DECEMBER 2021

Equities Focus

Summary

1. **Keeping the faith:** we maintain our Positive stance on global equities on the back of the combination of a strong underlying earnings trend, our outlook for above-trend nominal economic growth in 2022 and heavily negative long-term real interest rates.
2. But, **further deterioration in stock market breadth,** or a significant rise in High Yield Credit spreads could trigger a downgrade to Neutral.
3. **Focus on risk management:** we monitor the High Yield spread for signs of a shift from the reflation stage to the overheating/peak stage of the cycle. With High Yield spreads close to historic lows, we remain in Stage 2 reflation, and thus remain Positive on Equities and real assets.
4. **Share buybacks a good strategy this year:** a record amount of share buybacks in 2021, boosted by a strong Q3 earnings results season, is a strong support for current levels and remain an attractive investment theme.
5. **Sectors, a more tactical defensive stance:** Delta variant rapidly contaminating Europe and other parts of the world, and the emergence of a new potentially dangerous strain, Omicron, prompt us to tactically become somewhat more defensive. Hence, Aeronautics, Airlines, Travel & Leisure are downgraded to Negative. We upgrade both Utilities and Household & Personal Care from Negative to Neutral.

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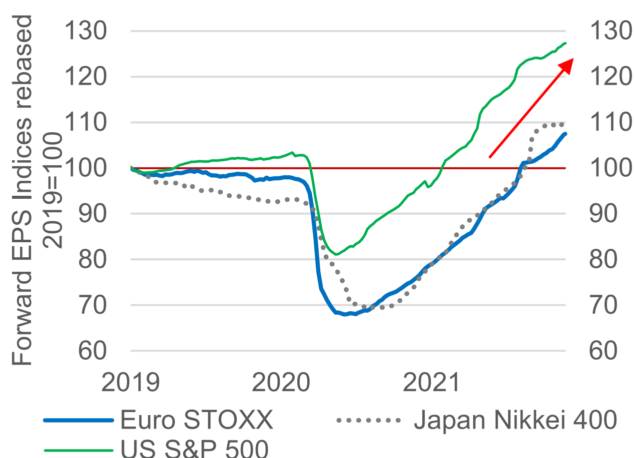
CONTINUED POSITIVE MOMENTUM IN US, EU, JAPAN EARNINGS FORECASTS



Source: BNP Paribas Wealth Management, Bloomberg

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BNP PARIBAS WEALTH MANAGEMENT

The bank for a changing world

Global Equities view

Positive equities view maintained, for now...

Micro looks good, but macro poses lots of questions: at the company level, the strong Q3 earnings results season and the subsequent strong upwards momentum in earnings forecasts are a key positive for developed market equities. However, lots of potential headwinds for equities appear at the macro level, including:

1. Fast-rising inflation concerns that could hurt demand and increase costs, particularly in the US where wage growth is faster;
2. The risk of more aggressive moves by central banks including the Federal Reserve raising rates to cool inflation, and increasing macro risks as evident in the sharp rise in the Citi macro risk index;
3. The risk of renewed lockdowns from a 5th COVID-19 infection wave, particularly in European countries with record infection rates such as Germany and the Netherlands.

Bottom line, the stock markets are back to "climbing a wall of worry", as is often the case.

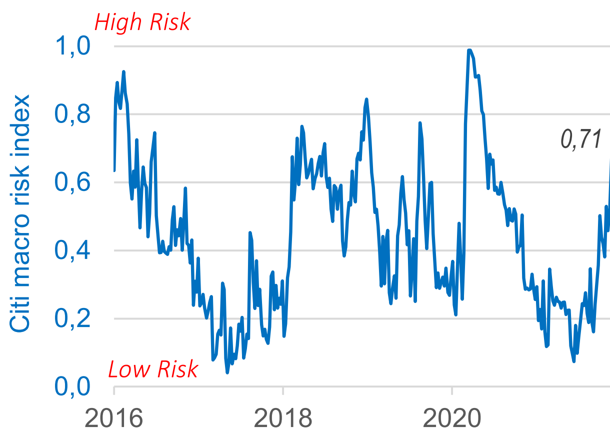
Watch stock market breadth signals closely

Deterioration of breadth of stock market advance: a key condition of our Positive position on equities as an asset class rests on a continued broad-based advance by the average stock in the major US and European indices, namely the S&P 500 and the Euro STOXX. For the moment, more than 65% of the components of each index sit today above their 200-day moving averages, short-hand for being in an uptrend.

However, despite a strong crop of Q3 2021 earnings results, this breadth measure for both indices sits close to our 65% threshold for reducing equity exposure overall. As per the chart below, both indices have been consistently above this breadth threshold for the last 12 months without interruption. **But**, a decisive break by both indices below 65% breadth would be a signal for us to reduce our equity exposure to Neutral.

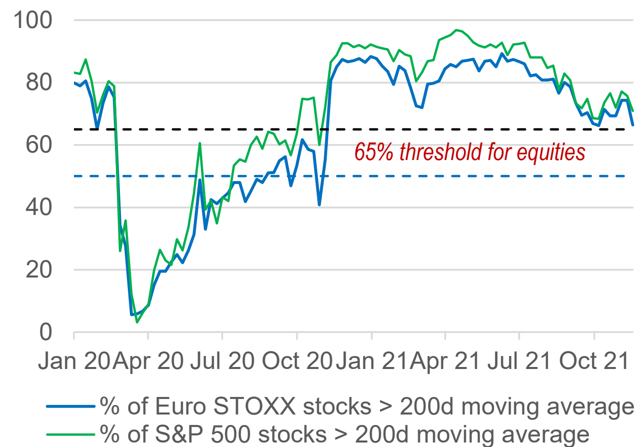
The trend is still your friend... but for now, note that the major European, US and Japanese indices all continue their uptrend; well above their own (rising) 200-day moving averages. While this remains the case, we do not want to lose out on potential upside.

