



# Overview

- Bank of England raised interest rates to 5%, while the European Central Bank rose by 0.25%
- UK inflation was unchanged and stubbornly high, but for the US and Europe inflation is falling
- Global equity markets were positive in June, but government bonds were under pressure

June was a largely positive month for global equity markets, with all major regions bouncing back from May losses. Inflation is moderating in Europe and the US, with the latter having paused interest rate hikes after the last Federal Reserve meeting. The European Central Bank and Bank of England are set to continue their rate hikes for the time being. Fears around the post-covid economy in China persist but didn't prevent the country's gains. Elsewhere in Asia Pacific, Australia, Japan and India were strong performers. Fixed income markets stayed under pressure on the basis of more interest rate hikes from some central banks.

## Europe

European markets ended June up, although GDP figures were revised down, reflecting the fact that inflation continues to fall. It hit the lowest level since January 2022 last month, down by 0.6%, below consensus estimates. Core inflation (which excludes food and fuel) was up slightly though, by 0.1%.

The European Central Bank (ECB) continued its series of interest rate hikes by putting rates up by another 0.25% last month. The bank is 'very likely' to raise them again in July.

Revised Eurostat data showed that the Eurozone is in a mild technical recession as GDP contracted for two consecutive quarters between 2022 and the start of 2023. The Organisation for Economic Co-operation and Development (OECD) still expects the region to grow by the end of the year though.

## The UK

UK equities also ended the month up, off the back of positive economic data. Data showed

that UK GDP grew by 0.2% in April, in line with estimates. The services sector was the main contributor, as hopes remain high that the country will avoid a recession this year.

Inflation remains stubborn. It stayed at 8.7% though forecasts predicted a fall. Core inflation went up, driven by rising air fares and an increase in live music events. The Bank of England enacted its 13th straight interest rate hike, by more than expected at 0.5% as the battle against inflation continues.

Sterling rose to its highest level against the dollar since early last year and UK retail sales beat consensus estimates to grow by 0.3% in May. The warmer weather is thought to have driven this, as people purchased summer and outdoor goods.

## **The US**

June was positive for US markets as the Dow Jones, NASDAQ and S&P500 all gained ground across the month. The newly passed debt ceiling provided a boost, as the US was able to avoid what would have been a historical default.

US inflation continues to moderate and is at its slowest pace in two years. Year-on-year CPI beat forecasts, coming in at 4%. In response, the Federal Reserve paused its interest rate hiking cycle in June, boosting sentiment around the economy.

US jobs growth was almost twice as strong as expected. This means the labour market is showing signs of resilience as figures for the previous two months were also revised upwards. Unemployment did rise in May though, by 0.3%.

## **Asia**

Chinese equities gained despite negative economic data regarding industrial production and disappointment over government efforts to revive the economy through proactive easing or rate cuts. The gains were due to strong contributions in the real estate, communication services and consumer discretionary sectors. The detractors were healthcare, utilities, finance and industrials.

In Australia, there was positive economic data on the labour and inflation front. Unemployment fell from 3.7% to 3.6%, beating expectations of 3.7%. Annual inflation fell from 6.8% to 5.6%, lower than analysts' forecasts of 6.1%. However, the Reserve Bank of Australia opted to raise interest rates to 4.10%, despite the good news on inflation.

Equity markets in Thailand and Malaysia lagged their Asia Pacific peers. Malaysian equity markets experienced significant declines in health care and communication services, while in Thailand utilities and information technology underperformed.

## **Emerging markets**

Equity markets in Latin America led the way for emerging markets. Brazil first quarter GDP showed an increase of 4%, above analysts' forecasts of 2.7%, while May inflation data came in below market expectations of 3.94%. Brazilian equity markets were up 16.1%, with energy stocks Petrobras and Cosan up more than 25% in June.

South Korean equities edged up slightly. Economic data out of South Korea showed that annual inflation for May fell by 3.3% from 3.7%. This was in line with expectations.

In emerging Europe, Poland and Greece were top performers. Poland's year-on-year May inflation figure fell to 13% from 14.7% previously. Poland's May unemployment rate fell from 5.2% to 5.1. In Greece, equity and bond markets responded positively to news that the Kyriakos Mitsotakis and his centre-right party New Democracy won by a landslide in the snap parliamentary election.

