

The big movers p.02, International Politics, p.03 - Everything about Stock Markets, Data, Analysis, Opinion, p.05-09 - World Trends in Investments, p.10, The Big Portrait: 2019 Nobel Laureates in Economic Sciences, p.12 - **OUTLOOK** : World Economy will see some recovery in 2020 p.4

WORLD

Business & Finance Review

MARKETS

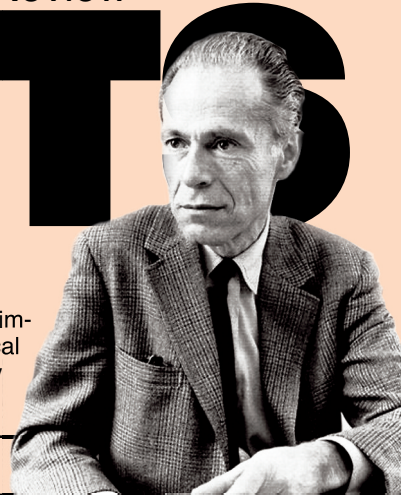
Lisa Wardell

Chairman & CEO at Adtalem
Yduqs buys Adtalem's assets
in Brazil for \$467 million
Page 04



Albert Hirschman

An economist with huge impact on debates in political science and public policy
Page 11



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REPORT

TOP 10 BEST PLACES TO DO BUSINESS 2020

Developing economies are catching up with developed economies in the ease of doing business, although the gap remains wide, according to the World Bank's Doing Business 2020 report which reviews 190 economies across 12 business regulatory areas "to assess the business environment in each economy". New Zealand ranked first for ease of doing business for the fourth year.

[page 04]

COMMODITIES

Oil market back in focus for investors

The Sept. 14, 2019, attacks on Saudi Arabia's oil facilities put the oil market back in focus for investors and policy makers alike. Despite the largest one-day spike in oil prices since at least 1989, the broad commodities market only managed to climb modestly in September. Meanwhile, interest in safe haven assets like gold was tempered.

[page 08]

CRUDE OIL BREND	\$/bbl	62.3
GOLD	\$/toz	1,511.0

FORECAST

Commodities Prices seen falling in 2020

Energy and metal commodity prices are expected to continue to fall in 2020 following sharp declines in 2019 on a weaker outlook for global growth and consequent softer demand, the World Bank said in its October Commodity Markets Outlook. Crude oil prices are projected to average US\$60 per barrel in 2019 and weaken to US\$58 per barrel in 2020.

[page 09]



Nariman Behravesh, Ph.D., Chief Economist, IHS Markit



Authored on Sept. 12, 2019 on IHS Markit.com

The Global Economy: increased uncertainty, apprehension

Before the start of the trade tensions, slowing growth in the developed world and changes in monetary policy - initially with a tightening bias, since reversed - affected commodity prices, exports, currencies, and interest rates. The trade war has intensified these trends by disrupting global supply chains, pushing down commodity prices, and plummeting exports... The risks of policy mistakes are enormous, and markets remain

quite nervous- evidenced by recent large swings in global equity indexes. Among other things, markets are worried about a repeat of 2015 and 2016. The United States-China spat is not the only source of market anxiety. Other worries include weakening growth outside the United States, mixed earnings reports, uncertainty about what the United States Federal Reserve will do next, an inverted yield curve, and political instability in Europe."

Investors adopt a "risk on" stance in September

Trade war rhetoric softens, central banks ease monetary policy



K. Balkoudi
Editor-in-chief

September saw US-China trade negotiations get back on track, at least partially, helping markets stabilise and moving investors back into "bull" mode. Equities benefited from reduction in trade war concerns and interest rate cuts as numerous central banks reduced rates in a bid to counter the damaging effects of rising tariffs. Of course, political risks and a mid-September drone attack on major Saudi oil facilities wiping out 5% of global supply causing the price to spike 20% continued to play a prominent role in financial headlines.

[page 05]

MARKETS DATA

MSCI WORLD EQUITY INDEX
2.2%

The broad equity index that represents large and mid-cap equity performance across 23 developed markets countries advanced 2.2% in US dollar terms in September.

[page 05]



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WORLD MARKETS TODAY

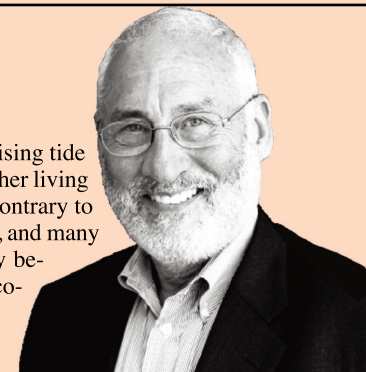
Daily stock market analysis and commentary

EDITORIAL & FACTS



Joseph Stiglitz (Economist)

"In the middle of the twentieth century, it came to be believed that 'a rising tide lifts all boats': economic growth would bring increasing wealth and higher living standards to all sections of society...Inequality is now rising rapidly. Contrary to the rising-tide hypothesis, the rising tide has only lifted the large yachts, and many of the smaller boats have been left dashed on the rocks. This is partly because the extraordinary growth in top incomes has coincided with an economic slowdown."



CALENDAR

Quick Facts Timeline for Sept. 2019

A look at the big events around the world in the past month in politics, business, economy, international relations, armed conflicts, attacks, disasters and more

✓ Sept. 1

A Necessity and Urgency Decree reinstates currency controls in Argentina

✓ Sept. 4

• Hong Kong Chief Executive Carrie Lam announces the formal withdrawal of the controversial extradition bill.

• The House of Commons of the United Kingdom approves a bill to block a no-deal Brexit next month, by a vote of 327 to 299

✓ Sept. 5

Turkish President Recep Tayyip Erdoğan threatens to "open the gates" and allow over three million Syrian refugees to freely emigrate into Europe,

✓ Sept. 6

The United Kingdom's House of Lords approves a bill forcing Prime Minister Boris Johnson to ask the European Union for a Brexit deadline extension

✓ Sept. 10

United States National Security Advisor John R. Bolton is dismissed by President Donald Trump, citing strong disagreements. Bolton insists he resigned.

✓ Sept. 11

China publishes a list of 16 U.S. goods that will be temporarily exempted from its retaliatory import tariffs.

✓ Sept. 12

The European Central Bank announces new monetary stimulus, with a second round of quantitative easing "for as long as it deems necessary" and lowering its already-negative main deposit rate.

✓ Sept. 13

Parisian metro workers launch a general strike, the largest of its kind since 2007, in protest at Emmanuel Macron's pension reforms

✓ Sept. 14

Two Saudi Aramco oil refineries, one in Abqaiq and one in Khurais, Saudi Arabia, are attacked by drones, resulting in massive fires. Saudi Aramco's exports and oil production are disrupted by 5 million barrels of oil a day, half of the entire Saudi Arabian oil exports

✓ Sept. 15

Following the drone attacks on Saudi Aramco facilities, the price of benchmark Brent Crude oil futures contracts surges as high as 19.5% at market opening.

✓ Sept. 16

Figures released by the National Bureau of Statistics of China show that industrial production growth in August was at a 17-year low.

✓ Sept. 17

Spanish Prime Minister Pedro Sánchez, after failing to achieve support from the Unidas Podemos alliance, announces the calling for a snap election on Nov. 10.

✓ Sept. 18

South Korea officially removes Japan from its "whitelist" of countries with fast-track trade status

✓ Sept. 20

The Trump administration lifts tariffs on 437 goods, amid talks. Chinese officials cancel a planned farm visit to return to China earlier

US unveils the "highest sanctions ever imposed on a country", targeting Iran's Central Bank and its National Development Fund

✓ Sept. 23

British travel company Thomas Cook enters compulsory liquidation, leaving 150,000 British holidaymakers stranded abroad and endangering 22,000 jobs worldwide

✓ Sept. 24

U.N. General Assembly 74th session with US President Donald denouncing globalism

✓ Sept. 25

Israeli President Reuven Rivlin formally gives Benjamin Netanyahu the mandate to form the next Israeli government by October 24,

✓ Sept. 28

Voters in Afghanistan head to the polls to elect a new president.



Note from the Editor

Are Billionaires a Sign of Economic Failure?

The growing concentration of the world's wealth has been highlighted by numerous reports. In the 10 years since the financial crisis, the number of billionaires has nearly doubled. Between 2017 and 2018 a new billionaire was created every two days. According to the Global Wealth Report 2019 from Credit Suisse, the world's 46.8 million millionaires are now worth a combined \$158.3 trillion – or 44% of the world's total wealth. The boom in millionaires, billionaires and the dramatic increase in extreme wealth

generally is not just noticeable. Economist Thomas Piketty in his 2014 book *Capital in the 21st Century*, claimed that deep economic forces were allowing the rich to amass a rising share of overall wealth at the expense of workers. "No matter how justified inequalities of wealth may be initially, fortunes can grow beyond any rational justification in terms of social utility" he wrote. Warren Buffett said wealth inequality has widened and will continue to widen unless something is done about it. Now, more Wall Street titans argue that reform of capitalism is necessary...

Millionaires grew by 90% the last decade

2010 **24.5** mn

2019 **48.8** mn

Source: Credit Suisse Global Wealth Report 2019

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the BIG movers

OPINION

Personalities and companies moving international finance

September was another busy month on the policy front, with the Federal Reserve and European Central Bank both cutting rates and the Brexit debate continuing. There was little major movement on the trade picture with other events taking precedence. Let's have a look at who else moved markets.

Investments in the Philippines double up

Cumulative investments recorded by the Philippine Board of Investments (BOI), an attached agency of the Department of Trade and Industry, reached Php764.7 billion as of September 2019, increasing more than two-fold (105 percent) in comparison with Php372.9 billion approved in the same period



of the previous year. "The sustained high growth of investments is a proof of the business sector's strong confidence in both the Philippines' economic fundamentals as further shown by the acceleration of the third quarter Gross Domestic Product (GDP) growth to 6.2 percent and the reform agenda of President Rodrigo Roa Duterte," Trade Secretary and BOI Chairman Ramon M. Lopez said. Singapore continues to set the pace among all foreign entities with Php170 bn in capital. South Korea is now second with Php34.1 bn. Netherlands places third with Php9.2 billion, followed by Thailand (Php8.6bn), Japan (Php6bn) and the United States (Php2.4 bn).

GM CEO at the White House

US President Donald Trump met with General

Motors CEO Mary Barra on Sept. 5. Barra emerged calling the meeting "productive and valuable." The talks came after China said that it would impose a 25 percent tariff all American autos. Since Trump was elected to office in 2016, GM and other automakers have routinely briefed him and his administration on their operations — everything from policies to major investment announcements. The meeting with Trump underscored Barra's growing status as the dean of American automotive executive.



Eni finds gas in the Niger Delta

Italian firm Eni, through its affiliate Nigeria Agip Oil Company



(NAOC) has made a significant gas and condensate find in the deeper sequences of the Obiafu-Obrikom fields, in OML61, onshore Niger Delta. According to the company, the find is about 1 trillion cubic feet of gas and 60 million barrels of associated condensate in the deep-drilled sequences. Eni stated the well could deliver in excess of 100 million standard cubic feet per day of gas and 3,000 barrels per day of associated condensates. Eni, which is more than 30% owned by the Italian state, has been present in Nigeria since 1962. Recently its CEO Claudio Descalzi told financial daily *Il Sole 24 Ore* in an interview that there is no future for companies that work only in oil and gas in the medium- to long-term. "Diversification into renewable energy and the circular economy is crucial," he said.

HKEX makes \$36 bn bid for London counterpart

Th HongKong Exchange on Sept. 11 made a surprise \$36 bill. offer for the London Stock Exchange (LSE) in a deal that would tie up two of the world's largest exchange operators. HKEX said a takeover of the LSE would "reinforce Hong Kong's position as the key connection between mainland China, Asia and the rest of the world". "Together we will connect east and west," Charles Li HKEX CEO said. "We would have an 18-hour trading day emerge." Seven years ago HKEX bought the London Metal Exchange.





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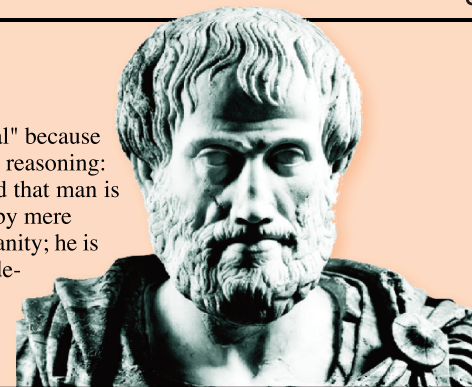
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POLICIES & POLITICS



Aristotle (384–322 BC) Greek philosopher

In his *Politics*, Aristotle believed man was a "political animal" because he is a social creature with the power of speech and moral reasoning: "Hence it is evident that the state is a creation of nature, and that man is by nature a political animal. And he who by nature and not by mere accident is without a state, is either a bad man or above humanity; he is like the Tribeless, lawless, heartless one, whom Homer denounces — the natural outcast is forthwith a lover of war; he may be compared to an isolated piece at draughts."



COUNTRIES POLICIES

Regulations & Legislation

Corporate tax breaks, new schemes to support investment, changes to Forex market

This column provides an international overview of new bills, legislation and regulation so you can make more efficient plans for your business. Brazil plans to modernise its forex market, India slashes effective corporation tax for domestic companies, Italy is set to renew tax scheme to spur investment while Uganda orders telcos to list shares on local bourse.

