

# The Market Place

- Global equities fell 3.6% last week
- The Federal Reserve and Treasury announced emergency measures to protect the US banking system as three US financial institutions failed in the past week including the sixteenth largest US bank, Silicon Valley Bank
- Brent crude fell by 3.6% to \$82.78 per barrel
- Gold rose by 0.6% to \$1868.26 per ounce

## US

US equities returned -4.5% last week

The New York Fed Global Supply Chain Pressure Index fell below its long-term historical average in February for the first time since August 2019

Initial jobless claims came in at 211k over the week ending March 4 (vs. 195k expected), the highest level so far in 2023

The quits rate of those voluntarily leaving their jobs (which is strongly correlated with wage growth) fell to its lowest level in almost two years, at 2.5%

## Europe

European equities returned -2.1% last week

Euro Area economy didn't grow at all in Q4 of last year, contrary to previous estimates that there'd be a +0.1% expansion

Euro Area retail sales grew by +0.3% in January, which was a bit beneath the +0.6% expected

Robert Holzmann one of the biggest hawks on the European Central Bank's Governing Council, said he assumed "that core inflation will not weaken significantly in the first half of the year"

## UK

UK equities returned -2.4% last week

UK Gross Domestic Product growth for January came in higher than expected at 0.3% (vs. 0.1% expected)

HSBC emerged as the leading white-knight bidder as it paid a symbolic £1 for the UK arm of Silicon Valley Bank in a fire-sale facilitated by the UK Treasury and the Bank of England

## Asia / ROW

Global emerging market equities returned -3.3% last week

Japanese equities rose by 0.6% last week

Chinese inflation came in weaker than expected with consumer prices up by +1.0% in the year to February (vs. +1.9% expected)

The Bank of Japan (BOJ) left its key interest rate unchanged at -0.1%, while maintaining its yield curve control policy

China's exports in the first two months of 2023 were stronger than expected, dropping -6.8% from a year before (vs. -9.4% expected)



# Performance

Asset Class/Region	Currency				
		Week ending 10 Mar 2023	Month to date	YTD 2023	12 Months
<b>Developed Market Equities</b>					
United States	USD	-4.5%	-2.7%	0.8%	-8.3%
United Kingdom	GBP	-2.4%	-1.4%	4.6%	13.8%
Continental Europe	EUR	-2.1%	-1.1%	7.9%	9.8%
Japan	JPY	0.6%	1.9%	7.4%	14.0%
Asia Pacific (ex Japan)	USD	-3.7%	-1.4%	-0.1%	-9.3%
Australia	AUD	-1.2%	-0.7%	2.9%	4.8%
Global	USD	-3.6%	-2.0%	2.4%	-5.9%
<b>Emerging markets equities</b>					
Emerging Europe	USD	-0.8%	-1.2%	4.7%	16.7%
Emerging Asia	USD	-4.0%	-1.2%	-0.1%	-11.3%
Emerging Latin America	USD	-1.5%	-0.2%	2.9%	-2.2%
BRICs	USD	-4.8%	-1.2%	-3.4%	-8.4%
China	USD	-7.3%	-2.6%	-2.4%	-9.1%
MENA countries	USD	0.9%	1.9%	-0.6%	-17.8%
South Africa	USD	-2.0%	-0.6%	-4.3%	-19.3%
India	USD	-1.4%	1.5%	-2.9%	-1.0%
Global emerging markets	USD	-3.3%	-0.9%	0.0%	-10.9%
<b>Bonds</b>					
US Treasuries	USD	1.6%	1.5%	1.8%	-7.3%
US Treasuries (inflation protected)	USD	0.2%	1.0%	1.5%	-10.5%
US Corporate (investment grade)	USD	0.9%	1.0%	1.9%	-6.6%
US High Yield	USD	-0.9%	-0.6%	1.9%	-4.6%
UK Gilts	GBP	2.3%	1.6%	0.9%	-18.5%
UK Corporate (investment grade)	GBP	1.3%	0.9%	2.4%	-11.2%
Euro Government Bonds	EUR	1.7%	1.1%	1.3%	-14.3%
Euro Corporate (investment grade)	EUR	0.9%	0.5%	1.0%	-8.6%
Euro High Yield	EUR	-0.1%	-0.2%	2.8%	-3.2%
Japanese Government	JPY	0.3%	0.0%	1.0%	-3.5%
Australian Government	AUD	1.8%	1.7%	3.0%	-4.3%
Global Government Bonds	USD	1.9%	1.5%	1.1%	-12.5%
Global Bonds	USD	1.5%	1.2%	1.2%	-11.3%
Global Convertible Bonds	USD	-1.9%	-1.2%	0.8%	-10.2%
Emerging Market Bonds	USD	0.6%	0.4%	0.4%	-8.2%



# Performance

Asset Class/Region	Currency				
		Week ending 10 Mar 2023	Month to date	YTD 2023	12 Months
<b>Property</b>					
US Property Securities	USD	-7.4%	-6.0%	-1.1%	-19.8%
Australian Property Securities	AUD	-0.1%	-2.7%	4.4%	-12.1%
Asia Property Securities	USD	-2.1%	-1.3%	-4.4%	-11.1%
Global Property Securities	USD	-5.0%	-4.5%	-1.4%	-18.7%
<b>Currencies</b>					
Euro	USD	0.4%	0.6%	-0.4%	-2.9%
UK Pound Sterling	USD	0.4%	-0.3%	-0.3%	-7.9%
Japanese Yen	USD	1.0%	0.8%	-2.8%	-13.8%
Australian Dollar	USD	-2.1%	-2.0%	-3.0%	-10.1%
South African Rand	USD	-0.5%	0.4%	-6.7%	-17.5%
Swiss Franc	USD	2.1%	2.0%	0.4%	1.3%
Chinese Yuan	USD	-0.1%	0.3%	-0.2%	-8.6%
<b>Commodities &amp; Alternatives</b>					
Commodities	USD	-4.1%	-2.0%	-5.9%	-10.7%
Agricultural Commodities	USD	-2.8%	-2.2%	-3.4%	-9.9%
Oil	USD	-3.6%	-1.3%	-3.6%	-24.3%
Gold	USD	0.6%	2.1%	2.4%	-6.8%
Hedge funds	USD	-0.2%	0.1%	1.2%	-0.8%



# Global Matters Weekly

13 March 2023

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