Monthly Market Roundup
covering March 2023

Overview

- Banking sector woes hit investor sentiment initially, though Europe, US, Asia and fixed income markets ended the month up.
- Interest rates increased by 0.5% in Europe, while rising 0.25% in the UK and the US. The Fed signaled further rises were unlikely.
- The UK economy grew 0.3% in January, after contracting in December, meaning that the country would avoid recession.

March was a month of mixed fortunes for global equity markets.Trouble in the banking sector was the big news, as the US's Silicon Valley Bank collapsed after mass withdrawals. In Europe, UBS took over Credit Suisse, as the latter suffered a catastrophic liquidity crisis. This sparked fears of a potential global banking crisis, but these have since been somewhat allayed.

Europe, The US, Asia and emerging markets all advanced. The UK lagged as inflation persisted and the banking sell-off hit the region's equity markets hard.

Europe

Despite an equity-market sell off in the first half of the month (because of the troubles in the banking sector), European markets ended the month up.

The big story was the UBS takeover of Credit Suisse, in an all-share deal brokered by the Swiss regulator, government and National Bank (SNB). The potential writedown of UBS' Additional Tier 1 (AT1) bonds was a factor in the CHF9 billion guarantee the bank was given as part of the deal.

Elsewhere, the European Central Bank (ECB) raised interest rates by an additional 0.5%, despite market volatility and inflation falling to it's lowest level (6.9%) in a year.

The UK

In the UK, markets ended down as the region was hit hard by the Silicon Valley Bank (SVB) and Credit Suisse saga, and the subsequent bank sell-off.

Inflation also unexpectedly rose in February, by 0.3%. This was driven mainly by food price inflation, which hit a new record high in the face of salad and cucumber shortages. Despite this, the Bank of England (BoE) expects inflation to start falling quickly ahead of summer.

There was good news for the economy as it grew 0.3% in January, after contracting in December. This effectively means that the UK avoids recession. Children going back to the classroom, football schedules and a strong month for private health care all contributed.

The US

It was a tale of two halves for US equity markets in March. The first half was besieged by the Silicon Valley Bank (SVB) crisis and persistant inflation, which drove down investor sentiment. In the second half, big technology firms and expectations for tempered interest rates drove recovery.

SVB's collapse was sparked by $42 billion worth of it's deposits being withdrawn in one day. SVB had most of it's deposits invested in long-dated securites, which had lost value because of the Federal Reserve's (Fed) raft of interest rate increases.

Elsewhere, inflation remained at elevated levels but the banking crisis casted doubt on the Fed's decision on what it would do with interest rates in March. In the end, it raised interest rates in line with prior expectations, by 0.25%.

Asia

Asian equities advanced in March, with China, Korean and Taiwan the leading contributors. Investor confidence improved after troubles in the banking sector had limited impact on Asian financials.

Taiwan and Korean markets were bolstered by signals from the US Federal Reserve (Fed) that it was toning down their stance towards inflation. The Fed suggested it's aggressive pace of interest rate rises might soon be over.

Chinese equities ended the month higher, thanks to Beijing's further support for the internet and gaming sectors. The lack of opposition by the government toward Alibaba's plan to split into six units indicated China could be easing its regulatory scrutiny for the internet sector.

Emerging markets (EM)

Asia was the top performing region, followed by Latin America and Europe, the Middle East and Africa (EMEA). Markets in EMEA initially were hit by troubles in the banking sector, but news of Credit Suisse's merger with UBS helped settle investor nerves.

However, Argentina dragged down the performance of Latin America. Equities fell, following uncertainty surrounding October's general elections and the current drought.

Things were more positive in Mexico as macroeconomic indicators for retail sales, service activity and domestic demand improved. Stocks in Peru were buoyed by hopes the country's political situation was improving.

Fixed income

It was a turbulent month for bond markets with the collapse of Silicon Valley Bank (SVB) and UBS's takeover of Credit Suisse.

By the end of the month though, calm had returned to the financial markets as investors seemed less concerned about aggressive interest rate hikes from central banks.

As a result, government bonds rallied, which had a knock on effect for investment grade credit. US investment grade bonds bounced back strongly in March following their underperformance in February.