BRAZIL

BCB to Modernise FOREX Market

Banco Central do Brasil (BCB) proposed a Bill to modernise the foreign exchange market. According to the Central Bank, the bill "aims to establish a new, more modern, concise and legally secure regulatory framework for the foreign exchange and capital markets in Brazil and for Brazilians abroad". The exchange liberalisation intended by the BCB does not include the unregulated opening of dollar accounts by individuals, Otavio Damaso, BCB Director of Regulation, explained on Oct.7.

ITALY

Corporate tax breaks to support investments

Italy is set to renew tax scheme to spur investment Economy Minister Roberto Gualtieri told a conference organised by Italian business lobby Confindustria. According to him, the 2020 budget would renew the tax breaks, which would otherwise expire at the end of the year. "We also want to extend the incentives to those investments that support the transition to environmental sustainability," he added.

UGANDA

Telcos to list 20% of shares within two years

The government says the country's telecoms operators must list at least 20% of their shares on the Uganda Securities Exchange (USE) within two years in a move to encourage local ownership. "In 60 days we want to have issued new licenses and then two years from then all the players should have listed at least 20% of their shares on the Uganda Stock Exchange (USE)," said Ibrahim Bbosa, spokesman for the regulator Uganda Communications Commission (UCC). According to TeleGeography's GlobalComms Database, MTN Uganda and Airtel Uganda control almost 90% of the local mobile market between them.

INDIA

Major fiscal booster

India's Finance Minister Nirmala Sitharaman (pictured) on Sept. 20 said that corporate tax will be cut to 25.17% inclusive off all cess and surcharges for domestic companies and that the new tax rate will be applicable from the current fiscal which began on April 1. This, she said is being done to promote investment and growth. In effect, the corporate tax rate will be 22 per cent for domestic companies.



IN
FOCUS

Politician of the Month



"The madder Hulk gets, the stronger Hulk gets"

Boris Johnson
(Prime Minister of the UK
24 July 2019-present)

With less than a month until Britain is due to leave the EU, the future of Brexit, the country's biggest trade and foreign policy shift in more than 40 years, is uncertain. Boris Johnson insists the UK will leave the EU on October 31, with or without a divorce deal-even though the parliament has put roadblocks in his way passing a law that requires the prime minister to request a Brexit delay if he fails to secure an acceptable deal at crucial EU summit on Oct. 17.

Comparing the UK to a superhero

In an exclusive interview with The Mail on Sunday on Sept. 15, the PM said the UK will break out of its "manacles" from the EU like The Incredible Hulk if a Brexit deal cannot be struck by Oct. 31. Johnson also told the newspaper that if negotiations break down, he will ignore the vote ordering him to delay the UK's departure, adding: "The madder Hulk gets, the stronger Hulk gets." His declaration came ahead of a meeting with European Commission chief Jean-Claude Juncker. During September, the prime minister suspension of parliament was ruled unlawful by the UK Supreme Court and the government suffered seven successive defeats over Brexit in parliament. The country remains gripped by political and constitutional turmoil over Brexit.

PRIVATISATION & PPPs

Rwanda is calling for bids for Kigali Arena management

Rwanda is seeking investors to take on the management of the \$100m Kigali Arena, according to a Ministry of Sports and Culture statement. The recently inaugurated arena, located just outside the Amahoro National Stadium in Kigali's neighborhood Remera, is one of the top 10 indoor sports venues on the continent, and the biggest in the Eastern Africa region. The 3-storey complex with a 10,000-seat capacity sits on a 28,000 square-metre piece of land with a parking lot that can accommodate over 600 vehicles. Submission of proposals ends November 21.

Jedda's new logistics zone open to private investors

Saudi Arabia launched a new logistics zone open to private investors, in the city of Jeddah, home to one of the kingdom's largest ports.

The new zone is located in al-Khomra, which extends over 2.3 million sq. meters will support activities around shipping, freight distribution and transport of good. It is part of the broader National Industrial Development and Logistics Program (NIDLP), which aims to create 1.6 million jobs and attract investments worth 1.6 trillion riyals.

ELECTIONS

October 2019

Every month this column keeps you up to date about elections around the world

► UAE

Parliamentary elections will be held in the United Arab Emirates on Oct. 5 to elect the half of the members of the Federal National Council (FNC). 479 Emiratis are competing for 20 FNC seats.

► PORTUGAL

The Portuguese legislative election of 2019 will be held on 6 Oct. All 230 seats to the Assembly of the Republic are at stake. Polls suggest that the Socialists will win the most seats.

► TUNISIA

Presidential elections were held in Tunisia on Sept.15. As no candidate received a majority of the vote in the first round, a runoff will be held on Oct.13 between the top two candidates, Kais Saied and Nabil Karoui.

► POLAND

The country will hold its parliamentary election on Oct. 13 which most pollsters expect the ruling Law and Justice (PiS) party to win thanks to robust economic growth.

► BOLIVIA

General elections will be held on Oct. 20. Evo Morales is running for a fourth term in office. Morales' main rival for the presidency is Carlos Mesa.

► CANADA

The 2019 Canadian federal election will be held on Oct. 21 to elect members of the House of Commons to the 43rd Canadian Parliament. The two top contenders are Liberal leader and incumbent Prime Minister Justin Trudeau, and Conservative leader Andrew Scheer.

► ARGENTINA

Voters in Argentina will go to the polls for national elections on Oct. 27. with the left-wing Peronists widely expected to win the presidency.

► URUGUAY

Voters in Uruguay are going to the polls on Sunday to elect a new president. Candidates: Daniel Martínez, Luis Lacalle Pou, Ernesto Talvi, Guido Manini Ríos.

Sovereign Wealth Funds (SWF) News

1. AFRICA

\$13bn

Inflows in the US According to SWFI's Global Investor database, Sub-Saharan African sovereign wealth assets total around \$13 billion, still dwarfing African pension assets.

2. ASIA

\$200bn

In the last 12 months, Khazanah Nasional Berhad, Malaysia's sovereign wealth fund, committed roughly \$200 million in commitments toward external investment funds.

3. AMERICAS

\$26bn

China's sovereign wealth fund China Investment Corp (CIC) has started investing in the U.S. manufacturing sector through a joint venture with Goldman Sachs. The fund has invested in 44 projects worth \$26 billion under the Belt and Road initiative as at the end of August.

4. EUROPE

\$397m

The Norwegian Ministry of Finance withdrew 3.6 billion NOK (US\$ 397 million) from Norway Government Pension Fund Global (GPFG) in August 2019.

5. RUSSIA

\$2bn

The Russian Direct Investment Fund (RDIF) opened its first foreign office in the Kingdom of Saudi Arabia. RDIF revealed that Saudi Aramco and itself are viewing possible projects in the oil services sector with a total investment value of over US\$ 1 billion, as well as in oil and gas conversion projects worth over US\$ 2 billion.

5. MIDDLE EAST

\$250m

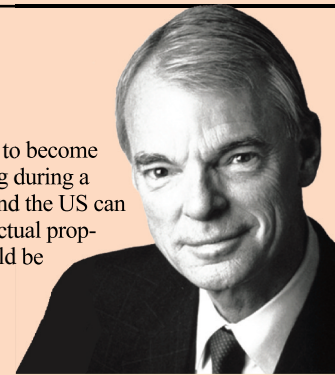
Mubadala, Abu Dhabi's state investor, announced two new MENA tech funds that will invest \$250 million in start-ups from the Middle East and North Africa region. Mubadala started its tech portfolio in 2007 and has invested in Uber.

BUSINESS & ECONOMY



Michael Spence (born 1943)
Nobel laureate, Prof. of Economics at NYU

The Sino-US trade war has come at a time when China has risen to become a global economic power, according to Spence who was speaking during a UBS event in Hong Kong on Sept. 24. Spence said both China and the US can come to an agreement on issues such as market openness, intellectual property, and subsidies, but reconciliation between the two sides would be difficult. "We can partially resolve these things if the negotiators work hard, but there will still be residual tensions."



ECONOMIC VIEW

World economy will see some recovery in 2020

The world economy significantly weakened in 2019 to 2.3 percent growth in GDP, down from 3.0 percent in 2018. However, a small recovery in 2020 to 2.5 percent growth is likely, according to The Conference Board Global Economic Outlook 2020.



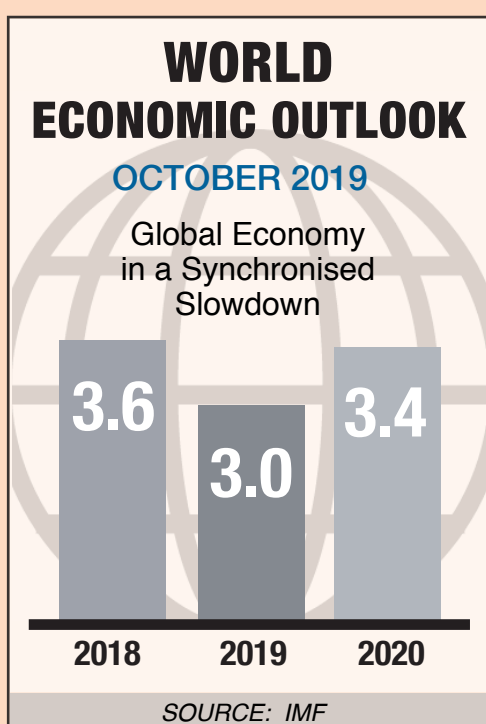
Bart van Ark,
Chief Economist of The
Conference Board

In the longer-term, the world economy will grow at about 2.7 percent by the middle of the next decade. Consumers around the world will benefit from rising wages and low inflation rates, while businesses continue to leverage innovation and digital transformation to grow top-line revenue and reduce costs to avoid a major squeeze on profits.

"The global economy has taken a bigger hit in 2019 than anticipated and it seems we have arrived in a world of stagnating growth," says Bart van Ark, Chief Economist of The Conference Board. "But even though recession fears are widespread, we expect some recovery in 2020 as China's overcapacity problem is being addressed, supply chains are getting restructured, the risk of an escalation of trade disputes recedes, and productivity growth continues to recover."

While output may still contract temporarily in some locations (for example, in Germany, Italy, Japan, or the UK) as well as in some emerging markets (such as Brazil, Mexico, and Turkey), robust labor markets and strong consumer spending will continue to provide an important contribution to growth for most countries. The current unusually large gap between the high level of consumer confidence and rapidly declining business confidence is likely to get resolved in favor of improving business confidence.

Founded in 1916, the Conference Board is a New York-based member-focused think tank that provides trusted insights for what's ahead.



LISTED COMPANIES NEWS

INDIA

RIL to achieve market cap of \$200bn

Reliance Industries Ltd (RIL) in 24 months can become the first Indian company to reach \$200 billion market cap on the back of its new commerce venture and fixed broadband business, according to Bank of America Merrill Lynch. "In our bull-case, we look at a 24-month fair-value of the company as we believe most of the new businesses which are in gestation period will take around 24 months to acquire scale and contribute meaningfully to RIL's fair value," the brokerage said. Reliance Industries (RIL) is India's largest petrochemical and second-largest oil refining company. Its shares have surged nearly 26% since January.

ROMANIA

Romgaz teams up with SOCAR

Romgaz, Romania's largest oil producer, has signed a memorandum of understanding with Azerbaijan's state energy company SOCAR

to cooperate on geological exploration, as well as oil and gas upstream projects. The purpose of the memorandum was to establish a "strategic partnership" with SOCAR, Romgaz said in a statement. The announcement comes after the two companies first expressed their plans to cooperate in offshore exploration projects in the Black and Caspian Seas. Romgaz shares entered into trading on the Main Market of the Bucharest Stock Exchange (BVB) on November 12, 2013, following the successful completion of an initial secondary public offering of up to RON 1.7 bn, both on the BVB and on the London Stock Exchange.

USA

UBER lays off employees across different departments

The ride-hailing company has cut 350 jobs—its third round of job cuts in just three months. The job cuts impact Uber's self-driving unit, food delivery service, marketing, recruiting, and its core ride-hailing business. In addition to the cuts, some employees were asked to relocate to other offices. The news comes as the company faces pressure to clean up its finances following a lackluster Wall Street debut in May. In Q2 2019, Uber lost more than \$5 billion, its biggest quarterly revenue loss to date.

AUSTRALIA

KKR consortium cancels Latitude IPO

Latitude Financial's eagerly awaited debut on the ASX has been pulled for the second time in just over a year. It was meant to be the biggest Australian initial public offering (IPO) of the year, but those plans have been shelved by Latitude's owners — NYSE-listed US private equity giant KKR, Deutsche Bank and Varde Partners. Latitude had filed a prospectus with the regulator last month valuing the finance company at between \$2 and \$2.25 per share.

AFRICA

Access Bank to acquire Transnational Bank

The Competition Authority of Kenya and Central Bank of Kenya (CBK) has given the green light to Access Bank's proposal to acquire 93.57% of Kenyan based lender Transnational Bank Ltd. Nigeria Stock Exchange-listed Access Bank is Nigeria's largest bank following the merging of operations with Diamond Bank of Nigeria. Kenya has more banks per person than South Africa and Nigeria.

TOP 10 BEST PLACES TO DO BUSINESS

New Zealand (with a score of 86.8 out of 100) is the easiest place in the world to do business, according to the World Bank's new Doing Business 2020 report, which looks at the simplicity of setting up, operating, and paying taxes in 190 territories around the world. Specifically, the report grades territories according to the rules affecting a business from inception through operation to wind-down: starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts, and resolving insolvency.

