Invesco

Monthly Market Roundup
June 2019 (covering May 2019)

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Global

- Global equity markets had their worst month of the year in May
- Escalating trade tensions drew investors back to so-called 'safe-haven' assets
- Concerns were heightened that a trade war could weigh on a global economy that's already slowing

Global equity markets had their worst month of the year in May as escalating trade tensions left market participants assessing the implications for slower economic growth. China hit back at Washington with its own retaliatory tariffs. The escalation in the trade war between the world's two largest economies drew investors back to so-called 'safe-haven' assets. Market sentiment soured further as Donald Trump threatened higher tariffs on Mexican goods.

In the US, all but one of the 11 sector groups fell, with real estate shares getting a boost. Energy stocks fell the most amid concern over global demand. Tech stocks were negatively impacted following the moves by the US Government against the telecoms giant Huawei which sent share prices lower.

UK equities moved broadly in line with global equity markets, which came under pressure from renewed US-Sino trade tensions and the fall in the price of Brent Crude oil, which reached a three-month low during May. The upward progress for European equities this year also came to a halt in May with Italian equities suffering the most.

A re-escalation of trade tensions between the US and China unnerved equity markets across the emerging world as well on fears that it could hamper the recovery in global growth. Given their higher sensitivity to global trade, equity markets in Asia, led by China, Korea and Taiwan, fell sharply. However, India bucked the trend by registering a modest gain following the victory of the ruling Bharatiya Janata Party (BJP) party in the general elections.

In terms of bond markets, government bond yields (which move inversely to bond prices) fell sharply with the pace of decline increasing during the final 10 days of the month. The move lower in yields was driven by America's unexpected threat of tariffs against Mexico, which added to existing concerns over trade tensions with China. The market's fear is that these ongoing trade disputes will derail global economic growth.

US

- The US equity market delivered its worst May return in seven years
- Energy stocks fell the most amid concern over global demand
- Signs of slowing economic momentum

The US equity market ended the month in negative territory as it delivered its worst May return in seven years and second-worst since the 1960s. Market sentiment soured as the US-China trade spat escalated further and Donald Trump threatened higher tariffs on Mexican goods.

All but one of the 11 sector groups fell, with real estate shares getting a boost. Energy stocks fell the most amid concern over global demand. Tech stocks were negatively impacted following the moves by the US Government against the telecoms giant Huawei which sent share prices lower. President Trump signed an order that's expected to restrict Chinese telecommunications firms from selling in the US. As the trade war developed, President Trump's threats around Huawei reverberated across the global supply chain and hit some of the biggest component makers.

Unexpectedly weak US economic numbers heightened concerns that the trade war could weigh on a global economy that's already slowing. While US economic growth remained robust in the first quarter (though a tad lower than the initial reading in April), fresh government data in May showed less business investment, a decline in corporate profits and muted consumer spending. The outlook for the rest of the year is clouded by the threat of a slowing global economy, trade tensions with China and weakening inflation.

There are already signs of slowing momentum. Growth in the second quarter is forecast to come in at about 1.3%, according to the Gross Domestic Product (GDP) tracker that measures economic performance, produced by the Federal Reserve Board of Atlanta – less than half the rate at the beginning of the year. Data published in May on durable goods orders and the plans of manufacturing sector purchasing managers both showed significant weakness, raising the stakes for June's monthly jobs report (figures that indicate the performance of the labour market) and suggesting that now may be the time when the trade-wars effect may truly start to bite.

In terms of corporate news, US pharmaceutical company Merck has agreed a US$1.05bn cash deal to buy Peloton Therapeutics, gaining access to the biopharmaceutical company's renal cancer drug treatment that is in development. Merck is the latest pharmaceutical company to strike a major deal to improve its pipeline of cancer treatments.

