

Economies:

United States

Despite a healthy economy and a low unemployment rate (4.2%), increases in wages are modest and employers say that they are running into difficulty recruiting qualified workers. The key issue remains disparity. For example, a report from Freddie Mac concludes that the number of apartments that low-income families could afford to rent fell more than 60% from 2010 to 2016. Supply is falling because rents are rising faster than income. Then the top 40% now has on average 10 times as much wealth as those in the bottom 60%, up from 6 times as much in 1980.

United Kingdom

While output rose, construction is poised for a second quarter of contraction and the trade deficit has unexpectedly widened to the most in almost a year as imports jumped. On the positive side, industrial production rose 0.2%, boosted by a better-than-expected manufacturing performance. While the PMI Manufacturing index slipped from 56.7 to 55.9, that's still well above the 50 level that divides expansion from contraction. Input costs jumped and factories are passing on at least some of the increases. Output prices advanced at the fastest pace in four months.

Central banks:

Federal Reserve (next meeting: December 13th)

Minutes from its September meeting show that an interest-rate increase in December has strong support among the members of the Federal Open Market Committee. Officials said they were confident the economy is growing steadily, despite the slow rise of inflation. Chair Janet Yellen said that the U.S. central bank expects to continue to raise interest rates gradually as solid growth, a strong labor market and a healthy global economy lift prices even as she recognizes that inflation has been surprisingly low.

Bank of England (next meeting: November 2nd)

Any divide within the BoE panel reflects the conflicting signals from the economy, which is seeing both a currency-driven inflation surge and weaker expansion. While for some officials, the economy may still be too fragile to endure a rate increase, Governor Carney and others see Brexit reducing potential output. Policy maker Ramsden said this month he does not yet see domestic inflationary pressures building, and Cunliffe said it is an "open question" when the BoE should lift its benchmark rate.

Euro area

The overall unemployment rate held steady at 8.9% and the number of workers unable to find jobs fell to 14.75 million. Industrial activity in Germany surged 3%, the sharpest gain since July 2011 and a widely followed index of the German business climate from the Ifo Institute rebounded from a decline in September and surged to a record reading of 116.7 in October. The gain surprised analysts who expected business sentiment to decline after national election results made putting together a coalition government challenging for Chancellor Angela Merkel.

Switzerland

An impressive month: despite the CHF appreciation vs. EUR, all figures were stronger than last month! It turns out that a strong franc may not have that much of an impact on Switzerland's foreign trade after all. The KOF leading indicator jumped to 109.1 and the PMI manufacturing to 61.7. Consumer figures also benefited from the positive momentum. The consumer indicator pointed up and retail sales improved, even if the YoY figure is still negative (-0.2%). Finally, prices indicators continue to normalize with a CPI YoY at 0.7%.

European Central Bank (next meeting: December 14th)

The ECB will continue to repurchase EUR 60 billion a month on debt until the end of December. Then monthly purchases will be halved to EUR 30 billion until September 2018. For the future, most of the Governing Council favored keeping the program open-ended in case the economic expansion stumbles or inflation stays sluggish. Finally the Governing Council confirmed that maturing debt will be reinvested for an "extended period of time after the end of its net asset purchases, and in any case for as long as necessary."

Swiss National Bank (next meeting: December 14th)

President Jordan reiterated that the franc continues to be highly valued. Consequently the monetary policy still has to attempt to reduce pressure on the franc. According to a Bloomberg's survey of economists, the SNB is expected to hold the interest rate on sight deposits at a record low of -0.75% for at least another two years. That is because Switzerland's central bank needs to maintain the interest rate differential with the euro area, where policy makers are predicted to stay on hold until early 2019.

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Market issues:

- In a move designed to lay the groundwork for an overhaul of the federal tax system, the US House passed a budget resolution authorizing \$4.1 trillion in spending in the 2018 fiscal year.
- The BoE said it will take over end-to-end administration of the Sterling Overnight Index Average (Sonia), replacing the London Interbank Offered Rate, in April. The central bank will use its Sterling Money Market Data Collection to calculate Sonia rather than using submissions from financial institutions.
- The Senate has voted 65-32 to confirm Randal Quarles as vice chairman for supervision at the Federal Reserve. Quarles has indicated he supports easing of post-crisis financial regulations.
- The TRY fell to a record low against the euro and dollar as tensions with the US heated up. Both countries have suspended visa services for each other, after that a Turkish employee of the US Consulate in Istanbul was arrested.
- Debt issued by corporations based in Germany and France accounted for 54% of the €114.7 bn of private-sector bonds the ECB bought. For greater transparency on asset purchases, the ECB announced it will update the data twice a year.
- Now that economic growth is back in Europe, significant progress in addressing not performing exposures is needed. The ECB suggested to give financial institutions numerical targets for getting nonperforming loans off their books.
- The value of nonperforming loans carried on the books of Italy's banks fell to €65.3 billion in August, the smallest total in two years and overall lending to businesses and consumers posted a 1.4% year-over-year increase in September.
- The IMF listed nine large banks -- including Citigroup, Deutsche Bank, Barclays -- as likely to encounter difficulties in maintaining profitability due to factors such as low levels of capital and increasing regulatory pressure.
- Tokyo's stocks surged and the yen weakened after Japanese Prime Minister Shinzo Abe scored a commanding victory in national elections. The outcome was widely viewed as a sign that Japan will stick with its loose monetary policy.

Credit Markets:

- Spreads may widen in the coming three months, and defaults will grow over the next 12 months, according to an IACPM survey. A majority of respondents predict rising defaults in North America, and two-thirds expect little change in Europe.
- Indian Prime Minister wants to inject \$32 billion into state-owned banks to strengthen their risk buffers and boost the financial system. It should stimulate the economy and will help banks complying with capital-reserve requirements.
- According to Reuters, US syndicated lending surged 24% YoY to \$1.75 trillion in the first nine months. The gain was fueled by low interest rates enticing indebted companies seeking to pare borrowing costs and acquire corporate targets.
- Private equity is increasingly opting for leveraged loans for buyouts over high-yield bonds. Although junk bonds are still in demand, the loans offer greater flexibility for repayment, a key advantage.
- President Donald Trump said Puerto Rico's debt will have to be eliminated to clear the way for the island's recovery from damage by Hurricane Maria. The bonds fell to 37 cents on the dollar, down from 56 cents in September.
- The number of investors reporting they were short longer-dated Treasuries increased to 44% from 30% in the past week, while those reporting long positions dropped to 5% from 11%, according to a JPMorgan Chase client survey.
- The S&P 500 index hit a record high for sixth consecutive day, the longest string of records for the benchmark since 1997, while the Germany's DAX stock index rose above the 13,000 threshold to a record high.
- With oil prices stabilizing around \$50 a barrel, a wave of debt issuance has come to market as energy firms seek to refinance.
- Pension funds, sovereign wealth funds and others are using their money as direct lenders and filling a credit need that big banks have abandoned. Firms are taking advantage of regulatory changes to get into new markets.
- Surging demand in the corporate credit market is prompting investment banks to issue innovative derivatives products such as total return swaps, involving increasingly complex bond combinations.
- European corporate bonds are increasingly regaining investment-grade status, leaving the high-yield bond market bereft. JPMorgan Asset Management expects to lose 8% to 10% of its high-yield index over six months.
- Treasury Secretary Mnuchin dropped the idea of selling ultra-long Treasury bonds with maturities stretching beyond 30 years. After researching the option, the Treasury Department found there was not much interest.
- List of Chinese firms defaulting on bonds grows. Dandong Port Group did not make part of a local bond payment. This year, 20 onshore bonds have defaulted.

