Ashmore

Temporary trade shocks in perspective

By Jan Dehn

The global economy is re-opening with demand rising faster than supply, fuelling a temporary trade shock. What does this mean for economies and how should policy-makers respond? Investors pull money from Turkey, inflation wanes in Brazil, the opposition competes for relevance in Venezuela, Malaysia's central bank warns about inflation, Chile elects members for the constituent assembly, a slew of new polls in Peru, Argentina's 'Quadruple' ambitions, China slows at the margin, and mixed news on the coronavirus front. The global backdrop delivered a spike in US inflation. US inflation now exceeds EM inflation, making Chinese bonds look particularly attractive versus US Treasuries, in our view.

Emerging Markets	Next year forward PE/Yield	Spread over UST	P&L (5 business days)
MSCI EM	12.7	–	-3.00%
MSCI EM Small Cap	11.1	–	-3.01%
MSCI Frontier	10.4	–	0.32%
MSCI Asia	13.7	–	-3.44%
Shanghai Composite	11.7	–	2.11%
Hong Kong Hang Seng	9.1	–	-2.72%
MSCI EMEA	9.8	–	-1.02%
MSCI Latam	10.7	–	-0.63%
GBI-EM-GD	4.95%	–	-0.17%
China GBI-EM GD	3.16%	–	0.51%
ELMI+	2.41%	–	-0.14%
EM FX spot	–	–	0.05%
EMBI GD	5.02%	330 bps	-0.26%
EMBI GD IG	3.31%	153 bps	-0.33%
EMBI GD HY	7.18%	552 bps	-0.19%
CEMBI BD	4.37%	296 bps	-0.07%
CEMBI BD IG	3.16%	174 bps	-0.21%
CEMBI BD HY	6.00%	458 bps	0.12%

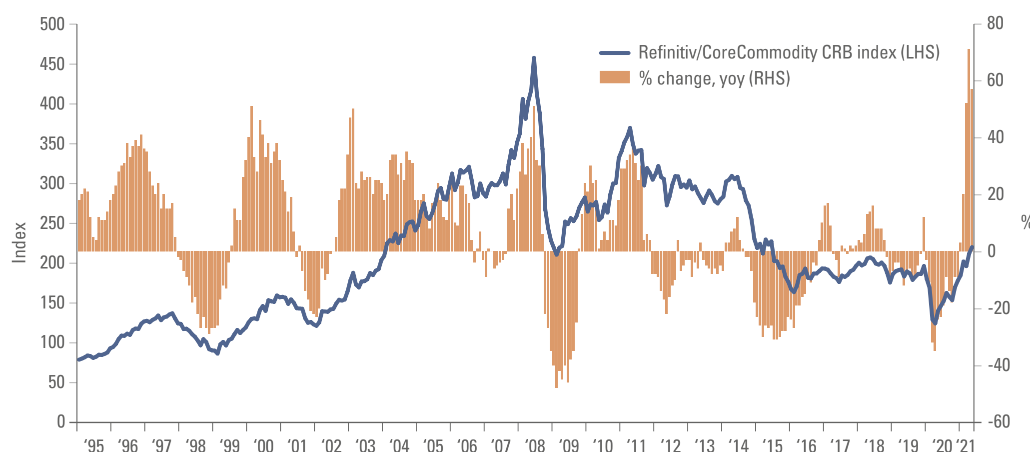
Global Backdrop	Next year forward PE/Yield/Price	Spread over UST	P&L (5 business days)
S&P 500	20.1	–	-1.35%
1-3yr UST	0.15%	–	-0.02%
3-5yr UST	0.81%	–	-0.13%
7-10yr UST	1.62%	–	-0.31%
10yr+ UST	2.34%	–	-1.50%
10yr+ Germany	-0.13%	–	-1.66%
10yr+ Japan	0.65%	–	0.05%
US HY	4.12%	303 bps	-0.27%
European HY	3.12%	360 bps	-0.21%
Bloomberg-Barclays	1.16%	-46 bps	-0.46%
VIX Index*	18.81	–	2.12%
DXY Index*	90.42	–	0.21%
EURUSD	1.213	–	-0.01%
USDJPY	109.36	–	0.51%
CRY Index*	203.3	–	-3.67%
Brent	68.7	–	0.54%
Gold	1,855	–	1.04%
Bitcoin	43,052	–	-22.16%

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

Emerging Markets

- Emerging Markets (EM):

Fig 1: **Commodity prices**



Source: Ashmore, Bloomberg. Data as at 11 May 2021.

