

Global stock markets had a volatile September but finished the month broadly flat. The majority of global equity indices fell in the first half of the month but recovered in the second half resulting in the MSCI World index edging up 0.2%<sup>1</sup> over the month. One notable exception was the MSCI Japan index which increased by over 5.5% in September in local currency terms, although weakness in the Yen dampened this return to 2.7% for a sterling investor.

The FTSE 100 index finished September at 7,510 having started the year at 7,687, although when dividends are considered the index has delivered a modest positive total return of 1% in the year to date. The benchmark UK index gained 1.2% over the month, giving a total return of nearly 9% over the past 6 months following stock market falls in February and March.

The MSCI AC Asia Pacific ex Japan, MSCI Emerging Markets, and MSCI Europe ex UK indices lost 1.7%, 0.9%, and 0.5% respectively in September, pushing the MSCI Emerging Markets index into negative territory over 12 months. Of these three indices only the MSCI Europe ex UK has posted a positive total return this year, up nearly 1.3%.

Yields on government bonds remain fairly volatile with the yield on the benchmark 10-year UK Gilt increasing to 1.6% at the end of September having been as low as 1.3% in late August. The FTSE Actuaries UK Conventional Gilts All Stocks index has lost around 1.3% in 2018. The yield on 10 year US Treasury stocks continued to rise and ended September at 3.1%. Japanese and Swiss 10 year government debt yields remain close to zero and German 10 year bonds yield around 0.4%.

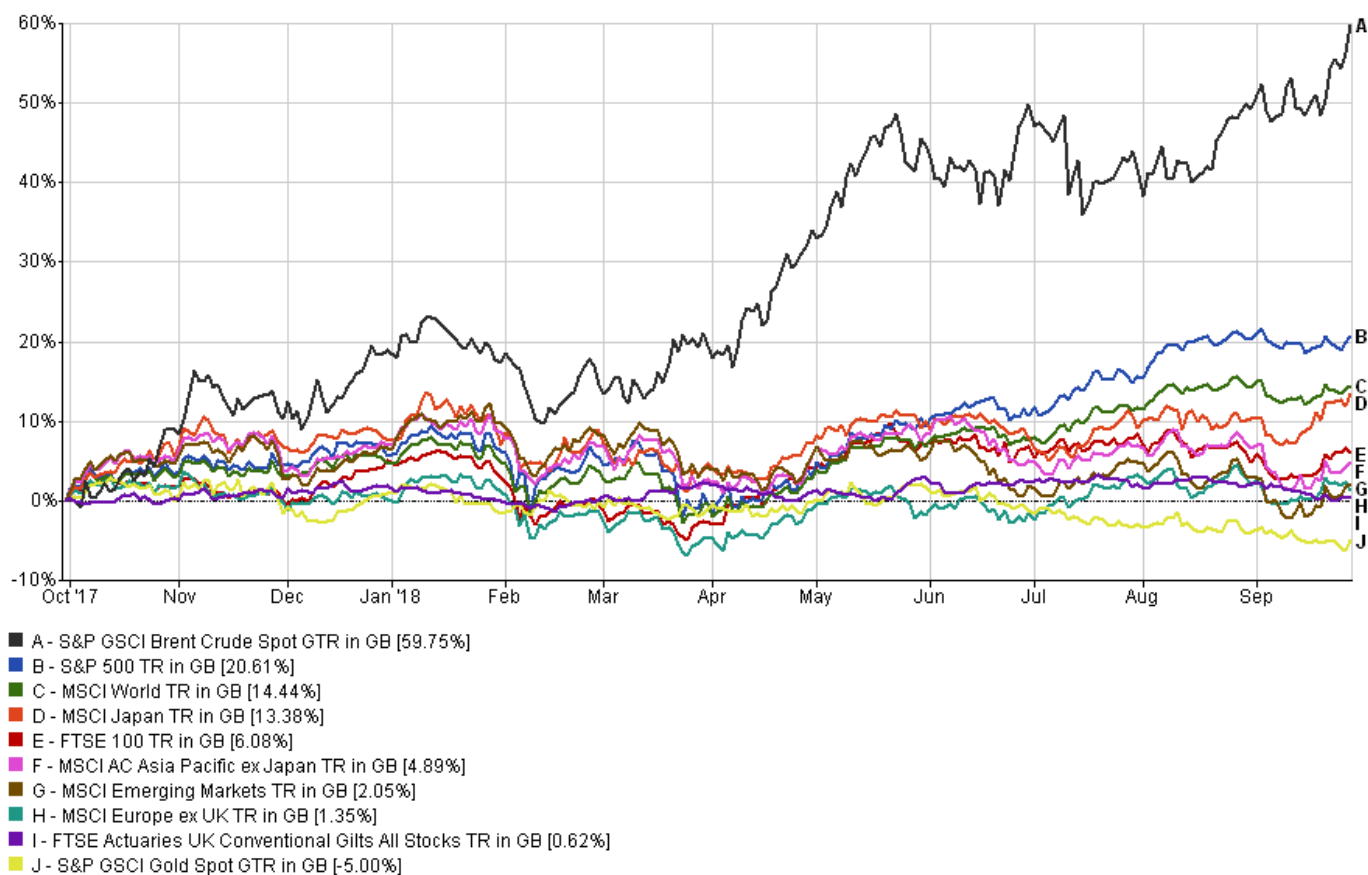
Following sanctions placed on Iran, the 7<sup>th</sup> largest oil producing country in the world, oil prices rose sharply with the Brent Crude spot price increasing by 7%. Over the last 12 months the spot price is up almost 60% yet over 5 years is still down around 30%. Gold prices fell by 1% and are down 6% for the year.

