

The Market Place

- Global equities fell 0.1% on the week
- Last week saw the surprise resignation of Scotland's first minister, Nicola Sturgeon
- Brent crude fell by 3.9% to \$83 per barrel as rising US inventories and the expectation of further rate hikes offset Chinese energy demand improving
- Gold fell by 1.2% to \$1842.36 per ounce

US

US equities returned -0.2% last week

Markets have become markedly more pessimistic on inflation after data releases signalling better economic growth and continued price pressures

Consumer Price Index (CPI) rose by 0.5% in January and producer prices surprised to the upside in January, with the monthly headline number coming in at a seven-month high of 0.7% and the year-on-year total only declining to 6.0% (vs 5.4% expected)

The National Federation of Independent Business's small business optimism index rose by less than expected to 90.3 in January (vs 91.0 expected)

US retail sales for January posted its fastest monthly growth in nearly two years at 3.0%

The National Association of Home Builders' housing market index rebounded to 42 in February (vs 37 expected), marking the biggest monthly increase since July 2020

Europe

European equities returned 1.6% last week

Industrial production contracted by 1.1% month-on-month in December

The Eurozone economy slowed in the last three months of 2022 but remained in positive territory expanding by 0.1% quarter-on-quarter for a 1.9% year-on-year rise

UK

UK equities returned 1.6% last week

CPI dropped to 10.1% year-on-year in January, from 10.5% in December

Employment data came in fairly strong with the number of pay-rolled employees up by 102k in January (vs 15k expected)

Nominal wage growth (excluding bonuses) rose by 6.7% over the final three months of the year, leading investors to place growing importance on the chances of a further hike at the next Bank of England meeting

Asia / ROW

Global emerging market equities returned -1.4% last week

Japanese equities rose by 0.3% last week

The Japanese government named Kazuo Ueda as its pick to become the next Bank of Japan Governor

The Japanese economy comfortably avoided recession by expanding 0.6% on an annualised basis for the final quarter of 2022

The People's Bank of China kept its one-year policy loan rate unchanged at 2.75% and injected a net 199bn yuan of one-year medium-term lending facility loans this month

Australia's unemployment rate unexpectedly rose from 3.5% to 3.7% in January, its highest level since the Reserve Bank of Australia started lifting interest rates



Performance

Asset Class/Region	Currency				
		Week ending 17 Feb 2023	Month to date	YTD 2023	12 Months
Developed Market Equities					
United States	USD	-0.2%	0.2%	6.4%	-5.8%
United Kingdom	GBP	1.6%	3.3%	7.5%	11.8%
Continental Europe	EUR	1.6%	2.6%	10.2%	2.6%
Japan	JPY	0.3%	0.8%	5.3%	6.0%
Asia Pacific (ex Japan)	USD	-2.2%	-3.5%	4.8%	-13.2%
Australia	AUD	-1.1%	-1.7%	4.4%	5.2%
Global	USD	-0.1%	-0.1%	7.0%	-6.1%
Emerging markets equities					
Emerging Europe	USD	4.1%	1.2%	4.7%	-68.4%
Emerging Asia	USD	-2.1%	-3.3%	5.1%	-16.4%
Emerging Latin America	USD	2.4%	-3.4%	6.2%	3.4%
BRICs	USD	-1.3%	-4.2%	2.6%	-19.5%
China	USD	-2.2%	-5.3%	5.8%	-17.8%
MENA countries	USD	0.6%	-1.1%	0.4%	-15.1%
South Africa	USD	-1.5%	-5.0%	-0.6%	-16.4%
India	USD	0.3%	0.4%	-0.9%	-4.8%
Global emerging markets	USD	-1.4%	-3.1%	4.6%	-17.2%
Bonds					
US Treasuries	USD	-0.4%	-1.7%	0.8%	-8.6%
US Treasuries (inflation protected)	USD	-0.2%	-1.1%	0.8%	-8.1%
US Corporate (investment grade)	USD	-0.7%	-2.2%	1.6%	-9.0%
US High Yield	USD	-0.9%	-1.6%	2.2%	-5.3%
UK Gilts	GBP	-1.1%	-1.9%	0.8%	-19.7%
UK Corporate (investment grade)	GBP	-0.9%	-1.0%	3.0%	-12.7%
Euro Government Bonds	EUR	-0.6%	-1.0%	1.5%	-14.4%
Euro Corporate (investment grade)	EUR	-0.5%	-0.4%	1.6%	-9.6%
Euro High Yield	EUR	-0.4%	0.6%	3.8%	-4.9%
Japanese Government	JPY	0.1%	0.5%	0.2%	-3.6%
Australian Government	AUD	-0.5%	-1.5%	1.5%	-6.5%
Global Government Bonds	USD	-0.9%	-2.3%	0.5%	-14.3%
Global Bonds	USD	-0.8%	-2.3%	1.0%	-13.2%
Global Convertible Bonds	USD	-0.1%	-1.1%	4.1%	-11.6%
Emerging Market Bonds	USD	-1.0%	-3.1%	0.3%	-19.8%



