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WEEKLY INVESTOR RESEARCH

Ashmore

The blind spot

By Jan Dehn

The US trade war with China re-erupts, then subsides a bit. Chinese industrial profits surge. Fernandez rules out default in Argentina. The Indian government cuts red tape and harvests an RBI dividend. Bolsonaro comes under fire over Amazon blazes. Rosneft will start to settle oil trades in Euros instead of US dollars. China stops Venezuelan oil shipments. South Korean exports remain soft. Ramaphosa's policy priorities take shape in South Africa. Away from Emerging Markets (EM), Jackson Hole fuels expectations of a moderate pace of rate cuts, but the real blind spot in policy-making is the fiscal policy-debt-productivity nexus. To mark silly season, Trump proposes to buy Greenland; what does this story tell us about how America does business?

Emerging Markets	Next year forward PE/Yield	Spread over UST	P&L (5 business days)
MSCI EM	10.9	–	-1.69%
MSCI EM Small Cap	10.1	–	-1.74%
MSCI Frontier	9.4	–	-0.18%
MSCI Asia	11.8	–	-1.96%
Shanghai Composite	10.2	–	-0.65%
Hong Kong Hang Seng	7.5	–	-0.93%
MSCI EMEA	8.4	–	0.14%
MSCI Latam	11.0	–	-3.96%
GBI-EM-GD	5.37%	–	-0.17%
ELMI+	5.94%	–	-0.33%
EM FX spot	–	–	-0.18%
EMBI GD	5.33%	376 bps	0.37%
EMBI GD IG	3.47%	187 bps	0.37%
EMBI GD HY	7.74%	619 bps	0.37%
CEMBI BD	5.12%	361 bps	0.28%
CEMBI BD IG	3.60%	210 bps	0.35%
CEMBI BD Non-IG	7.32%	581 bps	0.19%

Global Backdrop	Next year forward PE/Yield/Price	Spread over UST	P&L (5 business days)
S&P 500	15.8	–	-1.52%
1-3yr UST	1.52%	–	0.02%
3-5yr UST	1.40%	–	0.12%
7-10yr UST	1.51%	–	0.40%
10yr+ UST	2.01%	–	0.86%
10yr+ Germany	-0.68%	–	-0.68%
10yr+ Japan	-0.27%	–	0.86%
US HY	5.81%	400 bps	0.60%
European HY	3.86%	433 bps	0.82%
Barclays Ag	1.23%	-28 bps	0.33%
VIX Index*	20.19	–	2.69%
DXY Index*	97.91	–	-0.28%
EURUSD	1.1109	–	0.07%
USDJPY	105.64	–	-0.56%
CRY Index*	168.91	–	-1.87%
Brent	58.9	–	-1.92%
Gold spot	1534	–	1.75%

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

Emerging Markets

- **Trade war:** In a mini-trade war tantrum, tensions between US and China re-escalated sharply late last week only to return to some semblance of calm at the start of this week. The fun started, when China responded to US tariffs imposed earlier this month. China imposed tariffs on another USD 75bn of US exports to China, including tariffs on auto and auto parts due to take effect 1 September and 15 December (matching the dates of the new US tariffs). In a somewhat demented rant, US President Donald Trump then ordered US companies not to do business with China and raised the tariff rate from 25% to 30% on Chinese goods already under tariffs and raised the tariff rate on goods yet to be tariffed from 10% to 15%. The US stock market promptly dropped 2.6% on Friday. Trump then U-turned on Monday, when he suddenly called for a trade deal with China.

Where does this leave us? By December, American consumers and produces will be paying more than 24% tax on nearly everything they buy from China. The tax rate was just 3% two years ago. American exporters have gained nothing from the higher taxes, because the Dollar has rallied in response to the tariffs (as predicted by theory). Hence, third countries have been the main beneficiaries by gaining market share at the expense of American exporters. China is also taxing its own consumers of American goods, but only 58% of American imports have so far been affected. While this percentage may rise to 69% by December, American aircraft, semiconductors and pharmaceuticals are still untouched by tariffs in China. China's response, like previously, has been moderate compared to America's. China appears to understand that tariffs are taxes paid by its own consumers. Also, China is balancing the need to be seen to respond to US aggression with the desire to appear a responsible trading partner in the eyes of the rest of the world.

