# Monthly Market Roundup
January 2021

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**Overview**

- Early optimism pounded by a 2020's death rattle
- President Biden sworn in but not before the ignominy of the US Capitol being stormed
- Retail traders take the battle to Wall Street, provoking panic and a spike in volatility

After a strong start to the year, early optimism was pounded by a combination of factors, which felt alarmingly like the death rattle of 2020.

Early hopes that the vaccine rollout was continuing apace in some countries had to be balanced against the still surging virus, with new variants and renewed lockdowns putting fresh downward pressure on already struggling economies.

In addition, some high-level squabbling between the EU and its now former member, the UK, around the availability of vaccines caused some ugly headlines. While the UK raced ahead in its vaccination programme, faltering efforts in the EU were being met by some pockets of violent protest.

More locally, politics was also back on the agenda in Italy, where an all too familiar series of resignations, wobbly coalitions, power struggles and ideological disputes signalled a new period of uncertainty.

In the US, the President Biden was sworn in relatively hitch free as fears were raised following the debacle earlier in the month, which saw protestors storming the US Capitol, some would say at the behest of former President Trump.

Having wrestled control of the Senate with Senatorial race victories in the state of Georgia, the Democrats appear to have a mandate to deliver on their priorities. The fact that this includes a simply massive pandemic relief package of $1.9 trillion dollars helped US markets higher.

However, US markets were led for some unexpected turmoil when retail traders went into a David(s) vs Goliath battle against the Wall Street giants. Taking bets opposing hedge fund short positions in a number of unloved stocks, an army of retail traders managed to inflict severe losses on the big boys. Volatility spiked and markets dipped as hedge funds scrambled to cover short positions.

## US

- Wall Street hurt by battle between retail traders and brokers
- Squeeze of short hedge fund positions erases early equity gains
- US economy grew by 4% in Q4 as recovery gains traction amid Covid vaccination rollout

After hitting new record highs, US equity markets fell lower following an intensifying battle between retail traders and brokers over a small number of stocks, which left Wall Street nursing its worst week since October.

The mayhem caused a spike in market volatility and prompted the US Securities and Exchange Commission to review the trading restrictions imposed on Robinhood Markets, a popular venue favoured by retail investors to buy stocks that have been targeted by short sellers. The latter gain when a company's share price falls.

The flux added to worries about the strength of the US economic recovery, although, for now, the country is having more success in rolling out Covid vaccines than Europe. Despite the Covid-related shutdowns, the US economy expanded by 4% in Q4 2020, slightly below the 4.2% rate economists had predicted.

The growth rate is expected to accelerate in the months ahead, thanks to the vaccines and fiscal stimulus, and wage growth data was higher than expected. However, there was no hint from Federal Reserve Chairman Powell, following the Federal Open Market Committee meeting, that US interest rates are poised to go higher anytime soon.

With the number of coronavirus cases still rising in the US, consumer spending dipped marginally lower in December as households held back spending. Consumer staples was the weakest performing sector in the S&P500 with the share price of Coca-Cola displaying minimal fizz.

It was a mixed month for financials as some banking stocks lost ground although asset management companies fared better with Invesco topping the leaderboard.

Gains in the healthcare sector were bolstered by a sharp rise in the share price of Novavax as the pharmaceutical company announced that its Covid-19 vaccine was 89% effective in a late-stage trial in the UK. By contrast, Johnson & Johnson's share price fell after saying its own vaccine was 66% effective.

Drawing comfort from higher crude oil prices, energy was the best performing sector with gains led by Diamondback Energy and Occidental Petroleum. Oil major Chevron registered a modest positive return despite reporting a loss for the fourth quarter period of 2020.

## Europe

- European equity markets fall in a highly volatile start to the year
- Politics in focus as both Dutch and Italian PMs resign
- Economic survey data highlights impact of renewed lockdown measures

European bourses started the year in a positive manner with the broad market rising throughout most of the month. However, in the final week of trading, markets across the globe sold off and gave back their gains on what appeared to be technical reasons.

The VIX – a measure of market volatility – shot up to levels not seen since October, fueled by a surge in retail trading activity and subsequent de-risking by financial institutions.

From a sector perspective, information technology and health care were the best performing sectors – the only positively returning areas of the broad market. Meanwhile, real estate, consumer staples and financials detracted most.