USD Market

Economic data vs. Previous releases

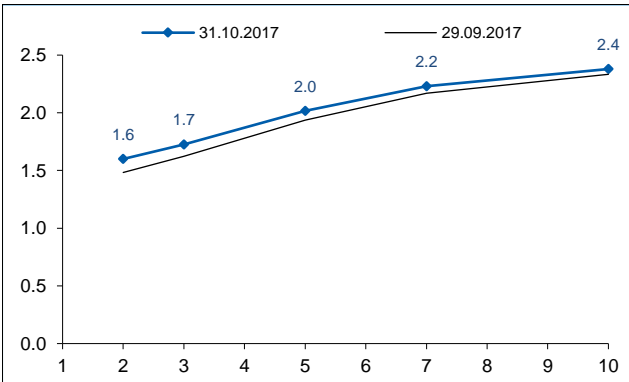
	lower*	unchanged	higher*
Global	20	3	50
Business Confidence	5	-	11
Consumer Confidence	1	-	3
Consumption	2	-	10
Employment	5	1	8
Housing	3	-	5
Industrial Production	4	-	5
Inflation	-	2	8

Economic data vs. Market surveys

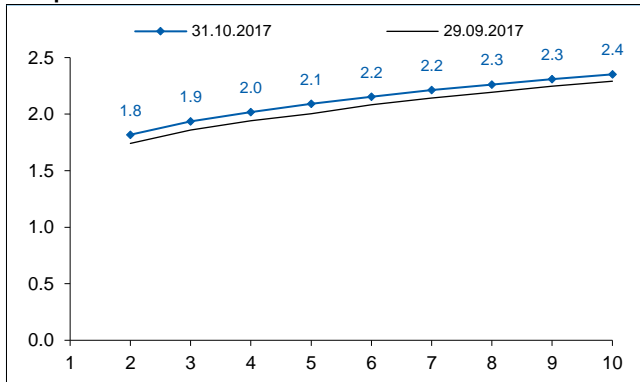
	lower*	unchanged	higher*
Global	15	10	33
Business Confidence	3	1	10
Consumer Confidence	-	-	1
Consumption	1	2	8
Employment	3	3	3
Housing	4	-	3
Industrial Production	2	-	5
Inflation	2	4	3

* indicates the expected impact on government rate (for example, higher inflation higher rates, higher unemployment lower rates)

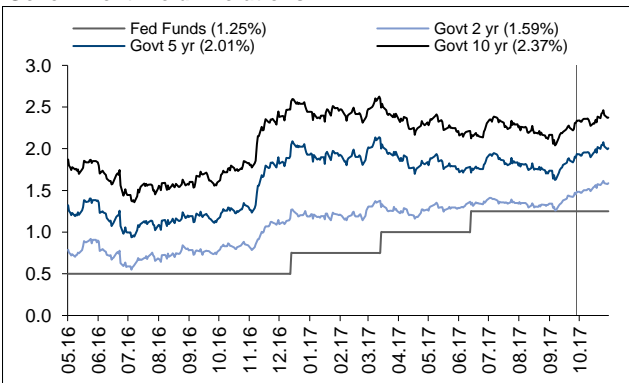
Government Yield Curves



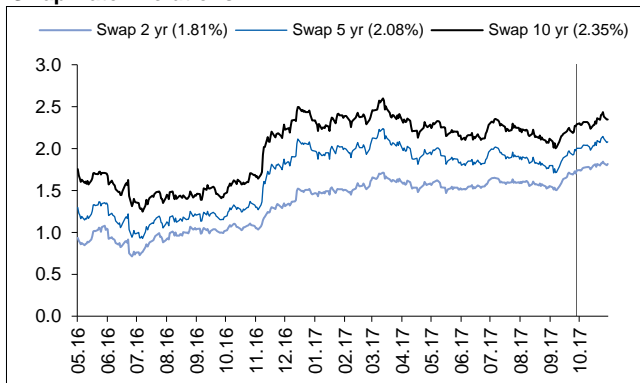
Swap Rates



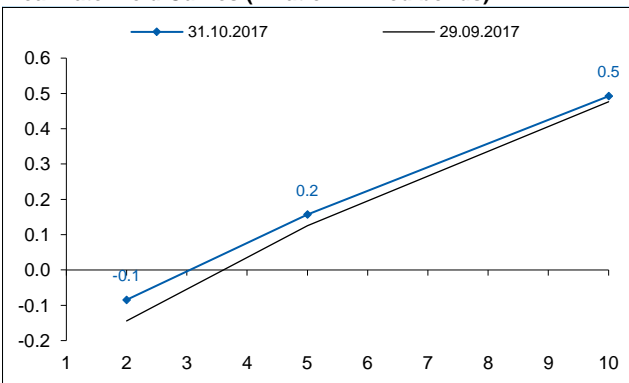
Government Yield Evolutions



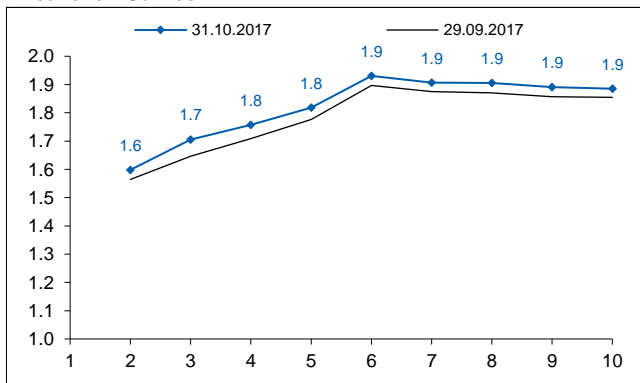
Swap Rate Evolutions



Real Rate Yield Curves (Inflation-Linked bonds)



