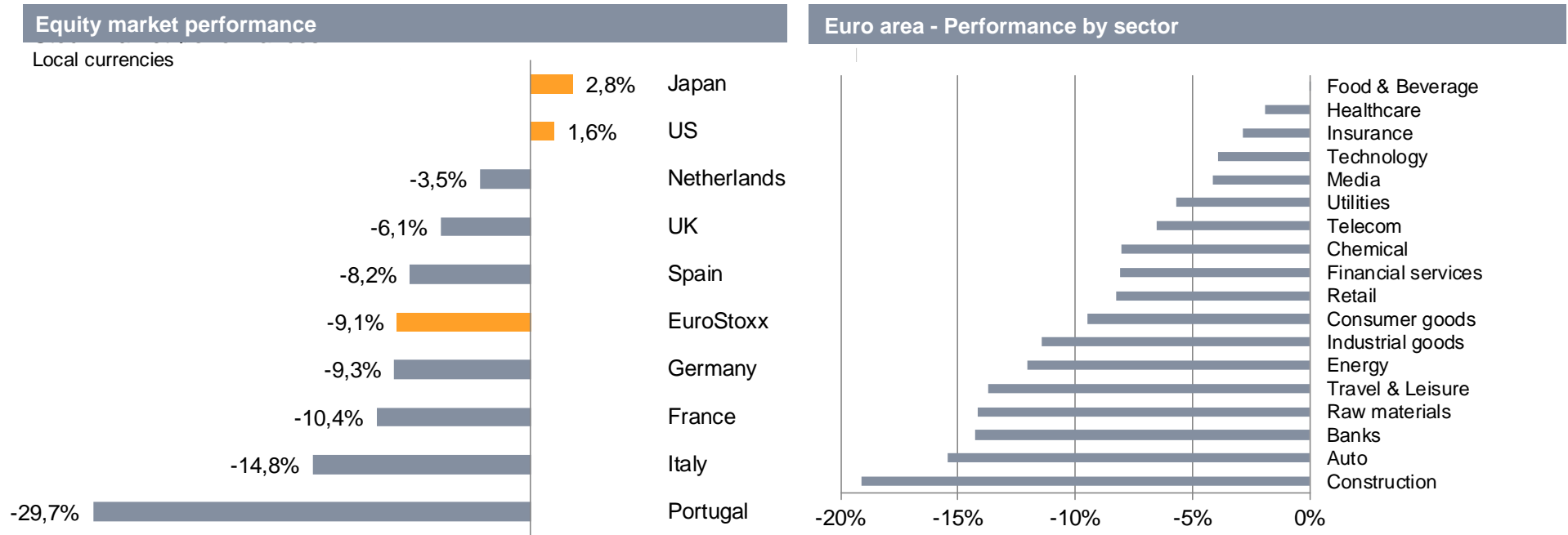


## 2.1 A market adjustment, especially in the Eurozone

Performance from June 9, to October 29, 2014



Source Datastream, Rothschild

Source Datastream, Rothschild

## 2.21 Equity market

### Europe is better value than the US

#### Eurozone vs S&P 500

Base 100 = 29/10/2010



#### P/E ratio compared per sector US/ Europe

Sectors	Europe 2014e P/E	US 2014e P/E	Ecart
Oil & Gas	11.5	14.9	-3.4
Oil services	12.3	16.8	-4.5
Chemicals	16.3	18	-1.7
Construction Materials	17.6	46.4	-28.8
Metals & Mining	14.9	20.2	-5.3
Aerospace & Defense	14.1	15.5	-1.4
Building Products	18.1	21.3	-3.2
Construction	14.9	17	-2.1
Capital Goods	15.8	16.3	-0.5
Transportation	15.2	17.1	-1.9
Automobile & Components	9.9	15.2	-5.3
Durables & Apparel	17.2	18.4	-1.2
Hotel & Restauration	19.2	21.5	-2.3
Media	16.3	20.8	-4.5
Retailing (specialised)	19.4	22.9	-3.5
Food Retailing	12.7	17.7	-5
Beverages	18.9	19.6	-0.7
Food Products	21	18.4	2.6
Tobacco	14.9	16.5	-1.6
HPC	19.8	19.4	0.4
Health Care	17.2	17.3	-0.1
Banks	12.8	12.8	0
Diversified Financials	13.3	15.5	-2.2
Insurance	10.3	11.3	-1
Real Estate	19.2	43.2	-24
Software & IT Services	17.4	19.1	-1.7
Technology Hardware	21.8	14.3	7.5
Semi-conductors	27.9	16.2	11.7
Telecom	17.1	14.9	2.2
Utilities	14.3	15.9	-1.6
<b>Market</b>	<b>14.7</b>	<b>16.5</b>	<b>-1.8</b>

## 2.29 Style performance

### Opportunities in cyclicals

#### Euro area – Cyclicals vs. Defensives

100 = 30 June 2007

Cyclicals: Utilities, Real Estate, Industrial Goods & Services, Automobiles, Leisure

↳ indust, Auto

Defensives: Personal & Household goods, Food & Beverage, Health

