Monthly Market Roundup
covering October 2024

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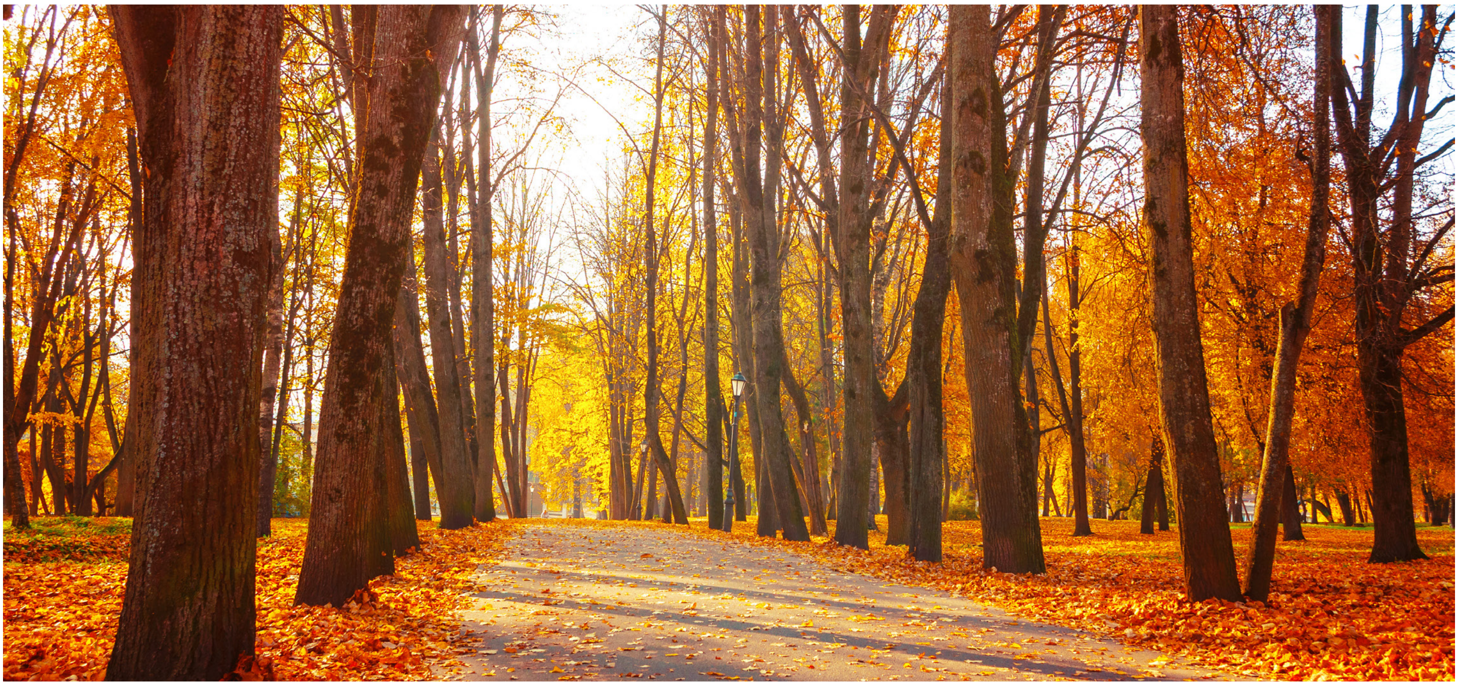

Overview

- The UK equity market fell in October due to budget uncertainties, the US election, and Middle East conflicts.
- US equity markets fell after the S&P 500 hit record highs, driven by a tech sell-off following Microsoft's weak growth outlook
- Taiwan saw gains, while Korea struggled due to concerns over Samsung Electronics.

In October, European equity markets declined, though Germany and Italy outperformed. Eurozone Gross Domestic Product (GPD) grew unexpectedly, with stronger-than-expected growth in Germany, while Italy stagnated. Inflation rose to 2%, driven by energy and food prices. In the UK, inflation fell to 1.7%, and the economy grew by 0.2%. US equity markets saw losses due to a tech sell-off, while inflation dropped to 2.4%. Asian markets also struggled, with Japan and China underperforming.