**Richard O’Sullivan**

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<sup>1</sup> All returns are expressed in Sterling terms and inclusive of reinvested dividends unless otherwise specified

## 1-Year Performance in Sterling Terms to 30 September 2018



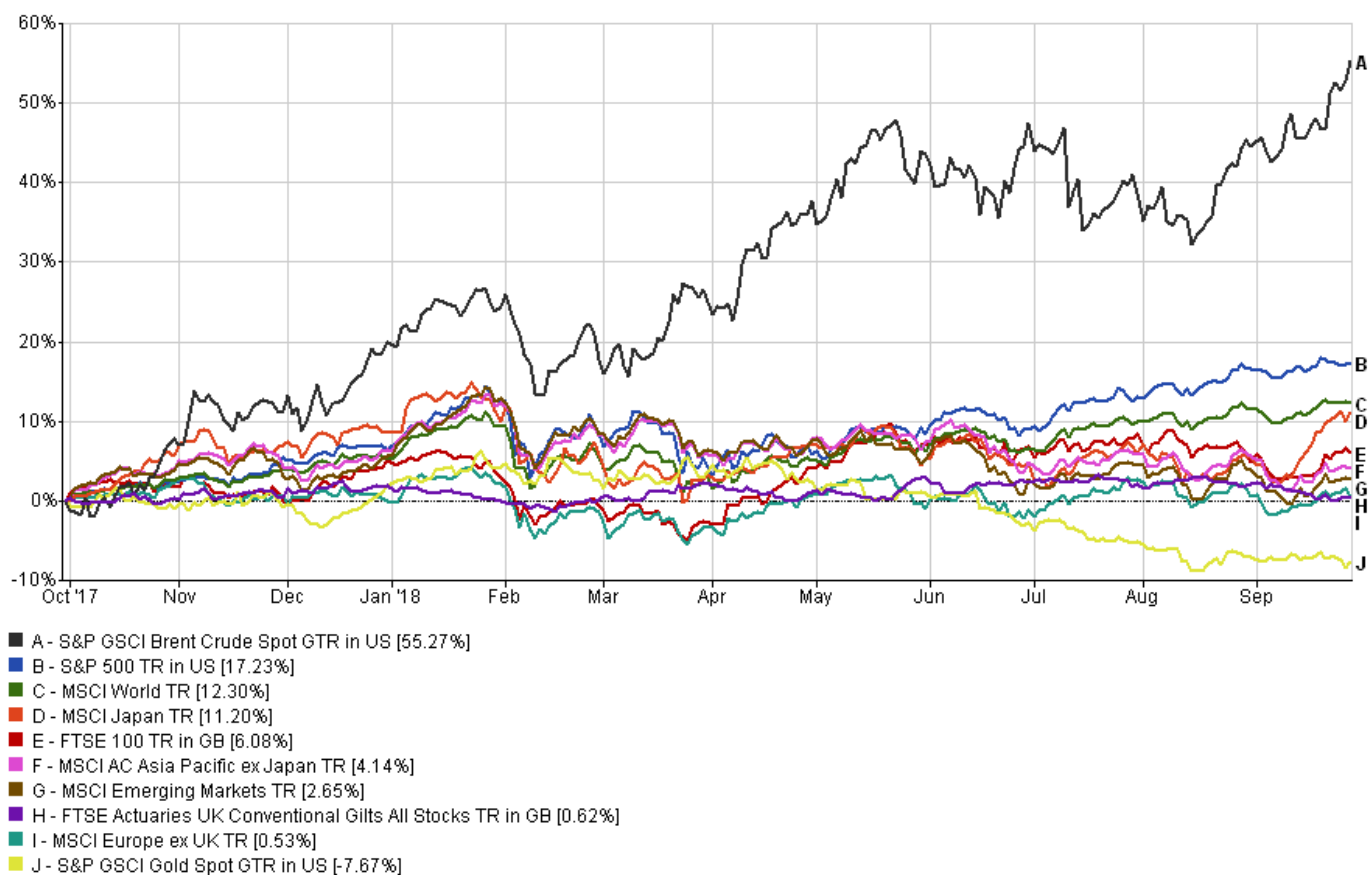
29/09/2017 - 28/09/2018 Data from FE 2018

