

The Market Place

- Global equities returned 3.8% last week
- All significant indices returned positive performance into quarter end last week
- Brent crude rose 6.4% to \$79.77 per barrel
- Gold returned -0.5% to \$1969.28 per ounce

US

US equities returned 3.5% last week, with oil, gas, and energy outperforming while regional banks and social media underperformed

US core Personal Consumption Expenditure inflation rate decelerated more than expected to 0.3% month-on-month in February while slowing to 4.6% year-on-year

US Conference Board Consumer Confidence for March was 104.2 (vs 101 expected)

US financial officials outlined what may be the most significant regulatory overhaul of the banking sector in years after the Silicon Valley Bank (SVB) and Signature Bank chaos. The failures demonstrated "the implications that banks with assets of \$100B or more can have for financial stability," Federal Reserve (Fed) Vice Chair for Supervision Michael Barr said. The Fed will enhance stress tests, and the Federal Deposit Insurance Corporation will explore deposit insurance tweaks. The Fed also launched a review of SVB supervision

Europe

European equities returned 4.3% last week, with retail, travel, and leisure outperforming while food, beverage, and media underperformed

European Consumer Price Inflation (CPI) plunged by the most on record to 6.9% in March, from 8.5% the previous month. But a new high of 5.7% for underlying price gains highlighted the tricky task facing the European Central Bank

German CPI for March month-on-month was 0.8% (vs 0.7% expected), IFO Business Climate Index for March was 93.3 (vs 91 expected)

UK

UK equities returned 3% last week

Andrew Bailey (Bank of England Governor) said interest rates would probably stay below the highs before the 2008 financial crisis. Still, he reiterated that more tightening would be needed if inflation persists longer than expected

Asia / ROW

Global emerging markets returned 1.9% last week

Japanese equities returned 3.7% last week

Bank of Japan tweaked bond-buying plan as yields drop on banking concerns. They will buy ¥100- ¥500 billion (\$752 million- \$3.8 billion) of 10-to-25-year bonds, compared with ¥200-¥400 billion in the first quarter

Chinese equities returned 2.3% last week. China Manufacturing Purchasing Managers Index for March was 51.9 (vs 51.5 expected)

Investors continue to move into cash, with \$60.1 billion in the week through Wednesday, according to Bank of America analysis of Emerging Portfolio Fund Research data. That brings the quarterly flow into cash to around \$508 billion, the most since the very start of the pandemic

Performance

| Asset Class/Region | Currency | | | | |
|-------------------------------------|----------|-------------------------|---------------|----------|-----------|
| | | Week ending 31 Mar 2023 | Month to date | YTD 2023 | 12 Months |
| Developed Market Equities | | | | | |
| United States | USD | 3.5% | 3.6% | 7.4% | -8.2% |
| United Kingdom | GBP | 3.0% | -2.7% | 3.2% | 5.6% |
| Continental Europe | EUR | 4.3% | 0.8% | 9.9% | 4.5% |
| Japan | JPY | 3.7% | 1.7% | 7.2% | 5.8% |
| Asia Pacific (ex Japan) | USD | 1.9% | 2.8% | 4.1% | -8.9% |
| Australia | AUD | 3.2% | -0.2% | 3.5% | 0.1% |
| Global | USD | 3.8% | 3.1% | 7.7% | -7.0% |
| Emerging markets equities | | | | | |
| Emerging Europe | USD | 2.7% | -4.2% | 1.5% | 1.0% |
| Emerging Asia | USD | 1.5% | 3.6% | 4.8% | -9.4% |
| Emerging Latin America | USD | 5.7% | 0.8% | 3.9% | -11.1% |
| BRICs | USD | 2.7% | 3.2% | 0.8% | -8.3% |
| China | USD | 2.3% | 4.5% | 4.7% | -4.7% |
| MENA countries | USD | 1.0% | 0.7% | -1.8% | -20.9% |
| South Africa | USD | 3.9% | 3.3% | -0.6% | -20.6% |
| India | USD | 2.8% | 0.9% | -3.4% | -7.0% |
| Global emerging markets | USD | 1.9% | 3.0% | 4.0% | -10.7% |
| Bonds | | | | | |
| US Treasuries | USD | -0.5% | 2.9% | 3.1% | -4.4% |
| US Treasuries (inflation protected) | USD | 0.2% | 2.9% | 3.4% | -6.5% |
| US Corporate (investment grade) | USD | 0.2% | 2.6% | 3.5% | -5.2% |
| US High Yield | USD | 1.8% | 1.1% | 3.7% | -3.6% |
| UK Gilts | GBP | -1.5% | 3.0% | 2.2% | -16.7% |
| UK Corporate (investment grade) | GBP | -1.0% | 0.9% | 2.4% | -11.6% |
| Euro Government Bonds | EUR | -1.2% | 2.4% | 2.6% | -11.8% |
| Euro Corporate (investment grade) | EUR | -0.4% | 1.0% | 1.6% | -7.7% |
| Euro High Yield | EUR | 0.8% | -0.4% | 2.7% | -4.5% |
| Japanese Government | JPY | 0.2% | 1.5% | 2.4% | -1.8% |
| Australian Government | AUD | -0.4% | 3.7% | 5.1% | 0.4% |
| Global Government Bonds | USD | -0.6% | 3.6% | 3.2% | -9.0% |
| Global Bonds | USD | -0.3% | 3.3% | 3.3% | -8.4% |
| Global Convertible Bonds | USD | 1.7% | 0.4% | 2.5% | -10.5% |
| Emerging Market Bonds | USD | 0.4% | 1.8% | 1.9% | -8.4% |



Performance

| Asset Class/Region | Currency | | | | |
|---------------------------------------|----------|----------------------------|------------------|----------|-----------|
| | | Week ending 31 Mar 2023 | Month to date | YTD 2023 | 12 Months |
| Property | | | | | |
| US Property Securities | USD | 5.9% | -2.7% | 2.4% | -20.2% |
| Australian Property Securities | AUD | 1.0% | -6.9% | -0.2% | -17.8% |
| Asia Property Securities | USD | 0.6% | -0.1% | -3.2% | -11.8% |
| Global Property Securities | USD | 4.1% | -2.8% | 0.3% | -20.5% |
| Currencies | | | | | |
| Euro | USD | 1.0% | 2.5% | 1.5% | -1.9% |
| UK Pound Sterling | USD | 1.0% | 2.0% | 2.1% | -6.0% |
| Japanese Yen | USD | -1.6% | 2.3% | -1.3% | -8.4% |
| Australian Dollar | USD | 0.8% | -0.8% | -1.8% | -10.6% |
| South African Rand | USD | 2.4% | 3.4% | -3.9% | -17.5% |
| Swiss Franc | USD | 0.6% | 2.6% | 0.9% | 0.9% |
| Chinese Yuan | USD | 0.0% | 1.0% | 0.4% | -7.7% |
| Commodities & Alternatives | | | | | |
| Commodities | USD | 3.6% | -0.7% | -4.7% | -10.0% |
| Agricultural Commodities | USD | 3.3% | 0.8% | -0.4% | -8.1% |
| Oil | USD | 6.4% | -4.9% | -7.1% | -26.1% |
| Gold | USD | -0.5% | 7.6% | 8.0% | 1.3% |
| Hedge funds | USD | 0.3% | -1.4% | -0.2% | -3.3% |

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