

# The Market Place

- Global equities rallied 3.3% last week
- US inflation jumped 6.8% in 2021 to the highest since 1982
- Brent crude rallied 7.5% over the week to \$75.2 a barrel
- Gold was flat at \$1782.8 per ounce

## US

US equities rallied 3.8% last week, their best week since February, with Oil/Gas and Tech outperforming

Initial jobless claims of 184k came in much lower than 215k last week, and the 227k forecast, the lowest since 1969. Furthermore, open US jobs stand at c11m, helped by the food service industry

US inflation rose 0.8% in November after rising 0.9% in October. Price increases were seen across many sectors, including gas, food and housing. This is the sixth month in a row the US is seeing price increases. Ahead of Friday's release, President Joe Biden released a statement saying that the inflation rate "does not reflect today's reality".

Pfizer and BioNTech showed that the booster increases the neutralising antibody titers by 25-fold compared to two doses against the Omicron

## Europe

European equities returned +3.0% last week, with Travel/Leisure outperforming despite ongoing concerns around Omicron

German ZEW Economic Sentiment for December was 29.9, vs the 31.7 forecast

Yields pulled back a bit on speculation that the ECB could increase asset purchases via its standard Asset Purchase Program once its emergency purchases end in March 2022

## UK

UK equities rose 2.3% last week

Sterling pared losses triggered by PM Boris Johnson warning the UK is facing a "tidal wave" of omicron infections. He set an end-of-year deadline for the country's booster program for 18+ year olds and implemented plan B, working from home where possible and wearing face masks in public from today

The UK agreed to issue more fishing licenses for EU boats in a deal struck on Saturday

GDP month-on-month came in at a mere 0.1% vs 0.4% in November and 0.6% was forecast

Manufacturing production month-on-month came in 0.0% vs 0.1% previously and 0.1% estimate

## Asia / ROW

The benchmark Global Emerging Markets index returned 1.1% last week

Japanese equities rose 0.9% over the week

Japan's GDP quarter-on-quarter growth fell to -0.9% vs 0.8% previously and +0.5% estimated

Chinese equities rose 1.8% last week

China cut reserve requirement ratio for banks and November factory-gate inflation cooled, easing inflation concerns

Evergrande announced that it plans to engage with offshore creditors to formulate a restructuring plan

G-7 foreign ministers warned Russia to de-escalate its military build-up near Ukraine or face "massive consequences". A handful of NATO allies met with Russia to discuss its military build-up along Ukraine's border



# Performance

Asset Class/Region	Currency				
		Week ending 10 Dec 2021	Month to date	YTD 2021	12 Months
<b>Developed Market Equities</b>					
United States	USD	3.8%	1.3%	26.6%	29.7%
United Kingdom	GBP	2.3%	2.7%	18.0%	15.3%
Continental Europe	EUR	3.0%	2.0%	21.6%	23.6%
Japan	JPY	0.9%	1.4%	11.6%	13.6%
Asia Pacific (ex Japan)	USD	1.6%	1.4%	-2.6%	0.4%
Australia	AUD	1.6%	1.6%	15.7%	14.2%
Global	USD	3.3%	1.1%	20.1%	23.0%
<b>Emerging markets equities</b>					
Emerging Europe	USD	-1.8%	0.1%	13.5%	14.3%
Emerging Asia	USD	1.3%	1.4%	-4.4%	-1.0%
Emerging Latin America	USD	3.0%	5.0%	-8.6%	-7.1%
BRICs	USD	1.3%	0.3%	-9.4%	-6.9%
China	USD	1.8%	-0.7%	-18.8%	-16.5%
MENA countries	USD	1.2%	1.7%	27.1%	27.6%
South Africa	USD	-0.7%	4.0%	0.2%	3.8%
India	USD	1.3%	1.9%	22.3%	28.1%
Global emerging markets	USD	1.1%	1.7%	-2.2%	0.8%
<b>Bonds</b>					
US Treasuries	USD	-1.1%	-0.1%	-2.5%	-2.5%
US Treasuries (inflation protected)	USD	-1.0%	-0.6%	4.8%	5.6%
US Corporate (investment grade)	USD	-0.9%	0.1%	-1.3%	-0.6%
US High Yield	USD	0.7%	0.9%	4.4%	5.4%
UK Gilts	GBP	0.4%	1.3%	-2.0%	-1.9%
UK Corporate (investment grade)	GBP	0.4%	1.1%	-1.3%	-0.9%
Euro Government Bonds	EUR	-0.1%	0.5%	-1.8%	-1.9%
Euro Corporate (investment grade)	EUR	0.1%	0.6%	-0.3%	-0.5%
Euro High Yield	EUR	0.4%	0.7%	3.3%	3.4%
Japanese Government	JPY	0.0%	0.2%	0.0%	-0.2%
Australian Government	AUD	-0.2%	0.4%	-3.3%	-3.1%
Global Government Bonds	USD	-0.4%	0.3%	-5.9%	-5.2%
Global Bonds	USD	-0.3%	0.4%	-5.1%	-4.4%
Global Convertible Bonds	USD	0.8%	-1.3%	-3.8%	-1.1%
Emerging Market Bonds	USD	0.6%	2.4%	-4.2%	-2.6%



# Performance

Asset Class/Region	Currency				
		Week ending 10 Dec 2021	Month to date	YTD 2021	12 Months
<b>Property</b>					
US Property Securities	USD	2.5%	1.2%	34.7%	37.5%
Australian Property Securities	AUD	2.5%	2.2%	18.7%	17.9%
Asia Property Securities	USD	1.5%	1.1%	-0.9%	-0.5%
Global Property Securities	USD	2.2%	1.2%	19.0%	21.7%
<b>Currencies</b>					
Euro	USD	0.1%	0.5%	-7.4%	-6.6%
UK Pound Sterling	USD	0.2%	-0.2%	-2.8%	-0.3%
Japanese Yen	USD	-0.5%	0.4%	-8.9%	-8.0%
Australian Dollar	USD	2.4%	0.7%	-6.7%	-4.7%
South African Rand	USD	0.9%	1.1%	-8.2%	-5.9%
Swiss Franc	USD	-0.2%	0.5%	-3.9%	-3.6%
Chinese Yuan	USD	0.1%	0.3%	2.5%	2.7%
<b>Commodities &amp; Alternatives</b>					
Commodities	USD	2.8%	0.0%	36.5%	41.8%
Agricultural Commodities	USD	0.5%	-0.2%	31.4%	40.8%
Oil	USD	7.5%	2.3%	45.1%	49.6%
Gold	USD	0.0%	-0.1%	-5.9%	-2.6%
Hedge funds	USD	0.6%	0.0%	3.8%	5.2%



# Global Matters Weekly

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