Breakeven Curves



EUR Market

Economic data vs. Previous releases

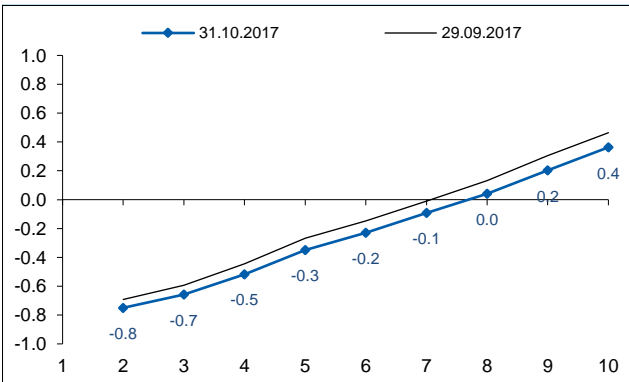
	lower*	unchanged	higher*
Global	37	11	57
Business Confidence	9	3	24
Consumer Confidence	2	1	1
Consumption	4	-	4
Employment	1	-	5
Housing	2	-	1
Industrial Production	14	3	13
Inflation	5	4	9

Economic data vs. Market surveys

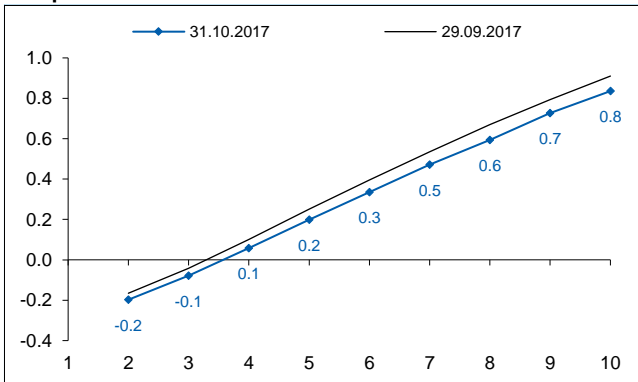
	lower*	unchanged	higher*
Global	20	13	42
Business Confidence	9	1	18
Consumer Confidence	2	1	1
Consumption	2	-	4
Employment	1	1	2
Housing	-	-	-
Industrial Production	3	3	13
Inflation	3	7	4

* indicates the expected impact on government rate (for example, higher inflation higher rates, higher unemployment lower rates)

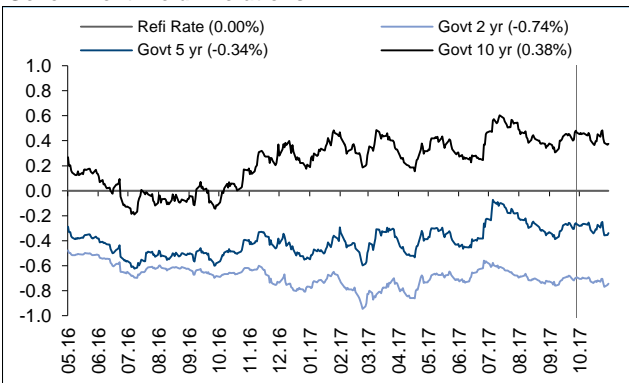
Government Yield Curves



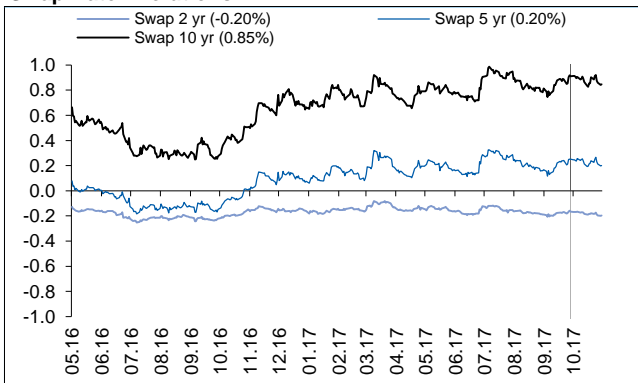
Swap Rates



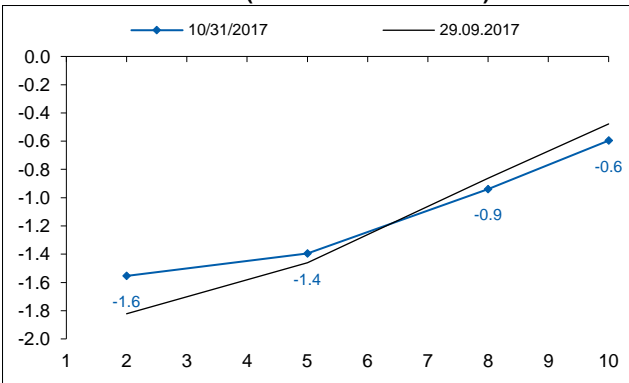
Government Yield Evolutions



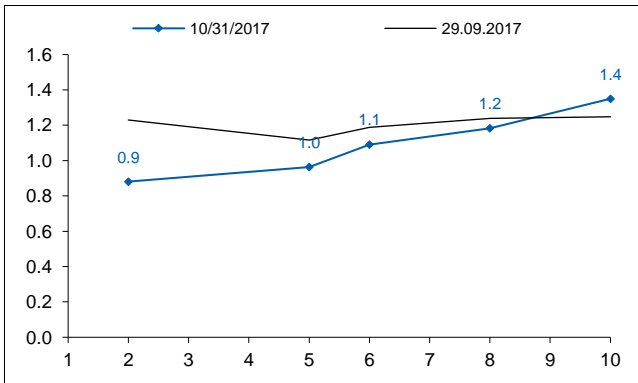
Swap Rate Evolutions



Real Rate Yield Curves (Inflation-Linked bonds)



Breakeven Curves



GBP Market

Economic data vs. Previous releases

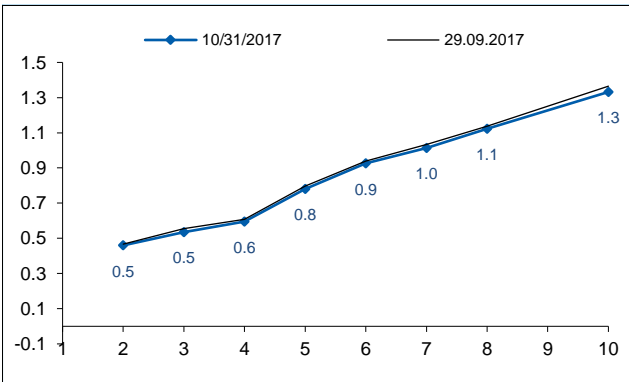
	lower*	unchanged	higher*
Global	19	11	16
Business Confidence	5	1	3
Consumer Confidence	1	-	-
Consumption	3	1	1
Employment	2	3	2
Housing	3	1	2
Industrial Production	4	1	4
Inflation	1	4	4