MACRO RISK INDEX UP SHARPLY SINCE JUNE, HIGHLIGHTING GREATER UNCERTAINTY



Source: BNP Paribas, Bloomberg

US, EUROPE STOCK INDEX BREADTH HOLDS ABOVE CRUCIAL 65% THRESHOLD



Source: Bloomberg

In spite of the limited pullback in stock markets since mid-November, we maintain our Positive stance of global equities on the back of the combination of a strong underlying earnings trend, as well as our outlook for above-trend nominal economic growth in 2022 and long-term real interest rates that remain heavily in negative territory (-1% for the US 10-year real yield, even lower for European real yields). However, further deterioration in stock market breadth statistics or a significant rise in High Yield Credit spreads could trigger a downgrade to Neutral.

Macro risk management

What does well when? Defining 4 key phases of the business cycle

We define the **four stages of the business cycle** as:

1. **Recovery** (growth ↑, inflation ↓): growth booms as the economy is restarted. Inflation falls as a result of consumer and central bank behaviour in recessions (end of previous cycle).
2. **Reflation/Expansion** (growth ↑, inflation ↑): the economy enters a sustainable growth period, triggering inflation. Central banks begin a new rate hike cycle.
3. **Overheating/Peak** (growth ↓, inflation ↑): growth slows and inflation increases further with full employment. Central banks continue to raise rates.
4. **Recession** (growth ↓, inflation ↓): growth is negative and inflation falls, given reduced consumer spending and rate cuts by central banks.

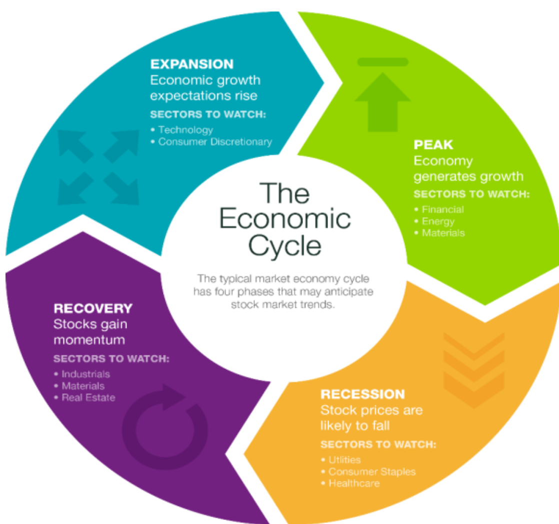
During 2020-21, we have clearly passed from Stage 4 (Recession) to Stage 1 (Recovery), and then to Stage 2 (Expansion), with above-trend growth now accompanied by rising inflation.

What assets typically perform best at each stage?

1. **Recovery**: *Aggressive risk-on positioning* - Equities (particularly small value stocks), Real Estate, oil.
2. **Reflation/Expansion**: *Risk-on* - Equities (quality stocks), Private Equity, Real Estate, copper.
3. **Overheating/Peak**: *Balanced risk* - long-term Sovereign Bonds, Investment Grade + High Yield Credit, defensive Equities, gold.
4. **Recession**: *Risk-off* - Sovereign Bonds, gold, AAA Investment-Grade credit, defensive currencies e.g. US dollar and Swiss franc, volatility.

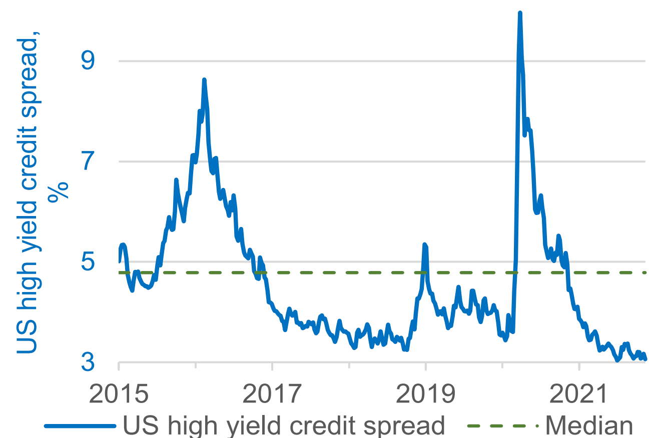
What signs should we watch to flag a move from stage 2 (expansion) to stage 3 (overheating)? The High Yield spread has been a good signal in the past to highlight a shift in business cycle risk, as in 2015 and early 2020. A shift from narrow and falling spreads (Stage 2) to narrow but rising spreads (Stage 3) would indicate a shift in risk allocation away from risk-on.

THE 4 STAGES OF A CLASSIC ECONOMIC CYCLE



Source: BNP Paribas, TD Ameritrade

HIGH YIELD CREDIT SPREADS STILL AT HISTORIC LOWS, SO STILL IN REFLATION



Source: BNP Paribas, Bloomberg

We monitor a number of key indicators closely, including the High Yield spread, for signs of a shift from the reflation stage to the overheating/peak stage of the cycle. Thus far, with High Yield spreads close to historic lows, we remain in Stage 2 reflation, and thus remain Positive on Equities, real assets and certain commodities.
But of course this could change quickly in the weeks and months ahead.

Theme in Focus

Share buybacks are boosting performance

A record amount of US share buybacks announced in 2021: total announced US share buybacks are likely to surpass USD224 billion for Q3 2021, which will be a new quarterly record, beating the previous record of USD223bn set in Q4 2018. For 2021 to date, total share buybacks announced in the US have also hit a new record, at over USD870 bn.

This reflects a) the record profit margins and cash flow generation of companies, b) the extraordinarily easy financing conditions for large companies, and c) the rebound in performance and balance sheet solidity for the banking sector, in particular post a difficult 2020.

In the US, share buyback announcements have been led by the cash flow-generative mega-cap technology, health care and financials.

