



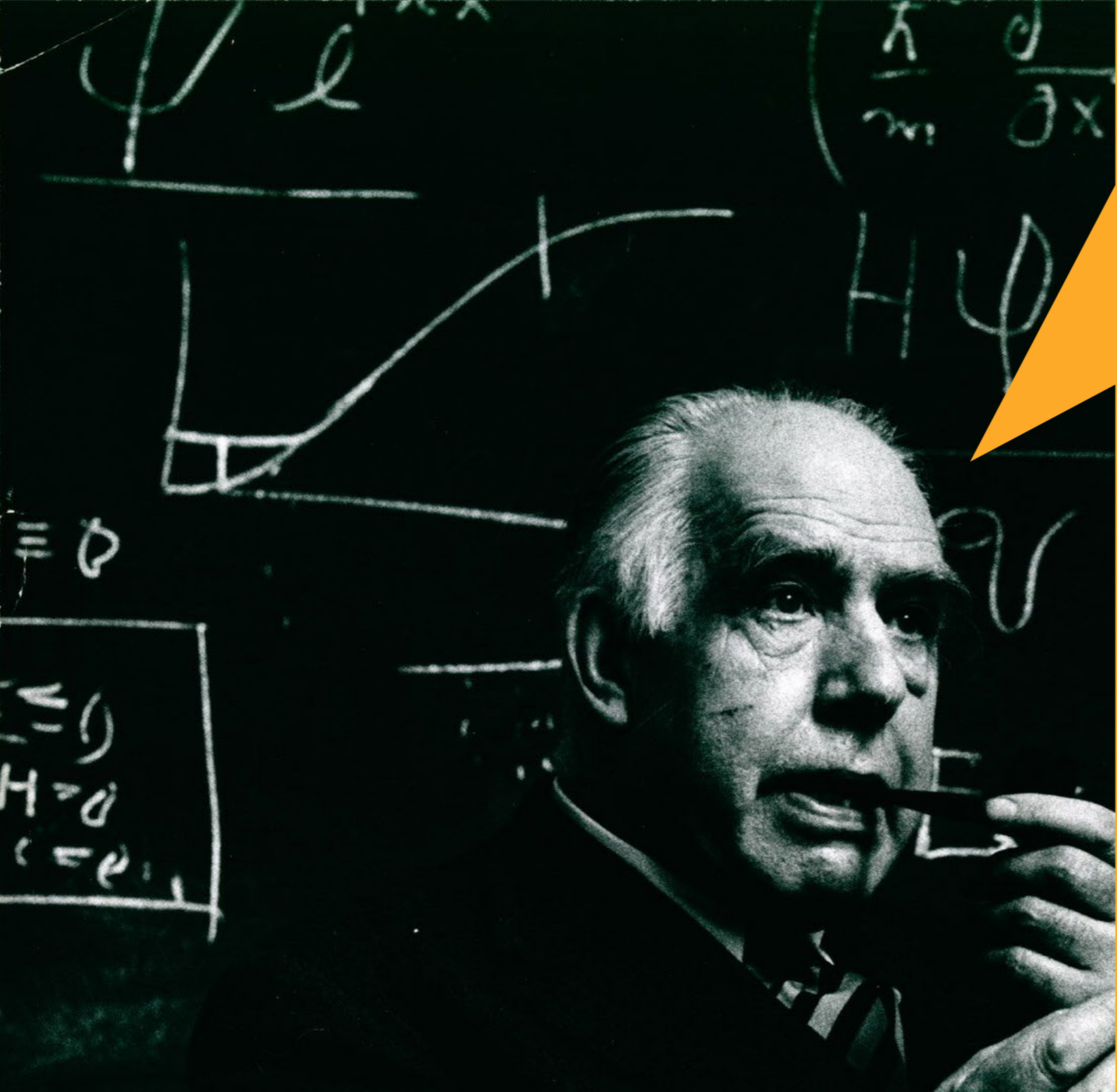
Investing for a world of change

Philip Saunders, Ninety One

Nicholas Fawcett, BlackRock Investment Institute

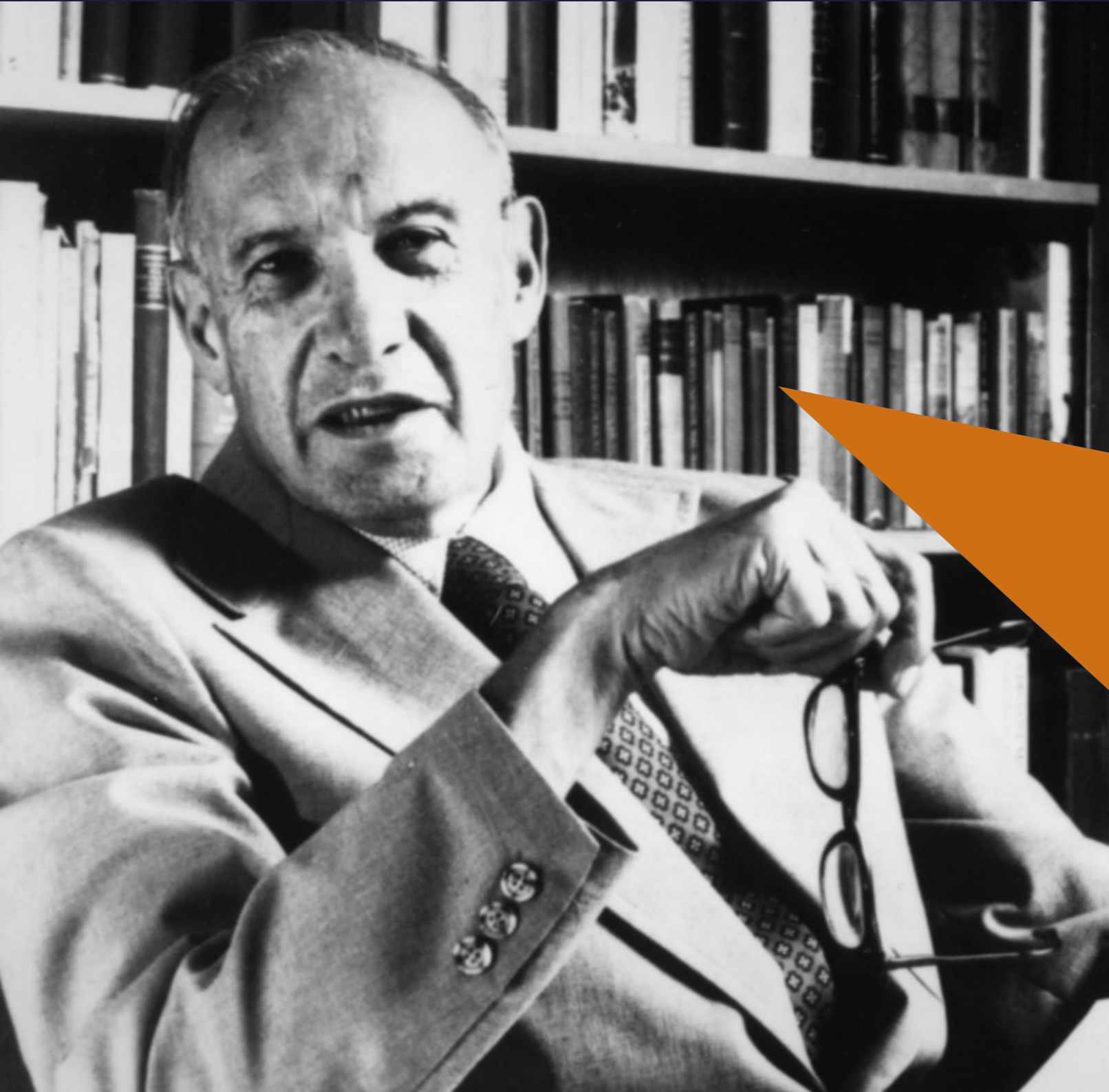
Amit Parmar, J.P. Morgan Asset Management (STANLIB)

Tom Walker, Schroders



Prediction
is very
difficult,
especially if
it's about
the future

- Niels Bohr
Danish Physicist



Discerning
the future
that has
already
happened

- Peter Drucker



A thematic framework
for thinking about the
*future that has already
happened*





The onset of the era of disinflation

– Paul Volcker
Chairman of the
US Federal Reserve
1979– 1987



The culmination of the old disinflationary regime

US 10-year yields have moved above our fair-value estimates



The Rise of China





China moving up the value chain

America's new 'Sputnik moment'

"All the News That's Fit to Print"

The New York Times

VOL. CVII..No. 36,414.