## **Fixed income**

Government bonds were under pressure on likelihood of further interest rate hikes as central banks grapple with sticky inflation or sustained increases in prices.

It was a mixed month for corporate bond markets with dollar-denominated credit registering gains, but overall returns held back by weakness in sterling investment grade bonds.

Performance in the high yield market was positive.

# Europe

- Inflation continues to fall
- Eurozone in technical recession
- Eurozone PMIs fall but remain above 50

European equity markets ended higher in June despite GDP figures being revised lower while inflation continues to fall. From a sector perspective, consumer discretionary and finance were the best performers, while health care and communication services were the only detractors.

Eurozone inflation fell to its lowest level since January 2022, to 5.5% in June, down from 6.1%. This was below consensus estimates. However, core inflation (which excludes energy and food) increased to 5.4% from 5.3%. German inflation was higher at 6.8%, partially due to an increase in transport prices after subsidies were reduced for buses and trains. Inflation fell in other eurozone countries with Italy's falling to 6.7%, France 5.3% while Spain was below the ECB target rate at 1.6%.

The European Central Bank (ECB) increased interest rates by 0.25% to the highest level since 2001 as the benchmark deposit rate went to 3.5%. ECB president Christine Lagarde said that they were 'very likely' to raise them again in July. She added that the strength of the labour market meant they had raised its forecast for core inflation to 5.1% later this year.

Revised figures from Eurostat show eurozone GDP contracted by 0.1% in the final quarter of 2022 and the first quarter of 2023 which means the eurozone is in a mild technical recession. Eurostat had previously reported eurozone GDP expanded by 0.1% in the first quarter and was flat during the final three months of 2022. The Organisation for Economic Co-operation and Development (OECD) forecasts the eurozone will still grow 0.9% this year and 1.5% in 2024.

The flash purchasing managers' composite index (PMI) for the eurozone fell to 50.3 in June, down from 52.8. The index, which measures activity at both services and manufacturing companies across the eurozone, is above 50, indicating businesses are expanding. The figure was below consensus estimates as the slowdown dampens hopes of an economic rebound.



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- Bank of England raises interest rates by unexpected 0.5%
- Inflation unchanged
- Modest growth in April GDP

The UK equity market closed higher in July after relatively upbeat economic data despite stubbornly high inflation.

UK inflation remained at 8.7% in May, with consensus forecasts expecting a fall. Core inflation, which excludes energy and food prices, increased from 6.8% to 7.1%, the highest since March 1992. Air fares and live music events were some of the drivers behind the price rises, though were partially offset by falling prices for petrol and diesel.

Following the inflation news, the Bank of England raised interest rates by 0.5%, its 13th consecutive rise. Consensus estimates slated a 0.25% increase, so this was a move that surprised markets. Interest rates now sit at 5%. The Bank of England governor Andrew Bailey said the decision was made due to evidence of persistent inflation.

Data from the Office for National Statistics (ONS) showed UK GDP grew by 0.2% in April, in line with consensus estimates. The growth was driven by the services sector - the data raises hopes that the UK will avoid a recession this year.

Sterling rose to its highest level against the Dollar since April 2022. With the US Federal Reserve pausing its monetary tightening, markets have now priced in a peak of 5.71% for UK interest rates at the end of the year, previously pricing in 5.35%.

UK retail sales grew 0.3% in May, higher than consensus estimates. The strength of retail sales was driven by good weather sparking higher spending on summer goods like clothing and outdoor equipment.

UK consumer confidence increased in June, according to survey by research group Growth for Knowledge (GfK). The consumer confidence index, a measure of how people view their personal finances and wider economic prospects, increased for the fifth consecutive month. But, this survey was done before the surprise 0.5% increase in interest rates, which puts added pressure on household mortgage payments.



The UK equity market closed higher in July after relatively upbeat economic data despite stubbornly high inflation.



- All three major US indexes close up
- Inflation eases further
- The US Federal Reserve leave interest rates unchanged

June was a positive month for the US equity markets. It began with Congress passing the debt ceiling bill. President Biden then signed the bill into law which buoyed markets and effectively avoided what could have been a historic default.

