



Service



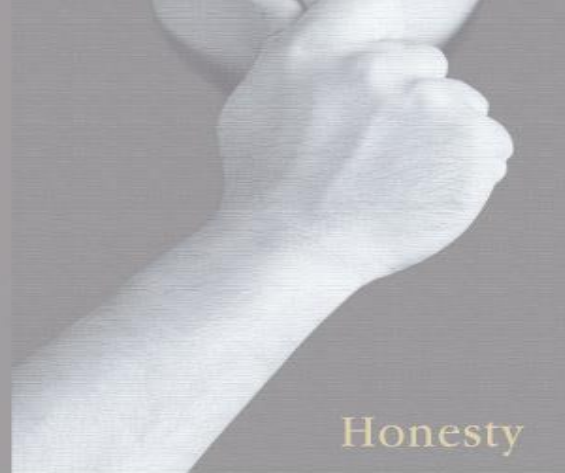
Discipline



Prudence



Fair play



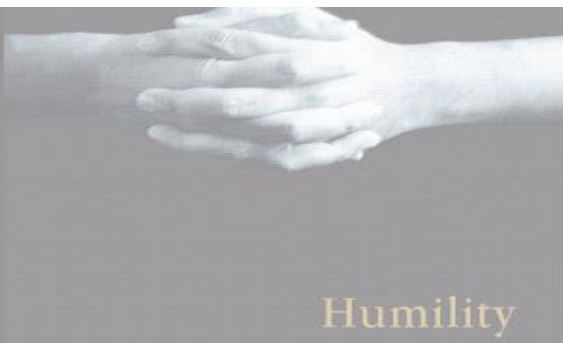
Honesty

International Equities

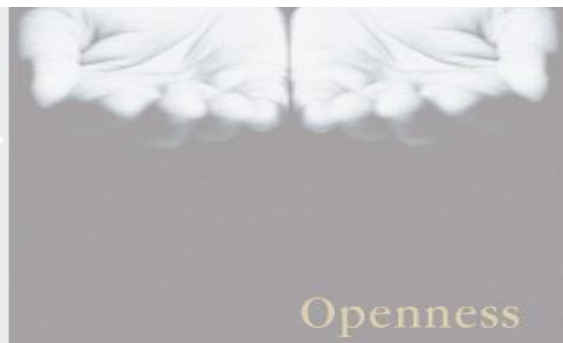
November 2022



Integrity



Humility

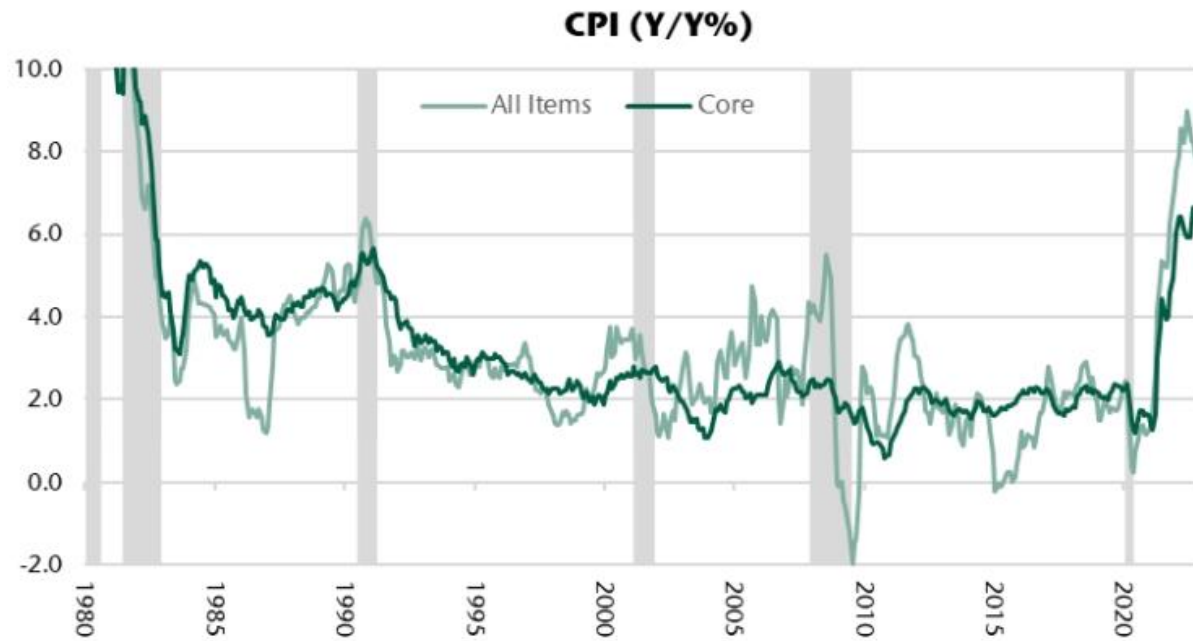


Openness



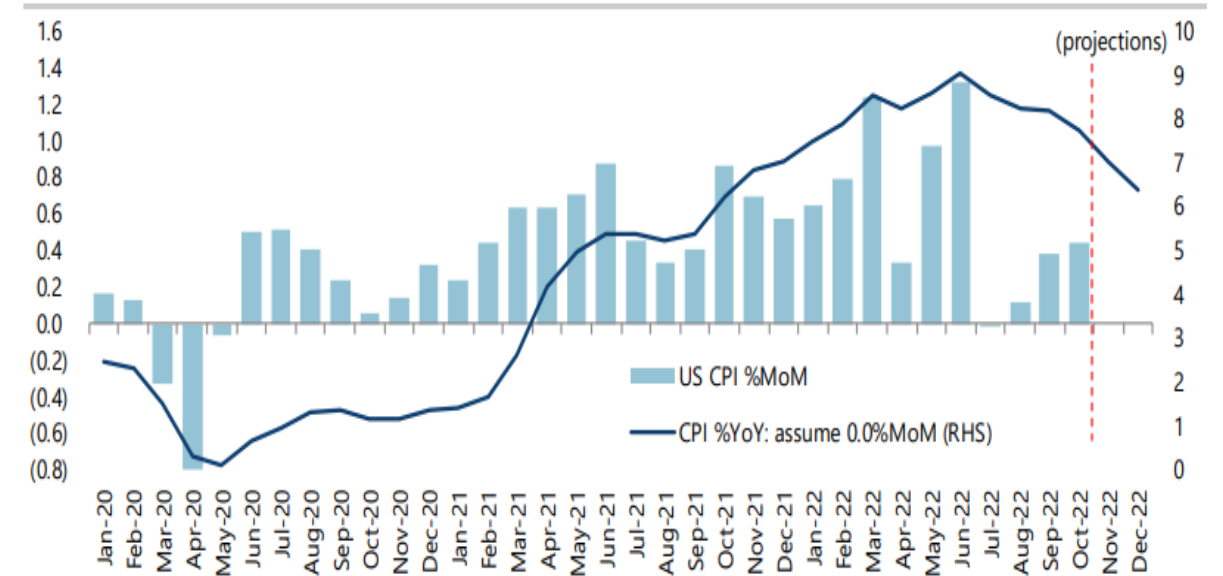
Relationships

US CPI moderating



Source: Bloomberg

