

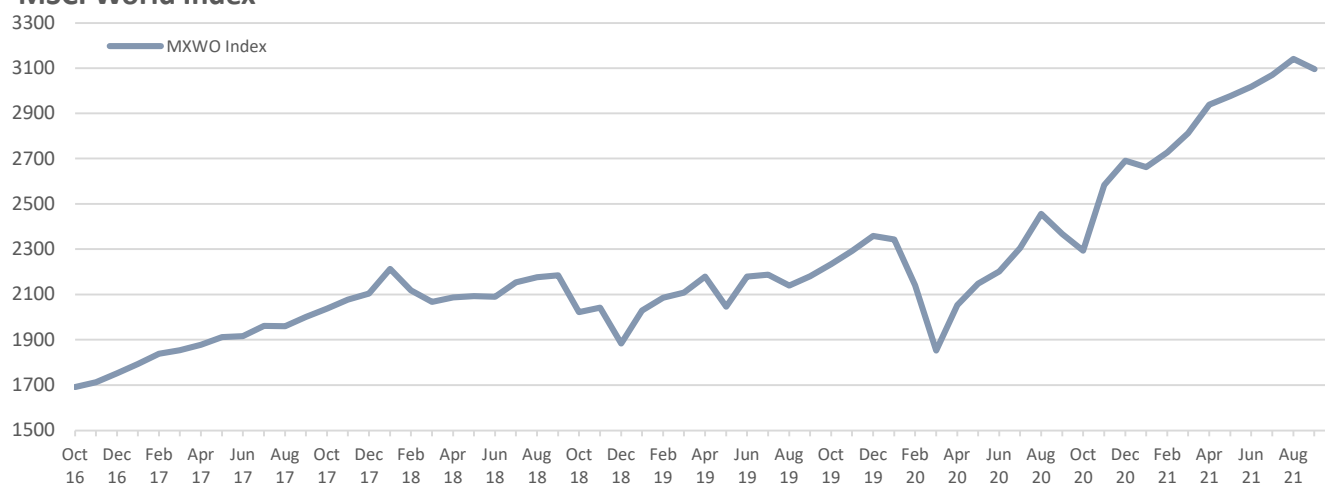


OVERVIEW

In the month of September, the US Federal Reserve signaled that it “may soon” reduce its pandemic stimulus programs and interest rates could increase earlier than expected, referencing the central bank’s optimism that the COVID-19 recovery will progress well enough for the Fed to tighten its easy money policies in a few years.

Consumer confidence retracted substantially to stand at 109.3 in September, compared with 115.2 in August and 125.1 in July based on the index provided by the Conference Board. Unemployment rate fell considerably to stand at only 4.8% in September, compared with 5.2% in August. Non-farm payroll additions slowed considerably in September again increasing by 194,000, after reaching an upwardly revised 366,000 in August

MSCI World Index



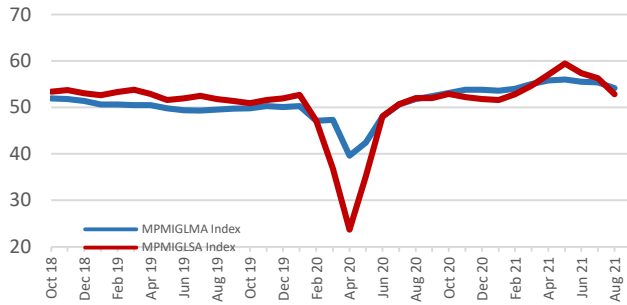
The policy-setting Federal Open Market Committee (FOMC) still held interest rates at near-zero in its updated statement, but said it had advanced talks on paring back its asset purchase program. The labor market suffered a setback in August where only 235,000 jobs were created, the fewest in seven months resulting in forecasts to miss by nearly 500,000.

For the Eurozone, the European Central Bank (ECB) announced it will reduce the amount of assets it purchases each month on the under Pandemic Emergency Purchase Program (PEPP) program than in the previous two quarters. The interest rates on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will remain unchanged at 0.00%, 0.25% and -0.50% respectively. The labor market has continued to improve, indicating a clear positive trend. According to the latest numbers from Eurostat, the unemployment rate stood at 7.5% in August, compared with 7.6% in July.

