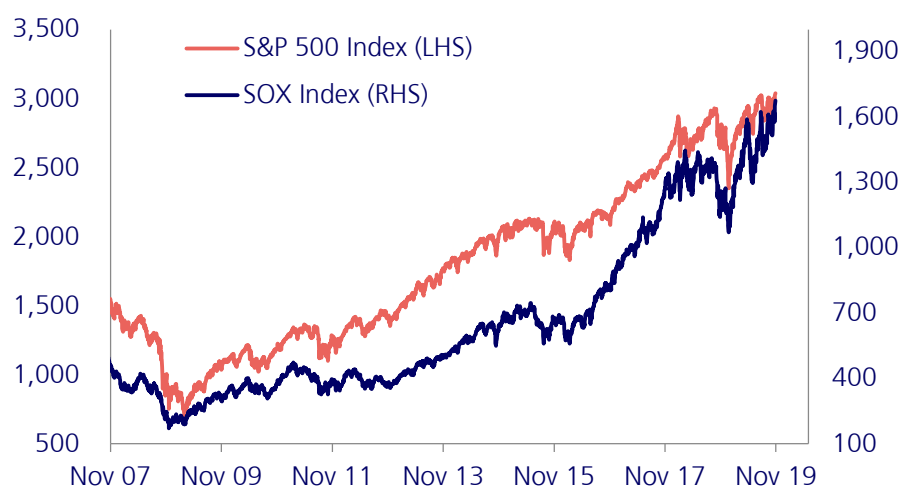


Monthly Investment Insights

US Equities Climb to Record Highs



Source: Bloomberg

With equities regaining momentum and investor sentiment switching gears from being overly bearish to neutral, we still see some more upside potential. Global equities climbed higher after a roller-coaster ride in October, driven by constructive news around US-China trade talks and US earnings slightly beating pessimistic expectations, which was viewed positively by the markets. The S&P 500 index reached a fresh all-time high with US semiconductor, European and Japanese equities led the way higher for global equities as they had already broken technical resistance to the upside even before the S&P 500 index hit a new high.

While investors have cheered the latest rallies in stock markets, global economic growth continues to struggle. Both consumers and businesses are cautious, and capex is likely to remain subdued as businesses scale back their spending amid lacklustre economic activities and uncertainty around a meaningful solution to the US-China trade dispute. On a positive note, global Manufacturing PMIs show tentative signs of stabilisation, but the services sector, which has been relatively buoyant so far, is now experiencing more headwinds as weakness in the manufacturing industries has started to spill over.

So what is likely to propel markets higher from here? We believe there are two key drivers: accommodative monetary policies and trade optimism. Muted inflation gives central banks around the globe room to follow through on their easing biases. The latest rate cuts have been delivered in the US, Chile, Indonesia, Turkey and Russia, with some cuts larger than expected. Bond yields have picked up amid reduced risks of a no-deal Brexit, with the UK and the EU agreeing on another extension until the end of January 2020. On the trade front, we expect the US and China to reach a limited deal mainly focusing on trade while other issues like intellectual property will likely remain unresolved. Encouragingly, we are starting to see some potential stabilisation in global shipments with some improvement in leading export indicators from Korea and Taiwan that are bellwethers for international trade. However, it is still too early to confirm any meaningful recovery.

Our view is that equity markets might have further to run as investor sentiment starts turning more positive. However, given that global growth is on a downward trajectory, any escalation in trade tensions or a deterioration in macro conditions could trigger downside risks.

Market Assessment

Key developments

- Global growth remains subdued with the services sector now facing headwinds
- Risks of a hard Brexit are reduced as the EU agrees to grant the UK another extension
- US equities reach new all-time highs as US-China trade dialogue takes on a constructive tone and the earnings season is interpreted positively

Zurich's view

Global trade and manufacturing are potentially stabilising but remain fragile. Worryingly, weaknesses in manufacturing seems to be spreading to the services sector. More policy rate cuts are probably forthcoming but may not be enough to reverse the downtrend in growth.

Meanwhile, the risk of a no-deal Brexit has diminished as the EU and the UK have agreed on an extension until the end of January 2020. Following Brexit optimism, Sterling spiked higher and European bond yields picked up, but are likely to remain capped.

The S&P 500 index reached a new all-time high after struggling in October. While US earnings have been better than consensus expectations, they have been roughly flat on a YoY basis. Our view on equities remains constructive in the short-term as current momentum is encouraging and global central banks continue to be dovish. Further upside in credit is limited as spreads are already quite tight and fundamentals are weak. Hence, credit is likely to underperform equities in the short to medium term.

