ForresterHyde
CHARTERED FINANCIAL PLANNERS

Investment Outlook

Winter 2018

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Investment Outlook
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“Great investment opportunities come around when excellent Companies are surrounded by unusual circumstances that cause the stock to be misappraised.”- Warren Buffet

Key Points - Introduction

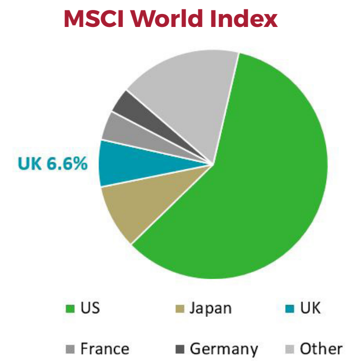
- Brexit dominates UK headlines, but does not determine global markets.
- Our ‘Aggressive’ portfolio has been renamed ‘Adventurous’.
- We introduce ‘Alternatives’ as a new asset category.

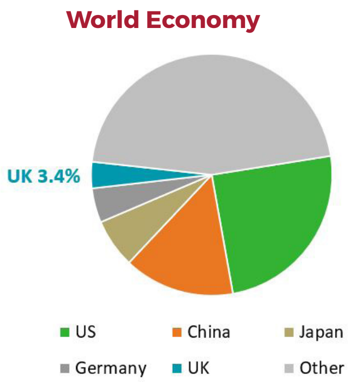
Introduction

Brexit continues to dominate the headlines at home, but does not determine global markets. Whilst the UK is the fifth largest global economy it is dwarfed by the US and China.

UK relative to rest of the world

Liontrust Asset Management: GDP %; MSCI % and number of MSCI stocks





Trump was not on the 2018 mid-term Ballot Paper, but the election was seen to be a test of his popularity and two years into office the Republican Party lost control of the House. In the Senate, the Republicans increased their majority to 53 gaining 2 seats from the Democrats. Putin raised the stakes after Russian ships fired on and seized three Ukranian Ships in the Kerch Straits off the coast of Crimea. Trump blamed Putin for Russian aggression and cancelled a meeting with him at the G20 Summit in Buenos Aires. The Sino v US trade war rumbles on.

We continually evaluate the way our funds perform and how we communicate with our Investors. Responding to Investor feedback, Outlook editions going forward will be styled Winter, Spring, Summer and Autumn, but will be published as before, in December, March, June and September. Our highest risk Core Portfolio will be rebranded ‘Adventurous’, as some Investors with the appropriate appetite for risk were deterred by the title ‘Aggressive’. There will be no fundamental change to the asset allocation or fund selection, merely a rebrand. Finally the Commodity Fund will be subsumed into a new asset category entitled ‘Alternatives’. The thinking behind this is to widen the scope from hard and soft commodities to include: Technology, Biotech, Healthcare, Infrastructure and Hedge Funds. In short we are looking for alternative investment strategies. Initially we are introducing the JPM Global Macro

Opportunities Fund to provide diversification. For more information see the Alternatives section of Outlook.

Key Points - UK

- Brexit uncertainty continues, although Sterling depreciation helps support the economy and boost corporate earnings.

Key Points - US

- The Fed receive Bank of Atlanta estimates second quarter growth at an annual rate of 3.5%.
- Morgan Stanley are more conservative forecasting 2.9% GDP growth 2018 falling to 2.2% next year.

UK Equity

Brexit dominates, Donald Trump weighed in saying the deal proposed by Theresa May was great for Europe! A fragile Government means it is unclear as to the terms if any that we will leave under. Sterling's weakness has helped to support the economy as well as corporate earnings. The Bank of England raised the Base Rate to 0.75% so for the moment we continue with our alternative cash strategy, but this is under review. A benchmark Gilt yield below 2% set against a 4%+ dividend yield from the FTSE-100 underpins UK Equities.