86.8

1. NEW ZEALAND

86.2

2. SINGAPORE

85.3

3. HONG KONG

85.3

4. DENMARK

84

5. REP. OF KOREA

84

6. USA

83.7

7. GEORGIA

83.5

8. UK

82.6

9. NORWAY

Overall, analysis of the report showed that governments of 115 economies around the world launched 294 reforms during the past year to help reduce the cost, and time involved, in doing business for their national private sectors. The top 10 improves in this year's index are Saudi Arabia, Jordan, Togo, Bahrain, Tajikistan, Pakistan,

SOURCE: WORLD BANK

CEOs TALK

CME acquired by Czech investment group PPF

Central European Media Enterprises (CME), which operates some of the most popular TV channels in Bulgaria, the Czech Republic, Romania, Slovakia and Slovenia has announced that it is set to be acquired by an affiliate of the Czech Republic-based international finance and investment group PPF in a cash transaction valued at approximately \$2.1 billion. Under the terms of the deal, which is expected to be completed in Q2 2020, holders of CME's issued and outstanding Class A common shares will receive \$4.58 per share. In a joint statement, Michael Del Nin and Christoph Mainusch (pictured), CME's co-CEOs, said: "Over the course of the last six years, while transforming the business and delivering a continuous stretch of astonishing profitability growth, our primary focus has been on creating value for our owners. This transaction, which is the culmination of those efforts, is the right one for our shareholders and a satisfying conclusion to one of the most successful turnarounds of a leading media company in recent times." CME is listed on NASDAQ and Prague Stock Exchange.

Ferretti withdraws IPO, plans private share sale

Despite the interest shown by investors, the Italian superyacht maker, announced that it was withdrawing its offer to publicly list 30% of the company's shares on the Milan stock exchange because it could not get the right pricing. In an interview with Reuters, Ferretti CEO Alberto Galassi (pictured) went even further in revealing the company's future direction, "You'll see, in 2020 a new investor will come on board," he said, suggesting that the prospective investor might take a stake of around 30% and that talks had been underway for some time. Reuters indicated the prospective investor was from Europe. Ferretti which used to trade on the Milan market before it was delisted in 2003 specialises in developing, building and launching luxury composite motor yachts.



Brazil's Yduqs buys Adtalem for \$467 mln

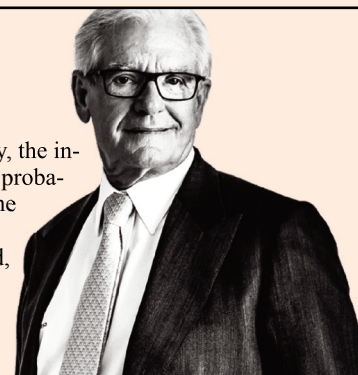
Brazilian education company Yduqs has bought Adtalem Global Education Inc's assets in Brazil for 1.92 billion reais (\$467 million) as it continues to pursue bolt-on acquisitions. Adtalem is Brazil's 10th largest private-sector higher education company, with 102,000 enrolled students. "We have been on a path to reposition Adtalem as a leading workforce solutions provider, and this transaction further streamlines our enterprise, reduces portfolio risk and complexity and advances exciting opportunities for growth and innovation in our Medical & Healthcare and Financial Services verticals," said Lisa Wardell, Adtalem chairman and CEO. Adtalem's Brazil assets, which make up all of Adtalem's Business & Law segment, contributed \$225.8 million in revenue in fiscal year 2019. The agreement is subject to certain terms and conditions, including anti-trust approval from Brazil's Administrative Council of Economic Defense (CADE). The transaction is anticipated to be completed in the first half of fiscal 2021.

TRADING & MARKETS



Charles Schwab (chairman and founder of Charles Schwab & Co)

In his new book, "Invested," a personal memoir of the company's history, the investing pioneer writes: "In fact, the late 1980s, right after the crash, was probably the best opportunity my generation was ever presented to dive into the market. It was the chance of a lifetime to make enormous long-term investing gains. But few recognized it at the time. Having just been burned, many now watched warily from the sidelines. ... Sometimes I wish I could just tie them to their chairs to help them ride out the temporary storm."



MONTHLY MARKETS REVIEW

Investors adopt a "risk on" stance



Kyriaki I. Balkoudi Editor-in-chief

September saw US-China trade negotiations get back on track, at least partially, helping markets stabilise and moving investors back into "bull" mode. Equities benefited from reduction in trade war concerns and interest rate cuts as numerous central banks reduced rates in a bid to counter the damaging effects of rising tariffs. Of course, political risks and a mid-September drone attack on major Saudi oil facilities wiping out 5% of global supply causing the price to spike 20% continued to play a prominent role in financial headlines.

Americas

U.S. equities rose as the Federal Reserve's interest rates cuts in September. Markets continue to price in another 25 basis points reduction by the end of 2019. Stocks had one of their best days on Sept. 5, following news that Chinese and U.S. officials were preparing to meet in Washington in early October.

A series of conciliatory gestures from the two superpowers further supported sentiment. In Brazil, Mexico and Chile central banks reduced interest rates by 0.50%, 0.25% and 0.50% respectively.

Europe

European markets rallied strongly. Reacting to signs of weakening economic growth, the European Central Bank (ECB) cut its deposit rate by 10 basis points and pledged to restart bond purchases of €20 billion a month beginning November 1 until it achieves its inflation target.

In the UK, where Brexit turmoil continued to dominate the political scene, the equity market provided a positive return during September.

The Bank of England kept rates on hold but cut its third-quarter growth forecast to 0.2% from 0.3%. The UK Parliament remained pro-rogued for most of the month but the Supreme Court judged the suspension illegal.

Asia

Asian equity markets ended September in positive territory amid easing fears over a trade war escalation. In Japan, where the government introduced an increase in the consumption tax to 10% from 8% effective Oct. 1 and the Bank of Japan held rates, stocks advanced. Indian markets rallied on a surprise cut in corporate taxes to 22% from 30%. The move is broadly expected to benefit a wide number of industries. Taiwan posted a positive return, driven by strong performance from technology stocks. Chinese equities underperformed regional peers.

Emerging Markets

Emerging markets advanced higher with Latin America as the best performer. All the regions registered gains but Turkey, Pakistan and Argentina came top with the best sector returns coming from technology, energy and industrials.

South Africa was a laggard as the country's economy entered the 70th month of a weakening cycle in September, according to the central bank.

The MSCI Emerging Markets Index rose in September but despite the advance EM equities delivered -1.9% over the quarter.

Optimistic traders are acting as if the good times are back but the cautious ones who will carefully monitor the developments on trade, will likely make the smarter bet.

IN FOCUS

FUNDS

140 Funds Investors pump money into bond funds

A slew of uncertainties, especially related to global growth with fears of recession looming large, kept investors away from equities. As the third quarter of the calendar year came to a close, investors continued to pump money into bond funds. "The third quarter ended as it began, with EPFR-tracked Equity Funds experiencing net redemptions and Bond Funds net inflows that took their year-to-date totals to -\$230 billion and +\$481 billion, respectively, as investors continue to brace for a cyclical downturn that they have been anticipating for the better part of four years. In recent months their outlook has been shared by the world's major central banks," fund-tracker EPFR Global said in a report on 3 October.

Net assets of investment funds increase in Romania

The net assets of the 207 funds open and closed, local and foreign in Romania, have increased in September by 1.4 % up to the level of 46.5 billion lei (9.8 billion euro) registering growth of 11% since the beginning of the year, according to the Association of the Administrators of Funds. In September, the net inflows of the month totalized 269 million lei (56.7 million euro). The most performing 5 funds over the last 12 months have registered annual yields between 19% and 23.9%. On a horizon of 36 months, the most performing 5 funds have yields between 53% and 65.2% obtained during three years.

MARKETS EXPERTS

Cancellation of IPOs sign of market nervousness

Investors push back on IPOs with sky high valuations and loss-making companies. Of 120 IPOs done so far this year in the US, 22 have broken their IPO price on the first day of trading. About half (48%) are trading below their initial price. Peloton, the at-home fitness company, opened 6.9% below its offer price, marking the third-worst trading debut for a mega-IPO since the financial crisis.

Meanwhile, IPO cancellations are taking place worldwide. Hollywood conglomerate Endeavor canceled its IPO at the last minute Sept. 26, saying it would evaluate market conditions to better time the offering. WeWork also announced it's indefinitely postponing its IPO as its new co-CEOs "focus on our core business. Elsewhere, Kazakh fintech firm Kaspi.kz delayed its LSE debut citing uncertainties in the international stock markets and in the global technology sector. The IPO was rumored to have been aimed at a valuation of \$5 billion.

John Fitzgibbon Founder and CEO of Iposcoop

John Fitzgibbon, who has been following the IPO market since 1973 as an investment banker, told CNBC: "There's a newer caveat about unicorns making the rounds on the Street: Unicorns produce huge revenue on a money-losing operation and don't do well in the aftermarket."

IPOScoop.com, which made its online debut in 2006, traces its origin back 26 years to the NYSE member firm Lynch Jones & Ryan and an association with Bloomberg (1993-1996), Thomson Financial (1996 - 1999), Redherring.com (1999-2000) and IPO Desktop.com (2000 - 2006). The SCOOP in IPO Scoop.com is an acronym for Wall Street Consensus of Opening-day Premiums.



Kathleen Smith Principal at Renaissance Capital

"The IPO window is closing on growth at-all-costs, highly valued private companies that are trying to come to market with excessively valued pricing," Kathleen Smith, principal at Renaissance Capital, a provider of institutional research and IPO exchange-traded funds told CNBC.

"We know the market has been jittery and IPOs in general are seeing multiple contraction," she said, citing recent pullbacks in Zoom Video Communications, streaming platform Roku and cybersecurity company CrowdStrike as examples.



BROKERAGE FIRMS news

DAIWA SECURITIES

50%

Daiwa Securities Group and Global X will establish a joint venture to expand the domestic ETF business. In Japan, although the presence of ETFs in publicly offered stock investment trusts has been increasing year-by-year, the market is still developing, with more than 50% of personal financial assets held in cash.

NOMURA

81 mill

Japan's oldest brokerage has made an investment in LVC, the operator of the country's most popular messenger, following an agreement signed on Sept. 24. Nomura said that the venture will be developing financial services utilising blockchain technology. The partnership will make use of Line's large user base—81 million in Japan.

E-TRADE FINANCE

767 mill

E-Trade topped Q3 estimates. Earnings came in at \$1.04 a share on revenue of \$767 million. Daily average revenue trades grew 5% to 267,000, while the average commission per trade fell 2% to \$7.18. Total customer assets grew 2% to \$604 billion

INVESCO

12%

Invesco has laid off 12% of its combined workforce following its acquisition of OppenheimerFunds, which was completed in March this year, to meet its annual cost-savings target of \$475m.

TD AMERITRADE

\$93 bn

Fiscal 2019 was another good year for TD Ameritrade. One of the most innovative online brokers saw record trading, averaging 860,000 trades per day, and gathered a record \$93 billion in net new client assets.

◆ GRAPH of the Month

Index Returns for September 2019 (%)

Source: MSCI, FactSet, J.P. Morgan Economic Research, J.P. Morgan, Asset Management.

INDEX	GBP	USD	JPY	EUR	LOC
Equities (MSCI)					
MSCI World	1.0	2.2	4.0	3.2	2.4
MSCI USA	0.6	1.8	3.6	2.8	1.8
MSCI Europe	1.0	2.2	4.1	3.3	3.2
MSCI UK	2.9	4.2	6.1	5.2	2.9
MSCI Japan	3.0	4.2	6.1	5.3	6.1
MSCI AC Asia	0.5	1.7	3.5	2.7	1.3
MSCI EM L.Am.	1.4	2.6	4.5	3.7	2.9
MSCI EM	0.7	1.9	3.8	3.0	1.5

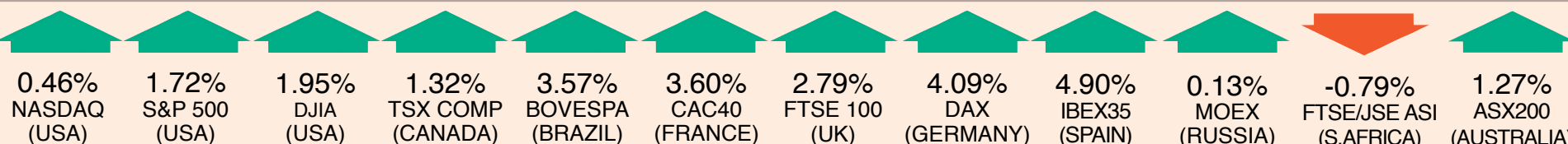
(Data as of 30 Sept. 2019)

TRADING VENUES NEWS



Dr. Mohammed Omran (Chairman of the Board of Egypt's FRA)

Egypt's Financial Regulatory Authority (FRA) has approved the trading fees reduction of transactions on the Egyptian Exchange (EGX) to encourage investment and create a competitive environment, the authority said in a statement. This will reduce trading service fees to 0.005% from 0.00625%, clearing and settlement fees to 0.0100% from 0.0125% and stock market commissions to 0.0100% from 0.0120%. Additionally, expenses of the Investor Protection Fund by 50% to 0.005% from 0.010%. The decision will now be sent to the cabinet for final approval.



World's largest stock markets major indices performance September (Change % during previous month's trading)



NEW YORK, USA (NASDAQ) NASDAQ Lists CIX100 Index

The world's second-largest stock exchange has listed CIX100, an index of crypto market's top 100 performers. Powered by artificial intelligence, the CIX100 is created by crypto data provider Cryptoindex.com. VJ Angelo (pictured), a 30-year veteran of the financial markets, founded Cryptoindex after holding the position of CEO at the London Derivatives Exchange for several years.