As the US nears the point, where all Chinese goods are under high tariffs and as the US election draws closer, the balance of power gradually shifts to China.

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Emerging Markets

- **China:** Chinese industrial profits increased sharply on a yoy basis from -3.1% in June to +2.6% in July. The Chinese Interbank Bond Market (CIBM) announced that bond market settlement will be changed from t+2 to t+3 in order to ease custodian funding, time zone issues, etc. US Commerce Secretary Wilbur Ross gave Huawei, a Chinese tech company, 90 more days, during which it will be possible to do business in the US. This decision reflects an apparent realisation in segments of the Trump Administration that many US companies depend on Huawai's service and technology.

- **Argentina:** *"No hay posibilidad de default si soy president"*, said Alberto Fernandez last week.[1] Fernandez leads in the polls to become Argentina's next president on 27 October 2019. In a statement to the press, Fernandez also ruled out capital controls, multiple exchange rates and high inflation. Over the weekend, however, Fernandez and his economic team criticised the IMF program for having failed to deliver on its objectives. We believe that Fernandez's incentives with respect to communications are dramatically different before and after the election; he benefits from criticising the IMF and contributing to the sense of crisis before the election, because he is not in charge, but he has a strong interest in absolutely extinguishing any sense of crisis after he wins, if he wins. Markets should therefore expect considerable political noise, a sense of uncertainty and associated market volatility at least until 27 October, but also price in the possibility of substantial improvement in sentiment afterwards. For more detailed views of Argentina, please see: '*Argentina Q&A',* The Emerging View, September 2019.

- **India:** Two pieces of news. Firstly, the government has announced a number of regulatory measures to help improve business conditions. Surcharges for capital gains are being rolled back, the monetary policy transmission mechanism is made smoother and public banks are being recapitalised. GST refunds are also being accelerated and depreciation rates are raised for autos (to 30% from 15%). The fiscal cost of the measures is very small. Secondly, the Reserve Bank of India is transferring a dividend of 0.3% of GDP to the government. India's economy is slowing under post-election austerity. The two measures will improve the fiscal picture, while lowering the costs of doing business. In other news, the minutes from the August Reserve Bank of India monetary policy committee meeting hinted at further rate cuts. Indian media is also reporting that the government may roll back taxes on foreign portfolio investors, thereby increasing the attractiveness of Indian assets.

- **Brazil:** President Jair Bolsonaro came under heavy fire at the G7 meeting from Developed Market politicians, who found that criticizing Brazil for letting the Amazon burn was far easier than solving any of their own serious economic and political problems. While Bolsonaro has been a proponent of greater economic exploitation of the Amazon, it is entirely debatable whether Bolsonaro is personally responsible for the blazes. After all, Bolivia also has more wildfires this year than last year and there are also large fires raging in the forests of central Africa. Of course, Brazil's exploitation of the Amazon should also be seen as part of a vastly more complex set of questions pertaining to the process of economic development. According to the World Bank, Brazil has 58% forest cover compared to 33% in Germany, 31% in France, 15% in Denmark and 13% in the UK. In the course of their own economic development, Western economies also cut down vast swathes of their own forests. If they expect emerging economies, such as Brazil, not to do the same thing, it might be more effective to fork out money as a form of compensation to Brazil for protecting what is, after all, now, a global public good than seeking to punish Brazil. In other news, the rate of CPI inflation in Brazil declined to 3.22% yoy in mid-August from 3.27% yoy in mid-July. Markets had expected inflation of 3.32% yoy. The current account deficit was USD 9.0bn in July, which was larger than expected (USD 6.0bn). Foreign direct investment was USD 7.7bn.

- **Russia:** Rosneft, one of the world's top oil producers and exporters, whose business accounts for 40% of Russian oil output, notified customers last week that future tender contracts for oil products will be denominated in EUR, not USD. Russia is the world's largest oil producer. Rosneft's decision dilutes the Dollar's share of global transactions. We think other countries could follow suit. In other news, inflation in the week of 13-19 August was negative 0.1%. This is the third negative weekly inflation print in four weeks. Unlike most developed countries, deflation is not such a big problem in Russia, where the debt stock is very small.