Europe

- Banking sector woes spark equity-market sell-off in first half of March
- Interest rates increased by 0.5%
- Inflation falls to lowest level in a year

European shares ended higher in March. This was despite the sell-off in bank shares following the collapse of Silicon Valley Bank (SVB) and Signature Bank in the US, and the subsequent problems at Credit Suisse. From a sector perspective, information technology and consumer staples were the best performers. Real estate detracted the most, followed by financials.

UBS announced a takeover of Credit Suisse in an all-share deal. The deal was engineered by a combination of the Swiss regulator (FINMA), the Swiss government and the Swiss National Bank (SNB) and is not subject to a shareholder vote. The Swiss government are providing a federal guarantee of CHF9bn to shield UBS against losses associated with the takeover. A factor in the deal was the write-down of the nominal value of all Additional Tier 1 (AT1) instruments of Credit Suisse.

The European Central Bank (ECB) raised interest rates by 0.5% as the benchmark deposit rate reached 3.0%, their highest level since 2008. This was in spite of the market volatility seen after the recent events of Silicon Valley Bank and Credit Suisse. The ECB signalled future increases would depend on the market fallout of recent events, as they look to be taking a more dovish tone.

Eurozone inflation fell to 6.9% in March, down from 8.5%, falling more than consensus forecasts as inflation hit its lowest level for a year. Core inflation, which excludes energy and food prices, rose to 5.7%, a new eurozone high. German inflation fell to 7.8% as Spanish inflation fell to 3.1% from 6.0% in February.

The flash purchasing managers' composite index (PMI) for the eurozone rose to 54.1 in March, up from 52. The index, which measures activity at both services and manufacturing companies across the eurozone, is above 50, indicating businesses are expanding. This was higher than consensus estimates and was mainly driven by the services sector.

Wage growth in the eurozone hit 5.7% for the final quarter of 2022 compared to a year earlier according to figures from Eurostat. This is the highest level seen since the data first started to be collected in 2010. Wage growth in the eurozone is now outstripping the US but remains below the wage growth seen in the UK.

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UK

- UK inflation unexpectedly goes up
- Interest rates increased by 0.25%
- UK avoids recession

The UK equity market closed lower in March following the sell-off in bank shares which dragged UK equity markets down.

UK inflation unexpectedly went up in February to 10.4%, up from 10.1% in January with consensus forecasts expecting inflation to fall to 9.9%. Food price inflation rose from 16.8% to a new record high of 18.3%, partly due to the recent supply shortages of salads and cucumbers.

Core inflation (removing volatile food, energy, alcohol and tobacco prices) increased from 5.7% to 6.2%. The Bank of England (BoE) believes inflation will begin to fall quite rapidly before the summer though.

The BoE raised interest rates by 0.25% to a 15-year high of 4.25%. It's the 11th consecutive increase from the bank since it started its hiking cycle in December 2021. The BoE left open the prospect of interest rate hikes if there were more 'persistent pressures' from inflation. The bank was also no longer forecasting a technical recession, expecting the economy to grow in quarter two of this year.

Jeremy Hunt delivered his budget in March. Some of the highlights include the extension of free childcare and scrapping the lifetime allowance on tax-free pensions to try to get people back into work.

Other announcements included extending the energy price cap, tax breaks for capital expenditure to help offset the sharp increase in corporation tax and a making London a more attractive place to list.

The UK economy grew 0.3% in January following a 0.5% contraction in December according to data from the Office for National Statistics (ONS). This was larger than consensus forecasts with the main drivers being children returning to classrooms, full football schedules and a strong month for private health care. Construction dropped sharply though.

ONS data showed UK wage growth slowed in the three months to January. This as the current economic climate made employers more uncertain about hiring as the number of vacancies continue to fall. The unemployment rate remained near record lows of 3.7%.

British retail sales increased in February by 1.2%, above consensus forecasts and the second consecutive monthly increase in a show of consumer resilience. The consumer confidence index, a measure of how people view their personal finances and wider economic prospects, was minus 36 in February, the highest since March 2022 according to research group Growth for Knowledge (GfK).