However, there are now 32.4m people at work in the UK, up by more than 300,000 in the last year. The number of low paid workers, defined as two-thirds of median hourly earnings, has fallen to 17.8% since statistics started to be calculated in 1997 (Source: ONS). In 2018 the Living Wage increased by 4.3% to £7.83 per hour for an adult worker, it will rise next year to £8.21. The proportion of people who work for the Government has fallen to 16.5% of the workforce. The number of East European migrants has started to fall and wage growth has accelerated to 3.6% annually. Dividends are on course to exceed £100bn after a record third quarter, with Glencore paying out £1.1bn, almost triple the previous year, as Mining Company payouts rose 41% year on year. UK start-ups lead the way in Europe. The UK is home to 15 so called 'Unicorns' (Technology Companies) valued at over £1bn, to include: Revolut, Greensill, TransferWise, Sum Up, OakNorth and Monzo according to research from Tech Nation and DealRoom Co. In 3 months to the end of June, Venture Capitalists pumped £1.6bn into UK businesses.

European Tech start-ups valued $250m - $1bn

The Daily Telegraph Tuesday 23 October 2018

Nation	Second Tier Tech Start-ups	Combined Value ($bn)
UK	54	18.6
Germany	28	8.8
France	27	7.7
Israel	25	8.14

Back to Brexit, given Labour's recent pronouncements if it came to power, we could see:

- Higher Corporation Tax
- Higher personal taxes
- Higher public expenditure
- Increased public borrowing
- The rescinding of legislation restricting Trade Union activity
- Controls on prices
- Nationalisation of large parts of the economy
- Exchange controls

Implementation of Corbyn's policies could be a disaster for the economy.

The prevailing narrative post-Brexit, is that Companies with internationally focused revenues will flourish. The FTSE-100 forecast dividend cover ratio for 2019 is 1.8.

We remain negative due to short term uncertainty and have reduced exposure.

US Equity

Whilst the global press focuses on Trump, his Government is quietly getting on with the job of reshaping America. The Supreme Court has moved decisively to the right and the Pentagon is undergoing a complete overhaul under James Mattis. The Federal Reserve Chairman, Jay Powell, is more Investment Banker than Economist and we believe he will continue to pursue the current course of moderate increases in rates, seeking to cool the economy whilst the trade wars play out. Powell is sufficiently disconnected from the economists at the FED, who have been making monetary policy to date and looks to financial markers for guidance. For example, Jeff Bezos at Amazon is avowed to keep downward pressure on prices, preventing Department Stores, Supermarkets and Manufacturers from raising prices, effectively lowering the rate of inflation, helped by the recent fall in the price of oil. Unemployment ticked up from 3.9% to 4.0%, but there are still more vacancies than applicants.

Corporate profits jumped 16.1% in the second quarter, the largest year on year increase in 6 years and 51% of workers say they are satisfied with their job, the highest level since 2006. The earnings that underpin today's buoyant share price have risen faster than the market, whilst the S&P500 has risen by around 8% since the start of the year. Expected earnings for the average index have risen by nearly 18%, the net result is that the market is 9% cheaper than it was in January.

US Companies are taking advantage of lower taxes to repatriate some of the estimated $2.6tn of foreign earnings deposited overseas, outside the reach of the IRS. A quirk in the tax rules means that many Companies to include UPS, Deere and Lockheed Martin are plugging pension deficits and still benefit from relieving pension contribution at last year's 35% corporate tax rate. Currently the 500 Companies in Wall Street's Bench Mark Index return $1tn to shareholders via Dividend and Share Buy Back, a yield of 4%. It is estimated that figure will increase by $500bn increasing the yield to 6%, double the 3% yield on 10 year US Treasury Bonds.

Income Tax cuts for more than 90% of the population to the tune of $120bn is equivalent to a 3% pay rise, so an increase in real disposable income and low unemployment should drive consumer demand, but at what price? Trump's tax cuts have just about doubled the Federal deficit which is now running at about $1tn annually. Before being elected Trump pledged to repay the entire national debt within eight years. When he made the promise the national debt was $19tn, it had risen to £21.7tn in the fiscal year to 30 September 2018. The President is banking on a renegotiation of trade deals and an increase in tax revenues – when Corporation Tax reduced from 35% to 21% Government revenue increased by $3.3tn in the year just ended.