Global

- Manufacturing and global trade data stabilise, but growth remains weak and vulnerable to political and geopolitical developments
- Labour markets and services activity, which have been relatively resilient so far, weaken and suggest that the slowdown may be broadening out
- The global rate cutting cycle remains in place and will support demand, though it is unlikely to drive a firmer rebound in growth

The G3 flash Manufacturing PMIs were broadly flat in October. While still consistent with contraction, they have been stable at around this level since July, indicating that headwinds to the sector are fading. Some leading Asian trade data have also edged higher, in part reflecting improvements to the semi-conductor cycle. Employment growth is slowing though and services activity, which has held up well so far, is losing momentum, suggesting that the slowdown may be broadening out beyond manufacturing and trade. To counter this, central banks are cutting rates. This will bolster demand, but elevated economic uncertainty along with political and geopolitical risk remain significant headwinds. Though a bottoming out in global growth appears to be underway, a firmer rebound therefore looks unlikely.

US

- The US and China agree on a partial trade deal, but uncertainty remains high
- The ISM Manufacturing index falls to a post-recession low while weakness spills over to the services sector
- S&P 500 firms report modest earnings for Q3 and provide a cautious outlook

Investors remain stuck between a solid economic background and modest but better than expected corporate earnings on one hand, and a weakening outlook on the other. S&P 500 earnings growth continue to be on a downward trend and company guidance is cautious. While the current environment is still robust, with housing and consumer spending supporting growth, business sentiment and new orders have weakened further. The ISM Manufacturing index fell to a post-recession low in September, and the services sector is now facing increasing headwinds as well. Particularly worrying is that a number of employment components are beginning to indicate a slowdown in labour market momentum. The Fed's monetary policy easing is helping to mitigate the slowdown, but trade uncertainty remains a drag, particularly on business investment.

UK

- The UK and the EU agree on a revised withdrawal agreement, as the EU grants another extension to Art. 50
- Sterling rallies as the risk of a no-deal Brexit is significantly reduced
- The Composite PMI dips below 50 as the economic outlook remains burdened by uncertainty and the global slowdown

The UK and the EU agreed on a revised withdrawal agreement with most of Theresa May's initial deal intact, but major changes relating to the Irish backstop solution. With the new agreement, the whole of the UK will leave the EU customs union, but in practice the actual border will be between Northern Ireland and the rest of the UK. The British parliament supports the deal in principle but rejected the tight time table. While the risk of a no-deal Brexit is not completely off the table yet, it has been significantly reduced. Sterling and domestic stocks rallied, with the banking sector benefitting from higher yields and reduced business uncertainty. Nevertheless, the Composite PMI dipped below 50 for the first time since 2016 as the outlook remains clouded and services sentiment has weakened substantially.

Eurozone

- Eurozone equities recover after an early October sell-off, as key risks around trade and Brexit are reduced
- Draghi ends his era at the ECB with debate on appropriate monetary policy intensifying
- Data remain weak in the Eurozone, but with some tentative signs of stabilisation

Data remained weak in the Eurozone in October, and the Composite PMI consistent only with very modest growth. However, there were tentative signs of stabilisation in some forward looking components in the survey such as new orders and inventories, while credit standards weakened further, rather than tightening in Q3. Meanwhile, equities recovered from their early October sell-off as risks around the US-China trade dispute and the chances of a hard Brexit are reduced. Core bond yields in the Eurozone moved higher on improved risk appetite and reduced demand for safe havens. Finally, Mario Draghi ended his tenure as ECB President with ongoing debate within the governing council about appropriate monetary policy, especially with regard to negative interest rates and QE.

Switzerland

- The economy continues to expand, albeit at a sluggish rate, with the manufacturing sector under pressure
- Inflation weakens further and may well turn negative over the coming months, with a strong franc and weak demand acting as headwinds
- The SNB is set to leave policy unchanged as long as pressure on the franc does not intensify

The global slowdown is weighing on the Swiss economy, with the Manufacturing PMI down again in September, to the lowest level since 2009. Trade data show that exports contracted in Q3 and are broadly flat compared to a year ago, confirming the lack of momentum. The KOF leading indicator, which is a broader measure of activity, also fell, though remains well above its recent low in 2015. The franc has weakened against the euro, mainly led by more positive news on trade and Brexit, but the currency remains strong and is a headwind for the economy. CPI inflation slowed in September and is likely to turn negative over the coming months. The SNB has limited policy space to counter this and we anticipate policy to remain unchanged for now.