Exhibit 3: US CPI inflation projection assuming 0.0% MoM going forward

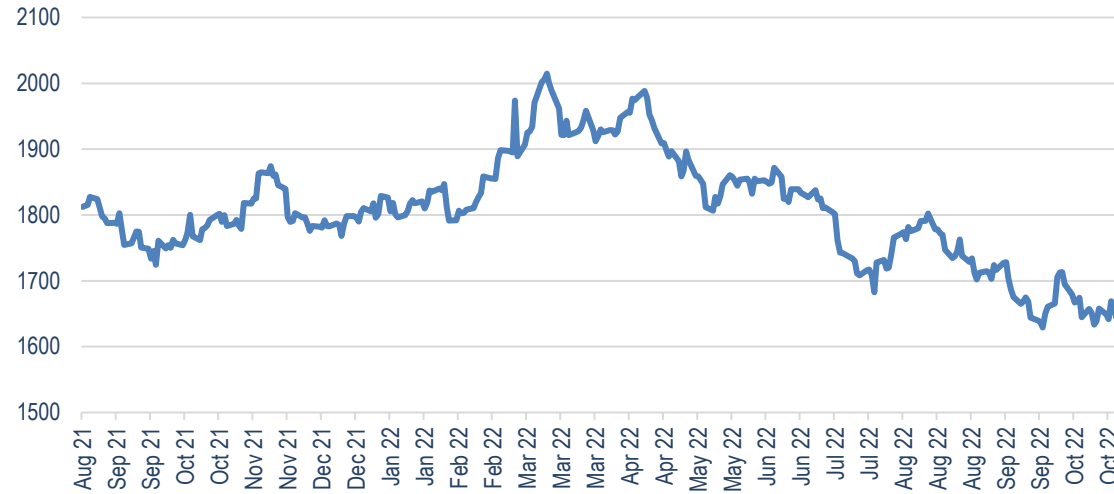


Source: Bureau of Labor Statistics, Jefferies

Inflation set to moderate further

Commodity prices, which are leading indicators have cooled off across the board

Gold - Spot Prices - down 9.5% since August 2021



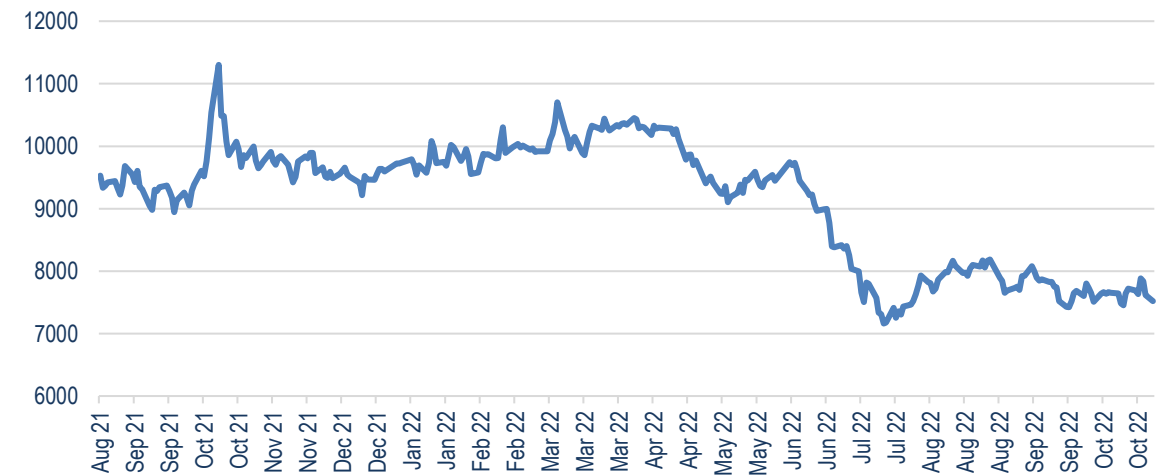
Silver Spot prices down 20.2% since August 2021