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US

- US stocks advanced higher after a turbulent month
- Closure of two regional banks weighed heavily on market confidence, hurting equity markets
- However, easing expectations of higher interest rates helped offset losses and prompted a late rally

It was a tale of two halves for US equities. In the first part, persistent inflation and a banking crisis weighed on investor sentiment. A recovery in the latter part was driven by big technology companies as investors rolled back expectations for higher interest rates.

US stocks initially faced a turbulent time after Silicon Valley Bank (SVB) faced a liquidity crisis which culminated in its closure by US banking regulators.

Its high concentration of uninsured deposits (over $250,000) was exposed to a bank run from depositors. $42bn – a quarter of its total deposits – was withdrawn in one day which forced the Federal Deposit Insurance Corporation to step in.

SVB had invested most of the deposits in long-dated securities such as mortgage bonds and US Treasures which had lost value because of the US Federal Reserve's (Fed) aggressive interest rate hikes. The mismatched maturities of its assets and liabilities meant that the bank faced huge unrealised losses.

This prompted a spill over into other US regional banks such as First Republic and Signature Bank, with the latter also shutting shop.

As a result, the Fed's March interest rate decision was a large point of contention. Inflation remained at elevated levels, but the banking crisis highlighted a weakness in the financial system due to the rapid increase in interest rates.

Moreover, the path forward for the Fed was further complicated by a robust growth in US jobs (even as wages cooled) and a monthly 0.5% rise in 'core' consumer price growth (annual headline CPI inflation fell to 6.0%). In the end, the Fed raised rates in line with market consensus, a 25-basis point hike. The Federal Open Market Committee did signal that it may soon call time on its monetary tightening[1] campaign. This spurred a late recovery in the technology sector, helping the NASDAQ composite index record its best quarter since 2020.

In terms of sector performances, communication services, information technology and consumer discretionary were the standout performers. The energy and financials sectors were the main laggards.

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Asia

- Asian equities finished up in March
- Strength in China driven by reopening and stimulus injections
- Limited spill over from US and European banking crisis saw investor confidence recover

Asian equities advanced in March, with China, Korean and Taiwan the leading contributors. Spill over from the turmoil in the US and European financial systems was limited. Signs of toned-down US Federal Reserve (Fed) monetary tightening[1] helped recover market confidence.

Chinese equities ended the month higher, thanks to Beijing's further support for the internet and gaming sectors, stabilising global financial conditions and easing geopolitics. A State-Owned Enterprise (SOE) report surprised positively, driving strength in telecommunications, oil and construction industries.

The banking crisis in Europe initially stoked contagion fears but there was a limited spill over into Asian financials. The combination of re-opening and stimulus injections seen over the last few months finally materialised in full swing for the Chinese economy last month.

Further aiding sentiment for the country was an unexpected 25-basis point rate cut by the People's Bank of China. This was in sharp contrast to the continued rate hikes we saw across most developed market central banks during the month. A bounce back in the technology sector largely driven by Alibaba's reorganisation headlines and signs of easing regulatory scrutiny for the wider sector.

Taiwanese stocks finished higher, bolstered by signs that the US Fed may soon call time on its monetary tightening campaign. Meanwhile, Korea's equity market was robust, progressing upward over the month due to a battery stock rally and a recovery in the technology sector.

Broader investor sentiment improved as the collapse of the two US banks and Credit Suisse had a limited spill over into Korea and the Fed toned down their stance towards inflation.

Indian equities rose, with utilities the strong performing sector, followed by industrials and consumer staples, while information technology was the weakest. Consumer Price Index (CPI) inflation remained elevated at 6.4%, and industrial production improved marginally.

Elsewhere, Japanese stocks fell, mainly in the financial sector, amid concerns about the US and European financial systems. Australian equities also slipped, as fourth quarter annualised gross domestic product (GDP) fell in line with consensus to 2.7%. Consumer price index (CPI) inflation dropped more than expected, however, recorded at 7.4% vs forecasts of 8.1%.

Signs of toned-down US Federal Reserve (Fed) monetary tightening[1] helped recover market confidence.

Emerging Markets

- Emerging market equities rose in value in March
- China outperformance was a major contributor
- EMEA the weakest region amid contagion fears arising from the European banking crisis

Emerging equity markets advanced higher over the month. Asia was the top performing region, followed by Latin America and Europe, Middle East and Africa (EMEA).

