

The Market Place

- Global equities returned +1.0% last week
- China's Vice Premier Liu He made a strong pledge to continue supporting private businesses after a spate of regulatory crackdowns in sectors from after-school tutoring to internet platforms rocked financial markets
- Brent crude fell by -0.1% to \$72.6 a barrel
- Gold rose +0.6% last week to \$1827.7 per ounce

US

US equities rose +0.6% last week

Private payrolls disappointed with a 235,000 increase in August, the smallest gain in 7 months. The median estimate was for an increase of ~750K.

The ISM manufacturing print for August rose to 59.5 vs 58.5 expected. New orders were up to 66.7 vs 61.0 expected.

Federal Reserve Chairman Powell said that there had 'been clear progress toward maximum employment', but he also noted that the recorded unemployment rate understates the amount of slack in the labour market.

Initial jobless claims for the week ending August 28 fell to 340k vs. 345k expected.

Senator Joe Manchin demanded a 'strategic pause' in action on President Joe Biden's economic agenda, potentially imperilling the \$3.5 trillion tax and spending package that Democratic leaders plan to push through Congress this autumn.

Europe

European equities fell -0.2% last week

Eurozone inflation rose to 3% in August from 2.2% in July. This was above the ECB's 2% target. Higher energy, food, and industrial goods prices drove the increase.

The European Commission's economic sentiment index fell to 117.5 in August from a record high of 119.0 in July.

Euro-area retail sales for July showed a -2.3% slowdown versus 0.0% expected after the previous month was revised up +0.3 percentage points to +1.8%.

UK

UK equities ended the week flat

The UK manufacturing PMI for August 2021 came in at 60.3, down slightly from 60.4 in July, indicating strong expansion albeit at the lowest rate since March.

The Office for National Statistics reported that 94% of the adult population in England had Covid antibodies in the week starting August 9th - the highest percentage yet.

U.K. firms added almost 200k job posts last week. There are almost 1.7 million 'active' vacancies registered online.

PM Boris Johnson returns to Parliament this week facing a backlash from members of his Conservative Party amid reports he is planning a manifesto-breaking tax hike on British workers to boost funding for social care.

Asia / ROW

The benchmark Global Emerging Markets index rose +3.4% last week.

Japanese equities rose +4.5% last week.

Chinese Equities rose +4.3% last week.

China's President Xi Jinping has said that the country will set up a new stock exchange to provide financing for innovative smaller firms.

China's August services PMI came in at 46.7 vs. 52.0 expected, the weakest reading since April 2020.

Japan's final services PMI for August was revised down to 42.9 versus 43.5 in the flash reading.

Australia's services PMI for August was revised down to 42.9 versus 43.3 in the flash reading.



Performance

Asset Class/Region	Currency				
		Week ending 03 Sep 2021	Month to date	YTD 2021	12 Months
Developed Market Equities					
United States	USD	0.6%	0.3%	21.6%	32.7%
United Kingdom	GBP	0.0%	0.4%	14.2%	26.4%
Continental Europe	EUR	-0.2%	0.2%	20.3%	31.1%
Japan	JPY	4.5%	2.8%	13.0%	26.2%
Asia Pacific (ex Japan)	USD	3.5%	1.0%	2.9%	19.3%
Australia	AUD	1.0%	0.4%	17.4%	27.3%
Global	USD	1.0%	0.8%	18.8%	32.3%
Emerging markets equities					
Emerging Europe	USD	4.0%	2.3%	22.8%	42.8%
Emerging Asia	USD	4.0%	0.8%	0.8%	17.7%
Emerging Latin America	USD	-1.1%	-2.1%	3.1%	27.5%
BRICs	USD	3.9%	0.9%	-2.0%	9.4%
China	USD	4.3%	1.0%	-11.4%	-3.9%
MENA countries	USD	1.2%	0.0%	25.9%	35.3%
South Africa	USD	2.9%	-0.1%	9.3%	33.3%
India	USD	4.4%	1.1%	25.2%	53.0%
Global emerging markets	USD	3.4%	0.6%	3.4%	21.0%
Bonds					
US Treasuries	USD	0.0%	-0.1%	-1.8%	-3.1%
US Treasuries (inflation protected)	USD	-0.4%	-0.1%	4.1%	5.7%
US Corporate (investment grade)	USD	-0.1%	-0.1%	-0.3%	1.5%
US High Yield	USD	0.4%	0.2%	4.7%	10.2%
UK Gilts	GBP	-0.6%	0.1%	-3.9%	-3.0%
UK Corporate (investment grade)	GBP	-0.2%	0.1%	-1.4%	2.3%
Euro Government Bonds	EUR	-0.4%	-0.1%	-1.9%	-0.2%
Euro Corporate (investment grade)	EUR	-0.2%	-0.1%	0.3%	2.1%
Euro High Yield	EUR	0.1%	0.1%	3.9%	8.2%
Japanese Government	JPY	-0.1%	-0.1%	0.2%	0.4%
Australian Government	AUD	-0.2%	-0.4%	-0.5%	-0.2%
Global Government Bonds	USD	0.2%	0.3%	-3.4%	-1.5%
Global Bonds	USD	0.2%	0.2%	-2.5%	-0.2%
Global Convertible Bonds	USD	1.1%	0.8%	1.6%	13.3%
Emerging Market Bonds	USD	0.5%	0.1%	-1.1%	1.4%



Performance

Asset Class/Region	Currency				
		Week ending 03 Sep 2021	Month to date	YTD 2021	12 Months
Property					
US Property Securities	USD	3.5%	2.0%	32.0%	40.7%
Australian Property Securities	AUD	2.4%	0.8%	15.2%	25.2%
Asia Property Securities	USD	1.7%	1.7%	4.4%	9.6%
Global Property Securities	USD	2.4%	1.5%	20.5%	30.9%
Currencies					
Euro	USD	0.8%	0.7%	-2.7%	0.5%
UK Pound Sterling	USD	0.7%	0.9%	1.6%	4.6%
Japanese Yen	USD	0.2%	0.3%	-5.8%	-3.2%
Australian Dollar	USD	1.9%	1.9%	-3.1%	2.5%
South African Rand	USD	3.1%	1.5%	2.7%	17.6%
Swiss Franc	USD	-0.3%	0.3%	-3.1%	-0.4%
Chinese Yuan	USD	0.3%	0.1%	1.1%	6.1%
Commodities & Alternatives					
Commodities	USD	0.9%	1.4%	31.0%	47.0%
Agricultural Commodities	USD	-1.0%	0.8%	21.8%	46.7%
Oil	USD	-0.1%	-0.5%	40.2%	64.8%
Gold	USD	0.6%	0.8%	-3.5%	-5.2%
Hedge funds	USD	0.5%	0.3%	4.5%	9.4%

Global Matters Weekly

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For more information, please contact your adviser or alternatively contact:

Belvest Investment Services Limited
研富投資服務有限公司
9th Floor, Centre Mark II
305-313 Queen's Road Central
Sheung Wan, Hong Kong

Tel +852 2827 1199
Fax +852 2827 0270
belvest@bis.hk
www.bis.hk

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