A decrease in U.S. – China trade hostilities helped U.S. equities rise as the Chinese government announced tariffs exemptions for some U.S. goods while promising to purchase more agricultural products. The two camps are expected to meet in October for high levels talks which are important going forward. Monetary policy also provided some support to U.S. equities as the Federal Reserve cut interest rates but gave mixed signals about its next move. Earnings seasons will be well underway in October and companies' guidance will be the center of investor focus. We remain cautious on U.S. equities due to expensive valuations and concerns around the trade-war escalation, fading fiscal stimulus and yield curve inversion. European equities outperformed in September, ending the month significantly higher. Political risks from Italy subsided after the formation of a new government while optimism from some improvement in the U.S. – China trade rhetoric provided additional support. The ECB's decision to cut its deposit rate to a record low of -0.5 % and the resumption of its asset purchase program was the most important catalyzer for the rise. We view European equities favorably due to the dovish shift by the central bank and expectations that current monetary policy conditions to stimulate growth will be preserved by future ECB head Lagarde.

GLOBAL EQUITY BENCHMARK INDICES

	Last Price	MTD %	YTD %	△30D Vol
World	1272.2	1.90%	14.25%	-6.28%
Developed	2180.02	1.94%	15.72%	-6.61%
Emerging	1001	1.69%	3.65%	-2.90%
Frontier	2587.97	-1.13%	4.06%	-8.08%
Europe	132.51	3.67%	16.03%	-8.11%
Latin America	2666.97	2.54%	3.94%	-8.62%
Asia Pacific	156.39	2.13%	6.60%	-3.30%

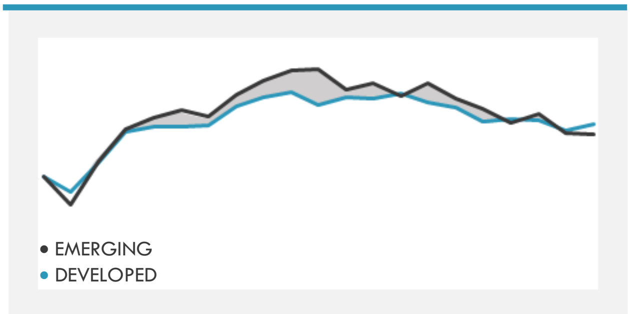
INTERNATIONAL EQUITY INDICES

	Last Price	MTD %	YTD %	△30D Vol
EuroStoxx 50	3569.45	4.16%	18.93%	-9.37%
FTSE 100	7408.21	2.79%	10.11%	-6.53%
CAC 40	5677.79	3.60%	20.02%	-9.06%
DAX	12428.08	4.09%	17.70%	-10.11%
Swiss SMI	10078.32	1.85%	19.56%	-5.09%
Nikkei 225	21755.84	5.08%	8.70%	-2.21%
CSI 300	3814.53	0.39%	26.70%	-2.96%

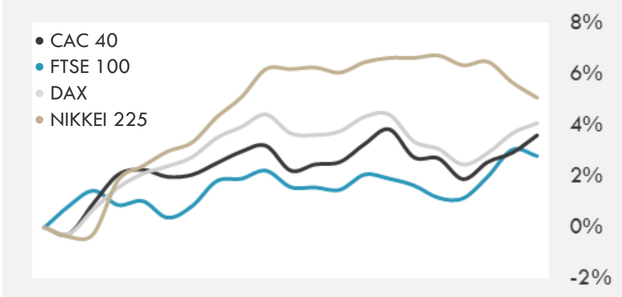
S&P 500 IN FOCUS

	Last Price	MTD %	YTD %	△30D Vol
S&P Indices				
S&P 500	2976.74	1.72%	18.74%	-7.99%
S&P Value	1176.92	3.54%	17.73%	-7.73%
S&P Growth	1809.42	0.18%	19.67%	-7.60%
Sectors Indices				
Discretionary	947.2741	0.72%	21.21%	-6.24%
Staples	629.38	1.31%	20.60%	-7.15%
Energy	437.13	3.56%	3.08%	-5.02%
Financials	465.54	4.46%	17.59%	-8.81%
Healthcare	1043.38	-0.32%	4.22%	-5.53%
Industrials	654.89	2.93%	20.79%	-6.90%
IT	1413.36	1.44%	29.87%	-8.29%
Materials	364.66	2.93%	15.17%	-6.63%
Telecom	167.26	0.41%	20.52%	-8.01%
Utilities	328.49	3.96%	22.29%	-1.03%
Real Estate	243.6	0.48%	26.64%	-1.04%