- **Venezuela:** Oil exports may take a temporary hit as China National Petroleum Corporation (CNPC) announced a stop to oil shipments in response to US sanctions. However, we expect CNPC soon identify ways to bypass US sanctions, so exports should then resume. In other news, President Nicholas Maduro indicated that the US has been holding secret talks with high-ranking US officials for many months.

- **South Korea:** The pace of decline of exports moderated a little bit in the first twenty days of August to -13.3% yoy from -13.6% yoy in the first twenty days of July. South Korean exports are weak due to the Trump trade war, a tech slump and trade tensions with Japan. With respect to the latter, tensions escalated last week, when South Korea scrapped an intelligence-sharing pact with Japan. The split between South Korea and Japan, both close US allies, increases the influence of China in Asia at the expense of the US.

[1] Translation: "There is no possibility of default if I am President"

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Emerging Markets

- **South Africa:** President Cyril Ramaphosa's economic policy priorities are slowly taking shape. Ramaphosa announced last week that ESKOM, the troubled state energy company, will be split into three units for generation, transmission and distribution over a five year period. This is likely to significantly increase the company's efficiency and reduce the quasi-fiscal burden of the company, in our view. The South African Treasury has also asked government ministries to draft plans to cut budgets by 5% in 2020 and 6% and 7% in the following two years as part of a wider fiscal retrenchment. In other news, the yoy rate of CPI inflation was lower than expected in July (4.0% yoy versus 4.3% yoy expected). The core inflation rate also declined to 4.2% yoy from 4.3% yoy.

Snippets:

- **Chile:** real GDP growth was 0.8% qoq (sa non-annualised) in Q2 2019, up from flat in Q1 2019. The current account deficit widened to USD 2.9bn from USD 1.02bn last quarter.
- **Ecuador:** Fitch revises the sovereign credit outlook to stable from negative.
- **Egypt:** The central bank cut interest rates by 150bps, which was about 50bps more than expected. However, the rate cuts are entirely justified as inflation plunges.
- **Indonesia:** Bank Indonesia cut the policy rate by 25bps to 5.5%, while maintaining an easing bias.
- **Lebanon:** Standard & Poor's will maintain the current B- rating for at least another six months, according to the ratings agency. Fitch, however, downgraded the sovereign credit rating two notches from B- to CCC. Israel struck two targets within Lebanon.
- **Mexico:** Mexican inflation surprised to the downside. On a yoy basis, bi-weekly CPI inflation declined to 3.29% yoy from 3.72% yoy in July. The market had expected 3.5% yoy inflation. Retail sales expanded at yoy rate of 1.7% during the month of June.
- **Poland:** the yoy rate of growth of industrial production was strong in July 5.8%. Retail sales in real terms surged at a yoy pace of 5.7% in July following a 3.7% yoy real increase in the month of June.
- **Romania:** The ALDE party, a junior member of the Romanian ruling coalition, has left the government. This creates a minority government, which may find it hard to pass fiscal measures. The next presidential election is due to be held at the start of 2020.
- **Singapore:** The rate of core CPI inflation on a yoy basis slowed to 0.8% in July from 1.2% yoy in June. Industrial production accelerated 3.6% in the month of July, which was far better than expected (-1.6% according to the Bloomberg consensus).
- **Sri Lanka:** the trade deficit collapsed in June on the back of rising exports (+5.8% yoy) and a sharp drop in imports (-23.1% yoy). The central bank cut the main policy rates by 50bps.
- **Taiwan:** Industrial production accelerated to a yoy pace of 3.0% in July, well ahead of expectations of a contraction of 0.6% yoy.
- **Thailand:** the government announced a fiscal stimulus of 1.8% of GDP designed to stimulate domestic demand in the face of slowing external demand. However, exports recovered at a higher than expected rate in July (4.28% yoy versus -2.05% yoy expected).
- **Turkey:** the central bank eased reserve requirements for banks with the fastest loan growth in order to encourage more lending.

Global backdrop

- **Jackson Hole:** Fed Chairman Jay Powell hinted at further cuts in interest rates at the Jackson Hole symposium. In a balancing act, which pits hawkish regional Fed presidents against a very dovish US President Donald Trump, the consensus emerging from Wyoming was that the pace of rate cuts will continue to be moderate. The central bankers pushed against the notion that they could be forced to cut under the threat of an escalation of Trump's trade wars. This stalwart attitude is reassuring, but may be proven unsustainable. After all, Trump can continue to broaden and deepen the tariff regime as he sees fit until he has pushed the US economy into recession. Clearly, at that point the Fed would have to act. The main worry is that rate cuts would prove largely ineffective at such a time. After all, real yields are already negative. This means that the marginal positive effects on US growth from Fed cuts at this stage are likely to be far smaller than the marginal damage caused by higher tariffs.

