

## US Election - Market Developments & Investment Strategy Views

### Top Trump

Following the surprise victory for Donald Trump, global markets are now digesting the result and looking for clues to what policies his administration will implement.

The general consensus is for an increase in Fiscal stimulus to engineer growth in the US, thereby improving the short-term prospects for growth and inflation. However, short-term gain may lead to long-term pain as the increase in US debt will eventually act as a drag on economic growth.

The initial market reaction was equities down, bonds up (yields down), \$ down and Gold up, which quickly reversed (see below).

Instrument	Before 8/11/16 Close price	After 9/11/16 Close price	Change %
S&P 500	2139	2163	+ 1.1
US 10 Year Yield	1.858	2.04	+ 9.8
€/ \$	1.1026	1.0910	- 1.05
Gold	1273	1272	- 0.08

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### Investment Strategy Views

**Equities:** No change

**Fixed Income:** US High Yield from positive to neutral

**FX:** \$ against the € from positive to neutral

**Commodities:** Gold from neutral to positive

#### IMPORTANT DISCLOSURES AND DISCLAIMER

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