DEVELOPED VS EMERGING - MONTH TO DATE

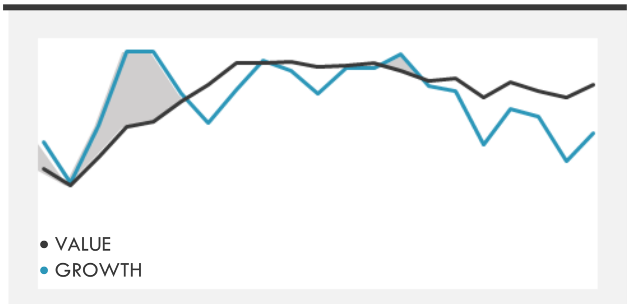


INTERNATIONAL EQUITY - MONTH TO DATE



S&P 500 SUPPORT & RESISTANCE

S&P VALUE VS GROWTH

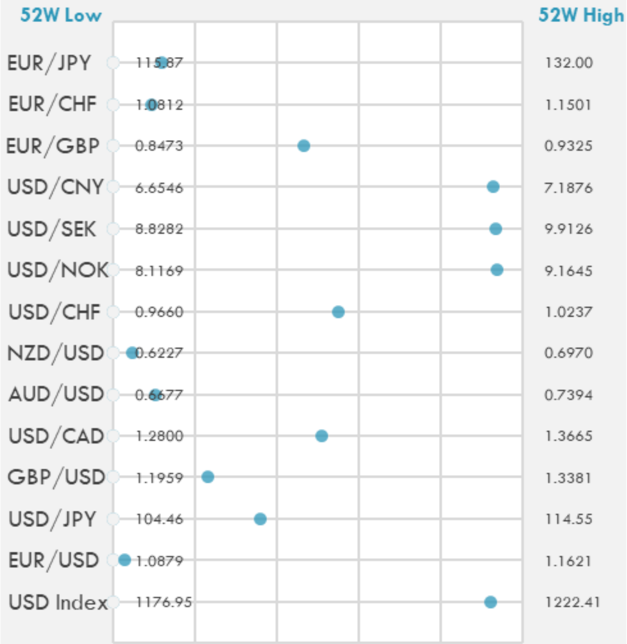


The U.S dollar rose against its relative peers as it benefited from weakness in other currencies while simultaneously being supported by some safe-haven demand in the aftermath of the attack on Saudi Arabia's oil infrastructure. Looking forward, the U.S. dollar should remain within the current range in the near-to-medium term as uncertainty, both economic and political, remains high. In the absence of negative economic data from the U.S., there could be more room to run for the greenback. The euro fell against the U.S. dollar, pressured lower by a series of disappointing economic releases in both Germany and France and to a certain extent by the European Central Bank's decision, to cut interest rates by 10 additional basis points. Focus remains on the macroeconomic conditions of the Eurozone, especially Germany. The British pound rose against the U.S. dollar, owing to a slew of political developments. Parliament passed a bill that could force PM Johnson to ask for the EU for another extension in order to avoid a no-deal Brexit. The Supreme Court of the UK also ruled that PM Johnson's suspension of Parliament was unlawful. Looking forward, the path ahead for sterling remains clouded as a number of outcomes are currently possible. We expect the British pound to remain under pressure as a result, especially should a vote of no-confidence take place.