It was also a very volatile month in terms of politics for the region as both the Dutch and Italian governments resigned.

In Netherlands, Mark Rutte (Prime Minister) and other ministers resigned following publication of a report on the past policy of recovering alleged child benefit overpayments. However, PM Rutte and most ministers will stay on in a caretaker function until the March 17 elections.

Meanwhile, Italian Prime Minister Conte resigned ahead of a key vote on a controversial justice reform, where he faced likely defeat after losing his Senate majority prior.

At the time of writing, Mario Draghi, former leader of the European Central Bank, has been asked to form a new government after efforts to rebuild the existing coalition failed.

Sergio Mattarella, President of Italy, said that the country cannot afford the months of uncertainty from holding early elections during the pandemic – the next general election is not officially due until 2023.

In economic news, headline inflation in the eurozone jumped in January to 0.9% (-0.3% in December). Core inflation (excludes food and energy) also rose sharply, to 1.4% (0.2% in December).

Meanwhile, the eurozone composite PMI (Purchasing Managers' Index) fell from 47.8 (49.1 in Dec). It was mainly the Services component which was hit – falling to 45.4 (46.4 in Dec) – as the newly announced lockdown measures begin to take their toll on businesses in this sector.

Manufacturing was largely unaffected and fell marginally to 54.8 (55.2 in Dec), and remains above the all-important 50 level, which indicates growth.

## UK

- Vaccine and Brexit news initially pushed the UK equity market higher
- The row between the EU and the UK over vaccine supplies put pressure on markets
- A new lockdown in the UK and elsewhere around the world further tempered gains

The UK equity market started the year on a high but ended January in negative territory along with most other global markets. The UK equity market rallied at the start of the year amid optimism stemming from the rollout of the Covid-19 vaccine and relief that the years of Brexit uncertainty were over.

However, both UK and European equity markets dipped towards the end of the month as stalled vaccine rollouts in the EU led to a row between the EU and the UK over vaccine supplies. A new lockdown in the UK and elsewhere around the world further tempered gains.

Figures released during the month showed consumer spending has fallen to 35% below its pre-crisis level, according to the Office for National Statistics. The decline is being driven by a sharp fall in social consumption, which includes spending in restaurants, bars and pubs. Social consumption is 55% below its level in February last year, before the first lockdown was introduced.

In January, it was announced that the UK economy approached a double-dip recession in November as output shrank, however the impact on the economy was significantly smaller in November than it was during the first lockdown.

The economy continued to hold up better in January too compared with the first lockdown. Expectations are that the economy may shrink by as much as 4% in the first quarter of this year, a considerably smaller decline than the 19% fall during the second quarter of last year.

According to the HIS Markit/CIPS UK composite purchasing managers' index, the UK economy has contracted at its sharpest pace since the end of May. The index fell to 40.6 in January, down from 50.4 the previous month, and well below the 50 mark that indicates economic growth rather than contraction. Economists had expected a reading of 45.5.

An increase in government expenditure in the year to the end of December 2020 was in part related to the job retention scheme and the self-employment income support scheme. As a result, government borrowing rose to the highest level for December on record. The national debt has reached £2.13 trillion, equivalent to 99.4% of GDP, the highest debt-to-GDP ratio since 1962.

Nonetheless, a further 90,000 people were out of work in the three months to the end of November, pushing the unemployment rate above 5% for the first time since 2016, according to data published in January. However, economists say that the true picture has been clouded by the furlough scheme, which was extended in November.

## Asia

- Covid-19 vaccine rollouts and expectations for US fiscal stimulus boosted markets
- Large tech companies lifted sentiment in China
- Japan introduced further measures to curb Covid-19 infections

Asian equity market performance was positive as investors continued to favour risk assets. The roll-out of the Covid-19 vaccine programmes and hopes for additional US fiscal stimulus boosted investor sentiment. However, towards month-end we saw a sharp sell-off as the pandemic continued to wreak havoc and there were delays in vaccine delivery.

Within the region, the Chinese equity markets were driven higher by some of the large technology companies and stable domestic economic data, which was ahead of consensus forecasts.

In particular, we saw Chinese industrial production and exports increase by 7.3% and 18.1% respectively (December, year-on-year). Furthermore, investors' concerns about monetary tightening were found to be overdone as the People's Bank of China reiterated that monetary policy would maintain stable.