Europe

European equities moved lower in October, with Germany and Italy outperforming, while France continued to lag amid fiscal and political uncertainty. Energy was among the better-performing sectors, with oil prices ending a three-month negative run, and financials also outperformed on stronger-than-expected earnings.

Eurozone Gross Domestic Product (GDP) growth in the third quarter exceeded expectations, with a 0.2% expansion in Germany and a 0.4% rise in France.

Headline inflation increased from 1.7% in September to 2.0% in October. Key policymakers, including Christine Lagarde stressed that rate cuts should continue to be gradual to combat inflation.

The UK

The UK equity market fell in October due to budget uncertainties, the US election and conflict in the Middle East. Inflation dropped to 1.7%, raising expectations for interest rate cuts. Economic growth was 0.2%, while wage growth slowed. The government budget increased spending by £70 billion, with taxes rising by £36 billion. Consumer confidence declined, though retail sales grew for the third month.

The US

US equity markets posted negative returns after the S&P 500 hit record highs, driven down by a tech sell-off following Microsoft's weaker growth outlook. The Federal Open Market Committee showed divided opinions on interest rate cuts. The US Consumer Price Index (CPI) inflation fell to 2.4%, boosting expectations for a 25-basis point cut. The labour market added 254,000 jobs, and in the third quarter, the economy grew by 2.8%, signalling strong health.

Asia

Asia Pacific equity markets had a negative month, with Japan, China, and India underperforming. Taiwan saw gains, while Korea struggled due to concerns over Samsung Electronics. Indian stocks fell amid disappointing earnings and slowing GDP growth, with the Reserve Bank of India maintaining rates at 6.5%. Australian shares declined, facing slim chances for rate cuts. Chinese equities retreated despite a 4.6% GDP growth in the third quarter. Japan's market was affected by political uncertainty, while Taiwan's stocks rose, driven by strong earnings from Taiwan Semiconductor Manufacturing Co (TSMC).

Emerging markets

Emerging-market stocks declined, Brazilian equities fell due to declining iron ore prices, and the Central Bank of Brazil maintained its Selic rate at 10.75%. Mexico's market slightly declined amid high inflation. Turkey and Egypt struggled, while South Africa's market paused ahead of the US election.

Fixed income

Global bond markets had a challenging month, with US Treasuries down -2.48% and UK gilts falling -2.78% due to rising fiscal concerns. The Federal Reserve is expected to cut rates by 25bps, but strong economic data has tempered future cut expectations. The eurozone saw a 25-basis point (bps) rate cut from the European Central Bank (ECB), while Canadian rates were also reduced. Corporate bonds showed mixed performance, with high-yield bonds faring better in Europe. October saw significant issuance of euro/sterling investment-grade corporate bonds at €43 billion.

Europe

- European equity markets lower in October
- Eurozone Gross Domestic Product (GDP) stronger than expected
- Headline inflation at 2%

European equities moved lower during October with Germany and Italy outperforming while France continued to lag on fiscal/political uncertainty. In sector terms, energy was among the better performers as oil prices ended the month higher, ending a three-month negative run. Financials also outperformed as earnings season was generally better than expected for them while communication services were also among the better performing sectors. Real estate and technology were among the underperformers over October.

In macroeconomic news, eurozone GDP growth came in stronger than expected in third quarter, appearing to reflect genuine improvements in economic conditions. Among major economies, the main upside surprise was the 0.2% quarterly expansion in Germany (consensus: -0.1%). In contrast, the stagnation in Italy's GDP in third quarter was worse than expected (consensus: +0.2%). Italy grew strongly and outperformed its eurozone peers after the Covid pandemic mostly because of a boom in construction fuelled by tax incentives. However, the third quarter figures confirm that, with the tax incentives now curtailed, growth has flatlined. France saw GDP rise by 0.4% quarter on quarter while Spain, the fastest growing eurozone economy, delivered a 0.8% quarterly rise. All of this meant that overall - even excluding Ireland, whose GDP figures are notoriously volatile, and the temporary boost from the Paris Olympics - eurozone GDP growth still accelerated by 0.4% in third quarter.