Aluminium Spot Prices down 19.1% since August 2021



Copper prices fell 21.1% since August 2021

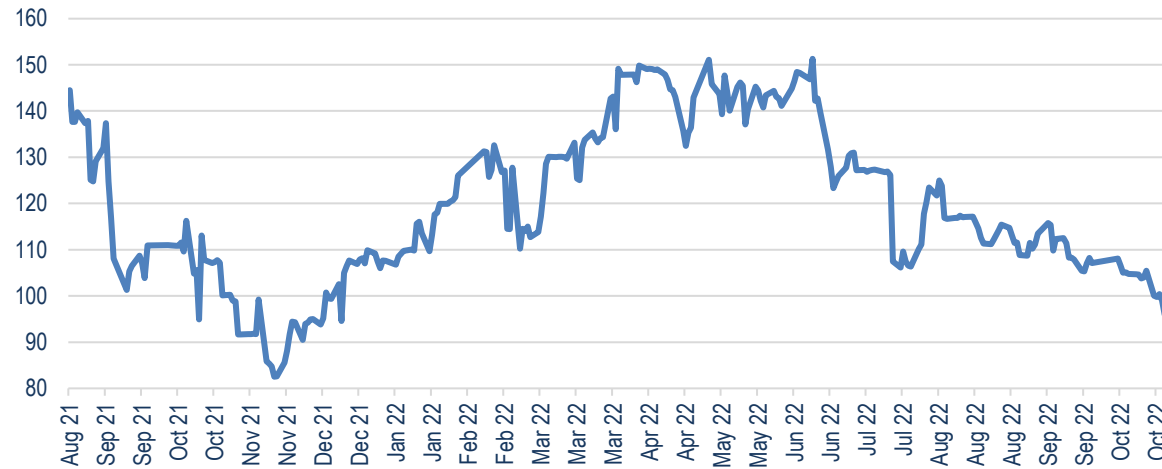


Source: Bloomberg, as of 31 October 2022

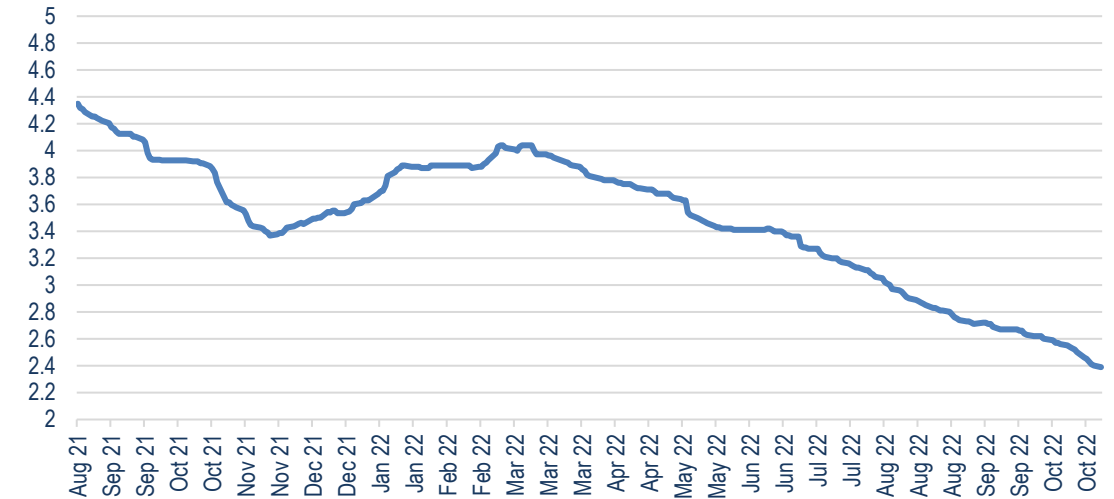
Inflation set to moderate further

Commodity prices, which are leading indicators are cooling off across the board

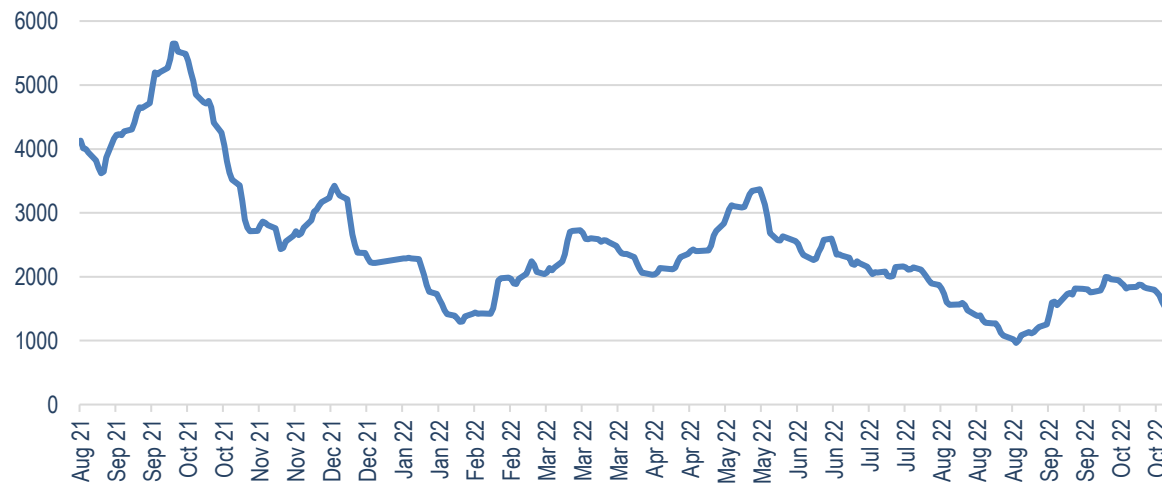
