

Quarterly  
Trends Report

October 2024

KILLIK & Co

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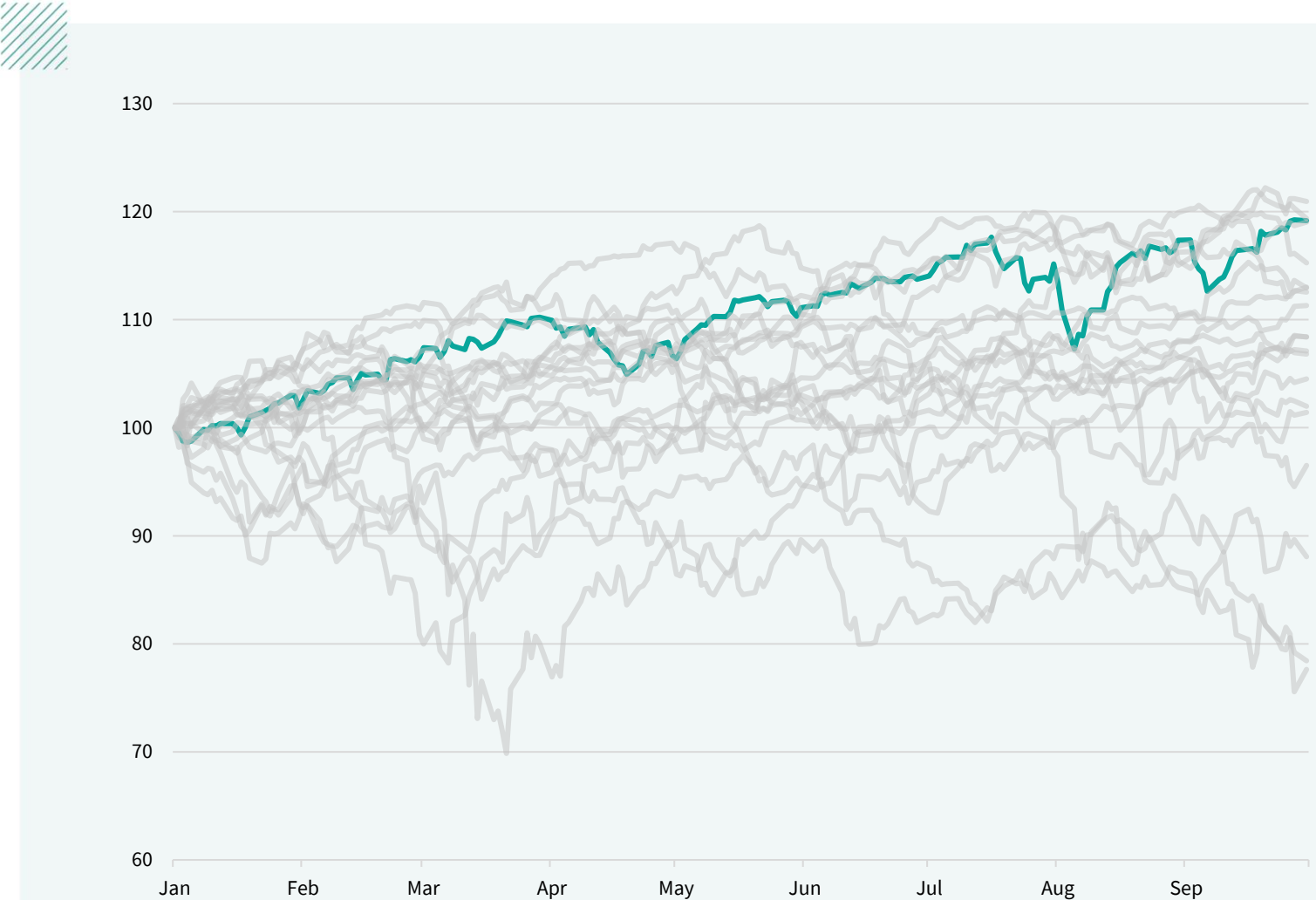
The third quarter of the year was another positive one for global equity markets...



Capital at risk. Past performance is not a reliable indicator of future results.

Source: FactSet

...building on gains made in the prior six months to post the **third strongest first nine months of the year in the last two decades.**



Capital at risk. Past performance is not a reliable indicator of future results.