Japan

- The consumption tax hike and a devastating typhoon have hit consumption
- Services activity has followed manufacturing activity to the downside
- Foreign buying is supporting the Japanese equity market

Economic data show a mixed picture. The Composite PMI fell below the boom/bust line of 50 in October, indicating a contracting economy, as the Services PMI dropped by 2½ points, following the already weak Manufacturing PMI. Consumer confidence accelerated to the downside ahead of the consumption tax hike effective October 1, while rush buying before the tax hike lifted department store sales by 23.1% YoY in September. Consumption has obviously also suffered from the impact of the strongest typhoon in over 60 years. Japanese equities have meandered relative to global equities following the surge early in September. Foreign buying has spiked following five months of net selling in the cash market, while the USDJPY is holding steady around the 108 level.

China

- GDP growth falls to a record low of 6% YoY
- However, economic momentum has picked up toward the end of the quarter
- Chinese equities continue to meander on a relative basis to the world

China's economy was up 6% YoY in Q3, the slowest rate of growth since GDP statistics have been released. However, weaker growth in Q3 masks a pickup in September, with industrial production, fixed asset investment and retail sales gaining some steam, coming in better than expected. Industrial growth as well as manufacturing investment was mainly backed by stronger private firm activity, while infrastructure spending growth is expected to slow amid local government funding restrictions. Aggregate financing data suggest a monetary boost, but taking into account seasonal distortions show that lending held steady on a YoY basis. The gap between rising CPI inflation, mainly driven by rising pork prices, and falling PPI inflation has widened.

Australia

- The RBA cuts its policy rate further
- Home prices continue to improve, but confidence readings deteriorate
- Equities recover following a roller coast ride

The RBA delivered a 25bps policy rate cut to 0.75% in October, reiterating its easing bias to support employment and household income growth. With plenty of slack in the labour market and inflation still below the RBA's target, more rate cuts might be forthcoming towards the end of this year and earlier next year. Although tax refunds and lower interest rates were expected to lift household spending, September retail sales only picked up slightly. Moreover, business and consumer confidence continued to deteriorate, signalling a further stagnation in consumption and business investment. Equities, after a roller coaster ride, managed to bounce back to the early October high given ongoing easing rhetoric by the RBA and more constructive news on US-China trade.

ASEAN

- Central banks continue to ease their monetary policies
- Exports remain lacklustre
- Indonesian equities rebound while Malaysian stocks continue to underperform their global peers

Central banks in Indonesia, the Philippines and Singapore delivered further monetary stimulus in September and October. Malaysia announced its 2020 budget, targeting a 3.2% GDP budget deficit, an upward revision from its initial estimate of 3%. We expect more fiscal stimulus to join force with monetary policy to support growth in Malaysia in the coming year. Meanwhile, weak September export data with declines in new export orders for most countries indicated that the trade woes will be around for some time, even though there seem to be some tentative signals of trade stabilisation in other Asian markets. Indonesia's MSCI index recovered after an almost 5% drop in late September, while Malaysian equities continued to lag behind their Asian peers.

Valuation snapshot (MSCI Indices)