## Cumulative Performance in Sterling Terms to 30 September 2018

	1m	3m	6m	1y	3y	5y
FTSE Actuaries UK Conventional Gilts All Stocks	-1.54%	-1.73%	-1.57%	0.62%	9.30%	24.95%
MSCI World	0.23%	6.28%	14.89%	14.44%	70.02%	93.56%
FTSE 100	1.19%	-0.66%	8.86%	6.08%	39.64%	40.66%
S&P 500	0.20%	8.89%	19.50%	20.61%	84.08%	131.30%
MSCI Europe ex UK	-0.50%	3.04%	6.34%	1.35%	47.68%	53.48%
MSCI Asia Pacific ex Japan	-1.70%	-0.21%	2.21%	4.89%	68.74%	63.50%
MSCI Emerging Markets	-0.86%	0.13%	-2.07%	2.05%	64.77%	48.30%
MSCI Japan	2.70%	4.97%	8.37%	13.38%	63.76%	72.24%
S&P GSCI Gold Spot	-1.03%	-3.82%	-3.42%	-5.00%	21.58%	8.44%
S&P GSCI Brent Crude Spot	7.01%	6.58%	31.95%	59.75%	63.91%	-29.93%

Source: Financial Express

## 1-Year Performance in Local Currency Terms to 30 September 2018



29/09/2017 - 28/09/2018 Data from FE 2018

## Cumulative Performance in Local Currency Terms to 30 September 2018

	1m	3m	6m	1y	3y	5y
FTSE Actuaries UK Conventional Gilts All Stocks	-1.54%	-1.73%	-1.57%	0.62%	9.30%	24.95%
MSCI World	0.73%	5.29%	9.05%	12.30%	46.29%	67.39%
FTSE 100	1.19%	-0.66%	8.86%	6.08%	39.64%	40.66%
S&P 500	0.53%	7.56%	11.09%	17.23%	58.47%	86.25%
MSCI Europe ex UK	-0.06%	1.83%	3.94%	0.53%	23.83%	43.68%
MSCI Asia Pacific ex Japan	-1.40%	-0.61%	-1.66%	4.14%	42.33%	45.21%
MSCI Emerging Markets	-1.16%	-0.04%	-3.55%	2.65%	41.19%	41.96%
MSCI Japan	5.55%	6.32%	7.59%	11.20%	33.71%	60.55%
S&P GSCI Gold Spot	-0.71%	-5.00%	-10.22%	-7.67%	4.67%	-12.67%
S&P GSCI Brent Crude Spot	7.36%	5.27%	22.66%	55.27%	41.11%	-43.57%

Source: Financial Express

## Calendar Performance in Sterling Terms to 30 September 2018

	YTD	2017	2016	2015	2014	2013
FTSE Actuaries UK Conventional Gilts All Stocks	-1.32%	1.83%	10.10%	0.57%	13.86%	-3.94%
MSCI World	9.37%	11.80%	28.24%	4.87%	11.46%	24.32%
FTSE 100	1.01%	11.95%	19.07%	-1.32%	0.74%	18.66%
S&P 500	14.20%	10.62%	32.67%	6.58%	20.02%	29.10%
MSCI Europe ex UK	1.27%	15.84%	18.62%	5.11%	-0.73%	25.28%
MSCI Asia Pacific ex Japan	-2.01%	25.13%	27.34%	-4.12%	9.21%	1.49%
MSCI Emerging Markets	-4.23%	25.40%	32.63%	-9.99%	3.90%	-4.41%
MSCI Japan	5.37%	13.25%	22.12%	15.91%	1.95%	24.80%
S&P GSCI Gold Spot	-5.98%	3.02%	28.52%	-5.72%	4.36%	-29.98%
S&P GSCI Brent Crude Spot	34.39%	5.49%	53.23%	-42.51%	-44.83%	4.96%

Source: Financial Express

## Calendar Performance in Local Currency Terms to 30 September 2018

	YTD	2017	2016	2015	2014	2013
FTSE Actuaries UK Conventional Gilts All Stocks	-1.32%	1.83%	10.10%	0.57%	13.86%	-3.94%
MSCI World	6.64%	19.67%	9.97%	2.26%	9.92%	27.35%
FTSE 100	1.01%	11.95%	19.07%	-1.32%	0.74%	18.66%
S&P 500	10.09%	21.10%	11.23%	0.75%	12.99%	31.55%
MSCI Europe ex UK	0.60%	15.25%	3.42%	8.66%	7.58%	23.37%
MSCI Asia Pacific ex Japan	-2.09%	22.20%	11.16%	-2.73%	4.18%	11.36%
MSCI Emerging Markets	-2.86%	27.42%	12.06%	-5.83%	7.17%	3.92%
MSCI Japan	2.42%	21.00%	-0.28%	11.52%	10.32%	54.77%
S&P GSCI Gold Spot	-9.36%	12.79%	7.75%	-10.88%	-1.75%	-28.65%
S&P GSCI Brent Crude Spot	29.55%	15.49%	28.46%	-45.66%	-48.07%	6.94%

Source: Financial Express

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