



# The Market Place

- Global equities returned 1.8% last week
- Most World indices saw positive returns to start the new year
- Brent crude fell 8.5% to \$78.57 per barrel
- Gold rose 2.3% to \$1865.69 per ounce

## US

US equities returned 1.5% last week driven by Media, Metal and miners while Oil/ Gas and Healthcare underperformed

Republican congressman Kevin McCarthy was voted in as house speaker on the 15th attempt, the highest number of ballots for the speakership since 1859. He has pledged to champion spending cuts and strengthen border security

Federal Open Market Committee meeting minutes affirmed the Federal Reserve's desire to reduce inflation. Markets were warned not to underestimate their will to keep rates tight for some time.

US nonfarm payrolls for December came in at 223k (vs 200k expected), the unemployment rate for December was 3.5% (vs 3.7 expected)

## Europe

European equities returned 4.9% last week, retail, auto/ parts, oil/gas and utilities all underperformed

The European Central Bank expects to complete its interest-rate hikes "by the summer"

European Consumer Price Index for December was 9.2% (vs 9.7% expected)

German Manufacturing Purchasing Managers Index for December was 47.1 (vs 47.4 expected)

Some Scandinavian markets were closed Friday for Epiphany

## UK

UK equities returned 3.3% last week

Prime Minister Rishi Sunak said that slowing UK inflation this year is "not a given"

UK railway unions staged strikes throughout the week as the Government laid out plans to enforce a minimum service for all unions

UK December Construction Purchasing Manager's Index was 48.8 (vs 49.6 expected)

UK food prices soared 13.3% in December

## Asia / ROW

Global emerging market equities returned 3.4% last week

Japanese equities fell -0.8% last week

Chinese equities returned 7.6% last week, as COVID-19 restrictions continued to ease

China may relax their three red line policy easing borrowing caps on leverage and extend grace periods

Thousands of supporters of ex-President Jair Bolsonaro ransacked Brazil's Congress, supreme court and presidential palace

USA, UK and Germany sent additional military aid to Ukraine which significantly upgraded their firepower



# Performance

Asset Class/Region	Currency				
		Week ending 6 Jan 2023	Month to date	YTD 2023	12 Months
<b>Developed Market Equities</b>					
United States	USD	1.5%	1.5%	1.5%	-16.1%
United Kingdom	GBP	3.3%	3.3%	3.3%	9.5%
Continental Europe	EUR	4.9%	4.9%	4.9%	-8.1%
Japan	JPY	-0.8%	-0.8%	-0.8%	-3.5%
Asia Pacific (ex Japan)	USD	3.3%	3.3%	3.3%	-13.4%
Australia	AUD	1.0%	1.0%	1.0%	1.1%
Global	USD	1.8%	1.8%	1.8%	-15.4%
<b>Emerging markets equities</b>					
Emerging Europe	USD	0.7%	0.7%	0.7%	-70.6%
Emerging Asia	USD	3.8%	3.8%	3.8%	-16.9%
Emerging Latin America	USD	2.6%	2.6%	2.6%	14.4%
BRICs	USD	4.3%	4.3%	4.3%	-15.8%
China	USD	7.6%	7.6%	7.6%	-13.1%
MENA countries	USD	0.3%	0.3%	0.3%	-8.7%
South Africa	USD	3.7%	3.7%	3.7%	-2.4%
India	USD	-0.9%	-0.9%	-0.9%	-7.8%
Global emerging markets	USD	3.4%	3.4%	3.4%	-16.4%
<b>Bonds</b>					
US Treasuries	USD	1.8%	1.8%	1.8%	-9.4%
US Treasuries (inflation protected)	USD	1.2%	1.2%	1.2%	-9.5%
US Corporate (investment grade)	USD	1.8%	1.8%	1.8%	-12.6%
US High Yield	USD	2.3%	2.3%	2.3%	-8.6%
UK Gilts	GBP	1.1%	1.1%	1.1%	-22.3%
UK Corporate (investment grade)	GBP	1.5%	1.5%	1.5%	-17.8%
Euro Government Bonds	EUR	2.7%	2.7%	2.7%	-15.8%
Euro Corporate (investment grade)	EUR	1.2%	1.2%	1.2%	-12.7%
Euro High Yield	EUR	1.1%	1.1%	1.1%	-10.7%
Japanese Government	JPY	0.0%	0.0%	0.0%	-5.4%
Australian Government	AUD	1.2%	1.2%	1.2%	-8.7%
Global Government Bonds	USD	1.4%	1.4%	1.4%	-15.1%
Global Bonds	USD	1.6%	1.6%	1.6%	-14.8%
Global Convertible Bonds	USD	1.0%	1.0%	1.0%	-17.2%
Emerging Market Bonds	USD	1.3%	1.3%	1.3%	-22.0%



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		Week ending 6 Jan 2023	Month to date	YTD 2023	12 Months
<b>Property</b>					
US Property Securities	USD	1.7%	1.7%	1.7%	-22.2%
Australian Property Securities	AUD	-0.1%	-0.1%	-0.1%	-21.2%
Asia Property Securities	USD	0.9%	0.9%	0.9%	-7.8%
Global Property Securities	USD	1.6%	1.6%	1.6%	-20.8%
<b>Currencies</b>					
Euro	USD	-0.7%	-0.7%	-0.7%	-5.8%
UK Pound Sterling	USD	-0.1%	-0.1%	-0.1%	-10.7%
Japanese Yen	USD	-0.8%	-0.8%	-0.8%	-12.3%
Australian Dollar	USD	0.7%	0.7%	0.7%	-4.1%
South African Rand	USD	-0.8%	-0.8%	-0.8%	-8.4%
Swiss Franc	USD	-0.7%	-0.7%	-0.7%	-0.8%
Chinese Yuan	USD	1.0%	1.0%	1.0%	-6.5%
<b>Commodities &amp; Alternatives</b>					
Commodities	USD	-4.4%	-4.4%	-4.4%	12.5%
Agricultural Commodities	USD	-2.0%	-2.0%	-2.0%	5.8%
Oil	USD	-8.5%	-8.5%	-8.5%	-4.2%
Gold	USD	2.3%	2.3%	2.3%	4.2%
Hedge funds	USD	0.4%	0.4%	0.4%	-3.6%

# Global Matters Weekly

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