

The Market Place

- Global equities fell -0.1% last week
- Last week saw major developments in Ukraine with Russia launching a full-scale invasion of the country. Western governments have moved to place various sanctions on Russia
- Brent crude returned +4.7% over the week to \$97.9 a barrel
- Gold returned -0.5% to \$1889.3 per ounce

US

US equities rose +0.8% last week

Core PCE increased to +5.2% year-on-year in January, its highest reading since 1983

Flash PMIs for February came in above expectations with the composite PMI up to 56.0 vs 52.5 expected

Weekly initial jobless claims for the week ending February 19th fell to 232k (vs 235k expected)

Continuing claims for the week ending February 12th fell to 1.47m, its lowest since 1970

New home sales in January fell to an annualised rate of 801k vs 803k expected

The second estimate of Q4's GDP was revised up from the initial estimate to an annualised +7.0%

The US Conference Board's consumer confidence indicator fell to a 5-month low in February at 110.5, with consumer expectations for the next six months also declining to 87.5

Europe

European equities returned -1.8% last week pulled down on developments in Ukraine

Flash PMIs for February came in stronger than expected with the Euro Area composite PMI rising to 55.8 (vs 52.9 expected), its highest in 5 months

France's composite PMI rose to 57.4 (vs 53.0 expected) and Germany's measure also rose to 56.2 (vs 54.5 expected)

Germany's Ifo Business Climate Index for February rose to a 5-month high of 98.9 (vs 96.5 expected)

German Chancellor Scholz announced in a special address to Parliament that Germany would boost defence spending to more than 2% of GDP per annum by 2024 with a €100bn boost this year. Over the last decade, this number has been between +1.1% and +1.5%

UK

UK equities returned +0.2% last week

The flash PMI for February hit 60.2 vs expectations of 55.3, in its fastest pace of expansion since last June

Prime Minister Johnson confirmed that all legal Covid-19 restrictions would end in England as part of a transition to "living with Covid"

Asia / ROW

The benchmark Global Emerging Markets index returned -4.8% last week. Russian equities, unsurprisingly, fell sharply, down -32.1%

Japanese equities fell -2.5% over the week

Chinese equities returned -5.8% last week

The Reserve Bank of New Zealand hiked its official policy rate by 25bps overnight, taking the Official Cash Rate to +1%

The Bank of Korea also held their policy rate at +1.25%, in line with expectations

Overall CPI for Tokyo rose +1.0% year-on-year in February, marking the fastest pace of growth since December 2019

The PBOC injected 760bn yuan into the financial system via 7-day reverse repos amidst concerns over the Russia-Ukraine conflict – the largest weekly injection since January 2020

Performance

Asset Class/Region	Currency				
		Week ending 25 Feb 2022	Month to date	YTD 2022	12 Months
Developed Market Equities					
United States	USD	0.8%	-1.0%	-7.9%	15.6%
United Kingdom	GBP	0.2%	1.0%	3.0%	18.9%
Continental Europe	EUR	-1.8%	-3.0%	-8.6%	11.0%
Japan	JPY	-2.5%	0.0%	-5.8%	-0.5%
Asia Pacific (ex Japan)	USD	-4.2%	-0.4%	-5.5%	-15.7%
Australia	AUD	-2.4%	1.1%	-5.1%	6.8%
Global	USD	-0.1%	-0.7%	-7.6%	9.5%
Emerging markets equities					
Emerging Europe	USD	-24.6%	-24.8%	-30.4%	-21.9%
Emerging Asia	USD	-4.6%	-1.4%	-6.1%	-18.4%
Emerging Latin America	USD	0.0%	6.2%	11.7%	11.1%
BRICs	USD	-6.5%	-3.4%	-7.2%	-23.1%
China	USD	-5.8%	-1.7%	-7.0%	-33.6%
MENA countries	USD	-1.4%	0.9%	7.1%	31.5%
South Africa	USD	-2.1%	7.5%	10.4%	4.7%
India	USD	-4.1%	-2.5%	-4.6%	8.3%
Global emerging markets	USD	-4.8%	-1.5%	-4.8%	-13.5%
Bonds					
US Treasuries	USD	-0.3%	-1.5%	-3.2%	-1.9%
US Treasuries (inflation protected)	USD	0.6%	-0.8%	-3.2%	5.6%
US Corporate (investment grade)	USD	-0.5%	-3.0%	-6.2%	-3.2%
US High Yield	USD	0.4%	-1.1%	-3.9%	0.3%
UK Gilts	GBP	-1.3%	-2.7%	-5.7%	-3.5%
UK Corporate (investment grade)	GBP	-1.1%	-3.4%	-5.9%	-4.9%
Euro Government Bonds	EUR	-0.1%	-2.7%	-3.3%	-4.0%
Euro Corporate (investment grade)	EUR	-0.8%	-3.0%	-4.0%	-4.1%
Euro High Yield	EUR	-0.8%	-3.0%	-4.1%	-2.2%
Japanese Government	JPY	0.2%	-1.0%	-1.6%	-0.7%
Australian Government	AUD	0.2%	-1.6%	-3.1%	-2.4%
Global Government Bonds	USD	-0.5%	-1.6%	-3.5%	-6.4%
Global Bonds	USD	-0.7%	-2.0%	-4.2%	-6.7%
Global Convertible Bonds	USD	-1.0%	-0.7%	-6.4%	-13.0%
Emerging Market Bonds	USD	-5.1%	-6.8%	-10.6%	-10.1%



Performance

Asset Class/Region	Currency				
		Week ending 25 Feb 2022	Month to date	YTD 2022	12 Months
Property					
US Property Securities	USD	2.1%	-0.5%	-8.5%	22.9%
Australian Property Securities	AUD	-2.3%	1.3%	-9.6%	16.3%
Asia Property Securities	USD	-4.4%	-1.2%	-0.5%	-12.1%
Global Property Securities	USD	-0.2%	-0.6%	-6.6%	9.7%
Currencies					
Euro	USD	-0.7%	0.8%	-1.3%	-8.0%
UK Pound Sterling	USD	-1.5%	0.0%	-1.1%	-4.8%
Japanese Yen	USD	-0.6%	-0.4%	-0.6%	-8.2%
Australian Dollar	USD	0.6%	3.2%	-0.9%	-8.9%
South African Rand	USD	-0.3%	2.9%	4.9%	-1.5%
Swiss Franc	USD	-0.7%	0.4%	-1.8%	-2.5%
Chinese Yuan	USD	0.1%	0.7%	0.6%	2.2%
Commodities & Alternatives					
Commodities	USD	1.1%	5.5%	14.4%	38.6%
Agricultural Commodities	USD	0.3%	4.0%	7.6%	30.6%
Oil	USD	4.7%	8.8%	25.9%	46.4%
Gold	USD	-0.5%	5.5%	3.3%	6.5%
Hedge funds	USD	-0.9%	-0.3%	-2.1%	-0.2%



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