Meanwhile on the inflation front, headline inflation rose from 1.7% in September to 2.0% in October, marginally higher than the 1.9% that the consensus had expected. This increase was mostly due to higher energy inflation along with food, alcohol & tobacco inflation (up from 2.4% to 2.9%). Core inflation was unchanged at 2.7% as services inflation remained stuck at 3.9%. Several key policymakers, including Christine Lagarde, went on to stress that the battle against inflation has not yet been won and following the 25- basis point (bps) cut in October which took the deposit rate down to 3.25%, suggested that rate cuts should continue to be gradual. The latest inflation data arguably supported that case. However, the headline rate is still a lot lower and core inflation a bit lower than the European Central Bank (ECB) had anticipated in its September macroeconomic projections, when it forecast the fourth quarter headline and core rates of 2.6% and 2.9% respectively.

UK

- Government spending increases in the budget
- Inflation falls to 1.7%.
- UK economy grows following two consecutive months of flat growth.

The UK equity market closed lower in October on uncertainty surrounding the budget at the end of the month, the US election and the conflict in the Middle East.

The Office for National Statistics (ONS) figures showed that UK inflation fell more than expected to 1.7% in September, a 3-year low. The fall was driven by lower petrol prices and lower air fares. The lower figure has increased market expectations that the Bank of England (BoE) would lower interest rates for a second time in its November meeting. Core inflation, which excludes energy and food prices, fell from 3.6% to 3.2%.

Following the inflation news, the pound fell against the dollar to as low as $1.29 as traders increased the likelihood of further interest rate cuts this year.

UK economic growth was 0.2% in August following two consecutive months of flat growth. ONS figures showed services output grew 0.1% in August, production up 0.5% and construction expanded 0.4%. This implied the UK was likely to have slower growth in the second half of this year rather than a recession.

UK wage growth continued to slow as employment fell and the number of vacancies fell. ONS data showed average total pay grew at an annual rate of 3.8% (including bonuses) in the three months to September in comparison to a year ago. The figures supported the case for a further interest rate cut in November.

In the Budget towards the end of the month, Government spending increased by £70 bn. Taxes are expected to rise by £36bn, leaving the balance to be funded by increased borrowing. The main source of increased taxation revenues will come from increases to employer's National Insurance (a tax paid by companies which is additional to amounts paid by companies to employees).

Research group GfK's consumer confidence index — a measure of how the British public view their personal finances and broader economic prospects — fell again in October. This is as uncertainty over the government's tax plans means that the consumer is feeling anxious on spending money. However, figures from the ONS showed British retail sales grew unexpectedly for the third month in a row in September, increasing by 0.3%.

US

- US equity markets delivered negative returns after losing ground in the late stages of the month due to a tech sell-off.
- Inflation fell to 2.4% raising hopes of further Federal Reserve (Fed) cuts in November.
- US economy adds 254,000 jobs in September.

US equity markets delivered negative returns. After extending record highs for much of the month, the S&P500 lost ground in the closing stages following a tech stock sell-off that was sparked by Microsoft delivering a softer-than-expected outlook for growth. The company also announced that artificial intelligence-related expedition would continue to increase which contributed to Microsoft’s biggest one-day drop in two years. US sector performance was negative apart from financials, communication services, and energy.

Federal Open Market Committee (FOMC) meeting minutes for September showed that officials were divided surrounding the decision to cut interest rates by 50 basis point, with “Several participants noted that a 25-basis point reduction would be in line with a gradual path of policy normalisation”. Michelle Bowman, who in September became the first official to dissent since 2005, argued in favour of a more “measured” approach with the intension of avoiding “unnecessarily stoking demand”.

Looking at data releases over the period, US consumer price index (CPI) inflation moved closer towards the 2% target – falling from 2.5% to 2.4% in September. This was slightly above the 2.3% forecast, but the decline helped to boost expectations of a 25-basis point cut in November. Core CPI which excludes food and energy prices, rose to 3.3% during the same period.

