Monthly Market Roundup
April 2018 (covering March 2018)

Global overview

- Technology-led correction (temporary price declines interrupting an uptrend) dominated global equity markets in March
- Rising trade tensions between the US and China unnerved markets further
- Other concerns included the steady retreat of central bank monetary stimulus and that economic growth may have peaked

A technology-led correction (temporary price declines interrupting an uptrend) dominated global equity markets in March rounding off the worst quarter for global equities in more than two years. Rising trade tensions between the US and China unnerved markets further. Hopes had been pinned on solid economic data and the prospect that US corporate tax cuts passed in late 2017 would bolster first quarter corporate earnings. However, there was plenty more to consider, including the steady retreat of central bank monetary stimulus and concerns that economic growth may have peaked after the best period of synchronised global expansion in a decade. Indeed, President Trump's decision to put tariffs on China heightened concerns that a trade war could hurt global economic growth.

As a result, in the US, the share prices of the sectors that have benefited the most from strength in the global economy saw the sharpest falls. The pressure on technology stocks in particular was driven by speculation about a regulatory crackdown related to data privacy and anti-trust concerns. Deeper regulatory scrutiny could alter the long-term prospects for the sector which propelled last year's rally. The technology sell-off was sparked by company-specific news from Facebook Inc and Nvidia Corp, prompting an abrupt reversal of fortune for the sector.

Globally, both developed and emerging markets were impacted by trade tensions. The largely international constituents of the UK equity market came under pressure as the trade war between the US and China appeared to escalate. In Europe, President Trump's vow to impose tariffs on foreign steel and aluminium was also a cause for concern, though markets were somewhat relieved when the White House declared a temporary exemption for the European Union and other nations. In the case of emerging markets, concerns that the imposition of US tariffs on Chinese steel and aluminium imports would result in a tit-for-tat trade battle were increased when China hit back with retaliatory measures. Concerns surrounding the potential for further trade friction also impacted Japan and the rest of Asia.

In terms of bond markets, government bonds outperformed corporate bonds over the month, as equity market volatility rose and increased demand for the perceived stability of government bond markets.

US

- Technology correction (temporary price declines interrupting an uptrend) and simmering global trade tensions drove uncertainty
- Abrupt reversal in fortune for the technology sector
- Rally in crude oil buoyed share prices of energy stocks

The US equity market ended the month in negative territory amid the technology correction (temporary price declines interrupting an uptrend) and simmering global trade tensions. Hopes had been pinned on solid economic data and the prospect that US corporate tax cuts passed in late 2017 would bolster first-quarter corporate earnings. However, there was plenty more to consider, including the steady retreat of central bank monetary stimulus around the world and concerns that economic growth may have peaked after the best period of synchronised global expansion in a decade.

Indeed, President Trump's decision to put tariffs on China heightened concerns that a trade war could hurt global economic growth. As a result, the share prices of financials, materials and technology stocks - which are the sectors that have benefited the most from strength in the global economy – saw the sharpest falls. The pressure on technology stocks in particular was driven by speculation about a regulatory crackdown related to data privacy and anti-trust concerns. Deeper regulatory scrutiny could alter the long-term prospects for the sector which propelled last year's rally.

The technology sell-off was sparked by company-specific news from Facebook Inc and Nvidia Corp, prompting an abrupt reversal of fortune for the sector. Facebook founder Mark Zuckerberg agreed to testify before US Congress over the Cambridge Analytica data privacy scandal and chipmaker Nvidia confirmed that it had temporarily suspended self-driving cars on public roads following the fatality involving an Uber vehicle. Amazon's share price also fell when President Trump attacked it for paying "little or no taxes" adding to losses in the consumer discretionary sector (non-essential goods and services).

One of the few sectors in positive territory was energy after a rally in crude oil buoyed share prices. Oil prices rose on geopolitical tensions and a better supply-demand outlook. Share prices of energy stocks climbed further as the OPEC-led alliance of major oil producers accelerated the time line for curbing a worldwide supply glut. More defensive sectors (those less correlated with the global economy) including utilities and real estate performed the strongest.