Regarding US / China relations, the Biden administration announced a delay to the introduction of US investment restrictions on Chinese companies to May 27. Elsewhere, Taiwan was driven higher by the robust outlook of some of the technology companies, such as Taiwan Semiconductor Manufacturing (TSMC) and Mediatek.

TSMC rallied to historical highs, partly thanks to expectations that Intel will outsource more of its business while Mediatek rose as investors anticipated that it would benefit from an acceleration in the growth of 5G smartphones.

South Korea ended the month higher but underperformed the region while, in India, the equity market was in negative territory as investors awaited the announcement of the crucial 2021 budget.

Japan's equity market ended marginally higher in local currency terms. The market traded higher in the first half of January before falling towards the end of the month along with other markets.

The Japanese government approved a third supplementary budget representing 19 trillion yen (US$185 billion), as it seeks to swiftly implement measures to curb the third wave of Covid-19 infections. The government may extend the state of emergency beyond the current February 7 target for parts of the country that continue to report high numbers of new Covid-19 cases.

The Tokyo metropolitan area again reported more than 1,000 new cases per day following a downward trend over the past week. Meanwhile, on the economic front, the Japanese economy moved back into deflation, although this is currently due to temporary factors such as lower utility prices and mobile phone charges.

## Emerging Markets

- A positive start to 2021 for global emerging equity markets
- Advance led by technology stocks in China and Taiwan
- Fast rollout of Covid vaccine in UAE provides boost to local stocks

Emerging equity markets started the year strongly, rising in value unlike their peers in the developed world. However, performance was dispersed at both a regional and sector level. Asia was the best performing region, followed by EMEA (Europe, Middle East and Africa). By contrast, Latin America lost ground despite early signs of promise.

There was significant variation in sector returns with internet stocks linked to communication services and technology performing well at the expense of old economy stocks found in utilities and financials.

Equity gains in Asia were led by China and Taiwan although it wasn't a clean sweep with the Philippines, India and Indonesia closing the month in negative territory. Sentiment towards China was boosted by favourable news on the economy – GDP grew by 6.5% year-on-year in Q4 20. Taiwan also saw an acceleration in growth between October and December, buoyed by strong export momentum in the technology space.

Country performance also varied significantly within the EMEA region. The strongest performer was United Arab Emirates, one of the world's leaders in administrating Covid vaccines. Other Gulf states such as Kuwait and Saudi Arabia also displayed equity strength.

The outcome in emerging Europe was less promising, however, with equity markets in Greece, Turkey and Russia all finishing lower.

Equity weakness was a feature across the Latin American region with Colombia being the laggard. In part, this was due to the drag in their currencies which all fell in value against the US dollar despite a backdrop of higher commodity prices – brent crude, copper and iron ore all rose.

While the region grapples with a rising number of coronavirus cases, the vaccination programme has got off to a slow start, increasing concerns that economic recoveries in the region could stall.

While US President Biden re-imposed travel restrictions on the entry of non-US citizens from Brazil, he also signed a bill to halt construction of the US-Mexico border wall and reversed several policies on immigration, providing protection for unauthorised immigrants in the US.

Chilean lawmakers proposed a bill to make vaccination against Covid-19 mandatory, as the country aims to inoculate the majority of its population within the next six months.

## Fixed Interest

- Concerns over vaccine roll-out, new virus variants and lockdowns weighed on sentiment
- The new US administration announced proposals for a huge expansion of fiscal spending
- Italian political risk returned further monetary stimulus

There was a mixed start to the year with initial optimism over vaccine approval and economic stimulus soon fading. Sentiment turned amid concerns over the emergence of more infectious variants of the virus, delays in the rollout of vaccines in Europe and the impact of limitations on economic activity.

Although this change in sentiment helped higher quality bonds to rally, longer-dated US Treasuries remained under pressure as the market priced in a massive increase in fiscal spending.

In the US, one of the first proposals of the new Biden administration was for a US$1.9 trillion stimulus package, which will be in addition to the US$900bn of fiscal stimulus agreed in November 2020. The prospect of the increase in borrowing weighed on the US Treasury market and helped inflation linked bonds to rally.

In the eurozone, concerns over the slow pace of the vaccine roll-out and a perception from the market that the European Central Bank might not be as accommodative as was previously being priced in weighed on sentiment.

