



# The Market Place

- Global equities returned 3.3% last week
- The World Bank released its latest round of economic projections, with global growth projection for 2023 now at 1.7%, marking a downgrade from 3.0% forecasted in June
- Brent crude rose by 8.5% to \$85.28 per barrel
- Gold rose 2.9% to \$1920.23 per ounce

## US

US equities returned 2.7% last week

Monthly Consumer Price Index (CPI) came in at -0.08% in December, the biggest monthly decline since April 2020, driven by falling energy prices. Year-on-year CPI was taken down to a one-year low of 6.5%. These releases have led to growing expectations that The Fed would downshift the pace of rate hikes at the February meeting

Core CPI, which strips out food and energy, was up by 0.3% on the month, ticking up from its 15-month low in November

Weekly initial jobless claims over the first week of 2023 came in at 205k vs 215k expected

## Europe

European equities returned 2.0% last week

Euro Area unemployment remained at a record low of 6.5% in November, pointing to a historically tight labour market that could lead to further wage and inflationary pressures

The French government outlined a plan that would see the country's retirement age rise to 64 by 2030, up from 62 at present

The European Central Bank's Consumer Expectations Survey for November showed a decline in 12-month inflation expectations from 5.4% to 5.0%

## UK

UK equities returned 1.8% last week

Industrial production and manufacturing production for November fell by 0.2% and 0.5%, respectively

GDP expanded by 0.1% in November, marking a slowdown from a 0.5% rise in October

## Asia / ROW

Global emerging market equities returned 4.2% last week

Japanese equities rose by 1.5% last week

Chinese equities returned 4.2% last week as Covid-19 restrictions continued to ease

Tokyo's core consumer prices advanced 4.0% year-on-year in December – the fastest pace in four decades

Inflation in China accelerated to 1.8% year-on-year in December, in line with market expectations, driven by rising food prices despite economic activity remaining soft due to Covid-19



# Performance

Asset Class/Region	Currency				
		Week ending 13 Jan 2023	Month to date	YTD 2023	12 Months
<b>Developed Market Equities</b>					
United States	USD	2.7%	4.2%	4.2%	-13.2%
United Kingdom	GBP	1.8%	5.1%	5.1%	9.5%
Continental Europe	EUR	2.0%	7.0%	7.0%	-5.5%
Japan	JPY	1.5%	0.6%	0.6%	-2.5%
Asia Pacific (ex Japan)	USD	4.2%	7.6%	7.6%	-12.9%
Australia	AUD	3.1%	4.1%	4.1%	2.6%
Global	USD	3.3%	5.2%	5.2%	-12.6%
<b>Emerging markets equities</b>					
Emerging Europe	USD	1.8%	2.4%	2.4%	-70.5%
Emerging Asia	USD	4.3%	8.3%	8.3%	-16.4%
Emerging Latin America	USD	5.1%	7.8%	7.8%	13.5%
BRICs	USD	3.8%	8.3%	8.3%	-16.5%
China	USD	4.2%	12.1%	12.1%	-13.9%
MENA countries	USD	1.2%	1.6%	1.6%	-11.5%
South Africa	USD	6.6%	10.5%	10.5%	-1.4%
India	USD	1.8%	0.9%	0.9%	-9.4%
Global emerging markets	USD	4.2%	7.7%	7.7%	-16.1%
<b>Bonds</b>					
US Treasuries	USD	0.6%	2.4%	2.4%	-9.0%
US Treasuries (inflation protected)	USD	0.4%	1.6%	1.6%	-9.3%
US Corporate (investment grade)	USD	1.3%	3.2%	3.2%	-11.3%
US High Yield	USD	1.6%	3.9%	3.9%	-7.2%
UK Gilts	GBP	1.6%	2.7%	2.7%	-21.5%
UK Corporate (investment grade)	GBP	2.0%	3.6%	3.6%	-16.4%
Euro Government Bonds	EUR	0.6%	3.3%	3.3%	-15.7%
Euro Corporate (investment grade)	EUR	0.8%	2.0%	2.0%	-12.0%
Euro High Yield	EUR	1.5%	2.5%	2.5%	-9.3%
Japanese Government	JPY	-0.7%	-0.6%	-0.6%	-6.1%
Australian Government	AUD	1.5%	2.6%	2.6%	-7.5%
Global Government Bonds	USD	1.8%	3.1%	3.1%	-14.4%
Global Bonds	USD	1.7%	3.3%	3.3%	-14.0%
Global Convertible Bonds	USD	3.0%	4.0%	4.0%	-15.0%
Emerging Market Bonds	USD	1.8%	3.1%	3.1%	-19.9%



# Performance

Asset Class/Region	Currency				
		Week ending 13 Jan 2023	Month to date	YTD 2023	12 Months
<b>Property</b>					
US Property Securities	USD	4.1%	5.9%	5.9%	-18.3%
Australian Property Securities	AUD	4.5%	4.5%	4.5%	-16.3%
Asia Property Securities	USD	1.0%	1.9%	1.9%	-8.6%
Global Property Securities	USD	3.9%	5.6%	5.6%	-17.6%
<b>Currencies</b>					
Euro	USD	1.8%	1.1%	1.1%	-5.5%
UK Pound Sterling	USD	1.0%	0.9%	0.9%	-11.0%
Japanese Yen	USD	3.5%	2.6%	2.6%	-10.7%
Australian Dollar	USD	1.4%	2.2%	2.2%	-4.4%
South African Rand	USD	2.1%	1.3%	1.3%	-8.5%
Swiss Franc	USD	0.2%	-0.5%	-0.5%	-1.7%
Chinese Yuan	USD	1.9%	2.9%	2.9%	-5.1%
<b>Commodities &amp; Alternatives</b>					
Commodities	USD	4.5%	-0.1%	-0.1%	15.0%
Agricultural Commodities	USD	1.4%	-0.6%	-0.6%	7.8%
Oil	USD	8.5%	-0.7%	-0.7%	1.0%
Gold	USD	2.9%	5.3%	5.3%	5.5%
Hedge funds	USD	0.4%	1.1%	1.1%	-2.7%



# Global Matters Weekly

16 January 2023

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