Issued: 5 August 2019

WEEKLY INVESTOR RESEARCH

Ashmore

Know thyself!

By Jan Dehn

Emerging Markets (EM) central banks increasingly set policy in accordance with local economic conditions rather than the Fed. This is good. It reflects a growing realisation that EM countries are largely self-reliant on financing and that the central banks themselves are highly credible as inflation fighters. EM's growing monetary policy independence is important: it means that EM is now a safer place to invest. Institutional investors can therefore diversify with greater confidence away from heavily overbought and increasingly populistic markets in developed economies. The Global Backdrop section discusses the latest Fed rate cut and Trump latest bout of 'Tariff-itis'.

Emerging Markets	Next year forward PE/Yield	Spread over UST	P&L (5 business days)
MSCI EM	11.0	–	-4.24%
MSCI EM Small Cap	9.8	–	-3.51%
MSCI Frontier	11.3	–	0.21%
MSCI Asia	11.9	–	-4.61%
Shanghai Composite	9.9	–	-2.57%
Hong Kong Hang Seng	7.4	–	-4.65%
MSCI EMEA	8.7	–	-3.81%
MSCI Latam	11.5	–	-3.42%
GBI-EM-GD	5.49%	–	-1.50%
ELMI+	5.67%	–	-1.12%
EM FX spot	–	–	-1.57%
EMBI GD	5.34%	345 bps	-0.05%
EMBI GD IG	3.73%	181 bps	0.72%
EMBI GD HY	7.32%	546 bps	-0.86%
CEMBI BD	5.14%	336 bps	0.32%
CEMBI BD IG	3.82%	204 bps	0.50%
CEMBI BD Non-IG	7.01%	522 bps	0.07%

Global Backdrop	Next year forward PE/Yield/Price	Spread over UST	P&L (5 business days)
S&P 500	16.0	–	-3.07%
1-3yr UST	1.63%	–	0.32%
3-5yr UST	1.58%	–	0.73%
7-10yr UST	1.77%	–	1.71%
10yr+ UST	2.31%	–	3.82%
10yr+ Germany	-0.51%	–	2.70%
10yr+ Japan	-0.19%	–	0.50%
US HY	5.97%	397 bps	-0.31%
European HY	3.93%	435 bps	-0.25%
Barclays Ag	1.37%	-40 bps	0.82%
VIX Index*	20.91	–	8.08%
DXY Index*	97.71	–	-0.34%
EURUSD	1.1168	–	0.21%
USDJPY	106.06	–	2.56%
CRY Index*	173.35	–	-3.80%
Brent	61.2	–	-3.97%
Gold spot	1459	–	2.25%

Note: Additional benchmark performance data is provided at the end of this document. *See last page for index definitions.

Emerging Markets

It was deeply satisfying to see the Brazilian central bank cut the policy rate by 50bps to 6.0% last week. Not only did the Brazilians cut interest rates by twice as much as the Fed, they also signalled more cuts to follow. Several other EM central banks have also cut rates recently, some well ahead of the Fed. Many have been entirely justified in cutting rates. Take Brazil for example. The team running the Brazilian central bank is hugely credible, inflation has recently dipped below the centre of the target range, Brazil's currency is competitive, parliament just passed a hugely important pension reform and there is plenty of slack in the economy. The vast majority of Brazilian bonds are held by Brazilians within Brazil and real yields are very high. In short, a rate cut is appropriate for the Brazilian economy and the central banks delivered accordingly.

If Brazil's rate cut seems entirely reasonable, it would not always have been seen thus. Indeed, in the not so distant bad old days, EM central bankers would not in their wildest dreams consider cutting ahead of the Fed, let alone cutting more than the Fed. Such recklessness could literally plunge them into immediate crises. The reason was simple: EM countries had no domestic institutional investor bases of their own and obtained almost all of their financing from currency-sensitive foreign investors. Hence, if they failed to keep their interest rates in line with the Fed (plus an appropriate 'risk premium') foreigners would simply abscond, offload all their bonds rather unceremoniously and trigger a massive tightening of financial conditions, which soon would collapse the economy and unleash a funding crisis.

