INVESTMENT STRATEGY

Equity Focus: Patience still required

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Equities at a glance

Summary

1. **Still too early to upgrade from Neutral:** too many uncertainties remain over financial conditions and liquidity, 2022/23 earnings forecasts and the path of real interest rates. **The key trigger we look for is the start of a loosening in financial conditions**.
2. **Decade-low sentiment not enough:** investor sentiment towards stocks has reached a low point not seen since 2008. Historically, investor pessimism has preceded positive stock market returns during the following 6-12 months. But this single measure is not by itself enough to support a more positive view on stocks.
3. **Low valuations are still not enough.** Stock market valuation levels are historically cheap for European, UK and Japanese stocks, while just below average for US stocks. But lower valuations are not enough to inspire a positive equities stance.
4. **Economic reality not reflected in earnings forecasts**: analysts are being slow to cut earnings forecasts. To date, European earnings forecasts have fallen only slightly, and not at all in the US.

Key recommendations

Stay long on Energy: Oil & Gas is by far the best-performing equity sector in 2022 thus far. But we should not forget the scale of the prior underperformance of global Oil & Gas stocks against the MSCI World index since mid-2008. Oil & Gas stocks could have a lot further to run, if energy prices stay at (or above) current levels.

Dividend and buyback strategies perform strongly: these strategies are currently skewed towards high-yielding/high free cash flow sectors such as Energy, Mining, Pharma and Financials.

Theme: Time to focus on Japanese equities. The dramatic weakness of the Japanese yen (down to levels not seen since 2007) and the very cheap valuation (< 12x forwards PE) suggest that the Nikkei has already factored in a sharp economic slowdown. This could be a great buy opportunity.

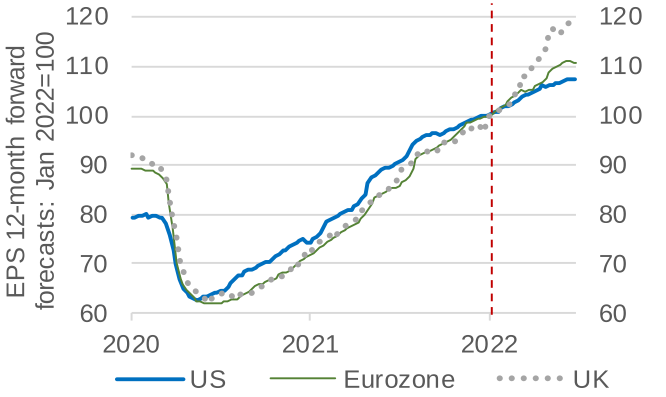
Key Risk: the risk of a technical recession (defined as two consecutive quarters of negative growth) are rising in Europe and the US, given climbing energy costs (including natural gas) and the commitment of central banks to cool inflation through interest rate hikes.

