# Monthly Market Roundup

December 2019 (covering November 2019)

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## Global

- Global equity markets supported by receding fears of recession and signs of progress in US-China trade talks
- The US equity market was particularly strong and outperformed most other major markets
- Emerging market sentiment turned negative due to a mixture of economic, political and corporate factors

Global equity markets ended November in positive territory amid receding fears of a global recession and signs of progress in US-China trade talks. The US equity market was particularly strong and outperformed most other major markets. It reached record highs during the month on optimism over trade relations and a fresh wave of merger and acquisition activity. Investors were also cheered by a resilient US economy and corporate earnings, putting the US equity market on track for its largest annual rise since 2013.

The UK and European equity markets also provided positive returns in November. Following on from last month, investors were happier to adopt a 'risk-on' stance with 'cyclical' parts of the market (companies whose performance is linked to the business cycle) outperforming 'defensive' areas.

While emerging equity markets got off to an encouraging start, these gains proved to be short-lived. Sentiment turned negative due to a mixture of economic, political and corporate factors. Plagued with strikes and anti-government protests across the region, Latin American equity markets came under the most pressure. By comparison, equity performance in Asia and EMEA (Europe, Middle East and Africa) was more mixed.

Within fixed interest markets, the more optimistic backdrop led to a rise in government bond yields. Rising government bond yields were in turn a headwind for corporate bond markets. High yield, which is typically more influenced by economic sentiment, was the best performing area of the market. Meanwhile, new issuance within the European investment grade market remained strong. Barclays reported €65.5bn of new euro denominated bonds issued in November. That's the highest monthly issuance since 2009.

## US

- US equity market reached record highs on trade optimism and a fresh wave of M&A activity
- Investors were also cheered by a resilient US economy and corporate earnings
- US GDP growth revised up to 2.1% in third quarter

The US equity market ended the month in positive territory after reaching record highs during November on optimism over China trade relations and a fresh wave of merger and acquisition activity. Investors were also cheered by a resilient US economy and corporate earnings, putting the US equity market on track for its largest annual rise since 2013.

President Trump said he was "very close" to a trade pact with Chinese President Xi Jinping as officials in Washington and Beijing said they are moving closer to finalising a 'phase one' trade pact. Lawmakers in the US have also made progress towards an agreement over the US-Mexico-Canada trade deal, which awaits ratification by Congress.

Meanwhile, US Federal Reserve (Fed) chairman Jerome Powell struck an upbeat tone in gauging the ability of policy makers to extend the record US economic expansion, while signalling that US interest rates would probably remain on hold. The pace of the US economy's expansion has picked up in the latter half of the year, with data showing gross domestic product rose in the third quarter by more than initially forecast.

The economy expanded at a 2.1% annualised rate in the three months to the end of September 2019, according to the revised estimate of GDP from the Bureau of Economic Analysis. That is up from an initial estimate of 1.9% and an increase from the 2% growth in the second quarter.

However, US consumer confidence unexpectedly fell for a fourth straight month in November amid worries about current business conditions and employment prospects. Nonetheless, the annual retail extravaganza of Black Friday fuelled a boom in online orders. Amazon was on track to be a big beneficiary of the smartphone splurge as millions of Americans avoided shopping malls and department stores.

US equity market gains over the month were led by the IT sector, with financials and health care close behind. Financial stocks in particular were supported by the rosy outlook on trade talks and central bank easing across the world last month (interest rate cuts in the US, the eurozone, Brazil, Mexico and Chile). Consumer stocks and energy were at the weaker end, with real estate and utilities in negative territory.

In terms of corporate news, the mergers and acquisitions explosion in November saw companies agree more than $70bn in deals as multinationals squeezed out competitors to find new sources of growth.

Amid signs of economic optimism, the series of deals announced included Charles Schwab, the San Francisco-based brokerage, which said it would acquire TD Ameritrade as providers embrace $0 fees; Canada's Kirkland Lake Gold announced a C$4.9bn ($3.7bn) all-share agreement to buy smaller rival Detour Gold; and LVMH, the luxury giant that already sells everything from Louis Vuitton bags to Dom Perignon champagne, is adding the 182-year old US jeweller Tiffany & Co. to its portfolio.