- **Blind Spot:** The monetary mandarins at Jackson Hole did a reasonable job skirting the touchy subject (among central bankers at least) of monetary policy's growing impotence as interest rates go lower and lower. Meanwhile, the US economy weakened further. Last week, core capital goods orders were soft at 0.4% mom in July and US manufacturing PMI plunged into contraction territory (49.9). The US Bureau of Labor Statistics also reported the largest downwards revision to the level of payroll employment (-501K) since 2009. Unsurprisingly, the Trump Administration is now reported to be planning a payroll tax cut, i.e. yet more fiscal stimulus.

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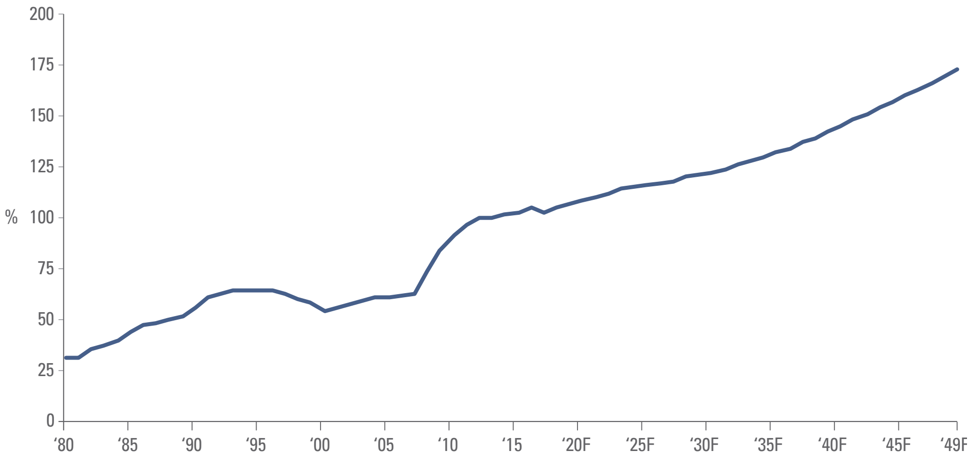
Global backdrop

Trump's comments about cutting payroll taxes coincided with the publication of a new set of fiscal projections from the nonpartisan Congressional Budget Office (CBO). CBO's projections show that the stock of US government debt in public hands will rise from 78% of GDP this year to Japan-like proportions in excess of 140% of GDP within the coming decades, based on already approved fiscal measures (i.e. not including Trump's latest tax cut proposal). The actual US public debt stock is actually much larger at around 105% of GDP due to the large stock of debt under official sector ownership. The total debt stock of the US government has grown steadily since the 1980s. In 2007, the debt stock was 63% of GDP and in 1976 the debt stock was just 34% of GDP. If the share of US debt in official hands remains roughly 30% of GDP, CBO's projections imply that the total US Federal Government debt stock will rise to more than 175% of GDP by 2049 (Figure 1).

Fig 1: **Debt to GDP for the US government projected out to 2049: Ashmore projections**