© 1957, by The New York Times Company, Times Square, New York 36, N. Y.

NEW YORK, SATURDAY, OCTOBER 5, 1957.

LATE CITY EDITION

U. S. Weather Bureau Report (Page 3)
 Cloudy and cool today and tomorrow.
 Mostly fair tomorrow.
 Temp. range: 65-53. Yesterday: 62-48.

10¢ beyond 100-mile zone from New York City

FIVE CENTS

SOVIET FIRES EARTH SATELLITE INTO SPACE; IT IS CIRCLING THE GLOBE AT 18,000 M. P. H.; SPHERE TRACKED IN 4 CROSSINGS OVER U. S.

HOFFA IS ELECTED TEAMSTERS' HEAD; WARNS OF BATTLE

Defeats Two Foes 3 to 1
 —Says Union Will Fight 'With Every Ounce'

Text of the Hoffa address is printed on Page 6.

By A. H. EASKIN
 Special to The New York Times
 MIAMI BEACH, Oct. 4—The scandal-scared International Brotherhood of Teamsters elected James R. Hoffa as its president today.

He won by a margin of nearly 3 to 1 over the combined vote of two rivals who campaigned on pledges to clean up the nation's biggest union.

Senate rackets investigators and Hoffa critics in the union rank-and-file immediately opened actions to strip the 44-year-old former warehouseman from Detroit of his election victory.

A jubilant Hoffa exhibited, however, greater concern over the possibility that his union might be ousted from the American Federation of Labor and Congress of Industrial Organizations. He appealed for time to prove that he could make the teamsters "a model of trade unionism."

The parent organization has ordered the 1,400,000-member Teamsters Union to get rid of corrupt leadership by Oct. 24 or face suspension. Hoffa said he felt action was necessary.

IN TOKEN OF VICTORY: Dave Beck, retiring head of the Teamsters Union, raises hand of James R. Hoffa upon his election as union's president. At right is Mrs. Hoffa.

FAUBUS COMPARES HIS STAND TO LEE'S

Says He Will Remain Loyal to People of Arkansas—All Is Quiet

Flu Widens in City; 10% Rate Predicted; 200,000 Pupils Out

ARGENTINA TAKES EMERGENCY STEPS



Associated Press Wirephoto

COURSE RECORDED

Navy Picks Up Radio Signals—4 Report Sighting Device

By WALTER SULLIVAN
 Special to The New York Times
 WASHINGTON, Saturday, Oct. 5—The Naval Research Laboratory announced early today that it had recorded four crossings of the Soviet earth satellite over the United States.

It said that one had passed near Washington. Two crossings were farther to the west. The location of the fourth was not made available immediately. It added that tracking would be continued in an attempt to pin down the orbit sufficiently to obtain scientific information of the type sought in the International Geophysical Year.

[Four visual sightings, one of which was in conjunction with a radio contact, were reported by early Saturday morning. Two sightings were made at Columbus, Ohio, and one each from Terre Haute, Ind., and Whittier, Calif.]

Press Reports Noted Soviet newspapers reported several weeks ago that the Soviet satellites had been launched.



The New York Times

The approximate orbit of the Russian earth satellite is shown by black line. The rotation of the earth will bring the United States under the orbit of Soviet-made moon.

560 MILES HIGH

Visible With Simple Binoculars, Moscow Statement Says

Text of Tass announcement appears on Page 3.

By WILLIAM J. JORDEN
 Special to The New York Times

MOSCOW, Saturday, Oct. 5—The Soviet Union announced this morning that it successfully launched a man-made earth satellite into space yesterday.

The Russians calculated the satellite's orbit at a maximum of 560 miles above the earth and its speed at 18,000 miles an hour.

The official Soviet news agency Tass said the artificial moon, with a diameter of twenty-two inches and a weight of 184 pounds, was circling the earth once every thirty-four minutes.