CIX100 is a crypto market benchmark that analyses cryptocurrency data and filters it by over 200 factors. Once the first filtering is done, Zorax, Cryptoindex's proprietary AI algorithm analyses data from nine of the biggest cryptocurrency exchanges, as well as news sources and social media platforms. The index is made up of cryptocurrencies selected from a list of over 2500 coins and includes coins that have been in the top 100 for over three consecutive months. Every month, the algorithm rebalances excluding "coins with fake volumes and ranks," an ongoing issue in the crypto sector.



TORONTO, CANADA (TSX) TSX introduces the TSX30

Toronto Stock Exchange (TSX) on Sept. 26 announced the inaugural TSX30, a flagship program recognising the 30 top-performing TSX stocks over a three-year period based on dividend-adjusted share price appreciation. "We are extremely proud to present the TSX30, a new recognition program featuring some of the most compelling success stories among our listed issuers" said Loui Anastasopoulos (pictured), President, Capital Formation, TMX Group. The 2019 TSX30 ranking: 1.Canopy Growth Corporation 2. Shopify Inc. 3.Village Farms International Inc.4. Kirkland Lake Gold Ltd. 5. Trilogy Metals Inc. 6. Aphria Inc. 7. Air Canada 8. Neptune Wellness Solutions Inc. 9. Ivanhoe Mines Ltd. 10. North American Construction Group Ltd.11. Labrador Iron Ore Royalty Corporation 12. Ballard Power Systems Inc 13. Pollard Banknote Limited 14. goeasy Ltd. 15. Anglo Pacific Group PLC 16. North American Palladium Ltd. 17. Gran Colombia Gold Corp. 18. Resverlogix Corp.19. Wesdome Gold Mines Ltd 20. Cargojet Inc. 21.Theratechnologies Inc. 22. Summit Industrial Income REIT 23. Constellation Software Inc. 24.Tucows Inc. 25. Great Canadian Gaming Corporation 26. CAE Inc. 27. Park Lawn Corporation 28. TerraVest Industries Inc. 29. BRP Inc.30. Boyd Group Income Fund.

BUDAPEST, HUNGARY BSE Hiventures teams up with BSE

Hiventures, the venture capital fund manager of the Hungarian Development Bank (MFB), signed a cooperation agreement with the Budapest Stock Exchange (BSE) on supporting companies planning IPOs. The agreement was signed on Sept. 19, by Bence Katona, CEO of Hiventures, and Richárd Végh, CEO of the Budapest Stock Exchange, in the framework of the bourse's BET50 conference, an annual meeting of mid-sized companies. Hiventures undertakes to select listed companies from its portfolio and promote their presence in the mid-sized BSE Xtend market. The BSE launched the platform for mid-sized companies in 2017. Hungary's bourse has a market capitalisation \$28.7bn. Hiventures is one of the biggest investor companies in East-Central Europe.

ISTANBUL, TURKEY BIS New CEO appointed

Mehmet Hakan Atilla has been appointed the new chief executive officer (CEO) of Borsa Istanbul, the country's main stock exchange. He also acts as a Board Member. Born in Ankara in 1970, Mehmet Hakan Atilla graduated from Gazi University, Faculty of Economics and Administrative Sciences, the Department of Economy. He started his career as an assistant specialist in Research Development and Planning Directorate at state lender Halkbank. He also worked as Deputy General Manager in charge of International Banking in Halkbank from 2011-2018. Borsa Istanbul's 378 listings had a domestic market capitalization of \$149.3 billion last year, while its net profit, at 993 million lira (\$170 million), was up 225% from 2018.

YEREVAN, ARMENIA AMX AMX joins World Investor Week 2019

Armenia Securities Exchange and Central Depository of Armenia joined World Investor Week (WIW), a campaign promoted by the International Organisation of Securities Commissions (IOSCO). During October 1-7, 2019, individual investors, investment professionals, teachers, parents, researchers, and other interested individuals - as well as firms, regulators, and organizations - are encouraged to make a special effort to promote investor education and in particular, World Investor Week's key messages. Armenia Securities Exchange will hold public lectures and

publish dedicated social media posts to locally promote the key messages.

COLOMBO, SRI LANKA CSE Amendments to CSE Listing Rules

The Colombo Stock Exchange (CSE), in consultation with the Securities and Exchange Commission of Sri Lanka (SEC), is proposing to revise the regulatory framework governing the initial listing of shares on the CSE. The exercise is aimed at broadening the CSE Listing Rules to complement Sri Lanka's rapidly developing commercial landscape comprising of multiple new business models and segments. The revisions are also directed at improving the efficiency of the listing process while offering greater flexibility to companies listing on the CSE.

HARARE, ZIMBABWE ZSE ZSE to introduce ETFs

The Zimbabwe Stock Exchange (ZSE) plans to introduce Exchange Traded Funds (ETFs) as part of its efforts to offer wider investment choices. "Our efforts in increasing new products on the market have seen the ZSE introducing Direct Market Access (DMA) and Exchange Traded Funds will be launched in the fourth quarter. All these efforts have been in line with our vision to facilitate economic development of Zimbabwe and Africa, and have been made possible with the support of all our stakeholders," Justin Bgoni ZSE CEO said in a statement. The DMA, a product launched in June 2019, enables fund managers and institutional investors to enter their orders directly into the Automated Trading System (ATS) without manual intervention by the broker.

BOGOTA, COLOMBIA BVC BVC CEO elected to board of WFE

At the 59th General Assembly in Singapore on Oct. 9 the World Federation of Exchanges elected four Directors of the Board, in which Juan Pablo Cordoba, CEO, Bolsa de Valores de Colombia (BVC) was re-elected for a term of three years. The elected Directors of the Board are as follows: 1.Mr Greg Wojciechowski, President & CEO, Bermuda Stock Exchange - Director, Americas region (3-year term) 2.Mr Juan Pablo Cordoba, CEO, Bolsa de Valores de Colombia - Director, Americas region (3-year term) 3.Mr Jiwon Jung, Chairman & CEO, Korea Exchange - Director, Asia-Pacific region (3-year term) 4.Mr Akira Kiyota, Group CEO, Japan Exchange Group - Director, Asia-Pacific region (3-year term).



MANAMA, BAHRAIN (BB)

International Investor Roadshow

As part of its endeavor to further attract international investments and strengthen links between listed companies and institutional investors, Bahrain Bourse led a roadshow to Luxembourg, in collaboration with HSBC. Taking place between Sept.24-26, the roadshow involved a senior delegation comprising 11 representatives from 4 listed companies. The Roadshow was held on the sidelines of the ALFI Global Distribution Conference, involving more than 200 international fund managers. Sh. Khalifa bin Ebrahim Al-Khalifa, Chief Executive Officer of Bahrain Bourse lead the delegation which included; Bahrain Telecommunications Company ('Batelco'), Ithmaar Holding, National Bank of Bahrain, and SICO BSC (c).

VIENNA, AUSTRIA (WB)

Bond listings at record level

The Vienna Stock Exchange, where a total of 759 equities are now tradable, is heading for a record number of corporate bonds in 2019. This year, 80 new corporate bonds with a volume of almost EUR 13.3 bn have already been listed. With AS Roma (EUR 275 mn) and Russian Railways (EUR 212 mn), renowned international companies were acquired. The newest Green Bond additions include the RBI benchmark bond (EUR 750 mn). A total of 3,625 bonds are currently tradable on the Vienna Stock Exchange, also a high.



MANILLA, PHILIPPINES (PSE)

PSE joins bell ringing event

The Philippine Stock Exchange, Inc. (PSE) on Sept. 30 joined other members of the World Federation of Exchanges (WFE) in ringing the bell for financial literacy. "The PSE will continue to invest resources on knowledge sessions to reach many more Filipinos. Our stock market accounts may have crossed the one million mark in 2018 but that is still less than one percent of our population. We want to introduce equities investing to the public so that they will get a good grasp of what the stock market is all about and develop an interest in investing" PSE Chairman Jose T. Pardo said. The Philippine Stock Exchange index (PSEi) increased 458 points or 6.12% since the beginning of 2019, according to trading on a contract for difference (CFD) that tracks this benchmark index from Philippines.

Data published on these pages, including prices, are indicative and not appropriate for trading purposes. Therefore they should not be relied upon when making an investment decision, they are for information purposes only.

INDICES PRICES
DATA



Mark McInnes (Premier Investments CEO)

Shares of Premier Investments jumped 15.3 percent on Sept. 20 after the Australian conglomerate reported a nearly 28 percent increase in full-year profit and raised its final dividend. Premier Investments has been listed on the Australian Securities Exchange (ASX) since 15 December 1987. The company was established as an investment vehicle to maximise growth in capital returns to shareholders through the acquisition of controlling or strategic shareholdings in premier Australian companies with a particular focus on retailing, importing and distributing.



1.85%	0.60%	1.10%	1.43%	5.08%	4.84%	1.99%	4.09%	3.57%	0.43%	-2.52%	-1.07%
SMI	SSEC	SZSE	HANGSENG	NIKKEI 225	KOSPI	TWII	NIFTY 50	SENSEX	STI	JSX	SETI
(SWISS)	(CHINA)	(CHINA)	(HONK KONG)	(JAPAN)	(S.KOREA)	(TAIWAN)	(INDIA)	(INDIA)	(SINGAPORE)	(INDONESIA)	(THAILAND)



World Markets Dashboard
One stop-shop for Market Watchers

See at a glance the monthly performance of the main indices of world stock markets. All figures below refer to the performance of September (MoM change %). World Markets undertakes all reasonable efforts to ensure the data included in this section was correct at the time of publication.

Number of Stock Markets by Continent

AFRICA	34
AMERICAS	36
ASIA PACIFIC	25
EURASIA	9
EUROPE	44
MIDDLE EAST	12

For corrections send an email at: corrections@worldmarketsdaily.com

1. AFRICA

- 1. ALGERIA Algiers SGBV
- 2. ANGOLA Luanda BOVIDA
- 3. BOTSWANA Gaborone BSE
- 4. CAPE VERDE Mindelo BVC
- 5. CAMEROON Duala DSX
- 6. COTE D'IVOIRE Abidjan, BRVM, BRVM Composite: -6.99%
- 7. EGYPT Cairo EGX.EGX30: -3.89%
- 8. ETHIOPIA Addis Ababa ECX
- 9. GABONE Libreville BVMAC
- 10. GHANA Accra GSE
- 11. KENYA Nairobi NSE, NASI: 1.44%
- 12. LESOTHO Maseru MSM
- 13. LIBYA Tripoli LSM
- 14. MAGADAGASCAR Antananarivo mex
- 15. MALAWI Blantyre MSE
- 16. MAURITIUS Port Louis SEM, MDEX: -1.64%
- 17. MOROCCO Casablanca CASA SE, MASE: -1.27%
- 18. MOZAMBIQUE Maputo BVM
- 19. NAMIBIA Windhoek NSX, FTSE NSX OI: 3.54%
- 20. NIGERIA Lagos NSE, ASI -0.38%
- 21. RWANDA Kigali RSE
- 22. SEYCHELLES Victoria SSE
- 23. SOMALIA Mogadishu SSE
- 24. SOUTH AFRICA Johannesburg JSE, FTSE/JSE ASI: -0.79%
- 25. SOUTH AFRICA Johannesburg, A2X
- 26. SOUTH AFRICA, Johannesburg, 4AX
- 27. SOUTH AFRICA, Johannesburg, ZAR X
- 28. SUDAN Khartoum KSE
- 29. SWAZILAND Mbabane SSX
- 30. TANZANIA Dar Es Salaam DSE, DSE -1.85%
- 31. TUNISIA Tunis BVMT, TUNINDEX: -3.12%
- 32. UGANDA Kampala USE, ASI -1.5%
- 33. ZAMBIA Lusaka LUSE
- 34. ZIMBABWE Harare ZSE, INDZI: 39.91%

2. AMERICAS

- 35. BAHAMAS Nassau BISX
- 36. BARBADOS S. Michael BSE
- 37. BERMUDA Hamilton BSX
- 38. CANADA, Toronto CSE
- 39. CANADA, Toronto NEO
- 40. CANADA Toronto TSX, TSX Composite: 1.32%
- 41. CANADA Toronto TSX Venture
- 42. CAYMAN ISLANDS Grand SXE
- 43. DOMINICAN REPUBLIC S. Domingo BVRD
- 44. EL SALVADOR S. Salvador BVES
- 45. GUATEMALA G. City BNV
- 46. JAMAICA Kingston JSE, JSE Index: 4.77%
- 47. MEXICO Mexico City BMV, IPC: 0.91%
- 48. MEXICO Mexico City BIVA, FTSE BIBA: 3.68%
- 49. NICARAGUA Managua BVDN
- 50. PANAMA Panama City BVP
- 51. SAINT KITTS Basseterre ECSE
- 52. TRINIDAD/TOBAGO TTSE
- 53. USA New York NYSE, DJIA: 1.95%
- 54. USA New York NYSE, S&P500: 1.72%
- 55. USA New York NASDAQ, Composite: 0.46%
- 56. USA Boston NASDAQ BX
- 57. USA Chicago NYSE Chicago
- 58. USA Chicago CBOE
- 59. USA Miami MIA
- 60. USA New York NASDAQ ISE
- 61. USA Philadelphia NASDAQ PHLX
- 62. ARGENTINA Buenos Aires BCBA, Merval: 18.12%
- 63. BRAZIL Sao Paulo B3,