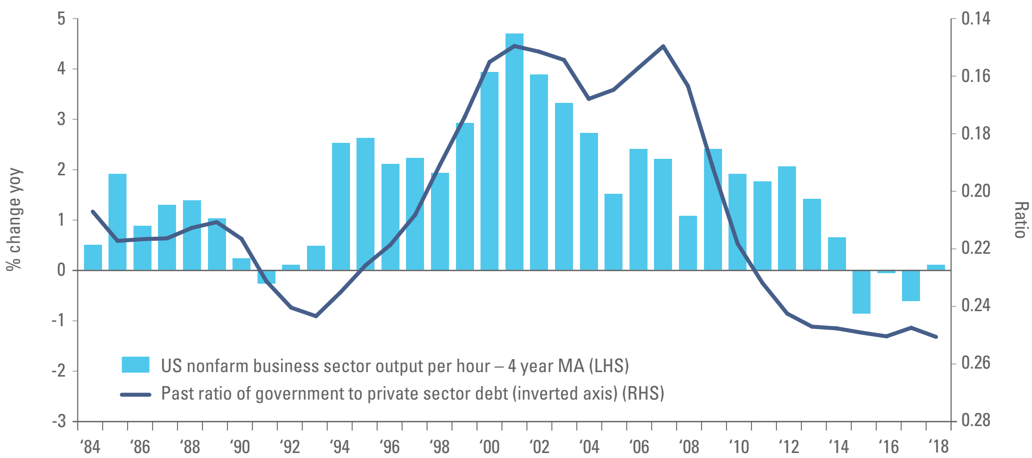


Source: Ashmore, Bloomberg, CBO, Ashmore projections beyond 2018.

It is unlikely that the US can finance as much public debt as Japan. Japan comfortably maintains a public debt stock of about 250% of GDP, because Japan has such a high private sector savings rate. The US does not. As such, the US depends more on foreign demand for Treasuries. This demand is highly sensitive to the value of the Dollar, which in turn sustains itself on the strength of the US economy, which in turn depends on productivity growth.

The fiscal policy-debt-productivity nexus is rarely given much attention in investment circles. Yet, it is important and could become far more important in the next few years. As Figure 2 shows, US productivity growth is highly sensitive to the size of the US government's debt stock, or, more precisely, the ratio of outstanding government debt to outstanding private sector debt.

Fig 2: **The relationship between productivity growth and the ratio of public to private debt in the United States (1980 to 2018)**



Source: Ashmore, Bloomberg, CBO, US Treasury, Ashmore projections beyond 2018.

To understand why this relationship between productivity growth and the public debt share exists, one could think of the US economy as an entity comprising two economic sectors: a highly dynamic, flexible and innovative private sector and an inefficient low productivity public sector. Productivity growth in the US declines

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Global backdrop

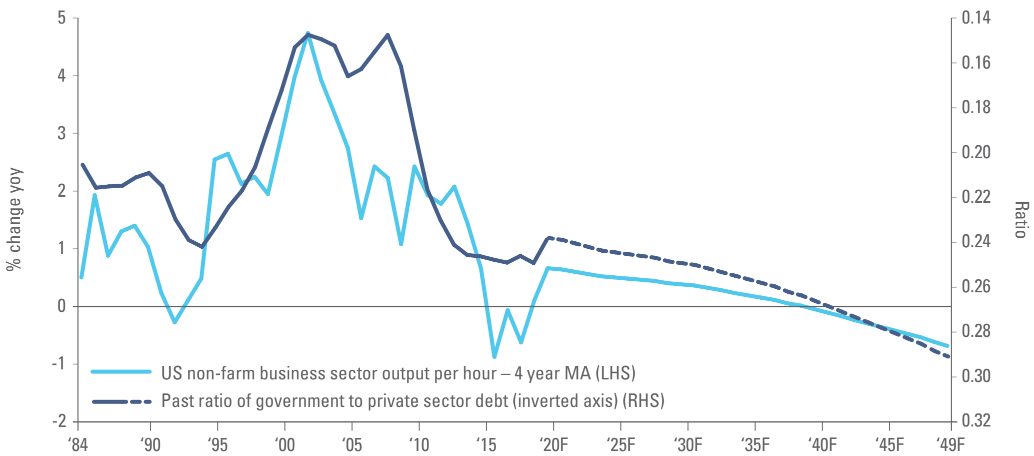
with a rising public debt share, as on any occasion the US government issues bonds to finance low-productivity spending, it usurps finance, which could otherwise be deployed in the highly productive private sector.

That is not to say that fiscal stimulus cannot be growth enhancing in the short term. For example, there is no doubt that fiscal easing contributed to the economic recovery after 2008/2009. However, productivity growth was supposed to replace fiscal stimulus seamlessly as the main growth driver in the US economy after the recovery had taken hold, but this has not happened. Instead, growth has been disappointing. The rate of expansion of the US economy has halved over the past twelve months, even under the massive cut in taxes for wealthy Americans and corporations approved by Congress in December 2017. We believe that this disappointing growth performance is largely because the size of the US debt stock is now imparting serious negative supply-side externalities on the US economy, in effect off-setting any positive demand-side contributions that the fiscal stimulus has in the short term.