The latter traded flat after grappling with turmoil in the European banking sector. Saudi Arabia and China were the best performing markets, while Turkey and the United Arab Emirates (UAE) were the main laggards.

Asia rose higher as China, the region heavyweight, was supported by improving sentiment on the internet and gaming sectors. Strong reopening recovery continued, with a pickup in international flights and housing transactions trending upwards.

In EMEA, shockwaves of the US regional banks closures – Silicon Valley Bank and Signature Bank – were initially felt via the closure of Credit Suisse. However, its merger with UBS helped settle the nerves of banking shares and the region's broader equity market.

Saudi Arabia outperformed as it agreed to restore ties with Iran at a China-hosted summit. Czech Republic equities rose in value buoyed by its utilities sector, outperforming its neighbours Poland and Hungary both of which lost ground. Turkey was the weakest country in the emerging market (EM) region as the lira weakened and its materials and industrials sectors declined.

Latin American stocks underperformed the broader EM region and the world, with Argentina the top laggard. The only two countries to outperform the region were Mexico and Peru. Brazil modestly fell in value, as its quarterly gross domestic product (GDP) contracted by 0.9% following almost a year of growth, although it enjoyed improvements in four confidence indicators.

Argentinian equities were held back mostly by uncertainty surrounding October's general elections and the current drought. Peru was buoyed by declining political noise. Mexican stocks were driven upwards by positive macroeconomic indicators, with retail sales, services activity and domestic demand showing increases.

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Fixed Income

- Turbulent but positive month for bond markets as interest rate hike expectations tempered by banking concerns.
- Collapse of Silicon Valley Bank and UBS's takeover of Credit Suisse prompts sharp price movements before calmer conditions prevail.
- US Federal Reserve, European Central Bank and Bank of England raise interest rates.

It was a turbulent month for bond markets with the collapse of Silicon Valley Bank (SVB) and UBS's takeover of Credit Suisse prompting sharp price movements. The market volatility led some investors to think that central banks might pause or scale back their plans to further raise interest rates to tame inflation.

Reflecting the shift in market expectations, the yield on two-year US treasuries (which is sensitive to interest rate movements) recorded its largest daily decline since 1982 on 13th March.

With calm returning to financial markets towards the end of the month and investors seemingly less concerned about aggressive interest rate hikes, government bonds rallied strongly. According to data from ICE BofA, US treasuries returned 2.96% in March. UK gilts and German bunds also gained ground, returning 3.03% and 2.41% respectively.

Before the SVB news, market attention was focused on the persistence of inflation and the increased likelihood that the US Federal Reserve (Fed) could increase the pace of rate hikes. This view, validated by Fed Chair Powell at his semi-annual congressional testimony, pushed expectations of the Fed's terminal rate to a new high of 5.69%. Despite the banking turmoil the Fed followed through by raising rates by 25 basis points (to 4.75%-5.00%).

Bur a rise in risk-off sentiment in reaction to the banking sector problems meant that by the end of the month Fed funds futures were pricing in US interest rates peaking below 5.0%. While in the second half of 2023 expectations were raised that rate cuts will unfold.

In economic news, the annual rate of US inflation eased in February, falling to 6.0% from the previous month's 6.4% rate. This was significantly lower than the 9.1% peak seen in June 2022.

Eurozone inflation fell more steeply than expected due to weaker energy costs with consumer prices rising to 6.9% in the year to March, down from February's 8.5% show. However, core inflation, which excludes volatile items such as energy and food costs, hit a new eurozone high of 5.7%.

The European Central Bank went ahead with a planned 50bps rise in interest rates, raising the deposit rate from 2.5% to 3.0%, in line what it had signalled in February. Worries of a recession in the eurozone were allayed by data showing the recovery in business activity gathering pace.

After flirting with recession late last year, the UK economy is also showing signs of recovery with surveys showing a pick-up in growth across all sectors. There was less positive news on the inflation front as rising food prices, accentuated by a shortage of salad items, unexpectedly pushed the consumer prices index (CPI) up to 10.4% in February.

Most analysts were expecting CPI to drop below 10.0%. In response, the Bank of England raised interest rates from 4.0% to 4.25% with the Bank' Monetary Policy Committee voting by a majority of 7 to 2 to increase the base rate for the 11th time in a row.