Continued overleaf

Emerging Markets

- **Perspectives on temporary trade shocks – what they mean for the economy and policies:** The prices of commodities and many other traded goods have risen sharply in recent months (Figure 1 shows a broad commodity index). The spike in commodity prices follows last year's collapse following the imposition of worldwide lockdowns, which precipitated a slump in aggregate demand that exceeded the speed at which companies could reduce production.[1] Last year's negative price shock was evidently temporary, however. Companies were soon able to scale back output and the world economy then settled into a dismal 'lockdown equilibrium' for a time, characterised by balanced supply and demand, but at much lower than normal levels.

This year's positive trade shock is the mirror image of what happened last year. Recent advances in vaccinations and the lifting of lockdowns in many parts of the world have enabled consumers to re-open their purse strings, aided by generous government spending, particularly in richer economies. Just like last year, consumers are responding more than companies, which once again find themselves scrambling to adjust production, and in so doing, face problems hiring and training people quickly as well as shortages in equipment, rising input prices, and so on. The disequilibrium, too, will prove transitory. Over the next few months, it is likely that production will gradually catch up with demand, which should see both prices and output normalise. The most likely end point is that the global economy returns to something akin to what prevailed prior to the pandemic, namely a late cycle economy with low productivity growth, albeit one with significantly more outstanding debt, particularly in richer economies. The greater debt overhang should result in even lower trend growth going forward, in our view.

The ongoing temporary trade shocks are causing considerable instability and pose very specific challenges for policy-makers. The key issue facing policy-makers is to decide if the shock is temporary or permanent. Permanent trade shocks are generally easier to deal with; they impart a sustained net income gain, which justifies a permanent increase in consumption. Savings rates are therefore not impacted much, if at all, while currencies must undergo a one-off upwards adjustment in order to bring about external equilibrium in the face of higher domestic demand.

By contrast, temporary trade shocks – which is likely what the global economy is currently experiencing – are generally more complicated. For one, they imply a far greater role for investment. Since income gains are transitory, it follows that the windfall should be saved and invested rather than spent. Consumption should only rise in line with any permanent increment in income arising from the investment itself, i.e. the return. The dominance of investment over consumption in response to temporary trade shocks has at least three immediate implications:

1. **Construction booms:** Temporary trade shocks give rise to booms in residential and commercial construction, because most investment activity requires a combination of both tradeable and non-tradeable inputs, such as buildings and structures.
2. **Producer prices inflation over consumer prices inflation:** Since the demand for capital goods rises faster than the demand for consumer goods, producer prices inflation should be greater than consumer prices inflation during temporary trade shocks. Interestingly, this is exactly what was observed in China last week, where the yoy rate of producer prices index (PPI) inflation jumped to 6.8%, while consumer prices index (CPI) inflation was far more muted at just 0.9% yoy. US PPI inflation was also a full 2% higher than headline US CPI in April (6.2% and 4.2%, respectively).
3. **Rising capital goods imports:** Imports of capital goods and raw materials should grow faster than imports of consumer goods.

Countries on the receiving end of trade shocks, that is, countries that import the commodities and other goods with rising prices – should ideally borrow or run down savings in order to enable them to maintain stable consumption during the period of the temporary shock, with monetary and fiscal policies employed actively to this end. Foreign borrowing may rise, provided the country has access to finance. Countries without adequate domestic savings or restricted access to external credit during transitory shocks may be forced to cut back spending in line with the (temporary) fall in real income, thus creating unnecessarily large swings in consumption and welfare.