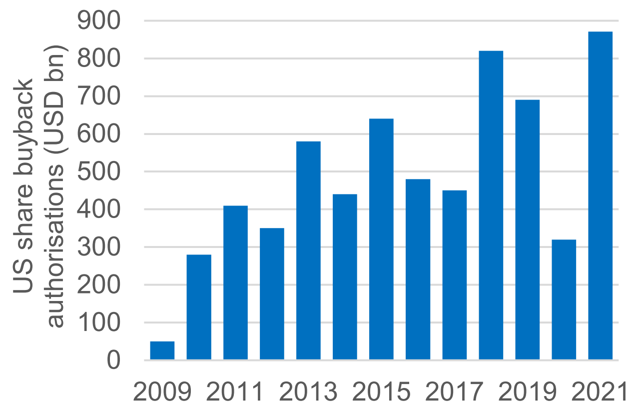
Similar story in Europe: similar profitability, financing conditions and strong balance sheet trends are also evident at large European companies. In Europe, share buyback announcements have been most notable among banks and insurance companies, together with highly profitable sectors such as branded & luxury goods.

Outperformance of buyback and shareholder yield strategies: since November 2020, the Invesco buyback achievers index has returned 55%, compared with 34% for the S&P 500. Cambria's total shareholder yield index (based on buybacks + regular dividend yield) has fared even better, returning 83% over the same period.

In Europe, a similar outperformance trend is seen. While the MSCI Europe benchmark has returned 31% since November 2020, the MSCI Europe buyback yield index has surged ahead with a 39% total return, while the Solactive Europe buyback index has done even better, posting a 48% return.

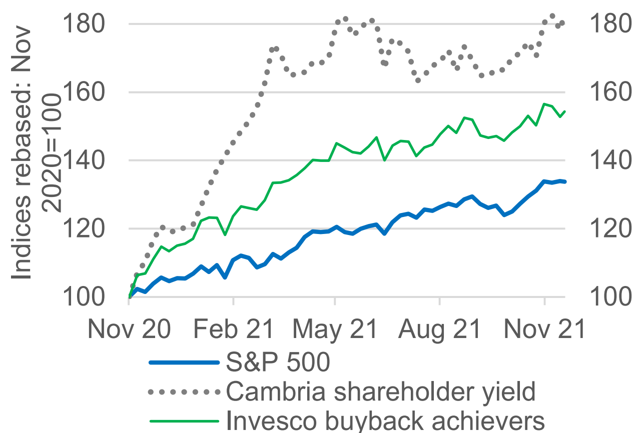
A strong Q3 earnings results season has certainly been a positive catalyst for the surge in share buyback announcements. While not necessarily a reason for stock markets to surge higher, share buybacks remain a strong support for current levels and remain an attractive investment theme.

US SHARE BUYBACKS HIT A NEW RECORD OF OVER USD870 BILLION IN 2021



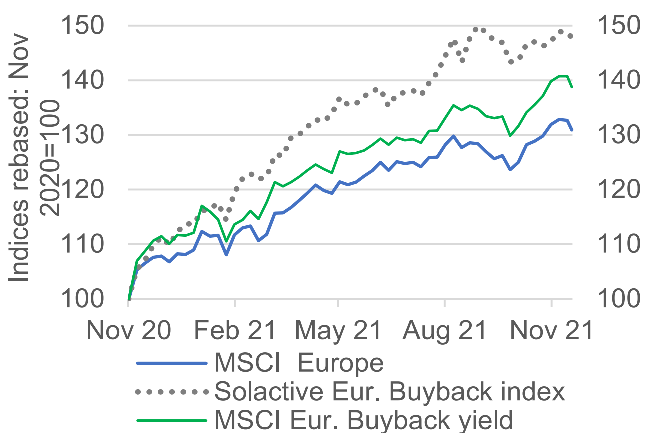
Source: BNP Paribas WM, Bloomberg

US BUYBACK AND TOTAL SHAREHOLDER YIELD ETFS HAVE OUTPERFORMED



Source: Bloomberg

EUROPEAN BUYBACK INDICES HAVE SIMILARLY OUTPERFORMED THIS YEAR



Source: Bloomberg

Positive Q3 earnings surprise

A very good Q3 2021 reporting season

The Q3 2021 earnings season for companies proved excellent on both sides of the Atlantic, albeit not as spectacular as in previous quarters.

In the US, more than 80% of companies announced better-than-expected profits, beating forecasts by an nearly 10% on average. Moreover, two-thirds of companies reported sales above expectations. Meanwhile in Europe, 56% of companies announced better-than-expected profits and generated profits around 8% above expectations. Excellent corporate results since mid-2020 have enabled companies to clean up their balance sheets.

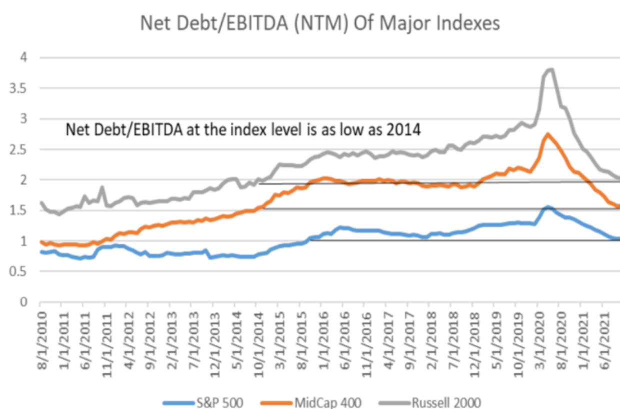
In the US and Europe, the results were most impressive in the Energy sector, but also in Financials, Healthcare and Semiconductors. In these sectors, future earnings continue to be revised upwards. Conversely, this was less the case for Consumer Durables and Industrials (downward revisions). No more upward revisions for Consumer Staples either. Finally, we are seeing regular downgrades of profit forecasts in China at the moment. Overall, a large number of companies are facing supply woes and cost increases, especially in the Consumer Goods and Industrial sectors.