Source: Bloomberg

## Quarterly Trends Report > Exhibit 3: MSCI World Sector Performance

### The equity market rally broadened.

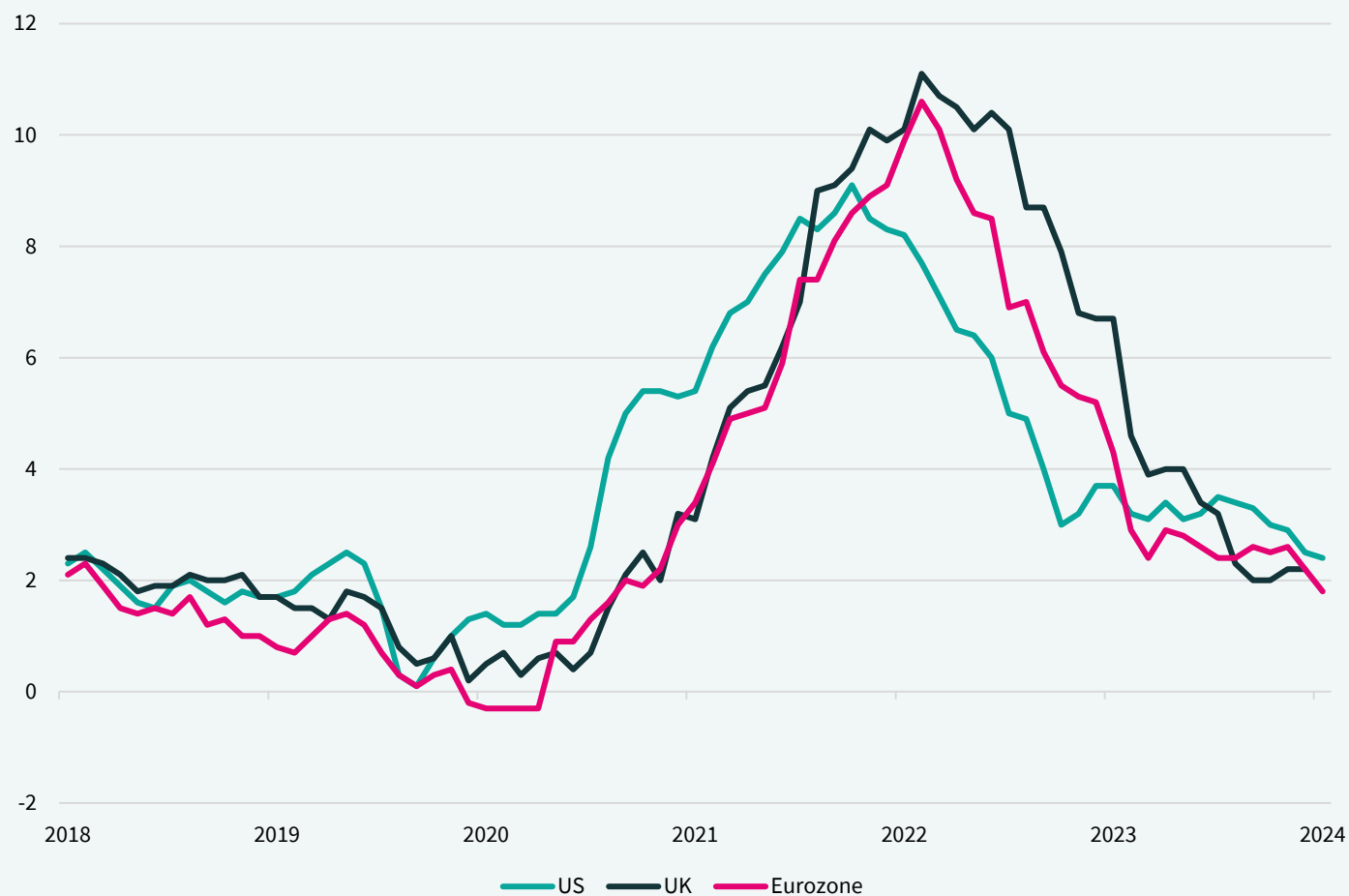
Seven of the eleven sectors that make up the MSCI World Index outperformed the overall market in the third quarter. This compares to four of eleven since the beginning of the year, and just one of eleven over the past five years.