The quality of government policy is the single most important determinant of a country's success or otherwise in coping with temporary trade shocks. The overriding aim of government policy should be to emphasise the transitory nature of the shock, so as to encourage as much saving and investment, and as little consumption as possible (in case of booms). If policy-makers succeed then both inflation and real effective exchange rate overvaluation misalignment can be contained, which will ensure that the adjustment back to normality after the shock is far easier, with fewer so-called 'Dutch Disease' effects to contend with.[2] Viewed in this light, the current policies in Peru and Chile of raiding pension systems, which clearly discourages saving, are probably among the very worst policies any government can implement during a temporary commodity boom. In fact, the opposite policy of encouraging deliberate injections of capital into the pension system would be far more appropriate.

Trade policy is another tricky area for policy-makers during temporary trade shocks. Governments are often tempted to counter rising input and output prices with tariffs, quotas, and subsidies. This is usually a mistake,

[1] Last year's negative trade shock was particularly pronounced in Q2 2020, when oil prices briefly turned negative as owners of oil were willing to pay others to take their stock to avoiding paying the rising cost of storage.

[2] 'Dutch Disease' refers to the problem of permanently wider external deficits after the boom is over resulting from the loss of non-booming export sectors due to real effective exchange rate overvaluation that occurred during the boom period itself.

Continued overleaf

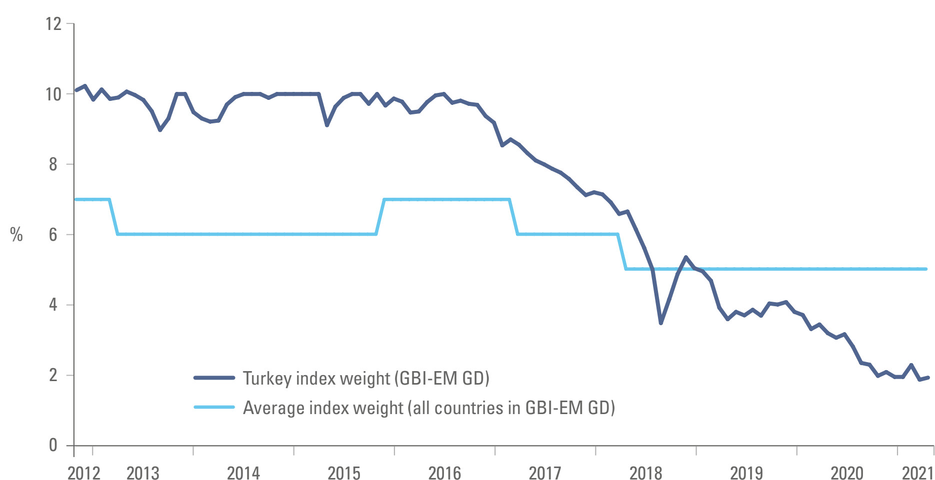
Emerging Markets

because most protectionist measures turn out to be extremely difficult to reverse.[3] Protectionist measures tend to give rise to problem once the shock is over, when tariffs (and other trade policy instruments) leave behind a legacy of permanent misalignments of relative prices, input costs, and the real exchange rate.

Finally, there is the question of what to do with temporary windfalls. Governments automatically assume ownership of windfalls when they own the booming sector, say, when a state-owned company has a monopoly over oil production. When the booming sectors are in private hands it is not uncommon for governments to introduce taxes in order to transfer some or all of the windfall from the private sector to the government. For example, the Chilean parliament recently introduced windfall taxes in response to the ongoing boom in copper prices.[4] Empirically, governments have not been better stewards of windfalls than the private sector. In the worst examples, governments use the windfall to demonstrate (temporarily) stronger credit metrics in order to borrow heavily in markets after which they consume not just the windfall but also all the borrowed money, guaranteeing a massive crash after the trade shocks subsides. The best governments aim to save the windfall by transferring it to a sovereign wealth fund, which then invests it in foreign assets so as to minimise the impact on the domestic economy. Ideally, sovereign wealth funds only surrender the return on the investment to the government to spend.

