

The Market Place

- Global equities rose 0.6% last week
- G7 nations agree in principle for a minimum global corporation tax of at least 15% on overseas earnings
- Brent crude rose 3.2% last week to \$71.9 a barrel
- Gold fell -0.6% to \$1891.6 per ounce

US

US equities rose 0.6% last week

Final services and composite PMIs for May generally showed upgrades from the flash readings, with the composite PMI revised up to 68.7 from the flash reading of 68.1, its highest reading since the series began in 2009

ADP's report of private payrolls came in at +978k in May beating expectations of +650k, marking the biggest rise since last June

The ISM services index rose to a record 64.0, beating expectations of 63.2

Weekly initial jobless claims for the week ending 29th May fell to a post-pandemic low of 385k, against expectations of 387k

The US job report showed +559k new jobs in May, missing expectations of +675k

The ISM prices paid figure of 80.6 reached the second highest level on record

The Federal Reserve's Beige Book showed the US economy growing at a "moderate pace" during the observation period of early-April to late-May.

Europe

European equities rose 0.9% last week

The flash CPI reading in the Euro Area rose to +2.0% in May, against expectations of +1.9%, the highest reading since November 2018

The Euro Area manufacturing PMI was revised up from the flash reading to 63.1 vs 62.8

The Euro Area composite PMI was revised up to 57.1 from the flash reading of 56.9, its strongest reading since February 2018

Producer price inflation for April rose to +7.6% as expected, its highest level since 2008

Germany's retail sales for April fell by -5.5%, weaker than the -2.5% expected

Unemployment in Germany fell by -15k in May, worse than the -9k expected, while the wider Euro Area saw employment fall to 8.0% in April, against expectations of 8.1%, marking its lowest level since last June

In Italy, growth in Q1 was revised up to +0.1%, from a -0.4% contraction previously estimated

UK

UK equities rose 0.8% last week

May's final manufacturing PMI rose to a record high of 65.6

75% of the adult population in the UK have now received a first vaccine dose and more than half have now received both doses of the vaccine

Asia / ROW

The benchmark Global Emerging Markets index returned 1.6% last week

Japanese equities rose 0.7% over the week

Chinese equities rose 0.8% last week

Japan's services PMI reading came in at 46.5 and the composite reading at 48.8, revised up from the flash readings of 45.7 and 48.1 respectively

China's Caixin services PMI came in at 55.1, down from 56.3 in April, bringing the composite to 53.8, from 54.7 in April

China's May exports grew 27.9% year-on-year, against expectations of 32.1%, while imports came in at 51.1% year-on-year, against expectations of 53.5%



Performance

Asset Class/Region	Currency				
		Week ending 4 June 2021	Month to date	YTD 2021	12 Months
Developed Market Equities					
United States	USD	0.6%	0.6%	13.1%	37.4%
United Kingdom	GBP	0.8%	0.8%	11.7%	14.7%
Continental Europe	EUR	0.9%	1.5%	14.5%	27.4%
Japan	JPY	0.7%	1.9%	9.6%	24.8%
Asia Pacific (ex Japan)	USD	1.0%	0.1%	7.3%	41.7%
Australia	AUD	1.6%	1.9%	12.5%	25.5%
Global	USD	0.6%	0.8%	12.2%	37.1%
Emerging markets equities					
Emerging Europe	USD	2.8%	2.7%	15.5%	28.2%
Emerging Asia	USD	1.2%	-0.1%	5.8%	43.8%
Emerging Latin America	USD	4.9%	4.1%	10.4%	38.3%
BRICs	USD	1.7%	0.5%	5.2%	36.3%
China	USD	0.8%	-0.6%	1.1%	30.8%
MENA countries	USD	1.2%	1.1%	19.2%	39.1%
South Africa	USD	2.7%	1.2%	21.4%	53.2%
India	USD	1.1%	0.1%	12.9%	63.5%
Global emerging markets	USD	1.6%	0.4%	7.7%	42.6%
Bonds					
US Treasuries	USD	0.2%	0.2%	-3.4%	-2.8%
US Treasuries (inflation protected)	USD	0.2%	0.2%	1.1%	8.0%
US Corporate (investment grade)	USD	0.2%	0.2%	-2.6%	3.8%
US High Yield	USD	0.3%	0.3%	2.5%	12.9%
UK Gilts	GBP	-0.3%	-0.3%	-6.7%	-6.0%
UK Corporate (investment grade)	GBP	0.0%	0.0%	-3.7%	3.5%
Euro Government Bonds	EUR	0.2%	0.2%	-3.3%	1.6%
Euro Corporate (investment grade)	EUR	0.2%	0.2%	-0.6%	4.1%
Euro High Yield	EUR	0.3%	0.3%	2.8%	10.9%
Japanese Government	JPY	-0.1%	-0.1%	-0.4%	-0.4%
Australian Government	AUD	0.0%	0.1%	-3.1%	-2.0%
Global Government Bonds	USD	0.2%	-0.1%	-3.9%	1.6%
Global Bonds	USD	0.1%	-0.1%	-2.9%	3.4%
Global Convertible Bonds	USD	0.2%	0.0%	1.1%	21.9%
Emerging Market Bonds	USD	0.2%	0.2%	-3.8%	3.2%



Performance

Asset Class/Region	Currency				
		Week ending 4 Jun 2021	Month to date	YTD 2021	12 Months
Property					
US Property Securities	USD	2.9%	2.9%	21.6%	32.1%
Australian Property Securities	AUD	2.6%	2.6%	6.1%	18.3%
Asia Property Securities	USD	0.0%	0.9%	8.4%	14.7%
Global Property Securities	USD	1.9%	1.9%	15.1%	28.3%
Currencies					
Euro	USD	-0.3%	-0.5%	-0.5%	7.3%
UK Pound Sterling	USD	-0.2%	-0.3%	3.8%	12.4%
Japanese Yen	USD	0.3%	0.0%	-5.7%	-0.5%
Australian Dollar	USD	0.3%	0.0%	0.6%	11.7%
South African Rand	USD	2.4%	2.3%	9.1%	25.9%
Swiss Franc	USD	0.0%	-0.1%	-1.6%	6.3%
Chinese Yuan	USD	-0.4%	-0.4%	2.1%	11.2%
Commodities & Alternatives					
Commodities	USD	2.5%	2.5%	26.9%	59.5%
Agricultural Commodities	USD	3.1%	3.1%	22.7%	59.5%
Oil	USD	3.2%	3.7%	38.8%	79.8%
Gold	USD	-0.6%	-0.8%	-0.1%	10.2%
Hedge funds	USD	0.2%	0.1%	3.6%	12.8%



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