

We are now three quarters of the way through 2017 and it is interesting to review the performance of different asset classes in the year to date. The total return of the equity indices we track are all in positive territory for Sterling based investors, with the FTSE World index up 7.98%. Breaking down regional performance, the FTSE World Europe ex UK index has led the way, gaining 17.07%. The comparatively high octane FTSE World Asia Pacific ex Japan and FTSE Emerging indices follow with gains of 12.46% and 14.08% respectively. The final grouping concerns the UK, Japan and USA, all of which have produced positive, but single digit, returns. The FTSE 100 has a total return of 6.59%, the FTSE Japan 6.02% and the S&P 500 4.74%.

Gilt yields have increased, and in consequence, prices have fallen in the year to date. The total return of the FTSE Actuaries UK Conventional Gilts All Stocks index has been flat in the year to date and has lost 3.56% in the last year. The 10-year benchmark yield increased from 1.1% to 1.3% in September and Moodys downgraded UK government debt based on Brexit concerns. The index lost 2.58% over the month.

Downward trends commenced in 2011 for gold and in 2014 for oil. This torrid period can be clearly seen in the 5-year cumulative total return data with the S&P GSCI Gold Spot index losing 15.4% and the S&P GSCI Brent Crude Spot index down 54.8%. 2017 has seen the typical month to month undulations in their prices because commodities are a volatile asset class. In the year to date the S&P GSCI Brent Crude Spot index has lost 11.25%, whilst the S&P GSCI Gold Spot index has gained 1.96%.

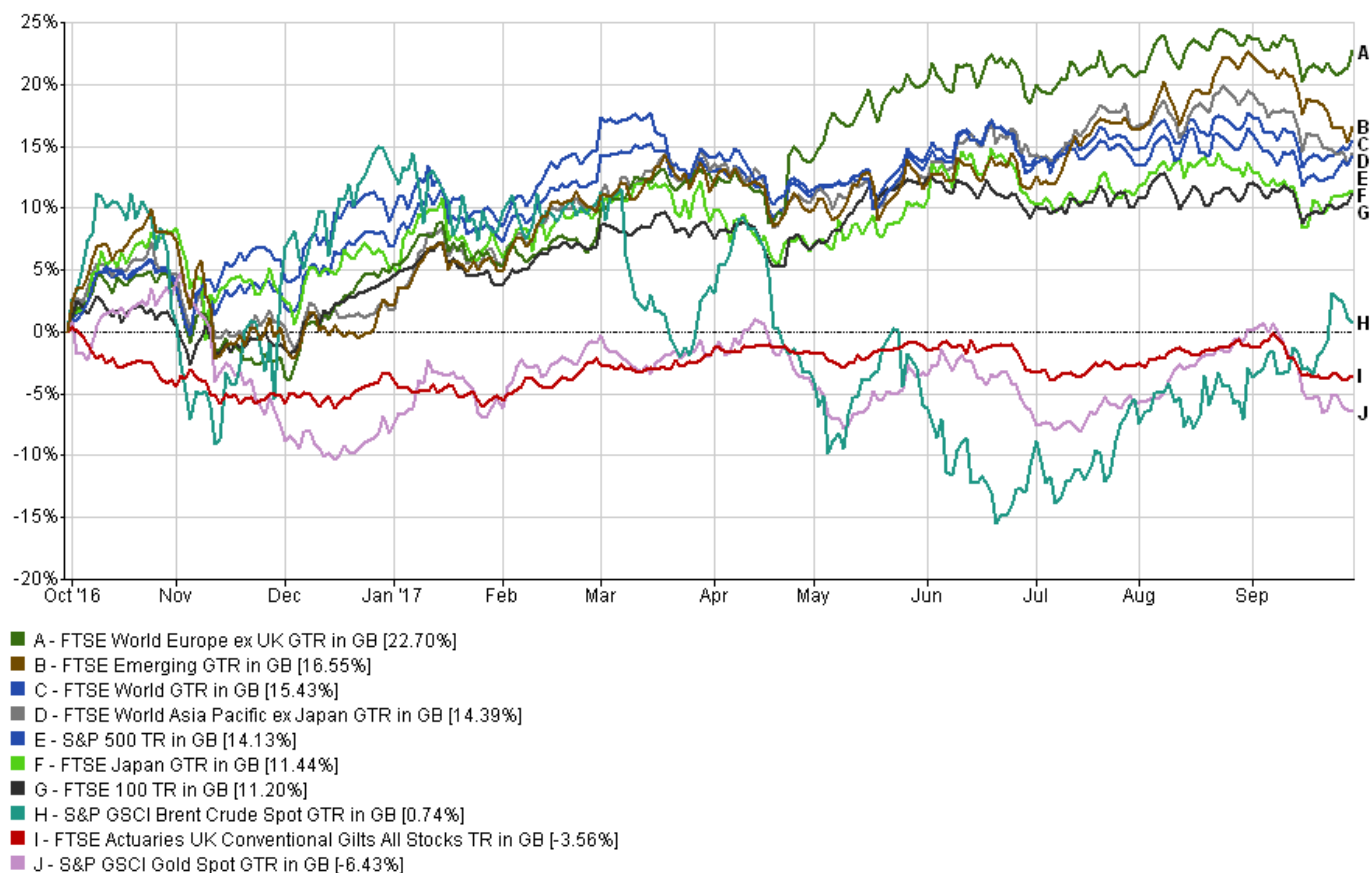
### **Currency Effects**

Sterling strengthened 3.9% against the US Dollar, 4.6% against the Euro and 6.2% against the Japanese Yen in the last month. It also strengthened against many emerging market currencies, with notable gains against the Renminbi (4.6%), Hong Kong Dollar (3.7%), Indian Rupee (6%) and Brazilian Real (4.9%).

