

# The Market Place

- Global equities returned 2.2% last week
- Following Germany's promise of military support, the US announced that it would be sending 31 M1 Abrams tanks to aid Ukraine's battle against Russian forces
- Brent crude fell by 1.1% to \$86.66 per barrel
- Gold rose 0.1% to \$1928.04 per ounce

## US

US equities returned 2.5% last week

The US composite Purchasing Managers Index (PMI) remained beneath the expansionary 50-mark for its 7th consecutive month as it came in at 46.6 (vs. 46.4 expected)

The Q4 Gross Domestic Product (GDP) release from the US showed the economy grew by an annualised 2.9% at the end of last year (vs. 2.6% expected)

A breakdown of the GDP growth showed the key drivers being inventory growth, net exports, and government spending. Domestic consumption showed signs of grinding to a halt

## Europe

European equities returned 0.9% last week

Flash composite PMI came in at 50.2 (vs. 49.8 expected). The first time it's been above 50 since June

Both services (50.7 vs. 50.1 expected) and manufacturing PMIs (48.8 vs. 48.5 expected) saw upside surprises in their figures

European Central Bank President Lagarde, reiterated the bank's focus on tackling inflation saying: "We will stay the course to ensure the timely return of inflation to our target"

## UK

UK equities returned -0.1% last week

Composite PMI fell to 47.8 (vs. 48.8 expected), the lowest reading on that measure since the economy last went into a lockdown in 2021

Nadhim Zahawi was sacked from Rishi Sunak's government after an enquiry revealed the former chancellor failed to disclose investigations into his tax affairs

## Asia / ROW

Global emerging market equities returned 1.4% last week

Japanese equities rose by 2.9% last week

Tokyo's Consumer Price Index for January came out with an upside surprise as headline inflation advanced to +4.4% year-on-year (vs. +4.0% expected), hitting a four-decade high

Japanese composite PMI moved back into expansionary territory at 50.8, following two months beneath the 50-mark, driven by services which saw a strong move higher to 52.4

Meanwhile in Australia the composite PMI rose to 48.2 (vs. 47.5 previously), below the expansionary 50-mark but a change from three consecutive declines



# Performance

Asset Class/Region	Currency				
		Week ending 27 Jan 2023	Month to date	YTD 2023	12 Months
<b>Developed Market Equities</b>					
United States	USD	2.5%	6.1%	6.1%	-4.8%
United Kingdom	GBP	-0.1%	4.0%	4.0%	7.9%
Continental Europe	EUR	0.9%	7.8%	7.8%	-0.9%
Japan	JPY	2.9%	4.8%	4.8%	10.6%
Asia Pacific (ex Japan)	USD	1.7%	10.7%	10.7%	-3.7%
Australia	AUD	0.6%	6.5%	6.5%	14.7%
Global	USD	2.2%	7.1%	7.1%	-4.2%
<b>Emerging markets equities</b>					
Emerging Europe	USD	0.2%	5.6%	5.6%	-67.2%
Emerging Asia	USD	1.5%	11.1%	11.1%	-7.9%
Emerging Latin America	USD	2.2%	9.4%	9.4%	12.4%
BRICs	USD	1.4%	10.6%	10.6%	-9.6%
China	USD	3.2%	17.2%	17.2%	-4.2%
MENA countries	USD	0.6%	1.8%	1.8%	-11.8%
South Africa	USD	1.1%	7.8%	7.8%	-0.8%
India	USD	-3.0%	-1.4%	-1.4%	-3.8%
Global emerging markets	USD	1.4%	10.0%	10.0%	-9.2%
<b>Bonds</b>					
US Treasuries	USD	0.0%	2.5%	2.5%	-8.4%
US Treasuries (inflation protected)	USD	0.6%	2.5%	2.5%	-7.8%
US Corporate (investment grade)	USD	0.3%	3.7%	3.7%	-9.6%
US High Yield	USD	0.4%	4.0%	4.0%	-5.4%
UK Gilts	GBP	0.0%	2.7%	2.7%	-20.2%
UK Corporate (investment grade)	GBP	0.6%	4.2%	4.2%	-14.5%
Euro Government Bonds	EUR	-0.6%	2.9%	2.9%	-15.7%
Euro Corporate (investment grade)	EUR	0.0%	2.2%	2.2%	-11.3%
Euro High Yield	EUR	0.4%	3.3%	3.3%	-7.7%
Japanese Government	JPY	-0.4%	-0.1%	-0.1%	-5.3%
Australian Government	AUD	-1.0%	3.0%	3.0%	-6.1%
Global Government Bonds	USD	-0.2%	3.0%	3.0%	-13.1%
Global Bonds	USD	-0.1%	3.4%	3.4%	-12.3%
Global Convertible Bonds	USD	1.3%	5.7%	5.7%	-9.1%
Emerging Market Bonds	USD	0.1%	4.1%	4.1%	-18.1%



# Performance

Asset Class/Region	Currency				
		Week ending 27 Jan 2023	Month to date	YTD 2023	12 Months
<b>Property</b>					
US Property Securities	USD	3.6%	9.8%	9.8%	-8.2%
Australian Property Securities	AUD	2.3%	8.6%	8.6%	-5.3%
Asia Property Securities	USD	2.3%	5.4%	5.4%	-4.8%
Global Property Securities	USD	2.9%	8.8%	8.8%	-10.0%
<b>Currencies</b>					
Euro	USD	0.2%	1.5%	1.5%	-2.4%
UK Pound Sterling	USD	0.0%	2.4%	2.4%	-7.3%
Japanese Yen	USD	-0.1%	0.9%	0.9%	-11.2%
Australian Dollar	USD	2.1%	4.2%	4.2%	1.0%
South African Rand	USD	-0.2%	-0.7%	-0.7%	-9.8%
Swiss Franc	USD	0.1%	0.0%	0.0%	1.1%
Chinese Yuan (no data available this week because of CNY)	USD				
<b>Commodities &amp; Alternatives</b>					
Commodities	USD	-0.4%	0.3%	0.3%	11.6%
Agricultural Commodities	USD	1.8%	1.2%	1.2%	7.3%
Oil	USD	-1.1%	0.9%	0.9%	-3.0%
Gold	USD	0.1%	5.7%	5.7%	7.6%
Hedge funds	USD	0.3%	1.7%	1.7%	-0.7%

# Global Matters Weekly

30 January 2023

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