The US Federal Reserve (Fed) raised interest rates from 1.5% to 1.75% at the first meeting chaired by Jay Powell. Central bank officials released upbeat projections about the US economy and inflation, supporting expectations that the central bank may raise interest rates three more times this year. The US economy expanded at a faster rate in the final quarter of 2017 than initially thought, and consumer spending increased more than previously estimated. Real GDP increased at an annualised rate of 2.9% in the last three months of last year, the third and final reading from the Commerce Department showed. For the whole of 2017, the US economy grew 2.3% compared to 2016. A gauge of consumer sentiment rose to its highest level since 2004 in March, according to the University of Michigan, highlighting the bright outlook among US households.

In terms of corporate news, Concho Resources, a US oil and gas producer, agreed to buy rival RSP Permian for US$9.5bn including debt, and CME Group, the Chicago exchange, agreed to buy Nex Group, in a deal that valued the UK group at nearly £3.9bn.

Europe

- European equity markets fell in March
- Despite coming off multi-year highs, economic indicators in the eurozone remained healthy
- The European Central Bank dropped its pledge to increase size of quantitative easing if needed

European equity markets retreated in March for a second consecutive month. While February's pullback was set off by rising inflation and interest rate concerns, March's drop was caused by global trade worries. U.S. President Donald Trump vowed to impose tariffs on foreign steel and aluminium, leading to a selloff in global equity markets. China retaliated by unveiling tariffs on US$3 billion worth of imports from the US. Amid this escalating trade rhetoric, European investors were somewhat relieved when the White House declared a temporary exemption for the European Union and other nations on the steel and aluminium levies, but this was not enough to fully recover the monthly losses.

Within the FTSE World Europe ex-UK Index, the utilities and consumer goods sectors were the leading outperformers this month as investors favoured the more domestic and relatively defensive businesses (less sensitive to economic cycles). Meanwhile, the financials and basic materials sector led detractors. On a stock level, RWE, the German utility firm was among the strongest performers in March after announcing a dividend increase and performing a complex asset swap that put the company back into a strong position in the renewable energy space. Elsewhere, the share price of Renault also surged in March after reports that Nissan is looking to increase its stake in Renault, aiming for a closer tie-up between the French and Japanese carmakers. Meanwhile, bpost, the Belgium postal delivery services company was among the biggest detractors in March after its earnings missed estimates. Boskalis Westminster, the Dutch dredging company, also lagged this month after posting lower cash flow than analysts' expectations.

On the macroeconomic front, despite coming off multi-year highs, economic indicators still pointed towards healthy expansion in activity across manufacturing and services sectors in the eurozone, as well as a steady improvement in the jobs markets. Reflecting the region's robust economic expansion, the European Central Bank (ECB) dropped its pledge to increase the size of its quantitative easing programme if needs be, which was seen as a further step towards normalising monetary policy. However, the ECB governing council reiterated on 8 March it's "patient, persistent and prudent" approach to existing stimulus measures, with US trade policies and euro strength seen as downside risks. This prudent approach was also explained by inflation in the eurozone, which remain muted thus far. Inflation data released in March showed core consumer price index (CPI) staying constant at 1%, while headline inflation retreated to 1.1% from 1.3% the previous month and fell below the expected 1.2%. Technology improvements and the large slack in labour markets are among the most cited reasons for the lower inflation regime, yet central bank officials have expressed confidence that the economy's continued strength will eventually fuel higher inflation.

UK

- UK equity markets delivered negative returns in March as sterling continued its rally against the US dollar
- Expectations that the Bank of England (BoE) will raise UK interest rates in May continued to rise
- Encouraging company results revealed throughout the month showed resilience across a range of domestic sectors

UK equity markets delivered another month of negative returns in March, as sterling continued its rally, ending the month stronger against the USD and Euro. The pound broke 1.42 against the US dollar, matching post Brexit referendum highs seen in January 2018. Fears of a potential trade war between the US and China were fuelled by continued protectionist action from President Trump during the month, fuelling global market unease which brought the largely international constituents of the FTSE 100 under further pressure.

