

The Market Place

- Global equities rose 0.9% last week
- Asian economies are continuing to deal with the increasing spread of the delta variant. The outbreak in China is continuing to grow
- Brent crude fell -0.2% over the week to \$70.6 a barrel
- Gold rose 0.9% to \$1780 per ounce

US

US equities rose 0.7% last week

US inflation data from July showed headline CPI rising 0.5% month-on-month and 5.4% on a year-on-year basis. Core inflation rose by 0.3% vs 0.4% expected, its softest reading since March

US producer prices surprised to the upside highlighting ongoing inflationary pressures. US July PPI showed prices rose 1.0% last month vs 0.6% expected

Jobless claims for the week through August 7th were in line with expectations at 375k, down -12k from the previous week representing the fourth weekly decline in the last five weeks

US JOLTs job opening data showed a record high 10.07m available jobs in June, up from the previous month's record of 9.48m

The US Senate passed their bipartisan infrastructure package that includes \$500bn of new spending over the next eight years

The NFIB Small Business Optimism index was slightly lower than expected at 99.7 vs 102.0, down from last month's 102.5 reading

Preliminary Q2 Nonfarm productivity came in lower than expectations at 2.3% vs 3.2%

Europe

European equities rose 1.4% last week

Germany's final July CPI reading came in at 0.9% month-on-month and 3.8% year-on-year, in line with expectations

The Euro Area August Sentix investor confidence came in lower than expectations at 22.2 vs 29.0 expected compared to 29.8 the month prior, reflecting renewed fears of rising case counts

The Bank of France sentiment index similarly fell to 105 in July from 107 in June

The EU announced that it would not reinstate travel restrictions on non-essential travel from the US

UK

UK equities rose 1.6% last week

The UK economy grew 4.8% in Q2 based on a preliminary reading, in line with expectations. This was largely driven by household consumption and government spending

Fewer than 1% of UK school students and teachers tested positive for Covid-19 in June, significantly lower than last Autumn

Asia / ROW

The benchmark Global Emerging Markets index returned -0.9% last week

Japanese equities rose 1.4% over the week

Chinese equities rose 0.2% last week

Chinese July retail sales grew by just 8.5% year-on-year, weaker than expectations of 10.9%, while industrial production growth similarly underwhelmed at 6.4% year-on-year vs 7.9% expected

The unemployment rate in China ticked up to 5.1% vs 5.0% expected

Japan's preliminary Q2 GDP came in at an annualised rate of 1.3% quarter-on-quarter vs 0.5% expected

China partly shut down the third busiest port in the world due to an infected worker. This follows the Yantian port in Shenzhen being closed in late May for about a month after a similar case there



Performance

Asset Class/Region	Currency				
		Week ending 13 Aug 2021	Month to date	YTD 2021	12 Months
Developed Market Equities					
United States	USD	0.7%	1.7%	19.7%	33.9%
United Kingdom	GBP	1.6%	3.1%	15.1%	20.8%
Continental Europe	EUR	1.4%	3.2%	21.3%	30.8%
Japan	JPY	1.4%	2.9%	9.6%	23.0%
Asia Pacific (ex Japan)	USD	-0.8%	0.6%	0.4%	18.6%
Australia	AUD	1.3%	3.3%	17.9%	29.2%
Global	USD	0.9%	1.9%	17.2%	32.6%
Emerging markets equities					
Emerging Europe	USD	2.0%	2.6%	17.7%	25.6%
Emerging Asia	USD	-1.4%	0.1%	-2.5%	16.0%
Emerging Latin America	USD	0.1%	-0.5%	3.9%	28.6%
BRICs	USD	0.4%	0.9%	-4.1%	10.5%
China	USD	0.2%	0.1%	-12.1%	-0.3%
MENA countries	USD	1.0%	2.7%	24.9%	38.9%
South Africa	USD	0.7%	-0.5%	8.1%	31.5%
India	USD	1.9%	5.2%	17.5%	49.4%
Global emerging markets	USD	-0.9%	0.3%	0.5%	19.0%
Bonds					
US Treasuries	USD	0.0%	-0.3%	-1.8%	-2.5%
US Treasuries (inflation protected)	USD	0.3%	-0.4%	4.0%	6.7%
US Corporate (investment grade)	USD	0.2%	-0.5%	-0.4%	1.9%
US High Yield	USD	-0.2%	-0.3%	3.6%	9.8%
UK Gilts	GBP	0.6%	0.3%	-2.9%	-1.9%
UK Corporate (investment grade)	GBP	0.4%	0.2%	-1.0%	3.3%
Euro Government Bonds	EUR	0.1%	0.3%	-0.9%	1.4%
Euro Corporate (investment grade)	EUR	0.0%	0.0%	0.7%	3.1%
Euro High Yield	EUR	0.0%	0.3%	3.8%	8.8%
Japanese Government	JPY	-0.1%	-0.1%	0.3%	0.4%
Australian Government	AUD	-0.2%	-0.3%	-0.6%	-0.3%
Global Government Bonds	USD	0.2%	-0.2%	-3.4%	-0.8%
Global Bonds	USD	0.2%	-0.3%	-2.5%	0.2%
Global Convertible Bonds	USD	-0.2%	-0.2%	0.1%	12.8%
Emerging Market Bonds	USD	-0.1%	0.2%	-2.3%	0.0%