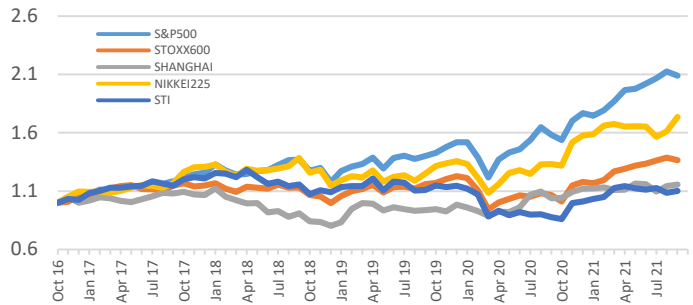
As for Japan, it has displayed generally positive growth, especially given the fact that is has been continuously impacted by the pandemic throughout 2021. Emergency measures designed to fight the pandemic were lifted only at the end of September. With a new prime minister in place and general elections coming up, the political developments remain to be seen. However, with that being said, further stimulus after the elections, which were announced to be held October 31 seems likely.



Global PMI



Major Indices





MARKET STATISTICS

ECONOMY

Economy

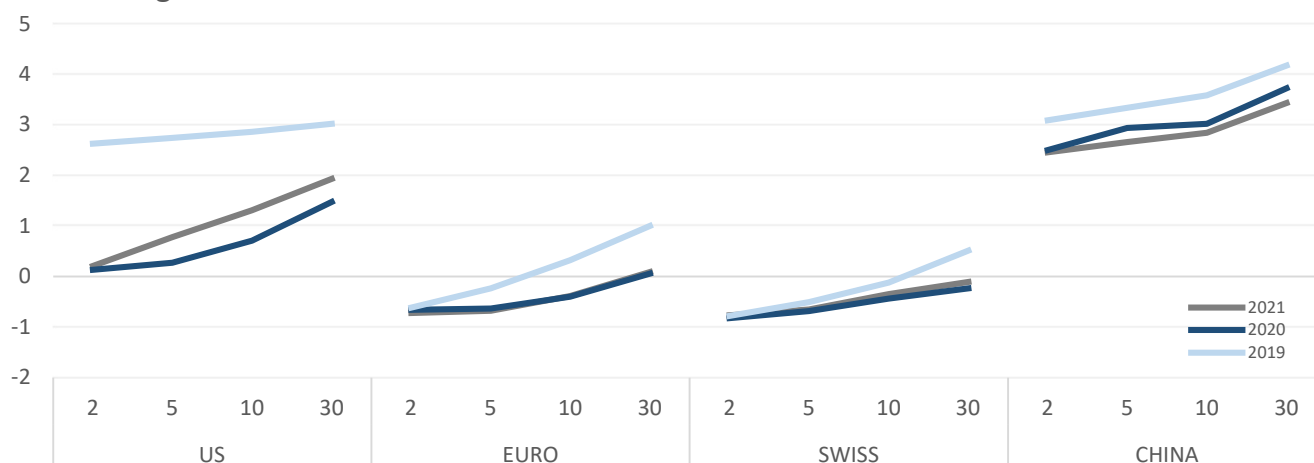
	%1M	%6M	%1Y	3Y		%1M	%6M	%1Y	3Y
World MPMI	-2.3%	0.2%	4.4%		EM MPMI	-2.0%	-3.8%	-5.5%	
World SPMI	-6.2%	0.0%	1.5%		EM SPMI	-5.2%	-3.0%	-2.7%	
US CPI	0.3%	3.7%	5.2%		EU CPI	0.3%	2.3%	3.2%	
US PPI	0.7%	5.1%	8.3%		EU PPI	1.1%	8.9%	13.5%	
US UNEMP	-3.7%	-16.1%	-38.1%		EU UNEMP	-1.4%	-9.3%	-11.7%	
US MPMI	0.7%	-1.5%	7.7%		EU MPMI	-2.4%	5.9%	18.2%	
-	-	-	-	-	EU SPMI	-1.3%	29.1%	16.8%	
CHINA MPMI	-2.2%	-3.3%	-7.3%		SWISS MPMI	-4.8%	10.4%	32.7%	
CHINA SPMI	-14.9%	-9.3%	-13.5%		SWISS SPMI	0.8%	17.9%	21.4%	