Iron Ore prices down 37.0% since August 2021



DRAM Prices down 45% since August 2021



Baltic Dry Index (Freight) down 64.6% since August 2021

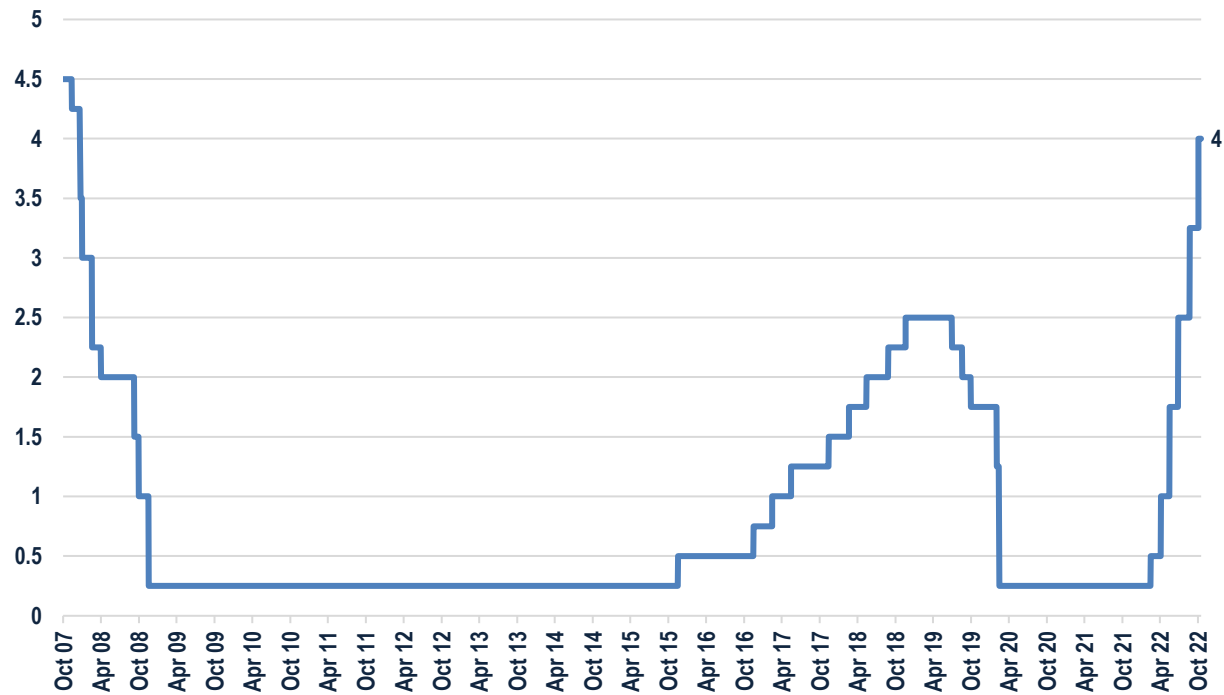


- Pipeline of commodity indicators point towards deflationary environment
- Most leading indicators have seen at least five consecutive months of decline
- China reopening could cause a mild reversal

