

The Market Place

- Global equities fell -0.8% last week
- Oil prices experienced their biggest daily fall since mid-May amid uncertainty regarding OPEC's latest talks
- Brent crude fell -2.7% over the week to \$74.1 a barrel
- Gold rose 0.6% to \$1797.6 per ounce

US

US equities fell -0.7% last week

Weekly initial jobless claims for the week through to July 3rd came in at 373k vs expectations of 350k, just +2k up from their post-pandemic low the previous week

The continuing claims number also fell to a post-pandemic low at 3.339m vs expectations of 3.350m

Job openings for May came in at a lower-than-expected 9.209m. The quits rate declined to 2.5% from 2.8% in June, measuring those voluntarily leaving their jobs which is often used as a gauge of how confident workers are feeling

ISM services PMI came in weaker than expected at 60.1 (vs 63.5 expected). The decline from May's all-time high was the biggest monthly decline since the height of the pandemic last year. However the data print is still firmly in expansionary territory

Europe

European equities fell -1.0% last week

French industrial production unexpectedly contracted by -0.3% in May (vs +0.8% expected). German factory orders unexpectedly fell by -3.7% vs an expected increase of +0.9%, marking the first decline of 2021 so far

Spain's composite PMI reading came in at 63.4, its highest level since February 2000, whilst France's was revised up to a 3-year high of 57.4 (vs flash reading of 57.1). Germany's flash reading was revised slightly downwards to 60.1 (vs flash 60.4), but still marked the highest level for the composite PMI in a decade

German industrial production unexpectedly fell -0.3% in May (vs expectations of +0.5%), while Italian retail sales grew by a weaker-than-expected +0.2% (vs +3.0% expected)

Euro Area retail sales grew by +4.6% in May (vs +4.3% expected)

ECB policy makers have agreed to increase their inflation goal to 2.0% and allow prices to overshoot when needed

UK

UK equities fell -1.1% last week

Fresh antibody data from the UK's ONS found that 90% of the adult population in England were estimated to have tested positive for antibodies in the week beginning 14th June

Formal confirmation will be given as to whether the planned easing of restrictions will go ahead on July 19th, with a press conference from Prime Minister Johnson this evening

Asia / ROW

The benchmark Global Emerging Markets index returned -2.8% last week

Japanese equities fell -1.8% over the week

Chinese equities fell -5.3% last week

China's June PPI reading came out in line with expectations at +8.8% year-on-year, while CPI came in slightly lower than expectations at +1.1% year-on-year

Japan's May household spending came in at +11.6% year-on-year against expectations of +11.0% year-on-year, while real cash earnings came in at +2.0% year-on-year (vs +2.4% expected)

Performance

Asset Class/Region	Currency				
		Week ending 09 July 2021	Month to date	YTD 2021	12 Months
Developed Market Equities					
United States	USD	-0.7%	0.6%	15.7%	38.6%
United Kingdom	GBP	-1.1%	0.1%	11.5%	19.8%
Continental Europe	EUR	-1.0%	-0.3%	14.8%	26.9%
Japan	JPY	-1.8%	-1.2%	7.6%	25.9%
Asia Pacific (ex Japan)	USD	-2.3%	-3.7%	2.9%	24.1%
Australia	AUD	0.5%	0.4%	13.3%	27.1%
Global	USD	-0.8%	0.2%	13.3%	36.8%
Emerging markets equities					
Emerging Europe	USD	-1.8%	-1.0%	13.3%	29.0%
Emerging Asia	USD	-2.8%	-4.5%	1.3%	22.5%
Emerging Latin America	USD	-4.7%	-4.8%	3.6%	30.6%
BRICs	USD	-4.2%	-6.0%	-1.0%	12.1%
China	USD	-5.3%	-7.9%	-6.2%	2.0%
MENA countries	USD	-1.1%	-1.0%	19.0%	36.3%
South Africa	USD	-2.1%	-2.6%	7.6%	27.0%
India	USD	-0.2%	-0.4%	10.8%	48.0%
Global emerging markets	USD	-2.8%	-4.1%	3.1%	24.2%
Bonds					
US Treasuries	USD	0.9%	1.0%	-1.8%	-3.1%
US Treasuries (inflation protected)	USD	0.2%	0.6%	2.2%	6.3%
US Corporate (investment grade)	USD	0.8%	0.9%	-0.3%	2.7%
US High Yield	USD	0.2%	0.4%	4.0%	14.4%
UK Gilts	GBP	1.4%	1.5%	-4.3%	-5.2%
UK Corporate (investment grade)	GBP	0.9%	1.1%	-1.8%	2.9%
Euro Government Bonds	EUR	0.5%	0.8%	-2.3%	0.3%
Euro Corporate (investment grade)	EUR	0.3%	0.5%	0.1%	3.7%
Euro High Yield	EUR	0.0%	0.1%	3.1%	10.7%
Japanese Government	JPY	0.2%	0.4%	0.2%	0.1%
Australian Government	AUD	0.9%	1.2%	-1.1%	-0.7%
Global Government Bonds	USD	1.0%	1.0%	-3.7%	0.2%
Global Bonds	USD	0.7%	0.8%	-2.8%	1.9%
Global Convertible Bonds	USD	-0.7%	-0.6%	1.0%	17.8%
Emerging Market Bonds	USD	0.5%	0.5%	-2.7%	3.7%



Performance

Asset Class/Region	Currency				
		Week ending 09 July 2021	Month to date	YTD 2021	12 Months
Property					
US Property Securities	USD	0.6%	1.5%	23.0%	41.0%
Australian Property Securities	AUD	0.3%	0.2%	7.9%	29.7%
Asia Property Securities	USD	-0.3%	-0.4%	6.7%	12.6%
Global Property Securities	USD	0.5%	1.2%	15.2%	32.7%
Currencies					
Euro	USD	0.0%	0.0%	-3.1%	4.9%
UK Pound Sterling	USD	-0.2%	-0.2%	0.9%	9.2%
Japanese Yen	USD	1.3%	1.2%	-5.9%	-2.3%
Australian Dollar	USD	-0.8%	-0.7%	-3.3%	7.0%
South African Rand	USD	-0.2%	0.1%	2.6%	18.0%
Swiss Franc	USD	0.8%	1.1%	-3.3%	2.7%
Chinese Yuan	USD	-0.3%	-0.5%	0.6%	7.8%
Commodities & Alternatives					
Commodities	USD	-2.5%	-1.7%	26.1%	52.6%
Agricultural Commodities	USD	-3.7%	-4.3%	14.7%	46.4%
Oil	USD	-2.7%	-1.3%	43.1%	75.0%
Gold	USD	0.6%	1.4%	-5.1%	-0.1%
Hedge funds	USD	-0.4%	-0.3%	3.6%	10.9%

Global Matters Weekly

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