## Europe

- European equity markets rally for third consecutive month
- Economic data showing signs of having troughed
- Germany's grand coalition in doubt as SPD votes against status quo

European markets rallied in November buoyed by some better than expected economic data and positive US-China trade rhetoric. Following on from last month, investors were happier to adopt a 'risk-on' stance with 'cyclical' parts of the market (companies whose performance is linked to the business cycle) outperforming 'defensive' areas. Against this backdrop, information technology, industrials, health care and materials made the largest gains at stock level. At the other end, utilities, communication services and consumer staples lagged the broad market most.

In economic news, November's eurozone manufacturing PMI reading jumped to 46.9 (45.9 in October), alleviating some investor concern about a never-ending slowdown in the sector. Other survey data was also positive as both the eurozone ESI (Economic Sentiment Indicator) and German Ifo readings registered modest increases. In addition, Headline and Core inflation rose over the month to 1.0% (0.7% in October) and 1.3% (1.1% in October), respectively. These positive economic developments, along with easing US-China trade tensions drove the German Bund (viewed as a 'safe-haven' asset) price lower and pushed the yield to a 5-month high of -0.35%.

Elsewhere in Europe, Germany was thrown into disarray following an announcement that the SPD (Social Democratic Party) had voted in left-leaning Norbert Walter-Borjans and Saskia Esken as leaders of the party. This brings into question whether the current governing coalition between the "Union" and SPD can remain intact given the new leaders are likely to challenge the status quo. In particular, Germany's "black-zero" policy – where the government runs a balanced budget between what it raises in taxes and what it spends in total – is likely to be a key battle point as Walter-Borjans/Esken have frequently argued for the need for a large investment package to tackle inequality and improve Germany's infrastructure. Despite several calls from leaders from within and outside of Germany to loosen fiscal policy, Angela Merkel has reiterated her commitment to running a balanced budget and is unlikely to give into any fresh demands – making this one of the most likely catalysts for early elections.

## UK

- The UK equity market provided a positive return over November
- Sterling remained relatively robust versus international currencies
- The UK's political parties launched their election manifestos, which included an ambitious domestic nationalisation agenda from Labour

The UK equity market provided a positive return over November. Having fallen sharply at the beginning of October, the FTSE All-Share index rose steadily in subsequent weeks to regain lost ground. Despite this positive return, the market failed to recover previous highs following a volatile August.

Having rallied sharply against international currencies during October, Sterling remained relatively robust through November, fluctuating between US$1.28-1.29 over the month. The performance of the UK equity market was led by Consumer and Technology stocks, which outperformed. Conversely, Energy stocks proved the month's laggards. Within the equity market the FTSE 100 posted a positive return over November, but trailed small and mid-cap indices, where stocks more broadly benefitted from the strengthened domestic currency.

As the UK moved towards a December General Election, the Bank of England's Monetary Policy Committee (MPC) voted 7-2 in favour of holding the base interest rate at 0.75% during its November meeting. The previous meeting had voted unanimously in favour of holding rates. This break in consensus signals the beginning of a shift towards looser monetary policy as a potential response to persistent global economic growth concerns and persistent Brexit uncertainty.

Economic data released during the month showed a contraction in the Purchasing Manager's Index (PMI) (an indicator of economic activity) data for the UK's Services and Manufacturing sectors. Meanwhile the UK's Construction PMI rose to 45.3 from 44.2 in October 2019, but the figure, below 50 continues to signal a contraction.

As the UK's political parties launched their election manifestos in November, Labour published ambitious plans to nationalise a range of major industries including energy, water, postal services, railways and OpenReach, the broadband arm of BT Group.

In company news, International Consolidated Airlines (IAG) announced plans to buy Spanish Airline Air Europa in a €1 billion deal. The move consolidates the company's dominant position within the region and establishes IAG as a leader in the Europe-to-Latin American market. Elsewhere, vehicle rental firm Northgate announced an all stock deal to buy Redde at the end of November.

