

The Market Place

- Global equities fell by 1.6% last week
- In Ukraine, talks with President Zelensky, UN Secretary-General António Guterres, and Turkish President Recep Tayyip Erdoğan were held in Lviv with Turkey acting as the key interlocutor between Ukraine and Russia
- Brent crude fell by 1.5% over the week to \$96.7 a barrel
- Gold fell by 3.1% to \$1747.1 per ounce

US

US equities returned -1.2% last week

The Empire State manufacturing survey plunged to -31.3 in August (vs. 5.0 expected), marking its worst performance since the Global Financial Crisis (GFC), apart from April and May 2020

The National Association of Home Builders' housing market index for August, fell to its lowest level since May 2020 at 49 (vs. 54 expected)

Housing permits beat expectations (+1674k vs. +1640k) while starts fell to their slowest pace since February 2021 (+1446k vs. +1527k expected)

Industrial production climbed +0.6% month-over-month (vs. +0.3%), with capacity utilisation hitting its highest level since 2008 at 80.3%

US retail sales came in very slightly beneath expectations, with an unchanged reading in July (vs. +0.1% expected)

Initial jobless claims fell to 250k (vs. 264k expected)

Continuing claims, a leading indicator for recessionary risk, also came in below expectations at 1437k (vs. 1455k)

Europe

European equities returned -0.9% last week

Germany announced that planned nuclear facility closures would be "temporarily" postponed in light of climbing consumer prices

Germany's economic sentiment Zentrum für Europäische Wirtschaftsforschung (ZEW) survey fell to -55.3, its lowest level since October 2008, at the depths of the GFC

The second reading of Q2 Gross Domestic Product (GDP) for the Euro Area came in at +0.6%, a tenth beneath the initial estimate

UK

UK equities returned +1.0% last week

In the UK, regular pay (excluding bonuses) fell by -3.0% in real terms over the year to April-June 2022, its fastest decline on record

UK inflation rose to +10.1% in July (vs. +9.8% expected) which means inflation is now in double-digits for the first time in 40 years

Retail sales fell by 3.4% year-on-year in July (vs -3.3% expected)

Asia / ROW

Global emerging market equities fell 1.5% over the week

Japanese equities rose by 1.1% over the week

Japan's headline inflation rose 2.6% year-on-year in July, in line with market expectations and against a 2.4% rise in June

Data from Japan showed that exports rose 19.0% year-on-year in July (v/s +17.6% expected) posting 17 straight months of gains, while imports advanced 47.2% (v/s +45.5% expected) driven by global fuel inflation and a weakening yen

Japan reported a trade deficit for the 14th consecutive month, swelling to -2.13 trillion yen in July (v/s -1.91 trillion yen expected)

Canadian inflation slowed to 7.6% YoY in July in line with estimates, while the average of core measures climbed to a record 5.3%

Australia unexpectedly reported a drop in employment of -40.9k in July (vs. +25k expected)

Performance

Asset Class/Region	Currency				
		Week ending 19 Aug 2022	Month to date	YTD 2022	12 Months
Developed Market Equities					
United States	USD	-1.2%	2.5%	-10.7%	-3.0%
United Kingdom	GBP	1.0%	2.2%	7.6%	14.1%
Continental Europe	EUR	-0.9%	-0.1%	-10.9%	-7.1%
Japan	JPY	1.1%	2.8%	1.5%	7.7%
Asia Pacific (ex Japan)	USD	-1.4%	0.4%	-15.3%	-14.9%
Australia	AUD	1.4%	2.7%	-2.1%	-0.8%
Global	USD	-1.6%	1.6%	-12.8%	-7.6%
Emerging markets equities					
Emerging Europe	USD	-3.4%	1.7%	-76.5%	-76.9%
Emerging Asia	USD	-1.1%	0.5%	-17.9%	-16.9%
Emerging Latin America	USD	-3.6%	4.9%	8.8%	1.4%
BRICs	USD	-1.4%	0.5%	-19.6%	-22.0%
China	USD	-2.0%	-2.0%	-21.3%	-25.1%
MENA countries	USD	0.6%	3.6%	7.4%	11.5%
South Africa	USD	-7.4%	-0.3%	-7.4%	-4.9%
India	USD	0.0%	3.0%	-3.5%	1.0%
Global emerging markets	USD	-1.5%	1.1%	-16.9%	-16.4%
Bonds					
US Treasuries	USD	-0.7%	-1.7%	-8.9%	-9.9%
US Treasuries (inflation protected)	USD	0.0%	-1.4%	-6.9%	-5.0%
US Corporate (investment grade)	USD	-1.2%	-1.5%	-13.0%	-13.7%
US High Yield	USD	-1.2%	0.4%	-8.8%	-7.2%
UK Gilts	GBP	-2.3%	-4.2%	-15.9%	-18.2%
UK Corporate (investment grade)	GBP	-2.1%	-3.2%	-14.1%	-16.2%
Euro Government Bonds	EUR	-1.9%	-3.0%	-11.3%	-13.7%
Euro Corporate (investment grade)	EUR	-1.6%	-2.1%	-9.7%	-11.2%
Euro High Yield	EUR	-1.0%	0.7%	-9.5%	-9.7%
Japanese Government	JPY	0.0%	0.4%	-2.1%	-2.6%
Australian Government	AUD	0.2%	-2.0%	-8.8%	-12.2%
Global Government Bonds	USD	-2.0%	-2.7%	-14.9%	-17.5%
Global Bonds	USD	-1.9%	-2.5%	-14.7%	-17.0%
Global Convertible Bonds	USD	-1.6%	1.5%	-17.3%	-19.2%
Emerging Market Bonds	USD	-2.1%	-0.9%	-24.4%	-26.1%



Performance

Asset Class/Region	Currency				
		Week ending 19 Aug 2022	Month to date	YTD 2022	12 Months
Property					
US Property Securities	USD	-2.2%	0.5%	-13.2%	-2.5%
Australian Property Securities	AUD	-0.2%	-2.7%	-18.5%	-10.1%
Asia Property Securities	USD	-0.9%	-2.1%	-7.2%	-12.0%
Global Property Securities	USD	-2.5%	-0.7%	-14.5%	-9.7%
Currencies					
Euro	USD	-2.2%	-1.6%	-11.9%	-14.1%
UK Pound Sterling	USD	-2.5%	-2.8%	-12.6%	-13.4%
Japanese Yen	USD	-2.4%	-2.6%	-16.0%	-19.8%
Australian Dollar	USD	-3.3%	-1.4%	-5.5%	-4.0%
South African Rand	USD	-4.7%	-2.1%	-6.3%	-10.8%
Swiss Franc	USD	-1.8%	-0.7%	-5.0%	-4.4%
Chinese Yuan	USD	-1.1%	-1.1%	-6.8%	-4.7%
Commodities & Alternatives					
Commodities	USD	-1.6%	-0.9%	23.1%	40.1%
Agricultural Commodities	USD	-2.6%	0.7%	7.2%	18.8%
Oil	USD	-1.5%	-12.1%	24.4%	45.6%
Gold	USD	-3.1%	-1.1%	-4.5%	-2.0%
Hedge funds	USD	0.4%	1.1%	-3.4%	-2.8%





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