



The Market Place

- Global equities fell by 5.9% last week
- All major world indices logged another big week of losses
- Brent crude fell by 7.3% last week to \$113.1 per barrel
- Gold fell by 1.7% to \$1839.4 per ounce

US

US equities fell 5.8% last week, their worst week since March 2020

The Chair of the Federal Reserve emphasised their commitment to bringing down inflation, though the route to a soft landing was getting more difficult. Last week the Fed announced it was raising rates by 75bps to a target range of 1.5% to 1.75%

Housing starts were down 14.4% in May and building permits fell by 7% against a backdrop of rising mortgage rates

Weekly jobless claims came in higher than expected at 229K versus ~210K expected

US retail sales for May contracted 0.3% (vs. +0.1% expected)

The National Association of Home Builders (NAHB's) housing market index for June fell to a 2-year low of 67 in line with expectations

The Producer Price Index (PPI) release for May showed that the headline gain in prices rose to 0.8% in line with expectations, this was up from 0.4% in April

Europe

European equities fell 4.5% last week

There was a rally in European sovereign bonds after the ECB Governing Council held an emergency meeting where they reiterated their pledge to act against fragmentation risks in borrowing costs ahead of their July meeting

Euro Area saw industrial production grow by 0.4% in April (vs. 0.5% expected)

The Swiss National Bank raised interest rates for the first time in 15 years to -0.25% in an attempt to subdue inflation

President Macron has lost control of the National Assembly in France by only winning 245 seats out of the 289 needed to control parliament

UK

UK equities fell 4.1% last week

The Bank of England increased interest rates by 25bps to 1.25% as widely expected, with 3 of the 9 committee members continuing to vote for a larger 50bp increase

The economy unexpectedly shrank 0.3% in April after contracting 0.1% in March

Employment data saw the number of payrolled employees in May grow by 90k (vs. 70k expected), but unemployment ticked up to 3.8% in the three months to April (vs. 3.6% expected)

Asia / ROW

The benchmark Global Emerging Markets Index fell 4.7% last week

Japanese equities fell 5.5% last week

The Bank of Japan continued to buck the global trend of monetary tightening, with the central bank opting to maintain its purchases of government bonds and equities to reach its 2% price stability target

Chinese equities fell 2.7% last week

China's industrial production unexpectedly rebounded 0.7% year-on-year in May (vs. -0.9% expected), against a drop of 2.9% in April. Retail sales slid 6.7% in the period, which is less than 7.1% projected decline and slightly better than April's 11.1% fall

Japan's Ministry of Finance showed a huge surge in imports in the year to May of 48.9% on the back of high commodity prices and a weak yen



Performance

Asset Class/Region	Currency				
		Week ending 17 Jun 2022	Month to date	YTD 2022	12 Months
Developed Market Equities					
United States	USD	-5.8%	-11.0%	-22.5%	-12.1%
United Kingdom	GBP	-4.1%	-7.4%	-0.7%	5.0%
Continental Europe	EUR	-4.5%	-9.0%	-18.2%	-12.8%
Japan	JPY	-5.5%	-4.0%	-6.7%	-4.3%
Asia Pacific (ex Japan)	USD	-5.1%	-6.6%	-16.4%	-23.4%
Australia	AUD	-6.6%	-10.2%	-11.3%	-8.4%
Global	USD	-5.9%	-10.9%	-22.4%	-15.8%
Emerging markets equities					
Emerging Europe	USD	-4.1%	-10.0%	-76.8%	-77.1%
Emerging Asia	USD	-4.6%	-5.3%	-17.6%	-25.3%
Emerging Latin America	USD	-6.6%	-14.9%	1.9%	-13.5%
BRICs	USD	-4.0%	-2.8%	-19.6%	-31.0%
China	USD	-2.7%	2.0%	-15.0%	-32.8%
MENA countries	USD	-5.0%	-7.2%	1.2%	8.4%
South Africa	USD	-3.1%	-11.7%	-6.3%	-14.3%
India	USD	-5.4%	-8.2%	-15.2%	-6.0%
Global emerging markets	USD	-4.7%	-6.6%	-17.6%	-24.5%
Bonds					
US Treasuries	USD	-0.5%	-2.1%	-10.0%	-9.6%
US Treasuries (inflation protected)	USD	-2.0%	-2.5%	-8.9%	-4.2%
US Corporate (investment grade)	USD	-1.2%	-3.4%	-14.9%	-14.3%
US High Yield	USD	-2.9%	-5.5%	-13.1%	-11.2%
UK Gilts	GBP	-1.1%	-3.4%	-15.7%	-14.8%
UK Corporate (investment grade)	GBP	-1.7%	-3.8%	-14.6%	-14.5%
Euro Government Bonds	EUR	-0.6%	-3.8%	-13.9%	-14.3%
Euro Corporate (investment grade)	EUR	-2.1%	-4.3%	-12.6%	-13.1%
Euro High Yield	EUR	-3.1%	-4.6%	-12.3%	-12.0%
Japanese Government	JPY	-0.6%	-1.0%	-3.1%	-3.0%
Australian Government	AUD	-2.7%	-4.4%	-12.9%	-13.4%
Global Government Bonds	USD	-1.1%	-4.1%	-15.1%	-16.9%
Global Bonds	USD	-1.4%	-4.4%	-15.4%	-17.2%
Global Convertible Bonds	USD	-4.3%	-6.3%	-21.0%	-25.2%
Emerging Market Bonds	USD	-2.4%	-6.0%	-25.9%	-27.0%

Performance

Asset Class/Region	Currency				
		Week ending 17 Jun 2022	Month to date	YTD 2022	12 Months
Property					
US Property Securities	USD	-4.7%	-10.9%	-23.6%	-12.0%
Australian Property Securities	AUD	-5.4%	-13.7%	-26.8%	-17.4%
Asia Property Securities	USD	-4.1%	-5.8%	-8.7%	-19.2%
Global Property Securities	USD	-5.0%	-10.5%	-21.4%	-16.6%
Currencies					
Euro	USD	-0.5%	-2.5%	-8.1%	-12.0%
UK Pound Sterling	USD	-1.0%	-3.4%	-9.9%	-12.3%
Japanese Yen	USD	-0.6%	-4.9%	-14.9%	-18.4%
Australian Dollar	USD	-1.7%	-3.6%	-4.8%	-8.2%
South African Rand	USD	-0.8%	-2.7%	-0.6%	-11.8%
Swiss Franc	USD	1.8%	-1.3%	-6.2%	-5.4%
Chinese Yuan	USD	-0.1%	-0.7%	-5.4%	-4.0%
Commodities & Alternatives					
Commodities	USD	-5.6%	-3.3%	31.5%	51.1%
Agricultural Commodities	USD	-1.8%	-1.8%	19.1%	41.5%
Oil	USD	-7.3%	-7.9%	45.4%	54.8%
Gold	USD	-1.7%	-0.4%	0.6%	3.9%
Hedge funds	USD	-1.3%	-1.3%	-4.6%	-4.4%





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