Current trailing valuations

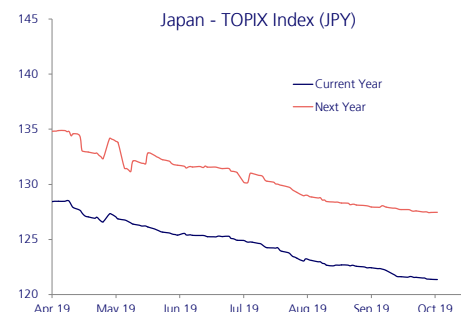
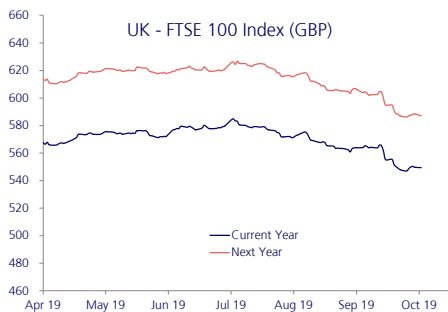
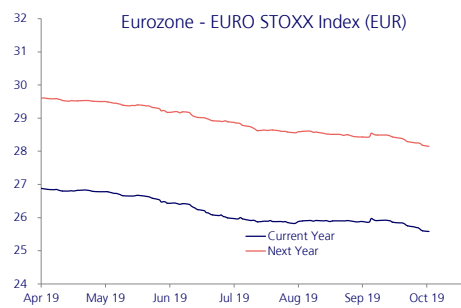
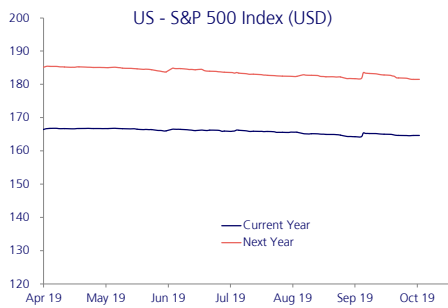
	US	Europe ex UK	UK	Switzerland	Japan	APAC ex. Japan	China	Brazil	Mexico
12m Trailing P/E	20.72	16.85	13.34	20.88	12.65	14.56	13.16	13.27	15.00
12m Trailing P/B	3.37	1.83	1.67	2.96	1.19	1.57	1.65	2.09	1.99
12m Trailing P/CF	13.51	9.41	8.68	10.36	8.08	9.24	7.60	9.79	7.55
Dividend Yield	1.97	3.35	4.82	2.97	2.60	2.96	2.17	3.66	3.31
ROE	16.27	10.83	12.49	14.16	9.42	10.81	12.52	15.74	13.28

Current trailing valuations relative to MSCI world

	US	Europe ex UK	UK	Switzerland	Japan	APAC ex. Japan	China	Brazil	Mexico
12m Trailing P/E	1.19	0.97	0.77	1.20	0.73	0.84	0.76	0.76	0.86
12m Trailing P/B	1.50	0.81	0.74	1.31	0.53	0.70	0.73	0.93	0.88
12m Trailing P/CF	1.22	0.85	0.79	0.94	0.73	0.84	0.69	0.89	0.68
Dividend Yield	0.77	1.31	1.89	1.16	1.02	1.16	0.85	1.43	1.29
ROE	1.26	0.84	0.96	1.09	0.73	0.83	0.97	1.22	1.03

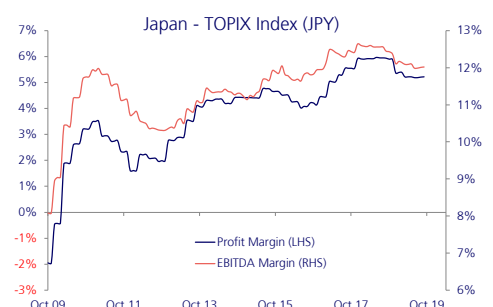
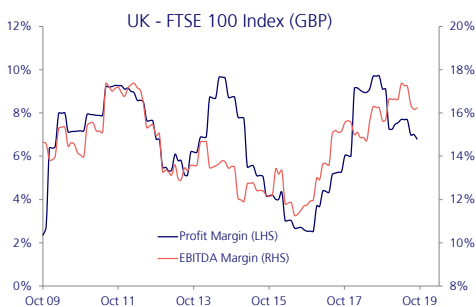
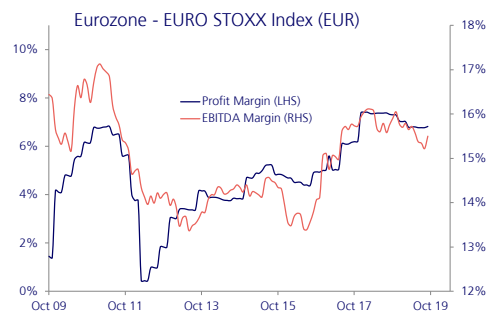
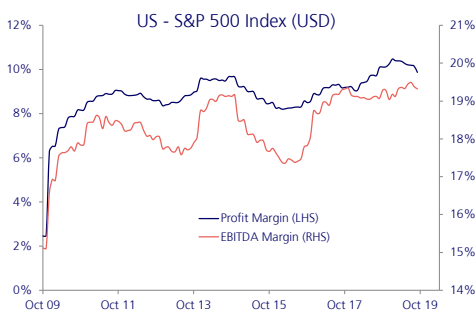
Source: Datastream