Our position for this month
Evolution of our position from last month

Fastest tightening of US financial conditions in this Fed hiking cycle

Source: San Francisco Fed

Aggregate earnings forecasts should fall



Source: BNP Paribas, Bloomberg

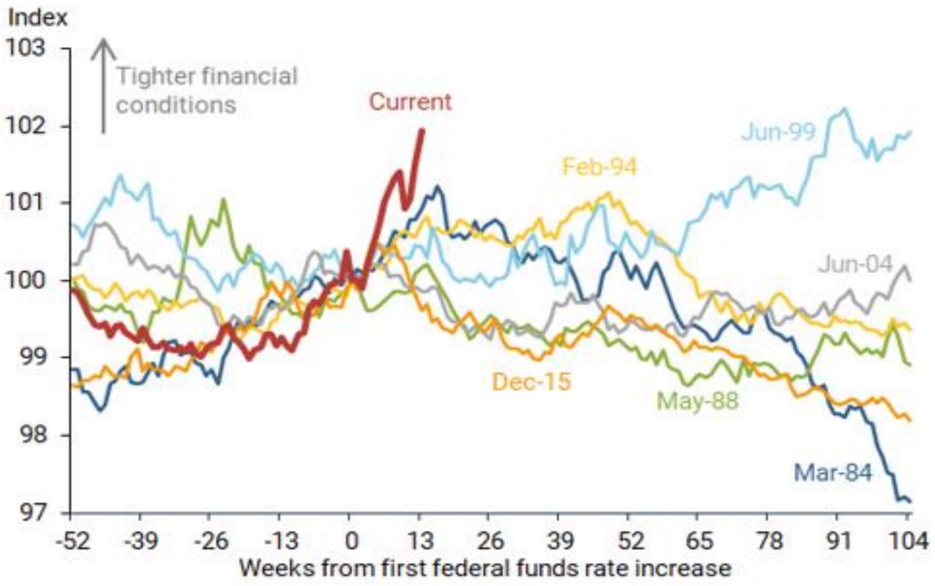
Contents

1. Tighter financial conditions - a key drag on stocks

CNN index at Extreme Fear level

HIGHER CREDIT SPREADS, INTEREST RATES HURT STOCKS

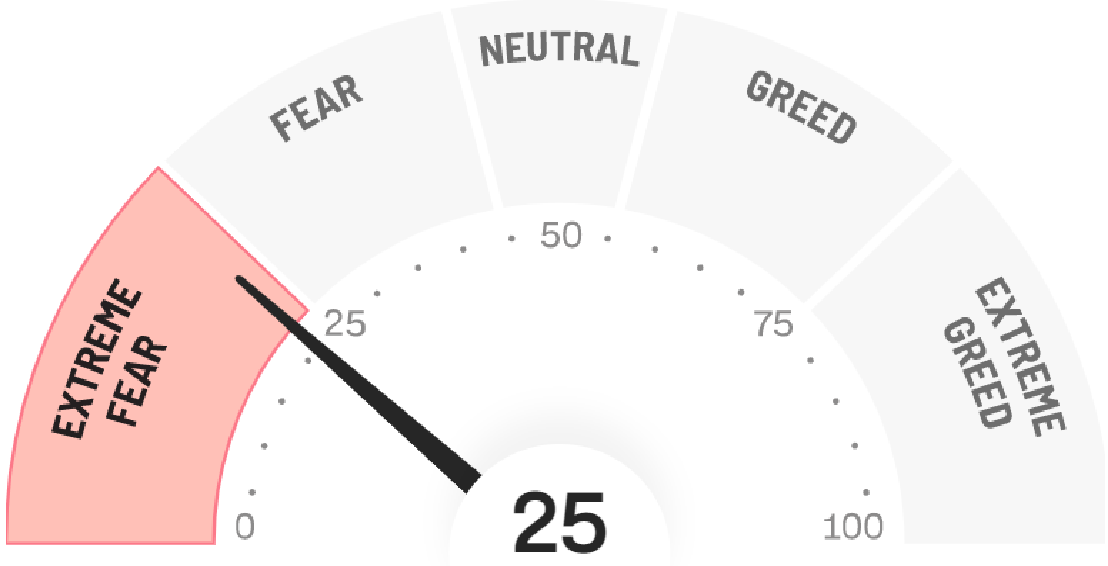
In 2022, credit spreads have widened considerably both for investment grade and high yield corporate bonds. High yield credit is, in particular, very correlated to the direction of the stock market. Until we see signs of credit spreads stabilising and overall financial conditions improving, it will be difficult to have confidence in any near-term stock market rebound. US financial conditions have already tightened much more rapidly than during previous Fed hiking rate cycles.



Source: San Francisco Fed

EXTREME FEAR READING IS A CONTRARIAN INDICATOR

When everyone is fearful and equity funds are suffering outflows, then historically that has been a good time to invest in stocks. The CNN/Money sentiment index is showing "Extreme fear" at present. In the past, investing when this index was showing "Extreme fear" has resulted in positive returns, e.g. following the last "Extreme fear" reading in March 2020.



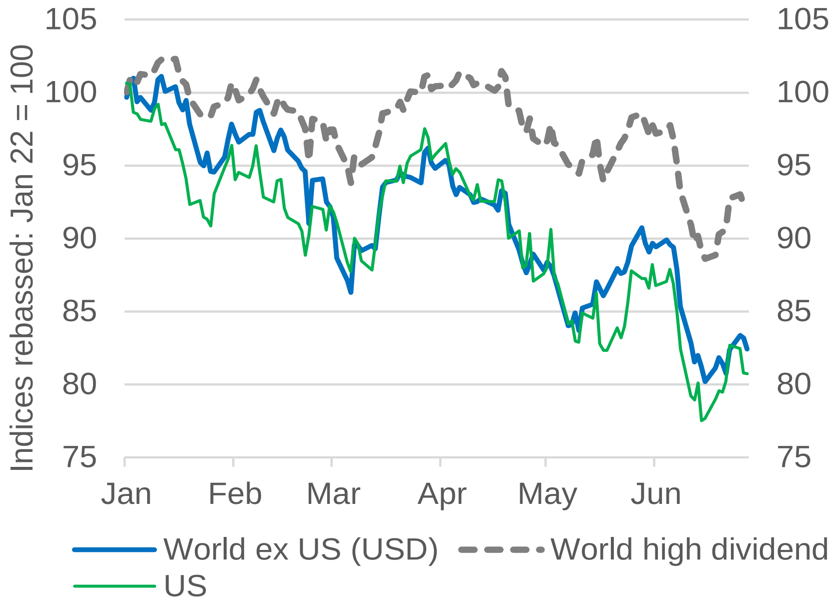
Source: CNN/Money

2. Bullish on Energy, dividend/buyback stocks

Dividends remain attractive

HIGH DIVIDEND STRATEGY HOLDS UP BETTER

For the first five months of this year, US stocks and World ex US stocks (Europe, Japan and Emerging Markets) have fallen broadly in sync; both losing 17% over the year to early June. Since then, the World ex US index has started to hold up far better than US stocks, which continue to be dragged down by their growth/tech bias. Stock markets which have a large exposure to Oil & Gas (e.g. the UK and Brazil) have been key drivers of this World ex US outperformance.

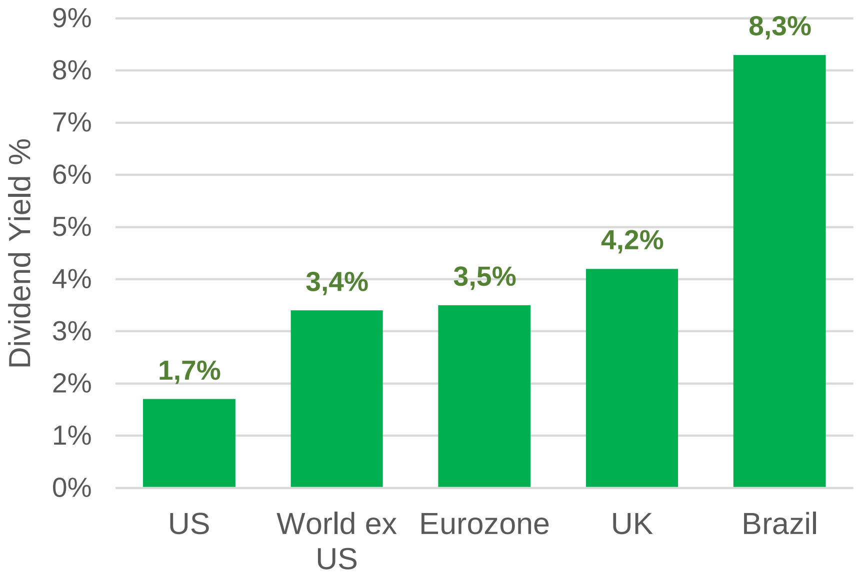


Source: BNP Paribas, Bloomberg

COMMODITY-FOCUSED MARKETS OFFER HIGH YIELDS

Note how the MSCI World High Dividend index (dividends included) has fallen only 4% since the start of the year, while US stocks have lost 17% on a similar basis including dividends.

We continue to favour high dividend and stock buyback-oriented funds and ETFs both in Europe (where yields are generally higher) and on a global basis.