Happily, conditions in many EM countries are now dramatically different. As Brazil has just shown, many EM central banks now set interest rates in accordance with domestic economic circumstances rather than in response to the actions of the Fed. They can do so, because they are largely self-funding. The EM bond market today measures USD 26.5trn (23% of global fixed income) of which local markets constitute a whopping USD 21.8trn. In other words, EM countries today obtain 82% of their funding from domestic bond markets.[1]

[1] For an overview of the structure of the EM fixed income market as at end 2018 please see: *'The EM fixed income universe version 8.0'*, The Emerging View, 31 July 2019.

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Emerging Markets

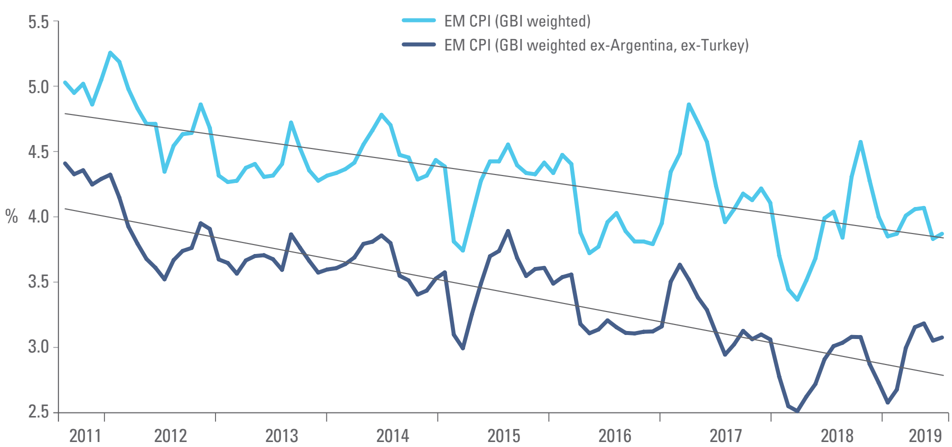
The rise of local bonds markets in EM has dramatically reduced the vulnerability to changes in external circumstances, including changes in US interest rates. The last decade is replete with examples of how EM funding has become resilient to external shocks. First, EM experienced considerable volatility, but ultimately emerged unscathed from 2008/2009, when the collapse of Europe and the US along with their banks triggered a capital stop to EM. Second, EM was able to fund despite the flight of some 40% of all foreign money invested in EM after the start of Quantitative Easing policies in developed markets. Third, when commodity prices halved in 2014 there was volatility in EM but permanent losses were few and far in between. Indeed, there has not been an old-style contagion with defaults and balance of payments crises ripping through the asset class since 1998. Hardly any EM countries, other than the very low-income countries without domestic financial markets, ever call upon the IMF anymore.

Yet, investors, even EM central bankers, appear slow to learn. The volatility last week was obviously caused by the destruction of unrealistic expectations of the pace of Fed cuts (see the global backdrop section below), but the fear of actual Fed hikes is of an entirely different magnitude. When the Fed hiked for the first time in December 2015, EM bonds have been sold on such a scale that yields were consistent with a Fed Funds Rate of 5.7%! This pervasive fear of the Fed in many quarters is quite simply unfounded. To see why, try to take a step back and think about what just happened to EM bonds and currencies over the last three and half years. Over this period, the Fed has just completed what increasingly looks like an entire hiking cycle. EM local bond markets delivered 27% return in Dollars, or 7.7% return in Dollar terms per year over this period, meaning that EM bonds outperformed US government bonds of the same duration by a factor of three. Equally fascinating, EM currencies, though volatile during the hiking cycle, were flat over the period. Many investors and probably many EM central bankers too would have not, if they are honest, expected such a solid performance in a Fed hiking cycle. Then, clearly, there are some lessons to be internalised.

Perhaps the most important lesson is that investors can pay too much deference to the Fed. Clearly, EM governments and corporates can fund almost regardless of what the Fed does, indeed, even when the world is collapsing around them. Many EM central banks are sufficiently credible to think and behave more like their counterparts in developed economies, setting interest rates not in accordance with the Fed, but according to growth and inflation at home,and to have the courage to let their currencies do what they must.

