

# The Market Place

- Global equities rose by 0.4% last week
- Russia suspended its participation in the grain deal with Ukraine. Following the deal's collapse, Ukraine said that ships heading to Russian ports may become military targets
- Brent crude rose by 1.5% to \$81.07 per barrel
- Gold rose by 0.3% to \$1961.94 per ounce

## US

US equities rose 0.7% last week

US industrial production fell by 0.5% in June (vs. unchanged expected). This is the first time it's been in negative territory on a year-on-year basis since the pandemic

The US labour market continues to show signs of tightness as US initial jobless claims fell to 228k (vs. 240k expected) over the week

The Philadelphia Federal Reserve released their manufacturing business outlook survey with the headline expectations index for six months from now up to a 23-month high of 29.1

The housing market also showed some strength, with the National Association of House Builders housing market index rising to 56 as expected, which marks its seventh consecutive monthly gain

## Europe

European equities remained flat last week

German Producer Price Index inflation fell to just +0.1% in June (vs. unchanged expected), its lowest level since November 2020

Despite signs of falling inflation, European Central Bank officials remain committed to further hikes, with Bundesbank President Nagel saying that "we have to hike next time"

## UK

UK equities rose 3.2% last week

The latest UK Consumer Price Index (CPI) print yesterday saw its biggest downside surprise in almost two years, falling to +7.9% in June (vs. +8.2% expected)

UK core CPI was also beneath expectations at +6.9% (vs. +7.1% expected)

In UK by-elections, the Conservative government suffered a double by-election defeat after Selby and Ainsty (considered a safe seat) voted for Labour in the biggest ever reversal of a numeric majority in a by-election in history

## Asia / ROW

Global emerging market equities fell -1.3% last week

Japanese equities rose by 1.0% last week

Japan's consumer inflation climbed by +3.3% year-on-year in June (vs. +3.2% expected), and slightly higher than May's +3.2% increase

Core consumer prices in Japan rose +3.3% year-on-year in June, in line with market expectations

Despite the higher-than-expected prints, Bank of Japan (BOJ) Governor Kazuo Ueda indicated that the central bank would maintain its ultra-easy monetary policy as there is still some distance to achieving its inflation target

Australia's service sector activity shrank for the first time since March, as the Judo Bank's flash estimate of services Purchasing Managers' Index came in at 48.0 in July, down from 50.1 in June



# Performance

Asset Class/Region	Currency				
		Week ending 21 July 2023	Month to date	YTD 2023	12 Months
<b>Developed Market Equities</b>					
United States	USD	0.7%	2.0%	18.9%	14.8%
United Kingdom	GBP	3.2%	1.8%	4.4%	8.6%
Continental Europe	EUR	0.6%	0.6%	13.4%	14.5%
Japan	JPY	1.0%	-1.2%	21.3%	19.2%
Asia Pacific (ex Japan)	USD	-1.7%	2.5%	5.6%	3.6%
Australia	AUD	0.2%	1.5%	6.1%	12.7%
Global	USD	0.4%	2.1%	17.5%	15.6%
<b>Emerging markets equities</b>					
Emerging Europe	USD	0.0%	6.9%	20.8%	53.9%
Emerging Asia	USD	-1.9%	2.6%	6.7%	2.5%
Emerging Latin America	USD	1.6%	2.9%	22.0%	38.0%
BRICs	USD	-1.1%	2.6%	2.2%	0.1%
China	USD	-2.6%	2.5%	-3.1%	-9.6%
MENA countries	USD	0.3%	2.7%	5.8%	-5.1%
South Africa	USD	0.0%	7.4%	1.6%	6.9%
India	USD	1.1%	3.0%	10.7%	16.9%
Global emerging markets	USD	-1.3%	2.9%	7.9%	5.4%
<b>Bonds</b>					
US Treasuries	USD	0.0%	0.2%	1.9%	-2.3%
US Treasuries (inflation protected)	USD	0.4%	0.4%	2.4%	-2.4%
US Corporate (investment grade)	USD	0.1%	0.4%	3.7%	0.5%
US High Yield	USD	0.0%	1.1%	6.6%	6.0%
UK Gilts	GBP	1.5%	1.0%	-2.6%	-15.0%
UK Corporate (investment grade)	GBP	1.4%	2.1%	1.1%	-6.3%
Euro Government Bonds	EUR	0.5%	0.0%	2.6%	-5.6%
Euro Corporate (investment grade)	EUR	0.3%	0.7%	2.8%	-1.4%
Euro High Yield	EUR	0.0%	0.6%	5.0%	6.1%
Japanese Government	JPY	0.2%	-0.7%	2.1%	-0.7%
Australian Government	AUD	0.0%	0.5%	1.7%	0.7%
Global Government Bonds	USD	-0.6%	0.9%	1.8%	-1.7%
Global Bonds	USD	-0.4%	1.0%	3.2%	-0.2%
Global Convertible Bonds	USD	-0.3%	2.7%	7.6%	7.6%
Emerging Market Bonds	USD	0.2%	1.6%	5.0%	7.5%



# Performance

Asset Class/Region	Currency				
		Week ending 21 July 2023	Month to date	YTD 2023	12 Months
<b>Property</b>					
US Property Securities	USD	0.9%	4.2%	9.1%	-0.5%
Australian Property Securities	AUD	-0.8%	2.4%	4.0%	-1.1%
Asia Property Securities	USD	-0.6%	1.0%	-6.0%	-6.5%
Global Property Securities	USD	0.4%	4.3%	5.4%	-1.7%
<b>Currencies</b>					
Euro	USD	-1.0%	1.9%	3.9%	9.3%
UK Pound Sterling	USD	-1.9%	1.1%	6.3%	7.6%
Japanese Yen	USD	-2.1%	1.9%	-7.5%	-2.6%
Australian Dollar	USD	-1.6%	1.0%	-1.2%	-2.3%
South African Rand	USD	0.8%	4.7%	-5.1%	-4.8%
Swiss Franc	USD	-0.5%	3.4%	6.5%	12.0%
Chinese Yuan	USD	-0.7%	0.9%	-4.0%	-5.9%
<b>Commodities &amp; Alternatives</b>					
Commodities	USD	2.0%	6.1%	-1.4%	-0.8%
Agricultural Commodities	USD	2.9%	6.4%	6.9%	13.3%
Oil	USD	1.5%	8.2%	-5.6%	-21.9%
Gold	USD	0.3%	2.2%	7.6%	14.6%
Hedge funds	USD	0.0%	0.3%	0.9%	1.6%

# Global Matters Weekly

24 July 2023

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