Positive expectations for Q4 2021 and 2022

In the United States, a profit of USD199 was expected for full-year 2021 for S&P 500 companies before the Q3 season. Following the good results, expectations are now close to USD203. It is likely, however, that this level will not be exceeded much in view of the cost increases (although under fairly good control for now) and supply problems. Profit margins remain high and supply bottlenecks are starting to be addressed. For 2022, profit growth expectations range from +7% to +8% (and +10% for 2023). This seems quite conservative as certain previously-expected tax hikes on US corporate profits are unlikely to be implemented. In addition, the global economy should continue to be supported by high consumer savings rates, pent-up spending, and healthy company balance sheets (allowing for new investments, dividends, share buybacks, etc.).

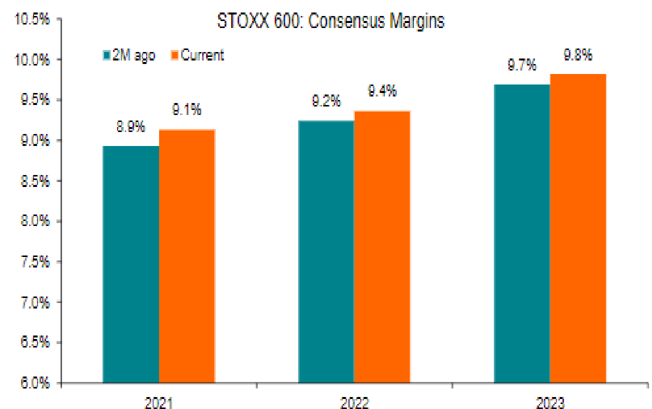
In Europe too, analysts continue to revise up their profit forecasts. The 2022 consensus for the Stoxx600 Index is now USD30.7, up 6.5% vs. 2021. This expected rise is conservative in our view, given the strong growth projections for the European economy in 2022 (+4.2%). The 2022 P/E ratio is low in Europe at 15.6x. The US trades at an estimated P/E 2022 ratio of 22.2x.

COMPANY BALANCE SHEETS SOLID AGAIN (SHARP FALL IN DEBT)



Source: Bloomberg, Factset, Raymond James

PROFIT MARGINS CONTINUE TO IMPROVE, PARTICULARLY IN EUROPE



Source: Exane

Despite the cost increases, the Q3 earnings season surprised to the upside (again). Most companies maintained high profit margins, and in some cases, even increased them. Visibility is low for Q4 2021, but pent-up demand, Capex recovery, inventory build-up and reduced supply chain bottlenecks should drive earnings over the coming quarters. We remain optimistic for 2022.

Sector outlook

Becoming somewhat more defensive

Equities have had a very good year 2021 so far, particularly the most value/ cyclical parts of the markets. Q3 21 corporate results were again very good, with a lot of positive surprises, especially in energy, financials and some techs. No wonder therefore that these sectors are among top performers in 2021 YTD and also the last few months (see tables on the next page).

Inflation has been the black swan in 2021, as it has turned out to be much higher than anticipated. Therefore, **keep good exposure to sectors and asset classes acting as hedges against inflation, such as precious metals, real estate, energy and financials.**

We also like healthcare, as it is still cheap and showing very good cash flows (allowing new investments, buy backs, dividends, M&A's). There is still obvious long term growth there due to innovation, ageing population and people being more aware of their health, especially in covid time.

Defensive sectors mostly underperformed in 2021 YTD.

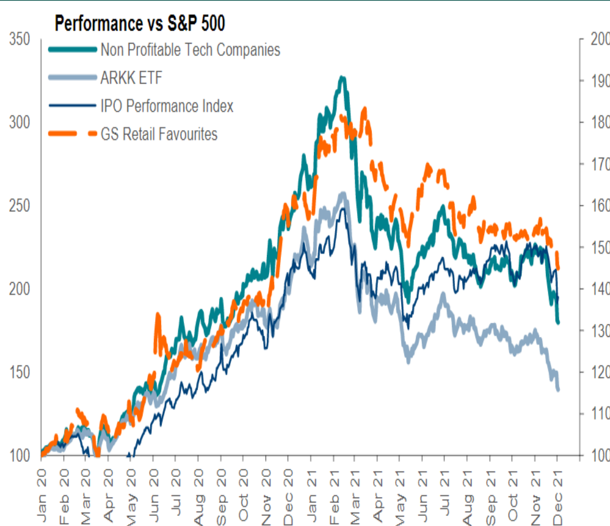
Downgrade of aeronautics, travel & leisure to negative & upgrade of utilities and household and personal care products (HPC) from – to =

The strong economic activity, accelerating inflation and great corporate results have favoured a more cyclical stance recently. Now, we recommend more caution in the short term until we know more about how the Delta variant could damage the recovery. Same story for Omicron, the newcomer.

Consumers will hesitate to go out again and to travel, especially by air. Countries are implementing restrictions to cross borders. Therefore, this month, **we tactically downgrade aeronautics, travel and leisure from neutral to negative.**

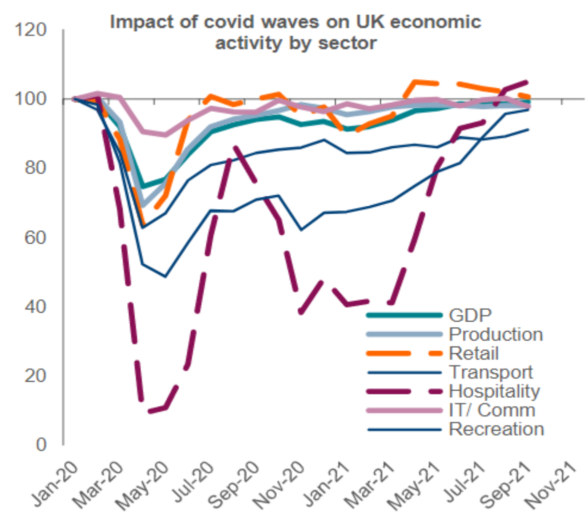
On the other hand, investors may find refuge in some of the worst-performing sectors this year and profiting from the current environment such as the defensive **HPC sector (the 'stay at home' theme could return) and Utilities (green plans; electrification; circular economy). We upgrade both sectors from negative to neutral.**