The Nasdaq, S&P 500 and Dow Jones all gained in June. This was largely due to strong sector performances from consumer discretionary, industrials and materials.

Another notable contributor was technology as Nvidia hit a market cap of \$1 trillion. Apple also hit a record of just over \$3 trillion.

The pace of inflation in the US eased to its slowest level in over two years as the year-on-year CPI figure came in at 4%, a significant decline from 4.9% announced in May. This was attributed to a fall in energy prices and a smaller increase in food prices. The 4% figure beat consensus estimates of 4.1% and renewed a sense of optimism in the markets about the state and outlook of the US economy.

The Federal Reserve (Fed) also decided to pause rate hikes after 15 months of near-consecutive rate hikes. The Fed did however signal its support for two more interest rate rises this year, including one that could be implemented at its next meeting in July.

Nonfarm payrolls for May came in at 339,000 which was higher than the forecast of 180,000. US jobs growth, which was almost twice as strong as expected, showed signs of labour market resilience as figures for the previous two months were also revised upwards. US unemployment rose in May from 3.4% to 3.7% which was higher than the 3.5% consensus estimates.



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# Asia

- Chinese equities gain despite some negative economic data
- Topix and Nikkei make strong gains
- Equity markets Thailand and Malaysia lagged.

Asia Pacific equity markets performed well in June. The MSCI Asia Pacific index rose by 3.4%, with Australia, India, and Japan contributing significantly to this. Thailand, Malaysia, and Indonesia were the biggest detractors. The top performing sectors for Asia Pacific included consumer discretionary, industrial and materials, while health care was the biggest detractor.

Despite some negative economic data regarding industrial production and the state of the broader Chinese economy 'post- zero Covid', Chinese equities registered gains. This was due to strong contributions from the real estate, communication services and consumer discretionary sectors. The detractors were healthcare, utilities, finance and industrials. A stock that outperformed was Foxconn which saw its share price rise almost 37% in June due to its status as an artificial intelligence-related stock.

Equity markets in Singapore and Taiwan were also positive however equity markets in Thailand and Malaysia lagged their Asia Pacific peers. Malaysian equity markets experienced significant declines in health care and communication services whereas for equity markets in Thailand it was utilities and information technology. Thailand's annual inflation figure for May was 0.5%, which was down from 2.67% which was lower than the 1.7% forecast. South Korean equities edged up slightly. Economic data out of South Korea showed that annual inflation for May fell by 3.3% from 3.7%, which was in line with expectations.

It was an eventful month for Australia reflected by upbeat data on the labour market and inflation front. Unemployment fell from 3.7% to 3.6% which beat the expectation of 3.7%. Annual inflation fell from 6.8% to 5.6%, lower than 6.1% forecast. Despite the good news on inflation the Reserve Bank of Australia opted to raise interest rates to 4.10%. The ASX 200 was up 1.8% in June.

Japanese markets performed well, with both the Topix and Nikkei 225 up 7.5%. The Nikkei hit a 33-year high in early June as investor sentiment was boosted by robust jobs data for May. The MSCI Japan index experienced strong sector performances across the board with industrials, materials, and consumer discretionary leading the way. Some of the top performing equities included Mitsubishi Corp, Softbank, and Mitsui.

The Indian stock market extended its recent rally. The advance was supported by demand from foreign institutional investors. Sector performance was led by from real estate, consumer discretionary and consumer staples. Regarding economic data, India saw its year-on-year inflation for May fall from 4.7% to 4.25% which was below the 4.42% forecast.



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# Emerging Markets

- Equity markets in Latin America leading the way for emerging markets
- Chinese equities gain as government attempts to stimulate an economic recovery
- South Korean equities edged up slightly.

The MSCI Emerging Markets index gained 3.8%. This was aided by strong performance from Latin America, especially Brazil. By contrast, the biggest detractors were Turkey, Thailand and Malaysia. Regarding sector performance, energy, consumer discretionary and real estate performed well with health care was the only detractor.

In Latin America, Brazil posted some positive economic data Q1 GDP coming in at 4%, higher than the 2.7% forecast. Inflation data for May came in below expectations at 3.94%. Brazilian equity markets were up 16.1% with all sectors contributing positively. The energy sector led the way with Petrobras and Cosan up over 25% in June. Mexican equity markets also gained ground last month with the materials sector leading the way. There were gains too for Peru, Colombia, and Chile.