The strength of government bonds meant that investment grade credit had a positive return for the month despite spread widening. US IG bonds bounced back strongly in March following their underperformance in February with the ICE BofA US Corporate Index returning 2.56%.

Sterling and Euro Corporate indexes also advanced higher, returning 0.90% and 1.02% respectively. GBP, EUR and USD IG credit spreads moved from 168bps to 191bps, 147bps to 168bps and 130bps to 145bps respectively.

Performance in the high yield market was more mixed with the ICE BofA US High Yield (HY) index returning 1.13% whereas the European Currency (€/£) High Yield index declined by 0.41%. However, there was more uniformity in credit spreads with €/£ HY bonds widening, and dollar denominated HY bonds increasing

> The market volatility led some investors to think that central banks might pause or scale back their plans to further raise interest rates to tame inflation.

Government Bonds

Yield to maturity[1] (%)

	Current	1 month	3 months	6 months	12 months
US Treasuries 2 year	4.03	4.82	4.43	4.28	2.33
US Treasuries 10 year	3.47	3.92	3.87	3.83	2.34
US Treasuries 30 year	3.65	3.92	3.96	3.78	2.45
UK Gilts 2 year	3.44	3.69	3.58	4.23	1.35
UK Gilts 10 year	3.49	3.83	3.67	4.09	1.61
UK Gilts 30 year	3.84	4.14	3.96	3.83	1.76
German Bund 2 year	2.68	3.14	2.76	1.76	-0.07
German Bund 10 year	2.29	2.65	2.57	2.11	0.55
German Bund 30 year	2.36	2.61	2.55	2.09	0.67

Source: Bloomberg LP, Merrill Lynch data. Data as at 31 March 2023. 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	4.66	98	4.72	79	4.64	88	5.53	134	2.42	84
£ AA	4.82	116	4.89	97	4.83	106	5.78	152	2.53	95
£ A	5.28	157	5.33	137	5.40	160	6.36	209	2.81	121
£ BBB	6.05	233	6.06	206	6.20	236	7.24	289	3.39	172
£ High Yield	10.03	631	9.57	559	10.43	669	11.43	698	6.28	463
£ BB	8.36	456	8.15	409	8.77	494	10.11	563	5.17	345
€ AAA Investment Grade Corporate	3.37	97	3.54	77	3.17	65	3.19	121	1.14	74
€ AA	3.56	110	3.79	95	3.51	99	3.34	143	1.04	81
€ A	3.95	144	4.13	127	3.92	138	3.82	192	1.37	110
€ BBB	4.52	198	4.63	172	4.63	202	4.55	259	1.87	151
€ High Yield	7.46	474	7.33	421	7.73	498	8.31	625	4.52	400
€ BB	6.32	357	6.28	312	6.51	372	7.13	502	3.68	312
European High Yield (inc € + £)	7.73	490	7.56	435	8.00	515	8.61	632	4.71	406

Source: Bloomberg LP, ICE BofA. Data as at 31 March 2023. 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 March 2023