- **Turkey:** Investors continued to pull money out of Turkish markets in March, when the outflows from stock and bond markets reached USD 1bn and USD 0.9bn, respectively. The immediate trigger of the outflow in March was the replacement of a reasonably credible governor of the Central Bank of Turkey with a so-called 'yes man', who will do President Recep Tayyip Erdogan's bidding in all matters monetary. Unfortunately, and in our view, Erdogan has proven himself to be economically illiterate and his constant yet misguided interventions in monetary policy matters have discouraged investors for many years. In turn, this has undermined the Turkish government's inability to raise money, which can be seen in the dramatic decline in Turkey's weight in the JP Morgan index of EM local currency bonds, the GBI-EM GD relative to the average weight of EM (Figure 2). The inability to place long-dated bonds has forced the Turkish government to rely more and more on bank financing, but this strategy can only be maintained through ever greater coercion of banks to roll over positions in government bonds. In March, banks thus rolled over 145% of their maturing medium/long-term debt compared to 67% in February. The growing ownership of government bonds by banks restricts the banks' ability to fund the private sector. Herein one finds a sliver of a silver-lining in that the current account deficit is declining but this is at best a pyrrhic victory, since the improvement in the current account is symptomatic of the growing problems facing the private sector in Turkey.

Fig 2: **Turkey's weight in the GBI-EM GD**



Source: Ashmore, JP Morgan, Bloomberg. Data as at 30 April 2021.

- **Brazil:** Consumer prices index inflation in Brazil was 0.31% in the month of April, which was sharply lower than inflation in March (0.93% mom). Still, yoy inflation remained elevated in April at 6.76% (6.10% yoy in March) due to lingering base effects. Minutes from last week's monetary policy committee meeting were viewed as dovish relative to expectations, implying a somewhat less rapid rise in policy rates towards 6.75% and Brazilian government bonds rallied after the minutes were released. In politics, the percentage of Brazilians who think President Jair Bolsonaro is doing a great job increased to 31% in April from 25% in March, while the percentage of people disapproving of his government decreased from 57% to 53%.

- **Venezuela:** Opposition leader Juan Guaido last week issued a call for an accord with the government of Nicholas Maduro to lift sanctions, conditional upon international backing and free and fair elections. This is a major U-turn for Guiado, who appears to be trying to remain relevant after Henrique Capriles, another opposition leader, reached out to Maduro. Guido's approval rating has fallen to about 15%, similar to that of Maduro.

[3] Case in point: President Joe Biden has so far not reversed his predecessor's tariffs on China despite the fact that these policies are demonstrably bad for America.

[4] See: *'Coronavirus cases may be peaking worldwide'*, Weekly investor research, 10 May 2021.

Continued overleaf

Emerging Markets

- Malaysia: Bank Negara issued a statement that inflation could rise to as much as 6.5-7.0% yoy in the April-May period compared to 1.7% yoy in March. This would be due to base effects, in our view. Meanwhile, Malaysia's real GDP growth rate was 2.7% qoq sa in Q1 2021 following a contraction of 1.5% in 4Q 2020. The Bloomberg consensus expectation was for growth of 0.6% qoq sa.

- Chile: Chileans voted to elect members to a constitutional assembly, which will oversee a reform of the country's legal and institutional framework. As of the time of writing (Monday morning), some 90% of the votes had been counted and a clear picture was emerging of a country that wishes to make a decisive break with the Pinochet era constitution, but is not quite clear where it wants to go. However, the direction of travel in political terms appears to be leftwards. The biggest group in the constitutional assembly will be independents, followed by groups from the political Left, while the traditional Right-wing groups were relegated to third place, just ahead of native people's representatives. At this stage, it seems likely that Chile will end up with a very different constitution, although precisely how it will look and how good or bad it will be remains to be seen. The constitutional assembly will have a year to come up with a draft of the new constitution. In other news, the central bank left the policy rate unchanged at 0.5%, but pointed out that incoming data has been improving.