Performance

Asset Class/Region	Currency				
		Week ending 13 Aug 2021	Month to date	YTD 2021	12 Months
Property					
US Property Securities	USD	-0.2%	0.1%	27.2%	37.8%
Australian Property Securities	AUD	-0.8%	1.8%	10.0%	25.3%
Asia Property Securities	USD	1.1%	1.1%	4.0%	9.3%
Global Property Securities	USD	0.4%	1.0%	17.7%	30.0%
Currencies					
Euro	USD	0.4%	-0.5%	-3.5%	-0.1%
UK Pound Sterling	USD	0.0%	-0.2%	1.6%	6.0%
Japanese Yen	USD	0.5%	0.1%	-5.8%	-2.6%
Australian Dollar	USD	0.3%	0.4%	-4.2%	2.9%
South African Rand	USD	-0.5%	-0.8%	-0.4%	18.1%
Swiss Franc	USD	0.0%	-1.0%	-3.4%	-0.6%
Chinese Yuan	USD	0.1%	-0.2%	0.8%	7.2%
Commodities & Alternatives					
Commodities	USD	1.0%	-1.2%	29.0%	46.5%
Agricultural Commodities	USD	3.3%	4.2%	24.6%	56.0%
Oil	USD	-0.2%	-7.5%	36.3%	57.0%
Gold	USD	0.9%	-1.9%	-6.1%	-8.9%
Hedge funds	USD	0.1%	0.2%	3.7%	9.4%



Global Matters Weekly

16 August 2021

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

Important notes

This communication is issued by Belvest Investment Services Limited and/or Belvest related companies (collectively, and individually Belvest) solely to its clients, qualified prospective clients or institutional and professional investors. Unless stated otherwise, any opinions or views expressed in this communication do not represent those of Belvest. Opinions or views of any Belvest company expressed in this communication may differ from those of other departments or companies within Belvest, including any opinions or views expressed in any research issued by Belvest. Belvest may deal as Distributor or Agent, or have interests, in any financial product referred to in this email. Belvest has policies designed to negate conflicts of interest. Unless otherwise stated, this e-mail is solely for information purposes.

This message may contain confidential information. Any use, dissemination, distribution or reproduction of this information outside the original recipients of this message is strictly prohibited. If you receive this message by mistake, please notify the sender by reply email immediately.

Unless specifically stated, neither the information nor any opinion contained herein constitutes as an advertisement, an invitation, a solicitation, a recommendation or advise to buy or sell any products, services, securities, futures, options, other financial instruments or provide any investment advice or service by Belvest.

No representation or warranty is given as to the accuracy, likelihood of achievement or reasonableness of any figures, forecasts, prospects or return (if any) contained in the message. Such figures, forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies. The assumptions and parameters used by Belvest are not the only ones that might reasonably have been selected and therefore Belvest does not guarantee the sequence, accuracy, completeness or timeliness of the information provided herein. None of Belvest, its group members or any of their employees or directors shall be held liable, in any way, for any claims, mistakes, errors or otherwise arising out of or in connection with the content of this e-mail.

This e-mail and any accompanying attachments are not encrypted and cannot be guaranteed to be secure, complete or error-free as electronic communications may be intercepted, corrupted, lost, destroyed, delayed or incomplete, and/or may contain viruses. Belvest therefore does not accept any liability for any interception, corruption, loss, destruction, incompleteness, viruses, errors, omissions or delays in relation to this electronic communication. If verification is required please request a hard-copy version. Electronic communication carried within the Belvest system may be monitored.