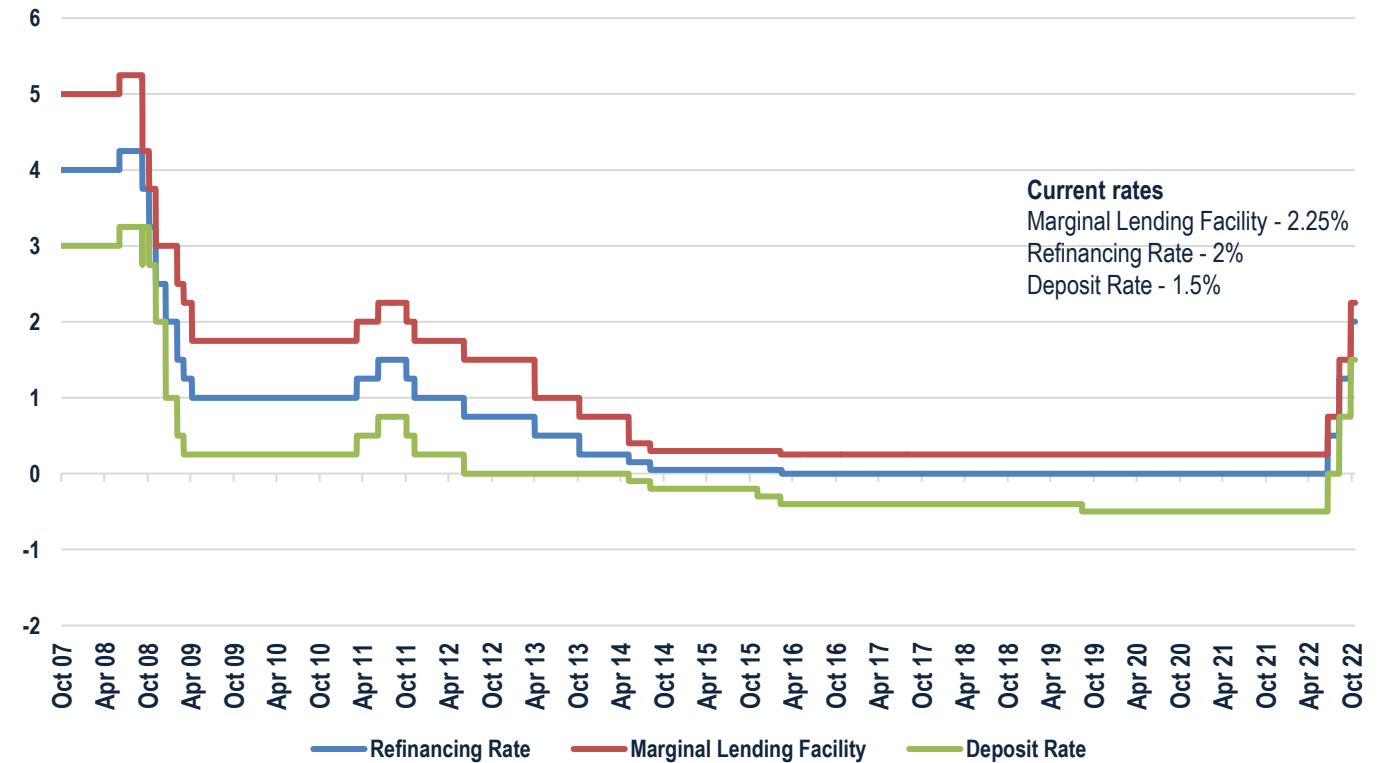
Source: Bloomberg, as of 31 October 2022

Policy rates have moved up sharply to counter inflation

Historical US Fed Funds Rate (%)



Historical ECB Policy Rates (%)