Earnings estimates - Full fiscal years



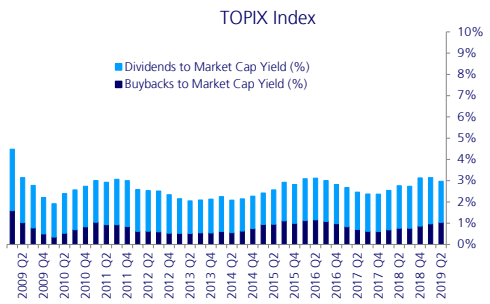
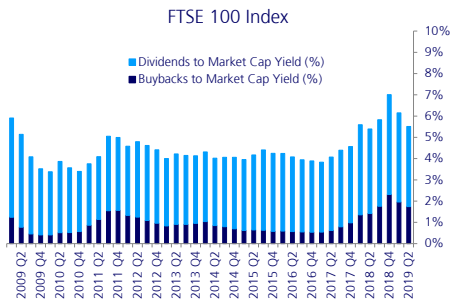
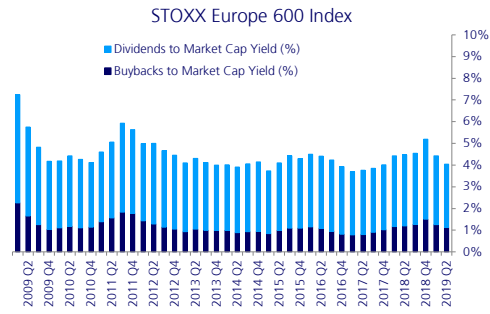
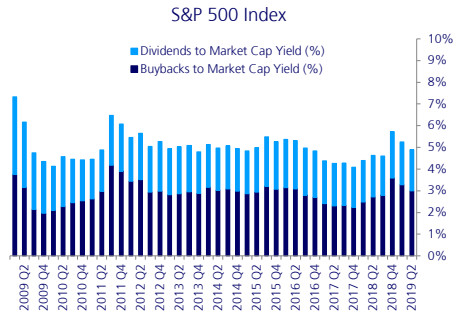
Source: Bloomberg

Historical margins



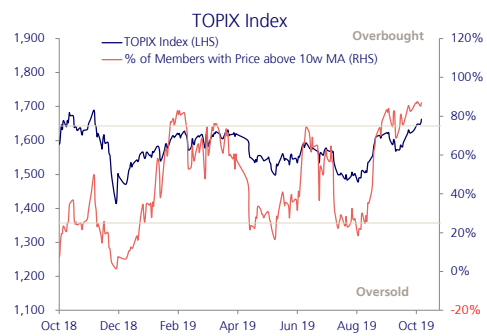
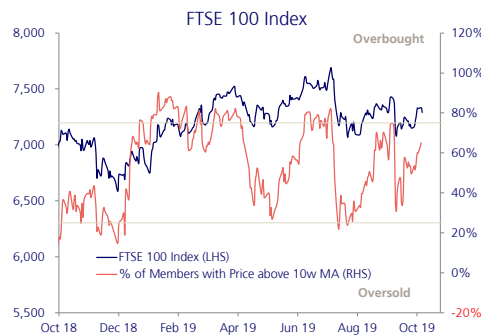
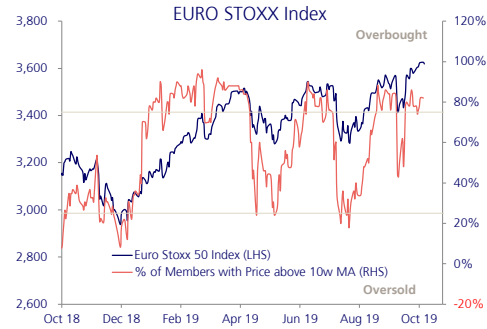
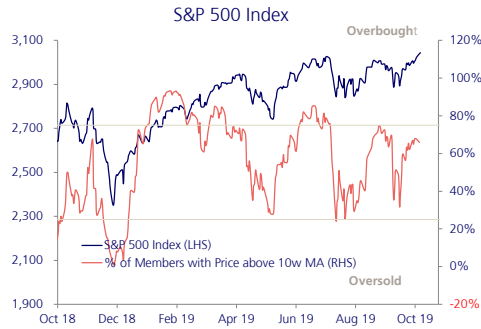
Source: Bloomberg

Dividends and shares buybacks



Source: Bloomberg

Overbought / Oversold



Source: Bloomberg

Appendix 3

Yield Curve Steepness (2yr-10yr)