Europe

- A negative investment environment sees European Equities fall during May
- European elections in focus
- Eurozone composite Purchasing Managers' Index (PMI) remains in expansionary territory at 51.6

The upward progress for European equities of 2019 came to a halt in May, as indices across Europe gave back some of their gains. The perceived risk of European markets saw all country indices fall, with the Swiss market only falling modestly while Italian equities suffered most. Within the market there was wide divergence in performance terms, with consumer staples and utilities sectors only down marginally, and faring meaningfully better than financials and materials sectors, which were down almost ten per cent.

European elections were in focus during the month, although election results were broadly in line with expectations. Investors reacted negatively to developments in Italy, where the head of the League, Matteo Salvini, whose party did well in the European elections, ratcheted up his criticism of the European Commission's budget rules and called for a "fiscal shock" (unexpected economic changes) to boost the economy.

The flash Eurozone Composite PMI – a figure that represents current and future business conditions remained broadly unchanged in May, at 51.6, Despite the manufacturing component rising from 48.0 to 49.0, it remained below the 50-mark for a fourth consecutive month - a reading above 50 indicates an expansion of the manufacturing sector. While the services component was unchanged at 52.5. The country breakdown available showed a small increase in the German Composite PMI, from 52.2 to 52.4, driven by a slight improvement in the manufacturing component. It is also a source of comfort that data released today confirmed that German Gross Domestic Product (GDP) growth remained relatively strong at 0.4% in the first quarter, driven by a 1.2% bumper increase in household consumption.

Meanwhile, the small increase in the European Commission's Economic Sentiment Indicator for the euro-zone in May provided some relief for policymakers. The final estimate of the first quarter eurozone GDP is expected to show that domestic demand drove growth as aggregate (total value added) GDP growth is widely anticipated to be unrevised at 0.4%.

UK

- The UK equity market provided a negative return during May
- Renewed political uncertainty saw the value of sterling weaken against international currencies
- Activist investor, Edward Bramson failed in his bid to be elected to the Board of Barclays, as shareholders voted overwhelmingly against the resolution at the bank's Annual General Meeting

The UK equity market provided a negative return during May, the first full month of negative performance seen in 2019. UK equities moved broadly in line with global equity markets, which came under pressure from renewed US-Sino trade tensions and the fall in the price of Brent Crude oil, which reached a three-month low during May.

Having reassured markets by securing an extension to Article 50 at the beginning of April, May proved a volatile month in British politics. The Conservative party suffered a widely anticipated defeat at the European elections, with pro and anti-EU parties making significant gains. Theresa May announced her intention to resign at the beginning of June, prompting the start of the Conservative leadership contest – and de facto – the race to be Britain's next Prime Minister. Against this backdrop, the value of sterling fell against international currencies, returning the gains made against the euro and US dollar since the start of 2019.

At its May meeting, the Bank of England's Monetary Policy Committee voted to hold the base interest rate at 0.75%, whilst raising its growth forecast for the year to 1.6%. Economic data released during May, showed that unemployment fell to 3.8% in the three months to end March, the lowest rate since 1974. Meanwhile in the three months to April, UK consumer spending rose 0.7% compared to the same period in 2018, supported by strong employment data and improved trading conditions.

In company news, Barclays successfully opposed a challenge from activist investor Sherborne Investors to install its Chief Executive Officer to the Board. Independent shareholders voted overwhelmingly against the motion to appoint Edward Bramson as a director.

Elsewhere, May proved a challenging month for Thomas Cook. The travel agent announced that it had received multiple bids for its airline and tour operator business in Northern Europe, before releasing half-year results which showed a loss of £1.5 billion. The company has highlighted the impact of economic and political uncertainty, which has led to increased promotional activity and lower prepayments for summer bookings. There were mixed results from many of the market's best-known names during May. Vodafone released full year results, which included a 40% cut in the annual dividend, whilst BT held its full year dividend despite showing a fall in full-year profits compared to the previous year.