Source: CNN/Money

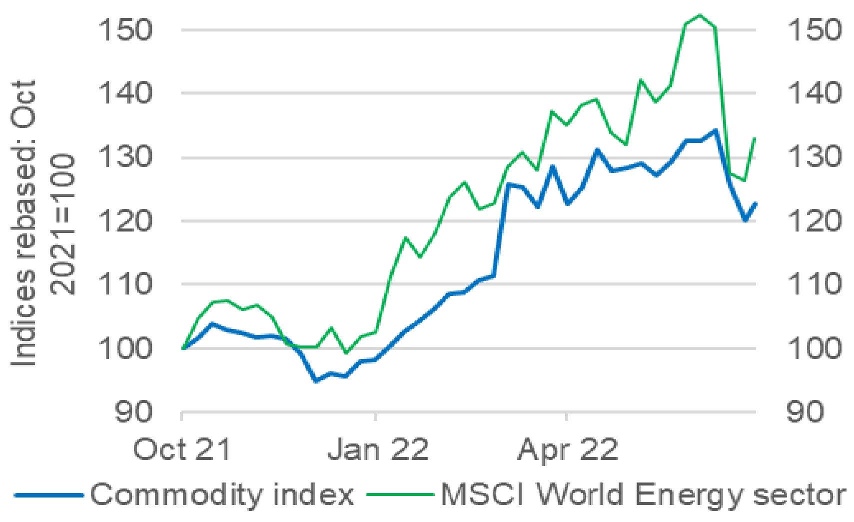
3. Earnings forecasts

Corporate earnings under pressure

ANALYSTS' EXPECTATIONS ARE (TOO) OPTIMISTIC

For the calendar year 2022, expectations show an almost +10% progress in earnings in the US and no less than +14.4% in Europe. Recently, there have been downward revisions due to inflation and costs pressure. These were compensated by some upward revisions, mainly in commodities. It is very likely that 2022 expectations will need to be revised down in view of the global economic slowdown and the collapse in raw material prices (the equity market is reacting now to this sharp fall in commodity prices, see chart below).

Commodities, energy stocks hurt by recession fears

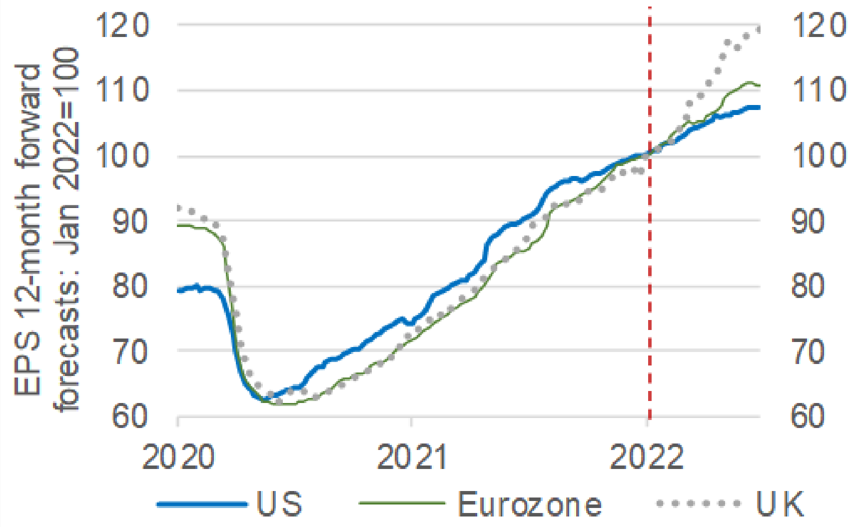


Source: BNP Paribas, Bloomberg

LOW VISIBILITY AND ECONOMIC SLOWDOWN ARGUE FOR A SHORT-TERM DEFENSIVE BIAS

Visibility is low: for instance, it is difficult to predict what is going to happen in Ukraine or in China. US 'mega-banks' will be the first big companies to report first-half results (JP Morgan & Morgan Stanley on 14 July). Their comments and outlook will be scrutinized. In general, we believe that results should be quite resilient in healthcare, some other defensive sectors, energy and some solid technos displaying pricing power. But the situation seems to be getting worse for cyclicals. Therefore, this summer, keep a defensive bias!

No sign of cuts to earnings forecasts, yet...



Source: BNP Paribas, Bloomberg

4. Asian Equities view

CHINESE SHARES REBOUND ON EASING COVID RESTRICTIONS AND POTENTIAL STIMULUS

ASIA COUNTRY PREFERENCE

+	=	−
	COUNTRY	
China A-shares Singapore South Korea Indonesia	India, Taiwan, Thailand Malaysia Philippines	-

- China is gradually easing its COVID restrictions, having controlled recent outbreaks. It has also relaxed rules on its quarantine policy for international arrivals. We recommend playing China via A-shares as they are domestically-driven (tend to be less impacted by the volatile global equity market) and onshore investor sentiment has been improving.
- There is more encouraging news on the regulatory front for China's internet sector and we think the worst is over. That said, there is no regulatory loosening, and the "good old days" of very high profit growth of platform companies are unlikely to return. There could be some near-term profit-taking pressure after the sector's rebound in June.
- We are looking to upgrade offshore Chinese equities when global market stabilises and/or when we see more clarity in the political and policy direction after China's 20th Party Congress (taking place in the autumn with announcements of major leadership changes).
- Other Asian equities suffered in June, impacted by the negative sentiment on growth concerns, due to the faster-than-expected monetary policy tightening globally to counter inflation. We continue to recommend defensive plays and remain overweight on Singapore equities due to their high dividend nature.

