

Asian equities ended broadly higher on Friday, reflecting that US tariffs has largely been priced in by the market. A 25% levy on \$34 billion of Chinese imports took effect on Friday, with China responding in kind. The Shanghai Composite Index closed on Friday up 0.5%, but ended the week 3.5% lower. In Korea, carmakers closed higher amid optimism that the US and the EU may agree to withdraw auto tariffs. Conversely, most Southeast Asian stock markets declined on Friday, with Singapore falling to a 14-month closing low.

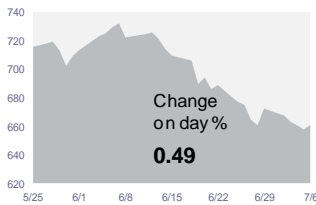
European equities rose on Friday as investors shrugged off trade war worries. Shares of automakers and commodities-related stocks, which have been particularly hit by global trade uncertainties, declined. Meanwhile, Deutsche Bank shares closed up amid reports that several players were considering buying a stake in Germany's largest lender. The FTSE 100 inched up as the Chequers summit concluded with the UK government reaching a compromise that pointed to a softer Brexit.

US stocks advanced following a stronger-than-expected jobs report which offset tariff jitters. Nonfarm payrolls topped expectations, the unemployment rate ticked up to 4% and wage growth rose only modestly. Sector-wise, Healthcare gained, led by Biogen, and the Technology sector rose 1.2%. Meanwhile, US Secretary of State Pompeo's visit to North Korea to negotiate denuclearisation ended with Pyongyang accusing the US of a "gangster-like mindset", which was in contrast to Pompeo's description of the talks as productive.

US 10-year Treasury yields declined to their lowest levels in five weeks following the release of jobs data for June which showed lower than expected wage growth. The yield curve between 2-year and 10-year notes flattened to 26.4bps, the tightest since 2007.

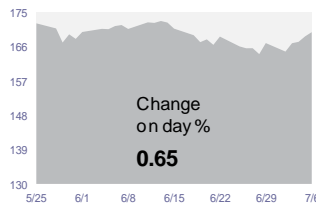
Oil was mixed on Friday as a Canadian supply outage supported US crude prices, while an increase in production from OPEC's biggest exporter Saudi Arabia pushed Brent lower.

Asia (ex Japan) Equity



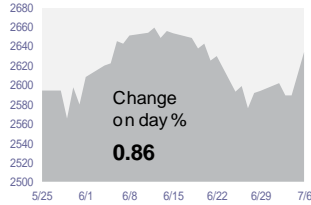
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Europe (ex UK) Equity

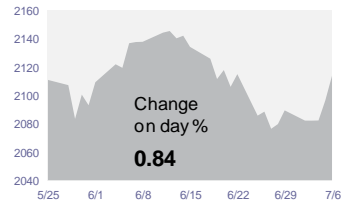


July 6, 2018

US Equity



World Equity



US Indexes	Last	% Chg	%YTD Chg
Dow Jones Industrial Average	24,456.48	0.41	-1.06
Nasdaq Composite	7,688.39	1.34	11.37
S&P 500	2,759.82	0.85	3.22
S&P 500 Volatility (Vix)	13.37	-10.69	21.11
MSCI US	2,634.00	0.86	3.51

Europe Indexes	Last	% Chg	%YTD Chg
Euro Stoxx 50	3,448.49	0.22	-1.58
FTSE 100 (UK)	7,617.70	0.19	-0.91
DAX (Germany)	12,496.17	0.26	-3.26
CAC-40 (France)	5,375.77	0.18	1.19
FTSE MIB Index (Italy)	21,925.51	0.05	0.33
Ibex35 (Spain)	9,905.00	0.39	-1.38
MSCI Europe ex UK	169.90	0.65	-2.21

Asia Indexes	Last	% Chg	%YTD Chg
S&P/ASX (Australia)	6,272.29	0.91	6.32
NZX 50 Index (New Zealand)	9,084.04	0.23	8.17
Hang Seng (Hong Kong)	28,315.62	0.47	-5.36
Hang Seng China Enterprise Index	10,622.62	0.14	-9.28
Jakarta Composite Index (Jakarta)	5,694.91	-0.77	-10.40
KLCI (Malaysia)	1,663.86	-1.58	-7.40
KOSPI (Korea)	2,272.87	0.68	-7.73
PSEI (Philippines)	7,186.71	-0.65	-16.03
BSE Sensex 30 (India)	35,657.86	0.23	4.70
SET (Thailand)	1,614.76	0.83	-7.92
Shanghai SE Composite (Shanghai)	2,747.23	0.49	-16.93
Shanghai Shenzhen CSI 300 Index (A-shares)	3,365.12	0.68	-16.52
MSCI China Index (H-shares)^	85.50	1.00	-4.31
Straits Times Index (Singapore)	3,191.82	-1.99	-6.20
Topix (Japan)	1,691.54	0.92	-5.88
Nikkei 225 (Tokyo)	21,788.14	1.12	-3.35
Taiwan Taiex Index (Taiwan)	10,608.57	-0.03	-0.32
Ho Chi Minh Stock Index	917.51	2.01	-6.78
MSCI Asia ex Japan	660.80	0.49	-7.38

World Index	Last	% Chg	%YTD Chg
MSCI World Index	2113.74	0.84	0.49

Others	Last	% Chg	%YTD Chg
Bovespa (Brazil)	75,010.39	0.61	-1.82
Mexbol (Mexico)	48,981.41	0.86	-0.76
MSCI Latin America	2,522.95	0.73	(10.79)
MSCI Emerging Markets	1,059.97	0.53	(8.50)

Government Bonds - 10 Yr Benchmark (Yield/bid)	Last	Net Chg	Net YTD Chg
US Generic Govt 10-year	2.82	-0.01	0.43
UK Govt 10-year Note Generic	1.27	0.01	0.08
German Govt Bonds 10-year	0.29	-0.01	-0.14
Italy Govt Bonds 10-year	2.72	-0.02	0.70
Japan Govt Bonds 10-year	0.03	-0.01	-0.02
Singapore Govt Bonds 10-year	2.41	-0.05	0.41

Bond Indexes	Last	% Chg	%YTD Chg
Citigroup World Govt Bond	731.62	0.02	0.23
JP Morgan Asian Credit +	208.66	-0.02	-2.81
JP Morgan EMBI Eurobonds +	652.26	0.50	-3.95
Citigroup US HY Market	995.99	0.08	0.26
JP Morgan Asian HY Corp +	271.24	-0.40	-5.64

Interest rate	Last	Net Chg	Net YTD Chg
LIBOR USD 3-month #	2.33	-0.01	0.64

Commodities +	Last	% Chg	%YTD Chg
Oil (Light Crude)	73.80	1.18	22.26
Gold	1,255.80	-0.24	-3.97

Currencies (Base Currency: 1 USD)	Last	% Chg	%YTD Chg
Euro	0.85	0.19	-1.91
Yen	110.64	0.02	1.87
Pound	0.76	-0.08	-1.49
AUD	1.35	0.27	-4.86
SGD	1.36	0.28	-1.55

Source: Eastspring Investments (Singapore) Limited., MSCI from Bloomberg in USD terms. ^MSCI China Index (H-shares): HKD. All data extracted from Bloomberg are in local currency terms except those denoted by "+", which are in USD terms. % Chg and net change refers to the change compared to previous trading day. YTD stands for year to date. # Libor rates come from British Bankers Association. NA represents not available.

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