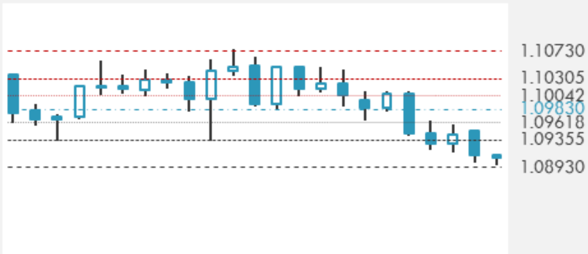
FOREIGN EXCHANGE PERFORMANCE

	Last Price	MTD %	△30D Vol	25△RR
Major Indices				
USD Index	1218.84	0.18%	0.00%	-
EUR/USD	1.0899	-0.76%	-0.01%	-0.278
USD/JPY	108.08	1.69%	-0.06%	-0.905
GBP/USD	1.2289	1.09%	-0.06%	-0.123
USD/CAD	1.3241	-0.53%	-0.04%	0.248
AUD/USD	0.675	0.25%	0.31%	-0.460
NZD/USD	0.6263	-1.03%	0.08%	-0.438
USD/CHF	0.9977	0.74%	-0.08%	-0.503
USD/NOK	9.0967	-0.31%	-0.11%	0.388
USD/SEK	9.8403	0.00%	-0.22%	0.298
USD/CNY	7.1483	-0.11%	0.00%	-0.003
Major EUR Cross Rate				
EUR/GBP	0.88686	-1.91%	-0.05%	0.035
EUR/CHF	1.08753	-0.12%	-0.11%	-0.345
EUR/JPY	117.8	0.83%	-0.02%	-0.935

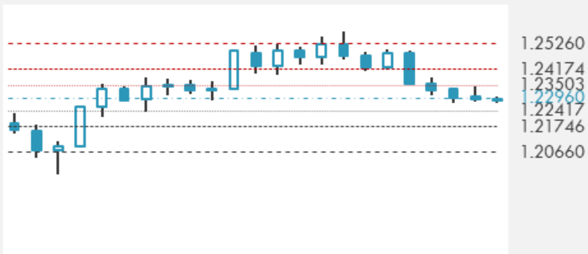
DISTANCE FROM 52 WEEKS LOW/HIGH



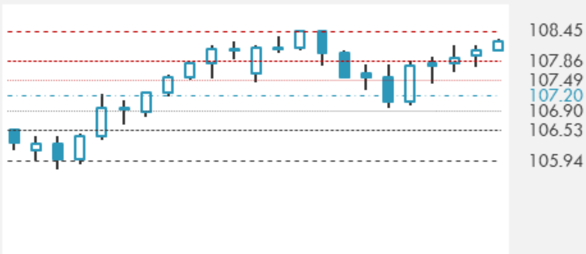
EUR/USD 1 MONTH SUPPORT & RESISTANCE



GBP/USD 1 MONTH SUPPORT & RESISTANCE



USD/JPY 1 MONTH SUPPORT & RESISTANCE



USD/CAD 1 MONTH SUPPORT & RESISTANCE

U.S. Yields continued to drop, pressured by policy uncertainty, weak business investment and lackluster economic activity abroad. Yields were further pushed lower as the Fed cut interest rates by 25 bps. However, Chairman Jerome Powell emphasized that a few rate cuts should be seen as an insurance policy rather than the start of a big easing cycle. In the absence of a credible plan from the Fed, other than its rather vague promise to “tilt policy one way or another because of prominent risks”, to address a number of geopolitical and macroeconomic risks, we expect market anxiety to persist and fuel more demand for U.S. sovereign debt in the near-term. Core Eurozone government bond yields continued their downwards trend as macroeconomic data continued to disappoint. The ECB met consensus expectations when it cut its deposit rate by 10 bps to –0.5 % while announcing the resumption of its asset purchase program until inflation converges towards their target of 2 %. European sovereign debt remains attractive, particularly peripherals where yields still have room to fall. The Bank of England kept interest rates on hold but did state that it may need to cut rates in the likely scenario that Brexit uncertainty persists with no signs of a clear outcome yet. The Bank of Japan kept rates on hold and voiced a willingness to act should adverse risks intensify.