Herein lies the second important lesson. Fear of currency weakness is central to the fear of acting independently of the Fed. After all, weaker currencies can push up import prices and hence inflation rates. Rising inflation can in turn hurt bond markets, which then leads to economic trouble, and even funding challenges. Yet, the concern about FX pass-through, like so many other perceptions about EM, is no longer well founded. Again, look at the evidence. EM currencies have literally just experienced their largest ever decline against the Dollar, dropping 50% between 2010 and 2015. Yet, despite this indisputably massive bout of currency weakness, EM inflation rates actually declined by one third over the period (Figure 1). There has, simply put, been no FX pass-through. It is crucial to understand why: First, when FX weakness is caused by outflows, non-tradeable prices tend fall more than the rise in import prices, so inflation overall tends to decline. Second, inflation expectations are now shaped by the inflation-fighting credentials of EM central banks rather than FX rates.

Fig 1: **EM inflation (weighted by the JP Morgan GBI EM GD index)**

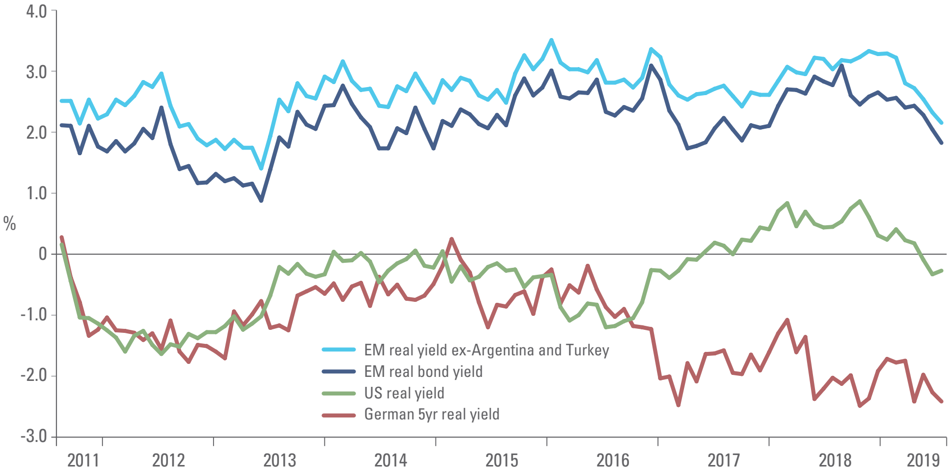


Source: Ashmore, Bloomberg, JP Morgan. Data as at end June 2019.

As noted by Socrates in Plato's Philebus, it is ridiculous to try to know obscure things before knowing one self. Know thyself! Many of the central banks in the established EM countries have now reached a point of understanding of theirself that they realise that they can set monetary policy in accordance with domestic economic circumstances rather than the actions of a central bank in a distant land. As Figure 2 shows, EM real yields are within normal ranges, as if Quantitative Easing had never happened. The contrast with real yields in US and Germany is quite stark.

Emerging Markets

Fig 2: **Real bond yields (GBI EM GD, US and German 5 year bonds)**



Source: Ashmore, Bloomberg, JP Morgan. Data as at 2 August 2019.

EM central banks will continue to gain greater confidence in their abilities as local markets deepen and broaden. The most important implication of EM's increasing monetary independence is that EM countries become vastly safer places to invest as their vulnerability to external factors decline. This means that institutional investors the world over can comfortably diversify away from heavily overbought markets and populistic policies in developed economies.