Source: Bloomberg, ECB and Federal Reserve websites

As on 10 November 2022

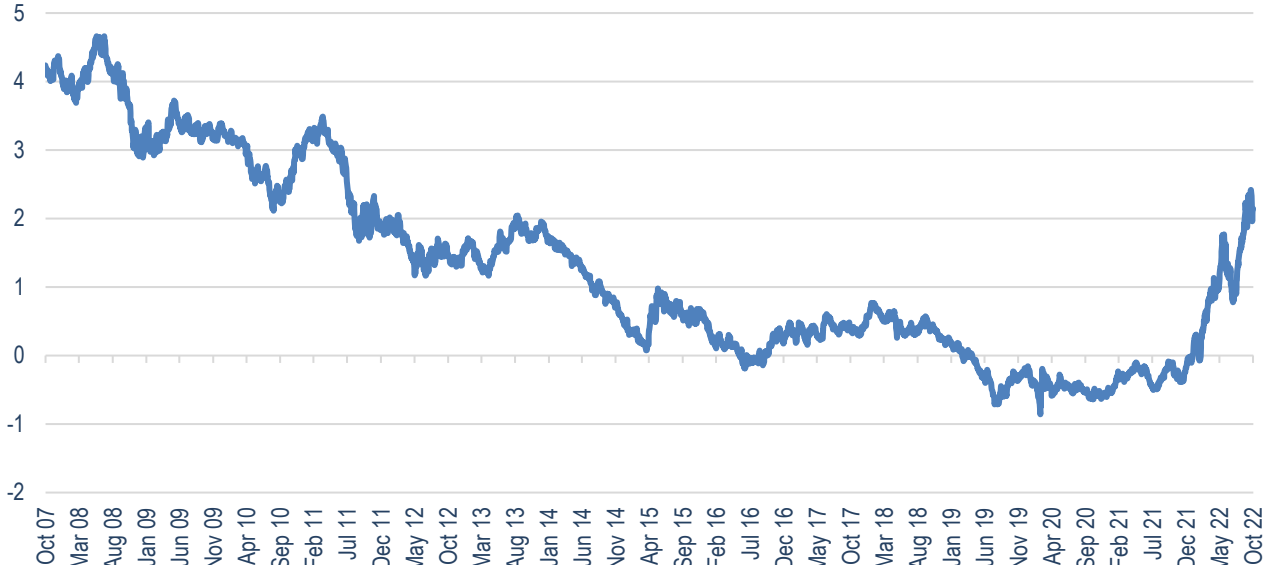


Government bond yields normalising

Historical US 10 Year Government Bond Yields



Historical Eurozone 10 Year Government Bond Yields



Source: Bloomberg

As on 31 October 2022



US Fed Funds Rate – Market Expectations

MEETING PROBABILITIES									
MEETING DATE	350-375	375-400	400-425	425-450	450-475	475-500	500-525	525-550	550-575
12/14/2022	0.0%	0.0%	0.0%	85.4%	14.6%	0.0%	0.0%		
2/1/2023	0.0%	0.0%	0.0%	0.0%	53.0%	41.4%	5.5%	0.0%	0.0%
3/22/2023	0.0%	0.0%	0.0%	0.0%	23.3%	47.9%	25.7%	3.1%	0.0%
5/3/2023	0.0%	0.0%	0.0%	0.0%	20.5%	45.0%	28.3%	5.8%	0.4%
6/14/2023	0.0%	0.0%	0.0%	0.7%	21.3%	44.4%	27.6%	5.6%	0.4%
7/26/2023	0.0%	0.0%	0.2%	7.6%	29.1%	38.8%	20.2%	3.9%	0.2%
9/20/2023	0.0%	0.1%	3.2%	16.2%	32.9%	31.3%	13.7%	2.4%	0.1%
11/1/2023	0.1%	1.8%	10.4%	25.5%	32.0%	21.5%	7.4%	1.1%	0.1%
12/13/2023	1.0%	6.5%	18.6%	29.1%	26.3%	13.8%	4.0%	0.6%	0.0%

Source: Samuel Rhines

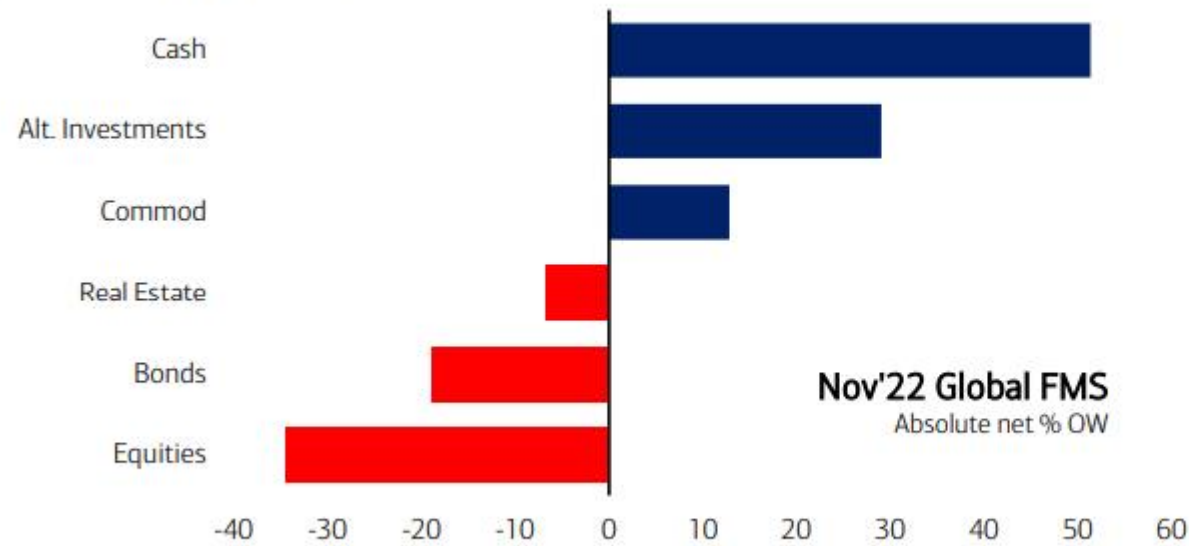
Possibility of US recession



Source: GuruFocus

Positioning reflecting that

Chart 22: FMS most OW cash, most UW equities
Absolute net % OW (asset classes)



This chart shows FMS absolute investor positioning (net %) for asset classes.

- Bullish: cash, alt. investments
- Bearish: equities, bonds

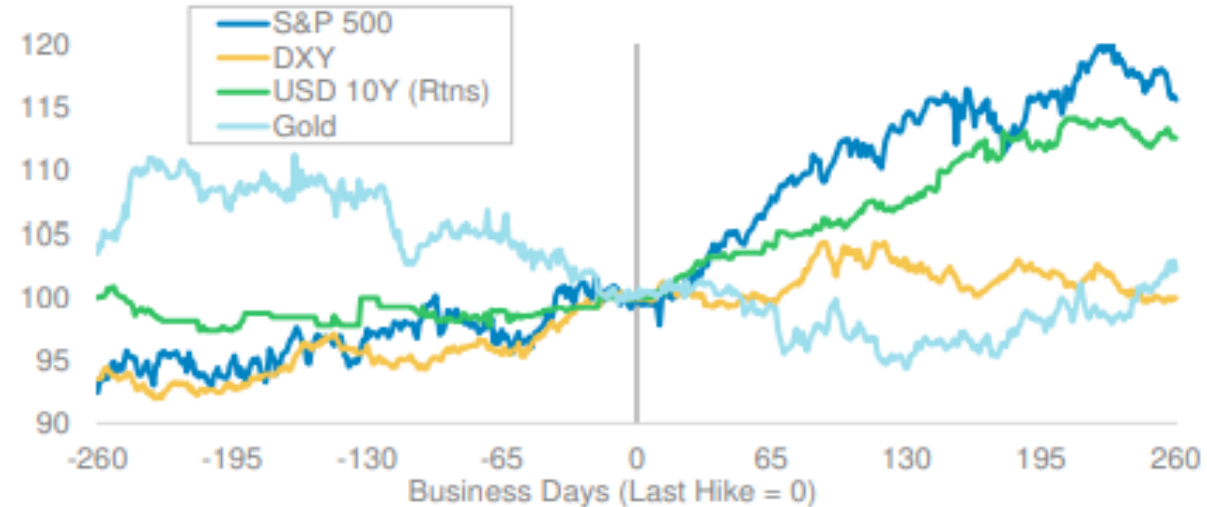
Source: BofA Global Fund Manager Survey.