- BOVESPA: 3.57%
- 64. CHILE Santiago SSE, IPSA: 5.30%
- 65. COLOMBIA Bogota BVC, COLCAP: 1.18%
- 66. ECUADOR Quito BVQ
- 67. HONDURAS Tegucigalpa BVC
- 68. PARAGUAY Asuncion BVPASA
- 69. PERU Lima BVL, S&P Lima General: 2.60%
- 70. URUGUAY Montevideo BVM
- 71. VENEZUELA Caracas BVC, BVC: -4.3%
- 3. ASIA PACIFIC
- 72. AUSTRALIA Sydney ASX, ASX200: 1.27%
- 73. BANGLADESH Dhaka DSE, DSEX BROAD: -2.91%
- 74. BHUTAN Thimphu RSEBL
- 75. CAMBODIA Phnom Penh CSX 0.52%
- 76. CHINA Shanghai SSE, Composite: 0.60%
- 77. CHINA Shenzhen SZSE, Composite: 1.10%
- 78. HONG KONG Hong Kong HKEX, HANG SENG: 1.43%
- 79. INDIA Mumbai NSE, NIFTY50: 4.09%
- 80. INDIA Mumbai BSE, SENSEX: 3.57%
- 81. INDONESIA Jakarta IDX, Comp: -2.52%
- 82. JAPAN Tokyo TSE, NIKKEI225: 5.08%
- 83. LAOS Vientiane LSX
- 84. MALAYSIA Kuala Lumpur BM, FTSE KLCI: -1.75%
- 85. MALDIVES Male MSE
- 86. MYANMAR Vientiane LSX
- 87. NEW ZEALAND Wellington NZX, NZX50: 1.57%
- 88. NEPAL Kathmandu NEPSE
- 89. PAKISTAN Karachi PSE, KSE100: 8.11%
- 90. PHILIPPINES Manila PSE, PSE: -3.70%
- 91. SINGAPORE Singapore SGX, STI: 0.43%
- 92. SOUTH KOREA Busan KREX, KOSPI: 4.84%
- 93. SRI LANKA Colombo CSE, ASI: -2.57%
- 94. TAIWAN Taipei TPEX, TWII 1.99%
- 95. THAILAND Bangkok SET, SETI -1.07%
- 96. VIETNAM H.C.M, HOSE, FTFVTT 1.18%
- 4. EURASIA
- 97. ARMENIA Yerevan AMX
- 98. AZERBAIJAN Baku BSE
- 99. GEORGIA Tbilisi GSE
- 100. MONGOLIA Ulaanbaatar MSE
- 101. KAZAKHSTAN Almaty KASE
- 102. KAZAKHSTAN Astana AIX
- 103. KYRGYSTAN Bishkek KSE
- 104. TAJIKISTAN Dushanbe CASE
- 105. UZBEKISTAN Tashkent UZSE
- 5. EUROPE
- 106. ALBANIA Tirana ALSE
- 107. AUSTRIA Vienna WIENER BORSE, ATX: 3.42%
- 108. BELARUS Minsk BCSE
- 109. BELGIUM Brussels EURONEXT, BEL20: 4.02%
- 110. BOSNIA-HERZEGOVINA Banja Luka BLSE, BIRS: -1.31%
- 111. BOSNIA-HERZEGOVINA Sarajevo SASE, sasex10: 4.73%
- 112. BULGARIA Sofia BSE, SOFIX: 0.55%
- 113. CHANNEL ISLANDS Guernsey TISE
- 114. CROATIA Zagreb ZSE, CROBEX: 4.81%

- 115. CYPRUS Nicosia CSE, General Index: -6.08%
- 116. CZECH REPUBLIC Prague PSE, PX: 0.43%
- 117. DENMARK Copenhagen NASDAQ, OMXC20: 0.25%
- 118. ESTONIA Tallinn NASDAQ, OMXT: -0.90%
- 119. FINLAND Helsinki NASDAQ, OMXHPI: 4.85%
- 120. FRANCE Paris EURONEXT, CAC40: 3.60%
- 121. GERMANY Frankfurt FWB, DAX: 4.09%
- 122. GIBRALTAR Europort GSX
- 123. GREECE Athens ATHEX, General Index: 0.03%
- 124. HUNGARY Budapest BSE, BUX: 2.03%
- 125. ICELAND Reykjavik NASDAQ, OMXIPI -2.55%
- 126. IRELAND Dublin EURONEXT, ISEQ: 6.21%
- 127. ITALY Milan BORSA ITALIANA, FTSE MIB: 3.68%
- 128. LATVIA Riga NASDAQ, OMXR: 0.65%
- 129. LITHUANIA Vilnius NASDAQ, OMXV: -0.32%
- 130. LUXEMBOURG Lux/urg City LUXSE
- 131. MALTA Valletta MSE
- 132. MONTENEGRO Podgorica MNSE, MNSE10: -0.84%
- 133. NETHERLANDS Amsterdam EU RONEXT, AEX: -2.40%
- 134. NORTH MACEDONIA Skopje MSE, MBI10: 7.96%
- 135. NORWAY Oslo OSLO BORS EURONEXT, OBX: 3.18%
- 136. POLAND Warsaw GPW, WIG20 (PLN): 1.78%
- 137. PORTUGAL Lisbon EURONEXT, PSI20: 1.76%
- 138. ROMANIA Bucharest BVB, BET (RON): 3.67%
- 139. RUSSIA Moscow MOEX MOEX 0.13%
- 140. RUSSIA Saint Petersburg SPB Exchange
- 141. SERBIA Belgrade BELEX, BELEX15: 0.81%
- 142. SLOVAKIA Bratislava BSSE, SAX: -0.59%
- 143. SLOVENIA Ljubljana LJSE, SBITOP: -0.02%
- 144. SPAIN Madrid BME, IBEX35: 4.90%
- 145. SWEDEN Stockholm NASDAQ, OMXS30: 4.48%
- 146. SWITZERLAND Zurich SIX 1.85%
- 147. TURKEY Istanbul BORSA ISTANBUL, BIST100: 8.60%
- 149. UA Kiev UX
- 150. UK London LSE, FTSE 100: 2.79%
- 6. MIDDLE EAST
- 151. BAHRAIN Manama BHB
- 152. JORDAN Amman ASE, All Share -0.28%
- 153. IRAN Tehran TSE, TEDPIX: 14.3%
- 154. IRAQ Baghdad ISX, ISX Index: -0.48%
- 155. ISRAEL Tel Aviv TASE TA35 3.43%
- 156. KUWAIT Kuwait City BK
- 157. LEBANON Beirut BSE, BPSI 0.42%
- 158. OMMAN Muscat MSM, MSI 0.32%
- 159. PALESTINE Ramallah PEX, AL-QUDS -1.13%
- 160. QATAR Doha QSE, QE 1.31%
- 161. SAUDI ARABIA Riyadh TADAWUL, TASI 0.90%
- 162. UAE Abu Dhabi ADX, Gen. -2.10%

IPOs
SE Asia defies world IPO slump

LISTINGS

\$114bn

Worldwide there were 768 listings that raised proceeds of \$114 billion in the year to end-September, down 26% and 25%, respectively, from the same period a year ago. Stock listings in SE Asia grew 13% in the year through September

PROCEEDS

\$4.8m

In Southeast Asia there were 89 IPOs in the year to end-September that raised total proceeds of \$4.8 billion, up 1% from the same period a year ago. According to QUICK-FactSet database, at least 40 companies have filed for IPOs this year in the region that are still waiting to come to market.

REAL ESTATE

59%

Southeast Asia's active IPO market is driven by companies in traditional sectors, with real estate sector accounting for 59% of total proceeds through September.

TECH

1%

Although tech-based businesses are booming in Southeast Asia, especially digital consumer services, the technology sector accounted for only 1% of total proceeds as most of those companies are still raising funds privately.

THAILAND

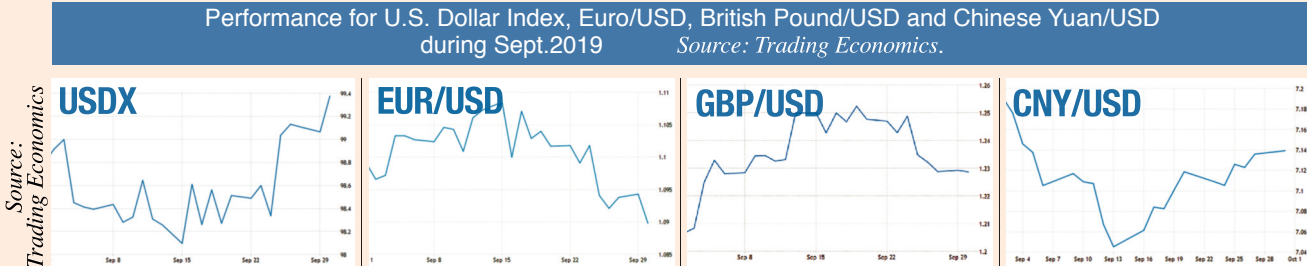
18stocks

As of Oct. 21, 18 stocks have made their debuts on Thailand's bourse this year. By the end of 2019, the number is likely to exceed the previous year's 19 issues, as 13 more companies have filed paperwork stating their intention to go public.

Source: EY

Data published on these pages, including prices, are indicative and not appropriate for trading purposes. Therefore they should not be relied upon when making an investment decision, they are for information purposes only.

PRICES &
DATA



FUNDS



NOTE: World funds performance during September 2019.
Source: Investing.com

AFRICA

•Allan Gray Balanced Fund A(0P0000IR01)
Highest: 106.807
Lowest: 102.488
Change: 0.936%
•Sanlam Namibia Active Fund A (0P0000JZKG)
Highest: 11.316
Lowest: 11.266
Change: 0.528%

AMERICAS

•American Funds Capital Income Builder® Class A (CAIBX)
Highest: 61.51
Lowest: 60.70
Change: 0.63%
•DFA US Large Cap Value Portfolio Institutional Class (DFLVX)
Highest: 37.31
Lowest: 34.93
Change: 3.32%
•Dodge & Cox International Stock Fund (DODFX)
Highest: 41.91
Lowest: 38.93
Change: 4.41%
•Fidelity® 500 Index Fund (FXAIX)
Highest: 104.99
Lowest: 101.32
Change: 1.86%
•First Eagle Global Fund Class I (SGIIX)
Highest: 59.32
Lowest: 55.73
Change: 1.92%
•Franklin Income Fund Class A1 (FKINX)
Highest: 2.32
Lowest: 2.26
Change: 0.88%
•Metropolitan West Total Return Bond Fund Class I (MWTIX)
Highest: 11.18
Lowest: 10.94

Change: -0.72%

•Pimco Total Return Fund Institutional Class (PTTRX)
Highest: 10.63
Lowest: 10.38
Change: -0.66%
•Prudential Total Return Bond Fund - class Z (PDBZX)
Highest: 15.13
Lowest: 14.80
Change: -0.53%
•Schwab® S&p 500 Index Fund (SWPPX)
Highest: 46.65
Lowest: 45.02
Change: 1.85%
•T. Rowe Price Blue Chip Growth Fund (TRBCX)
Highest: 117.67
Lowest: 113.43
Change: -1.33%
•Vanguard 500 Index Fund Admiral Shares (VFIAX)
Highest: 278.83
Lowest: 269.08
Change: 1.39%

ASIA

•Templeton Global Total Return Fund A(mdis)sgd (0P00009VE7)
Highest: 8.490
Lowest: 8.380
Change: -0.118%
•Jpmorgan Japan (yen) (acc) - Jpy (0P00001DU1)
Highest: 37,124.000
Lowest: 35,042.000
Change: 3.823%
•Sun Life Mpf Hong Kong Equity Fund A (0P00008ST8)
Highest: 6.335
Lowest: 5.999
Change: -0.542%
•Nomura India Equity (0P0000A072)
Highest: 25,456.000
Lowest: 22,940.000
Change: 8.286%

EUROPE

•Amundi 12 M I (0P0000P0VQ)
Highest: 107,049.039
Lowest: 106,964.688
Change: -0.062%
•Dws Deutschland Lc (0P00000CT1)
Highest: 221.240
Lowest: 209.450
Change: 3.042%
•Allianz Europe Equity Growth Ct Eur (0P00009QB4)
Highest: 247.640
Lowest: 240.340
Change: 1.858%
•NN Euro Obligatie Fonds - P (0P00000BA3)
Highest: 37.180
Lowest: 36.490
Change: -0.699%

MIDDLE EAST

•Emirates Global Sukuk Fund (LP65135728)
Highest: 16.363
Lowest: 16.272
Change: -0.198%
•Hsbc Amanah Saudi Equity Fund (0P0000127T)
Highest: 26.91
Lowest: 25.93
Change: 0.23%

OCEANIA

•Amp Capital Enhanced Index Intern Share (LP65021265)
Highest: 1.545
Lowest: 1.500
Change: 1.914%
•Magellan Global Fund (0P00009H7Y)
Highest: 2.570
Lowest: 2.495
Change: -1.277%
•Anz Kiwisaver-growth (0P00009UU2)
Highest: 2.194
Lowest: 2.158
Change: 1.317%