There was also a return of political risk in Italy, which began when the junior coalition partner, Liberal Italia Viva pulled its support for the Prime Minister over spending plans for the EU recovery fund.

As the country's political risk intensified, Prime Minister Giuseppe Conte resigned and started consultations with other parties on how to resolve the crisis. The premium Italian government bonds pay over German government bonds, which had reached a 2 year low at the start of the month, increased. However, the premium remains well below the highs of recent years.

Corporate issuance remained very high. In the US, investment grade issuance was more than $120bn in January while US high yield had one its busiest months on record. The European high yield bond market was also busy recording its second busiest month of issuance. However, European investment grade issuance was slower with levels below average for the month.

The agreement of a post Brexit trade deal between the UK and European Union at the end of last year helped sentiment toward UK borrowers with an uptick in issuance. Among the issuers were Tesco, which raised €750m through a sustainable bond.

The interest payments of this bond are linked to targets Tesco has set to reduce its greenhouse gas emissions. The issuance, which was more than 6 times oversubscribed taps into the increasing demand within the market for green bonds.

### 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. Past performance is not a guide to future returns.

## Government Bonds

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

| | 31.01.21 | 31.12.20 | 31.10.20 | 31.07.20 | 31.01.20 |
|---|---|---|---|---|---|
| US Treasuries 2 year | 0.11 | 0.12 | 0.15 | 0.11 | 1.31 |
| US Treasuries 10 year | 1.07 | 0.91 | 0.87 | 0.53 | 1.51 |
| US Treasuries 30 year | 1.83 | 1.64 | 1.66 | 1.19 | 2.00 |
| UK Gilts 2 year | -0.11 | -0.16 | -0.03 | -0.07 | 0.50 |
| UK Gilts 10 year | 0.33 | 0.20 | 0.26 | 0.10 | 0.52 |
| UK Gilts 30 year | 0.90 | 0.75 | 0.83 | 0.63 | 1.04 |
| German Bund 2 year | -0.73 | -0.70 | -0.79 | -0.71 | -0.67 |
| German Bund 10 year | -0.52 | -0.57 | -0.63 | -0.52 | -0.43 |
| German Bund 30 year | -0.08 | -0.16 | -0.22 | -0.10 | 0.07 |

Source: Bloomberg LP, Merrill Lynch data. Data as at 31 January 2021. The yield is not guaranteed and may go down as well as up.

## Corporate Bonds

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

| | 31.01.21 | | 31.12.20 | | 31.10.20 | | 31.07.20 | | 31.01.20 | |
|---|---|---|---|---|---|---|---|---|---|---|
| £ AAA | 0.83 | 43 | 0.72 | 39 | 0.90 | 55 | 0.98 | 62 | 1.32 | 55 |
| £ AA | 0.85 | 55 | 0.74 | 52 | 0.93 | 67 | 0.89 | 75 | 1.26 | 63 |
| £ A | 1.32 | 91 | 1.20 | 89 | 1.50 | 113 | 1.46 | 124 | 1.76 | 108 |
| £ BBB | 1.85 | 144 | 1.76 | 144 | 2.20 | 185 | 2.23 | 200 | 2.25 | 154 |
| € AAA | -0.08 | 50 | -0.15 | 46 | -0.10 | 49 | 0.00 | 53 | 0.09 | 53 |
| € AA | -0.07 | 60 | -0.10 | 58 | -0.08 | 67 | 0.04 | 71 | -0.03 | 57 |
| € A | 0.19 | 80 | 0.16 | 77 | 0.27 | 97 | 0.42 | 105 | 0.28 | 80 |
| € BBB | 0.57 | 112 | 0.57 | 112 | 0.76 | 142 | 1.01 | 159 | 0.72 | 115 |
| European High Yield (inc € + £) | 3.30 | 359 | 3.34 | 365 | 4.37 | 488 | 4.60 | 504 | 3.53 | 348 |