BEWARE OF EXPENSIVE STOCKS AS MONETARY CONDITIONS SHALL TIGHTEN



Source: Bloomberg, BNP Paribas Exane estimates

HOSPITALITY, RECREATION, TRANSPORT ARE VERY SENSITIVE TO COVID – UK EXAMPLE



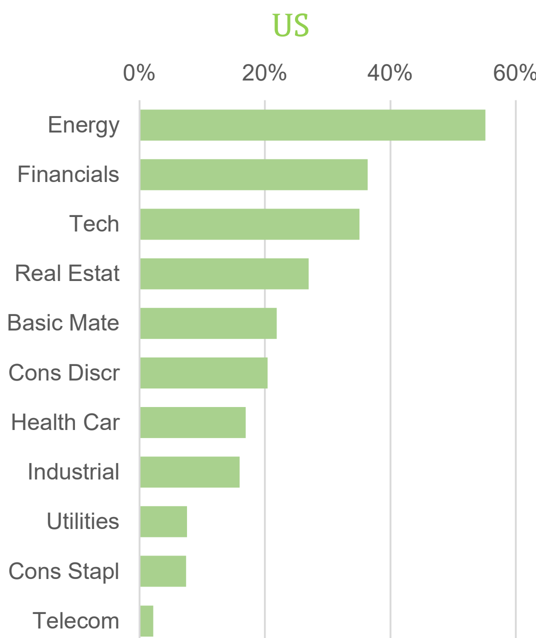
Source: Datastream, Google Mobility, BNP Paribas Exane estimates

In adopting a more defensive tactical sector allocation stance this month, we downgrade Aeronautics, Airlines, and Travel & Leisure to Negative, while also upgrading both Utilities and Household and Personal Care products (HPC) to Neutral.

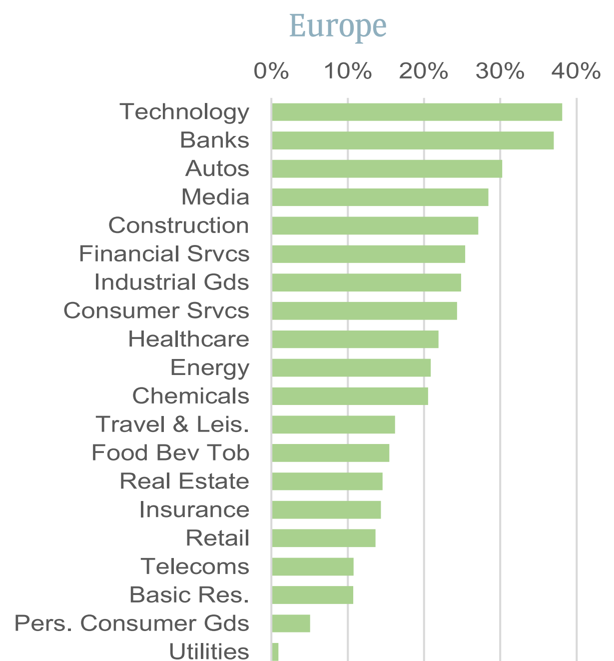
Sector preferences

Reco	Sector (Level 1)	Industry (Level 2) +	=	-
+	Health care	Pharmaceuticals + Biotech Health Care equip. + services		
	Financials	Banks + Diversified Fin. Insurance		
	Real Estate	Real Estate		
=	Industrials		Commercial Services Infrastructure Capital Goods Transportation	Aerospace & Defence
	Materials	Precious/ 'Battery' Metals Construction Materials	Materials	
	Energy	EU Energy	US Energy	
	Technology	Semiconductors	Tech Hardware Software & Services	
	Consumer Discretionary		Luxury Goods Consumer Services Retail Automobiles	Travel & Leisure
	Communication Services		Telecoms Media	
	Consumer Staples		Food & Beverages Food Retail Household & Personal Care Products	
	Utilities		Utilities	

US and Europe sector performance, year-to-date



Source: FTSE Russell 1000. As of 29 November 2021



Source: STOXX. As of 29 November 2021

IBES forecasts for Europe & US (Source: IBES)