Southeast Asian markets still outperform year-to-date

ASIAN EQUITIES NEGATIVELY IMPACTED BY GLOBAL GROWTH CONCERNS

		1-month (%)	YTD (%)	2021 (%)	Forward PE (x)	Trailing PB (x)	Dividend Yield (%) 2022f	EPS Growth (%) 2022f	EPS Growth (%) 2023f	ROE (%) 2022f
	Asia Ex-Japan	-3.8	-16.4	-6.4	12.0	1.6	3.1	9.8	11.3	11.6
North Asia	China	7.2	-10.7	-22.7	11.4	1.5	3.1	10.8	15.3	11.2
North Asia	China A-shares	10.1	-10.5	-5.2	15.6	2.7	2.1	17.1	15.5	11.3
North Asia	Hong Kong	3.1	-3.9	-5.9	13.9	1.1	3.4	10.3	16.2	8.3
North Asia	South Korea	-11.3	-21.0	-1.6	8.2	1.0	2.5	1.2	8.4	13.7
North Asia	Taiwan	-8.8	-18.4	21.6	11.7	2.3	3.9	8.6	0.5	20.8
South Asia	India	-9.3	-10.2	27.3	19.1	3.4	1.7	17.5	14.0	14.9
South Asia	Indonesia	-10.2	2.4	1.5	14.3	2.6	3.1	25.9	7.2	16.9
South Asia	Malaysia	-9.0	-7.3	-7.3	13.5	1.5	4.1	-6.6	12.8	10.3
South Asia	Philippines	-6.1	-10.2	0.9	15.0	1.8	1.7	16.4	20.5	8.3
South Asia	Singapore	-2.4	-0.3	9.8	15.7	1.3	4.2	52.3	24.1	8.8
South Asia	Thailand	-2.1	-1.5	7.1	16.7	2.1	2.6	20.8	12.1	9.4

Source: Datastream, BNP Paribas (WM) as of 30 June 2022

5. Sector Allocation

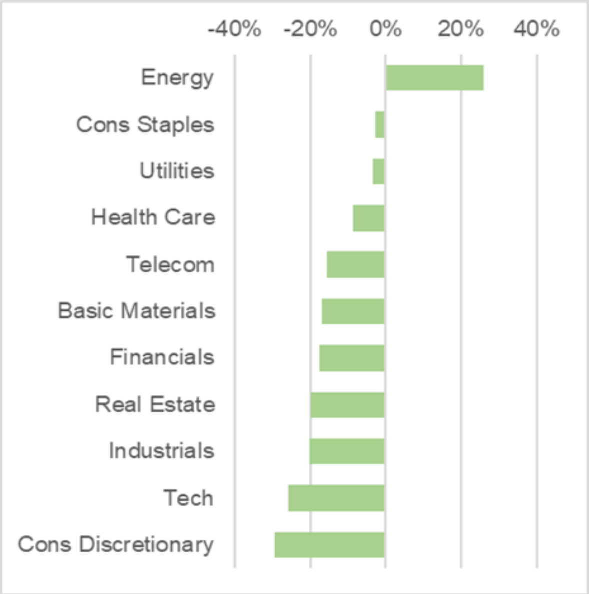
Stay hedged in today's environment of inflation and economic slowdown

IN THESE UNCERTAIN TIMES, FAVOUR DEFENSIVE SECTORS BUT STAY HEDGED AGAINST HIGH INFLATION

Recent economic data have upset the market, particularly the inflation figures, still higher than expected in the US and in Europe, whereas the PMI data (business confidence indicators) were lower than anticipated. The market has concluded that there could be more monetary tightening than expected, with 10y T-Bond yields reaching new highs not seen since 2011 in the US!

- Despite the economy cooling down, the probability of a deep and lasting recession is still low considering the healthy balance sheets of corporates and consumers. But we do not deny that inflation decreases their purchasing power and undermines confidence.
- Due to soaring inflation and bond yields, June was a very challenging month. All sectors ended the month in the red with defensive sectors outperforming. Healthcare was the best-performer with -2.5% and European Basic materials were the worst with -19%! Even the star performer this year, Energy, collapsed -15% in June.

US sectors year-to-date performance: Energy still at the top. Defensives outperforming.

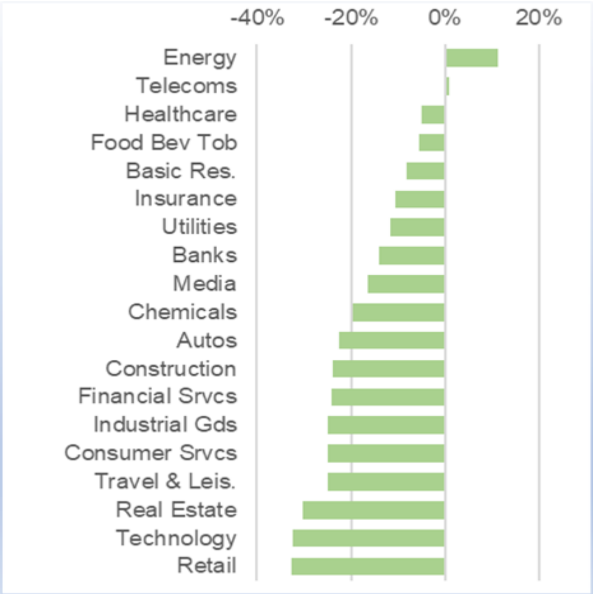


Source: FTSE Russell. Note: performance to 8 July 2022

In this environment, investors should keep large positions in sectors doing well in inflation times, particularly Energy, Metals and Mining. Financials also tend to benefit from steepening yield curves, especially this sector is very cheap (preference now for insurers and diversified financials, considering the economic slowdown affecting banks relatively more).

- **Earnings revisions still favour the above discounted sectors, making them appear even cheaper.**
- **European REITs** also trade at bargain prices, after a collapse this year, due to bond yields rising sharply.
- On the other hand, companies with **pricing power and/or distributing high dividends** are outperforming. They should represent a large slice of any portfolio.
- In the short term, we are cautious about Cyclicals closely correlated to the global economy: Industrials, some Materials & Consumer discretionary.
- On the other hand, we expect a rebound in Growth sectors which have fallen too much and/or which now look quite cheap (i.e. Semi-conductors, E-gaming, Luxury, Health care).

Europe: Commodities still in the lead despite having lost ground.