## Asia

- Investor sentiment continued to be impacted by US-China trade tensions
- Taiwan outperformed as optimism about the technology sector outlook grew
- The Bank of Japan continued to leave monetary policy unchanged

Asian equity market performance was marginally positive in November as investors in the region took a more circumspect view of developments in the ongoing trade dispute between the US-China. While early in the month, China raised hopes a deal could be reached to end the trade war after the US agreed to roll back some tariffs, soon after, US President Donald Trump announced he was yet to agree to a tariff roll back. Towards month end, President Trump signed into law the Hong Kong Human Rights and Democracy Act, which increased the perceived uncertainty about the trade discussions.

Chinese equities ended the month higher amid mixed economic data and US-China trade tensions. While October industrial production growth fell and retail sales disappointed, the November manufacturing purchasing index was higher than expected. The People Bank of China addressed slowdown concerns by continuing to employ supportive monetary policies. In Taiwan, the equity market continued to benefit from positive earnings revisions helped by strong Q3 earnings partly due to a recovering semiconductor industry, the 5G roll-out and a robust iPhone cycle. Elsewhere, Korean equities were flat on the month due to yet another disappointing 3Q earnings season and mixed macro indicators. For example, consumer sentiment increased but industrial production came down mostly due to lower auto production. Also, the Indian equity market performance was dampened on concerns around macroeconomic data coupled with ratings agency Moody's downgrade of India's outlook from stable to negative. However, sentiment improved towards the end of the month helped by positive reforms such as the Government's extension of the Insolvency and Bankruptcy Code (IBC). This code, which was heretofore only applicable to the non-financial sector, was extended to also include the financial sector. Finally, the markets in the Philippines and Thailand declined due to negative earnings revisions.

In Japan, the equity market ended the month higher despite trade tensions. Within the equity market, the second quarter (2019) corporate earnings reporting by Japanese companies with March fiscal year-ends moved through its final phase, with positive surprises continuing to outweigh negative ones. On the macroeconomic front, the preliminary third quarter (2019) real GDP data, released mid-month, was lower-than- expected but this had a limited impact on the market. Also, Japan retail sales data for October, the first month after the consumption tax hike, were down sharply but typhoons had a considerable impact during the period. Meanwhile, the Bank of Japan continued to leave monetary policy unchanged, refraining from taking interest rates deeper into negative territory.

## Emerging Markets

- India's GDP growth rate fell to a six-year low of 4.5%
- Sentiment towards Latin America soured by protests in Chile
- Alibaba raised US$11 billion in Hong Kong secondary listing

Bolstered by signs of stabilisation in global growth, emerging equity markets got off to an encouraging start. However, these gains proved to be short-lived as sentiment turned negative due to a mixture of economic, political and corporate factors. Plagued with strikes and anti-government protests across the region, Latin American equity markets, along with their respective currencies, came under the most pressure. By comparison, equity performance in Asia and EMEA (Europe, Middle East and Africa) was more mixed. While the secondary listing of Alibaba shares in Hong Kong was well received, the signing of the HK Bill by US President Trump ignited concerns that it could stall progress in the US-China Phase One trade deal. Staying in Asia, Taiwan benefited from the global rally in the semiconductor industry whereas demand for Indian equities was diluted by a slowing economy – India's GDP growth rate fell to a six-year low of 4.5%.

In Latin America the biggest protests since the Pinochet-era knocked confidence towards equity markets in Chile, which suffered their worst performance in two years. Brazil also lost ground on worries that anti-free market protests in Chile could spill over to the continent's largest economy and cause the Brazilian government to water-down their reform agenda. There was reassuring news on the Brazilian economy with further evidence that economic recovery has begun – retails sales were up, and confidence levels continue to improve with the Central Bank of Brazil signalling that another interest rate cut could be on its way. Elsewhere in the region, the Bank of Mexico cut interest rates from 7.75% to 7.5% to help stimulate the local economy. Interest rates were also lowered in Peru.