The growing stock of debt is, of course, merely one of a growing list of supply-side drags, which negatively impact US productivity growth. Failure to reform the public finances, including health care, inadequate infrastructure investment and the Trump trade war all undermine productivity growth. Moreover, Quantitative Easing policies, by constituting a de facto subsidy of financial markets at the expense of investment in the real economy, may also be contributing to lower productivity growth.

What does the rising US public debt stock imply for productivity growth going forward? A forward projection of the relationship between productivity growth and the US public debt share based on CBO's long-term forecasts implies that US productivity growth will continue to decline in a secular fashion. Eventually, productivity growth becomes negative outright and then continues to decline as the debt stock rises and rises (Figure 3). Incidentally, this pattern is not unique to America. Declining productivity growth in response to an increasing public sector debt has also been seen in many other places, which have relied too much on fiscal spending and too little on reforms, including Argentina and Greece.

Fig 3: **Forward projections for US productivity growth based on CBO's projections for US public debt**



Source: Ashmore, Bloomberg, CBO, US Treasury, Ashmore projections beyond 2018.

Declining productivity growth due to rising levels of public debt is important from an EM perspective, because the Dollar must fall in this scenario. Negative productivity growth undermines the case for US stocks, while an ever-growing supply of Treasuries weighs more and more on the performance of US bonds. As returns decline in the Dollar zone, investors begin to look for investments elsewhere, pulling the Dollar lower. A lower Dollar increases flows to EM, which in turn stimulate investment demand and growth, enhancing the investment case.

- Discussion: The US matters far more to EM than Europe, Japan or the UK, because EM bonds trade as a spread against US Treasuries and most EM currencies trade versus the Dollar. For the most part, investors are also Dollar-based, so they simply care more about returns in Dollars than in EUR, JPY or GBP. This is why we, as EM investors, must continuously analyse the outlook for the US with the same attention as we pay to the outlook of individual EM economies themselves.

Policy-makers have a real blind spot, when it comes to fiscal policy, debt and productivity growth. None are ready, as yet, to acknowledge how the heavy reliance on fiscal stimulus in developed economies in recent years has already brought these economies to a point, where the debt contributes directly to so-called 'secular stagnation'. This is not even a point about re-financing, not yet at least. It is about the supply-side effects. Fiscal policy is already at a limit, because further deployment now only accelerates the already declining trend in productivity growth.

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Global backdrop

Can the US and other developed countries do anything to escape the debt/productivity trap? Yes, of course they can. The US experience of the 1970s, when US debt was in effect converted to inflation and then eradicated with a sharp dose of monetary tightening in the early 1980s is one way. But this implies major losses for US bond holders through a combination of inflation and currency debasement. Ashmore has warned repeatedly against the trend towards greater public sector indebtedness in developed economies. For a recent report, please see: '*Beware of Big Fiscal'*, The Emerging View, April 2019.

- **Silly season:** There is no better evidence that the silly season is underway than the story, which broke last week that US President Donald Trump has cancelled his long-planned state visit to Denmark after the Danish Prime Minister, Mette Frederiksen, refused to sell Greenland (a large landmass situated roughly midway between Canada and Iceland in the Northern Atlantic). To outside observers, it was always a bit of a mystery why Trump wanted to visit little Denmark in the first place. After all, aside from sharing Trump's hostility towards refugees, Danes generally do not agree with very many of Trump's policies.

The cancellation of the state visit throws more light on this mystery: Trump genuinely wanted to buy Greenland. Perhaps the US president had in mind the US purchase of the Danish Virgin Islands of St. John, St. Thomas and St. Croix in 1917 for the princely sum of USD 25m? Maybe he is aware that Greenland is rich in rare earth minerals and strategically important now that the Northwest Passage is increasingly ice free? Whatever Trump's motivation, the cancellation of his state visit to Denmark has been awkward for the Danish government, which has flattered the US president in preparation for the state visit. Of course, it could have been even worse if, say, the Greenlanders had suddenly asked, *"What price did you have in mind, Mr President?"* In this case, they did not and our base case remains that Greenland will not be sold. Indeed, we expect this episode to end up as a mere footnote in Danish-US relations.