Expectations that the BoE's Monetary Policy Committee would increase the base interest rate at its May meeting continued to grow. Confidence was fuelled by the US Federal Reserve's decision to raise US interest rates during the month. Figures announced towards the end of March showed UK wage growth rose at the fastest rate for more than two and a half years during the three months to January, though it trailed inflation. The 2.6% increase was in line with expectations and reflects a relative reduction in pressure on real incomes.

The big Brexit news came as David Davis, Secretary of State for Exiting the European Union, announced that the UK and EU have negotiated an extended transition period. With the deal securing existing trading rules for an additional 21 months, businesses will be able to operate 'as normal' until December 2020. The statement boosted sterling against both the US dollar and Euro.

In corporate news, the share price of Barclays rose mid-month on the announcement that turnaround specialist investors Sherborne Investors had built a 5% stake in the company. The news has been largely welcomed by the market, which also responded well to confirmation that the bank would restore its dividend in 2018. In other Financials news, Aviva announced a dividend increase just shy of 20% for 2018, as well as plans to execute a share buyback. However, the latter half of this announcement was revoked before month-end as management gave in to pressure from investors who opposed the intended cancellation of high dividend paying preference shares. Elsewhere, Litigation Financer Burford Capital had another strong month, with news that its profits for 2017 had more than doubled to US$265 million compared to the previous year. The firm also confirmed a 20% raise in its dividend for 2018. Legal & General's share price was boosted by solid company results, including record profits for 2017 and a 7% increase in its annual dividend. The insurer also announced the full acquisition of housebuilder CALA Homes, upping its previous stake in the company from 47.9%.

In positive news for the outsourcing sector, Balfour Beatty announced that annual profits had almost tripled in 2017, following extensive turnaround measures pursued by the construction giant over the past few years. Measures had included reducing costs and pursuing a more selective attitude towards project bids. The market responded warmly to news as share prices ticked up.

In contrast March saw negative headlines for specialist software and IT services provider MicroFocus. Its share price fell mid-month as the company announced that its Chief Executive Officer Chris Hsu was leaving the firm. He lasted just six months in post and was replaced by Chief Operating Officer Stephen Murdoch. The Board of Directors bought almost £700,000 worth of shares in an effort to boost market confidence post the fall, though share price response was muted.

Next announced its year-end results mid-month, revealing a 2.9% drop in overall profits for 2017 despite rising online and overseas sales. Results were in line with guidance and the share price rallied on the news, but ended the month only marginally up. Other strong company results came from Rolls Royce, where the share price rallied following the release and for G4S, which announced a 5% growth in its dividend.

In other notable news Sports Direct raised its stake in Debenhams to just below 30% of the retailer and there was a failed takeover bid for UK landlord Hammerson, which fought off French firm Klépierre (neither company held). The attempt offers further evidence of mergers and acquisitions in the UK Retail sector at present.

Asia Pacific

- Asian equity markets suffered from the heightened risk of a fully-fledged US-China trade war
- South Korea outperformed amid alleviated geopolitical tension
- Japan's equity market was ruffled by global trade tensions

Asian equity markets sold off with weakness triggered by concerns about global growth and trade tensions as the US imposed tariffs on steel and aluminium imports as well as US$50bn of Chinese imports. South Korea and Taiwan were the best performing equity markets while the Philippines and Australia were among the weakest. In terms of sector performance, the utilities outperformed while the higher beta financials and materials sectors were among the underperformers. In China, fears of a fully-fledged US and China trade war escalated but overall fundamentals stayed robust with industrial production and exports (February) coming in ahead of expectations. Meanwhile, the government maintained its 2018 GDP growth target of 6.5%. Elsewhere, South Korea benefited amid alleviated geopolitical noises as North Korea and the US agreed on a May summit and Taiwan profited from positive sentiment surrounding semi-conductors. Conversely, the Philippines suffered from worries about inflation and the outlook for monetary policy while the impact of trade war tensions on commodity prices, such as iron ore and steel, acted as a drag on the Australian market. Finally, the oil price rebounded after declining last month following a surprise drop in US inventories and better-than-expected compliance with OPEC production cuts.