Price index - in €

23-11-21	PE				EPS Growth - %				1m / 3m % Δ in EPS								Sales growth - %			1m / 3m % Δ in Sales		Divid end yield (%)
	2021	2022	2023	12m fwd	2021	2022	2023	12m fwd	2021		2022		2023		12m fwd		2021	2022	2023	2021		
MSCI EUROPE (€) (*)	16,6	15,6	14,7	15,6	60,0	6,5	6,3	9,3	2,2	3,9	2,0	3,3	1,2	2,5	2,0	3,4	12,4	5,7	2,65	0,3	0,50	2,5
(*) EU15 + Switzerland + Norway																						
MSCI UK (£)	12,3	12,0	11,7	12,1	81,9	2,5	3,0	6,2	1,5	2,9	1,0	2,0	0,9	2,4	1,1	2,3	17,4	7,1	0,9	-0,2	-0,3	3,6
MSCI Switzerland (CHF)	21,8	19,8	18,2	20,0	11,9	10,3	8,6	10,5	0,2	0,4	0,6	0,9	0,6	0,9	0,6	0,8	6,5	4,5	2,6	0,7	1,3	2,2
MSCI Germany	14,8	13,9	12,8	14,0	64,2	6,5	8,9	9,3	3,7	4,5	1,5	2,5	0,8	1,4	1,7	2,6	8,7	4,9	4,2	-0,5	-0,1	2,3
MSCI France	17,6	16,1	15,1	16,2	102,6	8,9	6,6	12,8	3,1	5,6	2,9	4,9	1,9	4,0	2,9	5,0	14,8	5,4	2,4	0,3	0,5	2,2
MSCI Spain	14,4	13,2	11,9	13,3	47,4	9,7	10,4	12,2	4,0	6,0	2,9	3,8	1,6	2,6	3,0	3,9	6,3	4,0	2,8	1,1	0,9	3,1
MSCI The Nertherlands	28,9	26,0	22,7	26,4	28,6	11,1	14,6	11,7	0,3	2,9	-0,2	0,7	0,3	1,8	-0,1	0,9	9,5	5,3	4,4	1,6	1,3	1,4
MSCI Belgium	19,4	19,4	17,3	19,4	39,6	-0,3	12,0	2,0	1,4	0,1	0,6	-1,0	0,5	-1,1	0,7	-1,0	7,0	10,5	21,1	0,8	1,0	2,0
MSCI EUROPE ENERGY	9,1	7,9	8,3	8,0	1081,9	15,4	-4,6	23,5	4,6	11,3	7,7	19,1	4,2	12,6	7,5	18,5	46,1	11,8	-5,5	0,1	0,3	4,3
MSCI EUROPE MATERIALS	10,3	11,9	13,2	11,9	108,5	-13,5	-9,7	-9,6	-0,1	2,5	-0,7	-0,9	-1,0	0,5	-0,6	-0,5	30,4	0,4	-2,4	0,7	1,4	3,8
MSCI EUROPE INDUSTRIALS	23,2	20,0	18,5	20,2	118,9	16,1	7,6	20,0	1,7	4,7	4,5	6,6	1,1	2,9	4,2	6,4	10,5	7,0	4,7	0,5	0,9	1,8
MSCI EUROPE CAP GDS	24,5	20,9	18,4	21,1	78,8	17,3	13,6	20,0	0,0	1,7	0,5	1,3	0,4	2,2	0,4	1,3	7,9	7,1	5,3	0,1	0,4	1,8
MSCI EUROPE COML SVS/SUP	27,8	24,9	22,8	25,2	23,0	11,4	9,5	12,4	0,3	0,7	0,2	0,6	0,2	0,8	0,2	0,6	8,5	6,5	5,4	0,1	0,1	1,8
MSCI EUROPE TRANSPT	14,9	13,1	15,8	13,2		14,4	-17,4	25,4	8,4	19,3	28,2	41,6	6,0	9,3	26,5	39,6	27,2	7,2	1,4	2,5	4,0	1,3
MSCI EUROPE CONS DISCR	19,4	16,8	14,8	17,0	197,0	15,9	13,0	21,4	1,3	3,1	0,8	1,9	0,8	2,1	0,8	2,1	18,3	9,8	6,6	-0,2	-1,4	1,3
MSCI EUROPE AUTO & COMPO	8,1	7,4	6,8	7,5	413,3	9,6	8,9	16,6	2,0	3,6	1,8	2,9	1,8	2,4	1,8	3,0	17,1	8,5	5,7	-0,5	-2,7	1,4
MSCI EUROPE CONS DUR/APP	30,3	26,6	23,9	27,0	102,2	14,1	11,2	18,6	1,7	3,7	1,4	3,3	1,5	3,9	1,4	3,4	25,1	9,2	7,3	1,0	1,5	1,4
MSCI EUROPE CONS SVS	59,3	29,1	22,0	29,8	197,4	104,1	32,3	103,6	-1,1	-1,5	-2,3	-2,5	-1,3	1,7	-2,1	-2,3	2,1	21,6	9,2	-0,3	0,2	0,3