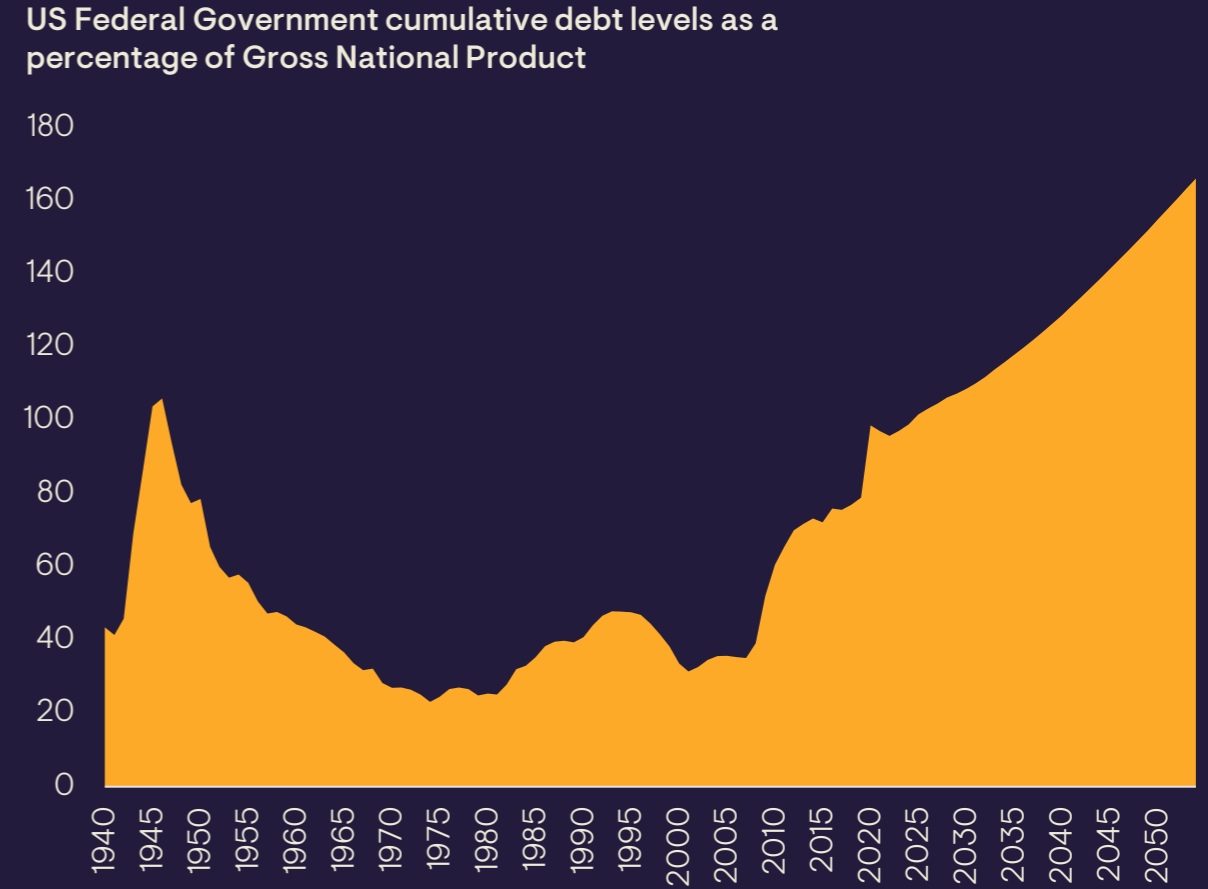
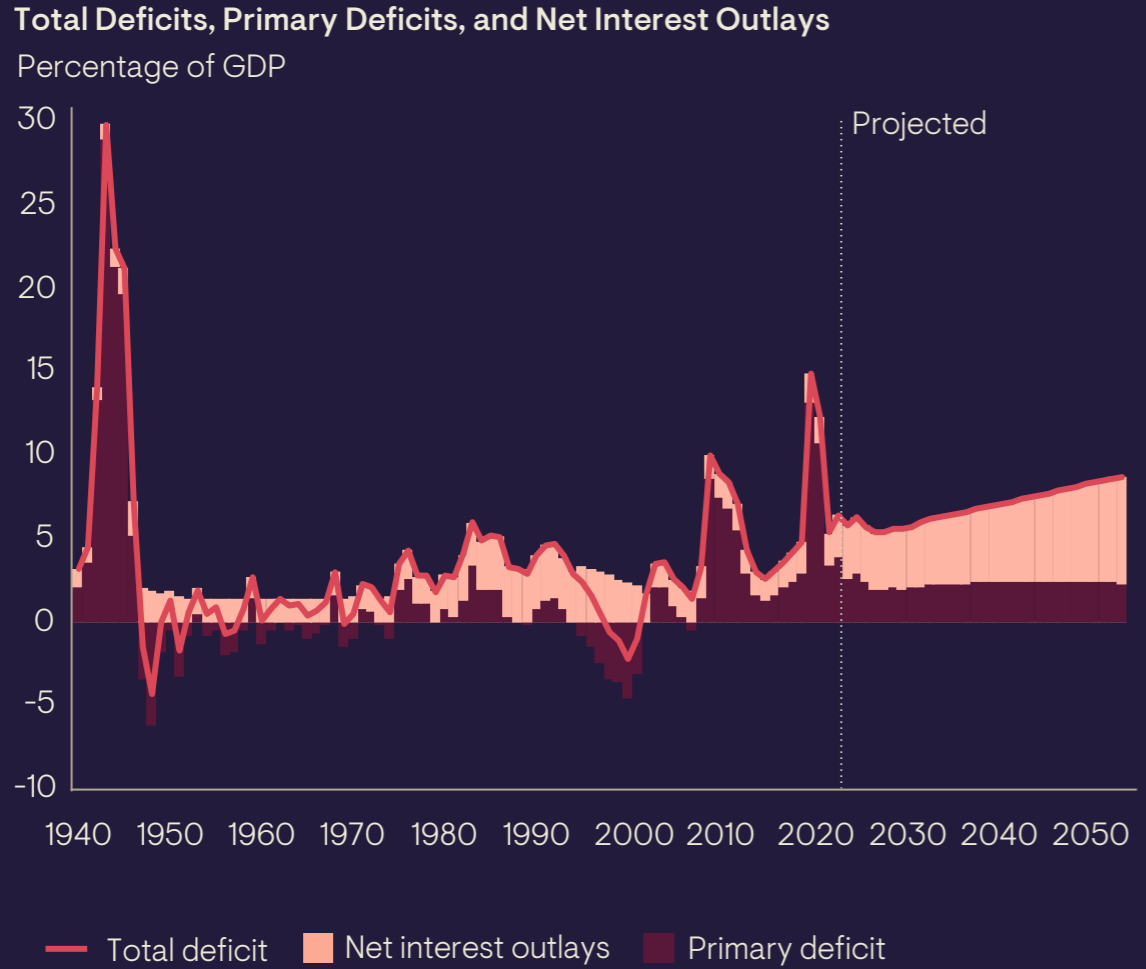
Device Is 8 Times Heavier Than One Planned by U.S.