Source: Bloomberg

Spread Snapshot

Generic Government Yields (10yr)

Country	Spread over US Treasury (bps)				
	Oct-19	1m ago	3m ago	1yr ago	
UK	-112	-118	-140	-169	
Germany	-219	-225	-245	-271	
Switzerland	-236	-246	-277	-311	
Japan	-194	-192	-217	-297	
Australia	-66	-73	-83	-52	
China	147	147	115	44	
South Korea	-8	-23	-63	-92	
Malaysia	161	169	158	110	
Indonesia	529	563	536	556	
Thailand	-28		-18	-25	
Philippines	222	n/a	n/a	n/a	
Brazil	486	n/a	521	729	
Mexico	503	522	553	665	
Colombia	420	430	395	411	
Peru	235	257	239	273	

Generic Government Yields (10yr)

Country	Spread over German Bund (bps)			
	Oct-19	1m ago	3m ago	1yr ago
France	30	29	26	37
Netherlands	13	15	12	14
Belgium	30	31	32	40
Austria	24	27	22	22
Ireland	40	54	53	56
Italy	137	140	199	299
Spain	64	72	72	117
Portugal	58	74	78	150

Source: Bloomberg, ZIG

Economic data

US	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Trend*
ISM Manufacturing (Index)	59.5	57.5	58.8	54.3	56.6	54.2	55.3	52.8	52.1	51.7	51.2	49.1	47.8	down
ISM Non-Manufacturing (Index)	60.8	60.0	60.4	58.0	56.7	59.7	56.1	55.5	56.9	55.1	53.7	56.4	52.6	down
Durable Goods (% MoM)	1.5	-4.4	0.6	1.1	0.5	-2.6	1.7	-2.8	-2.3	1.8	2.1	0.3	-1.1	up
Consumer Confidence (Index)	135.3	137.9	136.4	126.6	121.7	131.4	124.2	129.2	131.3	124.3	135.8	134.2	126.3	up
Retail Sales (% MoM)	3.9	4.8	4.0	1.4	2.6	1.9	3.8	3.8	3.0	3.3	3.5	4.4	4.1	up
Unemployment Rate (%)	3.7	3.8	3.7	3.9	4.0	3.8	3.8	3.6	3.6	3.7	3.7	3.7	3.5	neutral
Avg Hourly Earnings YoY (% YoY)	3.0	3.2	3.4	3.5	3.4	3.4	3.4	3.3	3.4	3.4	3.5	3.6	3.5	up
Change in Payrolls ('000, MoM)	108.0	277.0	196.0	227.0	312.0	56.0	153.0	216.0	62.0	178.0	166.0	168.0	136.0	up
PCE (% YoY)	2.0	1.9	2.0	2.0	1.8	1.6	1.5	1.6	1.5	1.6	1.7	1.8		up
GDP (% QoQ, Annualized)	2.9			1.1			3.1			2.0				
UK	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Trend*
PMI Services (Index)	53.9	52.2	50.4	51.2	50.1	51.3	48.9	50.4	51.0	50.2	51.4	50.6	49.5	down
Consumer Confidence (Index)	-9.0	-10.0	-13.0	-14.0	-14.0	-13.0	-13.0	-13.0	-10.0	-13.0	-11.0	-14.0	-12.0	down
Unemployment Rate (%)	4.1	4.1	4.0	4.0	3.9	3.9	3.8	3.8	3.8	3.9	3.8	3.9		up
CPI (% YoY)	2.4	2.4	2.3	2.1	1.8	1.9	1.9	2.1	2.0	2.0	2.1	1.7	1.7	down
GDP (% YoY)	1.6			1.5			2.1			1.3				
Eurozone	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Trend*
PMI Manufacturing (Index)	53.2	52.0	51.8	51.4	50.5	49.3	47.5	47.9	47.7	47.6	46.5	47.0	45.7	down
PMI Services (Index)	54.7	53.7	53.4	51.2	51.2	52.8	53.3	52.8	52.9	53.6	53.2	53.5	51.6	down
Ifo Business Climate (Index)	103.7	102.6	102.4	101.4	99.9	98.9	99.9	99.4	98.2	97.5	95.9	94.3	94.6	down
Industrial Production (% MoM)	-0.6	-0.1	-1.2	-1.0	1.7	-0.1	-0.2	-0.5	0.8	-1.5	-0.4	0.4		down