- **Asian export economies:** Prior to US President Donald Trump's latest tariff threats, the economic data out of Asia's large manufacturing and export-oriented economies was beginning to show improvement. In South Korea, July exports declined at a slower 11% yoy rate than in June (-13.5% yoy), while real GDP growth was 2.1% yoy in Q2 2019, also well ahead of expectations (1.9% yoy) and better than in Q1 2019 (1.7% yoy). Korean CPI inflation declined to 0.6% yoy in July from 0.7% yoy in June, while industrial production improved at a rate of 0.2% in June following a decline of 1.3% mom decline in May. In China, the Caixin PMI strengthened to 49.9 in July from 49.4 in June. Output and new orders rose above 50. China's official PMI index also increased to 49.7 in July from 49.4 in June. In Taiwan, Q2 2019 real GDP growth was 2.4% yoy versus 1.8% yoy expected. Taiwan eases rules for FDI, enabling investors to not immediately convert Dollars to TWD, probably in a bid to ease appreciation pressures for TWD. Hong Kong was different: Real GDP growth in Q2 2019 was 0.6% yoy versus 1.5% yoy expected, which may be closely related to ongoing domestic political tensions.

- **Russia:** US President Donald Trump signed an executive order on Thursday last week authorising further sanctions against Russia. Trump, after consulting with Congress, must pick at least three of six possible sanctions:

1. Ban lending or technical assistance by international financial organisations
2. Ban US banks from lending to the Russian government
3. Impose restrictions on US exports to Russia, excluding food
4. Restrict Russian imports from the US
5. Downgrade or suspend diplomatic relations with Russia
6. Ban Aeroflot from flying to the US

It is not yet clear if (2) refers to Russian publicly traded debt. US senators have been calling for additional sanctions on Russia, including conditional penalties in the event of future alleged election meddling.

- **South Korea:** South Korea and Japan escalated trade tensions. Japan officially removed South Korea from its White List of export destinations, making Korea the first de-listed country and increasing the list of product groups subject to Japanese import restrictions, though this is not a formal export ban. South Korea responded in kind by removing Japan from its White List. Both countries will suffer as a result.

- **South Africa:** ESKOM, the government energy monopoly, released updated financial statements, recording a net loss of ZAR 21bn and a 31% yoy decline in EBITDA. Just under 60% of ESKOM's financing requirements have been met so far this year. The numbers were better than expected and ESKOM bonds rallied.

- **Brazil:** The participation rate of the labour force continues to rise, setting an all-time high in June when employment grew at a yoy rate of 2.6%. This is the fastest rate of labour force growth since records began in 2012. The public sector deficit narrowed to BRL 12.7bn in June compared to BRL 13.5bn in the same month of 2018, but industrial production declined 0.6% mom.

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Emerging Markets

- **Mexico:** Mexico's economy expanded 0.1% qoq in Q2 2019, which was better than expected (-0.2% qoq) and better than last quarter (-0.2% qoq). The fiscal surplus in H2 1019 was MXN 228bn, or 1% of GDP, versus the government's own target of MXN 135bn. The government announced a moderate fiscal stimulus. Two of Mexico's three PMI indices improved in July.

- **Saudi Arabia:** The budget deficit reached SAR 33.5bn in Q2 2019. The deficit largely offset a large surplus in Q1 2019, so the overall deficit was SAR 5.7bn in H1 2019. This is significantly better than the deficit of SAR 41.7bn in H2 2018. FX reserves sat at USD 513bn in June.

- **Venezuela:** Starting 31 July, JP Morgan has begun to gradually reduce the weight of PDVSA and Venezuelan sovereign bonds in the EMBI GD index to zero by 29 November 2019. Venezuela's index weight was 0.9% as per 31 July index rebalancing.

Snippets:

