

Major global equity markets edged higher during March and coupled with slight weakness in Sterling delivered a return of between 2.5% and 4.0% in the month<sup>1</sup>. Of the indices we track only the MSCI Emerging Markets and MSCI Japan remain negative over the last 12 months in Sterling terms.

The FTSE100 reached 7,355 on 21 March, the highest level since 4 October 2018, although lost some ground in the final few days of the month to end on 7,279. This is around 3% higher than the level 12 months ago and when the effect of dividends is taken into account the benchmark UK equity index has achieved a total return of 7.7%.

The S&P 500 had a month of modest growth in Dollar terms but currency translation effects more than doubled the 1.9% total return into a 4.0% return for Sterling investors. The US continues to be the strongest performing major equity market and has returned over 17% in the last year with around 8% of this return owing to a strengthening Dollar relative to Sterling. The MSCI World index, which has a weighting of over 60% to the US equities, is up by around 12% in the last 12 months.

Japanese markets returned 2.7% in March but this was almost entirely driven by currency movements with the MSCI Japan index flat in local currency terms. Unlike most of the major equity indices we track which have largely recovered after a difficult Q4 of 2018, the MSCI Japan is still significantly behind where it was 6 months ago and has lost nearly 11% in Yen. The MSCI Asia Pacific ex Japan and more volatile MSCI Emerging Markets have both posted positive returns of around 1.7% in the last 6 months after respective returns of 3.7% and 2.9% during March. The Europe ex UK index returned 2.5% in March but has lost 3.9% in Sterling terms in the last 6 months, although these losses are reduced to 0.9% in Euros.

The yield on the 10 year US Treasury index continued its downward trajectory as the headline rate fell from over 2.7% to under 2.5% during March alone. This is around the same level as at the end of 2017 but significantly lower than the recent peak of 3.2% in November 2018. The benchmark 10-year UK Gilt yield fell even further from 1.3% at the beginning of the month to around 1.0% at the end of March. Due to the inverse relationship between the yield and price of fixed interest assets the FTSE Actuaries UK Conventional Gilts All Stocks index returned 3.2% in March and 5.4% over the last 6 months. Japanese 10 year government debt yields fell into negative figures during March, as did the headline yield on German Bunds. Swiss bond yields have now dropped to -0.4%.