We expect the FED will continue to raise interest rates until they reach 3%, a level that is considered to be neutral. We thought the economy would be vulnerable in 2019, but the tax cuts have deferred the likelihood of recession to 2020. Notwithstanding General Motors is bracing for a downturn closing 4 plants in the US and 1 in Canada, as it targets a $6bn cost reduction.

We remain Positive.

Key Points - Europe

- Since 1999 UK has recorded GDP growth of 43% above German GDP growth of 32%.
- The German Central Bank is owed €1,000bn by other member Central Banks, of which Italy owes nearly half.

European Equity

Since the formation of the Euro in 1999 the German Economy has grown by circa 32% whilst our Economy in the UK has grown by 43%. The figures for the US are 49%, Canada 53%, Sweden 56% and Switzerland by 46% respectively. German domestic consumption is weak relative to other European countries, partly due to the fact that since 1999 the average real pay of German workers has risen only 23% or 1.2% per year. GDP Growth has largely been due to strong exports. Meanwhile the Governments budget is in surplus to the tune of 1.3% of GDP.

Within the Euro system there is a special sort of IOU, the so called Target2 Balances representing claims by one Central Bank on another as a result of imbalances in the flow of money between member countries. The scale of these claims is staggering. Germany has net claims on other member Countries totalling €1,000bn, equal to 30% of German GDP. The Target2 liability of the Bank of Italy is just under half the total.

The replacement of the Deutschmark by the Euro has created a significant global problem, namely that the Eurozone as a whole is running the largest current account surplus in the world, acting as a deflationary force and contributing to the growth of protectionist sentiment.

The new Italian Government has learnt the lesson of Greece. The Eurozone enforcement tool is to reduce liquidity for the banking system until the ATM machines run out of money. The alternative – Italy activate their Minibot Scheme for a parallel currency. This is a form of scrip usable for tax purposes injecting liquidity, the Lira in waiting. Italy must roll over €400bn of Bonds in 2019. The ECB halt Bond purchase at the end of the year. Italy's debt is €2.3tn, the exposure of French Banks alone amounts to 11% of French GDP. Brussels faces a hard Brexit and an Italian Default – ouch.

The political landscape has changed, socialist parties in France, Holland, Spain and Italy have seen their share of the vote collapse whilst in Germany the Social Democrats are neck and neck with the hard right Für Deutschland. Europe has moved to the right.

The ECB claim the Eurozone's mid 2018 slowdown is a hiccup caused by disruption in the car industry, as manufacturers face more stringent emission tests and that productivity growth will return to 2% in 2019. Simon Ward of Janus Henderson believes this wildly optimistic as QE turns to quantitative tightening in developed markets. Eurostat says that compared with 2008 persons at risk of poverty has increased in 19 member states, remained stable in one and decreased in seven, to include the UK.

We are neutral in line with benchmark.

Key Points - Japan

- Japanese shares are valued at 12 times earnings and when the ratio of share price to Company Assets is compared Japan is more than twice as cheap as the US.

Japanese Equity

Unemployment has halved since 2010 falling to 2.3%, leading to the strongest wage growth for more than 20 years, at 3.3%. GDP Growth faltered in Q1 2018 but recovered to 1.9% in Q2 ahead of expectation. The number of Japanese Companies with export sales above 30% of turnover has doubled in 15 years. Corporate earnings have doubled since 2012 fuelling a rise in Dividends and Share Buy Backs. However, the average share is valued at only 12 times earnings compared with 17 times for US Companies. When comparing share price to Companies' assets Japan is more than twice as cheap as the US. An escalation of trade tension is one risk as is a potential slowdown in China.

We remain positive.