Equity performance in the EMEA region was a mixed bag with Turkey being the stand out performer and Poland being the biggest detractor. An improving growth outlook for Turkey – the government is targeting 5% growth next year and is expected to throw significant stimulus at the economy – boosted sentiment. Weakness in Poland's equity market was accentuated by the 2.4% fall in the value of the Polish zloty. Equity markets in Greece finished in positive territory as the country completed the early repayment of €2.7 billion of loans to the International Monetary Fund (IMF). It was a quiet month for Russian equities as the IMF deemed further interest rate cuts by the Bank of Russia would be appropriate in view of the continued disinflation. In South Africa, lower gold prices had a negative impact on local mining companies.

## Fixed Interest

- A potential US-China trade deal and a stabilisation of economic data helped to set a "risk-on" tone to markets
- The more optimistic backdrop led to a rise in government bond yields
- Rising government bond yields were in turn a headwind for corporate bond markets

November began with increased optimism over a potential trade deal between the US and China. An announcement at the start of the month that licences for US companies to sell components to Chinese telecoms firm, Huawei would come soon set the tone. Despite some concerns over US support for the demonstrators in Hong Kong, politicians in both the US and China continue to make positive noises about a potential 'phase one' deal.

Market sentiment was also helped by signs of a stabilisation of economic data, including Purchasing Managers Indices (PMI). These indices are a closely watched forward-looking indicator of an economy's health. In Germany, while the PMI data was still well below that which would signify the economy was expanding, the November reading was higher than October and better than market expectations. It was a similar story for the US, with the data off its lows, but still indicating contraction of the US economy.

In the UK, the general election was the main macro influence on returns with Brexit taking a back seat. Both main parties have committed to significant increases in spending, but for now, gilt yields remain close to historic lows. The 10-year gilt yield was 7bps higher on the month – a move that was in line with other developed markets.

In corporate bond markets, high yield, which is typically more influenced by economic sentiment, was the best performing area of the market. One of the best performing high yield names was Pizza Express. The company has come under significant pressure in recent months, but news that majority shareholder, Hony Capital planned to buy back £80m of the restaurant's junior bonds helped all Pizza Express bonds to rally. Elsewhere, news that retail pharmacist, Walgreens Boots was considering what would be the largest ever leveraged buy-out (LBO) to take the company private, saw its bonds fall significantly in price.

New issuance within the European investment grade market remained strong. Barclays report €65.5bn of new euro denominated bonds issued in November. That's the highest monthly issuance since 2009. One of the largest issuers was French/Italian eyecare company EssilorLuxottica, which raised €5bn in a multi-tranche deal designed to help finance its planned purchase of Dutch peer GrandVision. The sterling market was also robust with Barclays reporting £4bn of new supply.

By the end of November, credit spreads (the additional yield over government bond yields that companies must pay to borrow) were 1bps (basis point) higher for euro issuers and 3bps lower for sterling issuers. Credit spreads for high yield bonds tightened by 22bps over the month.

## Government Bonds

**Yield to maturity[1] (%)**

| | 30.11.19 | 31.10.19 | 31.08.19 | 31.05.19 | 30.11.18 |
|---|---|---|---|---|---|
| US Treasuries 2 year | 1.61 | 1.52 | 1.50 | 1.92 | 2.79 |
| US Treasuries 10 year | 1.78 | 1.69 | 1.50 | 2.12 | 2.99 |
| US Treasuries 30 year | 2.21 | 2.18 | 1.96 | 2.57 | 3.29 |
| UK Gilts 2 year | 0.54 | 0.50 | 0.40 | 0.60 | 0.78 |
| UK Gilts 10 year | 0.70 | 0.63 | 0.48 | 0.89 | 1.36 |
| UK Gilts 30 year | 1.21 | 1.14 | 1.02 | 1.47 | 2.08 |
| German Bund 2 year | -0.63 | -0.66 | -0.93 | -0.66 | -0.60 |
| German Bund 10 year | -0.36 | -0.41 | -0.70 | -0.20 | 0.31 |
| German Bund 30 year | 0.15 | 0.11 | -0.18 | 0.43 | 0.99 |

Source: Bloomberg LP, Merrill Lynch data. Data as at 30 November 2019. The yield is not guaranteed and may go down as well as up.