Source: Bloomberg LP, ICE BofA. Data as at 31 January 2021. 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 January 2021

| | Current value | Change over: 1 month (%) | 3 months (%) | 6 months (%) | YTD (%) | 2019 (%) | 2018 (%) | 2017 (%) | 2016 (%) | 2015 (%) | 2014 (%) | 2013 (%) | 2012 (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Euro/US Dollar | 1.21 | -0.6 | 4.2 | 3.1 | -0.6 | -0.6 | -4.4 | 14.1 | -3.2 | -10.2 | -12.0 | 4.2 | 1.9 |
| Euro/GB Sterling | 0.89 | -0.8 | -1.6 | -1.6 | -0.8 | -0.8 | 1.3 | 4.2 | 15.7 | -5.1 | -6.4 | 2.1 | -2.4 |
| Euro/Swiss Franc | 1.08 | -0.1 | 1.2 | 0.5 | -0.1 | -0.1 | -3.7 | 9.2 | -1.6 | -9.5 | -2.0 | 1.6 | -0.5 |
| Euro/Swedish Krona | 10.15 | 1.0 | -2.1 | -1.9 | 1.0 | 1.0 | 3.2 | 2.7 | 4.4 | -2.7 | 6.6 | 3.2 | -3.9 |
| Euro/Norwegian Krone | 10.38 | -0.9 | -6.5 | -3.2 | -0.9 | -0.9 | 0.6 | 8.4 | -5.4 | 6.2 | 8.4 | 13.7 | -5.4 |
| Euro/Danish Krone | 7.44 | -0.1 | -0.1 | -0.1 | -0.1 | -0.1 | 0.3 | 0.2 | -0.5 | 0.2 | -0.2 | 0.0 | 0.4 |
| Euro/Polish Zloty | 4.52 | -0.8 | -1.9 | 2.4 | -0.8 | -0.8 | 2.7 | -5.1 | 3.3 | -0.6 | 3.2 | 1.8 | -8.6 |
| Euro/Hungarian Forint | 357.44 | -1.5 | -2.5 | 3.9 | -1.5 | -1.5 | 3.3 | 0.5 | -2.0 | -0.3 | 6.5 | 2.1 | -7.6 |
| US Dollar/Yen | 104.70 | 1.4 | 0.0 | -1.1 | 1.4 | 1.4 | -2.8 | -3.6 | -2.8 | 0.5 | 13.7 | 21.4 | 12.7 |
| US Dollar/Canadian Dollar | 1.28 | 0.4 | -4.1 | -4.7 | 0.4 | 0.4 | 8.4 | -6.4 | -2.9 | 19.1 | 9.4 | 7.1 | -2.7 |
| US Dollar/South African Rand | 15.17 | 3.2 | -6.7 | -10.9 | 3.2 | 3.2 | 16.1 | -9.9 | -11.2 | 33.8 | 10.2 | 24.1 | 4.5 |
| US Dollar/Brazilian Real | 5.46 | 5.2 | -4.9 | 4.6 | 5.2 | 5.2 | 17.2 | 1.8 | -17.8 | 49.0 | 12.5 | 15.3 | 9.9 |
| US Dollar/South Korean Won | 1118.50 | 3.0 | -1.6 | -6.3 | 3.0 | 3.0 | 4.4 | -11.6 | 2.7 | 7.5 | 4.1 | -0.7 | -8.2 |
| US Dollar/Taiwan Dollar | 28.02 | -0.3 | -2.0 | -4.6 | -0.3 | -0.3 | 3.1 | -8.6 | -1.2 | 3.8 | 6.1 | 2.7 | -4.1 |
| US Dollar/Thai Baht | 29.87 | -0.6 | -4.1 | -4.4 | -0.6 | -0.6 | -0.7 | -9.2 | -0.5 | 9.5 | 0.6 | 6.9 | -3.1 |
| US Dollar/Singapore Dollar | 1.33 | 0.6 | -2.7 | -3.3 | 0.6 | 0.6 | 1.9 | -7.7 | 2.2 | 6.9 | 4.9 | 3.4 | -5.8 |
| US Dollar/GB Sterling | 0.73 | -0.5 | -5.8 | -4.4 | -0.5 | -0.5 | 6.2 | -8.7 | 19.3 | 5.8 | -5.9 | 1.9 | 4.6 |
| GB Sterling/South African Rand | 20.78 | 3.4 | -1.2 | -7.0 | 3.4 | 3.4 | 9.6 | -1.4 | -25.7 | 26.6 | 3.7 | 26.6 | 9.2 |
| Australian Dollar/US Dollar | 0.76 | -0.7 | 8.8 | 7.0 | -0.7 | -0.7 | -9.6 | 8.1 | -0.9 | -10.9 | -8.4 | -14.2 | 1.6 |
| New Zealand Dollar/US Dollar | 0.72 | 0.1 | 8.7 | 8.4 | 0.1 | 0.1 | -5.2 | 2.0 | 1.7 | -12.4 | -5.0 | -0.9 | 6.4 |