Factory Orders GE (% MoM)	0.1	0.1	-0.7	0.9	-2.2	-3.8	0.5	0.5	-2.0	2.7	-2.1	-0.6		up
Unemployment Rate (%)	8.0	8.0	7.9	7.9	7.8	7.8	7.7	7.6	7.6	7.5	7.5	7.4		down
M3 Growth (% YoY, 3 months MA)	3.6	3.9	3.8	4.1	3.7	4.1	4.6	4.7	4.8	4.5	5.1	5.8	5.5	up
CPI (% YoY)	2.1	2.3	1.9	1.5	1.4	1.5	1.4	1.7	1.2	1.3	1.0	1.0	0.8	down
Core CPI (% YoY)	1.0	1.2	0.9	0.9	1.1	1.0	0.8	1.3	0.8	1.1	0.9	0.9	1.0	down
GDP (% QoQ)	0.2			0.3			0.4			0.2				
Switzerland	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Trend*
KOF Leading Indicator (Index)	101.3	99.4	99.1	96.4	97.2	94.6	96.7	97.1	93.9	95.0	96.0	95.5	93.2	down
PMI Manufacturing (Index)	59.9	57.8	57.7	57.5	54.3	55.4	50.3	48.5	48.6	47.7	44.7	47.2	44.6	down
Real Retail Sales (% YoY)	-2.9	1.4	-0.4	-0.4	-0.2	-0.1	-0.8	-0.6	-0.7	0.9	1.5	-1.4		up
Trade Balance (Billion, CHF)	2.3	3.5	4.7	2.0	3.0	2.9	3.1	2.3	3.2	4.0	3.7	1.7	4.0	down
CPI (% YoY)	1.0	1.2	0.9	0.7	0.6	0.6	0.7	0.7	0.6	0.6	0.3	0.3	0.1	down
Japan	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Trend*
Nomura Manufacturing PMI (Index)	52.5	52.9	52.2	52.6	50.3	48.9	49.2	50.2	49.8	49.3	49.4	49.3	48.9	down
Machine Orders (% YoY)	-7.0	4.5	0.8	0.9	-2.9	-5.5	-0.7	2.5	-3.7	12.5	0.3	-14.5		up
Industrial Production (% YoY)	-2.5	4.2	1.9	-2.0	0.7	-1.1	-4.3	-1.1	-2.1	-3.8	0.7	-4.7		down
ECO Watchers Survey (Index)	47.3	47.7	49.0	48.2	44.8	46.7	46.7	47.0	44.3	43.3	41.7	42.6	45.7	down
Jobs to Applicants Ratio (Index)	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6		down
Labour Cash Earnings (% YoY)	0.7	1.1	1.7	1.5	-0.6	-0.7	-1.3	-0.3	-0.5	0.4	-1.0	-0.1		up
Department Store Sales (% YoY)	-3.0	1.6	-0.6	-0.7	-2.9	0.4	0.1	-1.1	-0.8	-0.9	-2.9	2.3	23.1	up
Money Supply M2 (% YoY)	2.8	2.7	2.3	2.4	2.3	2.3	2.4	2.5	2.6	2.3	2.3	2.4	2.4	down
CPI Ex Food & Energy (% YoY)	0.1	0.2	0.1	0.1	0.3	0.3	0.3	0.5	0.3	0.3	0.4	0.4	0.3	neutral
Exports (% YoY)	-1.4	8.2	0.1	-3.9	-8.4	-1.2	-2.4	-2.4	-7.8	-6.6	-1.5	-8.2	-5.2	up
China	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Trend*
PMI Manufacturing (Index)	50.8	50.2	50.0	49.4	49.5	49.2	50.5	50.1	49.4	49.4	49.7	49.5	49.8	up
Industrial Production (% YoY)	5.8	5.9	5.4	5.7			8.5	5.4	5.0	6.3	4.8	4.4	5.8	down
Retail Sales (% YoY)	9.2	8.6	8.1	8.2			8.7	7.2	8.6	9.8	7.6	7.5	7.8	down
PPI (% YoY)	3.6	3.3	2.7	0.9	0.1	0.1	0.4	0.9	0.6	0.0	-0.3	-0.8	-1.2	down
Exports (% YoY)	13.9	14.3	3.9	-4.4	9.2	-20.8	13.8	-2.8	1.0	-1.3	3.3	-1.0	-3.2	up
CPI (% YoY)	2.5	2.5	2.2	1.9	1.7	1.5	2.3	2.5	2.7	2.7	2.8	2.8	3.0	up
RRR (%)	15.5	14.5	14.5	14.5	13.5	13.5	13.5	13.5	13.5	13.5	13.5	13.5	13.0	down
GDP (% YoY)	6.5			6.4			6.4			6.2			6.0	down
PMI Non Manufacturing (Index)	50.8	50.2	50.0	49.4	49.5	49.2	50.5	50.1	49.4	49.4	49.7	49.5	49.8	up
Aggregate Financing (Billions, CNY)	1180.2	592.8	1363.7	1151.5										neutral

