

# The Market Place

- Global equities fell by 3.3% last week
- EU Commission President Von der Leyen is considering various measures to deal with the current cost of living turmoil
- Brent crude fell by 7.9% over the week to \$93.0 a barrel
- Gold fell by 1.5% to \$1712.2 per ounce

## US

US equities returned -3.2% last week

The headline nonfarm payrolls number was broadly in line with expectations at 315k vs 298k expected. The unemployment rate also ticked up to 3.7% vs 3.5% expected, driven by a rise in labour force participation to 62.4% vs 62.2% expected as more people came back into the workforce

Initial jobless claims for the week ending 27 August fell back to 232k vs 248k expected, marking the third consecutive week that jobless claims have declined

The Automatic Data Processing (ADP)'s National Employment Report of private payrolls came in at +132k vs +300k expected

The Job Openings and Labour Turnover Survey (JOLTS) data showed that job openings rose to 11.239m in July (vs 10.375m expected)

The Institute of Supply Management (ISM) manufacturing data surpassed expectations, remaining at 52.8 vs 51.9 expected, with the employment component at a five month high of 54.2 vs 49.5 expected

The Conference Board's consumer confidence data for August came in at a three month high of 103.2 vs 98.0 expected, with rises for both the expectations and the present situation indicators

The manufacturing Purchasing Managers' Index (PMI) came in at 51.5 vs its flash reading of 51.3

## Europe

European equities returned -1.9% last week

The Euro Area unemployment fell to a new low of 6.6% in July, the lowest level since the formation of the single currency

The flash Consumer Price Index (CPI) reading for the Euro Area rose to a record 9.1%, also to levels not seen since the formation of the single currency

In Germany, the EU-harmonised CPI reading rose to a fresh high of 8.8%, and it was a similar story in Spain where the harmonised reading fell back to 10.3%, both in line with expectations

German retail sales grew by 1.9% vs -0.1% expected

The Euro Area manufacturing Purchasing Managers Index (PMI) came in at 49.6 vs its flash reading of 49.7

## UK

UK equities returned -1.9% last week

The Office for National Statistics said that the government's £400 discount for energy customers this winter would not affect the CPI. If it had been counted as part of inflation, then the October Retail Price Index (RPI) projections would have been affected by around 2.7%

The manufacturing PMI reading came in stronger than its flash reading at 47.3 (vs 46.0) but still in contractionary territory and at its lowest level since May 2020

## Asia / ROW

Global emerging market equities fell 3.4% over the week

Japanese equities fell by 2.5% over the week

Shenzhen locked down its city centre with Chengdu also extending lockdown restrictions for most parts of the city as the nation faces a steady rise in Covid-19 infections

In China, the Caixin manufacturing PMI fell into contractionary territory for the first time in three months with a 49.5 reading (vs 50.0 expected). In South Korea, the reading fell to 47.6 vs 49.8 previously, its lowest level since July 2020. In Japan, the 51.5 reading was the lowest since September 2021

Korea's inflation dropped to 5.7% year-on-year in August from 6.3% in July as energy prices eased

Japan's latest services PMI data for August came in at 49.5, lower than the prior reading of 50.3 in July

China's manufacturing PMI came in at 49.4 vs 49.2 expected and the non-manufacturing PMI came in at 52.6 vs 52.3 expected

Japan's industrial production readings were stronger than expected at +1.0% month-on-month vs -0.5% expected. Retail sales also beat expectations at 0.8% vs 0.3% expected