Asia

- Asian equity markets ended May lower on global growth concerns and trade tensions
- China's equity markets fell on trade tensions and mixed economic data
- The Indian equity market benefited from the Bharatiya Janata Party (BJP) victory

Asian equity markets ended the month lower as trade tensions escalated and concerns surrounding global growth increased. The US announced it was raising tariffs on US$200 billion of imports from China to 25% from 10%, and China responded by increasing tariffs on US$60 billion of imports from the US. The US had warned Beijing not to respond to the tariff increases whilst threatening to introduce additional tariffs on the remaining US$325 billion of imports from China.

Against this backdrop, there was divergence in market performance with China being amongst the poorer performers while India and Australia outperformed the region. In terms of sectors, technology was particularly weak after President Trump placed the large Chinese telecom company, Huawei, on a trade blacklist, a move which had negative implications for many technology companies.

China's equity market suffered as economic growth was perceived as being under threat from higher tariffs and a weaker technology sector. Furthermore, mixed macroeconomic data suggested that the economic recovery was fragile. Industrial production growth (April) declined while retail sales weakened on disappointing auto sales. Elsewhere, the Korean and Taiwanese equity markets were also negatively impacted by the poor share price performance of technology companies and trade tensions given these markets' high exposure to global trade. On the positive side, Indian equities outperformed the region as the ruling BJP's victory in the recent general elections ensured policy stability. This was despite the announcement of fourth quarter GDP growth 2019 (full year) forecasts which were weaker than expected. Finally, the Australian market outperformed as it benefited from the Liberal Party's victory in the national elections which ensured policy continuity.

In line with regional markets, the reignition of US-China trade tensions saw Japanese equities end the period lower, surrendering gains made over the first four months of the year. Mixed economic data at home further weighed on performance as one of the government's main indicators showed that Japan's economy is "worsening" as key export markets suffer from the trade rift between the US and China. Meanwhile, official figures showed that Japan's economy grew at 2.1% over the first quarter, beating expectations, while both private consumption and capital expenditure posted declines, creating a cloudier outlook.

Emerging Markets

- Renewed trade tensions added to unease, particularly in Asia
- US prepared to slap tariffs on Mexico
- BJP (Bharatiya Janata Party) won in India; Argentina entered the MSCI Emerging Markets Index

A re-escalation of trade tensions between the US and China unnerved equity markets across both the developed and emerging world on fears that it could hamper the recovery in global growth. Given their higher sensitivity to global trade, equity markets in Asia, led by China, Korea and Taiwan, fell sharply. However, India bucked the trend by registering a modest gain following the victory of the ruling party (BJP) in the general elections. All sectors in emerging markets finished in negative territory, with consumer discretionary, telecoms and technology being the main laggards. The US dollar gained ground against a basket of emerging market currencies, with the Chinese renminbi losing 2.5% of its value as it approached 2018 lows. Commodity prices also weakened with Brent crude oil and copper among the biggest fallers.

Mexican stocks fell on news that the US would impose a 5% tariff on all goods from the country starting 10 June 2019 unless Mexico stops illegal immigration to the US. The tariff would increase every month up to 25% on 1 October. While the initial reaction from Mexico was dialogue and not retaliation, the prospect of a trade war between the two countries could lead to lower growth and higher inflation for Mexico. Furthermore, fears rose that it could hold up the ratification process of the previously negotiated trade agreement between the US, Mexico and Canada.

By contrast, equity prices in Brazil advanced higher on the prospect that both houses of Brazil's Congress are ready to enact key pension reform. However, news on the Brazilian economy was less positive in the first quarter of 2019 with GDP contracting by 0.2%. Meanwhile, President Macri's attempt to bring in market reforms in Argentina is still facing resistance from the trade unions as a nationwide strike brought much of the country to a standstill towards the end of May. Despite labour unrest, Argentina was the best performing equity market as the country regained its place within the MSCI Emerging Market Index, along with new entrant Saudi Arabia.