Economic data vs. Market surveys

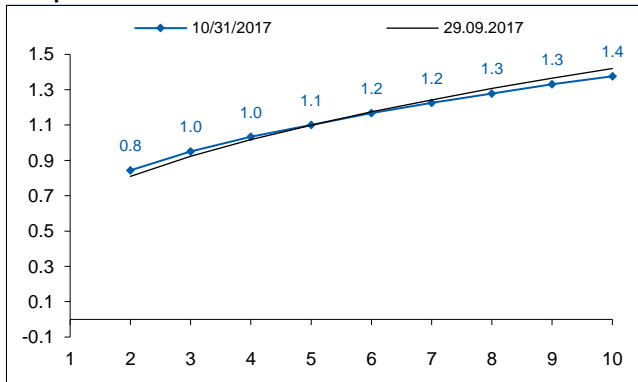
	lower*	unchanged	higher*
Global	14	8	13
Business Confidence	3	-	2
Consumer Confidence	-	1	-
Consumption	2	-	1
Employment	1	1	2
Housing	2	-	3
Industrial Production	3	2	4
Inflation	3	4	1

* indicates the expected impact on government rate (for example, higher inflation higher rates, higher unemployment lower rates)

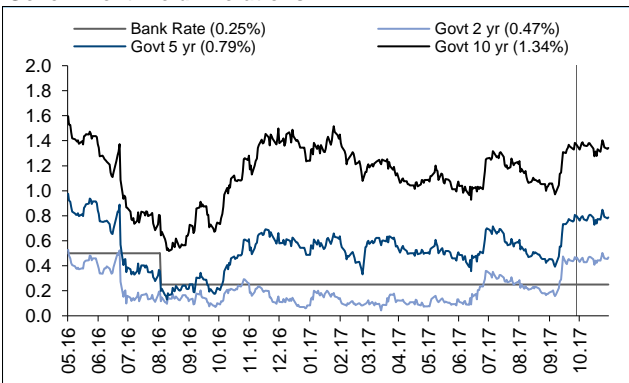
Government Yield Curves



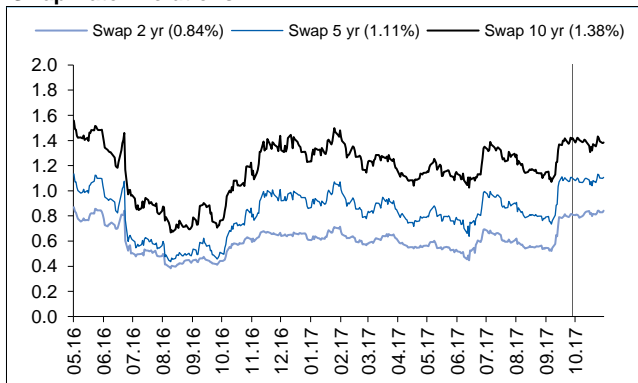
Swap Rates



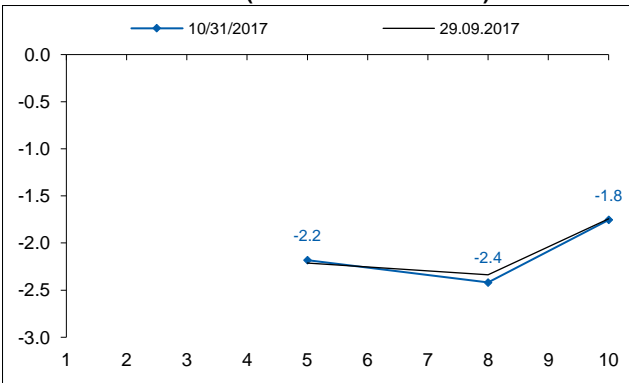
Government Yield Evolutions



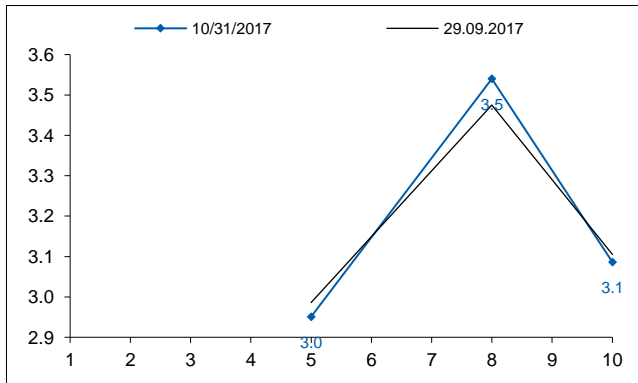
Swap Rate Evolutions



Real Rate Yield Curves (Inflation-Linked bonds)



Breakeven Curves



CHF Market

Economic data vs. Previous releases

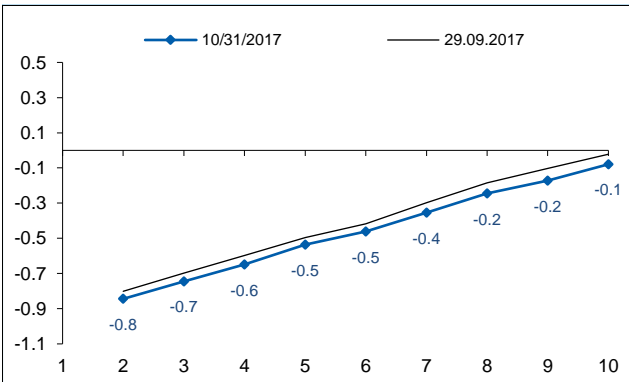
	lower*	unchanged	higher*
Global	0	1	11
Business Confidence	-	-	3
Consumer Confidence	-	-	1
Consumption	-	-	1
Employment	-	1	1
Housing	-	-	1
Industrial Production	-	-	1
Inflation	-	-	3

Economic data vs. Market surveys

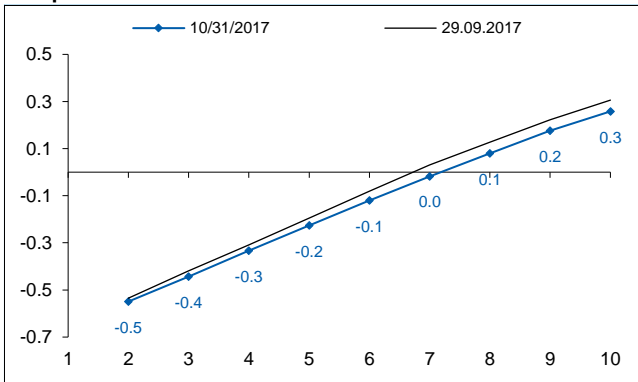
	lower*	unchanged	higher*
Global	0	1	5
Business Confidence	-	-	2
Consumer Confidence	-	-	-
Consumption	-	-	-
Employment	-	1	1
Housing	-	-	-
Industrial Production	-	-	-
Inflation	-	-	2