Source: STOXX. Note: performance to 8 July2022

6. Sector Preferences

Reco	Sector (Level 1)	Industry (Level 2): +	Industry (Level 2): =	Industry (Level 2): -
+	Health care	Pharmaceuticals + Biotech Health Care equip. + services		
+	Financials	Diversified Fin. Insurance	Banks	
+	Energy	Energy		
=	Materials	Metals & Mining	(other) Materials	
=	Real estate	EU real estate	US real estate	
=	Consumer Staples		Food & Beverages Food Retail Household & Personal Care Products	
=	Communication Services		Telecoms Media	
=	Utilities		Utilities	
=	Industrials		Commercial Services Infrastructure Capital Goods Transportation	
=	Technology		Technology (preference for 'Metaverse', Semis & Cybersecurity)	
=	Consumer Discretionary		Luxury Goods Consumer Services Retail Automobiles Travel & Leisure	

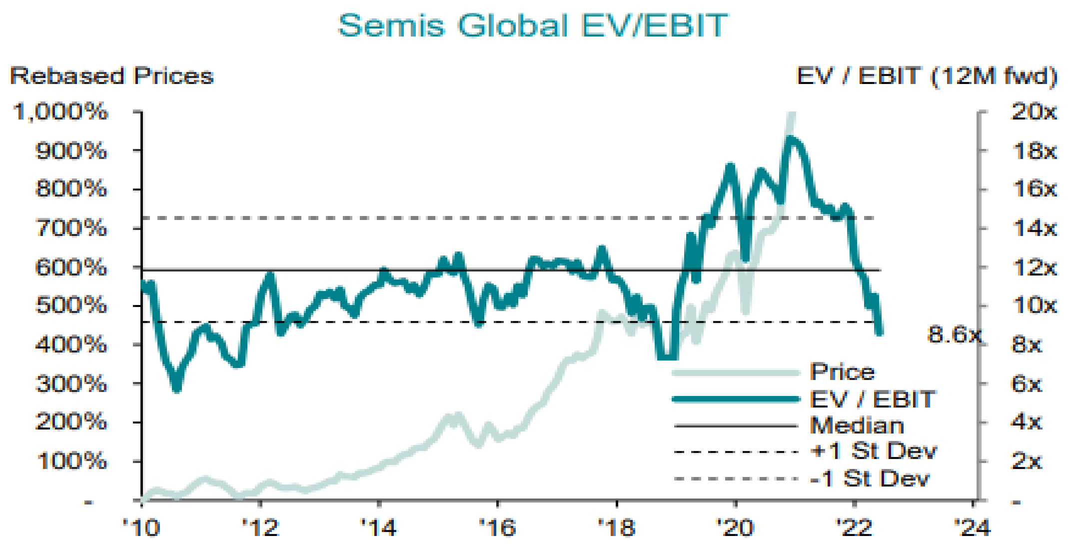
7. Investment ideas

Get ready to revisit growth industries trading cheap

GROWTH STOCKS TRADE AT CHEAP VALUATIONS

Equity markets collapsed in H1 2022. The main victims were the Technology sector (admittedly quite expensive at the beginning of the year) but also other growth sectors such as Luxury (& some other Consumer Discretionary segments), Communication Services, Med tech, etc. Some of these industries boast strong pricing power with order books quite full. Valuations now look very attractive, especially in Semiconductors.

Semis' valuations very low! (on an 8-year average basis)

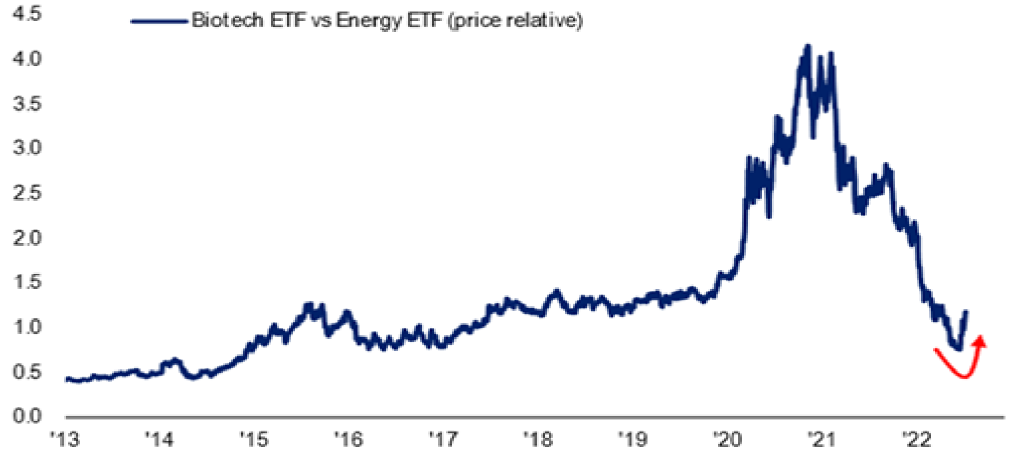


Source: BNPP Exane

WE LIKE HEALTHCARE. IS BIOTECH SET TO RECOVER?

Cyclical growth industries may need time to rebound. Investors prefer to stay defensive at the moment. If inflation were to peak, Biotech would offer good potential. Remember also that the Healthcare sector remains a favourite due to good earnings expectations and very reasonable valuations (see IBES forecasts in the Appendix). Bank of America notices the beginning of a "Big rotation from inflation to deflation assets'.