- **Argentina:** President Mauricio Macri continues to lag in the polls ahead of the 27 October presidential election, but his deficit narrowed by 1% in the past week (to 3%).
- **Bahrain:** FX reserves declined to USD 3.4bn in June from USD 3.9bn in May.
- **Chile:** Industrial production was 2.9% lower in June than in the same month of 2018. Unemployment was unchanged in June relative to May at 7.1%.
- **China:** The Chinese politburo hinted at further fiscal easing and continued structural reforms in order to stimulate domestic demand, notably in rural areas.
- **Croatia:** Industrial production took a hit in June, declining at a yoy rate of 5.6%, but retail sales were strongly up at 6.1% yoy.
- **Czech Republic:** Catching a chill from a westerly direction, Czech manufacturing PMI declined to 43.1 in July from 45.9 in June. The central bank left the policy rate unchanged at 2.0%.
- **Dominican Republic:** The central bank cut the policy rate by 25bps to 4.75%. Inflation is running at just 1.17% yoy.
- **Ghana:** The fiscal deficit in H1 2019 widened to 3.3% of GDP versus the government's target of 2.9% of GDP. Ghana regularly suffers from fiscal mismanagement. The government revised its full year deficit to 4.5% of GDP from 4.2% of GDP previously.
- **Hungary:** Retail sales were very strong in June, rising at a yoy rate of 5.2% (versus 2.6% in May).
- **India:** The Nikkei Markit PMI improved to 52.5 in July from 52.1 in June. The first quarter fiscal deficit was lower than expected, reflecting the government's current focus on reigning in spending after the election.
- **Indonesia:** CPI inflation was 3.3% in July, stable with respect to June, while PMI moderated to 49.6 in July from 50.6 in June.
- **Malaysia:** The trade surplus increased to MYR 10.3bn in June from MYR 9.1bn in May.
- **Poland:** CPI inflation accelerated to 2.9% yoy in July from 2.6% yoy in June.
- **Romania:** Retail sales surged higher at a yoy rate of 5.7% in June, up from 3.9% yoy in May.
- **Slovakia:** Retail sales recovered on a yoy basis from -2.7% yoy in May to -0.4% yoy in June.
- **Serbia:** Industrial production declined sharply in June (-6.1% yoy).
- **Thailand:** CPI inflation in July was 0.98% yoy versus 1.00% yoy expected.
- **Turkey:** Manufacturing PMI contracted further to 46.7 in July from 47.9 in June.
- **Zambia:** In a positive development, First Quantum Minerals, a miner, was able to reach a settlement with the Zambia's tax authority over unpaid dues.

Global backdrop

- **The Fed:** Fed Chairman Powell did not win any awards for clear communication at his press conference last week. In particular, he left markets confused whether the first rate cut since 2008 was the start of a longer cutting cycle or merely a one-off insurance cut. However, Powell did achieve one important thing, namely to disabuse the market of a great deal of irrationality, which had crept into expectations with respect to the pace of rate cuts. Seen in isolation, the Fed's decision to cut the Funds Rate by 25bps to 2.25% and put an end quantitative tightening were clearly dovish and consistent with a so far orderly slowing of the late-stage US business cycle. However, markets had priced in a far more aggressive pace of easing, as much as six cuts for the next twelve months. Had the market been paying more attention to US President Trump's incessant and unqualified calls for large rate cuts? Had the market ignored the economic data, which clearly shows that

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Global backdrop

growth may have halved in the past year, but the US economy is clearly not in recession? In any case, in his press conference, Powell killed off any expectations of massive imminent rate cuts, so the US yield curve flattened sharply, stocks fell and the Dollar staged a knee-jerk bounce. That is what happens when fantasies are confronted with reality.

Of course, this defenestration of the wildest dovish fantasies is very healthy. Markets now price in a far more reasonable pace of cuts. A one-off repricing has occurred. Trends have not changed at all. The gradual weakening of the US economy, which can be seen from a GDP's point of view, or according to manufacturing numbers, earnings, etc. has not changed. The Fed is cutting, reflecting the more challenging growth outlook. The Dollar is therefore heading lower. And if growth slows down even more the White House may intervene to push down the Dollar even faster. This pullback merely creates a far better entry point for anyone wishing to put money to work.

Does the slap dispensed by the Fed across the face of investors guarantee that they will not repeat their errors? No. Markets may well end up mispricing both the economy and the Fed again. This is not because investors are foolish. Rather, it is an almost inevitable consequence of too much money slushing around in the US economy. In recognition of the fact that returns will slowly wane as the economy gradually slows, investors ought already to be moving some of their money elsewhere, but many still feel irrationally safe in the Dollar zone. Hence, for now, in response to any negative economic and policy surprises, which are clearly arriving at a greater frequency of late, they merely shift volumes of capital back and forth between domestic stock and domestic bond markets rather taking cash out of the US. The resulting price action is excessive and contributes directly to shaping unrealistic expectations, since investors love to infer all kinds of nonsense about future economic and policy developments from market valuations, which they themselves are bringing about. Clearly, if market valuations are distorted by excessive capital then expectations derived from such valuations are themselves also distorted. This is why this can happen again until global capital is allocated more rationally, meaning some of it has left the US. Of course, these occasional bouts of volatility, when expectations crash into reality, pose no real danger per se and are unlikely to morph into a change in any longer-lasting trend except in one important respect: when enough 'broken dream' episodes have taken place the Sharpe Ratios begin to deteriorate for US markets and then it is only a question of time before even the most hardcore US bulls and quants recognise that it is time to diversify away from US markets.

