

The Market Place

- Global equities fell by 0.3% last week
- 10-year Treasury yields reached the highest weekly close we have seen in nine months last week
- Brent crude rose by 0.7% to \$86.81 per barrel
- Gold fell by 1.5% to \$1913.76 per ounce

US

US equities fell by 0.3% last week

The July US Consumer Price Index (CPI) issued monthly headline inflation at 0.17% and core inflation at 0.16%, annual headline inflation came in 3.2%, a touch below consensus of 3.3%, while core was in line at 4.7%

Moody's downgraded ten small and midsize banks also putting several larger firms on review or negative outlook, in total 29 banks received some kind of action

Europe

European equities rose by 0.1% last week

Germany's industrial production reported a larger-than-expected -1.5% month-on-month decline in June (vs. -0.5% expected)

There was a sharp decline (-8.27%) in Italian banks after the Italian government announced a one-off windfall tax of banks, that will amount to 40% of the excess net interest margin earned in 2023 (or 2022, if that is higher)

European natural gas prices spiked at 27% (with a 40% intra-day high), the largest percentage increase since early March 2022

UK

UK equities rose by 0.1% last week

Q2 Gross Domestic Product (GDP) came in at 0.2% quarter-on-quarter (vs. 0.0% expected), with the monthly June GDP print at 0.5%

Asia / ROW

Global emerging market equities fell 1.9% last week

Chinese equities fell by 3.7% last week

Exports in China dropped for the third consecutive month, sliding -14.5% year-on-year in July (vs. -13.2% expected; -12.4% in June), recording its biggest drop since July 2020

Household spending in Japan fell 4.2% year-on-year in June (vs. -3.8% expected) and real wages declined for the fifteenth consecutive month, easing -1.6% year-on-year in June (vs. -0.9% expected)

Chinese annual CPI fell in July for the first time in 28 months, slipping -0.3% year-on-year (vs. -0.4% expected)



Performance

Asset Class/Region	Currency				
		Week ending 11 Aug 2023	Month to date	YTD 2023	12 Months
Developed Market Equities					
United States	USD	-0.3%	-2.7%	17.1%	7.4%
United Kingdom	GBP	0.1%	-1.6%	3.2%	4.2%
Continental Europe	EUR	0.1%	-2.4%	12.0%	9.0%
Japan	JPY	1.3%	-0.8%	23.5%	22.4%
Asia Pacific (ex Japan)	USD	-1.9%	-4.6%	3.9%	0.0%
Australia	AUD	0.2%	-0.9%	6.6%	8.6%
Global	USD	-0.4%	-2.9%	15.5%	7.9%
Emerging markets equities					
Emerging Europe	USD	0.0%	-0.4%	23.7%	45.3%
Emerging Asia	USD	-2.2%	-4.7%	5.3%	0.4%
Emerging Latin America	USD	-1.6%	-5.3%	18.1%	17.2%
BRICs	USD	-2.5%	-4.8%	2.3%	-0.4%
China	USD	-3.7%	-5.8%	-1.4%	-3.8%
MENA countries	USD	-0.3%	-2.3%	3.9%	-10.5%
South Africa	USD	-2.3%	-8.8%	-2.8%	-7.4%
India	USD	-0.7%	-2.3%	7.9%	6.7%
Global emerging markets	USD	-1.9%	-4.6%	6.3%	1.2%
Bonds					
US Treasuries	USD	-0.6%	-1.0%	0.4%	-3.6%
US Treasuries (inflation protected)	USD	-0.6%	-1.1%	0.9%	-4.9%
US Corporate (investment grade)	USD	-0.6%	-1.5%	2.1%	-1.6%
US High Yield	USD	0.3%	-0.3%	6.6%	2.3%
UK Gilts	GBP	-1.1%	-1.9%	-4.7%	-17.2%
UK Corporate (investment grade)	GBP	-0.7%	-1.1%	0.3%	-8.3%
Euro Government Bonds	EUR	-0.2%	-0.7%	1.7%	-8.6%
Euro Corporate (investment grade)	EUR	-0.2%	-0.4%	2.7%	-3.4%
Euro High Yield	EUR	0.2%	0.0%	5.6%	3.2%
Japanese Government	JPY	0.5%	-0.2%	0.9%	-2.8%
Australian Government	AUD	0.5%	0.0%	1.7%	-0.9%
Global Government Bonds	USD	-0.8%	-1.4%	-0.4%	-5.6%
Global Bonds	USD	-0.7%	-1.4%	1.2%	-3.8%
Global Convertible Bonds	USD	-1.0%	-2.8%	5.6%	1.7%
Emerging Market Bonds	USD	0.3%	-1.1%	4.0%	1.1%



Performance

Asset Class/Region	Currency				
		Week ending 11 Aug 2023	Month to date	YTD 2023	12 Months
Property					
US Property Securities	USD	0.3%	-2.3%	5.2%	-10.0%
Australian Property Securities	AUD	0.0%	-2.7%	2.7%	-6.5%
Asia Property Securities	USD	-0.7%	-3.7%	-6.7%	-9.3%
Global Property Securities	USD	-0.2%	-2.8%	2.5%	-9.8%
Currencies					
Euro	USD	-0.8%	-0.5%	2.2%	6.0%
UK Pound Sterling	USD	-0.7%	-1.3%	4.9%	3.8%
Japanese Yen	USD	-2.1%	-1.9%	-9.6%	-8.4%
Australian Dollar	USD	-1.7%	-3.5%	-4.8%	-8.8%
South African Rand	USD	-2.9%	-5.9%	-10.1%	-14.4%
Swiss Franc	USD	-0.7%	-0.9%	5.1%	7.1%
Chinese Yuan	USD	-0.9%	-1.3%	-4.7%	-6.8%
Commodities & Alternatives					
Commodities	USD	0.1%	-0.8%	-0.4%	-5.2%
Agricultural Commodities	USD	-0.2%	-1.3%	3.0%	2.3%
Oil	USD	0.7%	1.5%	1.0%	-12.8%
Gold	USD	-1.5%	-2.9%	4.9%	7.0%
Hedge funds	USD	0.0%	0.0%	1.0%	0.5%



Global Matters Weekly

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