KEY RATES

Sovereign Key Rates

	Sep	Δ1M	Δ6M	Δ1Y		Sep	Δ1M	Δ6M	Δ1Y
US 2Y	0.2103	0.0244	0.0560	-0.0020	EU 2Y	-0.7223	0.0446	-0.0987	-0.0104
US 5Y	0.7779	0.0868	-0.0409	0.4640	EU 5Y	-0.6801	0.0644	-0.1751	0.0620
US 10Y	1.3104	0.0865	-0.1836	0.7019	EU 10Y	-0.3845	0.0774	-0.2004	0.1364
US 30Y	1.9338	0.0396	-0.2597	0.6779	EU 30Y	0.0893	0.0719	-0.1736	0.1310
CHINA 2Y	2.4576	0.0342	-0.3345	0.2548	SWISS 2Y	-0.7616	0.0169	0.0004	0.0416
CHINA 5Y	2.6597	-0.0066	-0.3904	0.1219	SWISS 5Y	-0.6508	0.0541	-0.1675	0.1465
CHINA 10Y	2.8454	-0.0044	-0.4275	0.2586	SWISS 10Y	-0.3466	0.0531	-0.1740	0.2101
CHINA 30Y	3.4004	-0.0357	-0.3735	0.0837	SWISS 30Y	-0.1078	0.0492	-0.1809	0.2572

3Y Sovereign Yield Curve



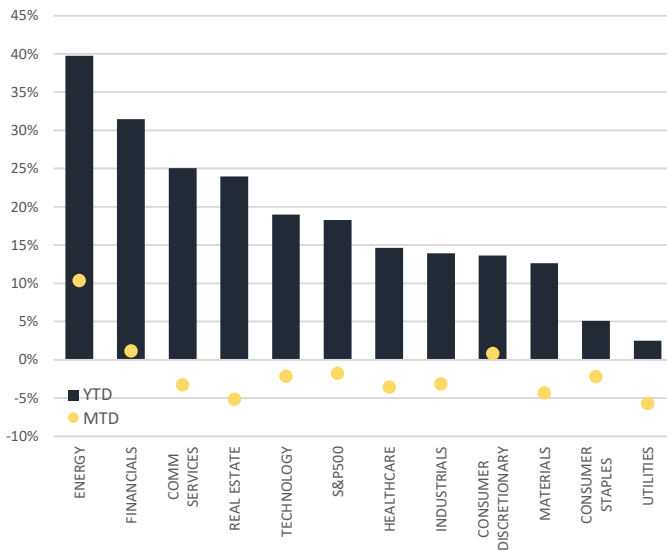


EQUITIES

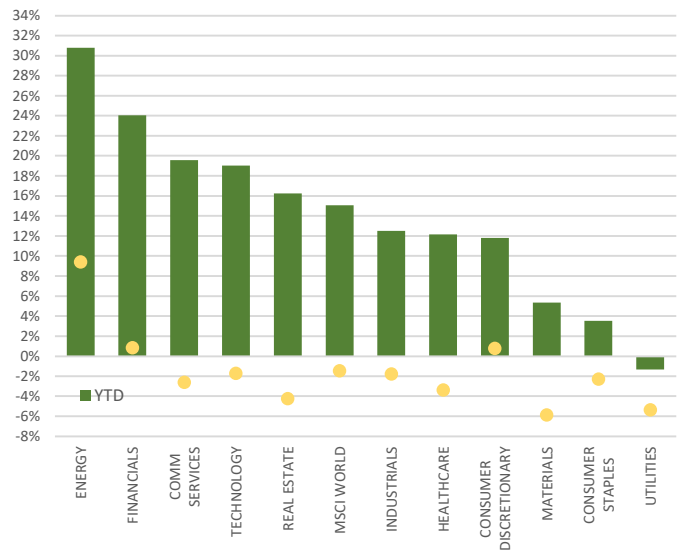
Equities	Sep	YTD	1Y	3Y Ann	5Y Ann	3Y SD	3Y
WORLD	-1.46%	15.07%	30.76%	12.33%	12.86%	15.60%	
EM	-3.16%	-1.85%	17.13%	6.54%	6.96%	13.31%	
ASIA PAC	-0.43%	0.50%	18.15%	6.71%	7.64%	12.80%	
US	-1.76%	18.29%	32.12%	15.10%	15.88%	17.52%	
EUROPE	-1.62%	15.72%	27.85%	5.75%	5.90%	9.38%	
CHINA	-5.46%	-17.77%	-8.55%	3.83%	7.60%	15.46%	
SWISS	-5.41%	10.16%	14.60%	8.70%	8.55%	8.81%	