Equity markets in emerging Europe also closed lower although at a country level there was dispersion in performance. Russia extended its winning ways to the year by gaining further ground, aided by a rally in banking and energy stocks. Greece also had a positive month to cement its position as the best performing emerging equity market year-to-date. The outcome elsewhere in the region was less favourable, with Poland, Hungary and Turkey registering losses. Turkey's inflation slowed for a second month thanks to a moderation in food costs with consumer prices easing to 18.7% in May from 19.5% in April.

Fixed Interest

- Escalating trade tensions dominated financial market returns
- Government bond yields fell to multi-year lows
- Returns were more mixed for corporate bonds with some parts of the market coming under pressure

During May, government bond yields (which move inversely to bond prices) fell sharply, with the pace of decline increasing during the final 10 days of the month. The yield on the 10-year US government bond fell 38 basis points (bps), with 30bps of this fall happening between 21 May and 31 May. The move lower in yields was driven by America's unexpected threat of tariffs against Mexico, which added to existing concerns over trade tensions with China. The market's fear is that these ongoing trade disputes will derail global economic growth.

A downward revision to US inflation added to demand for government bonds. Domestic prices for US goods and services indicated by the US Core Personal Consumption expenditure (PCE) for Q1 2019 was revised 30 bps lower to 1.0%. Although the US Federal Reserve (Fed) has spoken about recent inflation weakness being transitory, the market took this revision and the escalating trade tensions as a signal to begin pricing in multiple interest rate cuts.

By the end of May, US interest rate futures were pricing in 55 bps of cuts over the next 2 years. The Bloomberg measure of interest rate expectations now ascribes a 90% probability to US interest rates being cut in September 2019. This expectation of cuts contrasts with the dot-plot (the median forecast of the Fed members responsible for setting US interest rates). The latest version of the dot-plot, released in March 2019, suggested no change in US interest rates during 2019 and one interest rate hike in 2020.

Other government bond markets followed the US market's lead. The 10-year German government bond yield for example fell to a record low of 0.205%. Also hitting a record low was the yield of the 10-year Greek government bond, which fell below 3% for the first time. An exception to this pattern of returns was Italy, where a further deterioration in relations with the European Union over the Italian Government's plan for a flat tax kept yields from falling.

Parts of the corporate bond markets came under a bit of pressure over the month. Credit spreads (the premium over government bonds that companies need to pay to borrow) for sterling investment grade increased 17bps, euro investment grade credit spreads were 19bps wider. More credit intensive areas of the market saw a bigger movement in credit spreads. European currency high yield spreads were 65bps wider while Contingent Capital bonds widened 55bps. Despite the volatility, European corporate bond issuance levels remained healthy, with both euro high yield and investment grade issuance levels above those for May 2018.

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[1] (%)
	31.05.19	30.04.19	28.02.19	30.11.18	31.05.18
US Treasuries 2 year	1.92	2.27	2.51	2.79	2.43
US Treasuries 10 year	2.12	2.50	2.72	2.99	2.86
US Treasuries 30 year	2.57	2.93	3.08	3.29	3.03
UK Gilts 2 year	0.60	0.76	0.83	0.78	0.61
UK Gilts 10 year	0.89	1.19	1.30	1.36	1.23
UK Gilts 30 year	1.47	1.69	1.82	2.08	1.70
German Bund 2 year	-0.66	-0.58	-0.52	-0.60	-0.66
German Bund 10 year	-0.20	0.01	0.18	0.31	0.34
German Bund 30 year	0.43	0.66	0.81	0.99	1.03

Source: Bloomberg LP, Merrill Lynch data. Data as at 31 May 2019. The yield is not guaranteed and may go down as well as up.