In emerging Europe, Poland and Greece led the way as the top performers. Poland's year-on-year inflation figure for May was 13.0% which was lower than the previous 14.7%. Similar Poland also saw its unemployment rate for May fall from 5.2% to 5.1. In Greece, equity and bond markets responded positively to news that the Kyriakos Mitsotakis and his centre-right party New Democracy won by a landslide in the snap parliamentary election. Equity markets in Turkey fell, weighed down by weakness in materials and communication services. While the country's inflation rate fell below 40%, interest rates were increased from 8.5% to 15%.

On the whole Asia Pacific performed well. There were strong performances from equity markets in India, China, Taiwan and the Philippines. Conversely, equity markets in Thailand, Malaysia and Indonesia experienced weakness. Chinese equity markets gained despite weakening economic data and disappointment surrounding the government's efforts to revive the economy through proactive easing. The tech rally that was spurred by excitement around artificial intelligence cooled in June. South Korean equities edged up slightly. Economic data out of South Korea showed that annual inflation for May fell by 3.3% from 3.7%, which was in line with expectations.



**Brazilian equity markets were up 16.1% with all sectors contributing positively.**

# Fixed Income

- Government bonds under pressure on likelihood of further interest rate hikes as central banks grapple with sticky inflation.
- Bank of England surprises with an aggressive 0.50% rate hike as European Central Bank opt for a 0.25% rate increase. US Federal Reserve leaves rate unchanged.
- Dollar credit leads gains in corporate bond markets but overall returns held back by weakness in sterling investment grade.

With core inflation remaining sticky, expectations that central banks will have to increase interest rates further weighed on the performance of government bonds. With markets also adjusting to the likelihood of a more prolonged period of high interest rates, US treasuries fell 0.73%, German bunds declined 0.69% and UK gilts returned -0.48%.

To demonstrate its determination to tackle inflation the Bank of England voted to raise interest rates from 4.5% to 5%, defying market expectations of a quarter-point move. The surprise decision followed the release of consumer price index (CPI) data which showed consumer prices rose by an annual rate of 8.7% in May versus 8.4% consensus expectations. More worryingly, core inflation increased to 7.1% from 6.8% in April, its highest level in over 30 years, making the UK an outlier on inflation. As a result, futures markets started to price in a 6% Bank Rate over coming months for the first time since the mini-budget turmoil last September. In other developments, the UK debt-to-GDP ratio surpassed 100% of GDP, last seen in 1961.

While the US economy continues to show resilience – more than 300,000 jobs were added in May – the US Federal Reserve kept interest rates unchanged in June although the Fed's dot plot (a chart showing projections of the federal funds rate) signalled two further rate hikes for the rest of 2023. Testifying before the Senate Banking Committee Chair Powell reiterated the message that officials felt it was appropriate to take rates higher by year-end. On the US inflation front, consumer prices increased at an 4% annual rate, the lowest in two years. However, core inflation, which excludes food and energy prices, rose 5.3% on a yearly basis.

In the eurozone, the European Central Bank (ECB) increased interest rates by 25 basis points, taking the deposit rate up to 3.5%. At the ECB Forum on Central Banking, ECB President Lagarde stuck to her existing language on the next hike in July, saying the baseline was to proceed with a further rise. While eurozone inflation fell more than expected to 5.5% last month, core prices edged up to 5.4% from 5.3% in May. In contrast to optimistic ECB forecasts, the latest business surveys indicated that recent growth in the dominant services sector is stalling with the purchasing managers' index falling to 50.3.

It was a mixed month for corporate bond markets with dollar-denominated credit registering gains, unlike their sterling peers. According to data from ICE BofA, the US Corporate Index returned 0.28% while the Sterling Corporate Index fell by 1.10%. Euro credit also lost ground with the Euro Corporate Index returning -0.42%. USD, GBP and EUR investment grade credit spreads narrowed.

Performance in the high yield market was more positive with the ICE BofA US High Yield Index returning 1.63% and the ICE BofA European Currency (€/£) Index gaining 0.47%. In terms of credit spreads, dollar-denominated and €/£ bonds narrowed.