Style	Sep	YTD	Sep	YTD
WORLD LARGE CAP	-1.54%	15.23%	US LARGE CAP	-1.76%
WORLD SMALL CAP	-0.13%	15.78%	US SMALL CAP	0.28%
WORLD VALUE	-0.98%	14.40%	US VALUE	0.88%
WORLD GROWTH	-1.89%	15.43%	US GROWTH	-1.41%
WORLD MOMENTUM	0.13%	12.72%	US MOMENTUM	-0.57%

S&P500 SECTOR RETURNS



MSCI WORLD SECTOR RETURNS





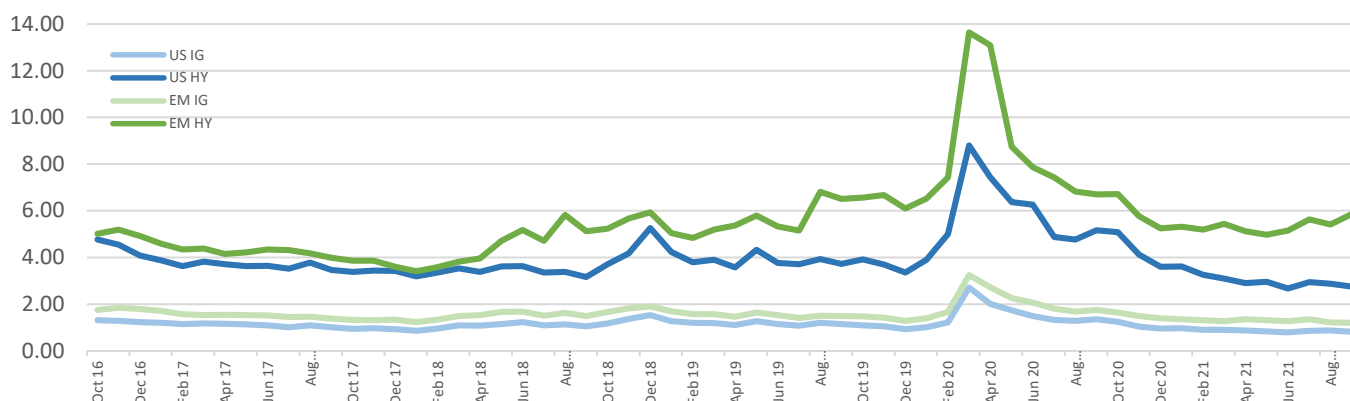
FIXED INCOME

Fixed Income	Sep	YTD	1Y	3Y Ann	5Y Ann	3Y SD	3Y CURVE
WORLD AGG	-1.11%	-3.41%	-0.24%	4.48%	2.71%	5.07%	
US AGG	-0.60%	-1.29%	-0.63%	5.45%	3.16%	5.67%	
EUROPE AGG	-1.05%	-1.87%	-0.38%	3.20%	1.86%	3.36%	
CHINA AGG	0.11%	5.47%	11.35%	7.33%	4.48%	6.57%	
EM AGG	-1.26%	-0.74%	3.73%	6.08%	4.34%	6.14%	
SWISS AGG	-1.40%	-2.02%	-1.50%	1.12%	0.15%	1.77%	

OAS

	Sep	Δ1M	Δ6M	Δ1Y	Δ3Y		Sep	Δ1M	Δ6M	Δ1Y	Δ3Y
WORLD IG OAS	0.86	-0.03	-0.09	-0.49	-0.26	EM IG OAS	1.21	-0.01	-0.07	-0.55	-0.29
WORLD HY OAS	3.71	0.05	-0.10	-1.85	-0.11	EM HY OAS	5.86	0.44	0.42	-0.84	0.74
US IG OAS	0.82	-0.05	-0.09	-0.54	-0.24	EURO IG OAS	0.86	-0.01	-0.08	-0.37	-0.32
US HY OAS	2.76	-0.12	-0.34	-2.41	-0.40	EURO HY OAS	2.89	-0.04	-0.26	-1.82	-0.56

5Y OAS





FX & COMMODITIES

Commodities	Sep	YTD	1Y	3Y Ann	5Y Ann	3Y SD	3Y Curve
BBG Index	5.04%	29.21%	42.38%	6.89%	4.65%	11.92%	
BBG Energy	16.00%	73.39%	77.23%	-6.25%	1.06%	24.81%	
BBG Agri & Livestock	-0.72%	16.94%	38.64%	8.80%	0.78%	14.50%	
BBG Soft	-1.10%	32.52%	51.42%	12.73%	-3.33%	14.24%	
BBG Precious Metals	-4.03%	-9.65%	-7.47%	12.36%	4.82%	14.41%	
BBG Industrial Metal	1.06%	23.95%	41.60%	12.10%	10.98%	16.46%	
	Sep	YTD	1Y	3Y Ann	S-Term	M-Term	3Y CURVE
BBG Gold	-3.63%	-8.19%	-8.51%	12.01%	1735-1850	1700-1825	
BBG Brent Crude	10.71%	61.59%	93.02%	-0.64%	70-85	65-80	