- Tariffs: There has been a re-escalation in 'Trumpian Tariff Terrorism'. On Thursday evening, the US President announced 10% tariff on another USD 300bn of imports from China. Just like conventional terrorism, Trump's trade taxes are designed to create fear and polarise the political environment by inflicting costs directly on mostly innocent people. In this case, the innocent victims are American consumers, who, with every increase in tariffs, will pay more for their daily bread (remember that tariffs are taxes paid by Americans who consume imports).

US stocks took a sharp turn lower in response to Trump's new taxes on American consumers, which will obviously further weaken the US economy at a time when growth has already halved and manufacturing plummeted as result of the tariffs imposed so far. This morning the ten-year Treasury yield has declined to 1.84%. Trump's latest round of tariffs will hurt US consumers harder than any previous 'Trumpian trade tax' hikes, underlining the diminishing effectiveness of tariffs as a policy instrument.

Indeed, as if to underline this point, EM FX (except for CNY) has not moved a great deal in response to the US tariff announcement. This is revealing. Markets are now becoming far more concerned about the impact of tariffs on the US economy. Recall that tariffs ought to strengthen the Dollar, since tariffs, as taxes on imports, should reduce the flow of Dollars flow overseas and hence drive the Dollar higher via overseas scarcity. However, tariffs can also weaken the Dollar if they induce outflows via the capital account, say, if foreign investors in the US start to worry about US growth and begin to offload US stocks in order to repatriate their money. This now appears to be happening, reinforcing the argument that tariffs have hit a level, where they have a very direct net destructive effect on the US economy.

There is speculation in some quarters than Trump is applying tariffs in order to force the Fed to cut rates. This is possible, but it would be one of the most silly and self-defeating policies enacted in our opinion. Tariffs push up prices and strengthen the Dollar as well as undermine growth. Sure, lower growth may eventually induce some rate cuts by the Fed, but isn't this like throwing the baby out with the bathwater? We believe US voters care infinitely more about growth than interest rates, especially at these low levels (US core CPI inflation at 2.1%, so real yields are already negative beyond ten years). If Trump wants to promote US growth, currency manipulation would be a far more effective strategy. A lower Dollar, which, incidentally is a policy instrument within Trump's personal grasp, would have very little impact on US inflation due to the large non-tradeable share of the US economy, while significantly improving US competitiveness, exports and hence growth. It is not clear, however, if Trump understands this.

Unsurprisingly, China says it will retaliate against US tariffs. However, China is generally in favour of freeing up trade and building credibility on the global stage, so China's response will be dignified and relatively moderate compared to America's crude aggression. China will also play for time knowing that Trump's tariffs are now hurting America quite badly. China will allow CNY to weaken in the near-term, while supporting its economy, where required, with fiscal stimulus. It is very possible that Trump action will derail US-China trade talks,

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Global backdrop

which were due to continue in early September, but note that Trump's latest fit of 'tariff-itis' has some similarity with his June threat to impose tariffs on Mexico to deter Guatemalans and other Central Americans from coming to America. In particular, Trump has left the door open for China to make concessions to avoid the new tariffs, although it remains to be seen if China will demean itself sufficiently to satisfy Trump.