Japan's equity market ended March lower, ruffled by concerns related to global trade tensions, some mixed economic data and domestic political uncertainty. As in February, less economically sensitive (or defensive) stocks outperformed, amid the broader market decline and further yen appreciation, while the worst performers were more economically sensitive (cyclical) hurt by concerns that US trade policy is becoming more protectionist.

With signs that global manufacturing surveys appeared to have peaked, there were strengthened concerns that the global economy may see a slowdown post the announcement of US restrictions on steel and aluminium imports, which were followed by tariffs on Chinese products. China has responded with retaliatory levies on US products, raising concerns over the potential for trade friction between the US and Japan, although these subsided somewhat later in the month.

Meanwhile, Prime Minister Abe faces a domestic political crisis, with suspicions surrounding a land sale to a school operator with ties to his wife.

Emerging Markets

- Trade tensions and higher US interest rates provided headwinds for equity markets
- Diplomatic ties between Russia and the West deteriorate
- Interest rates cut in South Africa, Brazil, and Russia

Increased trade tensions and the first US interest rate hike of 2018 provided headwinds for emerging equity markets during March with all regions registering losses. Worries that the imposition of US tariffs on Chinese steel and aluminium imports would result in a tit-for-tat trade battle were increased when China hit back with retaliatory measures. Although the decision to raise US interest rates by 0.25% was expected, the US Federal Reserve also released updated economic projections that were generally more optimistic than previous estimates. Despite the prospect of further US interest rate hikes this year, the US dollar weakened slightly. Commodities had a mixed month with energy prices gaining ground whereas metals such as aluminium and copper fell back in value. From a sector perspective, cyclicals underperformed defensives.

While trade jitters undermined sentiment towards China's equity market, the region's weakest performers were Indonesia, Philippines and India. Performance elsewhere in emerging Asia was more positive with Korea, Taiwan and Malaysia all registering gains. Korea was helped by news of potential talks that may lead to the denuclearisation of North Korea. Kim Jong-un, the leader of North Korea, met with the Chinese President in Beijing on 27 March, and may even meet up with US President Trump.

Russia attracted a lot of negative headlines during the month as diplomatic ties with the West deteriorated. However, Greece, Turkey and South Africa were the main equity market laggards in the EMEA (Europe, Middle East and Africa) region. Although South Africa avoided a downgrade from credit ratings agency Moody's, Turkey's sovereign debt rating was lowered by the credit ratings agency. Weighing on South Africa's equity market was weakness in media conglomerate Naspers, as they trimmed back on its holding in Chinese internet giant, Tencent. Amid signs of confidence returning to South Africa under the new leadership of reformist President Cyril Ramaphosa, interest rates were cut to their lowest in two years. In a statement, the South African Reserve Bank reduced the benchmark interest rate by 0.25% to 6.5% after judging that inflation will remain low while growth revives faster than expected. Interest rates were also trimmed in Russia, from 7.5% to 7.25%, as annual inflation was at 2.2% in February, well below its official 4% target. Russia's central bank signalled that the rate-cutting cycle was not over. Russian President Putin won his fourth term in office on 18 March.

While Latin American equity markets ended the month in negative territory, losses were less pronounced than those recorded in emerging Asia, EMEA and developed markets. Country performance was mixed with Peru, Colombia and Mexico enjoying gains, whereas Argentina, Brazil and Chile fell. Despite the March losses, Brazil is still the best performing emerging market this year, allowing Latin America to remain as the best performing region globally. On the macroeconomic front, the highlight of the month in Brazil was that after cutting interest rates by 0.25%, the central bank left the door open for further reductions, a prospect that markets had previously discarded. Inflation continues to fall and is currently at 2.8%. Retail sales came out better than expected while confidence indicators rose. The disinflation process was also in evidence in Mexico with the headline inflation rate dropping to 5.3% after reaching 6.8% in December. However, high petrol prices again dampened consumer confidence levels.