- Peru: The latest polls show a narrowing in the gap between the two candidates facing off in June's run-off presidential election. A poll from CPI showed that Keiko Fujimori now trails her rival Petro Castillo by just 2% (32% versus 34%, respectively). Another poll by IEP showed Castillo ahead of Fujimori by just over 6%. A third poll by Datum showed Castillo with 42% of voting intentions versus 40% for Fujimori. A few weeks ago Castillo's lead exceeded 15% in most polls. Over the weekend, pollster IPSOS ran a simulated election, which placed the two candidates in technical tie, within the margin of error of the poll. Markets fear Castillo and would react positively to a Fujimori win, in our view.[5] In other news, the central bank left the policy rate unchanged at 0.25% and stated that inflation is likely to be within the target range of 2% +/- 1% for this year and next.

- Argentina: The Paris Club last week signalled willingness to delay receipt of USD 2.4bn in payments owed to it by the government of Argentina, subject to yet-to-be specified conditions.[6] Argentina has already restructured both local and external government bonds, so news of a restructuring of Paris Club debt would put Argentine on track for a grand slam of non-payments. Argentina's next goal, surely, will be to achieve the extremely rare 'Quadruple' by also defaulting on the debt it owes to the International Monetary Fund (IMF), which is Argentina's largest creditor by far. In economic news, the rate of CPI inflation in April was 4.5% mom. This means that Argentina's inflation rate per month is more than ten times higher than the average EM annual inflation rate (3.9% as of end-April, weighted by by JP Morgan's index of local currency bonds, the GBI-EM GD).

- China: The yoy rate of CPI inflation was 0.9% in April, while PPI inflation surged to 6.8% on a yoy basis, mainly due to base effects following last year's collapse in producer prices. The sharp increase in producer prices prompted the State Council to announce that measures will be put in place to deal with the surge in commodity prices, though details have yet to be revealed. In economic news, the yoy rate of credit growth slowed to 11.7%, partly reflecting the very sharp expansion of credit at this time last year, partly that the authorities in China are keen not to overheat the economy this year. The gradual tightening of policy also impacted retail sales, which expanded at a yoy rate of just 17.7% in April, down from 34.2% yoy in March. Industrial production (9.8% yoy) and fixed asset investment (19.9% yoy) also expanded at slightly slower than expected rates.

- Coronarivus: In Singapore, the government re-introduced mobility restrictions to contain coronavirus. Singapore is being very careful and reacting quickly to prevent things getting out of hand. For perspective, as of 14 May Singapore had 0.4 cases per 100k versus 3.4 per 100k in the UK. Since the pandemic began Singapore has had 31 dead, or 5 deaths per million of population compared to 1,872 deaths per million in the UK. Taiwan also introduced restrictions in response to a recent increase in the number of Covid-19 cases, albeit from a very low base (0.5 deaths per million since the start of the pandemic). Meanwhile, Indonesian health officials reported that Sinovac – a Chinese vaccine against Covid-19 – respectively prevented death and hospitalisations for 98% and 96% in 128,290 Indonesian health workers seven days after the second dose. One wonders where this leaves all the misinformation campaigns about Chinese vaccines.

Snippets:

- Colombia: The real GDP growth rate was 2.9% qoq in Q1 2021, which was much faster than expected (0.9% qoq). At 20.1% yoy, the rate of retail sales growth was also far stronger than expected (14.6% yoy). Activity in 23 out of Colombia's 26 sub-sectors of industry expanded in March, resulting in a 9.1% increase in industrial production on a yoy basis.
- Czech Republic: The rate of CPI inflation was 0.5% in the month of April versus 0.2% mom expected. The yoy rate of CPI inflation was 3.1%.

[5] For a general discussion of Peruvian politics see: *'A short note on Peruvian politics'*, The Emerging View, 30 March 2021.

[6] The Paris Club is a group of governments from rich countries.

