



# The Market Place

- Global equities fell by 1.7% last week
- The International Monetary Fund released their latest round of economic projections leaving 2022 growth forecast at +3.2% but downgrading 2023 to +2.7%
- Brent crude fell by 6.4% over the week to \$91.6 a barrel
- Gold fell by 3.0% to \$1647.6 per ounce

## US

US equities returned -1.5% last week

The minutes from the Federal Open Market Committee meeting were released which reflected the growing debate on the Committee about the risks to over or under-doing the tightening cycle. There was also continued debate about the form of labour market softening that would be required to help return inflation to target

Another upside Consumer Price Index (CPI) surprise ruined any chance of a near-term Fed policy pivot. Headline consumer prices rose by 0.4% over the month and 8.2% year-on-year. Core CPI was also stronger than expected, with the year-on-year measure up to 6.6%, its highest level since 1982

## Europe

European equities were flat last week

European Central Bank (ECB) Chief Economist Lane said "the ECB's Governing Council is fully aware that further ground needs to be covered in the next several meetings to exit from the prevailing highly accommodative level of policy rates"

## UK

UK equities returned -2.0% last week

The Bank of England ended its emergency support for bond markets on Friday

UK Prime Minister Truss announced plans to hike corporation tax and removed Kwasi Kwarteng in favour of Jeremy Hunt

UK unemployment rate fell to 3.5% vs 3.6% expected in the three months to August, the lowest level since 1974

The UK will continue to be in the spotlight this week with CPI, Retail Price Index and Producer Price Index to be released on Wednesday

## Asia / ROW

Global emerging market equities fell 3.8% over the week

Japanese equities returned -0.5% last week

The Japanese yen hit a fresh 32-year low versus the US dollar last week. The Bank of Japan Governor Haruhiko Kuroda indicated that he intends to stick to his policy of large-scale monetary easing, contrasting with other central banks

Inflation has remained subdued in China amid persistent lockdowns and soft commodity prices. CPI advanced 2.8% year-on-year in September, pushed higher by food costs



# Performance

Asset Class/Region	Currency				
		Week ending 14 Oct 2022	Month to date	YTD 2022	12 Months
<b>Developed Market Equities</b>					
United States	USD	-1.5%	0.0%	-24.2%	-18.4%
United Kingdom	GBP	-2.0%	-0.5%	-1.8%	1.4%
Continental Europe	EUR	0.0%	0.9%	-20.0%	-15.8%
Japan	JPY	-0.5%	3.4%	-2.3%	-1.9%
Asia Pacific (ex Japan)	USD	-3.8%	-1.7%	-27.6%	-28.8%
Australia	AUD	-0.1%	4.4%	-5.6%	-3.4%
Global	USD	-1.7%	0.0%	-25.5%	-21.7%
<b>Emerging markets equities</b>					
Emerging Europe	USD	-0.1%	5.0%	-78.9%	-81.5%
Emerging Asia	USD	-4.0%	-2.3%	-30.4%	-31.6%
Emerging Latin America	USD	-3.8%	3.3%	6.4%	2.7%
BRICs	USD	-4.7%	-2.8%	-29.6%	-34.9%
China	USD	-6.2%	-4.7%	-34.5%	-40.0%
MENA countries	USD	-2.7%	0.0%	-2.3%	-3.0%
South Africa	USD	-3.4%	-0.6%	-19.3%	-22.5%
India	USD	-0.5%	-0.7%	-9.4%	-13.5%
Global emerging markets	USD	-3.8%	-1.4%	-28.2%	-29.9%
<b>Bonds</b>					
US Treasuries	USD	-0.8%	-1.1%	-13.7%	-13.6%
US Treasuries (inflation protected)	USD	0.1%	0.6%	-13.9%	-12.8%
US Corporate (investment grade)	USD	-1.6%	-1.5%	-19.9%	-19.9%
US High Yield	USD	-1.1%	0.3%	-14.5%	-13.7%
UK Gilts	GBP	-2.0%	-5.9%	-30.2%	-29.0%
UK Corporate (investment grade)	GBP	-1.6%	-3.1%	-26.8%	-26.3%
Euro Government Bonds	EUR	-1.1%	-1.7%	-18.1%	-18.7%
Euro Corporate (investment grade)	EUR	-0.9%	-1.0%	-15.5%	-15.8%
Euro High Yield	EUR	-1.0%	-0.4%	-15.0%	-14.8%
Japanese Government	JPY	-0.6%	-0.3%	-4.1%	-4.1%
Australian Government	AUD	-0.9%	-0.4%	-11.2%	-11.7%
Global Government Bonds	USD	-1.3%	-1.9%	-21.8%	-22.5%
Global Bonds	USD	-1.4%	-1.8%	-21.9%	-22.6%
Global Convertible Bonds	USD	-2.7%	-0.7%	-24.6%	-27.2%
Emerging Market Bonds	USD	-2.3%	-2.0%	-32.1%	-32.3%



# Performance

Asset Class/Region	Currency				
		Week ending 14 Oct 2022	Month to date	YTD 2022	12 Months
<b>Property</b>					
US Property Securities	USD	-1.0%	-4.0%	-31.7%	-24.8%
Australian Property Securities	AUD	-1.8%	1.4%	-29.8%	-23.3%
Asia Property Securities	USD	-3.4%	-1.5%	-17.7%	-21.4%
Global Property Securities	USD	-1.8%	-3.2%	-31.0%	-27.6%
<b>Currencies</b>					
Euro	USD	-0.4%	-0.7%	-14.6%	-16.1%
UK Pound Sterling	USD	0.6%	0.3%	-17.5%	-18.4%
Japanese Yen	USD	-2.4%	-2.8%	-22.7%	-23.7%
Australian Dollar	USD	-2.7%	-3.4%	-14.6%	-16.2%
South African Rand	USD	-1.1%	-1.3%	-13.0%	-19.3%
Swiss Franc	USD	-1.2%	-2.2%	-9.4%	-8.1%
Chinese Yuan	USD	-1.1%	-1.1%	-11.6%	-10.5%
<b>Commodities &amp; Alternatives</b>					
Commodities	USD	-3.2%	3.0%	17.9%	16.4%
Agricultural Commodities	USD	-0.1%	0.3%	7.1%	15.3%
Oil	USD	-6.4%	4.2%	17.8%	9.1%
Gold	USD	-3.0%	-1.0%	-10.1%	-8.5%
Hedge funds	USD	-0.2%	0.0%	-4.6%	-4.9%

# Global Matters Weekly

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