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Fixed Interest

- Government bonds rallied amid an increase in equity market volatility
- The US Federal Reserve (Fed) raised the interest rate a further 0.25%
- A 7-2 split in the vote of the Monetary Policy Committee (MPC) raised the probability of May hike in UK interest rate.

During March 2018, government bonds outperformed corporate bonds, as a series of unconnected events raised equity market volatility and increased demand for the perceived stability of government bond markets.

Among the factors contributing to the volatility and subsequent demand for government bonds was the US Government's imposition of tariffs on select Chinese imports, a reshuffle of US Government personnel, a sell-off in leading technology companies and survey data that suggested global economic growth might be weakening.

In view of the equity market volatility caused by these factors, corporate bonds held up relatively well. Index data from ICE BofAML, shows European high yield currency markets lost only 0.2% while euro investment grade bonds lost 0.1%. Sterling investment grade corporate bonds were positive returning 0.5%. However, the rally in government bonds meant that the premium sterling investment grade companies need to pay to borrow moved to its widest level since May 2017. Meanwhile, contingent capital (CoCo) bonds, the most junior debt issued by banks lost 1.0%[1].

These exogenous factors helped to offset the impact of central bank activity. At what was new Fed chair, Jay Powell's inaugural policy meeting, the US Fed raised US interest rates for the sixth time in this hiking cycle. The move was widely expected and takes the upper bound for interest rate to 1.75%. Expectations remain for a further three hikes this year.

In the UK, The Bank of England left interest rates on hold at 0.5%. However, the chances of rates being hiked 0.25% in May increased, with two members of the monetary policy committee (MPC) voting for an immediate rise. The two who voted for a rise were concerned that the spare capacity in the UK economy was largely used up and that pay increases were putting pressure on inflation.

The European Central Bank (ECB) kept eurozone interest rates on hold. It was noticeable that the official statement from the meeting dropped reference to the ECB increasing its asset purchase programme if needed. However, ECB President Mario Draghi sought to downplay the significance of its removal suggesting it was long overdue.

1 European high yield currency markets represented by ICE BofAML European Currency High Yield Index. Euro investment grade bonds represented by ICE BofAML Euro Corporate Index. Sterling investment grade corporate bonds represented by ICE BofAML Sterling Corporate Index. Contingent capital bonds represented by ICE BofAML Contingent Capital Index. All local currency, total return.

Standardised rolling 12-month performance **(%)**

	31.03.13 31.03.14	31.03.14 31.03.15	31.03.15 31.03.16	31.03.16 31.03.17	31.03.17 31.03.18
ICE BofAML European Currency High Yield Index	11.73	5.57	0.16	9.53	4.47
ICE BofAML Euro Corporate Index	4.13	7.30	0.52	2.53	1.81
ICE BofAML Sterling Corporate Index	2.53	13.67	-0.11	10.97	1.68
ICE BofAML Contingent Capital Index	n/a	7.51	-0.57	15.14	8.78

Past performance is not a guide to future returns.
Source: ICE BofAML, as at 31.03.18. Local currency, total return.

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.

Government Bonds

Yield to maturity (%)

	31.03.18	28.02.18	31.12.17	30.09.17	31.03.17
US Treasuries 2 year	2.27	2.25	1.88	1.48	1.25
US Treasuries 10 year	2.74	2.86	2.41	2.33	2.39
US Treasuries 30 year	2.97	3.12	2.74	2.86	3.01
UK Gilts 2 year	0.82	0.78	0.44	0.47	0.13
UK Gilts 10 year	1.35	1.50	1.19	1.37	1.14
UK Gilts 30 year	1.71	1.89	1.76	1.92	1.73
German Bund 2 year	-0.60	-0.54	-0.63	-0.69	-0.74
German Bund 10 year	0.50	0.66	0.43	0.46	0.33
German Bund 30 year	1.16	1.30	1.26	1.30	1.11

Source: Bloomberg LP, Merrill Lynch data. Data as at 31 March 2018.