Key Points - EM

- 75% of world's mobile phones are made in China.
- 90% of the world's PCs are built in China. Market leaders include China's Lenovo.
- 80m workers employed by electronics sector in China.
- $1bn US fine to China's ZTE for breaching economic sanctions.

Emerging Markets

Both Argentina and Turkey have yawning current account deficits, running at 6% of GDP, Turkey and 5% Argentina. It is not surprising interest rates have risen to 24% in Turkey and 60% in Argentina. Typically Emerging Markets suffer contagion as a financial crisis in one country spreads. However, fiscal deficits have on the whole been brought under control and most EM's do not now run large current account deficits and, as such, are nowhere near as vulnerable to a sudden loss of confidence. The elephant in the room is China who in 1980 accounted for only 2% of global GDP, today the figure is over 15%. The concern is over the huge rise in credit. Excluding the financial sector credit extended to Chinese borrowers has gone from 130% of GDP in 2007 to 240% today.

China adjusted its GDP growth forecast to 6.2% for 2019, whilst Indian GDP growth is forecast to be 7.4%. The digitalisation of both economies and much of the emerging world is driving change in consumer behaviour.

IMF downgrades global growth by 0.2% to 3.7% in 2018 and 2019 and warns of sharp tightening of global financial conditions, which could lead to capital flight from EM's.

We remain neutral.

Key Points - Asia

- Asian Stockmarkets have experienced a tough year.
- As a consequence, Asia is trading at 2015 levels, while the earnings picture is much improved.

Asia ex Japan

Asian Stockmarkets have experienced a tough year culminating in October as trade tensions, a strong US Dollar, rising bond yields and weaker Chinese macro data combined to send many share prices sharply lower.

Asia now trades on an average PE of 11.9% 2018 and estimated 11.1% 2019. As a consequence, Asia is trading at 2015 levels.

The earnings picture is much improved and we expect trade tensions will be resolved by negotiation. Progress appears to have been made at the recent G20 summit. However, the differences on intellectual property and the treatment of technology in China are likely to prove more problematic.

China GDP growth slipped to 6.5%. A breakdown of data shows the slowdown came primarily from a diminished contribution of final consumption to growth with investment and net exports apparently stable. Tighter credit conditions are impacting the property sector, with mortgage lending and land sales slowing. Despite BofC claiming it will continue to pursue neutral monetary policy, we believe fears over financial stability and unemployment will prompt additional stimulus. We anticipate further market turmoil and pressure on the Yuan.

We remain neutral.

Key Points - Alternatives

- We have widened the investment scope of this sector and have renamed the sector to reflect this.

Alternatives

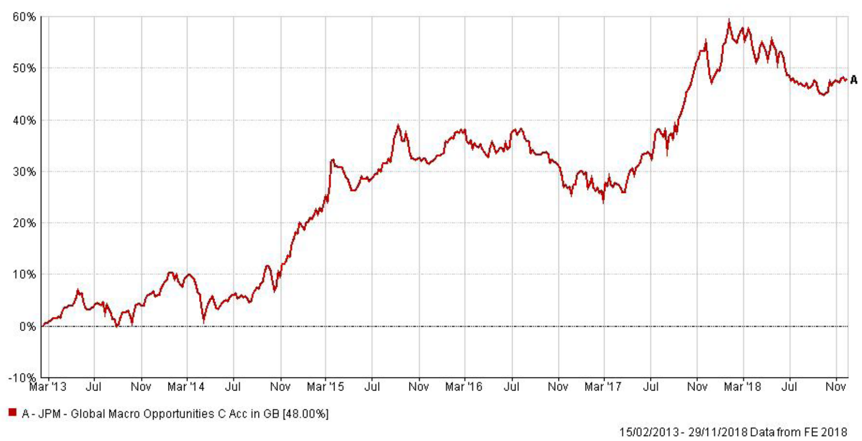
(Formerly Commodities)

We have widened the investment scope of this sector and have renamed the sector to reflect this. Initially we are reducing exposure via the Investec Natural Resources Fund and in addition diverting from UK Equity to facilitate an investment in the JPM Macro Opportunities Fund. The rationale is that this fund is not correlated to Equities and will perform during a market correction. The Annual Management Charge is lower than Investec bringing down cost. The fund has produced strong growth in the medium term, see below.