The US labour market data was positive. Figures from the Bureau of Labor Statistics (BLS) showed that the US economy added 254,000 jobs in September, which was above the 147,000 expectations, and the previous figure of 159,000. The unemployment rate for September fell from 4.2% to 4.1% which was better-than-expected.

The US economy grew by 2.8% in the third quarter, slightly below the 3.0% forecast. However, this news was well received by investors as a sign of the economy’s strong health. The Composite Purchasing Managers' Index (PMI) figure for September was 54, signalling a robust expansion in the US private sector. Services PMI led the growth coming in at 55.2 whilst manufacturing fell behind, reported at 47.3. A PMI reading above 50 signals an expansion in the economy whereas a reading below 50 indicates a contraction.

Asia

- Asia Pacific equity markets lost ground during October with major markets like Japan, China and India falling.
- A decline in optimism around Beijing's stimulus measures saw the People's Bank of China (PBoC) cut loan deposit rates.
- Earnings season saw some disappointing results from some major Indian listings.

Asia Pacific equity markets delivered a negative month, with major markets like Japan, China, and India underperforming. Taiwan gained, while Korea lagged on competitiveness concerns burdening index heavyweight Samsung Electronics. Australian equities declined with mining stocks falling due to a softening in commodity prices.

Indian equities slipped back - selling pressure has been intensified by the disappointing quarterly earnings from some major domestic listings and slowing GDP growth. The Reserve Bank of India (RBI) maintained its benchmark policy repo rate at 6.5% but hinted at potential easing.

Korean stocks slipped back due to ongoing worries about index heavyweight Samsung Electronics' competitiveness and forthcoming earnings. Korea's economy is particularly sensitive to interest rates due to elevated levels of household debt. Korea's central bank (BOK) has reduced its benchmark interest rates to 3.25%, signalling the potential for further reductions. This provides some relief to households dealing with historically high borrowing costs.

Australian shares closed lower - markets see slim prospects for an interest rate cut from the Reserve Bank of Australia (RBA) before year-end. Underlying inflation remains above the RBA's target. Additionally, stronger-than-expected job creation has reduced the likelihood of a rate cut, with the robust job market helping households manage inflation and interest rate increases.

Following the rally from the September lows to the early October highs, Chinese equities retreated before stabilising. Markets pulled back from September's surge driven by government stimulus announcements. In response, the PBoC cut the 1-year and 5-year loan deposit rates. Despite these efforts, concerns remain that the measures may not sufficiently boost domestic demand, indicating further policy easing might be needed. China's GDP grew by 4.6% in third quarter, surpassing analysts' expectations, while home prices fell for both new and existing homes, particularly in tier-1 cities.

Japan's equities underperformed due to uncertainty from a snap general election, where the ruling coalition failed to secure a majority in the House of Representatives. This political upset may slow the Bank of Japan's (BoJ) policy tightening. BoJ Governor Kazuo Ueda urged caution in reaching the 2% inflation target. Additionally, October's Composite PMI fell below the 50 boom-bust mark, indicating economic contraction.

On a positive note, Taiwanese stocks performed well in the past month, with the impressive earnings of Taiwan Semiconductor Manufacturing Co (TSMC) galvanising its stock market. TSMC has been reaping the benefits of the growing interest in AI across various industries. The Central Bank of Taiwan maintained its key discount rate at 2%, consistent with market forecasts and projected an economic growth rate of 3.8% for the entire year. Key positive factors include strong export growth and robust momentum in private consumption.

Emerging Markets

- Brazilian equities declined, particularly in the materials sector.
- Mexico's stock market declined slightly, with inflation slowing but still above target.
- Turkey's central bank held interest rates at 50%, while the stock market struggled due to the lira's decline and high inflation.

Brazilian equities declined, with the material sector hit hardest due to falling iron ore prices linked to China's underwhelming property stimulus. The Central Bank of Brazil raised the Selic rate to 10.75% in September and maintained it in October. Despite stronger-than-expected economic activity and labour market indicators, concerns about rising debt levels and increased borrowing costs persist.