* indicates the expected impact on government rate (for example, higher inflation higher rates, higher unemployment lower rates)

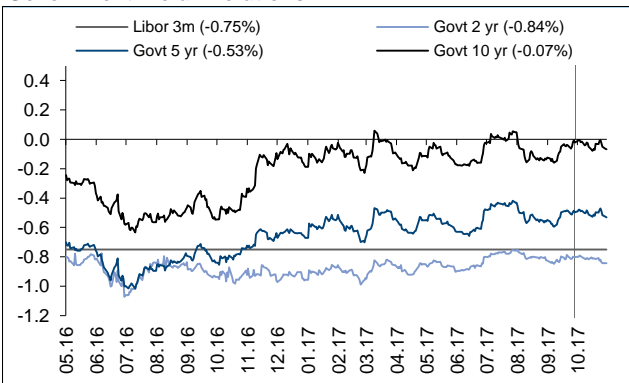
Government Yield Curves



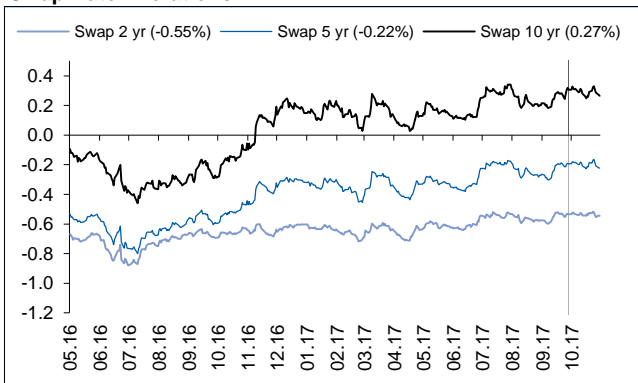
Swap Rates



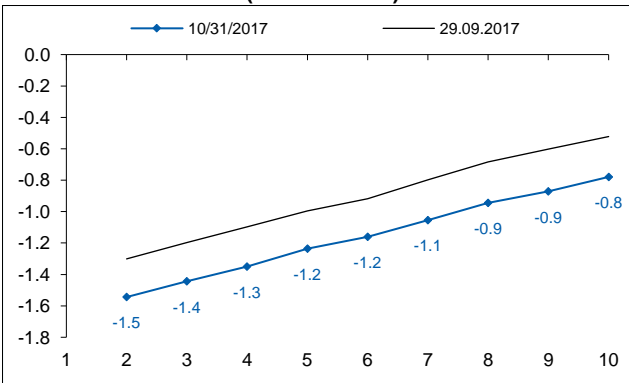
Government Yield Evolutions



Swap Rate Evolutions

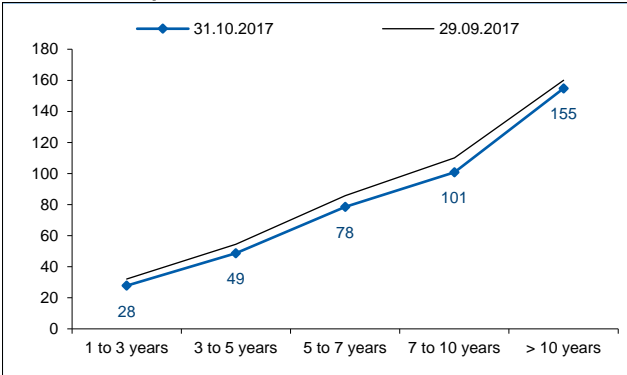


Real Rate Yield Curves (Nominal - CPI)