## Corporate Bonds

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

| | 30.11.19 | | 31.10.19 | | 31.08.19 | | 31.05.19 | | 30.11.18 | |
|---|---|---|---|---|---|---|---|---|---|---|
| £ AAA | 1.52 | 63 | 1.49 | 67 | 1.42 | 67 | 1.84 | 74 | 2.43 | 77 |
| £ AA | 1.46 | 70 | 1.40 | 73 | 1.27 | 70 | 1.72 | 80 | 2.21 | 92 |
| £ A | 2.02 | 121 | 1.97 | 123 | 1.90 | 128 | 2.43 | 141 | 2.96 | 153 |
| £ BBB | 2.58 | 174 | 2.54 | 178 | 2.49 | 184 | 2.99 | 201 | 3.55 | 221 |
| € AAA | 0.18 | 55 | 0.14 | 56 | -0.07 | 63 | 0.40 | 67 | 0.86 | 74 |
| € AA | 0.09 | 62 | 0.03 | 62 | -0.19 | 68 | 0.23 | 74 | 0.60 | 82 |
| € A | 0.41 | 86 | 0.35 | 85 | 0.13 | 91 | 0.60 | 105 | 1.00 | 119 |
| € BBB | 0.89 | 127 | 0.84 | 126 | 0.64 | 135 | 1.22 | 162 | 1.77 | 190 |
| European High Yield (inc € + £) | 3.82 | 364 | 3.96 | 386 | 3.81 | 377 | 4.45 | 446 | 4.97 | 493 |

Source: Bloomberg LP, Merrill Lynch data. Data as at 30 November 2019. 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 30 November 2019

| | Current value | Change Over: 1 Month (%) | 3 Months (%) | 6 Months (%) | YTD (%) | 2018 (%) | 2017 (%) | 2016 (%) | 2015 (%) | 2014 (%) | 2013 (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Euro/US Dollar | 1.10 | -1.2 | 0.2 | -1.4 | -4.0 | -4.4 | 14.1 | -3.2 | -10.2 | -12.0 | 4.2 |
| Euro/GB Sterling | 0.85 | -1.1 | -5.8 | -3.8 | -5.3 | 1.3 | 4.2 | 15.7 | -5.1 | -6.4 | 2.1 |
| Euro/Swiss Franc | 1.10 | 0.2 | 1.2 | -1.6 | -2.1 | -3.7 | 9.2 | -1.6 | -9.5 | -2.0 | 1.6 |
| Euro/Swedish Krona | 10.55 | -2.0 | -2.3 | -0.7 | 3.8 | 3.2 | 2.7 | 4.4 | -2.7 | 6.6 | 3.2 |
| Euro/Norwegian Krone | 10.16 | -0.9 | 1.4 | 3.7 | 2.5 | 0.6 | 8.4 | -5.4 | 6.2 | 8.4 | 13.7 |
| Euro/Danish Krone | 7.47 | 0.0 | 0.2 | -0.1 | 0.0 | 0.3 | 0.2 | -0.5 | 0.2 | -0.2 | 0.0 |
| Euro/Polish Zloty | 4.32 | 1.3 | -1.4 | 0.6 | 0.6 | 2.7 | -5.1 | 3.3 | -0.6 | 3.2 | 1.8 |
| Euro/Hungarian Forint | 334.73 | 1.9 | 1.0 | 2.9 | 4.2 | 3.3 | 0.5 | -2.0 | -0.3 | 6.5 | 2.1 |
| US Dollar/Yen | 109.52 | 1.4 | 3.0 | 1.1 | -0.1 | -2.8 | -3.6 | -2.8 | 0.5 | 13.7 | 21.4 |
| US Dollar/Canadian Dollar | 1.33 | 0.9 | -0.3 | -1.8 | -2.6 | 8.4 | -6.4 | -2.9 | 19.1 | 9.4 | 7.1 |
| US Dollar/South African Rand | 14.65 | -3.0 | -3.5 | 0.5 | 2.0 | 16.1 | -9.9 | -11.2 | 33.8 | 10.2 | 24.1 |
| US Dollar/Brazilian Real | 4.24 | 5.4 | 2.2 | 8.0 | 9.2 | 17.2 | 1.8 | -17.8 | 49.0 | 12.5 | 15.3 |
| US Dollar/South Korean Won | 1181.70 | 1.0 | -2.4 | -0.6 | 6.0 | 4.4 | -11.6 | 2.7 | 7.5 | 4.1 | -0.7 |
| US Dollar/Taiwan Dollar | 30.53 | 0.1 | -2.6 | -3.2 | -0.2 | 3.1 | -8.6 | -1.2 | 3.8 | 6.1 | 2.7 |
| US Dollar/Thai Baht | 30.19 | 0.0 | -1.4 | -4.2 | -6.6 | -0.7 | -9.2 | -0.5 | 9.5 | 0.6 | 6.9 |
| US Dollar/Singapore Dollar | 1.37 | 0.5 | -1.4 | -0.4 | 0.3 | 1.9 | -7.7 | 2.2 | 6.9 | 4.9 | 3.4 |
| US Dollar/GB Sterling | 0.77 | 0.0 | -5.8 | -2.6 | -1.5 | 6.2 | -8.7 | 19.3 | 5.8 | -5.9 | 1.9 |
| GB Sterling/South African Rand | 18.95 | -3.0 | 2.7 | 2.8 | 3.4 | 9.6 | -1.4 | -25.7 | 26.6 | 3.7 | 26.6 |
| Australian Dollar/US Dollar | 0.68 | -1.9 | 0.4 | -2.5 | -4.1 | -9.6 | 8.1 | -0.9 | -10.9 | -8.4 | -14.2 |
| New Zealand Dollar/US Dollar | 0.64 | 0.1 | 1.8 | -1.7 | -4.4 | -5.2 | 2.0 | 1.7 | -12.4 | -5.0 | -0.9 |