	Current value	Change Over: 1 Month (%)	3 Months (%)	6 Months (%)	YTD (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)
Euro/US Dollar	1.08	2.5	1.3	10.6	1.3	-5.8	-6.9	8.9	-2.2	-4.5	14.1	-3.2	-10.2	-12.0	-12.0	1.8
Euro/GB Sterling	0.88	-0.1	-0.7	0.2	-0.7	5.2	-5.9	5.7	-5.9	1.2	4.1	15.8	-5.1	-6.5	-6.5	-2.6
Euro/Swiss Franc	0.99	-0.4	0.3	2.6	0.3	-4.6	-4.0	-0.4	-3.5	-3.8	9.2	-1.5	-9.5	-2.0	-2.0	-0.7
Euro/Swedish Krona	11.28	1.9	1.1	3.7	1.1	8.4	2.4	-4.3	3.4	3.2	2.7	4.4	-2.9	6.7	6.7	-3.8
Euro/Norwegian Krone	11.36	3.4	8.2	6.4	8.2	4.7	-4.4	6.5	-0.6	0.6	8.3	-5.4	6.6	8.1	8.1	-5.2
Euro/Danish Krone	7.45	0.1	0.2	0.2	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	4.68	-0.5	-0.1	-3.6	-0.1	2.1	0.6	7.2	-0.8	2.7	-5.1	3.4	-0.6	3.2	3.2	-8.7
Euro/Hungarian Forint	380.00	0.4	-4.9	-10.2	-4.9	8.2	1.8	9.5	3.1	3.3	0.4	-1.9	-0.4	6.5	6.5	-7.5
US Dollar/Yen	132.86	-2.4	1.3	-8.2	1.3	13.9	11.5	-4.9	-1.0	-2.7	-3.7	-2.7	0.4	13.7	13.7	12.8
US Dollar/Canadian Dollar	1.35	-1.0	-0.3	-2.3	-0.3	7.3	-0.7	-2.0	-4.7	8.5	-6.5	-2.9	19.1	9.4	9.4	-2.9
US Dollar/South African Rand	17.80	-3.1	4.5	-1.6	4.5	6.9	8.5	5.0	-2.4	15.9	-9.9	-11.2	33.7	10.3	10.3	4.7
US Dollar/Brazilian Real	5.06	-3.3	-4.1	-6.5	-4.1	-5.3	7.3	29.0	4.0	17.1	1.8	-18.0	49.1	12.7	12.7	9.5
US Dollar/South Korean Won	1301.85	-1.6	2.9	-9.0	2.9	6.4	9.4	-6.0	3.6	4.2	-11.4	3.0	6.7	4.1	4.1	-7.1
US Dollar/Taiwan Dollar	30.45	-0.1	-0.9	-4.2	-0.9	11.0	-2.2	-5.8	-2.2	3.1	-7.6	-2.1	4.0	6.1	6.1	-3.9
US Dollar/Thai Baht	34.20	-3.3	-1.2	-9.4	-1.2	3.6	11.5	-0.1	-7.9	-0.1	-9.0	-0.8	9.7	0.1	0.1	-3.1
US Dollar/Singapore Dollar	1.33	-1.3	-0.6	-7.3	-0.6	-0.7	2.0	-1.8	-1.2	2.0	-7.7	2.0	7.0	4.9	4.9	-5.8
US Dollar/GB Sterling	0.81	-2.5	-2.1	-9.5	-2.1	12.0	1.0	-3.0	-3.8	5.9	-8.6	19.4	5.7	6.3	6.3	-4.4
GB Sterling/South African Rand	21.95	-0.5	6.6	8.6	6.6	-4.6	7.4	8.2	1.3	9.6	-1.3	-25.7	26.5	3.7	3.7	9.3
Australian Dollar/US Dollar	0.67	-0.7	-1.9	4.5	-1.9	-6.2	-5.6	9.6	-0.4	-9.7	8.3	-1.1	-10.9	-8.3	-8.3	1.8
New Zealand Dollar/US Dollar	0.63	1.2	-1.4	11.8	-1.4	-7.0	-5.0	6.6	0.3	-5.3	2.4	1.5	-12.4	-5.1	-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 March 2023 (%)