As for everyone else not directly involved in the US-China trade war, there are many important lessons to be drawn from Trump's policy towards other countries. The most important lesson of all is that Trump exploits any leverage the US has over other countries. In practice, this is why he attacks his allies and cosies up to his enemies. Close ties with the US is now a liability, not as asset. Just ask the Mexicans, the Chinese, the Turks, the Canadians, the South Africans, the Indians, the Germans…

Benchmark performance

Emerging Markets	Month to date	Quarter to date	Year to date	1 year	3 years	5 years
MSCI EM	-3.19%	-4.31%	5.97%	-3.21%	7.49%	1.68%
MSCI EM Small Cap	-2.63%	-4.02%	2.49%	-9.05%	2.67%	-0.13%
MSCI Frontier	-0.06%	2.47%	14.56%	3.96%	8.94%	-0.64%
MSCI Asia	-3.06%	-4.72%	5.57%	-3.90%	7.89%	3.57%
Shanghai Composite	-2.19%	-2.83%	17.53%	6.21%	1.10%	7.83%
Hong Kong Hang Seng	-3.06%	-4.22%	5.42%	-0.06%	8.24%	2.56%
MSCI EMEA	-3.71%	-4.19%	8.64%	0.95%	5.87%	-1.27%
MSCI Latam	-2.88%	-2.75%	9.73%	6.32%	8.84%	-1.36%
GBI EM GD	-1.59%	-0.68%	7.98%	7.19%	3.79%	-0.40%
ELMI+	-1.30%	-1.29%	2.24%	2.01%	2.35%	-0.65%
EM FX Spot	-1.66%	-2.11%	-0.42%	-3.86%	-2.83%	-7.03%
EMBI GD	-0.05%	1.16%	12.61%	11.51%	5.27%	5.56%
EMBI GD IG	0.53%	1.41%	12.55%	12.73%	4.79%	5.22%
EMBI GD HY	-0.66%	0.89%	12.74%	10.33%	5.83%	5.62%
CEMBI BD	0.12%	1.01%	9.94%	10.03%	5.36%	5.11%
CEMBI BD IG	0.35%	1.21%	9.97%	10.63%	4.55%	4.68%
CEMBI BD Non-IG	-0.19%	0.75%	9.87%	9.24%	6.71%	5.63%

Global Backdrop	Month to date	Quarter to date	Year to date	1 year	3 years	5 years
S&P 500	-1.60%	-0.19%	18.32%	5.83%	13.03%	11.02%
1-3yr UST	0.33%	0.21%	2.69%	4.23%	1.39%	1.25%
3-5yr UST	0.69%	0.41%	4.52%	7.10%	1.59%	2.14%
7-10yr UST	1.34%	1.23%	8.25%	12.22%	1.83%	3.46%
10yr+ UST	2.57%	2.74%	14.02%	17.83%	2.29%	6.01%
10yr+ Germany	1.46%	3.83%	14.93%	19.27%	3.66%	7.82%
10yr+ Japan	0.40%	0.79%	6.27%	8.42%	1.34%	5.04%
US HY	-0.32%	0.24%	10.20%	6.51%	6.73%	5.14%
European HY	-0.16%	0.46%	8.08%	3.71%	4.40%	4.27%
Barclays Ag	0.60%	0.32%	5.90%	6.82%	1.50%	1.39%
VIX Index*	29.71%	38.66%	-17.74%	79.64%	83.58%	23.95%
DXY Index*	-0.82%	1.64%	1.59%	2.67%	1.57%	20.14%
CRY Index*	-2.90%	-4.24%	2.09%	-10.29%	-4.64%	-40.71%
EURUSD	0.83%	-1.80%	-2.61%	-3.34%	0.74%	-16.51%
USDJPY	2.56%	1.69%	3.42%	5.03%	-4.00%	-3.26%
Brent	-6.12%	-8.07%	13.72%	-16.43%	38.20%	-41.52%
Gold spot	3.19%	3.50%	13.75%	20.80%	9.20%	13.20%

*VIX Index = Chicago Board Options Exchange SPX Volatility Index. *DXY Index = The Dollar Index. *CRY Index = Thomson Reuters / CoreCommodity CRM Commodity Index.

Source: Bloomberg, JP Morgan, Barclays, Merrill Lynch, Chicago Board Options Exchange, Thomson Reuters, MSCI, total returns.
Figures for more than one year are annualised other than in the case of currencies, commodities and the VIX, DXY and CRY which are shown as percentage change.

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