MSCI EUROPE RETAILING	35,0	27,6	21,5	29,0	52,4	26,6	28,3	27,2	-3,1	0,3	-4,0	-4,4	-3,9	-3,3	-4,1	-3,7	27,6	12,3	10,1	0,2	1,7	1,3
MSCI EUROPE CONS STAPLES	22,9	20,9	19,3	21,0	8,8	9,2	8,3	9,4	0,5	0,4	0,6	0,2	0,7	0,6	0,6	0,2	3,6	4,7	3,7	0,6	1,0	2,5
MSCI EUROPE FD/STAPLES RTL	18,4	17,5	16,3	17,7	17,2	4,6	7,3	8,3	2,1	4,9	1,3	2,3	1,4	2,6	1,4	2,8	3,2	2,4	2,8	0,7	1,5	2,9
MSCI EUROPE FD/BEV/TOB	23,0	20,8	19,2	20,8	10,9	10,5	8,8	10,5	0,3	0,1	0,6	0,3	0,7	0,7	0,6	0,3	4,5	7,1	4,5	0,6	0,6	2,4
MSCI EUROPE H/H PERS PRD	24,5	22,8	21,2	22,9	-0,3	7,5	7,3	6,8	0,2	-0,8	0,2	-1,2	0,4	-0,8	0,2	-1,2	2,4	4,6	4,0	0,3	0,4	2,4
MSCI EUROPE HEALTH CARE	19,9	18,3	16,5	18,4	8,7	8,6	10,8	8,6	1,3	1,8	0,6	1,1	0,5	1,1	0,7	1,1	7,5	6,0	5,4	0,7	1,2	2,4
MSCI EUROPE H/C EQ/SVS	28,6	26,1	22,8	26,3	16,6	9,6	14,5	10,1	-1,7	0,0	-1,9	-2,1	-1,7	-1,4	-1,9	-2,1	5,1	6,9	6,2	-0,2	0,0	1,1
MSCI EUROPE PHARM/BIOTEC	18,7	17,2	15,6	17,3	7,7	8,5	10,4	8,4	1,7	2,1	1,0	1,5	0,8	1,5	1,1	1,6	8,3	5,7	5,2	1,0	1,5	2,6
MSCI EUROPE FINANCIALS	10,4	10,5	9,7	10,3	47,4	1,0	8,6	4,2	5,3	6,7	2,5	3,3	2,1	2,6	2,8	3,7	-3,4	3,0	5,8	-0,2	0,8	3,4
MSCI EUROPE BANKS	8,8	9,2	8,4	9,2	94,2	-4,9	9,3	-0,5	8,0	11,9	3,8	5,9	3,1	5,0	4,1	6,4	3,3	1,9	3,2	0,8	1,1	3,5
MSCI EUROPE DIV FIN	14,1	14,3	13,0	13,0	4,6	7,1	10,4	10,0	3,2	6,4	0,9	1,7	1,2	1,8	1,8	3,0	-24,1	0,7	36,5	2,2	3,4	1,7
MSCI EUROPE INSURANCE	11,6	10,6	10,0	10,7	19,2	9,2	6,2	9,9	1,7	-1,8	1,2	0,0	0,7	-1,1	1,3	-0,1	-1,7	4,0	1,4	-1,3	0,2	4,4
MSCI EUROPE REAL ESTATE	20,9	18,4	17,3	18,6	-1,3	13,8	6,2	12,9	0,2	-1,8	0,8	0,9	2,0	2,7	0,8	0,8	-0,6	4,7	3,7	1,0	4,8	2,8
MSCI EUROPE IT	35,3	31,4	27,7	31,6	26,5	12,5	13,4	12,7	2,3	3,5	1,2	2,7	1,7	3,5	1,3	2,8	11,2	9,4	6,6	-0,4	0,0	0,7
MSCI EUROPE S/W & SVS	32,5	30,7	26,6	30,9	15,0	5,7	15,4	6,5	3,2	4,1	0,0	0,1	0,5	0,6	0,3	0,4	9,8	10,0	7,7	-0,5	-0,2	1,1
MSCI EUROPE TCH H/W/EQ	20,8	18,8	17,0	19,0	5,9	10,3	10,5	7,9	1,5	3,4	0,5	2,4	1,5	3,1	0,5	2,5	2,0	4,4	3,6	-0,5	-0,2	0,9
MSCI EUROPE COMM. SERVICES	17,7	15,5	13,9	15,8	-4,2	14,5	11,4	13,0	-2,6	-6,4	-1,1	-4,5	-1,4	-4,3	-1,2	-4,7	-0,3	1,4	1,8	0,1	-1,3	4,1
MSCI EUROPE TELECOM	15,8	13,9	12,5	14,2	-6,6	13,4	11,5	11,6	-3,5	-5,3	-1,5	-2,7	-1,4	-2,1	-1,6	-2,9	1,2	0,4	1,3	0,2	0,3	4,6
MSCI EUROPE MEDIA & ENTER.	24,5	20,6	18,5	21,0	6,7	18,6	11,2	17,7	0,4	-10,8	0,5	-10,7	-1,3	-11,8	0,5	-10,8	-7,4	6,2	4,4	-0,4	-9,1	2,5
MSCI EUROPE UTILITIES	16,6	15,7	15,1	15,9	15,9	5,8	4,3	6,0	0,8	1,8	1,6	2,0	1,0	2,2	1,5	1,9	11,2	2,7	1,0	1,0	1,7	4,2