BOFA GLOBAL RESEARCH

Both Stocks and Bonds do well after the last Fed hike

Exhibit 6: Both stocks and bonds tend to do well after the 'last' Fed hike

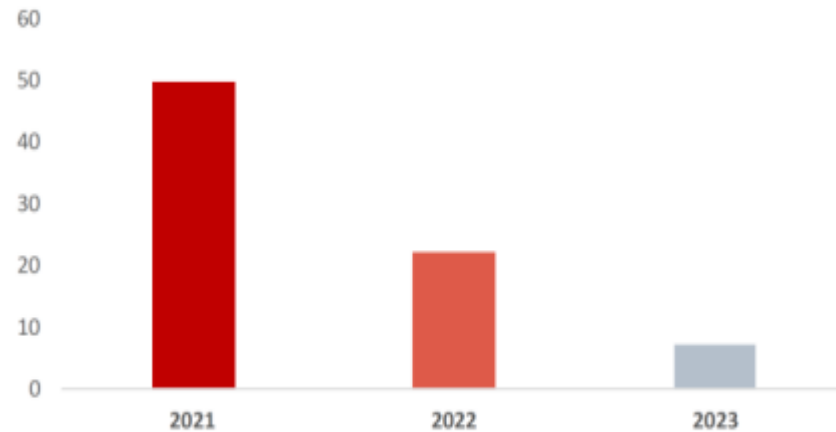
Perf. Around Last Fed Hike (T0 = 100)



Source: Bloomberg, Morgan Stanley Research; Note: Covers last Fed hikes – May 1981, Aug 1984, Feb 1989, Feb 1995, Mar 1997, May 2000, Jun 2006, Dec 2018.

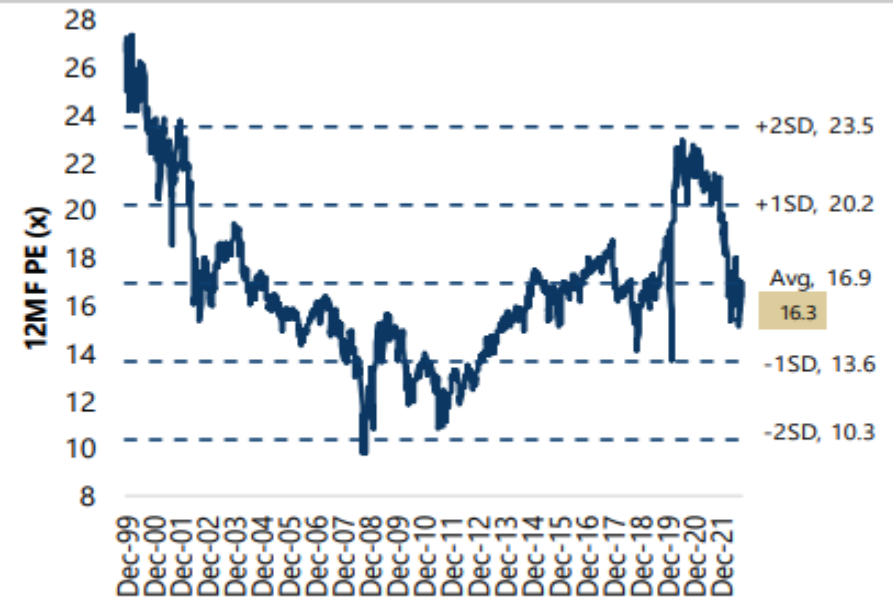
US – Earnings & Valuations

S&P 500 Calendar Year EPS Growth (%)