Corporate Bonds

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

	31.03.18		28.02.18		31.12.17		30.09.17		31.03.17	
£ AAA	2.11	61	2.18	53	1.85	45	1.84	41	1.74	42
£ AA	2.03	74	2.07	68	1.78	67	1.94	71	1.79	79
£ A	2.63	125	2.68	116	2.40	111	2.51	114	2.42	129
£ BBB	3.05	161	2.99	148	2.70	146	2.82	151	2.81	180
€ AAA	0.72	50	0.74	38	0.68	47	0.72	53	0.78	66
€ AA	0.55	61	0.50	46	0.45	55	0.48	64	0.50	76
€ A	0.79	82	0.76	68	0.69	75	0.69	84	0.78	103
€ BBB	1.27	117	1.21	98	1.13	104	1.15	118	1.29	146
European High Yield (inc € + £)	3.86	327	3.73	297	3.53	294	3.54	277	4.18	369

Source: Bloomberg LP, Merrill Lynch data. Data as at 31 March 2018.

[1] Credit spread - difference in yields offered by corporate bonds over government bonds, that have similar maturity but different credit quality. Option Adjusted Spread (OAS) is used to account for the optionality inherent in many corporate bonds.

Global currency movements – figures to 29 March 2018

	Current value	Change Over: 1 Month (%)	3 Months (%)	6 Months (%)	YTD (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)
Euro/US Dollar	1.23	1.0	2.5	4.1	2.5	-3.2	-10.2	-12.0	4.2	1.9
Euro/GB Sterling	0.88	-0.8	-1.2	-0.5	-1.2	15.7	-5.1	-6.4	2.1	-2.4
Euro/Swiss Franc	1.18	2.1	0.7	2.9	0.7	-1.6	-9.5	-2.0	1.6	-0.5
Euro/Swedish Krona	10.28	1.7	4.5	6.8	4.5	4.4	-2.7	6.6	3.2	-3.9
Euro/Norwegian Krone	9.65	0.4	-2.1	2.5	-2.1	-5.4	6.2	8.4	13.7	-5.4
Euro/Danish Krone	7.46	0.1	0.1	0.2	0.1	-0.5	0.2	-0.2	0.0	0.4
Euro/Polish Zloty	4.21	1.0	0.8	-2.4	0.8	3.3	-0.6	3.2	1.8	-8.6
Euro/Hungarian Forint	312.36	-0.4	0.5	0.2	0.5	-2.0	-0.3	6.5	2.1	-7.6
US Dollar/Yen	106.43	-0.4	-5.6	-5.4	-5.6	-2.8	0.5	13.7	21.4	12.7
US Dollar/Canadian Dollar	1.29	0.5	2.4	3.3	2.4	-2.9	19.1	9.4	7.1	-2.7
US Dollar/South African Rand	11.84	0.4	-4.3	-12.7	-4.3	-11.2	33.8	10.2	24.1	4.5
US Dollar/Brazilian Real	3.31	1.8	-0.2	4.6	-0.2	-17.8	49.0	12.5	15.3	9.9
US Dollar/South Korean Won	1063.08	-2.2	-0.4	-7.2	-0.4	2.7	7.5	4.1	-0.7	-8.2
US Dollar/Taiwan Dollar	29.12	-0.8	-1.8	-4.0	-1.8	-1.2	3.8	6.1	2.7	-4.1
US Dollar/Thai Baht	31.25	-1.0	-4.0	-6.2	-4.0	-0.5	9.5	0.6	6.9	-3.1
US Dollar/Singapore Dollar	1.31	-1.0	-2.0	-3.4	-2.0	2.2	6.9	4.9	3.4	-5.8
US Dollar/GB Sterling	0.71	-1.8	-3.6	-4.4	-3.6	19.3	5.8	-5.9	1.9	4.6
GB Sterling/South African Rand	16.60	2.2	-0.7	-8.6	-0.7	-25.7	26.6	3.7	26.6	9.2
Australian Dollar/US Dollar	0.77	-1.1	-1.6	-2.0	-1.6	-0.9	-10.9	-8.4	-14.2	1.6
New Zealand Dollar/US Dollar	0.72	0.3	2.1	0.4	2.1	1.7	-12.4	-5.0	-0.9	6.4

Source: Thomson Reuters Datastream, all figures subject to rounding. Data as at 29 March 2018.