We are positive to a zero benchmark.

JPM Macro Opportunities Fund

FE Analytics



Key Points - Property

- Whilst property is relatively illiquid, it is uncorrelated to other asset classes and has provided a steady yield during recent market volatility.

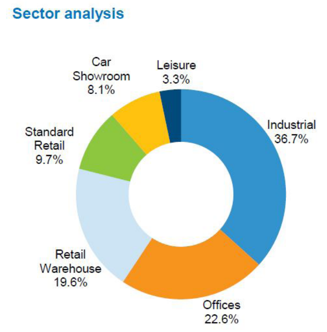
Key Points - Fixed Interest

- US interest rates are nearing a level market participants deem neutral.
- The yield on the 10 Year US Treasury increased to 3.23%, its highest since 2011.

Property

Whilst we appreciate an investment in bricks and mortar is illiquid, it is not correlated to Equities and offers a potential yield above Cash and Fixed Interest Securities. From Q3 we increased exposure to this Sector and diversified adding the Threadneedle UK Property Fund. Minded of the woes afflicting retail rents we have interviewed both Fund Managers, Guy Glover at F&C and Gerry Frewin at Threadneedle and both provided an update and analysis, see below:

F&C UK Property



Cash: 15.80% (28/09/2018)
Number of Properties: 56 (28/09/2018)

"The yield is now 2.6% having reduced over the year. The income return has been held back by a higher level of cash holdings throughout 2018 whilst we properly invested your clients money. The higher cash weightings is regrettable and as a response we introduced a fee rebate for the investors demonstrating our alignment. In addition with a few of the buildings having rent free periods and a small amount of vacancy this further held back the income return.
Looking forward to 2019, with lower cash holdings and the vacancies being let we are targetting a 3% income. The total return over the year has been 3.9%, slightly held back by some, albeit now reduced, retail exposure.

In terms of the outlook, with the fund having a low retail exposure and an overweight position to the logistics/industrial sector as well as regional offices, bodes well for relative outperformance. The fund currently has a 3% vacancy rate with no shopping centres and no central London office space, we feel that the fund maintains its defensive characteristics.

Property continues to provide stability to wider portfolios with steady income returns underpinned by real assets with intrinsic value."

Threadneedle UK Property

Cash: 14.80% (30/09/2018)
Number of Properties: 198 (30/09/2018)

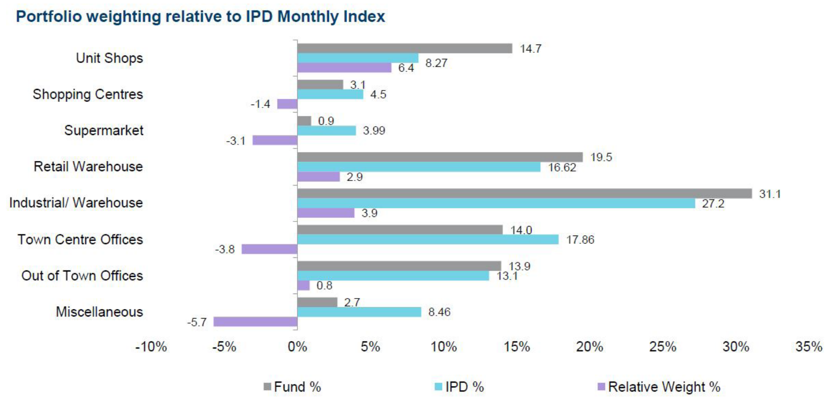
The fund has a high relative weighting to unit shops. (Relative to the IPD Monthly Index). We received the following update:

"A lot of that exposure is the high-street in Reading which is proving a robust investment and is bucking the trend...[we] Should see cash creeping up to the upper end of the 5-15% corridor, this will position us well for opportunities that often present themselves at the end of the year where other players in the market make changes to their portfolios and also will allow for some liquidity should concerns around Brexit spook Investors in the sector."