Corporate Bonds										Yield to maturity[1] (%)/Spread[2] (bps)
	31.05.19		30.04.19		28.02.19		30.11.18		31.05.18	
£ AAA	1.84	74	2.03	65	2.22	73	2.43	77	2.03	66
£ AA	1.72	80	1.87	72	2.05	79	2.21	92	1.97	80
£ A	2.43	141	2.52	127	2.74	138	2.96	153	2.62	135
£ BBB	2.99	201	3.04	180	3.33	199	3.55	221	3.02	176
€ AAA	0.40	67	0.46	56	0.68	65	0.86	74	0.67	61
€ AA	0.23	74	0.24	61	0.43	69	0.60	82	0.52	72
€ A	0.60	105	0.58	87	0.83	102	1.00	119	0.82	100
€ BBB	1.22	162	1.16	139	1.52	166	1.77	190	1.38	145
European High Yield (inc € + £)	4.45	446	4.08	381	4.47	416	4.97	493	4.15	380

Source: Bloomberg LP, Merrill Lynch data. Data as at 31 May 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 31 May 2019

	Current value	Change Over: 1 Month (%)	3 Months (%)	6 Months (%)	YTD (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)
Euro/US Dollar	1.12	-0.4	-1.8	-1.3	-2.6	-4.4	14.1	-3.2	-10.2	-12.0	4.2
Euro/GB Sterling	0.89	2.9	3.2	-0.2	-1.5	1.3	4.2	15.7	-5.1	-6.4	2.1
Euro/Swiss Franc	1.12	-2.1	-1.4	-1.0	-0.6	-3.7	9.2	-1.6	-9.5	-2.0	1.6
Euro/Swedish Krona	10.62	-0.3	1.1	3.1	4.6	3.2	2.7	4.4	-2.7	6.6	3.2
Euro/Norwegian Krone	9.79	1.2	0.6	0.7	-1.2	0.6	8.4	-5.4	6.2	8.4	13.7
Euro/Danish Krone	7.48	0.1	0.2	0.2	0.1	0.3	0.2	-0.5	0.2	-0.2	0.0
Euro/Polish Zloty	4.29	0.1	-0.4	-0.1	0.0	2.7	-5.1	3.3	-0.6	3.2	1.8
Euro/Hungarian Forint	325.35	0.5	3.0	0.5	1.3	3.3	0.5	-2.0	-0.3	6.5	2.1
US Dollar/Yen	108.28	-2.8	-2.8	-4.6	-1.2	-2.8	-3.6	-2.8	0.5	13.7	21.4
US Dollar/Canadian Dollar	1.35	0.9	2.6	1.6	-0.9	8.4	-6.4	-2.9	19.1	9.4	7.1
US Dollar/South African Rand	14.59	2.0	3.5	5.2	1.6	16.1	-9.9	-11.2	33.8	10.2	24.1
US Dollar/Brazilian Real	3.92	0.0	4.6	1.4	1.1	17.2	1.8	-17.8	49.0	12.5	15.3
US Dollar/South Korean Won	1188.80	2.1	5.6	6.1	6.7	4.4	-11.6	2.7	7.5	4.1	-0.7
US Dollar/Taiwan Dollar	31.54	2.1	2.3	2.2	3.1	3.1	-8.6	-1.2	3.8	6.1	2.7
US Dollar/Thai Baht	31.53	-1.2	-0.2	-4.4	-2.5	-0.7	-9.2	-0.5	9.5	0.6	6.9
US Dollar/Singapore Dollar	1.37	1.0	1.6	0.1	0.8	1.9	-7.7	2.2	6.9	4.9	3.4
US Dollar/GB Sterling	0.79	3.4	5.5	1.2	1.0	6.2	-8.7	19.3	5.8	-5.9	1.9
GB Sterling/South African Rand	18.43	-1.1	-1.4	4.2	0.6	9.6	-1.4	-25.7	26.6	3.7	26.6