Mexico's stock market saw a slight decline. Although inflation is slowing, it remains above the target range, supporting a faster rate easing cycle as expected by the central bank. Despite beginning to cut rates, the monetary policy rate is still high, suggesting ongoing easing is needed to stimulate economic activity.

Egypt and Turkey underperformed. Turkey's central bank kept interest rates at 50%, with the stock market struggling due to the lira's decline, high inflation, rising borrowing costs, and loan defaults. A stronger currency could help reduce inflation, as imported goods, such as food products and energy, would likely be cheaper. Egypt faces balance-of-payments challenges, with its stock exchange weakened by insufficient direct investment, fewer company listings, and a decline in market value relative to GDP.

South Africa's market consolidated its recent strong performance, with a pause due to the upcoming US Presidential election. The country's inflation rate fell, raising hopes for another interest rate cut by the central bank. Global financial markets have shown increased confidence in South Africa since the Government of National Unity took charge, continuing the economic reforms initiated by the previous administration.

Fixed Income

- Bond markets face headwinds as investors pare back expectations of UK and US interest rate cuts next year.
- UK borrowing costs rise as investors unnerved by the prospect of increased supply of gilts to finance a fiscally expansionary UK Budget.
- As expected, the European Central Bank cuts interest rates by 0.25%.

Global bond markets had their worst month in over a year as investors pared back expectations of interest rate cuts next year. The release of resilient US economic data, coupled with broadening concerns over fiscal deficits, saw a significant repricing. Against this backdrop, US treasuries returned -2.48% in October. Following the long-awaited UK budget, which raised concerns about higher issuance and extra borrowing requirements in future years, UK gilts underperformed, down 2.78%. Government bonds in the euro area also lost ground but held up on a relative basis with German bunds returning -1.34%.

While the US Federal Reserve remains on track to reduce interest rates by 25bps in November and December, a strong jobs report and an unexpected rise in core inflation led investors, however, to dial back on how many rate cuts they expect in 2025. The yield on the interest-rate sensitive two-year treasury increased from 3.64% to 4.17%. Concerns that US fiscal policy could be loosened post-election, particularly if the Republicans win a clean sweep, also saw yields on longer-dated treasuries increase significantly with the ten-year note rising from 3.78% to 4.28%.

UK borrowing costs rose to their highest levels this year on concerns that fiscal expansion put forward in the Budget would boost inflation and cause the BoE to cut interest rates more slowly over the coming year. Responding to an increase of borrowing of £28 billion a year over this parliament, the yield on the ten-year gilt rose above 4.50%, close to the 4.63% peak seen after Liz Truss's September 2022 "mini" budget. The spread of 10-year gilts over bunds widened to 206bps, the biggest gap in two years.

By comparison, sovereign bond markets in the eurozone were calmer but not immune to weakness elsewhere. As expected, the ECB cut interest rates by a further 25bps in October, taking the deposit rate to 3.25%. Hopes that the ECB could follow this up with a bigger 50bps reduction in December were dented by the release of stronger-than-expected GDP and inflation data. Economic output in the euro area expanded by 0.4% in the third quarter, with upside surprises in Germany, Spain and France. Eurozone inflation rose to 2% in October, slightly above expectations of 1.9%, meeting the ECB's target.

As expected, the Bank of Canada (BOC) reduced its policy rate by 50bps to 3.75%.

Performance of corporate bonds was mixed. While there were broad losses for investment grade, high yield bonds fared better with gains being delivered in Europe. Despite US investment grade corporate bonds spreads narrowing to the lowest level in more than three years, moving from 92bps to 86bps, this was the weakest performing cohort, down 2.25% over the month, according to ICE BofA data. By comparison, sterling and euro IG bonds returned -1.50% and -0.40% respectively. Spreads in Europe tightened too, moving from 115bps to 107bps for sterling-denominated debt and from 116bps to 105bps for those priced in euros.

In the high yield corporate bond market, European currency (€/£) bonds returned 0.61% versus -0.55% for US dollar ones. However, spreads tightened for both categories, moving from 350bps to 324bps for European currency bonds and from 303bps to 288bps for dollar bonds.