According to data from Barclays, issuance of high-grade euro/sterling corporate bonds eased to €52.9 billion in June, in line with historical seasonality.



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## Government Bonds

Yield to maturity<sup>1</sup> (%)

	Current	1 month	3 months	6 months	12 months
US Treasuries 2 year	4.90	4.40	4.03	4.43	2.95
US Treasuries 10 year	3.84	3.64	3.47	3.87	3.01
US Treasuries 30 year	3.86	3.86	3.65	3.96	3.18
UK Gilts 2 year	5.27	4.34	3.44	3.58	1.84
UK Gilts 10 year	4.39	4.18	3.49	3.67	2.23
UK Gilts 30 year	4.42	4.52	3.84	3.96	2.56
German Bund 2 year	3.20	2.72	2.68	2.76	0.65
German Bund 10 year	2.39	2.28	2.29	2.57	1.34
German Bund 30 year	2.39	2.46	2.36	2.55	1.62

Source: Bloomberg LP, Merrill Lynch data. Data as at 30 June 2023. The yield is not guaranteed and may do down as well as up.

## Corporate Bonds

Yield to maturity<sup>1</sup> (%) / Spread<sup>2</sup> (bps)

	Current	1 month	3 months	6 months	12 months					
£ AAA Investment Grade Corporate	5.67	86	5.30	90	4.66	98	4.64	88	3.37	115
£ AA	5.90	106	5.45	108	4.82	116	4.83	106	3.52	132
£ A	6.33	147	5.84	143	5.28	157	5.40	160	3.94	170
£ BBB	7.00	213	6.60	215	6.05	233	6.20	236	4.69	247
£ High Yield	10.74	558	10.37	589	10.03	631	10.43	669	9.13	709
£ BB	8.91	370	8.71	415	8.36	456	8.77	494	7.93	581
€ AAA Investment Grade Corporate	3.49	89	3.32	99	3.37	97	3.17	65	2.27	112
€ AA	3.83	109	3.56	114	3.56	110	3.51	99	2.31	133
€ A	4.21	142	3.96	148	3.95	144	3.92	138	2.79	183
€ BBB	4.71	187	4.51	198	4.52	198	4.63	202	3.52	251
€ High Yield	7.53	446	7.54	483	7.46	474	7.73	498	7.47	641
€ BB	6.52	341	6.45	370	6.32	357	6.51	372	6.25	518
European High Yield (inc € + £)	7.87	458	7.85	494	7.73	490	8.00	515	7.65	648

Source: Bloomberg LP, ICE BofA. Data as at 30 June 2023. The yield is not guaranteed and may go down as well as up.

<sup>1</sup> Yield to maturity – is the total return anticipated on a bond if the bond is held until it matures.

<sup>2</sup> 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 June 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	1.09	2.1	0.6	1.9	1.9	-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	0.86	0.0	-2.2	-2.9	-2.9	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	0.98	0.4	-1.5	-1.3	-1.3	-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	11.77	1.4	4.4	5.5	5.5	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	11.72	-1.1	3.2	11.6	11.6	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	7.44	0.0	-0.1	0.1	0.1	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	4.43	-2.1	-5.3	-5.4	-5.4	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	373.06	0.7	-1.8	-6.7	-6.7	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	144.31	3.6	8.6	10.1	10.1	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	1.32	-2.4	-2.0	-2.3	-2.3	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	18.85	-4.4	5.9	10.6	10.6	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	4.79	-5.3	-5.5	-9.4	-9.4	-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	1317.75	-0.6	1.2	4.1	4.1	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	31.14	1.3	2.3	1.4	1.4	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	35.46	1.9	3.7	2.5	2.5	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	1.35	0.1	1.6	1.0	1.0	-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	0.79	-2.1	-2.9	-4.9	-4.9	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	23.95	-2.4	9.1	16.3	16.3	-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	2.5	-0.3	-2.2	-2.2	-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	0.61	1.7	-2.1	-3.5	-3.5	-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 30 June 2023

(%)