	1 month	3 months	6 months	YTD	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Global US & Canada														
MSCI World (US$)	3.2	7.9	18.6	7.9	-17.7	22.4	16.5	28.4	-8.2	23.1	8.2	-0.3	5.6	5.6
MSCI World Value (US$)	-0.6	1.1	16.2	1.1	-5.8	22.8	-0.3	22.8	-10.1	18.0	13.3	-4.0	4.5	4.5
MSCI World Growth (US$)	7.0	15.2	20.7	15.2	-29.0	21.4	34.2	34.2	-6.4	28.5	3.2	3.5	6.6	6.6
MSCI World Small Cap (US$)	-2.5	4.4	15.8	4.4	-18.4	16.2	16.5	26.8	-13.5	23.2	13.2	0.8	2.3	2.3
MSCI Emerging Markets (US$)	3.0	4.0	14.2	4.0	-19.8	-2.3	18.8	18.8	-14.3	37.8	11.8	-14.6	-2.0	-2.0
FTSE World (US$)	3.1	7.7	18.8	7.7	-17.5	21.0	16.4	27.8	-8.7	24.1	8.7	-1.4	4.8	4.8
Dow Jones Industrials	2.1	0.9	17.1	0.9	-6.9	20.9	9.7	25.3	-3.5	28.1	16.4	0.2	10.0	10.0
S&P 500	3.7	7.5	15.6	7.5	-18.1	28.7	18.4	31.5	-4.4	21.8	11.9	1.4	13.7	13.7
NASDAQ	6.8	17.0	16.1	17.0	-32.5	22.2	45.0	36.7	-2.8	29.7	9.0	7.1	14.8	14.8
Russell 2000	-4.8	2.7	9.1	2.7	-20.5	14.8	19.9	25.5	-11.0	14.6	21.3	-4.4	4.9	4.9
S&P/ TSX Composite	-0.2	4.6	10.8	4.6	-5.8	25.2	5.6	22.9	-8.9	9.1	21.1	-8.3	10.5	10.5
Europe & Africa														
FTSE World Europe ex-UK €	0.6	9.7	21.6	9.7	-11.9	25.1	2.9	27.6	-10.5	12.9	3.2	10.7	7.2	7.2
MSCI Europe	0.1	8.8	19.2	8.8	-9.0	25.8	-2.8	26.8	-10.1	10.8	3.2	8.8	7.5	7.5
CAC 40	0.9	13.4	27.6	13.4	-6.7	31.9	-5.0	30.5	-8.1	12.5	8.8	11.9	2.5	2.5
DAX	1.7	12.2	29.0	12.2	-12.3	15.8	3.5	25.5	-18.3	12.5	6.9	9.6	2.7	2.7
Ibex 35	-1.7	12.8	27.2	12.8	-2.0	10.5	-12.7	16.5	-11.5	11.3	2.5	-3.7	8.5	8.5
FTSEMIB	-1.2	15.1	33.0	15.1	-9.4	26.8	-3.3	33.8	-13.6	16.9	-6.5	15.8	3.0	3.0
Swiss Market Index (capital returns)	0.1	3.5	8.2	5.1	-16.7	20.3	0.8	26.0	-10.2	14.1	-6.8	-1.8	9.5	9.5
Amsterdam Exchanges	0.5	10.1	18.9	10.1	-11.4	30.5	5.5	28.5	-7.4	16.5	13.6	7.3	8.7	8.7
HSBC European Smaller Cos	-1.8	7.4	28.7	7.4	-29.6	12.7	15.3	23.7	-20.2	31.0	-2.5	7.0	-9.6	-9.6
MSCI EM Europe, Middle East and Africa (US$)	0.2	-1.2	0.0	-1.2	-35.3	24.1	-7.3	19.9	-7.4	16.5	22.8	-14.5	-28.2	-28.2
FTSE/JSE Africa All-Share (SA)	-1.2	5.2	21.1	5.2	4.0	29.3	7.1	12.1	-8.4	21.0	2.8	5.3	10.9	10.9
UK														
FTSE All-Share	-2.8	3.1	12.2	3.1	0.2	18.3	-9.7	19.1	-9.5	13.1	16.8	0.9	1.2	1.2
FTSE 100	-2.5	3.6	12.5	3.6	4.6	18.4	-11.4	17.2	-8.8	12.0	19.2	-1.4	0.7	0.7
FTSE 250	-4.6	1.0	11.6	1.0	-17.4	16.9	-4.6	28.9	-13.3	17.8	6.7	11.2	3.7	3.7
FTSE Small Cap ex Investment Trusts	-7.0	-1.6	7.0	-1.6	-17.3	31.3	1.7	17.7	-13.8	15.6	12.5	13.0	-2.7	-2.7
FTSE TechMARK 100	-1.3	4.3	12.2	4.3	-7.5	13.6	7.3	39.2	-4.9	9.8	10.0	16.6	12.3	12.3
Asia Pacific & Japan														
Hong Kong Hang Seng	3.5	3.5	19.1	3.5	-12.6	-11.8	-0.2	13.0	-10.6	41.3	4.3	-3.9	5.3	5.3
