



# The Market Place

- Global equities fell -2.5% last week
- Global gas price pressure continues and is expected this winter with European storage below the five-year average, and increased tight supply-demand has pushed prices higher
- Brent crude gained +1.5% last week to \$78.5 a barrel
- Gold gained 0.6% to \$1758.3 per ounce

## US

US equities fell -2.2% last week, with oil, gas and energy sectors outperforming. Homebuilders, and retail sectors declined

Quarter-on-quarter GDP came in at 6.7%, an improvement to the 6.6% forecast. Jobless claims increased to 362k, higher than the 335k forecast and last week's figure of 351k

Lawmakers agreed to extend government spending until the 3rd of December; however, the House Democrats delayed a vote on a bipartisan \$550 billion infrastructure plan

At the ECB-Forum, Fed Chairman Powell blamed price pressures primarily on pandemic-related bottlenecks, and his biggest concern is the tension between faster inflation and slack in parts of the labour market

## Europe

European equities fell -2.6% last week, with oil gas and banks outperforming, while technology and industrial sectors declined

Germany's Manufacturing PMI for September came in at 58.4, slightly lower than the 58.5 forecast and down from August's 62.6

Christine Lagarde reiterated that spikes in inflation are temporary while warning that climate change poses long-term threats

## UK

U.K. equities were flat last week

UK GDP year-on-year for Q2 came in at 23.6%, better than the 22.2% expected. Manufacturing PMI for September of 57.1 was better than the 56.3 forecasts but lower than August's 62.6

According to an Institute of Directors survey, those running small-to-medium-size enterprises (SMEs) were the least optimistic in September since the height of the winter lockdown. In contrast to the summer's confidence, three-quarters of directors are bracing for higher costs in the next 12 months. A little more than half predict higher revenue, and firms expecting to increase business investment are in the minority

At today's Conservative Party conference, Rishi Sunak is set to unveil a £500m expansion to the U.K. job support programs, as pressure builds over fuel shortages and living costs

The U.K. eased travel rules today, replacing the traffic light system with a simplified red list

## Asia / ROW

The benchmark Global Emerging Markets index fell -1.4% last week

Japan's equities fell 4.3% last week

Japan's Tankan large manufacturing index unexpectedly improved for a fifth straight quarter to 18 from 14 in September. The consensus was at 13, rising to near the highest level in three years and indicating recovery momentum as Fumio Kishida prepares to start his run as PM this week

Bank of Japan Governor Haruhiko Kuroda predicted a "quite small" GDP gain for Japan's economy this fiscal year but said growth would pick up to about 4% in the year from April

Trading in Evergrande property services unit and structured products was halted pending 'major transaction' as a new debt test looms

China's manufacturing PMI for September fell to 49.6, and the market was not expecting a change from 50.1 in August



# Performance

Asset Class/Region	Currency				
		Week ending 01 Oct 2021	Month to date	YTD 2021	12 Months
Developed Market Equities					
United States	USD	-2.2%	1.1%	16.9%	30.2%
United Kingdom	GBP	0.0%	-0.9%	12.8%	24.4%
Continental Europe	EUR	-2.6%	-0.4%	15.1%	26.7%
Japan	JPY	-4.3%	-2.2%	12.2%	24.8%
Asia Pacific (ex Japan)	USD	-1.7%	-0.9%	-3.0%	15.1%
Australia	AUD	-2.1%	-2.0%	12.5%	26.7%
Global	USD	-2.5%	0.5%	13.7%	28.8%
Emerging markets equities					
Emerging Europe	USD	1.7%	0.1%	23.3%	51.3%
Emerging Asia	USD	-1.9%	-0.8%	-4.9%	12.7%
Emerging Latin America	USD	-1.4%	1.5%	-4.1%	29.2%
BRICs	USD	-0.3%	0.0%	-6.6%	7.4%
China	USD	0.4%	-0.2%	-16.8%	-7.5%
MENA countries	USD	1.2%	0.0%	27.6%	35.4%
South Africa	USD	0.7%	0.0%	4.1%	25.9%
India	USD	-2.3%	-0.4%	24.7%	53.5%
Global emerging markets	USD	-1.4%	-0.5%	-1.8%	17.3%
Bonds					
US Treasuries	USD	-0.1%	0.4%	-2.5%	-3.3%
US Treasuries (inflation protected)	USD	0.0%	0.4%	3.8%	5.5%
US Corporate (investment grade)	USD	-0.4%	0.4%	-0.9%	2.0%
US High Yield	USD	-0.3%	0.0%	4.5%	11.1%
UK Gilts	GBP	-1.5%	0.1%	-7.5%	-6.7%
UK Corporate (investment grade)	GBP	-1.0%	0.0%	-3.8%	0.2%
Euro Government Bonds	EUR	-0.1%	0.2%	-2.8%	-1.7%
Euro Corporate (investment grade)	EUR	0.0%	0.1%	-0.2%	1.6%
Euro High Yield	EUR	-0.4%	-0.1%	3.6%	8.7%
Japanese Government	JPY	0.1%	0.2%	0.0%	0.1%
Australian Government	AUD	-0.5%	0.0%	-1.9%	-2.1%
Global Government Bonds	USD	-0.5%	0.4%	-5.3%	-3.1%
Global Bonds	USD	-1.0%	0.3%	-4.2%	-1.4%
Global Convertible Bonds	USD	-1.2%	0.2%	-1.0%	10.3%
Emerging Market Bonds	USD	-1.0%	0.0%	-4.2%	1.1%

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Asset Class/Region	Currency				
		Week ending 01 Oct 2021	Month to date	YTD 2021	12 Months
Property					
US Property Securities	USD	-1.0%	1.5%	24.0%	34.5%
Australian Property Securities	AUD	-3.9%	-2.3%	9.0%	19.4%
Asia Property Securities	USD	0.2%	-1.1%	0.6%	8.1%
Global Property Securities	USD	-1.2%	0.6%	13.7%	26.1%
Currencies					
Euro	USD	-1.0%	0.2%	-5.1%	-1.3%
UK Pound Sterling	USD	-0.9%	0.7%	-0.7%	5.2%
Japanese Yen	USD	-0.2%	0.4%	-6.9%	-4.9%
Australian Dollar	USD	0.2%	0.8%	-5.5%	1.2%
South African Rand	USD	0.4%	1.6%	-1.4%	11.9%
Swiss Franc	USD	-0.5%	0.4%	-4.8%	-1.2%
Chinese Yuan	USD	0.3%	0.0%	1.3%	5.4%
Commodities & Alternatives					
Commodities	USD	2.1%	0.7%	37.2%	59.3%
Agricultural Commodities	USD	2.4%	0.7%	25.3%	47.0%
Oil	USD	1.5%	1.0%	53.1%	93.7%
Gold	USD	0.6%	0.2%	-7.0%	-7.7%
Hedge funds	USD	-0.5%	0.0%	3.8%	8.7%



# Global Matters Weekly

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