Australian Dollar/US Dollar	0.69	-1.6	-2.2	-5.2	-1.6	-9.6	8.1	-0.9	-10.9	-8.4	-14.2
New Zealand Dollar/US Dollar	0.65	-2.1	-4.0	-5.0	-2.7	-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 31 May 2019										(%)
	1 Month	3 Months	6 Months	YTD	2018	2017	2016	2015	2014	2013
Global US & Canada										
MSCI World (US$)	-5.7	-0.9	1.7	10.1	-8.2	23.1	8.2	-0.3	5.5	24.7
MSCI World Value (US$)	-6.2	-3.1	-1.6	6.7	-10.1	18.0	13.2	-4.1	4.4	27.5
MSCI World Growth (US$)	-5.2	1.2	5.1	13.5	-6.4	28.5	3.2	3.5	6.6	27.2
MSCI World Small Cap (US$)	-6.5	-4.1	-0.3	9.8	-13.5	23.2	13.3	0.1	2.3	32.9
MSCI Emerging Markets (US$)	-7.2	-4.4	1.5	4.2	-14.2	37.8	11.6	-14.6	-1.8	-2.3
FTSE World (US$)	-5.7	-1.2	1.6	9.4	-8.8	24.1	8.7	-1.4	4.8	24.7
Dow Jones Industrials	-6.3	-3.7	-1.7	7.5	-3.5	28.1	16.5	0.2	10.0	29.7
S&P 500	-6.4	-0.7	0.7	10.7	-4.4	21.8	12.0	1.4	13.7	32.4
NASDAQ	-7.8	-0.8	2.3	12.9	-2.8	29.6	8.9	7.0	14.8	40.1
Russell 2000	-7.8	-6.6	-3.7	9.3	-11.0	14.6	21.3	-4.4	4.9	38.8
S&P/ TSX Composite	-3.1	1.1	7.2	13.4	-8.9	9.1	21.1	-8.3	10.6	13.0
Europe & Africa										
FTSE World Europe ex-UK €	-4.4	1.6	5.7	12.1	-10.5	13.0	3.4	10.9	0.2	25.2
MSCI Europe	-4.7	1.1	5.7	11.9	-10.0	10.9	3.2	8.8	7.4	20.5
CAC 40	-5.3	1.7	6.8	12.7	-8.0	12.7	8.9	11.9	2.7	22.2
DAX	-5.0	1.8	4.2	11.1	-18.3	12.5	6.9	9.6	2.7	25.5
Ibex 35	-5.6	-1.9	1.4	7.4	-11.4	11.4	-4.8	-3.8	8.0	30.0
FTSEMIB	-7.6	-1.6	6.4	11.4	-13.2	17.3	-6.5	15.8	3.0	20.5
Swiss Market Index (capital returns)	-2.5	1.4	5.4	13.0	-10.2	14.1	-6.8	-1.8	9.5	20.2
Amsterdam Exchanges	-4.7	1.8	6.4	13.3	-7.4	16.5	13.6	7.4	8.7	20.7
HSBC European Smaller Cos ex-UK	-4.5	1.0	4.7	11.7	-13.6	18.6	6.4	23.5	5.2	34.0
MSCI Russia (US$)	3.6	8.5	17.0	20.7	0.2	6.1	55.9	5.0	-45.9	1.4
MSCI EM Europe, Middle East and Africa (US$)	-0.7	1.2	6.4	8.7	-7.5	16.5	22.8	-14.7	-28.4	-3.9
FTSE/JSE Africa All-Share (SA)	-4.8	0.7	11.6	7.1	-8.5	21.0	2.6	5.1	10.9	21.4
UK										
FTSE All-Share	-3.0	2.3	4.9	9.0	-9.5	13.1	16.8	1.0	1.2	20.8
FTSE 100	-2.9	2.7	5.0	8.8	-8.7	12.0	19.1	-1.3	0.7	18.7
FTSE 250	-4.0	0.0	4.2	9.8	-13.3	17.8	6.7	11.2	3.7	32.3