World Government
BONDS
10-Year Bond Yield

Argentina*

Highest: 32.69, Lowest: 30.93
Change: 1.66%

Australia

Highest: 1.193, Lowest: 0.878
Change: 6.593%

Belgium

Highest: 0.000 Lowest: -0.378
Change: -27.714%

Brazil

Highest: 7.490, Lowest: 7.020
Change: -5.309%

Canada

Highest: 1.521, Lowest: 1.099
Change: 16.924%

China

Highest: 3.215, Lowest: 3.015
Change: 2.836%

France

Highest: 0.000 Lowest: -0.436
Change: -33.252%

Germany

Highest: 0.000 Lowest: -0.743
Change: -18.634%

India

Highest: 6.874, Lowest: 6.488
Change: 2.120%

Indonesia

Highest: 7.371, Lowest: 7.182,
Change: -0.789%

Italy

Highest: 1.059, Lowest: 0.758,
Change: -19.845%

Japan

Highest: 0.000 Lowest: -0.290
Change: -18.909%

Mexico

Highest: 7.290, Lowest: 6.820
Change: -1.295%

Poland

Highest: 2.194, Lowest: 1.789
Change: -8.897%

Russia

Highest: 7.160, Lowest: 6.950
Change: -1.955%

South Africa

Highest: 8.350, Lowest: 8.090
Change: -1.337%

South Korea

Highest: 1.540, Lowest: 1.286
Change: -12.432%

Spain

Highest: 0.328, Lowest: 0.084
Change: -1.324%

Sweden

Highest: 0.000 Lowest: -0.381
Change: -26.575%

Switzerland

Highest: 0.000, Lowest: -1.052
Change: -25.298%

Taiwan

Highest: 0.740 Lowest: 0.680
Change: 5.882%

Turkey

Highest: 15.580, Lowest: 13.090
Change: -15.870%

UK

Highest: 0.767, Lowest: 0.341
Change: 1.461%

USA

Highest: 1.908, Lowest: 1.429
Change: 11.274%

*1-Year Bond Yield

Note: Performance during Sept. 2019

ETFs



NOTE: ETFs performance during September 2019.
Source: Investing.com

•Direxion Daily Gold Miners Bear 3X Shares (DUST)
Highest: 8.66, Lowest: 5.67
Change: 30.22%
•Energy Select Sector SPDR (XLE) Highest: 63.650, Lowest: 56.380 Change: 2.99%
•Financial Select Sector SPDR (XLF) Highest: 28.6700, Lowest: 26.4050, Change: 4.0119%
•Invesco QQQ Trust (QQQ)
Highest: 194.71, Lowest: 185.03 Change: 0.71%

•iShares China Large-Cap (FXI) Highest: 41.9700, Lowest: 38.9100, Change: 1.7382%
•iShares MSCI Brazil Capped (EWZ) Highest: 43.2500, Lowest: 39.7350, Change: 2.7812%
•iShares MSCI EAFE (EFA)
Highest: 66.075, Lowest: 62.775
Change: 3.164%
•iShares MSCI Emerging Markets ETF (EEM) Highest: 42.3500, Lowest: 39.7300
Change: 1.6920%
•iShares MSCI Eurozone

(EZU) Highest: 39.64, Lowest: 37.56, Change: 2.59%
•iShares MSCI Japan (EWJ)
Highest: 57.45, Lowest: 53.84, Change: 5.23%
•VanEck Vectors Russia (RSX) Highest: 24.11, Lowest: 22.36, Change: 2.47%
•Vanguard FTSE Developed Markets (VEA) Highest: 41.91
Lowest: 39.77, Change: 2.47%
•WisdomTree India Earnings (EPI) Highest: 24.13
Lowest: 22.24 Change: -3.61%

CURRENCIES



NOTE: Major FOREX rates performance during Sept. 2019

AFRICA

•EGP/USD - Egyptian Pound US Dollar - Highest: 0.06180
Lowest: 0.06010
•ZAR/USD - South African Rand US Dollar - Highest: 0.06900
Lowest: 0.06545
•GHS/USD - Ghanaian Cedi US Dollar - Highest: 0.1882
Lowest: 0.1807
•USD/NGN-US Dollar Nigerian Naira - Highest: 307.500
Lowest: 306.300

ASIA

•JPY/USD - Japanese Yen US Dollar-Highest: 0.00946
Lowest: 0.00922
•HKD/USD - Hong Kong Dollar US Dollar - Highest: 0.1279
Lowest: 0.1275
•INR/USD - Indian Rupee US Dollar - Highest: 0.01421
Lowest: 0.01381
•KRW/USD - Korean Won US Dollar - Highest: 0.000850
Lowest: 0.000822
•SGD/USD - Singapore Dollar US Dollar - Highest:

0.7289 Lowest: 0.7172

AMERICAS

US Dollar Index Futures - Dec 19 (DX) - Highest: 99.330, Lowest: 97.735
•USD/CAD - US Dollar Canadian Dollar - Highest: 1.3384, Lowest: 1.3131.
•MXN/USD - Mexican Peso US Dollar - Highest: 0.05180
Lowest: 0.04960
•ARS/USD - Argentinian Peso US Dollar - Highest: 0.01830, Lowest: 0.01615.
•BRL/USD - Brazil Real US Dollar - Highest: 0.2483, Lowest: 0.2385.

EUROPE

•EUR/USD - Euro US Dollar - Highest: 1.1111
Lowest: 1.0885.
•GBP/USD - British Pound US Dollar - Highest: 1.2583, Lowest: 1.1959.
•EUR/CHF - Euro Swiss Franc - Highest: 1.1021, Lowest: 1.0810.
•RUB/USD - Russian Ruble

US Dollar - Highest: 0.01570, Lowest: 0.01490.
•PLN/USD - Polish Zloty US Dollar - Highest: 0.2567, Lowest: 0.2485

MIDDLE EAST

•TRY/USD - Turkish Lira US Dollar - Highest: 0.1774, Lowest: 0.1711.
•JOD/USD - Jordan Dinar US Dollar - Highest: 1.4177, Lowest: 1.4086.
•KWD/USD - Kuwaiti Dinar US Dollar - Highest: 3.2965, Lowest: 3.2854.
•ILS/USD - Israeli Shekel US Dollar - Highest: 0.2881
Lowest: 0.2808.

OCEANIA

•AUD/USD - Australian Dollar US Dollar - Highest: 0.6895, Lowest: 0.6687.
•NZD/USD - New Zealand Dollar US Dollar - Highest: 0.6452, Lowest: 0.6249.
•FJD/USD - Fiji Dollar US Dollar - Highest: 0.4657, Lowest: 0.4510.

CRYPTOCURRENCIES



NOTE: Leading cryptocurrencies exchange rates during September 2019 Source: Investing.com

•BTC/USD, Bitcoin US Dollar
Highest: 10,933.0 Lowest: 7,753.0
•ETH/USD-Ethereum US Dollar-
Highest: 223.86 Lowest: 150.00
•XRP/USD - Ripple US Dollar -
Highest: 0.3260 Lowest: 0.2120
•USDT/USD- Tether US Dollar -
Highest: 1.0182 Lowest: 0.9991
•BCH/USD - Bitcoin Cash US Dollar-Highest: 332.34, Lowest: 196.59
•LTC/USD - Litecoin US Dollar -
Highest: 80.22 Lowest: 50.50
•EOS/USD - EOS US Dollar -
Highest: 4.2228, Lowest: 2.6147
•BNB/USD - Binance Coin US Dollar - Highest: 23.5840, Low-

est: 14.6510
•BSV/USD -Bitcoin SV US Dollar-Highest: 137.54,Lowest: 79.13
•XLM/USD - Stellar US Dollar -
Highest: 0.09027 Lowest: 0.05227
•LEO/USD - LEO US Dollar -
Highest: 0.02368,Lowest: 0.00950
•ADA/USD - Cardano US Dollar
Highest: 0.05549,Lowest: 0.03488
•XMR/USD - Monero US Dollar
Highest: 82.13, Lowest: 53.28
•TRX/USD - Tron US Dollar -
Highest: 0.018536, Lowest: 0.011779.
•HT/USD - Huobi Token US Dollar - Highest: 4.3600, Lowest: 2.9199.

MARKETS OPINION & ANALYSIS

OPINION

Brokers drop trading commissions shaking up the sector



Kyriaki I. Balkoudi Editor-in-chief

BOSTON-based Fidelity, which manages \$2.8 trillion in assets, is the latest to cut online trading commissions to zero after Charles Schwab, E-Trade, TD Ameritrade and Interactive Brokers. The Fidelity's zero commissions took effect Oct. 10 for individual investors.

They'll be available Nov. 4 for registered advisors. On Oct. 2, Charles Schwab, the largest e-broker announced that it would no longer charge any trading fees. After Schwab announced its trading fee elimination, TD Ameritrade, followed suit the next day. The stock market reacted quickly to Schwab's commission cut by driving the stock price of all online brokers lower.

The stocks of Schwab and E-Trade have plunged nearly 15%. Shares of TD Ameritrade have plummeted more than 25%. And Interactive Brokers is down more than 10% as well. The move to zero commissions has been decades in the making. But in more recent years, online brokers have come under mounting competition from startup fintech companies that have embraced payment for order flow as a way to cut out trading commissions entirely. Robinhood Markets Inc., was one of the first online brokers to go to zero commissions when it launched in 2013. By the end of last year, the California-based startup said it had signed up 6 million user accounts.

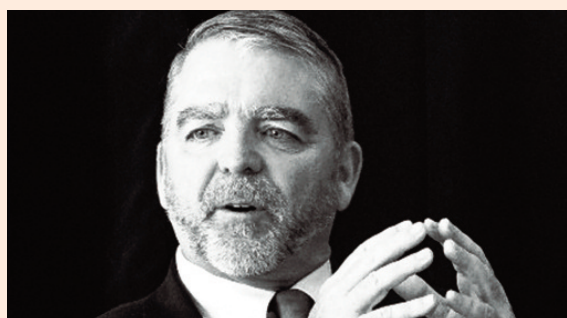
Now that the big brokers have followed suit, analysts have said they expect more mergers and acquisitions as the erosion in commission revenues makes scale more important. Some observers have concerns with the brokerage price wars. They argue trading has become too cheap and easy, encouraging investors to make unwise trades. So what will companies do now to differentiate themselves in an increasingly crowded market where price is no longer a selling point?

OSC gives Bitcoin fund the greenlight

Canadian investment fund manager 3iQ Corp received initial approval to launch a closed-end Bitcoin fund on the Ontario Stock Exchange which is expected to happen this year already. "Over the past three years, we have worked actively with the OSC's Investment Funds and Structured Products Branch to create an investment fund that we hope will allow retail investors the benefits of investing in bitcoin through a regulated, listed fund," said Fred Pye, President & CEO of 3iQ.

"We have addressed the questions of pricing, custody, audit, and public interest issues in a regulated investment fund. We intend to refile the prospectus as soon as possible as the next step in bringing this ground breaking fund to investors." Founded in 2012, 3iQ currently manages two digital asset funds including the 3iQ Bitcoin Trust and the 3iQ Global Cryptoasset Fund, two private investment funds which hold Bitcoin only and Bitcoin, Ether and Litecoin respectively. A listed fund will gain more traction from a wider retail investor audience.

PHOTO: Fred Pye President & CEO of 3iQ



IN
FOCUS

FORECAST



Commodities prices seen falling in 2020 on slowing demand

Energy and metal commodity prices are expected to continue to fall in 2020 following sharp declines in 2019 on a weaker outlook for global growth and consequent softer demand, the World Bank said in its October Commodity Markets Outlook.

Crude oil prices are projected to average US\$60 per barrel in 2019 and weaken to US\$58 per barrel in 2020. These forecasts are US\$6 per barrel and US\$7 per barrel lower than anticipated in the April Commodity Markets Outlook. More broadly, energy prices, which also include natural gas and coal, are expected to average almost 15 percent lower in 2019 than in 2018, and to continue to decline in 2020.

Metal prices are also projected to fall 5 percent in 2019 and continue to slide next year as slowing global demand weighs heavily on the market. Precious metals, which have risen sharply this year, are anticipated to make further gains in 2020 in response to heightened global uncertainty and accommodative monetary policies. Agriculture prices are anticipated to decline this year but stabilize in 2020. "Depending on export revenues from a small set of commodities makes commodity exporting developing economies vulnerable because demand surges and higher prices could induce innovation and facilitate substitution among commodities," said Ayhan Kose, Director of the World Bank's Prospects Group.



Howard Marks Oaktree co-chairman

In an interview with CNBC on Sept. 20 Tanvir Gill asked Marks why does the market fear the recession so much and what does this tell about market psychology. Marks said: "Well one thing it says is that markets are short term oriented. You know everybody's become very short term oriented in the markets and they want the market to go up every day. And I don't think that's very realistic. What they should want is a healthy environment in which the market can go up over time."



ANALYSIS

Market could hit 2020 forecast this year

JP Morgan strategists said stocks could reach next year's target of 3,200 for the S&P 500 sooner than expected. "Looking ahead,

given improving trade rhetoric, the market could reach our 2020 midyear price target of 3,200 sooner (by late 2019 or early 2020)," Dubravko Lakos-Bujas, the firm's chief U.S. equity strategist, said in a note to clients. If the U.S. and China decide to unwind the tariffs in place, the S&P 500 companies could see a more than 25% earnings per share growth, J.P. Morgan predicted.

"This catalyst would likely release pent-up demand from businesses and consumers. Even if existing tariffs remain in place and no new tariffs are announced, we would expect fundamentals to improve starting in 4Q," Lakos-Bujas said.

Additionally, the market has been up 90% of the time in the one year run-up to a presidential election with an average gain of 12% on the S&P 500 post World War II, the bank noted. The fourth quarter is seasonally the strongest for equities, delivering 4% return on average since 1948, according to J.P. Morgan. The bank also said said hedge funds and other players will continue to ramp up their equity exposure, which will keep the rally going.



PHOTO:
Dubravko
Lakos-Bujas,
Equity strategist

MARKET RESEARCH

Banks make \$1bn profit in mortgage bond trades

International banks earned \$1 billion from buying and selling government-backed U.S. mortgage securities in the first half of 2019, a fivefold increase on last year, data from research house Coalition shows. Average daily trading volumes in these securities, known as agency residential mortgage-backed securities (RMBS), have risen to \$251 billion in 2019 so far, data from SIFMA shows, an 11% increase on the same period a year ago.

