



# The Market Place

- Global equities fell -1.3% last week
- The global rate of new coronavirus cases continues to decline from their peak a couple of weeks ago
- Brent crude rose 0.6% last week to \$68.7 a barrel
- Gold rose 0.7% at \$1843.4 per ounce

## US

US equities fell -1.4% last week

The unemployment rate rose to 6.1% against 5.8% expected, from 6.0% in March

The CPI reading for April came in at 0.8% on a month-on-month basis, taking the annual CPI figure to 4.2% in April from 2.6% in March and well above market forecasts of 3.6%

Excluding the volatile food and energy components, the core CPI rose 0.9% from March, the most since 1982

US producer prices rose 0.6% in April on a month-on-month basis, stronger than the 0.3% expected, sending the year-on-year number to 6.2%

Initial jobless claims for the week fell to 473k, their lowest level since before the pandemic

The Fed has tweaked its policy of US treasury purchases to buy more securities maturing in seven years or longer – they will now buy \$20.25bn vs \$17.75bn previously

## Europe

European equities fell -0.5% last week

The German ZEW survey, a measure of economic expectations, rose to 84.4 in May from 70.7 in April. The outcome was the highest level since 2000 and above forecasts of 71.0.

In the Euro Area, industrial production grew by just 0.1% in March, lower than expectations of a 0.8% rise

The Euro Area composite PMI was at 53.8 in April, its highest reading since July

If current trends continue, Spain is on track to reach herd immunity in approximately 100 days when 70% of the population will be vaccinated

## UK

UK equities fell -0.8% last week

Restrictions in England will be eased further from 17th May with the re-opening of indoor venues and indoor mixing in groups of six or two households being allowed

GDP contracted -1.5% in Q1, fractionally missing expectations. The monthly GDP reading for March was 2.1%, higher than the 1.5% expected

## Asia / ROW

The benchmark Global Emerging Markets index returned -3.0% last week

Japanese equities fell -2.6% over the week

China's retail sales in April were up 17.7% year-on-year, missing expectations of a 25% increase

Japan has expanded the state of emergency to three more prefectures and Singapore's local cases have now risen to the highest level since July



# Performance

Asset Class/Region	Currency				
		Week ending 14 May 2021	Month to date	YTD 2021	12 Months
<b>Developed Market Equities</b>					
United States	USD	-1.4%	-0.1%	11.5%	48.0%
United Kingdom	GBP	-0.8%	1.7%	11.3%	25.9%
Continental Europe	EUR	-0.5%	1.3%	11.4%	39.8%
Japan	JPY	-2.6%	-0.8%	5.3%	32.9%
Asia Pacific (ex Japan)	USD	-3.1%	-3.4%	2.1%	47.5%
Australia	AUD	-0.6%	0.2%	8.0%	35.6%
Global	USD	-1.3%	0.1%	9.9%	49.2%
<b>Emerging markets equities</b>					
Emerging Europe	USD	-0.2%	5.2%	7.7%	39.5%
Emerging Asia	USD	-3.6%	-4.4%	0.0%	46.4%
Emerging Latin America	USD	-0.6%	5.5%	3.5%	66.9%
BRICs	USD	-2.4%	-2.5%	-1.3%	39.1%
China	USD	-3.1%	-5.3%	-4.4%	30.1%
MENA countries	USD	0.6%	0.0%	15.9%	45.7%
South Africa	USD	-4.0%	0.9%	12.9%	65.6%
India	USD	-1.0%	1.3%	4.9%	67.1%
Global emerging markets	USD	-3.0%	-2.9%	1.8%	48.2%
<b>Bonds</b>					
US Treasuries	USD	-0.4%	-0.1%	-4.0%	-5.0%
US Treasuries (inflation protected)	USD	0.0%	1.1%	0.7%	7.1%
US Corporate (investment grade)	USD	-0.5%	0.0%	-3.6%	5.5%
US High Yield	USD	-0.3%	0.0%	2.0%	19.5%
UK Gilts	GBP	-1.3%	-0.7%	-7.5%	-8.5%
UK Corporate (investment grade)	GBP	-0.9%	-0.4%	-4.4%	4.4%
Euro Government Bonds	EUR	-0.8%	-0.9%	-4.3%	0.2%
Euro Corporate (investment grade)	EUR	-0.5%	-0.3%	-1.0%	5.6%
Euro High Yield	EUR	-0.2%	-0.2%	2.1%	17.0%
Japanese Government	JPY	0.0%	0.1%	-0.2%	-0.8%
Australian Government	AUD	-0.6%	-0.2%	-3.7%	-3.3%
Global Government Bonds	USD	-0.6%	0.0%	-4.6%	1.3%
Global Bonds	USD	-0.5%	0.0%	-3.5%	4.4%
Global Convertible Bonds	USD	-2.3%	-3.5%	-2.2%	26.2%
Emerging Market Bonds	USD	-0.3%	0.7%	-4.8%	9.0%

# Performance

Asset Class/Region	Currency				
		Week ending 14 May 2021	Month to date	YTD 2021	12 Months
<b>Property</b>					
US Property Securities	USD	-1.3%	-1.8%	15.1%	48.9%
Australian Property Securities	AUD	-1.6%	-0.7%	1.1%	30.2%
Asia Property Securities	USD	-3.9%	-2.3%	4.3%	16.4%
Global Property Securities	USD	-1.8%	-1.3%	9.5%	41.2%
<b>Currencies</b>					
Euro	USD	-0.1%	0.9%	-0.7%	12.6%
UK Pound Sterling	USD	0.8%	1.9%	3.3%	15.6%
Japanese Yen	USD	-0.7%	-0.1%	-5.6%	-2.0%
Australian Dollar	USD	-0.9%	0.9%	1.1%	21.0%
South African Rand	USD	-0.3%	2.6%	3.8%	31.5%
Swiss Franc	USD	-0.1%	1.1%	-2.0%	8.0%
Chinese Yuan	USD	-0.1%	0.6%	1.4%	10.2%
<b>Commodities &amp; Alternatives</b>					
Commodities	USD	-2.1%	1.6%	23.2%	73.4%
Agricultural Commodities	USD	-5.4%	-0.7%	19.9%	62.3%
Oil	USD	0.6%	2.2%	32.6%	120.7%
Gold	USD	0.7%	4.2%	-2.7%	6.4%
Hedge funds	USD	-0.7%	-0.7%	2.4%	13.9%



# Global Matters Weekly

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