FTSE Small Cap ex Investment Trusts	-1.2	4.0	4.8	8.6	-13.8	15.6	12.5	13.0	-2.7	43.9
FTSE TechMARK 100	-1.4	6.4	10.5	14.9	-4.9	9.8	10.0	16.6	12.3	31.7
Asia Pacific & Japan										
Hong Kong Hang Seng	-8.4	-4.9	3.1	5.7	-10.5	41.3	4.3	-3.9	5.5	6.6
China SE Shanghai Composite (capital returns)	-5.8	-1.4	12.0	16.2	-24.6	6.6	-12.3	9.4	52.9	-6.7
Singapore Times	-7.0	-1.0	2.3	3.7	-6.5	22.1	3.8	-11.2	9.6	3.0
Taiwan Weighted (capital returns)	-4.3	1.1	6.2	7.9	-8.6	15.0	11.0	-10.4	8.1	11.9
Korean Composite (capital returns)	-7.3	-7.0	-2.6	0.0	-17.3	21.8	3.3	2.4	-4.8	0.7
Jakarta Composite (capital returns)	-3.8	-3.6	2.5	0.2	-2.5	20.0	15.3	-12.1	22.3	-1.0
Philippines Composite (capital returns)	0.2	3.4	8.2	6.8	-12.8	25.1	-1.6	-3.9	22.8	1.3
Thai Stock Exchange	-2.8	-0.4	0.7	5.6	-8.1	17.3	23.9	-11.2	19.1	-3.6
Mumbai Sensex 30	1.9	11.1	10.5	10.8	7.5	29.8	3.7	-3.5	32.4	10.9
Hang Seng China Enterprises index	-9.1	-7.7	-1.2	3.6	-9.9	29.6	1.5	-16.9	15.6	-1.5
ASX 200	1.7	4.9	15.3	15.5	-2.8	11.8	11.8	2.6	5.6	20.2
Topix	-6.5	-4.9	-8.1	2.4	-16.0	22.2	0.3	12.1	10.3	54.4
Nikkei 225 (capital returns)	-7.5	-3.7	-7.8	2.9	-12.1	19.1	0.4	9.1	7.1	56.7
MSCI Asia Pac ex Japan (US$)	-6.9	-3.8	2.7	5.6	-13.7	37.3	7.1	-9.1	3.1	3.7
Latin America										
MSCI EM Latin America (US$)	-2.0	-4.0	5.5	6.3	-6.2	24.2	31.5	-30.8	-12.0	-13.2
MSCI Mexico (US$)	-7.0	-1.9	6.7	3.3	-15.3	16.3	-9.0	-14.2	-9.2	0.2
MSCI Brazil (US$)	1.7	-2.9	7.4	9.3	-0.2	24.5	66.7	-41.2	-13.7	-15.8
MSCI Argentina (US$)	13.0	-4.7	-2.8	2.1	-50.7	73.6	5.1	-0.4	19.2	66.2
MSCI Chile (US$)	-8.4	-14.0	-9.5	-6.2	-18.9	43.6	16.8	-16.8	-12.2	-21.4
Commodities										
Oil - Brent Crude Spot (US$/BBL)	-8.0	2.2	15.5	31.4	-24.2	20.9	51.6	-33.5	-49.4	0.2
Oil - West Texas Intermediate (US$/BBL)	-16.2	-6.5	5.3	18.5	-25.3	12.5	44.8	-30.5	-45.8	6.9
Reuters CRB index	-4.6	-3.5	-2.3	4.3	-10.7	1.7	9.7	-23.4	-17.9	-5.0
Gold Bullion LBM (US$/Troy Ounce)	1.3	-1.2	6.6	1.5	-1.7	12.6	9.0	-10.5	-1.8	-27.3
Baltic Dry index	8.4	66.6	-11.0	-13.8	-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.

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