Datasource: Bloomberg

*Trend = Last 3m - Previous 3m

Appendix 5

Economic data

Australia	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Trend*
AiG Manufacturing (Index)	57.1	54.7	50.8	50.0	52.5	54.0	51.0	54.8	52.7	49.4	51.3	53.1	54.7	up
AiG Service (Index)	52.5	51.1	55.1	52.1	44.3	44.5	44.8	46.5	52.5	52.2	43.9	51.4	51.5	down
Westpac Consumer Confidence (% MoM)	-3.0	1.0	2.8	0.1	-4.7	4.3	-4.8	1.9	0.6	-0.6	-4.1	3.6	-1.7	down
Building Approvals (% YoY)	-12.7	-13.4	-33.9	-21.0	-27.6	-11.0	-23.2	-22.2	-18.3	-25.0	-28.2	-21.5		down
Employment Change ('000, MoM)	14.2	26.1	39.4	17.5	34.8	9.0	27.1	27.8	40.0	2.2	35.0	37.9	14.7	up

Brazil	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Trend*
CPI (% YoY)	4.5	4.6	4.1	3.8	3.8	3.9	4.6	4.9	4.7	3.4	3.2	3.4	2.9	down
Industrial Production (% YoY)	1.6	-2.4	0.6	-1.2	-3.8	-2.1	2.2	-6.1	-3.7	7.6	-5.9	-2.5	-2.3	down
Retail Sales (% YoY)	4.1	0.2	1.9	4.5	0.7	1.9	4.0	-4.4	1.8	1.0	0.1	4.3	1.3	up
Trade Balance (Millions, USD)	5071.3	5791.6	4076.8	6428.3	1713.0	3291.7	4545.8	5823.4	5719.0	5089.0	2293.4	3181.9	2246.0	down
Budget Balance Primary (Billions, BRL)	-76.9	-39.2	-6.1	-50.6	-68.0	26.0	-45.0	-62.2	-28.0	-47.6	-30.1	-30.3	-63.6	up

Chile	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Trend*
IMACEC Economic Activity Index (% YoY)	2.07	4.36	3.33	3.12	1.91	1.14	1.73	1.90	2.31	1.52	3.20	3.68	3.70	up
CPI (% YoY)	3.10	2.90	2.80	2.60	2.21	2.20	2.48	2.43	2.76	2.70	2.57	2.58	2.24	down
Retail Sales (% YoY)	1.72	8.02	-0.12	1.57	0.02	0.05	0.94	-0.72	3.30	-1.20	1.62	2.26		down
Industrial Production (% YoY)	-3.15	2.00	0.36	1.60	-0.90	-3.55	-0.80	0.69	-0.17	-2.94	2.63	1.38		up
Unemployment (%)	7.10	7.10	6.80	6.70	6.80	6.70	6.90	6.90	7.10	7.10	7.20	7.20		up

Mexico	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Trend*
PMI (Index)	51.2	50.0	49.8	49.0	49.8	53.7	50.6	52.0	49.1	48.6	48.9	47.3	48.1	down
CPI (% YoY)	5.0	4.9	4.7	4.8	4.4	3.9	4.0	4.4	4.3	4.0	3.8	3.2	3.0	down
Retail Sales (% YoY)	2.7	2.5	3.8	-0.5	0.7	2.5	1.6	1.6	2.8	1.0	2.1	2.6		down
Industrial Production (% YoY)	2.3	2.5	1.6	0.2	1.3	0.8	2.8	-0.4	0.7	-0.8	3.0	-0.5		down
Remittances (Millions, USD)	2718.1	3017.3	2964.8	2991.2	2455.6	2438.4	2958.0	2937.0	3282.1	3183.5	3270.3	3374.6		up

Datasource: Bloomberg

*Trend = Last 3m - Previous 3m

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