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 January 2021 (%)

| | 1 month | 3 months | 6 months | YTD | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Global US & Canada** | | | | | | | | | | | | | |
| MSCI World (US$) | -1.0 | 16.5 | 16.4 | -1.0 | 16.5 | 28.4 | -8.2 | 23.1 | 8.2 | -0.3 | 5.5 | 24.7 | 16.5 |
| MSCI World Value (US$) | -1.0 | 18.1 | 16.4 | -1.0 | -0.4 | 22.7 | -10.1 | 18.0 | 13.2 | -4.1 | 4.4 | 27.5 | 16.4 |
| MSCI World Growth (US$) | -1.0 | 15.3 | 16.6 | -1.0 | 34.2 | 34.1 | -6.4 | 28.5 | 3.2 | 3.5 | 6.6 | 27.2 | 16.6 |
| MSCI World Small Cap (US$) | 2.1 | 26.6 | 31.0 | 2.1 | 16.5 | 26.8 | -13.5 | 23.2 | 13.3 | 0.1 | 2.3 | 32.9 | 18.1 |
| MSCI Emerging Markets (US$) | 3.1 | 21.0 | 24.2 | 3.1 | 18.7 | 18.9 | -14.2 | 37.8 | 11.6 | -14.6 | -1.8 | -2.3 | 18.6 |
| FTSE World (US$) | -0.8 | 17.4 | 17.2 | -0.8 | 16.3 | 27.7 | -8.8 | 24.1 | 8.7 | -1.4 | 4.8 | 24.7 | 17.0 |
| Dow Jones Industrials | -2.0 | 13.7 | 14.6 | -2.0 | 9.7 | 25.3 | -3.5 | 28.1 | 16.5 | 0.2 | 10.0 | 29.7 | 10.2 |
| S&P 500 | -1.0 | 14.1 | 14.5 | -1.0 | 18.4 | 31.5 | -4.4 | 21.8 | 12.0 | 1.4 | 13.7 | 32.4 | 16.0 |
| NASDAQ | 1.4 | 20.0 | 22.1 | 1.4 | 44.9 | 36.7 | -2.8 | 29.6 | 8.9 | 7.0 | 14.8 | 40.1 | 17.5 |
| Russell 2000 | 5.0 | 35.2 | 40.9 | 5.0 | 20.0 | 25.5 | -11.0 | 14.6 | 21.3 | -4.4 | 4.9 | 38.8 | 16.4 |
| S&P/ TSX Composite | -0.3 | 12.1 | 8.9 | -0.3 | 5.6 | 22.9 | -8.9 | 9.1 | 21.1 | -8.3 | 10.6 | 13.0 | 7.2 |
| **Europe & Africa** | | | | | | | | | | | | | |
| FTSE World Europe ex-UK € | -1.0 | 15.8 | 11.9 | -1.0 | 2.8 | 27.6 | -10.5 | 13.0 | 3.4 | 10.9 | 0.2 | 25.2 | 17.8 |
| MSCI Europe | -0.7 | 15.8 | 11.7 | -0.7 | -2.8 | 26.9 | -10.0 | 10.9 | 3.2 | 8.8 | 7.4 | 20.5 | 18.1 |
| CAC 40 | -2.6 | 17.9 | 13.5 | -2.6 | -5.0 | 30.5 | -8.0 | 12.7 | 8.9 | 11.9 | 2.7 | 22.2 | 20.4 |
| DAX | -2.1 | 16.2 | 9.1 | -2.1 | 3.6 | 25.5 | -18.3 | 12.5 | 6.9 | 9.6 | 2.7 | 25.5 | 29.1 |
| Ibex 35 | -3.6 | 21.4 | 15.2 | -3.6 | -11.4 | 16.8 | -11.4 | 11.4 | -4.8 | -3.8 | 8.0 | 30.0 | 1.8 |
| FTSEMIB | -2.6 | 20.8 | 13.6 | -2.6 | -3.3 | 33.8 | -13.2 | 17.3 | -6.5 | 15.8 | 3.0 | 20.5 | 12.2 |
| Swiss Market Index (capital returns) | -1.1 | 10.5 | 5.9 | -1.1 | 0.8 | 26.0 | -10.2 | 14.1 | -6.8 | -1.8 | 9.5 | 20.2 | 14.9 |