An 'army of robots' is coming
... but technological diffusion takes time



Government debt levels are already uncomfortably high





Conclusions

Markets in the process of repricing but valuations are still elevated



Capital Market Assumptions

Fixed Income – 31 March 2024 output

	EMLC	South Africa	CEMBI	EMBI	US HY	US IG	China	Global	UK	Japan	Europe	USA
Income	6.6%	11.4%	6.3%	7.3%	7.3%	5.2%	2.3%	3.1%	3.9%	0.7%	2.3%	4.1%
Growth	0.3%	1.4%	-0.9%	-0.5%	-1.6%	0.2%	-0.4%	0.6%	0.8%	1.5%	0.4%	0.3%
Revaluation	-0.3%	-1.1%	-0.6%	-0.5%	-0.9%	-0.6%	-0.2%	-0.6%	-0.7%	-1.5%	-0.3%	-0.4%
Predicted Total Return (LC) - log	6.5%	11.7%	4.8%	6.4%	4.8%	4.8%	1.7%	3.0%	3.9%	0.8%	2.3%	4.0%

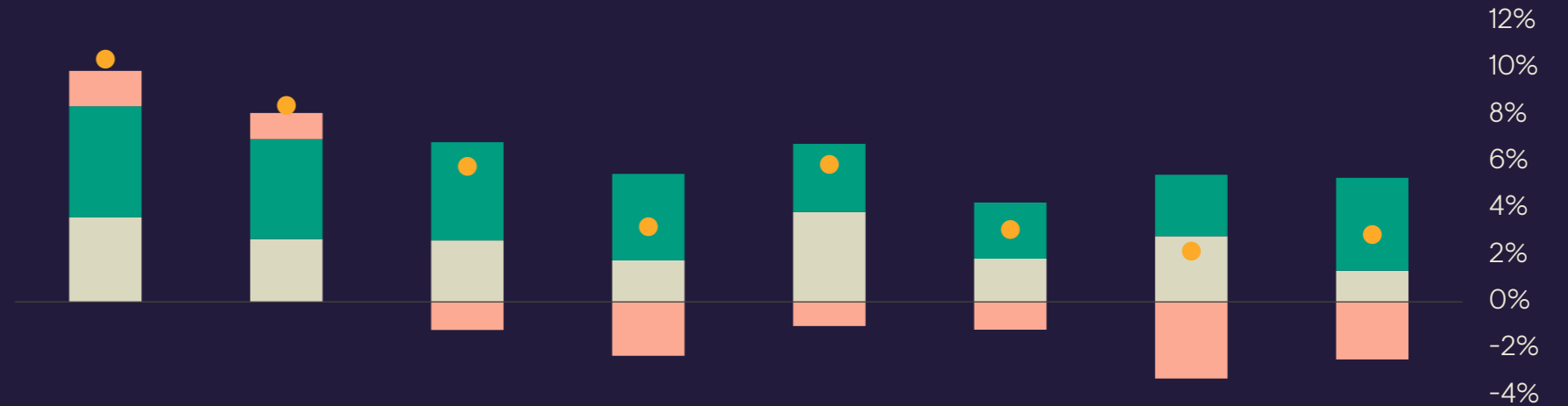
Source: Ninety One proprietary capital market assumptions as at 31 March 2024. Estimates are nominal, gross of fees and ignore alpha. The final total returns are converted from logarithmic to geometric estimates. This means that the components of the return breakdown may not sum to the total return. Judgemental overrides may apply where deemed necessary – for example as currently applied to the UK assumption to account for the region’s current dividend yield which is in our view structurally out-of-kilter both with its own history, and that of peers. Modelling involves risks, assumptions and uncertainties. These estimates reflect the view of Ninety One’s Multi-Asset team, while the views of other teams across Ninety One may differ. Performance does not guarantee future results. Actual returns could be materially higher or lower than projected. For information on our Capital Markets Assumptions methodology, please see Important Information.

Return breakdowns in local currency



Conclusions

Markets in the process of repricing but valuations are still elevated



Capital Market Assumptions

Equities – 31 March 2024 output

Income

Growth

Revaluation

Predicted Total Return (LC) - log

South Africa

China

Emerging markets

Global

UK

Japan

Europe ex UK

US

3.6%

2.7%

2.6%

1.8%

3.8%

1.8%

2.8%

1.3%

4.7%

4.3%

4.2%

3.7%

2.9%

2.4%

2.6%

4.0%

1.5%

1.1%

-1.2%

-2.3%

-1.0%

-1.2%

-3.3%

-2.5%

9.9%

8.1%

5.6%

3.2%

5.7%

3.0%

2.2%

2.8%

Source: Ninety One proprietary capital market assumptions as at 31 March 2024. Estimates are nominal, gross of fees and ignore alpha. The final total returns are converted from logarithmic to geometric estimates. This means that the components of the return breakdown may not sum to the total return. Judgemental overrides may apply where deemed necessary – for example as currently applied to the UK assumption to account for the region’s current dividend yield which is in our view structurally out-of-kilter both with its own history, and that of peers. Modelling involves risks, assumptions and uncertainties. These estimates reflect the view of Ninety One’s Multi-Asset team, while the views of other teams across Ninety One may differ. Performance does not guarantee future results. Actual returns could be materially higher or lower than projected. For information on our Capital Markets Assumptions methodology, please see Important Information. Return breakdowns in local currency



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