Chart 3: Big rotation from inflation to deflation assets
XBI vs XLE



Source: BofA Global Investment Strategy, Bloomberg

A. IBES forecasts: Europe

Price index - in €

07-07-22	PE				EPS Growth - %				1m / 3m % Δ in EPS								Sales growth - %			1m / 3m % Δ in Sales		Divid end yield (%)
	2022	2023	2024	12m fwd	2022	2023	2024	12m fwd	2022		2023		2024		12m fwd		2022	2023	2024	2022		
MSCI EUROPE (€) (*)	12,1	11,7	11,0	11,9	14,4	3,3	6,1	8,2	0,4	4,0	0,1	2,3	0,2	1,9	0,2	3,1	12,2	1,1	1,96	0,2	2,52	3,4
(*) EU15 + Switzerland + Norway																						
MSCI UK (£)	10,1	10,1	9,9	10,1	16,4	-0,3	1,6	6,7	-0,2	6,0	0,3	4,3	0,4	1,8	0,0	5,1	22,0	-1,5	-1,7	-0,8	1,4	3,9
MSCI Switzerland (CHF)	17,2	15,6	14,2	16,4	10,9	10,3	9,4	10,8	-0,4	-1,3	-0,5	-1,1	-0,4	-0,6	-0,5	-1,2	2,4	3,9	2,7	0,2	1,0	2,8
MSCI Germany	10,4	9,7	8,9	10,0	7,0	7,1	9,8	6,9	0,5	1,5	-0,4	-0,6	-0,7	0,7	0,0	0,3	5,9	3,9	4,2	0,6	3,5	3,8
MSCI France	11,8	11,6	11,0	11,7	20,5	1,6	6,0	10,2	0,9	5,8	0,3	3,7	0,3	3,4	0,6	4,7	14,5	1,4	3,0	0,4	1,3	3,0
MSCI Spain	10,9	10,3	9,6	10,6	19,1	6,2	7,5	12,3	3,3	9,0	1,8	6,2	0,5	4,9	2,5	7,6	11,7	0,6	1,7	0,5	4,8	3,6
MSCI The Nertherlands	18,9	16,0	13,9	17,4	13,4	18,2	15,2	15,9	-1,5	-3,6	-0,8	-1,1	1,7	3,3	-1,1	-2,3	9,4	4,1	4,7	-0,2	2,2	2,6
MSCI Belgium	18,4	16,8	14,2	17,5	-3,1	9,5	18,4	3,1	-0,3	-0,9	-0,6	-2,6	0,2	1,6	-0,5	-1,8	3,3	0,9	8,0	0,2	-4,4	3,0
MSCI EUROPE ENERGY	5,2	6,1	6,9	5,6	80,3	-15,1	-12,2	19,0	2,3	22,5	1,7	14,8	1,4	9,2	2,0	18,8	42,9	-8,9	-6,0	-1,1	1,4	4,2
MSCI EUROPE MATERIALS	8,3	9,9	10,4	9,0	8,0	-16,1	-5,1	-4,6	-0,9	6,8	-0,7	5,3	0,4	2,8	-0,8	6,1	14,6	-5,0	-1,7	0,2	5,7	4,7
MSCI EUROPE INDUSTRIALS	14,5	13,9	12,9	14,2	19,1	4,0	7,6	11,0	0,5	1,1	-0,3	-0,5	-0,4	-1,4	0,0	0,3	10,7	4,1	4,3	0,6	2,0	2,8
MSCI EUROPE CAP GDS	16,2	14,0	12,5	15,0	11,2	16,0	11,6	13,9	0,0	-2,1	-0,5	-1,3	-0,5	-0,8	-0,4	-1,6	9,2	6,1	5,0	0,5	1,4	2,6
MSCI EUROPE COML SVS/SUP	19,9	18,2	16,8	19,1	12,7	8,9	8,7	10,7	0,0	0,1	-0,2	-0,8	0,0	-1,1	-0,1	-0,4	9,8	4,9	4,7	-0,1	1,0	2,5
MSCI EUROPE TRANSPT	6,9	10,4	11,9	8,3	54,6	-33,1	-12,9	1,3	2,1	12,4	0,5	4,0	-0,4	-5,5	1,5	8,9	18,6	-5,4	0,6	1,4	6,0	4,4
MSCI EUROPE CONS DISCR	12,1	10,9	9,9	11,5	13,0	10,5	10,8	11,7	-0,6	0,7	-0,7	-1,0	0,1	2,5	-0,7	-0,2	11,7	7,3	6,6	0,2	1,3	3,1
MSCI EUROPE AUTO & COMPO	5,2	5,0	4,7	5,1	4,6	4,3	7,8	4,4	-0,4	3,4	-0,4	0,0	-0,9	2,1	-0,4	1,7	9,8	6,4	5,7	0,2	1,3	5,8
MSCI EUROPE CONS DUR/APP	18,3	16,6	15,1	17,5	16,9	10,4	10,3	14,1	-0,2	0,2	-0,3	0,4	0,0	1,2	-0,3	0,2	13,2	7,2	7,5	0,1	1,7	2,2