	Q3 2024	Year-to-date	Five Years
Utilities	17.6%	22.9%	35.8%
Real Estate	16.9%	12.4%	10.4%
Financials	10.7%	21.8%	72.4%
Materials	10.6%	10.3%	66.8%
Industrials	10.4%	18.4%	76.8%
Consumer Staples	9.2%	13.0%	34.2%
Consumer Discretionary	7.2%	11.8%	66.0%
MSCI World Index	6.4%	18.9%	83.7%
Health Care	5.7%	14.1%	71.0%
Telecommunications	2.8%	25.5%	70.8%
Information Technology	1.5%	27.0%	186.9%
Energy	-2.4%	5.7%	72.3%

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## Quarterly Trends Report > Exhibit 4: Consumer Price Indices, year-on-year

Performance was supported by the continued **trend lower in inflation** in most major economies...



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Source: Bloomberg

...leading to interest rate cuts from the US Federal Reserve, the Bank of England, and the European Central Bank. Expectations are that there will be a further rate cut from each before the end of the year.



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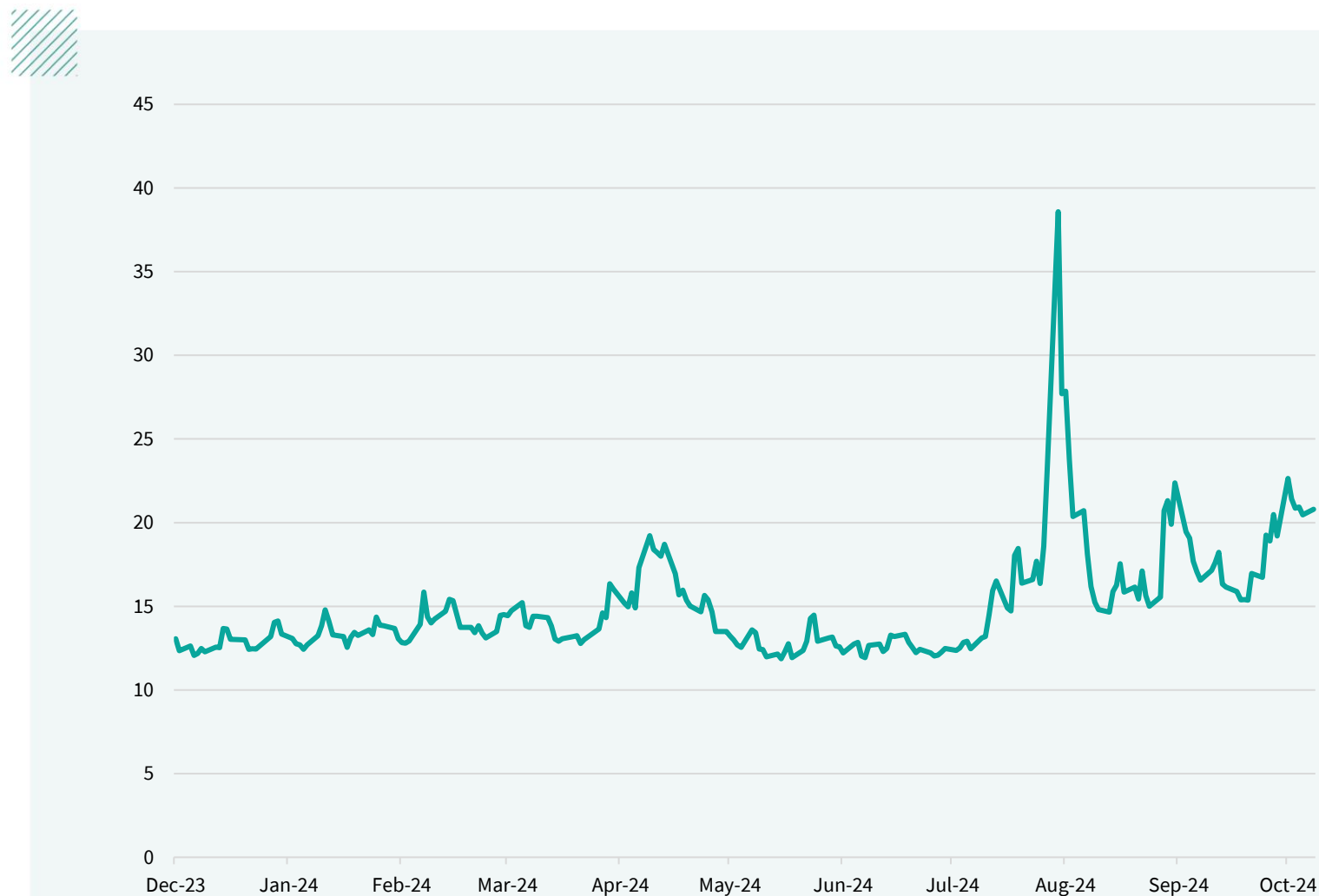
Source: Bloomberg



## Quarterly Trends Report > Exhibit 6: VIX Index

The third quarter of the year also saw an **increase in market volatility**, as measured by the VIX Index. Higher volatility may persist into the fourth quarter, given ongoing geopolitical tensions in Ukraine and the Middle East, and significant upcoming political events, including the US Presidential Election.