Source: Thomson Reuters Datastream, 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 is not a guide to future returns.**

## Global equity and commodity index performance – figures to 30 November 2019 (%)

| | 1 Month | 3 Months | 6 Months | YTD | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Global US & Canada** | | | | | | | | | | |
| MSCI World (US$) | 2.8 | 7.8 | 13.2 | 24.6 | -8.2 | 23.1 | 8.2 | -0.3 | 5.5 | 24.7 |
| MSCI World Value (US$) | 2.1 | 8.4 | 11.6 | 19.1 | -10.1 | 18.0 | 13.2 | -4.1 | 4.4 | 27.5 |
| MSCI World Growth (US$) | 3.5 | 7.2 | 14.8 | 30.3 | -6.4 | 28.5 | 3.2 | 3.5 | 6.6 | 27.2 |
| MSCI World Small Cap (US$) | 3.3 | 8.4 | 11.5 | 22.5 | -13.5 | 23.2 | 13.3 | 0.1 | 2.3 | 32.9 |
| MSCI Emerging Markets (US$) | -0.1 | 6.1 | 6.1 | 10.6 | -14.2 | 37.8 | 11.6 | -14.6 | -1.8 | -2.3 |
| FTSE World (US$) | 2.6 | 7.9 | 12.9 | 23.5 | -8.8 | 24.1 | 8.7 | -1.4 | 4.8 | 24.7 |
| Dow Jones Industrials | 4.1 | 6.9 | 14.4 | 23.1 | -3.5 | 28.1 | 16.5 | 0.2 | 10.0 | 29.7 |
| S&P 500 | 3.6 | 7.9 | 15.3 | 27.6 | -4.4 | 21.8 | 12.0 | 1.4 | 13.7 | 32.4 |
| NASDAQ | 4.6 | 9.1 | 16.9 | 31.9 | -2.8 | 29.6 | 8.9 | 7.0 | 14.8 | 40.1 |
| Russell 2000 | 4.1 | 9.1 | 11.7 | 22.0 | -11.0 | 14.6 | 21.3 | -4.4 | 4.9 | 38.8 |
| S&P/ TSX Composite | 3.6 | 4.4 | 7.9 | 22.3 | -8.9 | 9.1 | 21.1 | -8.3 | 10.6 | 13.0 |
| **Europe & Africa** | | | | | | | | | | |
| FTSE World Europe ex-UK € | 2.6 | 7.0 | 11.9 | 25.5 | -10.5 | 13.0 | 3.4 | 10.9 | 0.2 | 25.2 |
| MSCI Europe | 2.7 | 7.5 | 11.1 | 24.3 | -10.0 | 10.9 | 3.2 | 8.8 | 7.4 | 20.5 |
| CAC 40 | 3.1 | 8.0 | 14.2 | 28.7 | -8.0 | 12.7 | 8.9 | 11.9 | 2.7 | 22.2 |
| DAX | 2.9 | 10.9 | 12.9 | 25.4 | -18.3 | 12.5 | 6.9 | 9.6 | 2.7 | 25.5 |
| Ibex 35 | 1.4 | 7.3 | 6.2 | 14.0 | -11.4 | 11.4 | -4.8 | -3.8 | 8.0 | 30.0 |
| FTSEMIB | 2.7 | 9.6 | 18.8 | 32.4 | -13.2 | 17.3 | -6.5 | 15.8 | 3.0 | 20.5 |