MSCI EUROPE CONS SVS	24,5	18,0	15,4	20,3	95,4	35,9	17,4	51,7	0,7	2,9	0,3	2,3	1,9	7,2	0,5	2,7	26,4	11,8	8,6	1,2	2,9	1,3
MSCI EUROPE RETAILING	24,5	17,9	14,3	21,5	24,7	37,4	25,1	32,5	-5,4	-16,6	-5,2	-13,3	4,7	5,4	-5,3	-15,2	11,0	9,8	8,9	0,2	-0,9	3,3
MSCI EUROPE CONS STAPLES	19,5	17,8	16,3	18,5	7,2	9,5	9,4	8,0	0,3	0,9	0,3	0,9	0,4	1,8	0,4	1,0	8,2	3,9	4,1	0,4	2,7	2,7
MSCI EUROPE FD/STAPLES RTL	14,1	12,9	11,7	13,5	-1,4	9,5	10,0	3,2	-0,6	-1,2	-0,6	-1,4	-0,1	0,9	-0,6	-1,3	6,6	2,2	3,0	0,4	3,0	4,0
MSCI EUROPE FD/BEV/TOB	19,8	18,1	16,5	18,7	11,0	9,5	9,3	9,6	0,5	1,4	0,6	1,5	0,7	1,9	0,7	1,7	9,2	5,4	5,0	0,5	2,3	2,6
MSCI EUROPE H/H PERS PRD	21,1	19,2	17,6	20,1	-0,1	9,5	9,4	4,7	0,0	0,1	-0,3	-0,2	-0,2	1,8	-0,2	0,0	9,7	4,3	4,3	0,3	3,3	2,8
MSCI EUROPE HEALTH CARE	17,3	15,6	14,1	16,4	7,8	10,5	11,2	9,2	-0,1	0,8	-0,1	0,5	0,1	1,0	-0,1	0,6	7,9	4,9	6,0	0,1	1,2	2,6
MSCI EUROPE H/C EQ/SVS	19,6	17,2	15,0	18,3	6,6	13,8	14,7	10,5	-0,4	-0,3	-0,4	-1,7	0,0	-0,5	-0,4	-1,1	8,3	6,0	6,3	0,0	1,0	1,7
MSCI EUROPE PHARM/BIOTEC	17,0	15,4	13,9	16,2	8,0	10,1	10,8	9,1	-0,1	0,9	0,0	0,8	0,1	1,2	-0,1	0,9	7,8	4,5	5,9	0,1	1,3	2,7
MSCI EUROPE FINANCIALS	8,8	7,8	7,1	8,3	-1,4	12,5	10,9	4,8	0,8	0,0	0,5	1,0	0,1	1,6	0,5	0,4	2,2	3,6	1,5	0,0	0,4	5,0
MSCI EUROPE BANKS	7,7	6,9	6,2	7,3	-6,6	11,3	12,1	1,9	1,4	3,5	1,2	3,9	0,5	4,1	1,3	3,7	4,3	3,9	4,0	0,2	2,4	5,5
MSCI EUROPE DIV FIN	10,4	9,3	8,4	9,9	3,0	13,8	11,9	4,2	0,5	-1,8	-1,2	-3,8	-0,9	-2,4	-1,2	-3,6	1,3	2,2	8,2	-0,4	-4,1	3,0
MSCI EUROPE INSURANCE	9,9	8,7	8,0	9,2	7,1	14,1	8,0	10,7	-0,3	-5,0	0,1	-1,2	0,0	-0,6	-0,1	-3,0	1,2	3,8	-1,2	0,0	0,3	5,5
MSCI EUROPE REAL ESTATE	14,1	13,5	12,9	13,8	10,5	4,0	4,4	7,0	1,7	-0,2	-1,4	-2,7	-1,8	-2,6	0,1	-1,5	13,0	-0,6	4,6	-0,1	3,9	3,6
MSCI EUROPE IT	20,7	17,9	15,9	19,2	8,5	15,3	12,9	11,3	0,1	-0,1	0,2	1,3	0,4	1,0	0,1	0,5	14,1	8,0	7,4	0,1	1,4	1,3
MSCI EUROPE S/W & SVS	23,2	19,7	17,2	21,3	-4,3	17,8	14,6	6,4	-0,3	-1,7	-0,2	-0,6	-0,3	-1,0	-0,2	-1,1	15,2	9,6	8,8	-0,1	1,1	1,5
MSCI EUROPE TCH H/W/EQ	13,7	12,4	11,3	13,1	6,0	11,2	9,0	8,3	0,7	1,4	0,8	3,2	1,2	1,7	0,7	2,3	7,7	3,9	3,6	0,3	1,8	1,5
MSCI EUROPE COMM. SERVICES	16,0	14,7	13,1	15,3	17,8	8,9	12,3	12,4	-0,2	0,7	-0,6	-1,6	-0,4	-2,2	-0,3	-0,3	2,5	2,3	2,2	0,2	1,2	4,2
MSCI EUROPE TELECOM	15,3	14,3	12,7	14,8	19,4	7,2	12,2	12,5	-0,2	1,4	-0,8	-1,7	-0,6	-2,0	-0,5	0,2	1,7	1,5	1,7	0,2	1,1	4,6
MSCI EUROPE MEDIA & ENTER.	18,4	16,0	14,2	17,2	12,2	15,1	12,5	12,2	-0,1	-2,0	0,3	-1,0	0,6	-3,0	0,1	-1,8	6,6	6,0	4,4	0,1	1,3	2,8
MSCI EUROPE UTILITIES	13,8	13,5	12,7	13,7	8,8	2,4	5,8	5,0	0,1	2,6	0,5	2,6	0,7	2,7	0,0	2,1	1,0	-0,7	1,4	2,7	12,2	4,4