Whilst illiquid we view Property as an alternative investment to Cash accepting the liquidity risk in exchange for yield, which is currently 5% for Threadneedle and 2.60% for F&C.

We remain positive and overweight to a zero benchmark.

Threadneedle UK Property



Fixed Interest

Tensions between the USA and China rose sharply this year, with each jostling for supremacy. The implications for debt markets could be profound, but for the moment income investors are sitting on their hands. Josh Lohmeir, Head of North American Investment Grade Credit at Aviva Investors, said "The market today is choosing to focus on the tangible short term positives of what is driving economic growth in the US whilst keeping a watchful eye on the range of outcomes". China is the largest single holder of US Treasuries, valued at $1.2tn, it may sell off its holding as a retaliatory measure leading to higher rates, but think this unlikely.

In practice, US interest rates are climbing to a level market participants deem neutral for growth and inflation – although the Fed's Jay Powell had declined to say what he considers that target rate to be. He has now turned dovish, suggesting that rate might be below 3%. Whether Central Bankers like it or not, the concept of a neutral interest rate provides a focus for Investors

Key Points - Fixed Interest

- Our Portfolios remain underweight in fixed interest, given long-term forecasts indicate low real returns.
- We are returning to a more normalised interest rate environment.

expectation of long-term interest rates. The main goal is to keep an economy on an even keel, a steady state avoiding credit booms and bust.

BlackRock believe the US neutral rate level to be about 3.5%, higher than the long term trend rate, 3.0%. The Fed is raising interest rates and at the same time shrinking its balance sheet. The median forecast amongst analysts is that the members of the Federal Open Market Committee are only inching towards the neutral level. The outlook for growth in the US remains good, but the impact of monetary policy and tax cuts will gradually diminish next year. All of this suggests the 10 year US Treasury yields are relatively close to their equilibrium level.

Government Bonds

Bond valuations are unattractive at current levels. The 10 year US Treasury yield increased to a high of 3.23%, the highest level since 2011, but subsequently the yield fell back to 3.15%. European Markets have come under pressure including the German Bund, weak growth has been priced in, but inflation risks have not. Yields on Italian Bonds have been ratcheting up, leading to a fresh sell off of Italian debt and a fall in the Country's Bank Stocks. Moody's downgraded Italy to Baa3 the lowest investment grade rating whilst S&P cut its outlook for Italy but affirmed its BBB Rating. So far there has been little sign of contagion. 10 year Spanish debt rose only 34 basis points to 1.64% and the equivalent Portugal yield climbed 38bps to 1.96%. On the periphery Argentina's Dollar Bonds jumped to 9.8%. Having lost 18.6% on a total return basis this year. Foreign investors have since been buying up debt in the hope that Mauricio Macri, the reform minded President, will turn the economy around.

Mark Holman, CEO at Twenty Four, has said to us 'It is not a time to reach out for longer Bonds. The selling of assets has been quite indiscriminate and sometimes the easiest Bonds to sell are the shorter dated ones – and it is here we see buying opportunities.'

We remain negative to benchmark.

Corporate Bonds

The two weakest sectors of the sterling grade market were capital goods and autos, whilst medical and retail were the two best performing. In European currency high yield markets returns were negative across most sectors, with the two weakest being Insurance and Banks, the only sector outperforming was energy. Barclays reported the lowest October European Investment Grade Corporate Bond Issue since 2008, with just €23.5bn of new Issue. Tesco raised €750m in the Euro Market as part of its capital restructuring plan aimed at returning the Company to investment grade and Fitch, the rating agency, duly obliged. However, Moody's and S&P maintain their high yield rating at least for the time being.

We remain negative to benchmark.