Ahead of the US election on 5 November, October issuance of euro/sterling investment grade corporate bonds was €43 billion, much higher than expected (data from Barclays).

Government Bonds

Yield to maturity[1] (%)

	Current	1 month	3 months	6 months	12 months
US Treasuries 2 year	4.17	3.64	4.26	5.04	5.09
US Treasuries 10 year	4.28	3.78	4.03	4.68	4.93
US Treasuries 30 year	4.48	4.12	4.30	4.78	5.09
UK Gilts 2 year	4.44	3.98	3.83	4.51	4.78
UK Gilts 10 year	4.45	4.00	3.97	4.35	4.51
UK Gilts 30 year	4.88	4.58	4.54	4.79	4.98
German Bund 2 year	2.28	2.07	2.53	3.03	3.02
German Bund 10 year	2.39	2.12	2.30	2.58	2.81
German Bund 30 year	2.60	2.46	2.51	2.69	3.09

Source: Bloomberg LP, ICE BofA (local currency returns, unless stated). Data as at 31 October 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	4.95	52	4.59	56	4.61	52	5.00	46	5.37	67
£ AA	5.07	62	4.71	68	4.73	66	5.17	63	5.60	96
£ A	5.45	92	5.10	97	5.08	91	5.55	97	6.06	136
£ BBB	5.96	132	5.64	143	5.66	141	6.10	143	6.77	204
£ High Yield	8.42	381	8.32	412	8.67	441	8.96	424	10.62	593
£ BB	6.89	218	6.82	252	7.11	277	7.25	241	8.63	384
€ AAA Investment Grade Corporate	2.94	62	2.76	71	2.99	67	3.32	64	3.64	88
€ AA	3.01	72	2.85	80	3.15	77	3.53	75	3.93	109
€ A	3.33	96	3.19	106	3.45	99	3.86	99	4.30	139
€ BBB	3.61	119	3.49	133	3.76	126	4.20	130	4.78	186
€ High Yield	6.03	317	6.01	342	6.51	356	6.79	350	7.87	483
€ BB	4.83	207	4.83	234	5.10	224	5.45	220	6.76	367
European High Yield (inc € + £)	6.28	324	6.25	350	6.74	365	7.03	358	8.16	495

Source: Bloomberg LP, ICE BofA. Data as at 31 October 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 October 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	1.09	-2.3	0.5	2.0	-1.4	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	0.84	1.3	0.2	-1.2	-2.7	-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	0.94	-0.1	-1.1	-4.1	1.2	-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	11.59	2.4	0.1	-1.4	4.1	-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	11.97	2.0	1.5	1.0	6.7	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	7.46	0.1	0.0	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	4.35	1.6	1.5	0.5	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	408.24	2.8	3.6	4.4	6.5	-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	152.03	5.8	1.4	-3.7	7.8	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	1.39	3.0	0.9	1.1	5.2	-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	17.60	1.9	-3.3	-6.3	-4.1	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	5.79	6.2	2.4	11.4	19.2	-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	1376.95	4.7	0.4	-0.4	6.9	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	32.03	1.2	-2.5	-1.6	4.3	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	33.74	4.9	-5.4	-9.0	-1.2	-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	1.32	2.7	-1.2	-3.3	0.0	-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	0.78	3.7	-0.3	-3.2	-1.3	-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	22.71	-1.7	-3.0	-3.2	-2.5	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	-4.8	0.6	1.7	-3.4	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	0.60	-5.9	0.4	1.5	-5.4	-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 October 2024 (%)