| Amsterdam Exchanges | 2.0 | 19.5 | 17.8 | 2.0 | 5.7 | 28.5 | -7.4 | 16.5 | 13.6 | 7.4 | 8.7 | 20.7 | 14.1 |
| HSBC European Smaller Cos ex-UK | 0.9 | 24.6 | 24.4 | 0.9 | 12.6 | 27.8 | -13.6 | 18.6 | 6.4 | 23.5 | 5.2 | 34.0 | 20.4 |
| MSCI Russia (US$) | -2.7 | 29.5 | 10.2 | -2.7 | -11.6 | 52.7 | 0.2 | 6.1 | 55.9 | 5.0 | -45.9 | 1.4 | 14.4 |
| MSCI EM Europe, Middle East and Africa (US$) | 0.4 | 22.3 | 13.9 | 0.4 | -7.2 | 20.0 | -7.5 | 16.5 | 22.8 | -14.7 | -28.4 | -3.9 | 25.1 |
| FTSE/JSE Africa All-Share (SA) | 5.2 | 21.2 | 13.3 | 5.2 | 7.0 | 12.1 | -8.5 | 21.0 | 2.6 | 5.1 | 10.9 | 21.4 | 26.7 |
| **UK** | | | | | | | | | | | | | |
| FTSE All-Share | -0.8 | 16.1 | 12.5 | -0.8 | -9.8 | 19.2 | -9.5 | 13.1 | 16.8 | 1.0 | 1.2 | 20.8 | 12.3 |
| FTSE 100 | -0.8 | 15.5 | 10.2 | -0.8 | -11.6 | 17.3 | -8.7 | 12.0 | 19.1 | -1.3 | 0.7 | 18.7 | 10.0 |
| FTSE 250 | -1.2 | 18.0 | 20.7 | -1.2 | -4.6 | 28.9 | -13.3 | 17.8 | 6.7 | 11.2 | 3.7 | 32.3 | 26.1 |
| FTSE Small Cap ex Investment Trusts | 1.6 | 30.3 | 33.8 | 1.6 | 1.7 | 17.7 | -13.8 | 15.6 | 12.5 | 13.0 | -2.7 | 43.9 | 36.3 |
| FTSE TechMARK 100 | -0.1 | 16.3 | 16.0 | -0.1 | 7.3 | 39.3 | -4.9 | 9.8 | 10.0 | 16.6 | 12.3 | 31.7 | 23.0 |
| **Asia Pacific & Japan** | | | | | | | | | | | | | |
| Hong Kong Hang Seng | 3.9 | 17.5 | 15.8 | 3.9 | -0.3 | 13.0 | -10.5 | 41.3 | 4.3 | -3.9 | 5.5 | 6.6 | 27.5 |
| China SE Shanghai Composite (capital returns) | 0.3 | 8.0 | 5.2 | 0.3 | 13.9 | 22.3 | -24.6 | 6.6 | -12.3 | 9.4 | 52.9 | -6.7 | 3.2 |
| Singapore Times | 2.1 | 20.3 | 16.5 | 2.1 | -8.1 | 9.4 | -6.5 | 22.1 | 3.8 | -11.2 | 9.6 | 3.0 | 23.4 |
| Taiwan Weighted (capital returns) | 2.8 | 20.7 | 19.5 | 2.8 | 22.8 | 23.3 | -8.6 | 15.0 | 11.0 | -10.4 | 8.1 | 11.9 | 8.9 |
| Korean Composite (capital returns) | 3.6 | 31.3 | 32.3 | 3.6 | 30.8 | 7.7 | -17.3 | 21.8 | 3.3 | 2.4 | -4.8 | 0.7 | 9.4 |
| Jakarta Composite (capital returns) | -2.0 | 14.3 | 13.8 | -2.0 | -5.1 | 1.7 | -2.5 | 20.0 | 15.3 | -12.1 | 22.3 | -1.0 | 12.9 |
| Philippines Composite (capital returns) | -7.4 | 4.6 | 11.5 | -7.4 | -8.6 | 4.7 | -12.8 | 25.1 | -1.6 | -3.9 | 22.8 | 1.3 | 33.0 |