GLOBAL BOND INDICES

	Yield	△Yield (in Bps)
Benchmark Indices		
US 10 Years Benchmark	1.6646	0.169
EU 10 Years Benchmark	-0.571	0.129
UK 10 Years Benchmark	0.488	0.009
Sovereign Bonds		
US Treasury Bond	1.722	0.14
Eurozone Sovereign Bond	-0.323	0.051
U.K. Sovereign Bond	-0.32	-0.024
Japan Sovereign Bond	0.285	-0.048
Corporate Bonds		
US Investment Grade Bond	2.912	0.097
US High Yield Bond	5.646	-0.076
EUR Investment Grade Bond	0.397	0.162
EUR High Yield Bond	3.762	-0.018
USD Emerging Market IG & HY	4.966	0.042

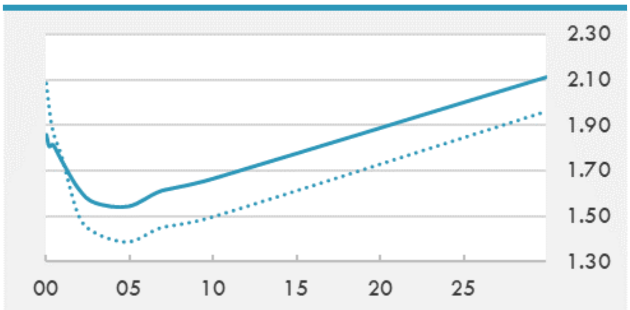
OVERNIGHT RATES - SWAPS

	Rate	△Rate (in Bps)
3M USD LIBOR	2.099	-0.039
3M EUR EURIBOR	-0.412	0.021
3M GBP LIBOR	0.761	0.002
3Y USD SWAP	1.551	0.156
5Y USD SWAP	1.502	0.183
10Y USD SWAP	1.564	0.182
30Y USD SWAP	1.714	0.170

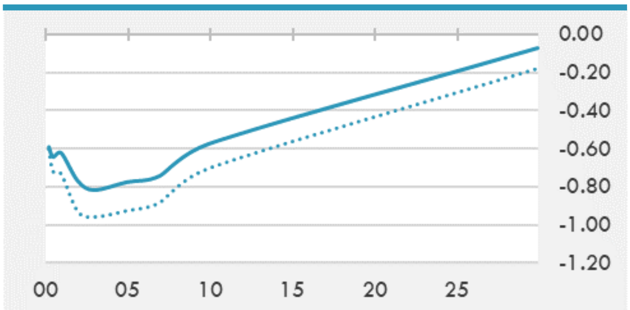
FIXED INCOME SPREADS

	Spread	△Spread (in Bps)
USD 3M vs 10Y Spread	-0.161	0.333
USD 2Y vs 10Y Spread	0.039	0.053
USD IG Spread	1.470	-0.010
USD HY Spread	3.970	-0.250
EU vs US 10Y Spread	-2.263	-0.067
EU vs US 2Y Spread	-2.407	0.024
EM vs Benchmark Spread	2.678	-0.155