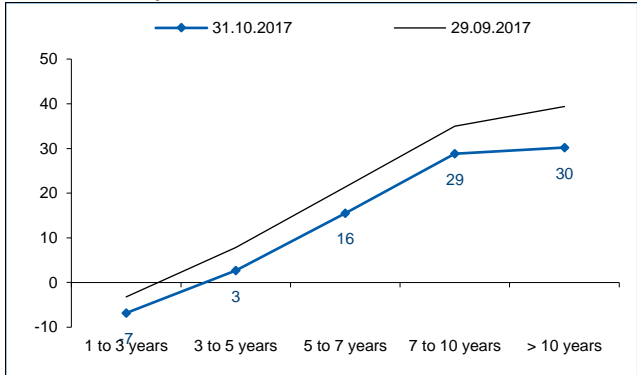


Credit Markets

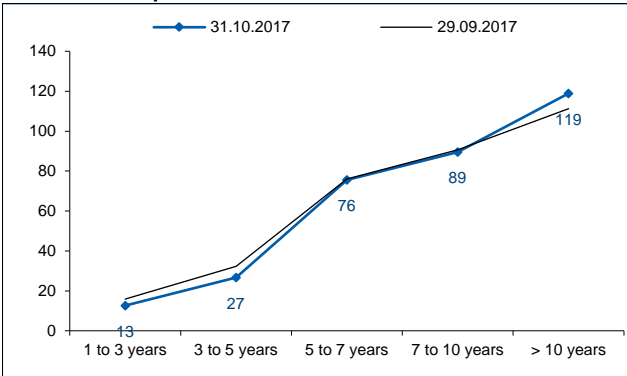
USD IG D/Swap Curves



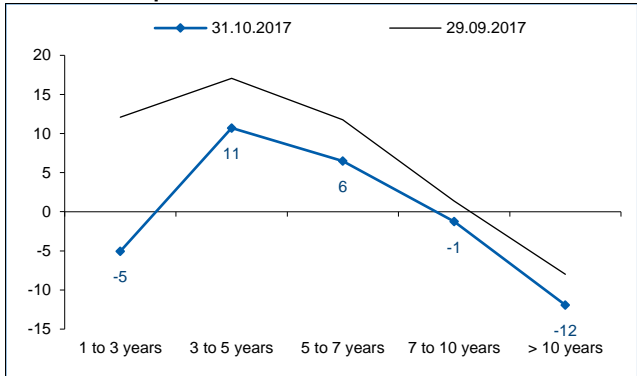
EUR IG D/Swap Curves



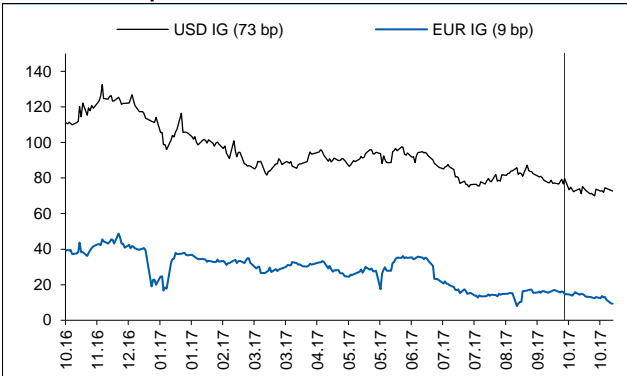
GBP IG D/Swap Curves



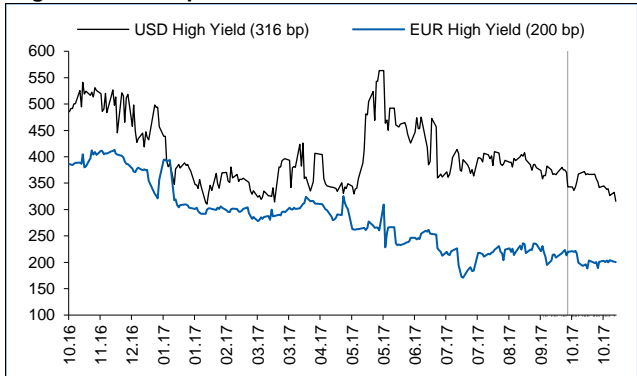
CHF IG D/Swap Curves



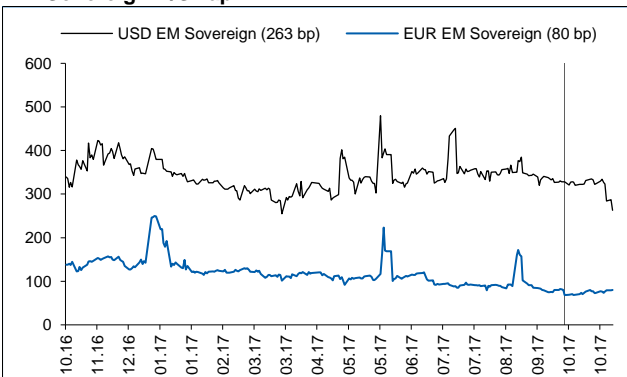
Low IG D/Swap



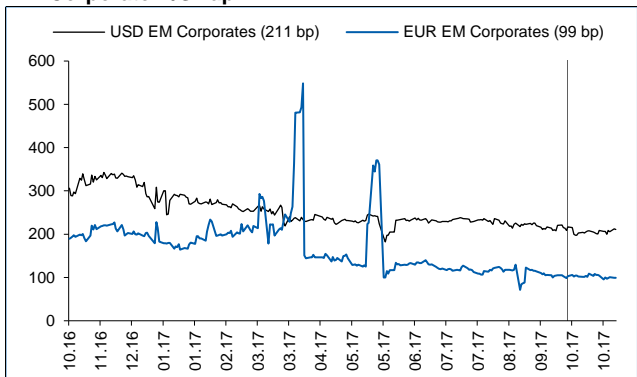
High-Yield D/Swap



EM Sovereign D/Swap



EM Corporate D/Swap



USD Median D/Swap

	<u>1-3 yrs</u>	<u>3-5 yrs</u>	<u>5-7 yrs</u>	<u>7-10 yrs</u>	<u>+10 yrs</u>
AAA	-9	1	8	15	94
AA	8	33	36	84	113
A	23	42	59	78	131
BBB	45	74	105	136	182
BB	125	178	197	229	294
B	218	325	368	387	459

USD Median Yield

	<u>1-3 yrs</u>	<u>3-5 yrs</u>	<u>5-7 yrs</u>	<u>7-10 yrs</u>	<u>+10 yrs</u>
AAA	1.72	2.02	2.20	2.43	3.53
AA	1.90	2.32	2.55	3.13	3.73
A	2.08	2.46	2.72	3.07	3.88
BBB	2.28	2.75	3.17	3.62	4.40
BB	3.09	3.78	4.13	4.59	5.52
B	4.02	5.26	5.80	6.10	7.10

EUR Median D/Swap

	<u>1-3 yrs</u>	<u>3-5 yrs</u>	<u>5-7 yrs</u>	<u>7-10 yrs</u>	<u>+10 yrs</u>
AAA	-21	-16	-17	-19	-25
AA	-21	-17	-17	-18	-10
A	-3	-1	5	14	22
BBB	3	13	33	53	76
BB	77	113	138	170	192
B	224	308	396	404	n.a.

EUR Median Yield

	<u>1-3 yrs</u>	<u>3-5 yrs</u>	<u>5-7 yrs</u>	<u>7-10 yrs</u>	<u>+10 yrs</u>
AAA	-0.41	-0.13	0.13	0.44	1.05
AA	-0.41	-0.10	0.16	0.57	1.20
A	-0.22	0.05	0.37	0.77	1.25
BBB	-0.15	0.18	0.65	1.19	1.94
BB	0.55	1.17	1.73	2.26	3.43
B	2.01	3.04	4.19	4.64	n.a.

GBP Median D/Swap

	<u>1-3 yrs</u>	<u>3-5 yrs</u>	<u>5-7 yrs</u>	<u>7-10 yrs</u>	<u>+10 yrs</u>
AAA	-16	-7	1	32	44
AA	-8	8	21	43	56
A	14	22	49	76	125
BBB	32	52	93	106	143
BB	67	170	227	307	267
B	251	415	730	381	n.a.

GBP Median Yield

	<u>1-3 yrs</u>	<u>3-5 yrs</u>	<u>5-7 yrs</u>	<u>7-10 yrs</u>	<u>+10 yrs</u>
AAA	0.63	0.94	1.21	1.57	1.93
AA	0.70	1.13	1.32	1.68	2.04
A	0.91	1.27	1.71	2.06	2.84
BBB	1.12	1.55	2.11	2.39	2.98
BB	1.38	2.69	3.46	4.32	4.28
B	3.33	5.13	8.48	5.05	n.a.

CHF Median D/Swap

	<u>1-3 yrs</u>	<u>3-5 yrs</u>	<u>5-7 yrs</u>	<u>7-10 yrs</u>	<u>+10 yrs</u>
AAA	-26	-4	-5	-7	-7
AA	-12	-4	-9	-8	-8
A	11	14	18	19	-2
BBB	25	39	41	40	62
BB	146	185	205	n.a.	n.a.
B	n.a.	n.a.	n.a.	n.a.	n.a.

CHF Median Yield

	<u>1-3 yrs</u>	<u>3-5 yrs</u>	<u>5-7 yrs</u>	<u>7-10 yrs</u>	<u>+10 yrs</u>
AAA	-0.80	-0.40	-0.15	0.08	0.38
AA	-0.66	-0.38	-0.21	0.01	0.37
A	-0.46	-0.13	0.09	0.31	0.34
BBB	-0.32	0.10	0.29	0.46	0.90
BB	0.91	1.53	1.93	n.a.	n.a.
B	n.a.	n.a.	n.a.	n.a.	n.a.