# Performance

Asset Class/Region	Currency				
		Week ending 2 Sep 2022	Month to date	YTD 2022	12 Months
<b>Developed Market Equities</b>					
United States	USD	-3.2%	-0.8%	-17.0%	-12.6%
United Kingdom	GBP	-1.9%	0.0%	3.9%	8.4%
Continental Europe	EUR	-1.9%	0.4%	-15.1%	-12.8%
Japan	JPY	-2.5%	-1.7%	-1.7%	-0.3%
Asia Pacific (ex Japan)	USD	-3.4%	-2.5%	-17.9%	-22.2%
Australia	AUD	-3.1%	-1.6%	-5.1%	-4.8%
Global	USD	-3.3%	-0.8%	-18.4%	-16.3%
<b>Emerging markets equities</b>					
Emerging Europe	USD	-3.6%	-0.9%	-77.7%	-79.3%
Emerging Asia	USD	-3.3%	-2.8%	-20.3%	-24.7%
Emerging Latin America	USD	-2.9%	1.7%	8.3%	-3.6%
BRICs	USD	-2.3%	-1.9%	-20.0%	-27.8%
China	USD	-3.2%	-2.5%	-21.5%	-31.2%
MENA countries	USD	-3.3%	-1.3%	3.5%	6.1%
South Africa	USD	-6.5%	0.0%	-10.9%	-14.7%
India	USD	0.2%	-1.3%	-4.4%	-5.4%
Global emerging markets	USD	-3.4%	-2.2%	-19.3%	-23.7%
<b>Bonds</b>					
US Treasuries	USD	-0.8%	-0.1%	-9.8%	-10.7%
US Treasuries (inflation protected)	USD	-1.8%	-0.3%	-8.4%	-6.9%
US Corporate (investment grade)	USD	-1.6%	-0.5%	-14.6%	-15.5%
US High Yield	USD	-1.8%	-0.2%	-11.4%	-10.9%
UK Gilts	GBP	-3.6%	-1.4%	-20.3%	-21.8%
UK Corporate (investment grade)	GBP	-2.8%	-1.0%	-17.9%	-19.7%
Euro Government Bonds	EUR	-0.9%	0.2%	-13.2%	-14.8%
Euro Corporate (investment grade)	EUR	-1.0%	0.2%	-11.4%	-12.6%
Euro High Yield	EUR	-1.6%	-0.5%	-11.6%	-12.0%
Japanese Government	JPY	-0.5%	-0.4%	-3.0%	-3.5%
Australian Government	AUD	-0.3%	-0.3%	-9.8%	-12.5%
Global Government Bonds	USD	-1.4%	-0.4%	-16.6%	-19.3%
Global Bonds	USD	-1.2%	-0.3%	-16.4%	-18.9%
Global Convertible Bonds	USD	-1.8%	-0.9%	-19.7%	-24.0%
Emerging Market Bonds	USD	-2.3%	-0.7%	-26.1%	-28.8%



# Performance

Asset Class/Region	Currency				
		Week ending 2 Sep 2022	Month to date	YTD 2022	12 Months
<b>Property</b>					
US Property Securities	USD	-3.9%	-1.1%	-19.7%	-13.9%
Australian Property Securities	AUD	-3.2%	-1.9%	-21.2%	-16.4%
Asia Property Securities	USD	-2.7%	-1.4%	-10.1%	-16.0%
Global Property Securities	USD	-3.4%	-1.2%	-19.6%	-18.1%
<b>Currencies</b>					
Euro	USD	-0.1%	-0.8%	-12.4%	-16.0%
UK Pound Sterling	USD	-2.0%	-0.9%	-14.9%	-16.7%
Japanese Yen	USD	-2.1%	-1.1%	-18.0%	-21.6%
Australian Dollar	USD	-1.4%	-0.7%	-6.5%	-8.0%
South African Rand	USD	-2.7%	-1.1%	-7.9%	-16.5%
Swiss Franc	USD	-1.7%	-0.7%	-7.2%	-6.8%
Chinese Yuan	USD	-0.4%	-0.1%	-7.9%	-6.4%
<b>Commodities &amp; Alternatives</b>					
Commodities	USD	-4.9%	-2.4%	19.3%	28.9%
Agricultural Commodities	USD	-2.4%	-2.1%	7.5%	19.5%
Oil	USD	-7.9%	-3.6%	19.6%	27.4%
Gold	USD	-1.5%	-0.2%	-6.4%	-5.4%
Hedge funds	USD	-0.5%	-0.1%	-3.8%	-4.4%



# Global Matters Weekly

5 September 2022

For more information, please contact your adviser or alternatively contact:

Belvest Investment Services Limited  
研富投資服務有限公司  
9th Floor, Centre Mark II  
305-313 Queen's Road Central  
Sheung Wan, Hong Kong

Tel +852 2827 1199  
Fax +852 2827 0270  
belvest@bis.hk  
[www.bis.hk](http://www.bis.hk)

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