China SE Shanghai Composite (capital returns)	-0.2	5.9	8.4	5.9	-12.8	7.0	16.5	25.3	-22.7	8.8	-10.5	11.2	58.0	58.0
Singapore Times	0.1	0.8	5.2	0.8	8.4	13.6	-8.1	9.4	-6.5	22.0	3.8	-11.3	9.6	9.6
Taiwan Weighted (capital returns)	2.6	12.5	18.7	12.5	-18.8	26.9	27.0	28.8	-5.0	19.4	15.5	-6.9	11.2	11.2
Korean Composite (capital returns)	2.7	10.8	16.7	10.8	-23.2	5.6	33.8	10.0	-15.4	23.9	5.2	4.1	-3.5	-3.5
Jakarta Composite (capital returns)	-0.6	-0.7	-3.3	0.7	4.1	10.1	-5.1	1.7	-2.5	20.0	15.3	-12.1	22.3	22.3
Philippines Composite (capital returns)	-0.9	-1.0	13.2	-0.1	-7.8	-0.2	-8.6	4.7	-12.8	25.1	-1.6	-3.9	22.8	22.8
Thai Stock Exchange	-0.3	-2.7	2.3	-2.7	3.5	17.7	-5.3	4.3	-8.1	17.3	23.9	-11.2	19.1	19.1
Mumbai Sensex 30	0.0	-2.9	3.1	-2.9	5.8	23.2	17.2	15.7	7.2	29.6	3.5	-3.7	32.0	32.0
Hang Seng China Enterprises index	5.9	3.9	17.9	3.9	-15.6	-21.2	0.0	14.5	-10.0	29.6	1.4	-16.9	15.5	15.5
ASX 200	-0.2	3.5	13.2	4.0	0.5	18.7	2.3	25.0	-1.5	13.4	13.4	4.2	7.1	7.1
Topix	1.6	7.1	10.5	7.1	-2.5	12.8	7.4	18.1	-16.0	22.2	0.3	12.1	10.3	10.3
Nikkei 225 (capital returns)	2.2	7.5	8.1	8.5	-9.4	4.9	16.0	18.2	-12.1	19.1	0.4	9.1	7.1	7.1
MSCI Asia Pac ex Japan (US$)	2.9	4.2	16.9	4.2	-17.0	-2.5	23.1	19.8	-13.5	37.8	7.4	-8.8	3.5	3.5
Latin America														
MSCI EM Latin America (US$)	0.9	4.0	10.2	4.0	9.6	-7.7	-13.6	17.8	-6.2	24.2	31.4	-30.9	-12.1	-12.1
MSCI Mexico (US$)	3.0	20.4	35.6	20.4	-1.6	22.9	-1.7	11.6	-15.4	16.2	-9.1	-14.4	-9.3	-9.3
MSCI Brazil (US$)	-0.2	-3.1	-0.7	-3.1	14.6	-17.1	-18.9	26.7	-0.1	24.5	66.7	-41.2	-13.8	-13.8
MSCI Argentina (US$)	-7.1	4.7	39.0	4.7	35.8	20.9	12.3	-20.7	-50.8	73.6	5.1	-0.4	19.2	19.2
MSCI Chile (US$)	-0.1	5.9	13.4	5.9	23.3	-14.7	-4.2	-16.2	-18.9	43.6	16.8	-16.8	-12.2	-12.2
Commodities														
Oil - Brent Crude Spot (US$/BBL)	-3.4	-6.2	-7.5	-6.2	9.7	51.4	-23.0	24.9	-20.4	20.6	55.0	-35.9	-49.7	-49.7
Oil - West Texas Intermediate (US$/BBL)	-1.8	-5.7	-4.8	-5.7	4.2	58.7	-20.5	34.5	-24.8	12.5	45.0	-30.5	-45.9	-45.9
Reuters CRB index	-0.4	-2.5	2.0	-2.5	22.0	38.5	-9.3	11.8	-10.7	1.7	9.7	-23.4	-17.9	-17.9
Gold Bullion LBM (US$/Troy Ounce)	8.5	9.1	18.4	9.1	0.4	-4.3	23.9	19.1	-1.3	11.9	9.1	-11.4	-0.2	-0.2
Baltic Dry index	40.3	-8.3	-21.1	-8.3	-31.7	62.3	25.3	-14.2	-7.0	42.1	101.0	-38.9	-65.7	-65.7

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

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

Footnotes

[1] Tightening – raising interest rates

Risk warnings

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

Important information

Data as of 31 March 2023 unless stated otherwise.

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