Performance

Asset Class/Region	Currency				
		Week ending 17 Feb 2023	Month to date	YTD 2023	12 Months
Property					
US Property Securities	USD	-0.8%	-1.6%	8.8%	-9.9%
Australian Property Securities	AUD	1.2%	0.1%	8.2%	-12.2%
Asia Property Securities	USD	-3.0%	-4.5%	-2.0%	-13.7%
Global Property Securities	USD	-1.2%	-2.2%	5.9%	-13.8%
Currencies					
Euro	USD	0.1%	-1.7%	-0.3%	-6.0%
UK Pound Sterling	USD	-0.2%	-2.5%	-0.6%	-11.8%
Japanese Yen	USD	-2.1%	-3.0%	-2.4%	-14.3%
Australian Dollar	USD	-0.8%	-2.6%	0.7%	-4.6%
South African Rand	USD	-1.0%	-3.5%	-5.7%	-17.0%
Swiss Franc	USD	-0.2%	-1.0%	-0.5%	-0.7%
Chinese Yuan	USD	-0.8%	-1.6%	0.4%	-7.7%
Commodities & Alternatives					
Commodities	USD	-2.5%	-4.3%	-4.2%	1.6%
Agricultural Commodities	USD	-0.7%	-1.2%	1.1%	2.7%
Oil	USD	-3.9%	-1.8%	-3.4%	-10.7%
Gold	USD	-1.2%	-4.5%	1.0%	-2.9%
Hedge funds	USD	0.0%	0.0%	1.7%	-1.6%

Global Matters Weekly

20 February 2023

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

Important notes

This communication is issued by Belvest Investment Services Limited and/or Belvest related companies (collectively, and individually Belvest) solely to its clients, qualified prospective clients or institutional and professional investors. Unless stated otherwise, any opinions or views expressed in this communication do not represent those of Belvest. Opinions or views of any Belvest company expressed in this communication may differ from those of other departments or companies within Belvest, including any opinions or views expressed in any research issued by Belvest. Belvest may deal as Distributor or Agent, or have interests, in any financial product referred to in this email. Belvest has policies designed to negate conflicts of interest. Unless otherwise stated, this e-mail is solely for information purposes.

This message may contain confidential information. Any use, dissemination, distribution or reproduction of this information outside the original recipients of this message is strictly prohibited. If you receive this message by mistake, please notify the sender by reply email immediately.

Unless specifically stated, neither the information nor any opinion contained herein constitutes as an advertisement, an invitation, a solicitation, a recommendation or advise to buy or sell any products, services, securities, futures, options, other financial instruments or provide any investment advice or service by Belvest.

No representation or warranty is given as to the accuracy, likelihood of achievement or reasonableness of any figures, forecasts, prospects or return (if any) contained in the message. Such figures, forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies. The assumptions and parameters used by Belvest are not the only ones that might reasonably have been selected and therefore Belvest does not guarantee the sequence, accuracy, completeness or timeliness of the information provided herein. None of Belvest, its group members or any of their employees or directors shall be held liable, in any way, for any claims, mistakes, errors or otherwise arising out of or in connection with the content of this e-mail.

This e-mail and any accompanying attachments are not encrypted and cannot be guaranteed to be secure, complete or error-free as electronic communications may be intercepted, corrupted, lost, destroyed, delayed or incomplete, and/or may contain viruses. Belvest therefore does not accept any liability for any interception, corruption, loss, destruction, incompleteness, viruses, errors, omissions or delays in relation to this electronic communication. If verification is required please request a hard-copy version. Electronic communication carried within the Belvest system may be monitored.