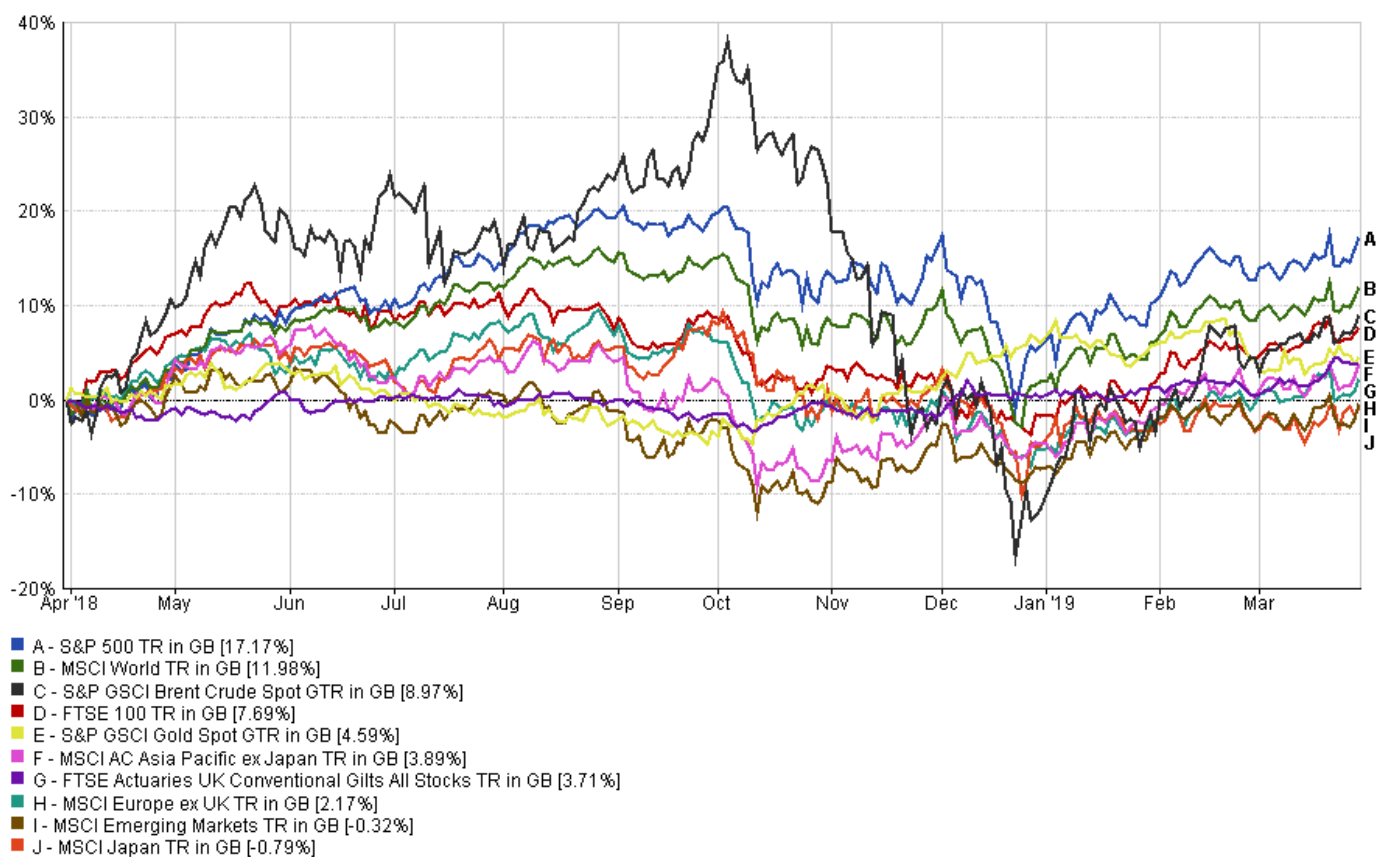
The Brent Crude spot price rose again in March, although less aggressively than in recent months at around 4.4%. The price has seen significant volatility in the short term with the price up over 24% in the last 3 months but down over 17% in the last 6 months. Gold was relatively flat at 0.4% but continues a general upward trend that has seen the price increase by 8.3% over 6 months. Over the longer term the current spot price of \$1,290 is significantly below the peak in 2011 of around \$1,890.

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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 31 March 2019