| Swiss Market Index (capital returns) | 2.7 | 6.0 | 10.2 | 24.5 | -10.2 | 14.1 | -6.8 | -1.8 | 9.5 | 20.2 |
| Amsterdam Exchanges | 3.9 | 7.4 | 12.1 | 27.0 | -7.4 | 16.5 | 13.6 | 7.4 | 8.7 | 20.7 |
| HSBC European Smaller Cos ex-UK | 4.2 | 8.6 | 10.9 | 23.9 | -13.6 | 18.6 | 6.4 | 23.5 | 5.2 | 34.0 |
| MSCI Russia (US$) | -0.7 | 11.5 | 16.7 | 40.9 | 0.2 | 6.1 | 55.9 | 5.0 | -45.9 | 1.4 |
| MSCI EM Europe, Middle East and Africa (US$) | -0.1 | 4.3 | 4.2 | 13.2 | -7.5 | 16.5 | 22.8 | -14.7 | -28.4 | -3.9 |
| FTSE/JSE Africa All-Share (SA) | -1.8 | 1.5 | 1.3 | 8.5 | -8.5 | 21.0 | 2.6 | 5.1 | 10.9 | 21.4 |
| **UK** | | | | | | | | | | |
| FTSE All-Share | 2.2 | 3.8 | 5.8 | 15.3 | -9.5 | 13.1 | 16.8 | 1.0 | 1.2 | 20.8 |
| FTSE 100 | 1.8 | 2.9 | 4.9 | 14.2 | -8.7 | 12.0 | 19.1 | -1.3 | 0.7 | 18.7 |
| FTSE 250 | 4.2 | 8.1 | 11.4 | 22.3 | -13.3 | 17.8 | 6.7 | 11.2 | 3.7 | 32.3 |
| FTSE Small Cap ex Investment Trusts | 3.5 | 7.0 | 0.5 | 9.1 | -13.8 | 15.6 | 12.5 | 13.0 | -2.7 | 43.9 |
| FTSE TechMARK 100 | 7.2 | 10.2 | 17.6 | 35.0 | -4.9 | 9.8 | 10.0 | 16.6 | 12.3 | 31.7 |
| **Asia Pacific & Japan** | | | | | | | | | | |
| Hong Kong Hang Seng | -2.0 | 3.1 | 0.0 | 5.6 | -10.5 | 41.3 | 4.3 | -3.9 | 5.5 | 6.6 |
| China SE Shanghai Composite (capital returns) | -1.9 | -0.5 | -0.9 | 15.2 | -24.6 | 6.6 | -12.3 | 9.4 | 52.9 | -6.7 |
| Singapore Times | -0.8 | 3.2 | 4.3 | 8.2 | -6.5 | 22.1 | 3.8 | -11.2 | 9.6 | 3.0 |
| Taiwan Weighted (capital returns) | 1.2 | 8.2 | 9.4 | 18.1 | -8.6 | 15.0 | 11.0 | -10.4 | 8.1 | 11.9 |
| Korean Composite (capital returns) | 0.2 | 6.1 | 2.3 | 2.3 | -17.3 | 21.8 | 3.3 | 2.4 | -4.8 | 0.7 |
| Jakarta Composite (capital returns) | -3.5 | -5.0 | -3.2 | -2.9 | -2.5 | 20.0 | 15.3 | -12.1 | 22.3 | -1.0 |
| Philippines Composite (capital returns) | -3.0 | -3.0 | -2.9 | 3.7 | -12.8 | 25.1 | -1.6 | -3.9 | 22.8 | 1.3 |
| Thai Stock Exchange | -0.6 | -3.4 | -0.7 | 4.8 | -8.1 | 17.3 | 23.9 | -11.2 | 19.1 | -3.6 |