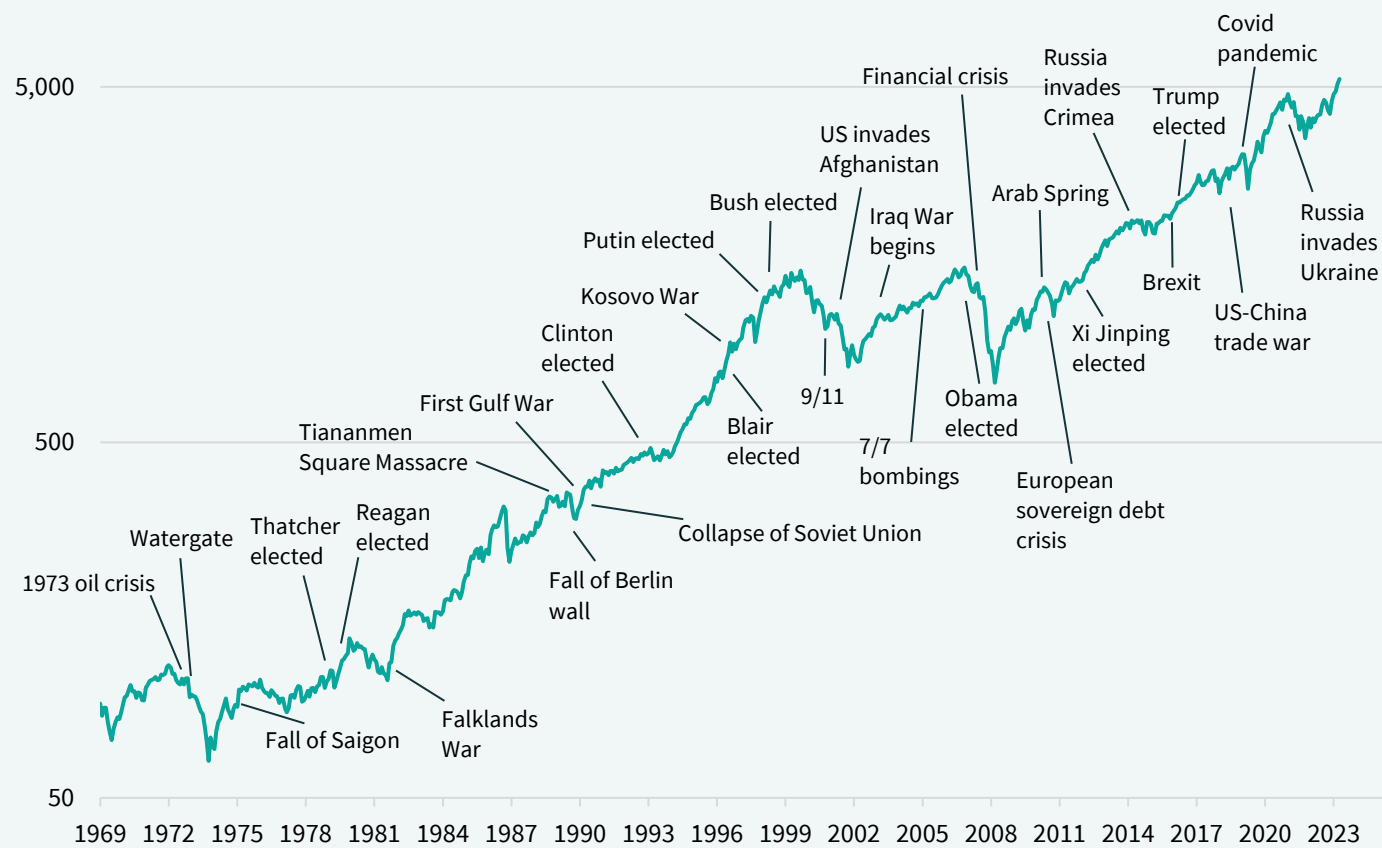
Capital at risk. Past performance is not a reliable indicator of future results.