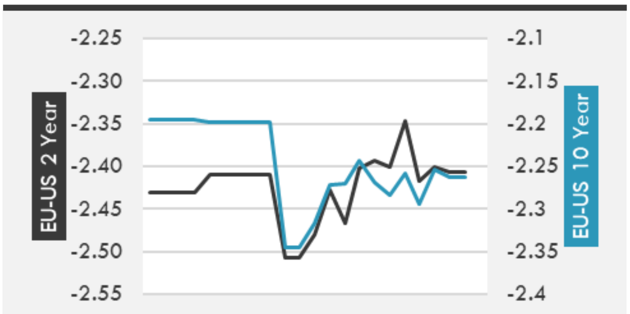
US TREASURIES YIELD CURVE - 1 MONTH



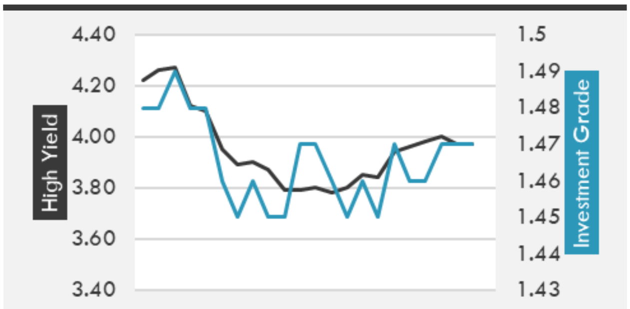
EUR GENERIC YIELD CURVE - 1 MONTH



USD CORPORATES - 1 MONTH SPREAD



EU VS US - 1 MONTH SPREAD



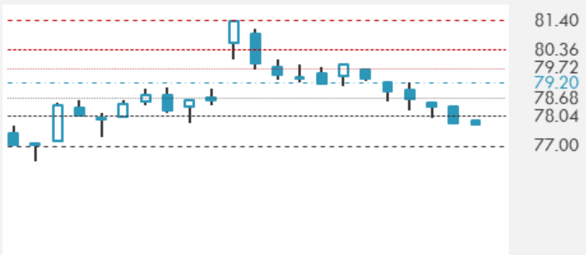
GLOBAL COMMODITIES MARKET

	Last Price	MTD %
Commodity Index	77.78	1.01%
Energy		
WTI Crude Future	54.07	-1.49%
Brent Crude Future	59.25	1.35%
NYMEX Gasoline	156.65	4.24%
NYMEX Heat Oil	189.72	3.13%
ICE Gasoil	590.25	4.98%
NYMEX Natural Gas	2.33	0.26%
Precious Metals		
Gold Spot $/Oz	1472.49	-3.15%
Silver Spot $/Oz	16.9958	-7.51%
Platinum Spot $/Oz	883.07	-5.43%
Palladium Spot $/Oz	1675.81	9.28%
Gold Future	1472.9	-3.69%
Silver Future	16.998	-7.33%
Platinum Future	889.2	0.00%
Palladium Future	1647.5	0.00%
Base Metals		
LME Aluminum	1722	-1.80%
LME Copper	5725	1.29%
LME Zinc	2378	7.85%
LME Nickel	17050	-4.75%
LME Lead	2135	5.85%
LME Tin	15925	-2.60%
Agricultural		
Corn CBT	388	4.94%
Wheat CBT	495.75	7.19%
Soybeans CBT	906	4.26%
Bean Meal CBT	301	1.93%
Rough Rice CBT	12.015	0.50%
MDE Palm Oil	2135	-4.43%
Soybean CBT	29.08	0.94%
Coffee ICE	101.15	4.44%
Sugar #11 ICE	12.65	3.43%
Cotton #2 ICE	60.83	3.40%
Cocoa ICE	2442	9.90%
Ethanol CME	1.484	9.36%
Lumber CME	367.1	-1.05%
Orange Juice ICE	99.75	-3.86%
Live Cattle CME	110.3	6.39%
Feeder Cattle CME	141.925	8.90%
Lean Hogs CME	72.6	14.56%

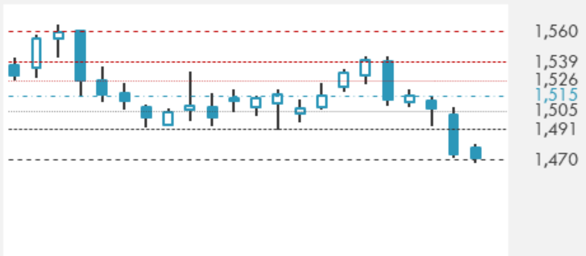
Gold prices rose supported by the fall in global yields while simultaneously benefitting from safe-haven demand due to uncertainties related to domestic U.S. politics, Brexit, and geopolitical risks in the Gulf. Looking forward, we believe gold has some room to appreciate as a safe-haven. Trade talks between the U.S. and China are set to resume while investors remain skeptical that a long term deal can be reached before the U.S. presidential elections late next year. Britain's divorce from the E.U. shows no concrete signs of improvement and tensions in the Middle East are running high. Even if the previously mentioned geopolitical risks materialize, an increase in the value of the U.S. dollar will limit any large gains by bullion. As for monetary policy, we believe current expectations of additional easing are excessive, which would also limit gains for the precious metal.