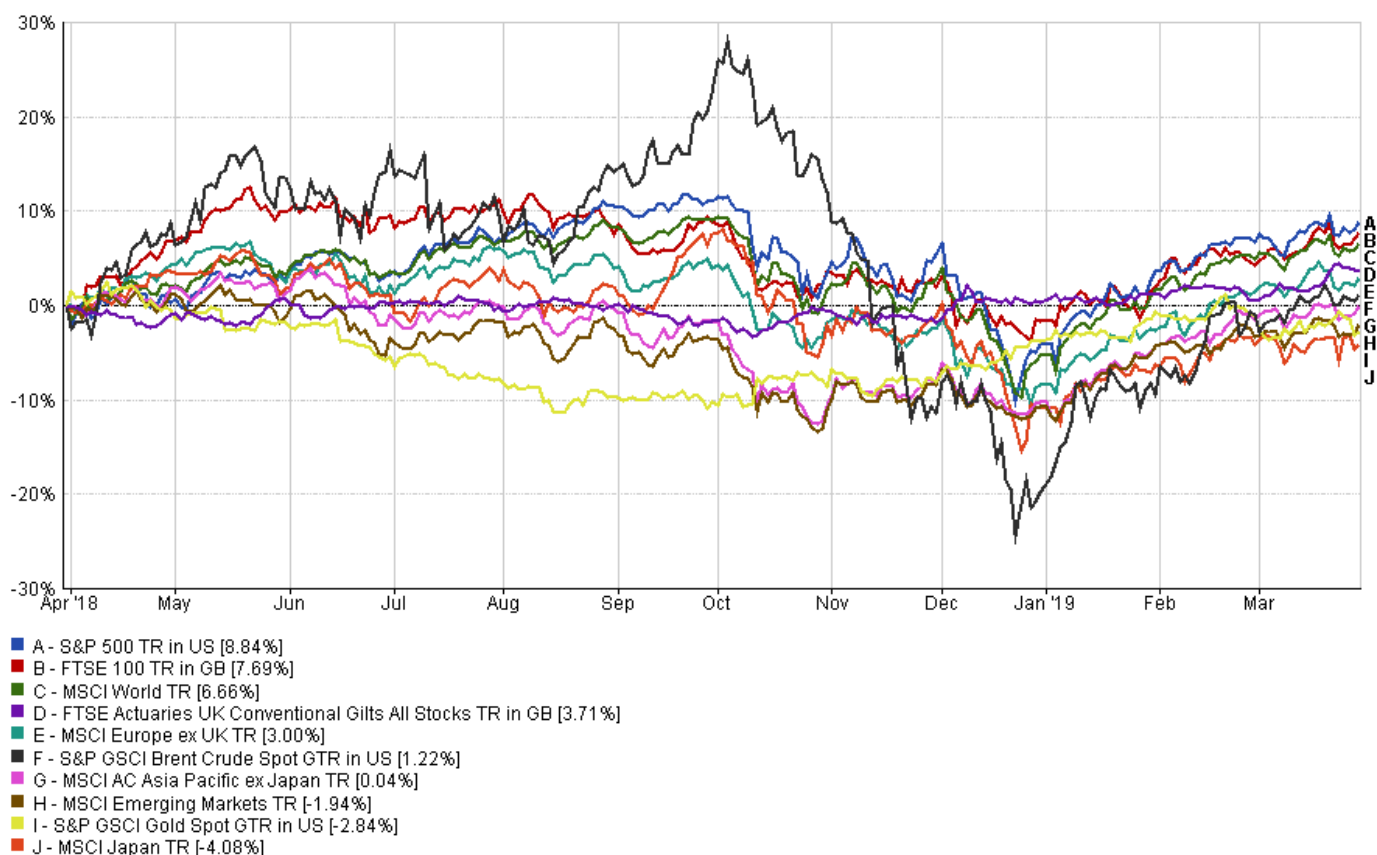
30/03/2018 - 29/03/2019 Data from FE 2019

## Cumulative Performance in Sterling Terms to 31 March 2019

	1m	3m	6m	1y	3y	5y
FTSE Actuaries UK Conventional Gilts All Stocks	3.20%	3.38%	5.37%	3.71%	11.09%	30.66%
MSCI World	3.42%	9.94%	-2.54%	11.98%	49.57%	77.59%
FTSE 100	3.29%	9.49%	-1.07%	7.69%	33.11%	34.11%
S&P 500	4.01%	10.91%	-1.95%	17.17%	58.40%	108.17%
MSCI Europe ex UK	2.53%	7.95%	-3.92%	2.17%	33.84%	35.68%
MSCI Asia Pacific ex Japan	3.65%	8.94%	1.64%	3.89%	51.87%	65.62%
MSCI Emerging Markets	2.93%	7.44%	1.79%	-0.32%	49.56%	53.27%
MSCI Japan	2.65%	4.25%	-8.45%	-0.79%	39.18%	68.13%
S&P GSCI Gold Spot	0.40%	-1.37%	8.30%	4.59%	12.87%	25.13%
S&P GSCI Brent Crude Spot	4.36%	23.36%	-17.42%	8.97%	74.21%	-41.75%