Continued overleaf

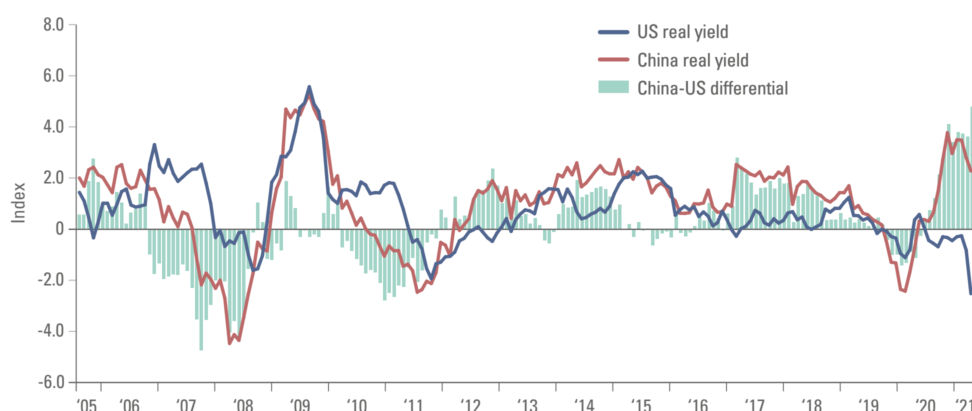
Emerging Markets

- **Ecuador:** Following the election of Guadalupe Llori of the Pachakutik party to the position of National Assembly president, President-elect Guillermo Lasso will now focus on defining his government's legislative program. Lasso officially takes office on 24 May 2021.
- **Egypt:** Industrial production was up 3.6% in March. This translates into 3.8% yoy growth versus -8.3% yoy in February.
- **Ghana:** The yoy rate of CPI inflation declined to 8.5% in April from 10.3% in March.
- **India:** The yoy rate CPI inflation was higher than expected (4.29% versus 4.10%, respectively), while the pace of the recovery in industrial production also beat expectations (22.4% growth in yoy terms versus 20% yoy expected).
- **Mexico:** Industrial production increased at a faster than anticipated rate (1.7% yoy versus 0.6% yoy expected). The Central Bank of Mexico left the policy rate unchanged at 4.0%, noting upside risks to inflation in the near-term.
- **Philippines:** Real GDP growth in Q1 2021 was 0.3% qoq sa, which was a slowdown relative to Q4 2020, when the rate of expansion was 3.8% qoq sa. The central bank kept the policy rate unchanged at 2.0%, but lowered its 2021 inflation forecast to 3.9% from 4.2% previously.
- **Poland:** The real economy expanded by 0.9% in Q1 2021 following the 0.5% contraction in Q4 2020. In yoy terms, growth was -1.2% yoy compared to -2.7% yoy in Q4 2020.
- **Romania:** The National Bank of Romania left the policy rate unchanged at 1.25%.
- **Russia:** The yoy rate of CPI inflation slowed to 5.53% in April from 5.79% in March.
- **Singapore:** The yoy rate of non-oil domestic export growth slowed at the margin in April (13.2% yoy in USD terms versus the consensus estimate of 17.5% yoy).
- **South Korea:** The rate of unemployment declined to 3.7% in April from 3.9% in March on greater hiring in the services sector.
- **South Africa:** Mining activity – a major driver of South African growth – was up 4.5% in the month of March, which was far more than the consensus expectation of 1.8% mom.
- **Sri Lanka:** The government does not intend to approach the International Monetary Fund (IMF) following recent disbursements from China and South Korea, according to the governor of the Central Bank of Sri Lanka.
- **Thailand:** The yoy rate of real GDP growth was -2.6% in Q1 2021, which was better than last quarter (-4.2% yoy) and a beat relative to expectations (-3.3% yoy). Sequential growth was positive (+0.2% qoq sa).

