



# The Market Place

- Global equities fell -0.4% last week
- Government bond yields continued to rise around the world
- Brent crude fell -6.8% to \$64.5 a barrel as demand flags in key markets
- Gold rose by 1% to 1745.2 per ounce

## US

US equities fell -0.8% last week despite the major index hitting an all-time high last Wednesday before falling back. Energy stocks were the biggest losers

The composite PMI for February rose to 59.5, it's highest reading in seven years

The 10-year treasury yield rose for a seventh consecutive week ending Friday at 1.7%. The 2y10y curve steepened to 456.8bps, its highest level since July 2015

Weekly jobless claims rose to 770K, above market expectations of 700K

Industrial production fell 2.3% in February

A dovish policy statement from the Federal Reserve last Wednesday indicated that policy makers are not anticipating any rate hike until 2023 and said they are going to maintain the pace of their asset-purchasing program

## Europe

Continental European equities rose +0.3% last week

The German 10-year Bund yield rose +1.2bps to -0.29%

Germany's exports rose 1.4% month-on-month in January, higher than the previous increase

European car sales slump continued in February with new registrations plunging by 20% to 850K - the lowest total for a month since 2013

France has imposed a third lockdown in the Paris area

The EU is seeking to reset its vaccination drive after reversing its Oxford/AstraZeneca ban

## UK

UK equities fell -0.7% last week

The 10-year Gilt yield rose 1.6bps to 0.8%

The Bank of England's policymakers voted unanimously to keep the benchmark interest rate at an all-time low of 0.1% and its bond-purchasing program at £895bn

Britain and the EU are poised to strike a limited deal on post-Brexit financial services co-operation after months of fraught talks

European Commission President Ursula von der Leyen threatened to introduce emergency controls on vaccine production and distribution and to stop vaccine exports to the UK

## Asia / ROW

The benchmark Global Emerging Markets index fell -0.8% last week

Japanese equities had a strong week, returning +3.1% by the close on Friday

Japan's exports fell by a faster-than-expected 4.5% year on year in February

Chinese equities fell -0.4% last week - the losses came after an acrimonious meeting between President Xi Jinping and US President Joe Biden earlier in the week

Chinese retail sales in the combined January-February period rose 33.8% year on year, according to the National Bureau of Statistics

Brazil's central bank implemented its first rate hike since 2015, and its largest interest rate increase in more than a decade - rates increased from 2.0% to 2.75%

Turkey's central bank increased its key lending rate from 17% to 19% to address growing inflation risks



# Performance

Asset Class/Region	Currency				
		Week ending 19 Mar 2021	Month to date	YTD 2021	12 Months
Developed Market Equities					
United States	USD	-0.8%	2.7%	4.4%	64.4%
United Kingdom	GBP	-0.7%	3.8%	4.9%	31.4%
Continental Europe	EUR	0.3%	4.8%	5.9%	50.6%
Japan	JPY	3.1%	7.9%	11.6%	60.6%
Asia Pacific (ex Japan)	USD	-0.8%	-0.6%	4.3%	79.2%
Australia	AUD	-0.9%	1.2%	3.0%	44.1%
Global	USD	-0.4%	2.7%	4.2%	67.6%
Emerging markets equities					
Emerging Europe	USD	-2.6%	3.6%	2.5%	55.3%
Emerging Asia	USD	-1.0%	-1.2%	4.0%	82.5%
Emerging Latin America	USD	1.8%	6.6%	-3.6%	61.5%
BRICs	USD	-0.4%	-0.5%	3.0%	66.9%
China	USD	-0.4%	-2.6%	3.5%	64.2%
MENA countries	USD	-0.3%	3.0%	8.0%	42.2%
South Africa	USD	-0.4%	5.1%	11.1%	101.9%
India	USD	-1.6%	3.5%	6.5%	86.7%
Global emerging markets	USD	-0.8%	-0.1%	3.8%	78.1%
Bonds					
US Treasuries	USD	-0.3%	-1.3%	-4.7%	-2.3%
US Treasuries (inflation protected)	USD	-0.1%	-0.8%	-2.3%	13.5%
US Corporate (investment grade)	USD	-0.2%	-2.4%	-5.3%	15.7%
US High Yield	USD	-0.5%	-0.7%	0.0%	29.9%
UK Gilts	GBP	-0.1%	-0.1%	-7.3%	0.5%
UK Corporate (investment grade)	GBP	-0.3%	-0.3%	-4.8%	15.2%
Euro Government Bonds	EUR	-0.2%	0.1%	-2.4%	3.7%
Euro Corporate (investment grade)	EUR	0.0%	0.1%	-0.8%	9.8%
Euro High Yield	EUR	-0.1%	0.2%	1.3%	27.8%
Japanese Government	JPY	0.0%	0.6%	-0.7%	-0.8%
Australian Government	AUD	-0.5%	0.8%	-4.3%	-1.1%
Global Government Bonds	USD	-0.3%	-1.4%	-5.1%	4.9%
Global Bonds	USD	-0.3%	-1.4%	-4.2%	9.0%
Global Convertible Bonds	USD	-0.9%	-2.2%	0.7%	43.4%
Emerging Market Bonds	USD	0.5%	-0.8%	-6.1%	20.2%

# Performance

Asset Class/Region	Currency				
		Week ending 19 Mar 2021	Month to date	YTD 2021	12 Months
Property					
US Property Securities	USD	-2.0%	2.9%	7.1%	51.1%
Australian Property Securities	AUD	1.3%	3.8%	-3.7%	53.2%
Asia Property Securities	USD	2.4%	1.8%	8.7%	42.2%
Global Property Securities	USD	-0.1%	2.5%	5.0%	54.1%
Currencies					
Euro	USD	-0.3%	-1.4%	-2.6%	11.5%
UK Pound Sterling	USD	-0.3%	-0.5%	1.7%	20.1%
Japanese Yen	USD	0.2%	-2.0%	-5.1%	1.4%
Australian Dollar	USD	-0.2%	0.3%	0.7%	33.4%
South African Rand	USD	1.4%	3.0%	-0.4%	18.6%
Swiss Franc	USD	0.0%	-2.1%	-4.8%	6.1%
Chinese Yuan	USD	0.0%	-0.5%	0.3%	9.2%
Commodities & Alternatives					
Commodities	USD	-2.4%	-0.7%	13.0%	50.7%
Agricultural Commodities	USD	-0.8%	-1.1%	8.3%	46.9%
Oil	USD	-6.8%	-2.4%	24.6%	126.7%
Gold	USD	1.0%	0.6%	-7.9%	18.5%
Hedge funds	USD	0.0%	0.3%	1.9%	19.4%





# Global Matters Weekly

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