.3
Asia Pacific & Japan														
Hong Kong Hang Seng	-9.2	-9.2	-22.0	-9.2	-10.5	-12.6	-11.8	-0.2	13.0	-10.6	41.3	4.3	-3.9	5.3
China SE Shanghai Composite (capital returns)	-6.3	-7.5	-14.9	-6.3	-1.0	-12.8	7.0	16.5	25.3	-22.7	8.8	-10.5	11.2	58.0
Singapore Times	-2.7	3.4	-4.2	-2.7	4.7	8.4	13.6	-8.1	9.4	-6.5	22.0	3.8	-11.3	9.6
Taiwan Weighted (capital returns)	-0.2	12.1	5.2	-0.2	31.3	-18.8	26.9	27.0	28.8	-5.0	19.4	15.5	-6.9	11.2
Korean Composite (capital returns)	-6.0	9.9	-4.6	-6.0	19.9	-23.2	5.6	33.8	10.0	-15.4	23.9	5.2	4.1	-3.5
Jakarta Composite (capital returns)	-0.9	6.7	4.0	-0.8	6.2	4.1	10.1	-5.1	1.7	-2.5	20.0	15.3	-12.1	22.3
Philippines Composite (capital returns)	3.0	11.3	0.8	3.0	-1.8	-7.8	-0.2	-8.6	4.7	-12.8	25.1	-1.6	-3.9	22.8
Thai Stock Exchange	-3.6	-1.1	-11.4	-3.6	-12.7	3.5	17.7	-5.3	4.3	-8.1	17.3	23.9	-11.2	19.1
Mumbai Sensex 30	-0.6	12.5	8.3	-0.6	20.3	5.8	23.2	17.2	15.7	7.2	29.6	3.5	-3.7	32.0
Hang Seng China Enterprises index	-10.0	-11.3	-24.1	-10.0	-10.7	-15.6	-21.2	0.0	14.5	-10.0	29.6	1.4	-16.9	15.5
ASX 200	1.2	14.0	5.8	1.2	14.0	0.5	18.7	2.3	25.0	-1.5	13.4	13.4	4.2	7.1
Topix	7.8	13.4	11.0	7.8	28.3	-2.5	12.8	7.4	18.1	-16.0	22.2	0.3	12.1	10.3
Nikkei 225 (capital returns)	8.4	17.6	9.4	8.4	28.2	-9.4	4.9	16.0	18.2	-12.1	19.1	0.4	9.1	7.1
MSCI Asia Pac ex Japan (US$)	-4.8	7.1	-6.0	-4.8	7.9	-17.0	-2.5	23.1	19.8	-13.5	37.8	7.4	-8.8	3.5
Latin America														
MSCI EM Latin America (US$)	-4.8	17.7	1.7	-4.8	33.6	9.6	-7.7	-13.6	17.8	-6.2	24.2	31.4	-30.9	-12.1
MSCI Mexico (US$)	-1.9	24.2	4.3	-1.9	41.5	-1.6	22.9	-1.7	11.6	-15.4	16.2	-9.1	-14.4	-9.3
MSCI Brazil (US$)	-5.9	15.4	2.2	-5.9	33.4	14.6	-17.1	-18.9	26.7	-0.1	24.5	66.7	-41.2	-13.8
MSCI Argentina (US$)	4.0	55.7	19.1	4.0	66.8	35.8	20.9	12.3	-20.7	-50.8	73.6	5.1	-0.4	19.2
MSCI Chile (US$)	-11.0	4.6	-18.9	-11.0	6.4	23.3	-14.7	-4.2	-16.2	-18.9	43.6	16.8	-16.8	-12.2
Commodities														
Oil - Brent Crude Spot (US$/BBL)	6.6	-6.5	-3.4	6.6	-4.6	5.5	49.2	-25.0	35.5	-23.7	20.9	44.8	-31.4	-47.8
Oil - West Texas Intermediate (US$/ BBL)	5.9	-6.4	-7.3	5.9	-10.7	4.2	58.7	-20.5	34.5	-24.8	14.6	45.0	-30.5	-45.9
Reuters CRB index	3.8	-1.8	-0.8	3.8	0.0	22.0	38.5	-9.3	11.8	-10.7	1.7	9.7	-23.4	-17.9
Gold Bullion LBM (US$/Troy Ounce)	-1.2	2.8	4.2	-1.2	14.6	0.4	-4.3	23.9	19.1	-1.3	11.9	9.1	-11.4	-0.2
Baltic Dry index	-33.2	-4.2	24.0	-33.2	38.2	-31.7	62.3	25.3	-14.2	-7.0	42.1	101.0	-38.9	-65.7

Source: Blomberg, total returns in local currency unless otherwise stated.

An investment cannot be made into an index directly. The performance data shown relates to a past period. Past performance does not predict future returns.

Footnotes

[1] The difference in yield between two corporate debt securities and government bonds of the same maturity.

Risk warnings

The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.

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