Source: Bloomberg, FactSet, Jefferies

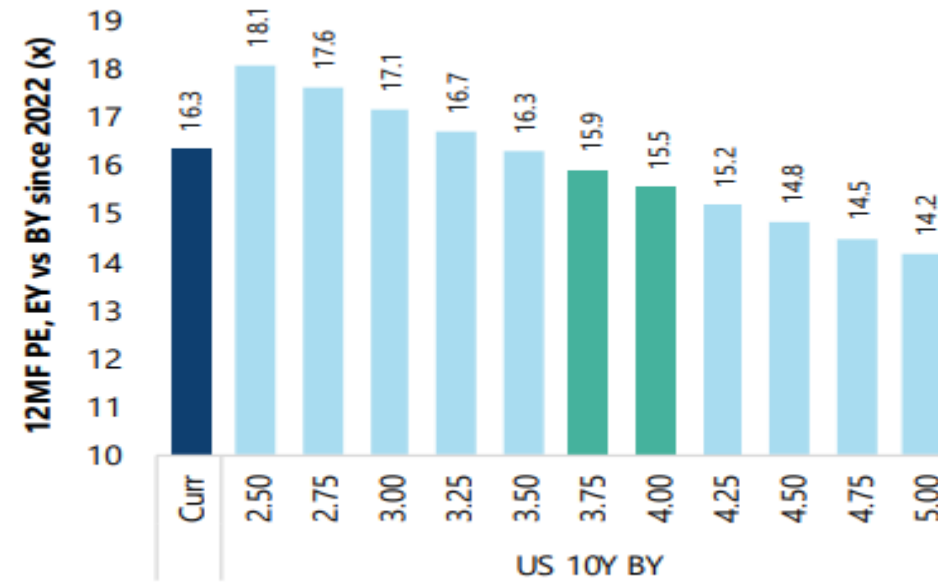
Exhibit 3: S&P 500 – 12-month forward PE



Note: Bottom-up aggregate weekly PE based on historical constituents and weights. Source: Jefferies, FactSet

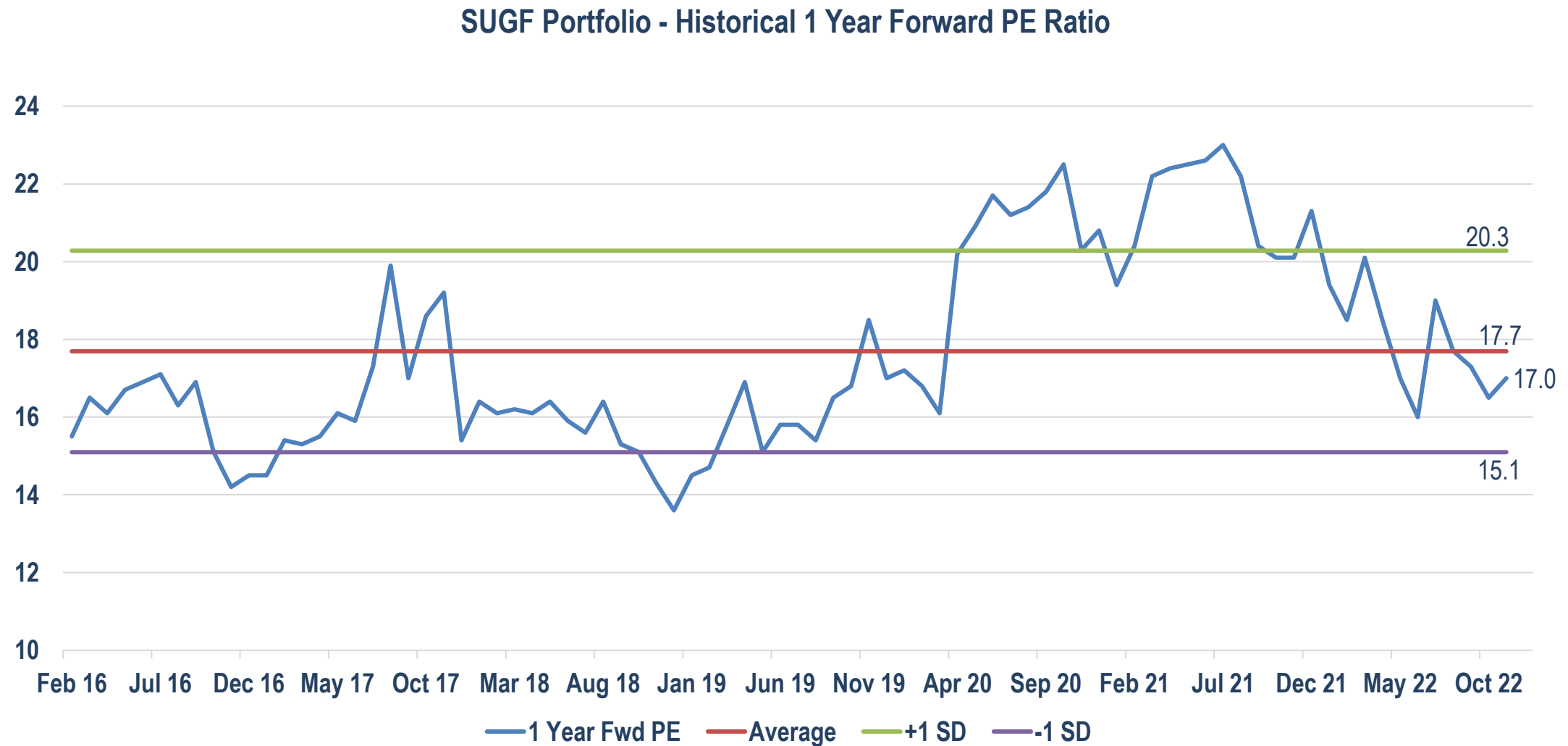
US – Bond Yield & PE

Exhibit 12: S&P 500 fwd PE (YE22) - Using LT EY vs BY



Source: Jefferies, FactSet

Historical 1 year forward valuation of the Sundaram Global Brand Fund Portfolio



Source: Bloomberg and in-house analysis

US Dollar strength to ebb

DXY Index in the last decade



US Dollar Index: Last 12 Months



Source: Bloomberg and Bespoke Investment Group

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