| Thai Stock Exchange | 1.2 | 23.0 | 11.3 | 1.2 | -5.2 | 4.3 | -8.1 | 17.3 | 23.9 | -11.2 | 19.1 | -3.6 | 41.3 |
| Mumbai Sensex 30 | -3.0 | 17.2 | 23.8 | -3.0 | 17.3 | 15.9 | 7.5 | 29.8 | 3.7 | -3.5 | 32.4 | 10.9 | 27.8 |
| Hang Seng China Enterprises index | 4.4 | 14.9 | 12.3 | 4.4 | 0.0 | 14.5 | -9.9 | 29.6 | 1.5 | -16.9 | 15.6 | -1.5 | 19.8 |
| ASX 200 | 0.3 | 11.9 | 13.0 | 0.3 | 1.4 | 23.4 | -2.8 | 11.8 | 11.8 | 2.6 | 5.6 | 20.2 | 20.3 |
| Topix | 0.2 | 14.7 | 22.1 | 0.2 | 7.4 | 18.1 | -16.0 | 22.2 | 0.3 | 12.1 | 10.3 | 54.4 | 20.9 |
| Nikkei 225 (capital returns) | 0.8 | 20.4 | 27.4 | 0.8 | 16.0 | 18.2 | -12.1 | 19.1 | 0.4 | 9.1 | 7.1 | 56.7 | 22.9 |
| MSCI Asia Pac ex Japan (US$) | 3.5 | 20.5 | 25.3 | 3.5 | 22.8 | 19.5 | -13.7 | 37.3 | 7.1 | -9.1 | 3.1 | 3.7 | 22.6 |
| **Latin America** | | | | | | | | | | | | | |
| MSCI EM Latin America (US$) | -6.7 | 27.3 | 12.0 | -6.7 | -13.5 | 17.9 | -6.2 | 24.2 | 31.5 | -30.8 | -12.0 | -13.2 | 8.9 |
| MSCI Mexico (US$) | -4.2 | 22.8 | 27.8 | -4.2 | -1.6 | 11.8 | -15.3 | 16.3 | -9.0 | -14.2 | -9.2 | 0.2 | 29.1 |
| MSCI Brazil (US$) | -7.8 | 29.6 | 7.0 | -7.8 | -18.9 | 26.7 | -0.2 | 24.5 | 66.7 | -41.2 | -13.7 | -15.8 | 0.3 |
| MSCI Argentina (US$) | -12.1 | 6.9 | 1.1 | -12.1 | 12.7 | -20.7 | -50.7 | 73.6 | 5.1 | -0.4 | 19.2 | 66.2 | -37.1 |
| MSCI Chile (US$) | 0.0 | 28.9 | 11.4 | 0.0 | -4.1 | -16.0 | -18.9 | 43.6 | 16.8 | -16.8 | -12.2 | -21.4 | 8.3 |
| **Commodities** | | | | | | | | | | | | | |
| Oil – Brent Crude Spot (US$/BBL) | 7.9 | 52.1 | 28.1 | 7.9 | -24.4 | 34.0 | -24.2 | 20.9 | 51.6 | -33.5 | -49.4 | 0.2 | 3.2 |
| Oil – West Texas Intermediate (US$/BBL) | 8.4 | 45.4 | 31.5 | 8.4 | -21.0 | 35.1 | -25.3 | 12.5 | 44.8 | -30.5 | -45.8 | 6.9 | -7.1 |
| Reuters CRB index | 3.8 | 20.4 | 21.3 | 3.8 | -9.3 | 11.8 | -10.7 | 1.7 | 9.7 | -23.4 | -17.9 | -5.0 | -3.3 |
| Gold Bullion LBM (US$/Troy Ounce) | -2.1 | -1.2 | -5.9 | -2.1 | 24.8 | 18.7 | -1.7 | 12.6 | 9.0 | -10.5 | -1.8 | -27.3 | 5.6 |
| Baltic Dry index | 6.3 | 13.2 | 7.6 | 6.3 | 25.3 | -14.2 | -7.0 | 42.1 | 101.0 | -38.9 | -65.7 | 225.8 | -59.8 |

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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