Source: Bloomberg

## Quarterly Trends Report > Exhibit 7: S&P 500 Index

However, it is worth remembering that while such events might cause short term volatility, historically they have **not significantly impacted long-term equity market returns.**

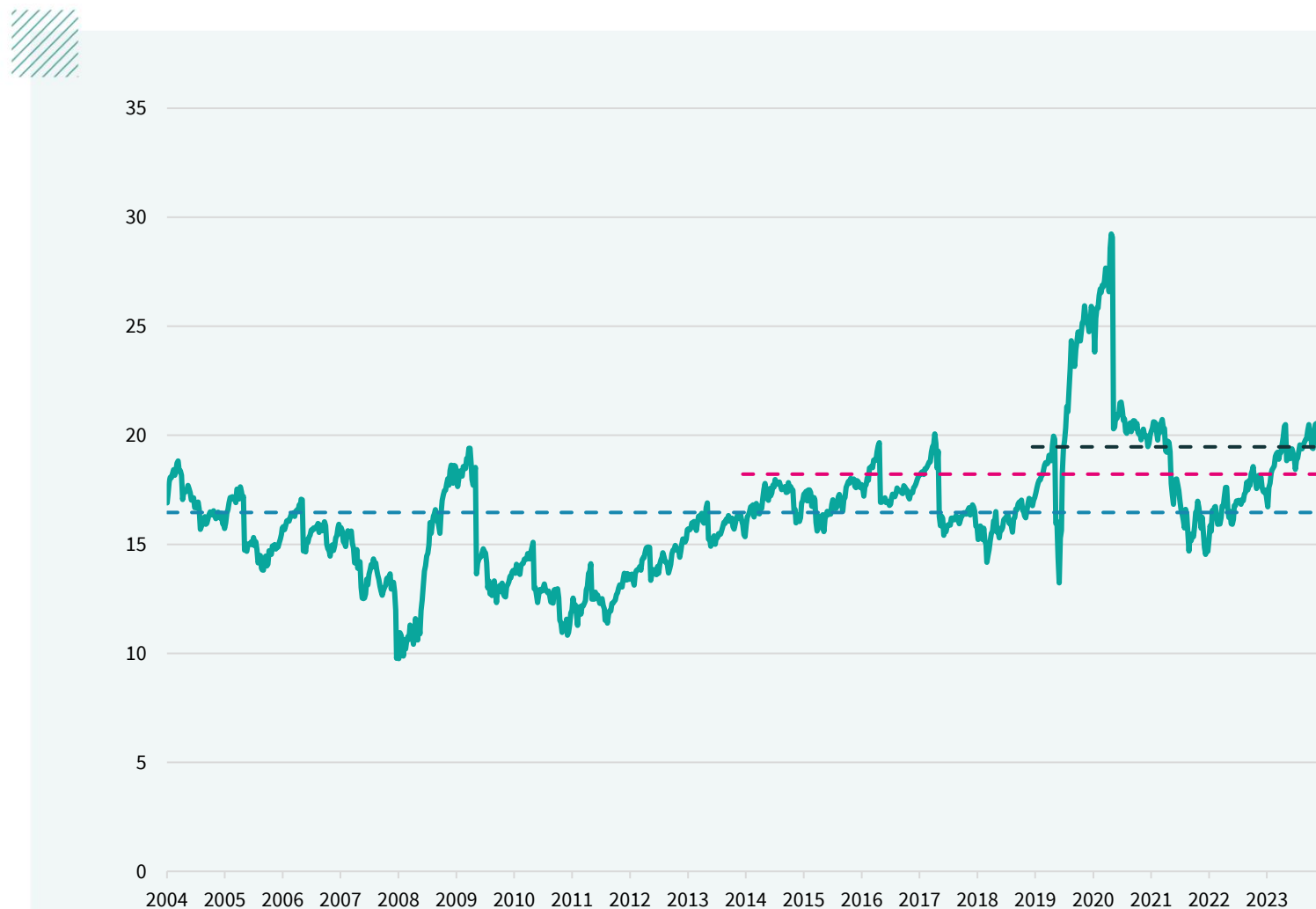


Capital at risk. Past performance is not a reliable indicator of future results.



Equity market valuations are above historical averages. Excluding elevated valuations on certain megacap stocks, the market's price to earnings ratio is more than two turns lower.

Capital at risk. Past performance is not a reliable indicator of future results.



Source: Bloomberg

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