Agency RMBS are considered far safer and higher quality than the subprime pools that sowed the seeds of the so-called subprime mortgage crisis in 2007. Wall Street giants JP Morgan, Citi, Goldman Sachs and Morgan Stanley are seen among the biggest winners, Coalition said. Bank of America and Credit Suisse also cash in, the source added.

JP Morgan is likely to make as much as \$500 million from agency RMBS trading in 2019, after ramping up the balance sheet capacity it allocates to the market to between \$20 billion and \$30 billion, the source said. The U.S. lender saw a 31% increase in its holdings of all securities between June 2018 and June 2019, according to a Reuters calculation from regulatory filings, driven by a 37% increase in 'available for sale' products such as agency RMBS. PMorgan defied losses from the abandoned WeWork listing to report increased profits as its Wall Street rivals struggled. Net income and revenue at JPMorgan rose 8 per cent in the third quarter, thanks to the bank's best-ever third quarter for investment banking fees.

MARKET CAP OF LISTED COMPANIES

EURONEXT

€4,324bn

From the first 17th century marketplace to tomorrow's sustainable growth products, Euronext has been financing the real economy for over 400 years. In September 2019, Euronext had two new listings from Italian apparel La Perla Fashion Holding and tech giant Prosus. Prosus' arrival on Euronext marked the largest listing of a technology company in Europe by market capitalisation (€95 billion at IPO). In addition, €1.3 billion was raised in follow-on equity. A total of €145.8 billion was raised on Euronext in bonds.

LONDON STOCK EXCHANGE

€3,512bn

Of all the world's stock exchanges, the LSE can consider itself to be the most international with 3,000 companies from 70 countries listed for trading. Last year, 21 international companies listed in London, almost double the total for all other European exchanges combined. In 2018, in total, over £1.39 trillion was traded on LSE.

DEUTSCHE BORSE

€1,744bn

The shares of over 10,000 national and international companies are listed on the Frankfurt Stock Exchange. In addition, more than 1,600 exchange-traded funds (ETFs), as well as exchange-traded commodities (ETCs) and exchange-traded notes (ETNs) are tradeable.

NASDAQ N. & B

€1,319bn

Headquartered in New York, Nasdaq, the global electronic marketplace for buying and selling securities, as well as the benchmark index for U.S. technology stocks, operates the bourses in Finland, Denmark, Sweden, Iceland, Estonia, Latvia, and Lithuania

(Note: As at September 2019)

EQUITY & BOND FUNDS

AMERICAS

-\$230bn

The third quarter ended as it began, with EPFR-tracked Equity Funds experiencing net redemptions and Bond Funds net inflows that took their year-to-date totals to -\$230 billion and +\$481 billion, respectively.

USA

\$103bn

A slew of uncertainties, especially related to global growth with fears of recession looming large, kept investors away from riskier asset class - equities. For the year to date, investors have pulled nearly \$103 billion out of domestic equity funds. At the same time, investors have directed about \$327.5 billion into bonds, according to data released by the Investment Company Institute.

EM

\$35bn

Provisional numbers for the third quarter suggest that EPFR-tracked Emerging Markets Equity Funds group collectively recorded its biggest quarterly outflow since third quarter of 2015, losing over \$35 billion.

CIS

\$23.3bn

Bond issuance in the CIS reached \$23.3bn in the first nine months of this year with 91 issues and surpassed volume of \$17.4bn with 54 issues during the same period last year, according to Saint Petersburg based Cbonds, which covers the fixed income in the developed and emerging markets.

Russia topped country ranking once again, issuing a total of \$16.6bn. Commonwealth of Independent States (CIS) are Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Armenia, Moldova, Russia, Tajikistan, Uzbekistan.

MIDDLE EAST

\$79bn

Out of an overall emerging market corporate bond market of around \$2 trillion size, the Middle East region makes up \$79 billion. The asset class is larger than US High Yield (\$1.5 trillion) and hard currency Emerging Markets sovereigns (\$1.1trillion).

INVESTORS &

.INVEST

WORLD TRENDS IN INVESTMENTS

Investment trends are an important indicator of how any industry is doing. This column offers data and insights into major players in capital markets like sovereign wealth funds, financial firms and others helping investors pinpoint winning strategies and tactics that create and cement competitive edge.

AFRICA

FDI remains steady

EY (formerly Ernst & Young) released the ninth edition of the Africa Attractiveness report, which describes trends and opportunities in Africa's economic growth and in foreign direct investment (FDI) to the continent. The report finds that, in 2018, FDI to Africa remained generally steady. The largest investors by number of projects in Africa were the United States, France, and the United Kingdom, respectively. Notably, China was the largest investor in terms of total capital, investing more than twice the dollar amount of France or the U.S.

AMERICAS

US business investment shrinks

U.S. business investment contracted more sharply than previously estimated in the second quarter, declining at a 1.0% annualised rate, the government said, the steepest decline since the fourth quarter of 2015. It was pulled down by an 11.1% pace of decline in spending on structures, which reflected drops in the categories of commercial and healthcare, and mining exploration, shafts and wells.

ASIA

China approves more fixed asset investment projects

The National Development and Reform Commission (NDRC), China's top economic planner, more than doubled September approval for fixed-asset investment projects. NDRC approved 177.8 billion yuan (\$25.15 billion) of investment in 14 fixed-asset projects in September. The projects were mainly in the transportation industries, according to Yuan Da, spokesman for the National Development and Reform Commission. That compared with its August approval for 68.9 billion yuan worth of projects. In the third quarter,

the NDRC approved 35 projects totaling 317.2 billion yuan. Fixed-asset investment includes spending in infrastructure, property, machinery and other physical assets. China's fixed-asset investment growth remained basically stable in the first seven months of the year, expanding 5.7 percent year on year thanks to robust high-tech investment.

EUROPE

Eurozone investor confidence drops

Investor confidence in the Eurozone declined significantly in October with the investor confidence index standing at -16.8, Sentix said. Investors' assessment of the current situation plunged to -15.5 from -9.5, marking a fifth consecutive decline. Meanwhile, investors' morale dropped to the lowest in more than six years.

"There hasn't been a positive reaction to the support measures taken by central banks, with economic assessments falling in October on a broad front," Sentix Managing Director Patrick Hussy stated.

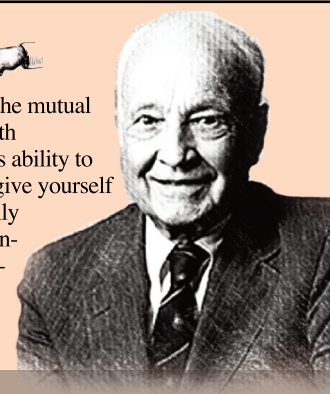
OCEANIA

FTSE Russell cites NZ as responsible index leader

Index provider FTSE Russell, has showcased New Zealand as a responsible investment benchmark haven. The LSE-owned benchmarker says the rapid growth of negative-screening investment strategies in NZ has sparked demand for relevant indices to build products on. "New Zealand reflects the global trend towards increased adoption of responsible investing," the just-published paper says. "negative screening approaches have risen in use in New Zealand, with the assets devoted to this type of strategy increasing from NZ\$86 bn in 2017 to NZ\$88bn in 2018." FTSE Russell says a recent agreement with BNZ to supply a bespoke version of a benchmark from its Global Choice index family showed "how a financial institution can integrate responsible investing into its investment philosophy and products".

John Templeton (1912-2008)

The British-American fund manager made his way to the mutual fund market in 1954 and created the 'Templeton Growth Fund.' Much of his success was attributed by him to his ability to maintain an upraised mood and stay disciplined. "Forgive yourself for your errors. Don't become discouraged, and certainly don't try to recoup your losses by taking bigger risks. Instead, turn each mistake into a learning experience. Determine exactly what went wrong and how you can avoid the same mistake in the future."



SCHRODERS GIS 2019

Sustainable investment ambitions fail to reflect actions

A new study by Schroders shows the proportion of people globally who are investing sustainably is significantly lagging those who are interested and would like to invest, indicating that a gap exists between investors' intentions and their tangible actions. Schroders Global Investor Study (GIS) 2019 has found that 16% invest sustainably, compared to 32% who are interested and would like to invest this way.

Investors in Japan (26%) were the lowest proportion globally who either already invest or want to invest sustainably, while the highest was in India (73%).

Investors who identify themselves as being expert/advanced were more likely to invest sustainably. Just under a quarter (23%) said they invest sustainably, compared to 11% of self-identified intermediate investors and 8% of beginners. Investing sustainably also ranked mid-table in terms of overall financial priorities.

Investors instead cited the need to avoid losing money, meeting total return expectations, generating an expected level of income and reasonable fees as more important factors.

The vast majority of investors in India (87%), China (80%) and Thailand (77%) said they always consider sustainability when investing. This compares with 40% of investors in Canada and Denmark, as well as 41% in The Netherlands, countries which arguably have had a focus on sustainability for longer, indicating that it is perhaps implicit to investing.

Regulatory changes

Almost two-thirds of investors (60%) stated that changes to regulations encouraging them

to invest more in sustainable investments would motivate them to do so, while 60% also said that independent ratings confirming that the fund takes a sustainable approach would also drive them to invest this way. Jessica Ground, Global Head of Stewardship, Schroders, commented:

"There remains a gulf between people's sustainable investment aspirations and the reality of how they prioritise these factors in their investment decision-making. "A significant proportion of investors clearly believe that sustainable investing is important, but this is yet to translate into tangible action for the majority. Schroders, the FTSE 100 asset management company with \$565.5 billion in assets under management, commissioned Research Plus Ltd to conduct, between 4 April and 7 May 2019, an independent online study of over 25,000 people in 32 countries around the world.

This research defines 'investors' as those who will be investing at least €10,000 (or the equivalent) in the next 12 months and who have made changes to their investments within the last 10 years.



PHOTO:
Jessica Ground, Global
Head of Stewardship

DEPOSITORY RECEIPTS

SEBI Introduces Framework for Issuance of DRs

The Securities and Exchange Board of India came out with a new framework for issuance of depository receipts (DRs), a move that will allow listed Indian companies to issue either equity, or debt, to investors on the overseas stock exchanges such as NYSE, Nasdaq and Hong Kong Stock Exchange. The markets regulator via its circular dated Oct. 10 said the framework would come into force with immediate effect.

The framework comes after Finance Minister Nirmala Sitharaman in August said that the markets regulator would soon implement the Depository Receipt Scheme 2014. "This will give Indian companies increased access to foreign funds through American Depository Receipt (ADR)/ Global Depository Receipt (GDR)," she had said.

A depository receipt is a foreign currency denominated instrument, listed on an international exchange, issued by a foreign depository to a domestic custodian and includes global depository receipts (GDRs). The regulator said that only listed companies are permitted to issue DRs on the back of equity shares or debt securities listed in India.

Though unlisted companies will not be permitted to issue depository receipts, SEBI stated that such

companies could issue DRs simultaneously once they are listed in the domestic markets. The market regulator has also barred companies from issuing DRs in unrecognised / unreliable or smaller exchanges to prevent manipulation.

Companies can begin filing the DR issuance documents with the market regulator, post which the request will be approved within 7 working days. SEBI is the most important regulatory body of the securities market in the Republic of India. Its stated objective is "to protect the interests of investors in securities and to promote the development of and to regulate the securities market and for matters connected therewith or incidental thereto." The SEBI headquarters is located in the business district at the Bandra Kurla Complex in Mumbai.

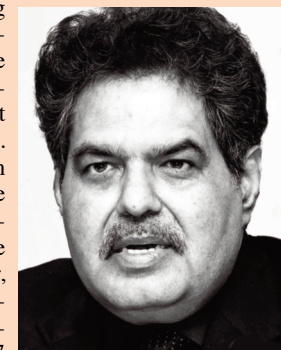


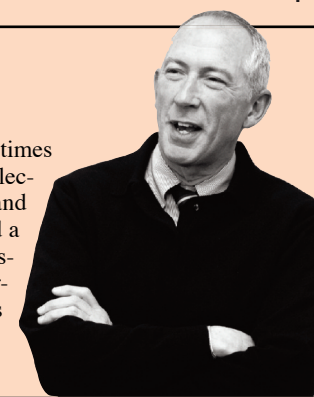
PHOTO:
Shri Ajay Tyagi,
Chairman, SEBI

.to READ



Jeremy Adelman (Prof. of History at Princeton)

Worldly Philosopher: The Odyssey of Albert O. Hirschman chronicles the times and writings of a man shaped by modern horrors and hopes, a worldly intellectual who fought for and wrote in defense of the values of tolerance and change. This is the first major account of Hirschman's remarkable life, and a tale of the twentieth century as seen through the story of an astute and passionate observer. Adelman's riveting narrative traces how Hirschman's personal experiences shaped his unique intellectual perspective, and how his enduring legacy is one of hope, open-mindedness, and practical idealism.



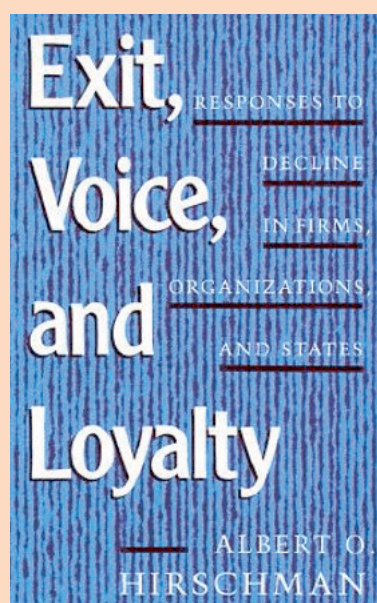
ON ECONOMICS, POLITICS AND SOCIETY

(1915 – 2012)

Albert O. Hirschman

An Original and Provocative Thinker

Exploring the complex relationships between economics, politics, social structures, values, and behaviour



Amazon: \$ 30
Barnes & Noble:
\$ 28.24
Waterstones:
£ 20

Nicknamed "Beamish" for his abiding optimism, Hirschman was an economist whose influential work in economics and politics had a profound impact on economic thought and practice. His first major contribution was in the area of development economics, where he emphasised the need for unbalanced growth.