Oil prices fell in what was one of the most volatile months for crude. Saudi Arabian authorities recovered lost oil output from recent attacks on its infrastructure while the U.S deployed military equipment and forces to Saudi Arabia to act as a potential deterrent against any additional attacks. A ceasefire was also agreed in neighboring Yemen. Furthermore, any lost output from Saudi Arabia could potentially be offset by other oil exporting nations with the U.S.' output climbing in June and August to reach approximately 11 million barrels a day. U.S. crude supplies are also increasing according to reports by the American Petroleum Institute and the Energy Information Administration. As a result, we believe that crude will remain under pressure in the coming month as measures are increasingly taken to protect the global supply.

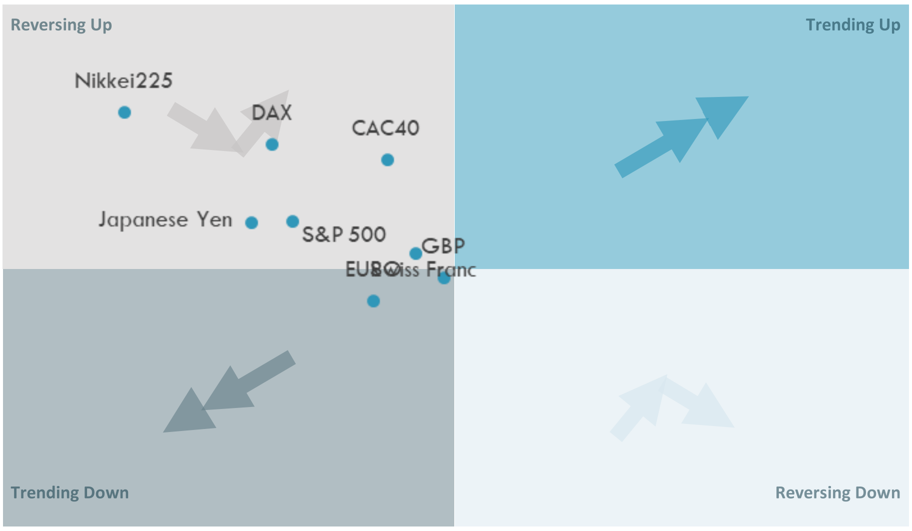
COMMODITY INDEX SUPPORT & RESISTANCE



GOLD 1 MONTH SUPPORT & RESISTANCE



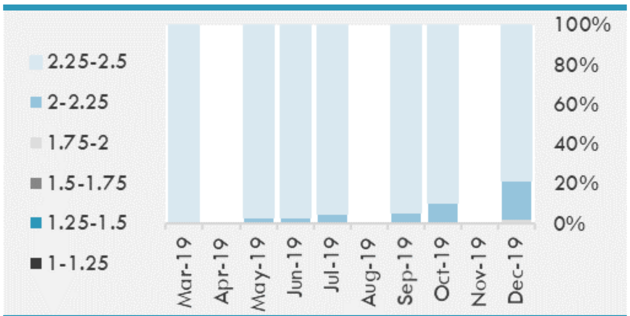
KEY ASSETS TRENDS



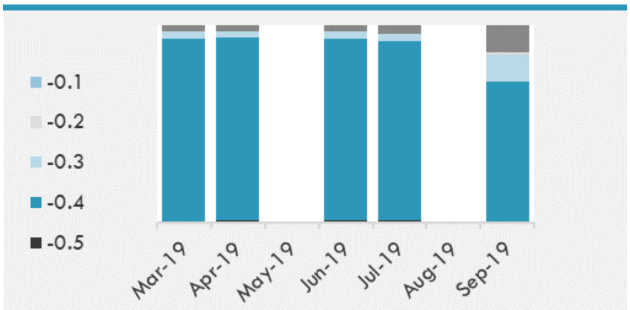
** Monthly trends are calculated based on the last two-month period*