23-11-21	PE				EPS Growth - %				1m / 3m % Δ in EPS								Sales growth - %			1m / 3m % Δ in Sales		Divid end yield (%)
	2021	2022	2023	12m fwd	2021	2022	2023	12m fwd	2021		2022		2023		12m fwd		2021	2022	2023	2021		
MSCI USA	23,9	22,2	20,3	22,2	49,6	7,3	10,0	9,4	2,3	2,8	0,9	1,494	0,872	1,572	1,048	1,629	16,0	6,9	5,3	0,9	1,1	1,8
MSCI USA ENERGY	15,1	11,4	12,1	11,7		32,1	-5,6	42,1	11,5	19,2	14,1	25,0	9,3	19,5	13,9	24,6	59,5	6,4	-3,7	4,8	5,6	4,0
MSCI USA MATERIALS	16,7	16,4	17,0	16,4	89,2	1,6	-3,6	5,5	2,1	3,1	4,1	6,4	2,2	2,7	3,9	6,1	26,1	3,3	-0,3	1,7	1,9	1,7
MSCI USA INDUSTRIALS	26,1	21,9	19,3	22,2	46,5	19,5	13,8	20,6	-0,3	-1,7	-0,2	-0,9	0,0	-0,2	-0,2	-1,0	11,8	8,6	5,3	-0,4	-0,9	1,5
MSCI USA CAP GDS	25,3	21,0	18,4	21,2	42,7	20,5	14,1	21,3	-0,5	-1,9	-1,3	-1,8	-0,4	-0,4	-1,2	-1,7	9,4	9,1	5,4	-1,5	-2,2	1,6
MSCI USA COML SVS/SUP	35,3	31,4	28,0	31,7	17,9	12,4	12,2	12,4	0,8	1,1	0,6	1,3	0,2	0,9	0,6	1,3	12,6	8,0	5,8	0,4	0,4	0,9
MSCI USA TRANSPT	24,6	20,8	18,3	21,2	79,7	19,8	13,5	22,4	-0,3	-2,2	2,7	0,8	1,4	-0,2	2,4	0,5	18,7	7,3	4,6	2,0	1,9	1,4
MSCI USA CONS DISCR	43,3	33,9	27,7	34,5	69,3	27,5	22,5	30,7	-1,8	-3,0	-2,5	-3,4	-0,7	-0,8	-2,5	-3,4	18,1	13,6	10,2	0,3	-0,2	1,5
MSCI USA AUTO & COMPO	48,1	41,8	35,1	42,3	103,1	14,9	19,3	18,7	10,4	6,5	3,2	1,5	8,1	10,1	3,7	1,9	14,1	18,8	10,9	0,4	-3,3	1,9
MSCI USA CONS DUR/APP	21,8	19,1	16,7	19,6	41,1	14,2	14,5	14,2	-0,1	-4,4	1,1	-2,4	1,0	-1,1	1,1	-3,1	18,9	12,5	7,7	-0,4	-2,6	1,1
MSCI USA CONS SVS	164,2	33,3	24,1	34,7		393,6	37,9	519,4	-30,9	-50,2	-1,1	-3,4	0,2	0,1	-1,2	-3,5	28,3	34,4	12,8	0,7	-0,4	1,8
MSCI USA RETAILING	40,1	36,0	29,6	36,4	27,4	11,5	21,4	14,1	-4,9	-4,0	-5,6	-5,2	-3,8	-4,0	-5,6	-5,1	17,8	9,2	10,0	0,4	1,1	1,4
MSCI USA CONS STAPLES	21,9	20,7	19,2	20,6	10,6	5,9	7,9	6,0	0,7	0,7	-0,1	0,2	0,1	0,1	0,0	0,2	7,4	4,1	3,9	0,9	1,6	2,6
MSCI USA FD/STAPLES RTL	25,8	23,7	21,8	23,4	10,6	9,0	8,5	8,4	1,1	3,5	0,4	2,3	1,1	2,1	0,4	2,2	4,0	5,0	4,5	0,6	1,6	1,4
MSCI USA FD/BEV/TOB	18,6	17,7	16,5	17,9	11,8	5,1	7,4	5,1	1,0	0,5	0,2	0,0	0,1	-0,2	0,3	0,0	13,5	2,3	2,9	1,3	1,8	3,3
MSCI USA H/H PERS PRD	27,4	26,1	24,0	25,4	7,3	5,0	8,7	6,2	-3,2	-3,8	-1,3	-1,2	-0,9	-1,0	-1,2	-1,2	7,0	5,1	4,4	0,0	-0,1	2,2
MSCI USA HEALTH CARE	18,5	17,6	17,0	17,7	26,5	5,0	3,5	6,7	2,3	2,6	0,9	1,9	-0,4	-0,1	1,1	2,0	14,1	5,9	4,0	1,1	1,4	1,9
MSCI USA H/C EQ/SVS	22,2	21,1	18,9	21,3	21,7	4,9	11,7	6,7	2,6	2,9	0,0	0,1	-0,2	-0,2	0,3	0,3	11,1	6,1	5,6	1,3	1,5	1,4
MSCI USA PHARM/BIOTEC	16,4	15,6	15,8	15,6	29,4	5,1	-1,2	6,7	2,1	2,5	1,5	3,0	-0,5	0,0	1,5	2,9	25,1	5,0	-1,3	0,7	1,0	2,3
MSCI USA FINANCIALS	13,5	14,7	13,2	14,6	65,4	-8,5	11,0	-4,7	3,6	4,4	1,7	2,3	1,4	2,1	1,9	2,4	7,3	1,9	5,4	1,2	2,8	2,0
MSCI USA BANKS	11,2	13,4	11,9	13,2	89,6	-16,3	12,4	-11,4	3,9	6,0	1,0	1,3	0,5	0,8	1,2	1,8	2,4	1,8	5,2	0,7	0,9	2,3
MSCI USA DIV FIN	15,8	16,8	15,3	16,7	62,9	-5,6	9,3	-2,0	4,5	6,0	3,6	4,7	2,2	3,7	3,7	4,8	10,9	1,4	5,7	1,2	5,1	1,7
MSCI USA INSURANCE	13,7	13,2	11,8	13,2	28,9	4,3	11,6	5,9	1,1	-2,3	-0,3	-0,5	1,5	1,7	-0,2	-0,6	7,4	2,8	5,2	1,7	1,8	1,9
MSCI USA REAL ESTATE	46,9	47,4	41,7	47,4	31,7	-1,2	13,6	1,0	3,6	4,0	3,4	3,2	4,4	6,0	3,4	3,3	16,0	8,3	3,5	1,6	1,8	2,5
MSCI USA IT	32,4	29,5	26,8	29,1	37,1	9,8	11,7	9,9	1,4	2,7	0,6	0,7	1,5	2,4	0,7	1,1	18,4	8,2	8,2	-1,1	-0,5	1,0
MSCI USA S/W & SVS	43,3	37,9	33,9	37,1	23,9	14,3	16,1	14,1	-0,8	0,7	0,3	0,9	1,2	2,3	0,4	1,2	14,3	11,6	13,4	-2,1	-2,0	0,9
MSCI USA TCH H/W/EQ	24,7	23,5	21,8	23,2	51,9	5,1	7,5	5,4	-1,1	1,9	0,5	1,0	1,8	2,8	0,7	1,3	19,9	3,9	4,2	-1,1	0,1	0,9
MSCI USA COMM SERVICES	23,6	22,1	19,2	22,2	63,7	6,5	15,6	9,6	2,8	2,4	-1,5	-1,9	-0,6	-0,9	-1,2	-1,6	15,2	8,5	8,3	0,4	-0,4	4,0
MSCI USA TELECOM	9,8	10,0	9,4	10,0	11,8	-2,3	6,3	-1,3	1,5	-0,5	1,1	-0,6	2,0	0,6	1,1	-0,6	1,7	-3,9	1,8	0,3	-1,9	6,5
MSCI USA MEDIA & ENTER.	28,5	26,0	21,9	26,1	96,4	9,7	18,6	13,6	3,3	3,5	-2,4	-2,3	-1,3	-1,3	-2,0	-1,9	23,0	14,4	10,9	0,4	0,5	1,7
MSCI USA UTILITIES	20,4	18,9	17,7	19,0	-0,4	7,5	6,7	6,8	1,6	2,3	-0,5	-0,4	0,1	0,6	-0,3	-0,2	9,5	1,9	2,6	0,8	0,3	3,1

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