We therefore see a loss of around 2% in Sterling terms for the FTSE World, S&P 500 and FTSE Japan for September. Likewise the FTSE Emerging index lost 4.9% and the FTSE World Asia Pacific ex Japan index lost 4.28% in Sterling terms and were flat when considered in local currency terms. The other indices all saw gains ranging between 2.0% and 3.3% in their local currencies. By way of comparison, the FTSE 100 made a modest loss of 0.67% in the last month.

### **Georgina Ogilvie-Jones**

## 1-Year Performance in Sterling Terms to 30 September 2017



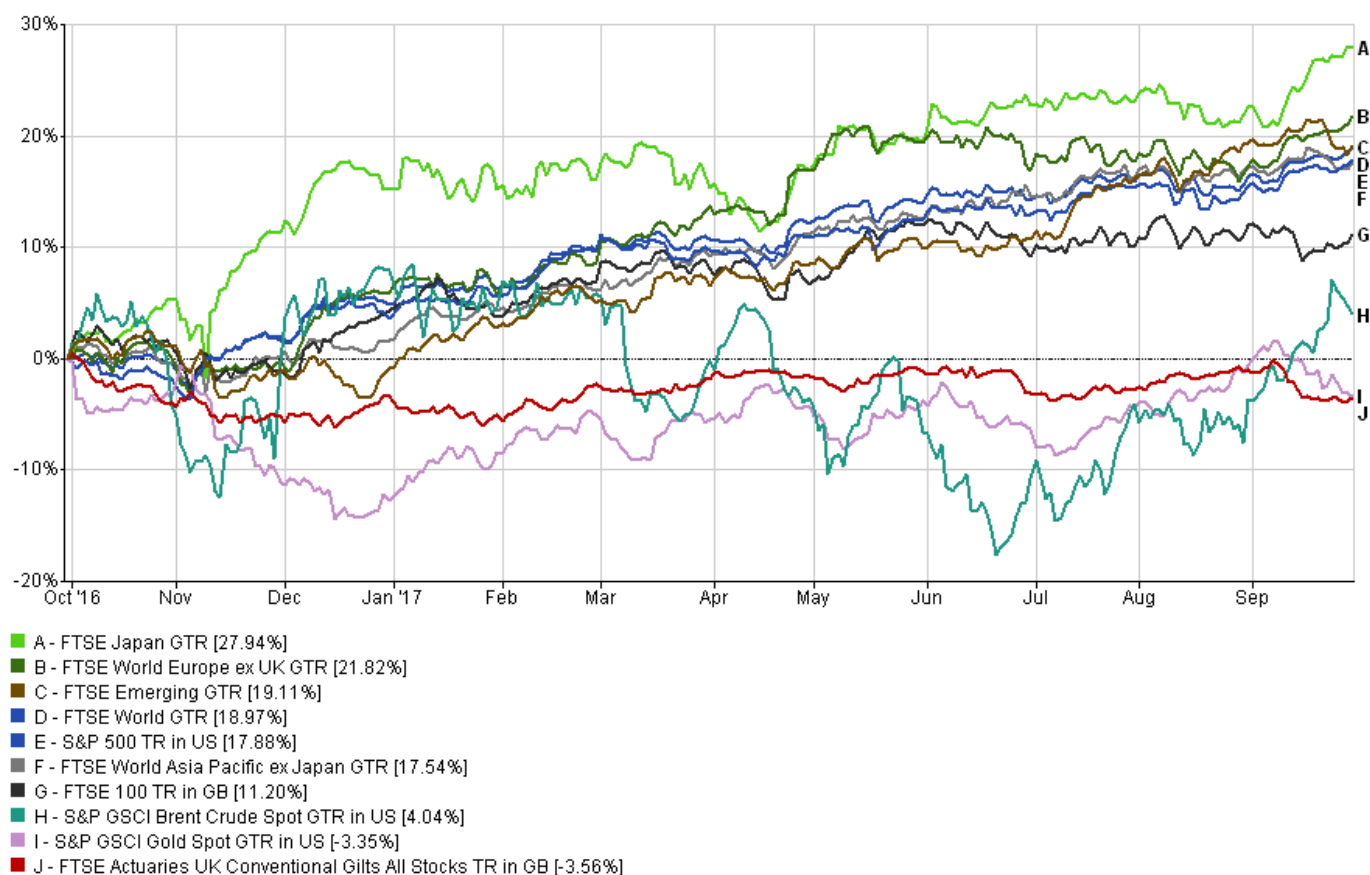
30/09/2016 - 29/09/2017 Data from FE 2017

