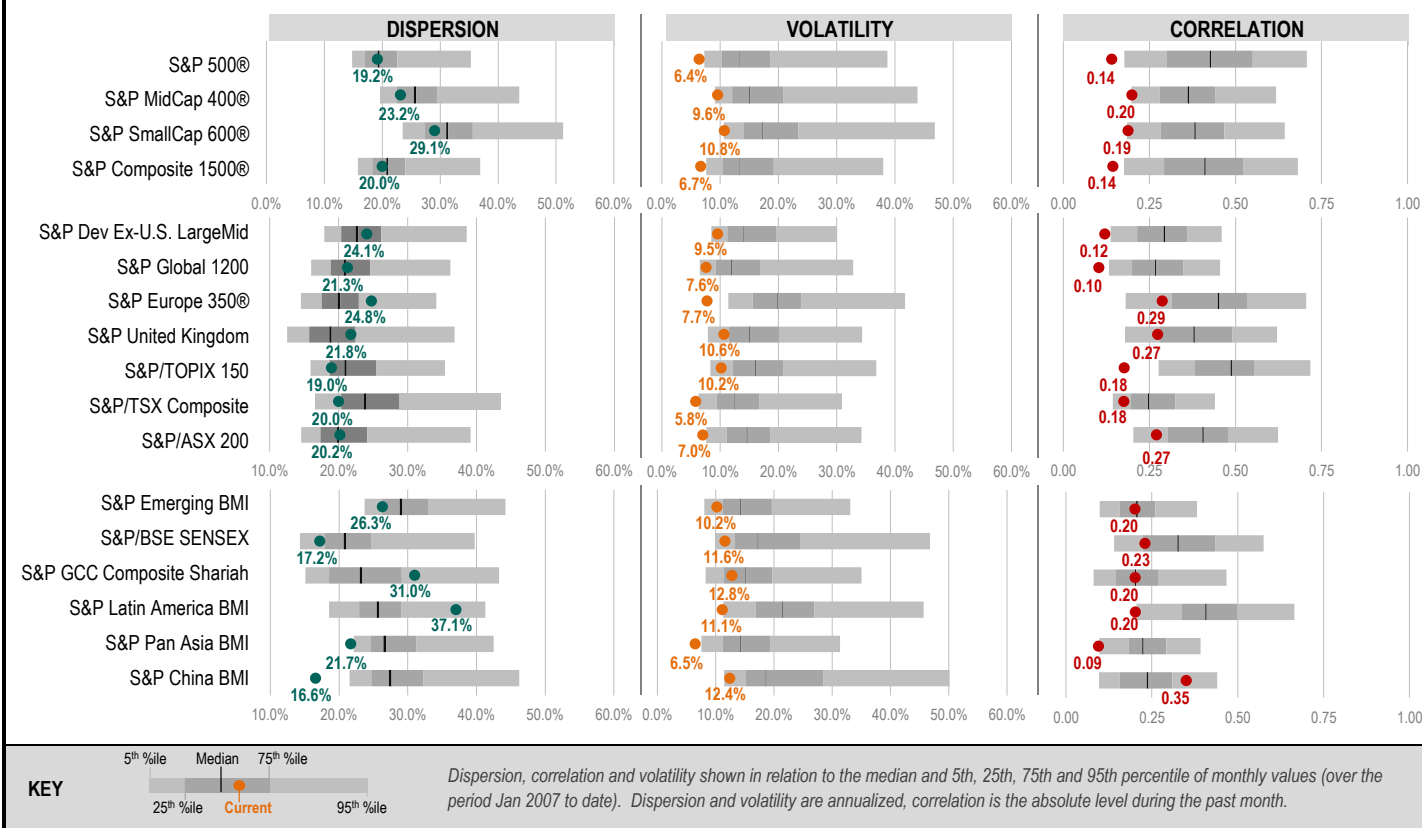


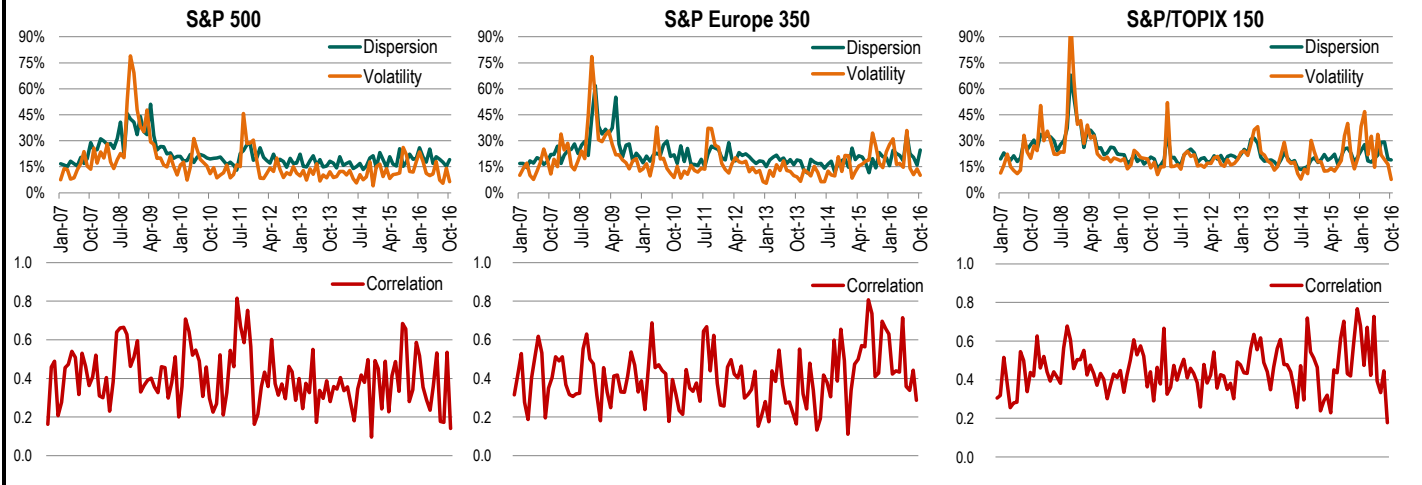
### COMMENTARY

- The daily volatility of the S&P Global 1200 reached its lowest for two years in October; while volatility of a significant proportion of indices was within the lowest 5% of monthly observations since 2007.
- Correlations have continued their downward trend and reached one or multi-year lows in several indices this month.
- Dispersion has uncoupled from volatility over the past quarter and in October moved in an opposite direction for many indices.
- If the trend for lower market volatility and moderate dispersion continues, it could signify a welcome change for active managers: a strengthened diversification effect, and greater rewards for successful stock-picking.

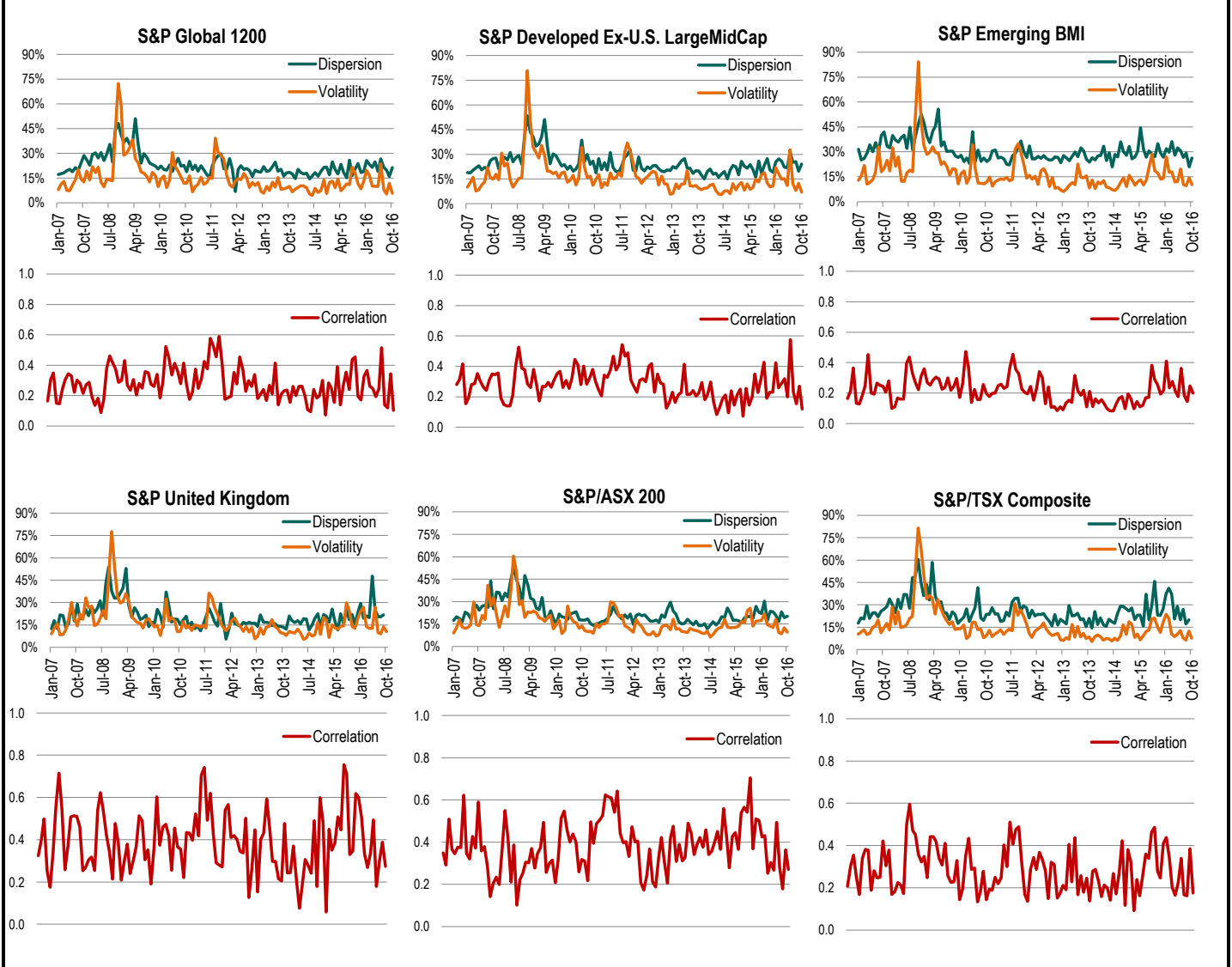
### GLOBAL DASHBOARD



### MAJOR BENCHMARKS JAN 2007 TO DATE



### MAJOR BENCHMARKS JAN 2007 TO DATE (cont'd)



### NOTES

#### Definitions

- **Dispersion** for each index is the annualized stock-level index-weighted standard deviation of constituent stock total returns over the month.
- **Volatility** for each index is the annualized standard deviation daily price returns over the month.
- **Correlation** for each index is the index-weighted average pairwise correlation among daily total returns of constituent stocks over the month.

#### Historical Measurement Periods

- The time period over which the median and percentiles of dispersion and correlation are measured begins with January, 2007 and ends with the current month except in the cases of the S&P GCC Composite Shariah (which has a history to April, 2007).

#### References

- See "[Dispersion Measuring Market Opportunity](#)" for the definition of index dispersion and more information on the uses of dispersion.
- See "[The Landscape of Risk](#)" for details on the relationship between correlation, volatility and dispersion.

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