Key Points - Cash

- Our Cash strategy, consisting of a combination of Royal London Cash and the AXA Sterling Credit Short Duration bond, continues.

Cash

Given the current position of low interest rates, with the BoE Base Rate at 0.75% and with higher inflation holding cash over the long term will result in a negative real return. However, portfolios must remain within risk tolerances, so cash exposure cannot be omitted completely. What is the alternative?

Whilst our cash exposure is predominantly achieved through the Royal London Cash Plus Fund, we also utilise the AXA Sterling Credit Short duration Bond Fund, managed by Nicholas Trindade, in an attempt to provide an above Cash income but with low volatility. The aim of this fund is to generate returns by gaining exposure generally to the Sterling Denominated Investment Grade Bond Market with a bias towards shorter maturities. The fund is able to hold floating rate notes to protect against a rising interest rate environment and also because of the short duration structure, they have around 20% of the portfolio available for reinvestment each year. Returns have been delivered with lower volatility than the Index, reflecting the lack of deep subordinated or hybrid bank debt in the portfolio. Short duration is a significant area of importance to AXA who manage around £18bn in these types of strategies. This fund offers investors a plain vanilla, low risk portfolio with a return profile that should outperform Cash rates over the longer term.

For the avoidance of doubt, no cash is held on Bank deposit, instead we allocate to the two funds in the following proportion:

Portfolio	Royal London Cash Plus (%)	AXA SDCB (%)	Total (%)
Conservative	17	4	21
Cautious	12	3	15
Balanced	8	3	11
Assertive	4	0	4
Adventurous	0	0	0

We remain negative and underweight benchmark.

Key Points -
Conclusion

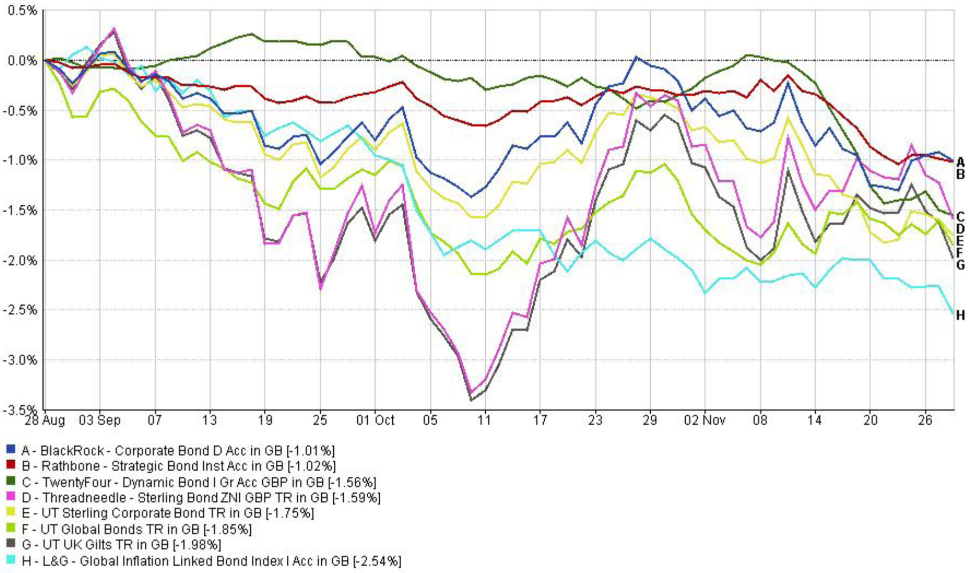
- We are returning to a more normalised interest rate environment.

Conclusion

Our Portfolios are underweight Fixed Interest and this has negatively impacted performance during a period of high volatility, particularly in October when the FTSE-100 fell 7.80% (27/09/2018 to 26/10/2018). Four of our five Fixed Interest Funds, BlackRock, Rathbone, Twenty Four and Threadneedle moved into negative territory but performed significantly better than the indices, only the L&G Fund disappointed during the last quarter – see chart below.