## Cumulative Performance in Sterling Terms to 30 September 2017

	1m	3m	6m	1y	3y	5y
FTSE Actuaries UK Conventional Gilts All Stocks	-2.58%	-0.45%	-1.73%	-3.56%	17.54%	20.44%
FTSE World	-1.95%	1.72%	2.23%	15.43%	52.67%	103.43%
FTSE 100	-0.67%	1.82%	2.84%	11.20%	24.94%	54.80%
S&P 500	-2.01%	1.00%	0.08%	14.13%	61.33%	126.69%
FTSE World Europe ex UK	-1.04%	3.61%	8.95%	22.70%	46.84%	100.13%
FTSE World Asia Pacific ex Japan	-4.28%	0.21%	1.15%	14.39%	42.64%	59.93%
FTSE Emerging	-4.95%	4.49%	4.74%	16.55%	39.07%	48.72%
FTSE Japan	-2.03%	0.77%	2.31%	11.44%	55.37%	106.31%
S&P GSCI Brent Crude Spot	-6.60%	-0.19%	-4.65%	-6.43%	25.46%	-15.36%
S&P GSCI Gold Spot	3.69%	12.94%	-2.83%	0.74%	-51.51%	-54.80%

Source: Financial Express

## 1-Year Performance in Local Currency Terms to 30 September 2017



30/09/2016 - 29/09/2017 Data from FE 2017

## Cumulative Performance in Local Currency Terms to 30 September 2017

	1m	3m	6m	1y	3y	5y
FTSE Actuaries UK Conventional Gilts All Stocks	-2.58%	-0.45%	-1.73%	-3.56%	17.54%	20.44%
FTSE World	2.26%	4.19%	7.45%	18.97%	31.51%	84.54%
FTSE 100	-0.67%	1.82%	2.84%	11.20%	24.94%	54.80%
S&P 500	2.02%	4.32%	7.38%	17.88%	33.52%	88.35%
FTSE World Europe ex UK	3.84%	4.18%	7.24%	21.82%	29.52%	82.28%
FTSE World Asia Pacific ex Japan	0.33%	2.54%	7.70%	17.54%	26.32%	51.53%
FTSE Emerging	-0.23%	7.61%	11.73%	19.11%	26.29%	50.23%
FTSE Japan	4.33%	4.27%	10.89%	27.94%	31.95%	148.00%
S&P GSCI Brent Crude Spot	-2.75%	3.09%	2.30%	-3.35%	3.83%	-29.67%
S&P GSCI Gold Spot	7.96%	16.66%	4.25%	4.04%	-59.87%	-62.44%

Source: Financial Express

## Calendar Performance in Sterling Terms to September 2017

	YTD	2016	2015	2014	2013	2012
FTSE Actuaries UK Conventional Gilts All Stocks	-0.13%	10.10%	0.57%	13.86%	-3.94%	2.51%
FTSE World	7.98%	29.59%	4.34%	11.29%	22.36%	11.83%
FTSE 100	6.59%	19.07%	-1.32%	0.74%	18.66%	9.97%
S&P 500	4.74%	32.67%	6.58%	20.02%	29.10%	10.16%
FTSE World Europe ex UK	17.07%	19.69%	5.35%	0.16%	25.18%	17.82%
FTSE World Asia Pacific ex Japan	12.46%	31.69%	-4.40%	5.01%	2.72%	17.72%
FTSE Emerging	14.08%	35.43%	-10.31%	7.87%	-5.29%	12.76%
FTSE Japan	6.02%	22.68%	17.58%	2.73%	24.95%	3.34%
S&P GSCI Brent Crude Spot	1.96%	28.52%	-5.72%	4.36%	-29.98%	1.42%
S&P GSCI Gold Spot	-11.25%	53.23%	-42.51%	-44.83%	4.96%	3.91%

Source: Financial Express

## Calendar Performance in Local Currency Terms to September 2017

	YTD	2016	2015	2014	2013	2012
FTSE Actuaries UK Conventional Gilts All Stocks	-0.13%	10.10%	0.57%	13.86%	-3.94%	2.51%
FTSE World	13.49%	9.97%	2.26%	9.92%	27.35%	16.70%
FTSE 100	6.59%	19.07%	-1.32%	0.74%	18.66%	9.97%
S&P 500	13.72%	11.23%	0.75%	12.99%	31.55%	15.22%
FTSE World Europe ex UK	14.96%	3.42%	8.66%	7.58%	23.37%	20.54%
FTSE World Asia Pacific ex Japan	15.65%	11.16%	-2.73%	4.18%	11.36%	19.07%
FTSE Emerging	20.08%	12.06%	-5.83%	7.17%	3.92%	18.79%
FTSE Japan	11.10%	-0.28%	11.52%	10.32%	54.77%	21.46%
S&P GSCI Brent Crude Spot	10.71%	7.75%	-10.88%	-1.75%	-28.65%	6.08%
S&P GSCI Gold Spot	-3.64%	28.46%	-45.66%	-48.07%	6.94%	8.69%

Source: Financial Express

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