Currencies	Sep	1M HIGH	1M LOW	1M SD	S-Term	M-Term	1M CURVE
EUR/USD	1.158	1.1881	1.1687	0.50%	1.15-1.19	1.15-1.19	
USD/JPY	111.29	110.73	109.23	0.33%	111.5-115	111-116	
GBP/USD	1.3474	1.3871	1.3622	0.54%	1.35-1.40	1.35-1.4	
USD/CHF	0.9317	0.9323	0.9134	0.62%	0.90-0.94	0.91-0.95	
USD/CNY	6.4448	6.4667	6.4325	0.15%	6.36-6.42	6.38-6.45	
USD/SGD	1.3577	1.3537	1.3409	0.33%	1.33-1.36	1.33-1.37	

FX & COMMODITIES VIEW

The Euro did not recover much in September as financial markets remained largely in risk averse mode. The euro closed at \$1.16 against the US dollar, a new 12-month low. The U.S. dollar kept near highs for the year after the Fed signaled it "may soon" reduce stimulus, while it penciled in an earlier than expected increase in interest rates. As for GBP/USD, it suffered its worst day of 2021 towards the end of the month as the UK's fuel crisis, rising inflationary pressures and soaring US Treasury yields dragged the pair under the \$1.36 support level.

Energy commodities experienced a surge across the board, with natural gas and coal prices reaching record highs in Europe and Asia amid lower than average storage levels that fueled concerns about potential shortages should winter temperatures be colder than usual. Crude oil prices rose on signs of an oil demand recovery in Asia due to the improving COVID-19 situation, as well as supply disruptions in several regions because of planned and unplanned outages.

The energy price index rose month on month by 10.1% in September, with components rising across all regions. The base metal price index rose by month on month by 2.7% in September, led by aluminum that saw average prices increase by a solid 8.9%. As for precious metals, gold prices declined on average by 0.6% m-o-m in September, supported by rising real US interest rates and anticipation of some reduction in monetary policy support from the Federal Reserve in the coming months.



THEME OF THE MONTH

China's Evergrande

Firstly, what is Evergrande? Evergrande was founded by businessman Hui Ka Yan. Evergrande was previously known as the Hengda Group, in 1996 in Guangzhou. Evergrande Real Estate currently owns more than 1,300 projects in more than 280 cities across China. The broader Evergrande Group now encompasses far more than just real estate development. Its businesses range from wealth management, EV and F&B manufacturing.

Evergrande expanded aggressively to become one of China's biggest companies by borrowing more than \$300bn. Last year, Beijing brought in new rules to control the amount owed by big real estate developers. The new measures led Evergrande to offer its properties at major discounts to ensure money was coming in to keep the business afloat.

As of now, it is struggling to meet the interest payments on its debts. This uncertainty has seen Evergrande's share price tumble by around 80% this year. Its bonds have also been downgraded by global credit ratings agencies.