	1month	3months	6months	YTD	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Global US &amp; Canada</b>														
MSCI World (US\$)	6.1	7.0	15.4	15.4	-17.7	22.4	16.5	28.4	-8.2	23.1	8.2	-0.3	5.6	5.6
MSCI World Value (US\$)	6.0	3.3	4.5	4.5	-5.8	22.8	-0.3	22.8	-10.1	18.0	13.3	-4.0	4.5	4.5
MSCI World Growth (US\$)	6.1	10.5	27.3	27.3	-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\$)	6.3	3.4	8.0	8.0	-18.4	16.2	16.5	26.8	-13.5	23.2	13.2	0.8	2.3	2.3
MSCI Emerging Markets (US\$)	3.8	1.0	5.0	5.0	-19.8	-2.3	18.8	18.8	-14.3	37.8	11.8	-14.6	-2.0	-2.0
FTSE World (US\$)	5.8	6.8	15.1	15.1	-17.5	21.0	16.4	27.8	-8.7	24.1	8.7	-1.4	4.8	4.8
Dow Jones Industrials	4.7	4.0	4.9	4.9	-6.9	20.9	9.7	25.3	-3.5	28.1	16.4	0.2	10.0	10.0
S&P 500	6.6	8.7	16.9	16.9	-18.1	28.7	18.4	31.5	-4.4	21.8	11.9	1.4	13.7	13.7
NASDAQ	6.7	13.1	32.3	32.3	-32.5	22.2	45.0	36.7	-2.8	29.7	9.0	7.1	14.8	14.8
Russell 2000	8.1	5.2	8.1	8.1	-20.5	14.8	19.9	25.5	-11.0	14.6	21.3	-4.4	4.9	4.9
S&P/TSX Composite	3.4	1.1	5.8	5.8	-5.8	25.2	5.6	22.9	-8.9	9.1	21.1	-8.3	10.5	10.5
<b>Europe &amp; Africa</b>														
FTSE World Europe ex-UK €	2.6	2.9	12.9	12.9	-11.9	25.1	2.9	27.6	-10.5	12.9	3.2	10.7	7.2	7.2
MSCI Europe	2.4	2.6	11.7	11.7	-9.0	25.8	-2.8	26.8	-10.1	10.8	3.2	8.8	7.5	7.5
CAC 40	4.5	3.5	17.4	17.4	-6.7	31.9	-5.0	30.5	-8.1	12.5	8.8	11.9	2.5	2.5
DAX	3.1	3.3	16.0	16.0	-12.3	15.8	3.5	25.5	-18.3	12.5	6.9	9.6	2.7	2.7
Ibex 35	6.5	5.8	19.3	19.3	-2.0	10.5	-12.7	16.5	-11.5	11.3	2.5	-3.7	8.5	8.5
FTSEMIB	8.6	7.2	23.3	23.3	-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)	0.6	1.6	5.1	8.3	-16.7	20.3	0.8	26.0	-10.2	14.1	-6.8	-1.8	9.5	9.5
Amsterdam Exchanges	3.4	3.5	13.9	13.9	-11.4	30.5	5.5	28.5	-7.4	16.5	13.6	7.3	8.7	8.7
HSBC European Smaller Cos	3.1	-1.0	6.3	6.3	-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\$)	3.7	5.8	4.5	4.5	-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)	1.4	0.7	5.9	5.9	4.0	29.3	7.1	12.1	-8.4	21.0	2.8	5.3	10.9	10.9
<b>UK</b>														
FTSE All-Share	1.0	-0.6	2.5	2.5	0.2	18.3	-9.7	19.1	-9.5	13.1	16.8	0.9	1.2	1.2
FTSE 100	1.4	-0.4	3.1	3.1	4.6	18.4	-11.4	17.2	-8.8	12.0	19.2	-1.4	0.7	0.7
FTSE 250	-1.3	-1.6	-0.6	-0.6	-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	0.4	2.3	0.7	0.7	-17.3	31.3	1.7	17.7	-13.8	15.6	12.5	13.0	-2.7	-2.7
FTSE TechMARK 100	-0.9	2.5	6.9	6.9	-7.5	13.6	7.3	39.2	-4.9	9.8	10.0	16.6	12.3	12.3
<b>Asia Pacific &amp; Japan</b>														
Hong Kong Hang Seng	4.5	-6.1	-2.8	-2.8	-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)	0.8	-1.1	4.8	4.8	-12.8	7.0	16.5	25.3	-22.7	8.8	-10.5	11.2	58.0	58.0
Singapore Times	1.5	0.4	1.2	1.2	8.4	13.6	-8.1	9.4	-6.5	22.0	3.8	-11.3	9.6	9.6
Taiwan Weighted (capital returns)	3.4	8.1	21.7	21.7	-18.8	26.9	27.0	28.8	-5.0	19.4	15.5	-6.9	11.2	11.2
Korean Composite (capital returns)	-0.5	3.5	14.9	14.9	-23.2	5.6	33.8	10.0	-15.4	23.9	5.2	4.1	-3.5	-3.5
