

The Market Place

- Global equities rose by 3.6% last week
- Xi Jinping was declared as the Chinese Communist Party Chief for a third time as he further consolidated his grip on power. His third term as General Secretary will make him the longest ruling Chinese leader since Chairman Mao
- Brent crude rose by 2.0% over the week to \$93.5 a barrel
- Gold rose by 0.8% to \$1657.7 per ounce

US

US equities returned 4.7% last week as investors appeared to react to some prominent earnings reports and hints that the Federal Reserve might moderate its pace of interest rate hikes

Rising interest rates began to show their impact on the US housing market. The US National association of Home Builders' market index fell to 38 in October (vs. 43 expected) as mortgage rates hit their highest level in over two decades

Elsewhere in the housing market US existing home sales fell to an annualised rate of 4.71m in September (vs. 4.70m expected), which is their lowest level in a decade if you exclude the pandemic months of April and May 2020

Hawkish Fed comments pushed the yield on the benchmark 10-year U.S. Treasury note to a 14-year high of 4.33% last Friday

Europe

European equities rose by 1.6% last week

The outlook in Europe remains bleak as the German ZEW survey's reading fell more than expected to -72.2 in October (vs. -68.5 expected)

Also in Germany, producer price inflation remained at +45.8% year-on-year in September (vs. +45.4% expected)

European government bond yields climbed ahead of a European Central Bank meeting that is expected to result in another 0.75-percentage-point increase in interest rates

UK

UK equities returned 1.5% last week

Liz Truss announced her resignation as Prime Minister on Thursday after just 44 days in office. A leadership election will be held today with former Chancellor Rishi Sunak the favourite to succeed Truss after Boris Johnson pulled out of the running late last night

The latest UK inflation data for September showed the Consumer Price Index rising to 10.1% (vs. 10.0% expected). The Bank of England announced that Quantitative Tightening/Gilt sales will commence from November 1st as it seeks to bring inflation under control

Asia / ROW

Global emerging market equities rose 0.2% over the week

Japanese equities fell by 0.9% last week

The Japanese Yen weakened through 150 per dollar for first time since 1990 but rebounded after a fresh intervention from the Japanese authorities was reported

The release of Q3 Gross Domestic Product data and a slew of other economic data from China was delayed as the ruling Communist Party held its National Congress. Some believe that a release likely showing slowing economic growth in China would have marred the highly choreographed twice-a-decade event



Performance

Asset Class/Region	Currency				
		Week ending 21 Oct 2022	Month to date	YTD 2022	12 Months
Developed Market Equities					
United States	USD	4.7%	4.7%	-20.6%	-16.6%
United Kingdom	GBP	1.5%	1.1%	-0.3%	3.2%
Continental Europe	EUR	1.6%	2.6%	-18.7%	-15.2%
Japan	JPY	-0.9%	2.5%	-3.2%	-3.4%
Asia Pacific (ex Japan)	USD	-1.2%	-2.9%	-28.5%	-31.6%
Australia	AUD	-1.2%	3.1%	-6.7%	-5.9%
Global	USD	3.6%	3.6%	-22.8%	-20.6%
Emerging markets equities					
Emerging Europe	USD	5.4%	10.7%	-77.7%	-80.4%
Emerging Asia	USD	-1.3%	-3.5%	-31.3%	-34.3%
Emerging Latin America	USD	7.6%	11.2%	14.6%	14.5%
BRICs	USD	0.1%	-2.7%	-29.5%	-36.2%
China	USD	-2.7%	-7.3%	-36.2%	-44.2%
MENA countries	USD	3.4%	3.4%	1.0%	-1.4%
South Africa	USD	2.0%	1.4%	-17.7%	-21.6%
India	USD	2.0%	1.3%	-7.6%	-11.2%
Global emerging markets	USD	0.2%	-1.2%	-28.0%	-31.2%
Bonds					
US Treasuries	USD	-1.1%	-2.2%	-14.6%	-13.8%
US Treasuries (inflation protected)	USD	-0.3%	0.2%	-14.2%	-12.9%
US Corporate (investment grade)	USD	-1.2%	-2.7%	-20.9%	-20.0%
US High Yield	USD	0.3%	0.6%	-14.2%	-13.5%
UK Gilts	GBP	5.0%	-1.2%	-26.7%	-24.1%
UK Corporate (investment grade)	GBP	3.5%	0.4%	-24.2%	-22.9%
Euro Government Bonds	EUR	-0.3%	-2.0%	-18.3%	-18.4%
Euro Corporate (investment grade)	EUR	-0.3%	-1.4%	-15.7%	-15.8%
Euro High Yield	EUR	-0.1%	-0.6%	-15.1%	-14.8%
Japanese Government	JPY	-0.8%	-1.1%	-4.9%	-4.8%
Australian Government	AUD	-1.2%	-1.5%	-12.2%	-11.8%
Global Government Bonds	USD	-0.7%	-2.6%	-22.3%	-22.6%
Global Bonds	USD	-0.7%	-2.4%	-22.4%	-22.8%
Global Convertible Bonds	USD	0.9%	0.2%	-24.0%	-27.3%
Emerging Market Bonds	USD	-1.1%	-3.1%	-32.8%	-32.6%



Performance

Asset Class/Region	Currency				
		Week ending 21 Oct 2022	Month to date	YTD 2022	12 Months
Property					
US Property Securities	USD	3.1%	-1.0%	-29.6%	-23.8%
Australian Property Securities	AUD	-0.1%	1.2%	-29.9%	-25.4%
Asia Property Securities	USD	-2.7%	-4.2%	-19.9%	-24.7%
Global Property Securities	USD	1.2%	-2.1%	-30.2%	-27.9%
Currencies					
Euro	USD	1.2%	0.5%	-13.6%	-15.4%
UK Pound Sterling	USD	0.9%	1.2%	-16.8%	-18.4%
Japanese Yen	USD	1.1%	-1.7%	-21.9%	-22.8%
Australian Dollar	USD	2.4%	-1.1%	-12.6%	-14.9%
South African Rand	USD	1.0%	-0.3%	-12.1%	-19.4%
Swiss Franc	USD	0.6%	-1.6%	-8.8%	-8.1%
Chinese Yuan	USD	-0.6%	-1.6%	-12.1%	-11.6%
Commodities & Alternatives					
Commodities	USD	-0.9%	2.1%	16.9%	15.3%
Agricultural Commodities	USD	0.1%	0.4%	7.2%	14.4%
Oil	USD	2.0%	6.3%	20.2%	10.5%
Gold	USD	0.8%	-0.2%	-9.4%	-6.9%
Hedge funds	USD	0.0%	0.0%	-4.6%	-5.2%



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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

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