According to him "Development is a chain of disequilibria that must be kept alive rather than eliminate the disequilibrium of which profits and losses are symptoms in a competitive economy. If economy is to keep moving ahead, the task of development policy is to maintain, tension, disproportions and disequilibria."

Hirschman was born in Berlin on April 7 1915, but left Germany in 1933 for France. His life led him to study at Friedrich-Wilhelms-Universität, the Sorbonne, the London School of Economics and the University of Trieste, where he received a doctorate in Economics in 1938. Meanwhile, he travelled to Barcelona to fight on the Republican side in the Spanish civil war saying, "I could not just sit and look on without doing anything."

He served in the French army until France's collapse in 1940 and helped many of Europe's leading artists and intellectuals to escape to the United States. He eventually joined the exodus himself, walking across the Pyrenees and, in 1941, emigrating to America. After studying at the University of California, Berkeley, where he met and married Sarah Chapiro, a fellow European émigré who was earning her master's degree in French literature, he enlisted in the US Army in 1943.

He was assigned to the Office of Strategic Services and served as an interpreter for a German general in one of the earliest World War II criminal trials. With the war's end, Hirschman settled in Washington, where he worked for the Federal Reserve Board on European reconstruction, focusing on new initiatives within the Marshall Plan agency.

Named after the American Secretary of State, George Marshall, the initiative replaced an earlier proposal for a Morgenthau Plan and offered tens of billions of dollars to European nations over four years from 1948, rebuilding shattered economies across the continent. In 1951 Hirschman accepted an offer from Colombia's National Planning Council to take up residence as a senior adviser.

He relocated to Bogotá with his family and spent much of his midlife either based in Latin America or regularly travelling there.

Following that he held a succession of appointments in economics at Yale University (1956–1958), Columbia

University (1958–1964) and Harvard University (1964–1974). In 1974 he settled at Princeton, becoming a Professor at the Institute of Advanced Study and helping to found the School of Social Science. He was appointed Professor Emeritus in

1985. Hirschman produced many books and essays that crossed disciplinary boundaries, applying the cosmopolitan spirit that he had acquired to everything he wrote.

Exit, Voice, and Loyalty

Beyond academe, he became known for a short book with an odd title, *Exit, Voice, and Loyalty*, published in 1970. In the now-classic text he argued that consumers, citizens and workers have two basic ways of responding to anything unsatisfactory in a product, politician or employee:

They can walk away (Exit) or stay put and provide constructive feedback (Voice).

Though most economists emphasize Exit as the main source of market discipline, Hirschman himself was an advocate of Voice, holding that it made possible civil society, and engendered reciprocity and Loyalty (completing the trilogy of his title).

The Passions and the Interests

Hirschman was widely recognized for his work and was the recipient of many prizes and honors. In 2003, he won the Benjamin E. Lippincott Award from the American Political Science Association to recognise a work of exceptional quality by a living political theorist for *The Passions and the Interests: Political Arguments for Capitalism before Its Triumph*, the book he most enjoyed writing. The book is a contribution to the history of ideas rather than contemporary social theory. It is a tour de force that takes readers from St.

Augustine and Machiavelli to the French physiocrats and the Scottish Enlightenment. Along the way, Hirschman uncovers a long-lost argument for capitalism in general and commercial interactions in particular. The argument is that trade softens social passions and enmities, ensuring that people see one another not as members of competing tribes, but as potential trading partners.

In 2007, the Social Science Research Council established an annual prize in honour of Hirschman, who died at the age of 97 on December 10, 2012, some months after the passing of his wife of 70 years, Sarah.

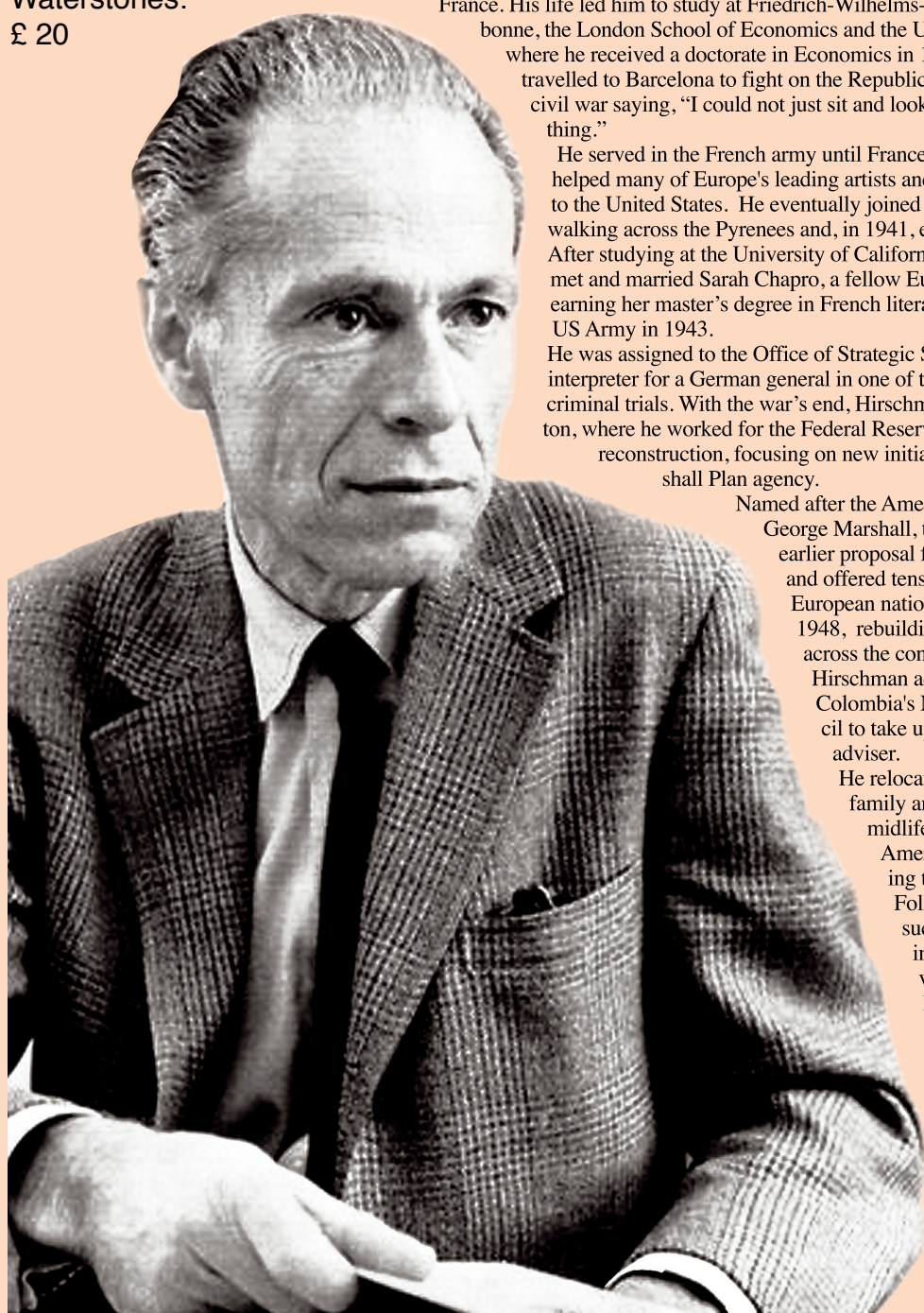
"There is no doubt," says Jeremy Adelman, author of *Worldly Philosopher: The Odyssey of Albert O. Hirschman*, a biography of Hirschman, "that Hirschman's time at the Institute allowed him to become one of the great sages of our times. His unusual background, combination of intellectual traditions and ironic disposition were combined to yield some of the classic works of the social sciences."

It's surely the moment for a rediscovery of Albert Hirschman, one of the twentieth century's most original and provocative thinkers whose work can be called timeless.



Herfindahl-Hirschman Index (HHI)

In 1945, Hirschman proposed a market concentration index which is calculated by squaring the market share of each firm competing in the market and then summing the resulting numbers. American economist Orris C. Herfindahl proposed a similar index (but without the square root) in 1950, apparently unaware of the prior work. Thus, it is usually referred to as the Herfindahl-Hirschman index and is used to determine market competitiveness, often pre- and post-M&A transactions. A market with an HHI of less than 1,500 is considered to be a competitive marketplace, an HHI of 1,500 to 2,500 to be a moderately concentrated marketplace, and an HHI of 2,500 or greater to be a highly concentrated marketplace. The U.S. Department of Justice uses the HHI for evaluating potential mergers issues.



the BIG portrait

The Big Portrait is a page dedicated to people in business, finance, investment, academia, technology, science, public administration and more who excel in their field and with their personality, work and achievements empower and inspire others.



Alfred Nobel

Swedish inventor and scholar Alfred Bernhard Nobel (October 21, 1833–December 10, 1896), who made a vast fortune from his invention of dynamite in 1866, used that wealth to establish the Nobel Prize. The prize which was first awarded in 1901 and since then has been funded by the Nobel Foundation is given in several subjects, reflecting Nobel's diverse interests and abilities. These subjects are physics, chemistry, physiology or medicine, literature and peace.

The Nobel Prize for Economics, the only award not included in Nobel's will, is funded by Riksbanken, the Swedish Central Bank, and was first awarded in 1969 in memory of Nobel.

Fifteen laureates have been awarded this year, for achievements that have conferred the greatest benefit to humankind. With the glory comes a 9 million-Swedish Krona (\$915,000) cash award, a gold medal and a certificate.

Nobel Prize in Economics 2019



Abhijit V. Banerjee
Professor at MIT

Indian-American Banerjee shared the 2019 Nobel Memorial Prize in Economic Sciences with Esther Duflo and Michael Kremer "for their experimental approach to alleviating global poverty." Banerjee, Duflo, and Kremer, often working with each other, focused on relatively small and specific problems that contributed to poverty and identified the best solutions through carefully designed field experiments.



As a direct result of their research, more than 5 million Indian children had benefited from remedial tutoring in schools, while many countries had introduced heavy subsidies for preventive health care, according to a statement from the Royal Swedish Academy of Sciences, which awards the prize. In India, Banerjee dominated the headlines as the second Indian-origin winner of the award (after Amartya Sen in 1998). Banerjee was born in 1961 in Mumbai. He attended South Point School and Presidency College, Calcutta, where he completed his B.S. degree in economics in 1981. He received his M.A. in economics at the Jawaharlal Nehru University, Delhi in 1983. In 1988 he went on to obtain a Ph.D. in economics at Harvard University. He is currently the Ford Foundation International Professor of Economics at MIT. He also serves on the academic advisory board of Plaksha University, an upcoming science and technology university in India. Banerjee is the author of a large number of articles and four books. He finished his first documentary film, "The name of the disease" in 2006. More recently he served on the UN Secretary-General's High-level Panel of Eminent Persons on the Post-2015 Development Agenda.



Esther Duflo
Professor at MIT

Born in 1972 in Paris, Duflo finished her degree in history and economics at École Normale Supérieure in 1994. She received a master's degree from DELTA, now the Paris School of Economics and completed a PhD in economics at MIT in 1999. She is currently Professor of Poverty Alleviation and Development Economics in the Department of Economics at MIT.



At 46, Duflo is the youngest person to ever win the prize in its 50-year history, and she's also just the second woman to win after American economist Elinor Ostrom in 2009. Duflo and Banerjee are married to each other, making them the sixth Nobel-winning couple and the first to win the economics prize.

The couple co-founded the Abdul Latif Jameel Poverty Action Lab (J-PAL), a research center at the Department of Economics at MIT in 2003. Duflo and Banerjee are also the authors of *Poor Economics* which won the 2011 Financial Times and Goldman Sachs Business Book of the Year Award.

It documents the couple's 15 years of experience in conducting randomized control trials to alleviate poverty. Their new book *Good Economics for Hard Times*, is to be published in November 2019. Responding by telephone to the Royal Swedish Academy of Sciences, Duflo explained that she received the prize "at an extremely opportune and important time" and hoped that it would "inspire many, many other women to continue working and many other men to give them the respect that they deserve like every single human being."



Michael Kremer
Professor at Harvard

Kremer was born in 1964 in the US. He received an undergraduate degree in social studies in 1985 and a Ph.D. in economics in 1992, both from Harvard.

Kremer has focused his research



on poverty reduction, randomized controlled trials of educational interventions in Kenya in the mid-1990s — one of the achievements specifically recognized by the Nobel

committee — represented an entirely new way to think about world development. Before Kremer's work, economists largely focused on big questions about national economic policy in poor countries. Kremer broke down the questions he was interested in until he had concrete policy proposals to test and then ran a series of experiments to determine which ones worked.

Describing Kremer's early use of pioneering experimental methods, Duflo said that Kremer "was there from the very beginning, and took enormous risks . . . He is a visionary." Kremer is the Gates Professor of Developing Societies in the Department of Economics at Harvard University. He is also a Fellow of the American Academy of Arts and Sciences, a recipient of a MacArthur Fellowship and a Presidential Faculty Fellowship, and was named a Young Global Leader by the World Economic Forum. He has won awards for his work on health economics, agricultural economics, and on Latin America. In 2006, Scientific American named him one of the 50 researchers of the year. In 2010, he was named the scientific director of development innovation ventures for the U.S. Agency for International Development (USAID).