Source: IBES

B. IBES forecasts: US

07-07-22	PE				EPS Growth - %				1m / 3m % Δ in EPS								Sales growth - %			1m / 3m % Δ in Sales		Divid end yield (%)
	2022	2023	2024	12m fwd	2022	2023	2024	12m fwd	2022		2023		2024		12m fwd		2022	2023	2024	2022		
MSCI USA	**17,3**	**15,8**	**14,5**	**16,4**	**9,5**	**9,7**	**8,8**	**9,3**	**0,0**	**-0,2**	**-0,4**	**-0,05**	**-0,4**	**-1,05**	**-0,25**	**-0,17**	**11,4**	**4,7**	**4,2**	**0,5**	**1,7**	**2,2**
MSCI USA ENERGY	8,1	9,1	10,4	8,6	130,6	-10,2	-13,0	32,4	5,4	32,1	4,7	32,6	3,8	17,5	5,0	32,3	41,9	-7,5	-11,5	5,3	15,6	3,5
MSCI USA MATERIALS	11,3	12,4	12,5	11,8	20,5	-8,8	-1,0	4,4	-0,7	8,9	-1,1	6,1	-1,2	3,8	-0,9	7,5	14,5	-2,2	-1,1	-0,2	4,8	2,1
MSCI USA INDUSTRIALS	18,3	15,4	13,8	16,7	16,6	18,9	11,3	17,6	-0,2	-3,5	-0,2	-0,9	0,3	0,2	-0,2	-2,1	9,6	6,3	4,4	0,0	0,3	2,0
MSCI USA CAP GDS	17,4	14,8	13,3	15,9	20,3	18,1	10,8	18,8	-0,3	-2,3	-0,3	-1,1	-0,3	-0,3	-0,3	-1,7	8,3	7,6	4,5	-0,1	-0,8	2,1
MSCI USA COML SVS/SUP	25,6	22,8	19,8	24,1	10,6	12,3	13,1	10,8	-0,2	0,0	-0,2	-0,2	-0,3	-0,1	-0,2	-0,1	10,1	6,4	6,2	-0,1	1,6	1,2
MSCI USA TRANSPT	18,0	14,7	13,0	16,3	8,8	23,9	12,4	16,9	0,1	-8,2	-0,1	-0,4	2,3	1,8	-0,1	-4,1	12,9	2,6	3,6	0,1	2,9	2,3
MSCI USA CONS DISCR	27,0	20,1	16,9	23,0	10,5	34,4	19,1	23,0	-2,6	-13,8	-2,3	-8,0	-1,7	-7,2	-2,5	-10,6	12,6	10,5	8,5	-0,2	-1,2	2,3
MSCI USA AUTO & COMPO	26,1	22,0	19,9	23,8	47,0	18,7	10,5	30,2	-0,7	2,1	-0,6	0,5	0,1	1,5	-0,7	1,2	22,1	14,8	8,2	-0,1	-1,1	3,1
MSCI USA CONS DUR/APP	12,0	11,1	10,2	11,6	13,5	7,6	9,1	11,6	-3,5	-2,4	-8,3	-9,0	-8,2	-8,5	-6,5	-6,3	12,5	2,6	5,0	-1,1	-1,2	1,9
MSCI USA CONS SVS	34,1	19,4	16,3	24,3	279,8	75,5	19,4	116,5	-4,5	-10,4	-1,5	-3,7	-1,4	-4,0	-2,4	-6,0	30,7	16,2	8,8	-0,4	-0,9	2,0
MSCI USA RETAILING	31,2	22,2	17,8	26,1	-16,8	40,0	25,2	8,2	-2,4	-23,5	-1,2	-12,0	-0,7	-10,6	-1,8	-17,3	7,2	9,5	9,1	-0,1	-1,3	2,5
MSCI USA CONS STAPLES	20,7	19,4	18,0	19,9	3,7	7,0	7,4	5,2	-0,1	-0,7	-0,2	-1,6	-0,1	-1,6	-0,2	-1,4	7,5	3,7	3,6	0,4	2,0	2,7
MSCI USA FD/STAPLES RTL	21,2	19,6	18,0	20,1	9,1	8,2	8,9	6,6	0,3	-1,3	0,0	-1,7	-0,6	-1,8	0,1	-1,7	8,4	4,6	3,8	0,6	1,8	1,6
MSCI USA FD/BEV/TOB	18,9	17,8	16,8	18,4	3,2	5,9	6,3	4,2	-0,3	0,0	-0,1	-0,9	0,0	-0,9	-0,3	-0,6	6,6	2,2	3,0	0,2	2,9	3,3
MSCI USA H/H PERS PRD	25,8	23,7	21,7	24,0	-0,2	8,9	9,1	6,7	-0,1	-2,3	-0,5	-3,5	-0,2	-3,1	-0,5	-3,5	5,0	4,2	4,6	0,0	0,1	2,4
MSCI USA HEALTH CARE	16,6	16,1	15,0	16,3	4,1	2,9	7,2	3,5	-0,2	-3,9	0,0	-1,5	-0,1	-1,5	-0,1	-2,7	7,2	3,1	5,6	0,0	0,3	2,0
MSCI USA H/C EQ/SVS	20,5	17,5	15,5	18,9	-3,9	16,9	12,9	6,4	-0,3	-7,2	-0,1	-2,2	-0,1	-1,9	-0,2	-4,6	7,2	4,8	6,5	0,1	0,9	1,5
MSCI USA PHARM/BIOTEC	14,6	15,2	14,7	14,9	8,5	-4,0	3,7	2,0	-0,1	-2,2	0,1	-1,0	0,0	-1,2	0,0	-1,6	7,3	-2,5	2,5	-0,1	-1,5	2,3
MSCI USA FINANCIALS	11,9	10,5	9,4	11,1	-10,7	13,5	11,0	0,7	-0,7	-0,2	-1,1	-0,6	-1,3	-1,8	-0,9	-0,5	4,9	7,7	4,6	-0,2	-0,7	2,7
MSCI USA BANKS	9,6	8,4	7,6	9,0	-15,7	15,0	10,5	-1,6	-0,2	2,5	-1,1	1,3	-1,7	-1,6	-0,7	1,8	3,8	8,1	3,4	-0,1	1,1	3,3
MSCI USA DIV FIN	13,7	12,3	11,0	12,9	-10,2	11,4	11,0	0,0	-1,3	-3,1	-1,6	-3,5	-1,2	-3,7	-1,5	-3,3	4,2	8,9	5,3	-0,3	-1,3	2,4
MSCI USA INSURANCE	13,1	11,4	10,0	12,2	0,7	14,9	12,4	7,8	-0,4	0,1	-0,1	1,1	-0,6	2,2	-0,2	0,6	6,8	5,7	4,8	-0,1	-1,5	2,3
MSCI USA REAL ESTATE	36,1	35,1	32,4	35,6	-6,9	2,6	8,4	-2,3	0,7	8,0	-0,3	0,4	-1,3	-0,4	0,2	4,0	12,5	3,0	5,5	-0,1	1,2	3,1
MSCI USA IT	21,4	19,2	17,3	19,8	12,9	11,5	10,9	11,0	-0,3	-0,2	-0,8	-1,1	-0,5	-0,5	-0,7	-0,8	12,3	8,2	7,8	0,1	0,1	1,2
MSCI USA S/W & SVS	27,5	23,6	20,3	24,6	13,1	16,4	16,7	14,4	-0,4	-0,6	-0,2	-0,8	-0,2	-0,6	-0,3	-0,7	15,4	12,5	12,6	0,3	0,2	1,2
MSCI USA TCH H/W/EQ	19,6	18,3	17,3	18,6	10,4	7,0	5,9	7,7	0,0	-0,5	-0,3	-0,8	-0,5	0,4	-0,2	-0,8	7,2	4,1	4,1	0,0	0,0	1,0
MSCI USA COMM SERVICES	16,5	14,1	12,5	15,2	-5,7	16,5	13,5	5,0	-0,7	-7,6	-0,9	-6,5	-0,9	-6,1	-0,8	-6,9	7,5	7,9	7,9	-0,1	-0,2	3,8
MSCI USA TELECOM	10,6	10,2	9,5	10,4	-15,4	4,2	7,3	-6,4	-0,2	-6,5	-0,4	-8,1	-0,1	-6,3	-0,3	-7,3	-11,3	-1,2	1,7	-0,1	-5,6	5,2
MSCI USA MEDIA & ENTER.	18,4	15,2	13,2	16,6	-2,1	20,5	15,2	8,9	-0,9	-7,9	-1,0	-6,0	-1,1	-6,1	-1,0	-6,8	16,5	11,2	9,9	-0,1	1,9	2,2
MSCI USA UTILITIES	19,7	18,2	16,9	18,9	6,7	8,2	7,9	7,5	0,0	0,7	0,1	0,5	0,3	0,5	0,1	0,6	0,7	2,5	2,2	0,2	4,2	3,1

Source: IBES

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