| Mumbai Sensex 30 | 1.8 | 9.6 | 3.4 | 14.5 | 7.5 | 29.8 | 3.7 | -3.5 | 32.4 | 10.9 |
| Hang Seng China Enterprises index | -2.2 | 2.6 | 1.9 | 5.6 | -9.9 | 29.6 | 1.5 | -16.9 | 15.6 | -1.5 |
| ASX 200 | 3.3 | 4.8 | 9.2 | 26.1 | -2.8 | 11.8 | 11.8 | 2.6 | 5.6 | 20.2 |
| Topix | 1.9 | 13.5 | 13.7 | 16.4 | -16.0 | 22.2 | 0.3 | 12.1 | 10.3 | 54.4 |
| Nikkei 225 (capital returns) | 1.6 | 12.5 | 13.1 | 16.4 | -12.1 | 19.1 | 0.4 | 9.1 | 7.1 | 56.7 |
| MSCI Asia Pac ex Japan (US$) | 0.4 | 6.4 | 6.9 | 12.9 | -13.7 | 37.3 | 7.1 | -9.1 | 3.1 | 3.7 |
| **Latin America** | | | | | | | | | | |
| MSCI EM Latin America (US$) | -4.1 | 2.8 | 0.4 | 6.8 | -6.2 | 24.2 | 31.5 | -30.8 | -12.0 | -13.2 |
| MSCI Mexico (US$) | -2.0 | 4.1 | 3.3 | 6.7 | -15.3 | 16.3 | -9.0 | -14.2 | -9.2 | 0.2 |
| MSCI Brazil (US$) | -4.4 | 4.2 | 3.1 | 12.6 | -0.2 | 24.5 | 66.7 | -41.2 | -13.7 | -15.8 |
| MSCI Argentina (US$) | 7.1 | 10.6 | -31.4 | -29.9 | -50.7 | 73.6 | 5.1 | -0.4 | 19.2 | 66.2 |
| MSCI Chile (US$) | -11.5 | -14.2 | -19.3 | -24.2 | -18.9 | 43.6 | 16.8 | -16.8 | -12.2 | -21.4 |
| **Commodities** | | | | | | | | | | |
| Oil - Brent Crude Spot (US$/BBL) | 8.8 | 5.5 | -3.4 | 27.6 | -24.2 | 20.9 | 51.6 | -33.5 | -49.4 | 0.2 |
| Oil - West Texas Intermediate (US$/BBL) | 2.2 | 0.1 | 3.1 | 22.0 | -25.3 | 12.5 | 44.8 | -30.5 | -45.8 | 6.9 |
| Reuters CRB index | 0.0 | 4.2 | 1.7 | 6.1 | -10.7 | 1.7 | 9.7 | -23.4 | -17.9 | -5.0 |
| Gold Bullion LBM (US$/Troy Ounce) | -3.2 | -4.4 | 12.4 | 14.1 | -1.7 | 12.6 | 9.0 | -10.5 | -1.8 | -27.3 |
| Baltic Dry index | -11.7 | -35.7 | 39.4 | 20.2 | -7.0 | 42.1 | 101.0 | -38.9 | -65.7 | 225.8 |

Source: Thomson Reuters Datastream, 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 is not a guide to 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



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