Global equity and commodity index performance - figures to 29 March 2018 (%)

	1 Month	3 Months	6 Months	YTD	2017	2016	2015	2014	2013	2012
Global US & Canada										
MSCI World (US$)	-2.1	-1.2	4.3	-1.2	-1.2	8.2	-0.3	5.5	24.7	16.5
MSCI World Value (US$)	-2.1	-3.1	1.5	-3.1	-3.1	13.2	-4.1	4.4	27.5	16.4
MSCI World Growth (US$)	-2.1	0.6	7.1	0.6	0.6	3.2	3.5	6.6	27.2	16.6
MSCI World Small Cap (US$)	0.1	-0.6	4.7	-0.6	-0.6	13.3	0.1	2.3	32.9	18.1
MSCI Emerging Markets (US$)	-1.8	1.3	8.9	1.3	1.3	11.6	-14.6	-1.8	-2.3	18.6
FTSE World (US$)	-2.0	-1.0	4.8	-1.0	-1.0	8.7	-1.4	4.8	24.7	17.0
Dow Jones Industrials	-3.6	-2.0	8.8	-2.0	-2.0	16.5	0.2	10.0	29.7	10.2
S&P 500	-2.5	-0.8	5.8	-0.8	-0.8	12.0	1.4	13.7	32.4	16.0
NASDAQ	-2.8	2.6	9.3	2.6	2.6	8.9	7.0	14.8	40.1	17.5
Russell 2000	1.3	-0.1	3.3	-0.1	-0.1	21.3	-4.4	4.9	38.8	16.4
S&P/ TSX Composite	-0.2	-4.5	-0.3	-4.5	-4.5	21.1	-8.3	10.6	13.0	7.2
Europe & Africa										
FTSE World Europe ex-UK €	-2.3	-3.5	-3.8	-3.5	-3.5	3.4	10.9	0.2	25.2	17.8
MSCI Europe	-1.9	-4.2	-3.5	-4.2	-4.2	3.2	8.8	7.4	20.5	18.1
CAC 40	-2.7	-2.5	-2.5	-2.5	-2.5	8.9	11.9	2.7	22.2	20.4
DAX	-2.7	-6.4	-5.7	-6.4	-6.4	6.9	9.6	2.7	25.5	29.1
Ibex 35	-2.1	-3.5	-5.8	-3.5	-3.5	-4.8	-3.8	8.0	30.0	1.8
FTSEMIB	-0.9	2.8	-0.7	2.8	2.8	-6.5	15.8	3.0	20.5	12.2
Swiss Market Index (capital returns)	-1.9	-6.8	-4.6	-6.8	-6.8	-6.8	-1.8	9.5	20.2	14.9
Amsterdam Exchanges	-1.0	-2.3	-0.6	-2.3	-2.3	13.6	7.4	8.7	20.7	14.1
HSBC European Smaller Cos ex-UK	-2.6	-2.3	-1.5	-2.3	-2.3	6.4	23.5	5.2	34.0	20.4
MSCI Russia (US$)	-3.7	9.6	14.4	9.6	9.6	55.9	5.0	-45.9	1.4	14.4
MSCI EM Europe, Middle East and Africa (US$)	-3.8	1.9	6.4	1.9	1.9	22.8	-14.7	-28.4	-3.9	25.1
FTSE/JSE Africa All-Share (SA)	-4.2	-6.0	1.0	-6.0	-6.0	2.6	5.1	10.9	21.4	26.7
UK										
FTSE All-Share	-1.8	-6.9	-2.3	-6.9	-6.9	16.8	1.0	1.2	20.8	12.3
FTSE 100	-2.0	-7.2	-2.6	-7.2	-7.2	19.1	-1.3	0.7	18.7	10.0
FTSE 250	-0.9	-5.7	-1.2	-5.7	-5.7	6.7	11.2	3.7	32.3	26.1
FTSE Small Cap ex Investment Trusts	-1.9	-6.5	-4.0	-6.5	-6.5	12.5	13.0	-2.7	43.9	36.3
FTSE TechMARK 100	-2.9	-8.2	-5.9	-8.2	-8.2	10.0	16.6	12.3	31.7	23.0
Asia Pacific & Japan										
Hong Kong Hang Seng	-2.3	0.9	9.8	0.9	0.9	4.3	-3.9	5.5	6.6	27.5