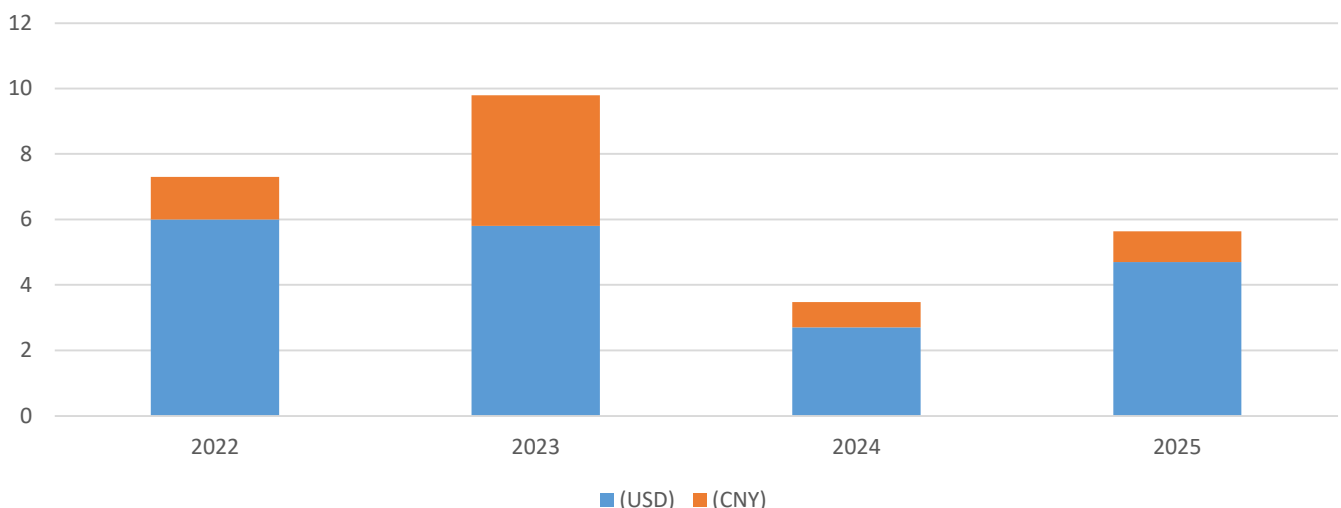
The world's most-indebted developer had a liquidity scare in 2020. Evergrande reportedly sent a letter to the provincial government of Guangzhou in August, warning officials that payments due in January 2021 could cause a liquidity crisis and potentially lead to cross defaults in the broader financial sector.

Reports of the plea for help emerged on Sept. 24, sending Evergrande's stock and bonds tumbling even as the company dismissed the concerns. Crisis was averted soon after when a group of investors waived their right to force a \$13 billion repayment.

The reprieve was temporary, as there were still lots of upcoming debt. Evergrande outlined a plan to cut its \$100 billion debt pile roughly in half by mid-2023, including a series of assets sales and stock offerings.

Lots of people in China bought property from Evergrande way before building work began. They have paid deposits and could potentially lose that money if it goes bust. There are also the companies that do business with Evergrande. Firms including construction and design firms and materials suppliers are at risk of incurring major losses, which could force them into bankruptcy. The third is the potential impact on China's financial system. If Evergrande defaults, banks and other lenders may be forced to lend less. This could lead to what is known as a credit crunch, when companies struggle to borrow money at affordable rates. A credit crunch would be very bad news for the world's second largest economy, because companies that can't borrow find it difficult to grow, and in some cases are unable to continue operating. This may also unnerve foreign investors, who could see China as a less attractive place to put their money.

Evergrande's bond which is maturing (Billions)