Jakarta Composite (capital returns)	0.4	-2.1	-2.8	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)	-0.1	-0.5	-1.5	0.2	-7.8	-0.2	-8.6	4.7	-12.8	25.1	-1.6	-3.9	22.8	22.8
Thai Stock Exchange	-2.0	-5.7	-8.3	-8.3	3.5	17.7	-5.3	4.3	-8.1	17.3	23.9	-11.2	19.1	19.1
Mumbai Sensex 30	3.6	10.4	7.2	7.2	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	5.3	-6.7	-3.0	-3.0	-15.6	-21.2	0.0	14.5	-10.0	29.6	1.4	-16.9	15.5	15.5
ASX 200	1.8	1.0	4.5	5.3	0.5	18.7	2.3	25.0	-1.5	13.4	13.4	4.2	7.1	7.1
Topix	7.5	14.4	22.7	22.7	-2.5	12.8	7.4	18.1	-16.0	22.2	0.3	12.1	10.3	10.3
Nikkei 225 (capital returns)	7.5	18.4	27.2	28.7	-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\$)	3.1	-1.0	3.2	3.2	-17.0	-2.5	23.1	19.8	-13.5	37.8	7.4	-8.8	3.5	3.5
<b>Latin America</b>														
MSCI EM Latin America (US\$)	12.1	14.3	18.9	18.9	9.6	-7.7	-13.6	17.8	-6.2	24.2	31.4	-30.9	-12.1	-12.1
MSCI Mexico (US\$)	5.7	5.8	27.3	27.3	-1.6	22.9	-1.7	11.6	-15.4	16.2	-9.1	-14.4	-9.3	-9.3
MSCI Brazil (US\$)	16.1	20.8	17.1	17.1	14.6	-17.1	-18.9	26.7	-0.1	24.5	66.7	-41.2	-13.8	-13.8
MSCI Argentina (US\$)	26.0	35.8	42.3	42.3	35.8	20.9	12.3	-20.7	-50.8	73.6	5.1	-0.4	19.2	19.2
MSCI Chile (US\$)	8.2	4.1	10.2	10.2	23.3	-14.7	-4.2	-16.2	-18.9	43.6	16.8	-16.8	-12.2	-12.2
<b>Commodities</b>														
Oil - Brent Crude Spot (US\$/BBL)	5.1	-5.0	-10.9	-10.9	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)	3.7	-6.6	-12.0	-12.0	4.2	58.7	-20.5	34.5	-24.8	12.5	45.0	-30.5	-45.9	-45.9
Reuters CRB index	3.7	-0.9	-3.3	-3.3	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)	-2.7	-3.4	5.4	5.4	0.4	-4.3	23.9	19.1	-1.3	11.9	9.1	-11.4	-0.2	-0.2
Baltic Dry index	11.7	-21.5	-28.0	-28.0	-31.7	62.3	25.3	-14.2	-7.0	42.1	101.0	-38.9	-65.7	-65.7

Source: Bloomberg, 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.

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**Footnotes**

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<sup>1</sup>Tightening – raising interest rates

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**Risk warnings**

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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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**Important information**

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Data as of 30 June 2023 unless stated otherwise.

This document has been prepared by Invesco Australia Ltd (Invesco) ABN 48 001 693 232, Australian Financial Services Licence number 239916, who can be contacted on freecall 1800 813 500, by email to [clientservices.au@invesco.com](mailto:clientservices.au@invesco.com), or by writing to GPO Box 231, Melbourne, Victoria, 3001. You can also visit our website at [www.invesco.com/au](http://www.invesco.com/au)

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