CENTRAL BANKS WATCH - IMPLIED RATES PROBABILITIES

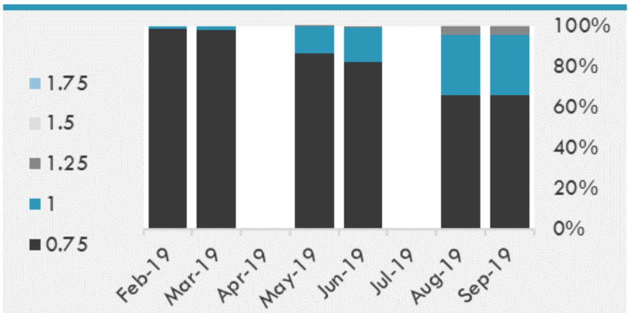
FEDERAL RESERVE



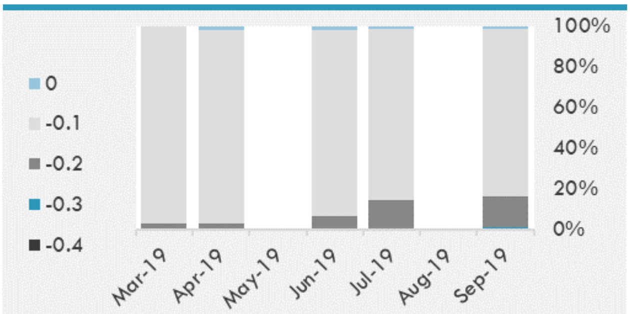
EUROPEAN CENTRAL BANK



BANK OF ENGLAND



BANK OF JAPAN



FEAR BAROMETERS

LOW FEAR **HIGH FEAR**

The CS Fear Barometer measures investor sentiment for 3-month investment horizons by pricing a zero-cost collar. The higher the level, the greater the fear.

LOW VOLATILITY **HIGH VOLATILITY**

The Chicago Board Options Exchange Volatility Index reflects a market estimate of future volatility, based on the weighted average of the implied volatilities for a wide range of strikes.

KEY ECONOMIC INDICATORS

Country	Event	Date
Canada	Bank of Canada Rate Decision	10/30/19 16:00
China	CPI YoY	10/15/19 04:30
Eurozone	ECB Main Refinancing Rate	10/24/19 14:45
France	Markit France Manufacturing PMI	10/01/2019 10:50
France	Markit France Manufacturing PMI	10/24/19 10:15
Germany	IFO Business Climate	10/25/19 11:00
Germany	ZEW Survey Expectations	10/15/19 12:00
Italy	Manufacturing Confidence	10/30/19 11:00
Japan	Industrial Production MoM	10/15/19 07:30
Japan	Industrial Production MoM	10/31/19 01:50
Japan	Jobless Rate	10/01/2019 2:30
United States	Change in Nonfarm Payrolls	10/04/2019 15:30
United States	Initial Jobless Claims	10/03/2019 15:30
United States	Initial Jobless Claims	10/10/2019 15:30
United States	Initial Jobless Claims	10/17/19 15:30
United States	Initial Jobless Claims	10/24/19 15:30
United States	Initial Jobless Claims	10/31/19 14:30
United States	FOMC Rate Decision (Upper Bound)	10/30/19 20:00
United States	GDP Annualized QoQ	10/30/19 14:30
United States	CPI MoM	10/10/2019 15:30
United States	DOE U.S. Crude Oil Inventories	10/02/2019 17:30
United States	DOE U.S. Crude Oil Inventories	10/09/2019 17:30
United States	DOE U.S. Crude Oil Inventories	10/17/19 18:00
United States	DOE U.S. Crude Oil Inventories	10/23/19 17:30
United States	DOE U.S. Crude Oil Inventories	10/30/19 16:30

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