



The Market Place

- Global equities rallied 5.4% last week
- UK inflation breached 9% in May
- Brent crude was flat over the week at \$113.1 a barrel
- Gold fell 0.7% to \$1826.9 per ounce

US

US equities rallied 6.5% last week, despite being closed on Monday for Juneteenth and earlier weekly concerns of a recession. Biotech and Pharma outperformed, while Oil/ Gas and Energy underperformed

Existing home sales for May came in at 5.41m and new home sales were 696k (vs 5.39m and 588k forecasted respectfully)

Fed Chair Powell outlined Fed plans for achieving a softer landing over Wednesday and Thursday, easing recession concerns

Initial jobless claims for the week of 18 June was 229k for the third week in a row (vs 227k estimate)

Europe

European equities rose 2.4% last week, despite Sweden and Finland being closed on Friday for Midsummer. Technology and Personal/ Household Goods outperformed while Basic Resources and Auto/ Parts underperformed

German Manufacturing Purchasing Managers Index (PMI) for June was 52 (vs 54 expected)

The G7 meeting started on Sunday ahead of NATO later this week

Italian Foreign Minister Luigi Di Maio quit the Five Star Movement, the largest party in Mario Draghi's governing coalition, over the party's refusal to back military support for Ukraine

UK

UK equities returned 2.8% last week

Consumer Price Inflation (CPI) for May was 9.1%, in line with estimates; the market is predicting 10% inflation in October

Composite PMI for June was 53.1, Manufacturing 53.4, Services 53.4 (vs 52.6, 53.7 and 53 forecasted respectfully)

Retail sales for May fell 0.5% (vs -0.7% expected)

Prime Minister (PM) Boris Johnson faced new questions about his leadership and voter appeal after the Conservatives lost two critical parliamentary seats in one night and the party chairman quit

The UK continues to be affected by the worse rail strikes since the 1970s, with barristers, airlines, teachers, and postal services staff expected to strike over the summer

Asia / ROW

The benchmark Global Emerging Markets index returned 0.8% last week

Japanese equities returned 1.7% over the week

Chinese equities returned 4.7% last week

People's Bank of China (PBoC) kept the 1-year Loan Prime Rate unchanged at 3.7% (in line with forecast)

Hong Kong's incoming leader is working to reopen the city's borders with China and the rest of the world

Global equities had their most significant outflow in nine weeks, Bank of America (BofA) said, citing EPFR Global data. About \$16.8 billion exited global stock funds in the week through 22nd June, with US equities seeing their first outflow in seven weeks at \$17.4 billion. Bonds saw redemptions of \$23.5 billion



Performance

Asset Class/Region	Currency				
		Week ending 24 Jun 2022	Month to date	YTD 2022	12 Months
Developed Market Equities					
United States	USD	6.5%	-5.3%	-17.5%	-7.4%
United Kingdom	GBP	2.8%	-4.8%	2.1%	8.6%
Continental Europe	EUR	2.4%	-6.8%	-16.3%	-10.4%
Japan	JPY	1.7%	-2.4%	-5.1%	-1.8%
Asia Pacific (ex Japan)	USD	1.6%	-5.1%	-15.1%	-22.2%
Australia	AUD	1.6%	-8.8%	-9.9%	-5.8%
Global	USD	5.4%	-6.1%	-18.2%	-11.8%
Emerging markets equities					
Emerging Europe	USD	1.2%	-8.9%	-76.6%	-76.9%
Emerging Asia	USD	1.4%	-4.0%	-16.5%	-24.4%
Emerging Latin America	USD	-2.0%	-16.6%	-0.1%	-17.8%
BRICs	USD	3.3%	0.4%	-16.9%	-29.6%
China	USD	4.7%	6.8%	-11.1%	-30.6%
MENA countries	USD	-3.9%	-10.8%	-2.8%	4.7%
South Africa	USD	3.1%	-8.9%	-3.3%	-9.1%
India	USD	2.4%	-6.0%	-13.2%	-4.5%
Global emerging markets	USD	0.8%	-5.9%	-17.0%	-24.2%
Bonds					
US Treasuries	USD	0.5%	-1.6%	-9.5%	-9.1%
US Treasuries (inflation protected)	USD	0.5%	-2.0%	-8.4%	-3.9%
US Corporate (investment grade)	USD	0.3%	-3.0%	-14.6%	-14.0%
US High Yield	USD	0.6%	-5.0%	-12.6%	-10.9%
UK Gilts	GBP	1.6%	-1.8%	-14.4%	-13.8%
UK Corporate (investment grade)	GBP	1.1%	-2.7%	-13.6%	-13.9%
Euro Government Bonds	EUR	1.5%	-2.3%	-12.6%	-12.9%
Euro Corporate (investment grade)	EUR	1.1%	-3.2%	-11.6%	-12.0%
Euro High Yield	EUR	-0.4%	-5.0%	-12.7%	-12.4%
Japanese Government	JPY	-0.1%	-1.0%	-3.1%	-3.3%
Australian Government	AUD	2.7%	-1.8%	-10.6%	-11.3%
Global Government Bonds	USD	1.0%	-3.1%	-14.2%	-15.9%
Global Bonds	USD	1.2%	-3.3%	-14.5%	-16.2%
Global Convertible Bonds	USD	2.1%	-4.3%	-19.4%	-23.9%
Emerging Market Bonds	USD	0.5%	-5.5%	-25.6%	-26.6%

▲ Performance

Asset Class/Region	Currency				
		Week ending 24 Jun 2022	Month to date	YTD 2022	12 Months
Property					
US Property Securities	USD	6.0%	-5.6%	-19.1%	-6.1%
Australian Property Securities	AUD	7.3%	-7.3%	-21.5%	-12.6%
Asia Property Securities	USD	2.9%	-3.1%	-6.0%	-16.3%
Global Property Securities	USD	4.3%	-6.6%	-18.0%	-12.7%
Currencies					
Euro	USD	0.8%	-1.7%	-7.4%	-11.6%
UK Pound Sterling	USD	0.7%	-2.8%	-9.4%	-11.8%
Japanese Yen	USD	0.0%	-4.9%	-14.9%	-18.0%
Australian Dollar	USD	0.3%	-3.3%	-4.5%	-8.3%
South African Rand	USD	1.5%	-1.3%	0.9%	-10.0%
Swiss Franc	USD	1.4%	0.0%	-4.9%	-4.1%
Chinese Yuan	USD	0.4%	-0.3%	-5.0%	-3.3%
Commodities & Alternatives					
Commodities	USD	-4.0%	-7.2%	26.2%	41.0%
Agricultural Commodities	USD	-7.1%	-8.8%	10.7%	28.5%
Oil	USD	0.0%	-7.9%	45.4%	49.7%
Gold	USD	-0.7%	-1.0%	-0.1%	2.8%
Hedge funds	USD	-0.5%	-1.7%	-5.0%	-5.0%

Global Matters Weekly

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