Global backdrop

The big 'year-on-year noise fest' kicked off with last week's outsized US CPI inflation print of 4.2% yoy in April, up from 2.6% yoy the previous month. Inflation expectations also rose, according to the University of Michigan consumer sentiment survey. Interestingly, US headline inflation is now running well above average EM inflation of 3.9% yoy. US core inflation rate also jumped from 1.6% in March to 3.0% in April (both yoy terms), which compares to a pre-pandemic high of 2.4% yoy. Deflated by core CPI inflation, the real 10-year US Treasury yield has dropped from +0.1% to -1.3%, which makes for an interesting comparison with Chinese bonds.[7] Figure 3 shows the Chinese and US 10 year bond yields, deflated by the latest CPI inflation prints as well as the differential in real yields for the two bonds. The real yield differential is currently the highest ever at 4.8% in favour of China.

Fig 3: **US and Chinese 10 year real bonds**



Source: Ashmore, Bloomberg. Data as at 14 May 2021.

[7] Simply deflating the nominal yield by core CPI inflation. Based on the nominal US 10-year bond yield on 13 May 2021, the day after the inflation number was released.

Continued overleaf

Ashmore

Global backdrop

In other economic news, US claims for unemployment benefit improved, capacity utilisation rose, but retail sales, consumer confidence, and industrial production softened in April. Alongside the CPI inflation print, the JOLTS (Job openings and labour turnover survey) job openings data was a notable outlier, pointing to a large number of job openings in the leisure and hospitality sectors in March. Again, this outlier is also likely to be related to the transition, in our view. At face value, the lower claims for unemployment benefit and the strong JOLTS data sit somewhat awkwardly alongside the very big negative surprise in the payroll number the week before. Investors should discount somewhat many of the unusual data releases in the coming months, in our view. Most macroeconomic variables will be heavily impacted by the transition from lockdown to normality until the base effects from last year have worked their way through the data. During the transition, the noise will undoubtedly enable market participants to jump on and off several band wagons and cause Federal Reserve officials to sweat over how well – or how badly as the case may be – they are succeeding in anchoring inflation expectations.

Finally, a note on Bitcoin. The crypto currency fell more than 22% last week after entrepreneur Elon Musk said he suspended use of Bitcoin on environmental grounds and later hinted he may sell outright. This raises an interesting question: did investors buy Bitcoin just because Elon Musk did, in which case now is the time to take shelter, or did they buy because they believe in the story and want exposure to new world of decentralised finance in which case they should try to gauge the likely bottom with a view to buying more.

Benchmark performance

Emerging Markets	Month to date	Quarter to date	Year to date	1 year	3 years	5 years
MSCI EM	-2.90%	-0.47%	1.75%	48.63%	6.66%	13.45%
MSCI EM Small Cap	-2.96%	2.92%	10.83%	73.10%	6.86%	11.05%
MSCI Frontier	1.54%	8.47%	9.34%	43.78%	4.04%	7.53%
MSCI Asia	-4.14%	-1.75%	0.84%	45.35%	7.84%	15.00%
Shanghai Composite	1.28%	1.49%	0.58%	24.48%	5.71%	6.67%
Hong Kong Hang Seng	-3.72%	-4.90%	-2.82%	11.72%	-2.24%	8.89%
MSCI EMEA	1.87%	4.26%	12.73%	48.53%	1.81%	7.57%
MSCI Latam	5.46%	9.39%	3.63%	67.32%	-0.94%	6.25%
GBI-EM-GD	1.49%	3.78%	-3.15%	13.33%	2.29%	4.05%
China GBI-EM GD	0.83%	2.77%	3.07%	9.77%	–	–
ELMI+	0.73%	2.37%	-0.27%	10.81%	1.23%	2.72%
EM FX spot	1.33%	2.86%	-0.84%	10.18%	-4.05%	-2.36%
EMBI GD	0.41%	2.64%	-2.02%	14.38%	5.74%	5.15%
EMBI GD IG	0.25%	1.14%	-4.22%	6.73%	7.25%	5.26%
EMBI GD HY	0.59%	4.36%	0.54%	24.32%	4.02%	4.96%
CEMBI BD	0.30%	0.91%	0.10%	13.34%	6.91%	5.90%
CEMBI BD IG	0.12%	0.46%	-1.25%	8.15%	6.81%	4.98%
CEMBI BD HY	0.55%	1.50%	1.92%	20.91%	7.03%	7.30%