Source: Financial Express

## 1-Year Performance in Local Currency Terms to 31 March 2019



30/03/2018 - 29/03/2019 Data from FE 2019

## Cumulative Performance in Local Currency Terms to 31 March 2019

	1m	3m	6m	1y	3y	5y
FTSE Actuaries UK Conventional Gilts All Stocks	3.20%	3.38%	5.37%	3.71%	11.09%	30.66%
MSCI World	1.61%	12.61%	-2.19%	6.66%	37.39%	49.46%
FTSE 100	3.29%	9.49%	-1.07%	7.69%	33.11%	34.11%
S&P 500	1.90%	13.47%	-2.02%	8.84%	43.60%	62.70%
MSCI Europe ex UK	1.51%	12.41%	-0.90%	3.00%	24.62%	29.41%
MSCI Asia Pacific ex Japan	1.56%	11.41%	1.73%	0.04%	40.08%	42.81%
MSCI Emerging Markets	1.37%	9.84%	1.67%	-1.94%	37.67%	40.94%
MSCI Japan	-0.01%	7.61%	-10.85%	-4.08%	24.26%	41.23%
S&P GSCI Gold Spot	-1.64%	0.91%	8.21%	-2.84%	2.32%	-2.20%
S&P GSCI Brent Crude Spot	2.24%	26.21%	-17.48%	1.22%	57.94%	-54.48%

Source: Financial Express

## Calendar Performance in Sterling Terms to 31 March 2019

	2019	2018	2017	2016	2015	2014
FTSE Actuaries UK Conventional Gilts All Stocks	3.38%	0.57%	1.83%	10.10%	0.57%	13.86%
MSCI World	9.94%	-3.04%	11.80%	28.24%	4.87%	11.46%
FTSE 100	9.49%	-8.73%	11.95%	19.07%	-1.32%	0.74%
S&P 500	10.91%	0.96%	10.62%	32.67%	6.58%	20.02%
MSCI Europe ex UK	7.95%	-9.87%	15.84%	18.62%	5.11%	-0.73%
MSCI Asia Pacific ex Japan	8.94%	-8.57%	25.13%	27.34%	-4.12%	9.21%
MSCI Emerging Markets	7.44%	-9.27%	25.40%	32.63%	-9.99%	3.90%
MSCI Japan	4.25%	-7.47%	13.25%	22.12%	15.91%	1.95%
S&P GSCI Gold Spot	-1.37%	3.23%	3.02%	28.52%	-5.72%	4.36%
S&P GSCI Brent Crude Spot	23.36%	-10.04%	5.49%	53.23%	-42.51%	-44.83%

Source: Financial Express

## Calendar Performance in Local Currency Terms to 31 March 2019

	2019	2018	2017	2016	2015	2014
FTSE Actuaries UK Conventional Gilts All Stocks	3.38%	0.57%	1.83%	10.10%	0.57%	13.86%
MSCI World	12.61%	-7.38%	18.48%	9.00%	2.08%	9.81%
FTSE 100	9.49%	-8.73%	11.95%	19.07%	-1.32%	0.74%
S&P 500	13.47%	-4.94%	21.10%	11.23%	0.75%	12.99%
MSCI Europe ex UK	12.41%	-11.31%	13.59%	2.31%	8.30%	6.79%
MSCI Asia Pacific ex Japan	11.41%	-10.60%	30.17%	7.41%	-4.10%	6.92%
MSCI Emerging Markets	9.84%	-10.08%	30.55%	9.69%	-5.76%	5.17%
MSCI Japan	7.61%	-15.15%	19.75%	-0.74%	9.93%	9.48%
S&P GSCI Gold Spot	0.91%	-2.81%	12.79%	7.75%	-10.88%	-1.75%
S&P GSCI Brent Crude Spot	26.21%	-15.30%	15.49%	28.46%	-45.66%	-48.07%

Source: Financial Express

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