However, the story does illustrate an important point, which has relevance far beyond the borders of Denmark and Greenland: Trump's primary method of doing business is to exploit any leverage he has over others. He knows that Denmark, a NATO member, and Greenland, site of an important US airbase, depend on the US for defence. He hopes that by souring relations he can gain concessions. The fact that Trump's strategy involves the exploitation of leverage means that he inevitably ends up beating up America's strongest trading partners and America's strongest defence allies. Similarly, he reaches out to America's enemies, because he is seeking leverage, which he can then subsequently use to gain greater influence.

Trump's strategy is fundamentally myopic. It works well the first time, less well the second time and then, as partner countries conclude that being a close ally of the US under Trump is a liability rather than an asset, they slowly start to reduce their exposure to America in favour of building ties with other countries instead.

Benchmark performance

Emerging Markets	Month to date	Quarter to date	Year to date	1 year	3 years	5 years
MSCI EM	-7.17%	-8.24%	1.62%	-5.78%	4.97%	0.29%
MSCI EM Small Cap	-7.13%	-8.45%	-2.24%	-11.21%	0.46%	-1.55%
MSCI Frontier	-1.48%	1.01%	12.93%	6.13%	8.37%	-0.68%
MSCI Asia	-6.21%	-7.82%	2.14%	-6.84%	5.86%	2.46%
Shanghai Composite	-2.24%	-2.88%	17.47%	7.53%	-0.05%	7.60%
Hong Kong Hang Seng	-6.19%	-7.31%	2.02%	-3.70%	5.47%	1.64%
MSCI EMEA	-8.81%	-9.26%	2.89%	-0.46%	3.12%	-2.88%
MSCI Latam	-12.54%	-12.43%	-1.19%	2.87%	3.68%	-4.23%
GBI EM GD	-2.46%	-1.56%	7.03%	10.40%	2.81%	-0.61%
ELMI+	-3.02%	-3.01%	0.46%	1.83%	1.42%	-1.03%
EM FX Spot	-3.45%	-3.88%	-2.23%	-2.83%	-3.89%	-7.25%
EMBI GD	0.23%	1.44%	12.92%	12.56%	4.69%	5.40%
EMBI GD IG	3.03%	3.94%	15.35%	15.01%	5.05%	5.38%
EMBI GD HY	-2.75%	-1.23%	10.38%	10.00%	4.33%	5.22%
CEMBI BD	0.19%	1.08%	10.01%	10.95%	4.90%	4.94%
CEMBI BD IG	1.64%	2.52%	11.40%	11.86%	4.61%	4.71%
CEMBI BD Non-IG	-1.81%	-0.88%	8.09%	9.59%	5.48%	5.20%

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Benchmark performance

Global Backdrop	Month to date	Quarter to date	Year to date	1 year	3 years	5 years
S&P 500	-3.23%	-1.84%	16.35%	2.18%	12.11%	9.77%
1-3yr UST	0.75%	0.64%	3.13%	4.39%	1.61%	1.34%
3-5yr UST	1.63%	1.35%	5.49%	7.47%	2.09%	2.31%
7-10yr UST	3.68%	3.58%	10.76%	13.28%	2.84%	3.77%
10yr+ UST	9.34%	9.52%	21.54%	22.22%	4.52%	6.93%
10yr+ Germany	4.50%	6.94%	18.37%	20.74%	4.47%	7.77%
10yr+ Japan	2.94%	3.34%	8.95%	11.16%	2.22%	5.42%
US HY	0.04%	0.60%	10.60%	6.26%	6.07%	4.79%
European HY	0.34%	0.96%	8.62%	4.01%	4.00%	4.17%
Barclays Ag	1.98%	1.70%	7.36%	7.72%	1.77%	1.66%
VIX Index*	25.25%	33.89%	-20.57%	66.04%	47.91%	71.39%
DXY Index*	-0.62%	1.85%	1.81%	3.30%	2.45%	18.78%
CRY Index*	-5.39%	-6.70%	-0.52%	-12.42%	-9.24%	-41.84%
EURUSD	0.31%	-2.28%	-3.14%	-4.87%	-0.78%	-15.80%
USDJPY	-2.88%	-2.09%	-3.70%	-4.90%	3.74%	1.69%
Brent	-9.65%	-11.53%	9.44%	-22.74%	17.95%	-42.68%
Gold spot	8.47%	8.81%	19.59%	26.60%	16.08%	19.57%

*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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