	1 month	3 months	6 months	YTD	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Global US & Canada														
MSCI World (US$)	-2.0	2.5	11.4	17.0	24.4	-17.7	22.4	16.5	28.4	-8.2	23.1	8.2	-0.3	5.6
MSCI World Value (US$)	-2.1	2.5	10.0	14.6	12.4	-5.8	22.8	-0.3	22.8	-10.1	18.0	13.3	-4.0	4.5
MSCI World Growth (US$)	-1.8	2.6	12.7	19.3	37.3	-29.0	21.4	34.2	34.2	-6.4	28.5	3.2	3.5	6.6
MSCI World Small Cap (US$)	-2.7	-0.3	9.4	8.4	16.4	-18.4	16.2	16.5	26.8	-13.5	23.2	13.2	0.8	2.3
MSCI Emerging Markets (US$)	-4.3	3.8	9.0	12.1	10.2	-19.8	-2.3	18.8	18.8	-14.3	37.8	11.8	-14.6	-2.0
FTSE World (US$)	-2.1	2.4	11.0	16.2	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	2.7	11.5	12.5	16.2	-6.9	20.9	9.7	25.3	-3.5	28.1	16.4	0.2	10.0
S&P 500	-0.9	3.7	14.1	21.0	26.3	-18.1	28.7	18.4	31.5	-4.4	21.8	11.9	1.4	13.7
NASDAQ	-0.5	3.0	16.0	21.2	44.7	-32.5	22.2	45.0	36.7	-2.8	29.7	9.0	7.1	14.8
Russell 2000	-1.4	-2.2	12.1	9.6	16.9	-20.5	14.8	19.9	25.5	-11.0	14.6	21.3	-4.4	4.9
S&P/ TSX Composite	0.9	5.3	12.9	18.2	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 €	-3.4	-2.2	1.2	7.9	18.4	-11.9	25.1	2.9	27.6	-10.5	12.9	3.2	10.7	7.2
MSCI Europe	-3.2	-2.1	1.5	8.6	16.5	-9.0	25.8	-2.8	26.8	-10.1	10.8	3.2	8.8	7.5
CAC 40	-3.7	-2.3	-6.2	0.3	20.1	-6.7	31.9	-5.0	30.5	-8.1	12.5	8.8	11.9	2.5
DAX	-1.3	3.1	6.4	13.9	20.3	-12.3	15.8	3.5	25.5	-18.3	12.5	6.9	9.6	2.7
Ibex 35	-1.1	6.3	9.8	20.2	28.1	-2.0	10.5	-12.7	16.5	-11.5	11.3	2.5	-3.7	8.5
FTSEMIB	0.5	1.7	3.8	17.8	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)	-3.1	-4.3	4.7	9.3	3.8	-16.7	20.3	0.8	26.0	-10.2	14.1	-6.8	-1.8	9.5
Amsterdam Exchanges	-3.9	-4.4	0.9	13.7	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$)	-3.4	-2.4	-0.3	3.0	10.5	-35.3	24.1	-7.3	19.9	-7.4	16.5	22.8	-14.5	-28.2
FTSE/JSE Africa All-Share (SA)	-0.9	4.5	14.1	14.9	9.3	4.0	29.3	7.1	12.1	-8.4	21.0	2.8	5.3	10.9
UK														
FTSE All-Share	-1.6	-2.5	1.8	8.0	7.7	0.2	18.3	-9.7	19.1	-9.5	13.1	16.8	0.9	1.2
FTSE 100	-1.4	-2.2	1.3	8.2	7.7	4.6	18.4	-11.4	17.2	-8.8	12.0	19.2	-1.4	0.7
FTSE 250	-2.9	-4.8	3.9	6.5	8.0	-17.4	16.9	-4.6	28.9	-13.3	17.8	6.7	11.2	3.7
FTSE Small Cap ex Investment Trusts	-1.0	-0.4	10.5	13.8	10.4	-17.3	31.3	1.7	17.7	-13.8	15.6	12.5	13.0	-2.7
FTSE TechMARK 100	-4.9	-8.5	-3.8	-0.6	6.1	-7.5	13.6	7.3	39.2	-4.9	9.8	10.0	16.6	12.3
Asia Pacific & Japan														
Hong Kong Hang Seng	-3.8	18.2	18.6	24.2	-10.5	-12.6	-11.8	-0.2	13.0	-10.6	41.3	4.3	-3.9	5.3
China SE Shanghai Composite (capital returns)	-1.6	12.1	8.7	13.5	-1.0	-12.8	7.0	16.5	25.3	-22.7	8.8	-10.5	11.2	58.0