USD D/Swap Monthly Variation

	1-3 yrs	3-5 yrs	5-7 yrs	7-10 yrs	+10 yrs
AAA	+1	-1	-5	-2	-11
AA	-3	+0	-10	-6	-18
A	-4	-8	+0	-12	-10
BBB	+0	-5	-10	-10	-8
BB	-7	-14	-13	-3	-9
B	-13	-16	-11	+12	-8

USD Yield Monthly Variation

	1-3 yrs	3-5 yrs	5-7 yrs	7-10 yrs	+10 yrs
AAA	+0.09	+0.09	+0.05	+0.04	-0.06
AA	+0.06	+0.09	-0.01	-0.01	-0.11
A	+0.04	+0.05	+0.04	+0.01	-0.05
BBB	+0.12	+0.03	-0.01	-0.03	-0.03
BB	+0.05	-0.05	-0.04	+0.02	-0.03
B	-0.06	-0.06	-0.04	+0.14	+0.05

EUR D/Swap Monthly Variation

	1-3 yrs	3-5 yrs	5-7 yrs	7-10 yrs	+10 yrs
AAA	-2	-1	-1	-1	-2
AA	-1	-5	-3	-5	-8
A	-5	-6	-9	-7	-10
BBB	-5	-9	-12	-10	-12
BB	+0	-3	-2	-9	-7
B	-22	-23	+55	+110	

EUR Yield Monthly Variation

	1-3 yrs	3-5 yrs	5-7 yrs	7-10 yrs	+10 yrs
AAA	-0.04	-0.07	-0.08	-0.07	-0.11
AA	-0.05	-0.07	-0.07	-0.04	-0.16
A	-0.07	-0.12	-0.14	-0.13	-0.19
BBB	-0.07	-0.14	-0.19	-0.17	-0.15
BB	-0.05	-0.05	-0.04	-0.22	-0.15
B	-0.28	-0.29	+0.51	+1.12	

GBP D/Swap Monthly Variation

	1-3 yrs	3-5 yrs	5-7 yrs	7-10 yrs	+10 yrs
AAA	-1	-3	-3	-5	+2
AA	-7	-2	-3	-1	+0
A	-4	-4	+0	+0	+5
BBB	-7	-16	-1	-10	+2
BB	-33	+6	+1	-17	-24
B	-31	-14	+343	+8	

GBP Yield Monthly Variation

	1-3 yrs	3-5 yrs	5-7 yrs	7-10 yrs	+10 yrs
AAA	-0.01	-0.04	-0.03	-0.08	-0.10
AA	-0.02	-0.04	-0.04	-0.04	-0.06
A	-0.02	-0.03	+0.04	-0.02	+0.01
BBB	-0.04	-0.15	-0.03	-0.07	-0.01
BB	-0.49	-0.01	-0.02	-0.20	-0.23
B	-0.30	-0.21	+3.49	+0.04	

CHF D/Swap Monthly Variation

	1-3 yrs	3-5 yrs	5-7 yrs	7-10 yrs	+10 yrs
AAA	-17	-1	-2	-3	+1
AA	-8	-3	-8	-3	-1
A	-3	-9	-6	-5	+0
BBB	-12	-8	-5	+2	+6
BB	+24	+9	-26		
B					

CHF Yield Monthly Variation

	1-3 yrs	3-5 yrs	5-7 yrs	7-10 yrs	+10 yrs
AAA	-0.14	-0.05	+0.00	-0.05	-0.07
AA	-0.12	-0.03	-0.12	-0.06	-0.07
A	-0.04	-0.08	-0.08	-0.08	-0.14
BBB	-0.20	-0.11	-0.09	-0.05	-0.09
BB	+0.21	+0.14	-0.20		
B					

Fixed Income Markets Profitability

USD Market

	MTD	QTD	YTD
Libor (3mo)	0.1%	0.1%	1.0%
Government 1 - 10 yr	-0.1%	-0.1%	2.1%
<i>Government 1 - 3 yr</i>	<i>-0.1%</i>	<i>-0.1%</i>	<i>0.6%</i>
<i>Government 3 - 5 yr</i>	<i>-0.1%</i>	<i>-0.1%</i>	<i>1.4%</i>
<i>Government 5 - 7 yr</i>	<i>-0.2%</i>	<i>-0.2%</i>	<i>2.2%</i>
<i>Government 7 - 10 yr</i>	<i>-0.2%</i>	<i>-0.2%</i>	<i>2.6%</i>
<i>Government >10 yr</i>	<i>-0.1%</i>	<i>-0.1%</i>	<i>3.7%</i>
Inflation Linked	0.2%	0.2%	2.1%
IG Corporate	0.4%	0.4%	5.4%
<i>Corporates AAA</i>	<i>0.2%</i>	<i>0.2%</i>	<i>6.3%</i>
<i>Corporates AA</i>	<i>0.4%</i>	<i>0.4%</i>	<i>4.2%</i>
<i>Corporates A</i>	<i>0.2%</i>	<i>0.2%</i>	<i>4.8%</i>
<i>Corporates BBB</i>	<i>0.5%</i>	<i>0.5%</i>	<i>7.0%</i>
<i>Financial</i>	<i>0.4%</i>	<i>0.4%</i>	<i>5.8%</i>
<i>Industrial</i>	<i>0.3%</i>	<i>0.3%</i>	<i>5.0%</i>
EM Sovereigns	0.2%	0.2%	8.9%
High Yield	0.4%	0.4%	7.5%
Tier 1	0.0%	0.0%	14.1%

EUR Market

	MTD	QTD	YTD
Libor (3mo)	0.0%	0.0%	-0.3%
Government 1 - 10 yr	1.1%	1.1%	0.7%
<i>Government 1 - 3 yr</i>	<i>0.1%</i>	<i>0.1%</i>	<i>-0.1%</i>
<i>Government 3 - 5 yr</i>	<i>0.4%</i>	<i>0.4%</i>	<i>0.5%</i>
<i>Government 5 - 7 yr</i>	<i>0.8%</i>	<i>0.8%</i>	<i>1.0%</i>
<i>Government 7 - 10 yr</i>	<i>1.3%</i>	<i>1.3%</i>	<i>1.7%</i>
<i>Government >10 yr</i>	<i>2.3%</i>	<i>2.3%</i>	<i>0.6%</i>
Inflation Linked	1.5%	1.5%	1.1%
IG Corporate	1.0%	1.0%	2.3%
<i>Corporates AAA</i>	<i>1.3%</i>	<i>1.3%</i>	<i>1.8%</i>
<i>Corporates AA</i>	<i>0.9%</i>	<i>0.9%</i>	<i>1.4%</i>
<i>Corporates A</i>	<i>0.9%</i>	<i>0.9%</i>	<i>1.9%</i>
<i>Corporates BBB</i>	<i>1.1%</i>	<i>1.1%</i>	<i>3.0%</i>
<i>Financial</i>	<i>0.8%</i>	<i>0.8%</i>	<i>2.3%</i>
<i>Industrial</i>	<i>1.2%</i>	<i>1.2%</i>	<i>2.3%</i>
EM Sovereigns	1.7%	1.7%	-1.4%
High Yield	1.2%	1.2%	7.3%
Tier 1	0.0%	0.0%	2.0%