Source: Bloomberg



Date	Country	Event	Period	Surv(M)	Actual	Prior	Revised
10/18	Canada	Housing Starts	Sep	256.5k	251.2k	260.2k	262.8k
10/18	United States	Industrial Production MoM	Sep	0.1%	-1.3%	0.4%	-0.1%
10/19	United States	Housing Starts	Sep	1615k	1555k	1615k	1580k
10/20	United Kingdom	CPI MoM	Sep	0.4%	0.3%	0.7%	--
10/20	United Kingdom	CPI YoY	Sep	3.2%	3.1%	3.2%	--
10/20	United Kingdom	CPI Core YoY	Sep	3.0%	2.9%	3.1%	--
10/20	Eurozone	CPI YoY	Sep F	3.4%	3.4%	3.4%	--
10/20	United States	MBA Mortgage Applications	Oct 15	--	-6.3%	0.2%	--
10/20	Canada	CPI NSA MoM	Sep	0.1%	0.2%	0.2%	--
10/20	Canada	CPI YoY	Sep	4.3%	4.4%	4.1%	--
10/21	United States	Initial Jobless Claims	Oct 16	297k	290k	293k	296k
10/21	Russia	Gold and Forex Reserve	Oct 15	--	620.3b	615.4b	--
10/21	United States	Leading Index	Sep	0.4%	0.2%	0.9%	0.8%
10/21	United States	Existing Home Sales	Sep	6.10m	6.29m	5.88m	--
10/22	Japan	Natl CPI YoY	Sep	0.2%	0.2%	-0.4%	--
10/22	Japan	Jibun Bank Japan PMI Mfg	Oct P	--	53	51.5	--
10/22	United Kingdom	Retail Sales Inc Auto Fuel MoM	Sep	0.6%	-0.2%	-0.9%	-0.6%
10/22	France	Markit France Manufacturing PMI	Oct P	54	53.5	55	--
10/22	Greece	Markit/BME Germany Manufacturing PMI	Oct P	56.6	58.2	58.4	--
10/22	Eurozone	Markit Eurozone Manufacturing PMI	Oct P	57.1	58.5	58.6	--
10/22	United Kingdom	Markit UK PMI Manufacturing SA	Oct P	56	57.7	57.1	--
10/22	Russia	Key Rate	Oct 22	7.00%	7.50%	6.75%	--
10/22	United States	Markit US Manufacturing PMI	Oct P	60.5	59.2	60.7	--
10/25	Greece	IFO Expectations	Oct	96.6	--	97.3	--
10/25	Greece	IFO Business Climate	Oct	98	--	98.8	--
10/26	United States	New Home Sales	Sep	756k	--	740k	--
10/26	United States	Conf. Board Consumer Confidence	Oct	108.5	--	109.3	--
10/27	Eurozone	M3 Money Supply YoY	Sep	7.5%	--	7.9%	--
10/27	United States	MBA Mortgage Applications	Oct 22	--	--	-6.3%	--
10/27	United States	Wholesale Inventories MoM	Sep P	1.0%	--	1.2%	--
10/27	United States	Durable Goods Orders	Sep P	-1.0%	--	1.8%	--
10/27	Canada	Bank of Canada Rate Decision	Oct 27	0.25%	--	0.25%	--
10/28	Russia	Industrial Production YoY	Sep	4.6%	--	4.7%	--
10/28	Greece	Unemployment Change (000's)	Oct	-20.0k	--	-30.0k	--
10/28	Italy	Consumer Confidence Index	Oct	118.5	--	119.6	--
10/28	Italy	Manufacturing Confidence	Oct	112.3	--	113	--
10/28	Eurozone	ECB Main Refinancing Rate	Oct 28	0.000%	--	0.000%	--
10/28	Eurozone	ECB Deposit Facility Rate	Oct 28	-0.500%	--	-0.500%	--
10/28	Greece	CPI MoM	Oct P	0.4%	--	0.0%	--
10/28	Greece	CPI YoY	Oct P	4.4%	--	4.1%	--
10/28	United States	Initial Jobless Claims	Oct 23	290k	--	290k	--
10/28	United States	GDP Annualized QoQ	3Q A	2.8%	--	6.7%	--
10/28	Russia	Gold and Forex Reserve	Oct 22	--	--	620.3b	--
10/29	Japan	Tokyo CPI Ex-Fresh Food YoY	Oct	0.3%	--	0.1%	--



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Source and Abbreviation:

WORLD MPPI: Manufacturing Composite PMI, Seasonally Adjusted; WORLD SPPI: Service Composite PMI, Seasonally Adjusted; EM MPPI: Manufacturing Composite PMI, Seasonally Adjusted; EM SPPI: Service Composite PMI, Seasonally Adjusted; EURO CPI: Harmonised Index of Consumer Prices, 2015 = 100; EURO PPI: Producer Price Index, 2015 = 100; EURO UNEMP: Unemployment Rate; EURO MPPI: Manufacturing Composite PMI, Seasonally Adjusted; EURO SPPI: Service Composite PMI, Seasonally Adjusted; CHINA MPPI: Manufacturing Composite PMI, Seasonally Adjusted; CHINA SPPI: Service Composite PMI, Seasonally Adjusted; US CPI: Consumer Price Index (1967 = 100); US PPI: Producer Price Index, 2009 = 100; US UNEMP: Unemployment Rate; US MPPI: Manufacturing Composite PMI, Seasonally Adjusted; SWISS MPPI: Manufacturing Composite PMI, Seasonally Adjusted; SWISS SPPI: Service Composite PMI, Seasonally Adjusted; EM: Emerging Market, ASIA PAC: Asia Pacific, AGG: Aggregate, IG: Investment Grade, HY: High Yield, OAS: Option Adjusted Spread, AGRI: Agricultural, FOMC: Federal Open Market, SAAR: Seasonally Adjusted Annual Rate

Graphs:

MSCI World Index: Source – MXWO Index; Global PMI: Source – MPMIGLMA Index, MPMIGLSA Index; Brent Crude Price: Source – CO1 Comdty. Economy Index:

WORLD MPPI: Source: MPMIGLMA Index; WORLD SPPI: Source: MPMIGLSA Index; EM MPPI: MPMIEMMA Index; EM SPPI: MPMIEMSA Index. EURO CPI: CPALAU Index, EURO PPI: PPTX27 Index; EURO Unemployment: UMRT27 Index; EURO MPPI: MPMIEUMA Index, EURO SPPI: MPMIEUSA Index. China MPPI: MPMICNMA Index, China SPPI: MPMICNSA Index; US CPI: CPI INDX Index; US PPI: FDIDFDA Index, US UNEMP: USURTOT Index, US MPPI: NAPMPPI Index, SWISS MPPI: SZPUI Index, SWISS SPPI: SZPUSERV Index

Key Rates:

US 2Y: GT2 GOVT, US 5Y: GT5 GOVT, US 10Y: GT10 GOVT, US 30Y: GT30 GOVT, CHINA 2Y: GTCNY2Y GOVT, CHINA 5Y: GTCNY5Y GOVT, CHINA 10Y: GTCNY10Y GOVT, CHINA 30Y: GTCNY30Y GOVT, EURO 2Y: GTEUR2Y GOVT, EURO 5Y: GTEUR5Y GOVT, EURO 10Y: GTEUR10Y GOVT, EURO 30Y: GTEUR30Y GOVT, SWISS 2Y: GTCHF2Y GOVT, SWISS 5Y: GTCHF5Y GOVT, SWISS 10Y: GTCHF10Y GOVT, SWISS 30Y: GTCHF30Y GOVT

Equities Index:

EM: MXEF Index; ASIA PAC: MXAP Index; US: SPX Index; EURO: MXEU Index; CHINA: MXCN Index; SWISS: MXCH Index; WORLD LARGE CAP: MXWOLC Index; WORLD SMALL CAP: MXWOSC Index; WORLD VALUE: MXWO000V Index; WORLD GROWTH: MXWO000G Index; WORLD MOMENTUM: M1WOMOM Index; LARGE CAP: SPX Index; SMALL CAP: SPTRSMCP Index; VALUE: SPXPV Index; GROWTH: SPXPG Index; MOMENTUM: SP500MUP Index; S&P UTILITIES: S5UTIL Index; S&P REAL ESTATE: S5RLST Index; S&P ENERGY: S5ENRS Index; S&P HEALTHCARE: S5HLTH Index; S&P S&P500: SPX Index; S&P CONSUMER STAPLES: S5CONS Index; S&P TECHNOLOGY: S5INFT Index; S&P MATERIALS: S5MATR Index; S&P FINANCIALS: S5FINL Index; S&P COMM SERVICES: S5TELS Index; S&P INDUSTRIALS: S5INDU Index; S&P CONSUMER DISCRETIONARY: S5COND Index; MSCI TECHNOLOGY: MXWO0IT Index; MSCI REAL ESTATE: MXWO0RE Index; MSCI UTILITIES: MXWO0UT Index; MSCI CONSUMER DISCRETIONARY: MXWO0CD Index; MSCI INDUSTRIALS: MXWO0IN Index; MSCI CONSUMER STAPLES: MXWO0CS Index; MSCI COMM SERVICES: MXWO0TC Index; MSCI MSCI WORLD: MXWO Index; MSCI FINANCIALS: MXWO0FN Index; MSCI MATERIALS: MXWO0MT Index; MSCI HEALTHCARE: MXWO0HC Index; MSCI ENERGY: MXWO0EN Index;

Fixed Income Index:

WORLD AGG: LEGATRUU Index; US AGG: LBUSTRUU Index; EURO AGG: LP06TREU Index; CHINA AGG: LACHTRUU Index; EM AGG: EMUSTRUU Index; SWISS AGG: LSFATRCU Index; WORLD IG OAS: LGCPOAS Index; WORLD HY OAS: LG30OAS Index; US IG OAS: LUACOAS Index; US HY OAS: LF98OAS Index; EM IG OAS: BEHGOAS Index; EM HY OAS: BEBGOAS Index; EURO IG OAS: LP05OAS Index; EURO HY OAS: LP01OAS Index;

Commodities and Currencies:

COMMODITIES: BCOMTR Index; ENERGY: BCOMENTR Index; AGRIL&LIVESTOCK: BCOMAVT Index; SOFT: BCOMSOTR Index; PRECIOUS METAL: BCOMPRTR Index; INDUSTRIAL METAL: BCOMINTR Index; EUR/USD: EURUSD BGN Curncy; JPY/USD: JPYUSD BGN Curncy; GBP/USD: GBPUSD Curncy; CHF/USD: CHFUSD Curncy; CNY/USD: CNYUSD Curncy; SGD/USD: SGDUUSD Curncy;

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