Singapore Times	-0.7	5.2	11.8	15.3	4.7	8.4	13.6	-8.1	9.4	-6.5	22.0	3.8	-11.3	9.6
Taiwan Weighted (capital returns)	2.7	3.3	14.1	30.3	31.3	-18.8	26.9	27.0	28.8	-5.0	19.4	15.5	-6.9	11.2
Korean Composite (capital returns)	-1.4	-7.5	-4.6	-2.5	20.5	-23.2	5.6	33.8	10.0	-15.4	23.9	5.2	4.1	-3.5
Jakarta Composite (capital returns)	0.6	4.4	4.7	7.3	6.2	4.1	10.1	-5.1	1.7	-2.5	20.0	15.3	-12.1	22.3
Philippines Composite (capital returns)	-1.8	7.9	6.6	13.4	-1.8	-7.8	-0.2	-8.6	4.7	-12.8	25.1	-1.6	-3.9	22.8
Thai Stock Exchange	1.3	12.1	8.8	7.0	-12.7	3.5	17.7	-5.3	4.3	-8.1	17.3	23.9	-11.2	19.1
Mumbai Sensex 30	-5.7	-2.6	7.7	11.3	20.3	5.8	23.2	17.2	15.7	7.2	29.6	3.5	-3.7	32.0
Hang Seng China Enterprises index	-3.3	19.9	20.2	30.9	-10.7	-15.6	-21.2	0.0	14.5	-10.0	29.6	1.4	-16.9	15.5
ASX 200	-1.3	2.1	8.4	12.0	14.0	0.5	18.7	2.3	25.0	-1.5	13.4	13.4	4.2	7.1
Topix	1.9	-2.7	-0.7	16.3	28.3	-2.5	12.8	7.4	18.1	-16.0	22.2	0.3	12.1	10.3
Nikkei 225 (capital returns)	3.1	-0.1	1.8	18.6	28.2	-9.4	4.9	16.0	18.2	-12.1	19.1	0.4	9.1	7.1
MSCI Asia Pac ex Japan (US$)	-4.9	5.2	11.7	14.6	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$)	-5.1	-2.5	-10.2	-16.7	33.6	9.6	-7.7	-13.6	17.8	-6.2	24.2	31.4	-30.9	-12.1
MSCI Mexico (US$)	-5.0	-8.9	-19.8	-22.4	41.5	-1.6	22.9	-1.7	11.6	-15.4	16.2	-9.1	-14.4	-9.3
MSCI Brazil (US$)	-5.5	0.1	-7.1	-17.4	33.4	14.6	-17.1	-18.9	26.7	-0.1	24.5	66.7	-41.2	-13.8
MSCI Argentina (US$)	18.1	40.7	33.4	66.9	66.7	35.8	20.9	12.3	-20.7	-50.8	73.6	5.1	-0.4	19.2
MSCI Chile (US$)	-5.3	0.2	0.0	-4.7	6.4	23.3	-14.7	-4.2	-16.2	-18.9	43.6	16.8	-16.8	-12.2
Commodities														
Oil - Brent Crude Spot (US$/BBL)	0.5	-10.1	-16.6	-5.6	-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$/BBL)	1.6	-11.1	-15.5	-3.3	-10.7	4.2	58.7	-20.5	34.5	-24.8	16.3	45.0	-30.5	-45.9
Reuters CRB index	-1.4	1.9	-1.5	10.8	0.0	22.0	38.5	-9.3	11.8	-10.7	1.7	9.7	-23.4	-17.9
Gold Bullion LBM (US$/Troy Ounce)	1.6	5.8	20.8	28.3	4.0	-8.8	-8.1	34.9	51.3	-17.1	8.1	74.1	-34.1	-0.2
Baltic Dry index	-33.4	-18.7	-17.6	-33.7	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.

Investment risks

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.

Important information

View and opinions are based on current market conditions and are subject to change.

This is marketing material and not financial advice. It is not intended as a recommendation to buy or sell any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication.

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