GBP Market

	MTD	QTD	YTD
Libor (3mo)	0.0%	0.0%	0.3%
Government 1 - 10 yr	0.3%	0.3%	0.1%
<i>Government 1 - 4 yr</i>	<i>0.3%</i>	<i>0.3%</i>	<i>0.8%</i>
<i>Government 4 - 7 yr</i>	<i>0.4%</i>	<i>0.4%</i>	<i>2.7%</i>
<i>Government 7 - 10 yr</i>	<i>0.6%</i>	<i>0.6%</i>	<i>3.2%</i>
<i>Government >10 yr</i>	<i>0.6%</i>	<i>0.6%</i>	<i>3.1%</i>
Inflation Linked	0.9%	0.9%	-0.5%
IG Corporate	0.5%	0.5%	2.6%
<i>Corporates AAA</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.7%</i>
<i>Corporates AA</i>	<i>0.3%</i>	<i>0.3%</i>	<i>1.3%</i>
<i>Corporates A</i>	<i>0.5%</i>	<i>0.5%</i>	<i>2.8%</i>
<i>Corporates BBB</i>	<i>0.5%</i>	<i>0.5%</i>	<i>2.9%</i>
<i>Financial</i>	<i>0.7%</i>	<i>0.7%</i>	<i>4.4%</i>
<i>Industrial</i>	<i>0.5%</i>	<i>0.5%</i>	<i>1.8%</i>

CHF Market

	MTD	QTD	YTD
Libor (3mo)	-0.1%	-0.1%	-0.6%
Government 1 - 10 yr	0.4%	0.4%	-0.8%
<i>Government 1 - 4 yr</i>	<i>0.0%</i>	<i>0.0%</i>	<i>-0.2%</i>
<i>Government 4 - 7 yr</i>	<i>0.1%</i>	<i>0.1%</i>	<i>0.1%</i>
<i>Government 7 - 10 yr</i>	<i>0.3%</i>	<i>0.3%</i>	<i>0.2%</i>
<i>Government >10 yr</i>	<i>0.4%</i>	<i>0.4%</i>	<i>-0.4%</i>
IG Corporate	0.2%	0.2%	-0.1%
<i>Corporates AAA</i>	<i>0.2%</i>	<i>0.2%</i>	<i>-0.3%</i>
<i>Corporates AA</i>	<i>0.1%</i>	<i>0.1%</i>	<i>-0.1%</i>
<i>Corporates A</i>	<i>0.3%</i>	<i>0.3%</i>	<i>0.3%</i>
<i>Corporates BBB</i>	<i>0.1%</i>	<i>0.1%</i>	<i>0.6%</i>
<i>Financial</i>	<i>0.2%</i>	<i>0.2%</i>	<i>0.5%</i>
<i>Industrial</i>	<i>0.3%</i>	<i>0.3%</i>	<i>0.1%</i>

Other Markets Profitability

Major Cross Rates

	MTD	QTD	YTD
USD vs. EUR	1.5%	1.5%	-9.7%
USD vs. GBP	0.8%	0.8%	-7.1%
USD vs. CHF	3.0%	3.0%	-2.1%
USD vs. JPY	1.0%	1.0%	-2.8%
EUR vs. USD	-1.4%	-1.4%	10.7%
EUR vs. GBP	-0.6%	-0.6%	2.7%
EUR vs. CHF	1.6%	1.6%	8.4%
EUR vs. JPY	-0.4%	-0.4%	7.6%
GBP vs. USD	-0.9%	-0.9%	7.6%
GBP vs. EUR	0.6%	0.6%	-2.8%
GBP vs. CHF	2.1%	2.1%	5.3%
GBP vs. JPY	0.1%	0.1%	4.5%
CHF vs. USD	-3.0%	-3.0%	2.1%
CHF vs. EUR	-1.5%	-1.5%	-7.8%
CHF vs. GBP	-2.1%	-2.1%	-5.2%
CHF vs. JPY	-1.9%	-1.9%	-0.8%

Equities

	MTD	QTD	YTD
Americas			
Dow Jones	4.3%	4.3%	18.3%
S&P 500	2.2%	2.2%	15.0%
Nasdaq	3.6%	3.6%	25.0%
Mexico IPC	-3.4%	-3.4%	6.5%
Brazil Bovespa	0.0%	0.0%	23.4%
Europe			
Euro Stoxx 50	2.2%	2.2%	11.7%
FTSE 100	1.6%	1.6%	4.9%
CAC 40	3.3%	3.3%	13.2%
DAX	3.1%	3.1%	15.2%
IBEX	1.4%	1.4%	12.5%
FTSE MIB	0.4%	0.4%	18.5%
AEX	3.0%	3.0%	14.5%
OMX	2.1%	2.1%	10.2%
SMI	0.9%	0.9%	12.4%
Asia			
NIKKEI 225	8.1%	8.1%	15.2%
Hang Seng	2.5%	2.5%	28.4%
S&P/ASX 200	4.0%	4.0%	4.3%

Other Cross Rates

	MTD	QTD	YTD
USD vs. AUD	2.3%	2.3%	-5.9%
USD vs. BRL	3.4%	3.4%	0.5%
USD vs. CAD	3.3%	3.3%	-4.1%
USD vs. CNY	-0.3%	-0.3%	-4.5%
USD vs. MXN	4.9%	4.9%	-7.6%
USD vs. NZD	5.3%	5.3%	1.2%
USD vs. RUB	1.4%	1.4%	-5.2%
EUR vs. BRL	2.0%	2.0%	11.1%
EUR vs. CNY	-1.6%	-1.6%	5.4%
EUR vs. HUF	-0.1%	-0.1%	0.6%
EUR vs. NOK	1.1%	1.1%	4.7%
EUR vs. PLN	-1.7%	-1.7%	-3.8%
EUR vs. RUB	-0.1%	-0.1%	5.0%
EUR vs. SEK	1.4%	1.4%	1.9%

Commodities

	MTD	QTD	YTD
CRB All Commodities	0.1%	0.1%	1.1%
CRB Food	4.3%	4.3%	1.7%
CRB Raw Industrials	-2.8%	-2.8%	0.6%
CRB Metals	-2.1%	-2.1%	8.5%
Oil	5.2%	5.2%	1.2%
Gold	-0.7%	-0.7%	10.3%
Copper	5.5%	5.5%	23.5%