China SE Shanghai Composite (capital returns)	-2.8	-4.4	-5.6	-4.4	-4.4	-12.3	9.4	52.9	-6.7	3.2
Singapore Times	-2.4	1.1	7.2	1.1	1.1	3.8	-11.2	9.6	3.0	23.4
Taiwan Weighted (capital returns)	0.8	1.9	5.0	1.9	1.9	11.0	-10.4	8.1	11.9	8.9
Korean Composite (capital returns)	0.8	-1.3	1.8	-1.3	-1.3	3.3	2.4	-4.8	0.7	9.4
Jakarta Composite (capital returns)	-6.2	-2.6	4.9	-2.6	-2.6	15.3	-12.1	22.3	-1.0	12.9
Philippines Composite (capital returns)	-5.8	-6.8	-2.3	-6.8	-6.8	-1.6	-3.9	22.8	1.3	33.0
Thai Stock Exchange	-2.4	1.6	6.7	1.6	1.6	23.9	-11.2	19.1	-3.6	41.3
Mumbai Sensex 30	-3.4	-2.9	6.1	-2.9	-2.9	3.7	-3.5	32.4	10.9	27.8
Hang Seng China Enterprises index	-3.1	2.5	10.0	2.5	2.5	1.5	-16.9	15.6	-1.5	19.8
ASX 200	-3.8	-3.9	3.5	-3.9	-3.9	11.8	2.6	5.6	20.2	20.3
Topix	-2.0	-5.4	2.9	-5.4	-5.4	0.3	12.1	10.3	54.4	20.9
Nikkei 225 (capital returns)	-2.8	-7.1	3.9	-7.1	-7.1	0.4	9.1	7.1	56.7	22.9
MSCI Asia Pac ex Japan (US$)	-2.2	-0.7	7.2	-0.7	-0.7	7.1	-9.1	3.1	3.7	22.6
Latin America										
MSCI EM Latin America (US$)	-0.9	8.1	5.7	8.1	8.1	31.5	-30.8	-12.0	-13.2	8.9
MSCI Mexico (US$)	0.8	0.9	-7.2	0.9	0.9	-9.0	-14.2	-9.2	0.2	29.1
MSCI Brazil (US$)	-1.8	12.5	10.4	12.5	12.5	66.7	-41.2	-13.7	-15.8	0.3
MSCI Argentina (US$)	-2.6	-5.6	1.4	-5.6	-5.6	5.1	-0.4	19.2	66.2	-37.1
MSCI Chile (US$)	-1.6	1.6	9.1	1.6	1.6	16.8	-16.8	-12.2	-21.4	8.3
Commodities										
Oil - Brent Crude Spot (US$/BBL)	4.4	3.4	21.0	3.4	3.4	51.6	-33.5	-49.4	0.2	3.2
Oil - West Texas Intermediate (US$/BBL)	5.6	7.3	25.6	7.3	7.3	44.8	-30.5	-45.8	6.9	-7.1
Reuters CRB index	0.9	1.2	7.4	1.2	1.2	9.7	-23.4	-17.9	-5.0	-3.3
Gold Bullion LBM (US$/Troy Ounce)	0.3	1.5	3.1	1.5	1.5	9.0	-10.5	-1.8	-27.3	5.6
Baltic Dry index	-11.5	-22.8	-22.2	-22.8	-22.8	101.0	-38.9	-65.7	225.8	-59.8

Source: Thomson Reuters Datastream, total returns in local currency unless otherwise stated. Data as at 29 March 2018.

Important information

Where individuals or the business have expressed opinions, they are based on current market conditions, they may differ from those of other investment professionals and are subject to change without notice.

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