Continued overleaf

Ashmore

Benchmark performance

Global Backdrop	Month to date	Quarter to date	Year to date	1 year	3 years	5 years
S&P 500	-0.10%	5.23%	11.72%	48.70%	17.36%	17.55%
1-3yr UST	0.04%	0.08%	0.03%	0.20%	2.90%	1.71%
3-5yr UST	0.14%	0.50%	-0.84%	-0.56%	4.52%	2.29%
7-10yr UST	0.18%	1.19%	-4.62%	-5.65%	5.95%	2.42%
10yr+ UST	-1.01%	1.30%	-12.39%	-16.44%	7.19%	3.07%
10yr+ Germany	-1.30%	-2.92%	-9.00%	-7.65%	4.89%	2.05%
10yr+ Japan	0.15%	0.51%	-0.26%	-1.32%	1.14%	0.11%
US HY	0.03%	1.11%	1.97%	19.59%	6.90%	7.56%
European HY	-0.15%	0.59%	2.44%	18.09%	3.59%	4.63%
Bloomberg-Barclays Agg	0.17%	1.44%	-3.09%	4.98%	4.04%	2.79%
VIX Index*	1.07%	-3.04%	-17.32%	-41.02%	40.06%	20.81%
DXY Index*	-0.94%	-3.02%	0.54%	-9.94%	-3.26%	-4.36%
CRY Index*	1.77%	9.91%	21.15%	62.96%	-0.13%	9.38%
EURUSD	0.90%	3.39%	-0.73%	11.13%	2.83%	7.20%
USDJPY	0.05%	-1.23%	5.92%	1.89%	-1.27%	0.19%
Brent	2.14%	8.11%	32.61%	111.35%	-13.38%	39.39%
Gold	4.87%	8.64%	-2.27%	7.08%	43.73%	45.06%
Bitcoin	-24.22%	-26.98%	48.48%	344.86%	424.77%	9,389.99%

*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.

Contact

Head office

Ashmore Investment Management Limited
61 Aldwych, London
WC2B 4AE

T: +44 (0)20 3077 6000

@AshmoreEM

www.ashmoregroup.com

Bogota
T: +57 1 316 2070

Dubai
T: +971 440 195 86

Dublin
T: +353 1588 1300

Jakarta
T: +6221 2953 9000

Mumbai
T: +9122 6269 0000

New York
T: +1 212 661 0061

Riyadh
T: +966 11 483 9100

Singapore
T: +65 6580 8288

Tokyo
T: +81 03 6860 3777

Other locations

Lima

Shanghai

Bloomberg page
Ashmore <GO>

Fund prices
www.ashmoregroup.com
Bloomberg
FT.com
Reuters
S&P
Lipper

No part of this article may be reproduced in any form, or referred to in any other publication, without the written permission of Ashmore Investment Management Limited © 2021.

Important information: This document is issued by Ashmore Investment Management Limited (Ashmore), which is authorised and regulated by the Financial Conduct Authority. The information and any opinions contained in this document have been compiled in good faith, but no representation or warranty, express or implied, is made as to accuracy, completeness or correctness. Save to the extent (if any) that exclusion of liability is prohibited by any applicable law or regulation, Ashmore, its officers, employees, representatives and agents expressly advise that they shall not be liable in any respect whatsoever for any loss or damage, whether direct, indirect, consequential or otherwise however arising (whether in negligence or otherwise) out of or in connection with the contents of or any omissions from this document. Past performance is not a reliable indicator of future results. This document does not constitute and may not be relied upon as constituting any form of investment advice and prospective investors are advised to ensure that they obtain appropriate independent professional advice before making any investment.