Fixed Interest Performance

FE Analytics. 28/08/2018 - 28/11/2018



Many investors equate risk to volatility, rather than permanent capital risk or, for pension investors, being able to save enough for their retirement. Bonds have delivered risk-adjusted returns for a long period of time, and as such are considered a 'safe' asset class. Bond yields are now extremely low and analysis shows expected longer-term real returns from current levels are 0% or lower.

The world is changing and we are returning to a more normalised interest rate environment. Since the crash of 2008 we have witnessed a change in sentiment, with the focus switching to capital protection and short-term volatility. We understand fluctuations in value are painful in the short-term, but failure to meet long-term financial objectives is yet more painful. Today Bonds are expensive, face structural headwinds, are likely to be increasingly correlated to Equities and are therefore a poor way to manage portfolio risks.

Ultimately the final Brexit outcome and the reaction of the Financial Markets will be out of our control. Even if we were able to predict political events, market reaction can be counter intuitive. For example, after Sterling's ejection from the Exchange Rate mechanism in 1992 the UK economy confounded the pessimists as it did post-referendum by embarking on a period of economic growth. What we can control is the tried and tested formula to help deliver strong, long-term results by global diversification, investing at low cost and being disciplined in implementing our long term strategy.

"Some regard private enterprise as if it were a predatory tiger to be shot. Others look upon it as a cow they can milk. Only a handful see it for what it really is – the strong horse that pulls the whole cart." – Winston Churchill

Fund Panel Update

FH Core

Allocation Increased | Allocation Decreased | Fund Added | Fund Removed

Fund Name	Conservative	Cautious	Balanced	Assertive	Aggressive
Liontrust Special Situations I Inc	-1				
Franklin UK Equity Income W Acc	-1	-1	-1		
Lindsell Train UK Equity Acc		-4	-4	-1	-2
Marlborough Special Situations P Acc			-3		
Schroder Recovery Z Acc in GB		3	6		
Merian North American Equity R Acc				-1	
JPM Global Macro Opportunities C Acc	3	3	3	3	3
Investec Enhanced Natural Resources I Acc	-1	-1	-1	-1	-1

The JPM Global Macro Opportunities fund is an unconstrained multi asset macro fund that can capitalise on a broad range of opportunities through its diverse investment methods. It aims to deliver a positive return in different market environments and targets a return of cash +7% over the medium term with an expected volatility between 6-10%.

FH Passive Plus

Allocation Increased | Allocation Decreased | Fund Added | Fund Removed

Fund Name	Conservative	Cautious	Balanced	Assertive	Aggressive
JPM Global Macro Opportunities C Acc	1	1	1	1	1
Investec Enhanced Natural Resources I Acc	-1	-1	-1	-1	-1

Performance

Portfolio	3 Month %	12 Month %
Forrester-Hyde Adventurous Model Portfolio	-7.44	-3.09
Forrester-Hyde Assertive Model Portfolio	-6.81	-2.07
Forrester-Hyde Balanced Model Portfolio	-5.12	-1.53
Forrester-Hyde Cautious Model Portfolio	-3.84	-1.23
Forrester-Hyde Conservative Model Portfolio	-2.49	-0.85

Portfolio	3 Month %	12 Month %
Forrester-Hyde Passive Plus Assertive Model Portfolio	-4.50	-1.19
Forrester-Hyde Passive Plus Balanced Model Portfolio	-3.83	-0.87
Forrester-Hyde Passive Plus Cautious Model Portfolio	-3.20	-0.92

Asset Class	3 Month %	12 Month %
Euro STOXX 50	-8.86	-8.47
FTSE 100	-6.11	-0.73
FTSE Actuaries UK Conventional Gilts All Stocks	-0.83	0.50
IBOXX UK Sterling Corporate All Maturities	-1.62	-1.35
MSCI Emerging Markets	-4.81	-6.00
MSCI World	-5.13	5.33
S&P 500	-4.12	10.91

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