

The Market Place

- Global equities rose by 0.4% last week
- All major equity indices other than the US saw positive returns
- Brent crude oil continued to trade higher last week, closing above \$93 per barrel for the first time since November 2022
- Gold rose by 0.3% to \$1923.91 per ounce

US

US equities fell by 0.1% last week

August headline Consumer Price Index (CPI) came in at 0.6%, driven higher by recent strength in energy prices, whilst the core reading came in a little higher than consensus at 0.3%

Headline Producer Price Index (PPI) also came in higher than expected at 0.7% for August (vs. 0.4% expected)

Weekly initial jobless claims for the week ending 9 September came in below consensus at 220k (vs. 225k expected), taking the four-week moving average to its lowest level since late February

Europe

European equities rose by 1.2% last week

The European Central Bank (ECB) announced a 25bp rate hike, taking their deposit rate to 4%, the highest level since the euro was launched in 1999

ECB policymaker Muller noted that higher inflation in the Eurozone could “yet warrant another hike” and this was followed by comments from ECB President Lagarde that interest rate cuts were not yet on the table

The European Commission downgraded its growth forecast for the Euro Area in 2023 and 2024 to 0.8% and 1.3% respectively

UK

UK equities increased by 3.2% last week

July's Gross Domestic Product data showed a contraction of -0.5% (vs. -0.2% expected)

We also saw weaker than expected employment data, with the number of pay rolled employees falling -1k in August (vs. an expected 30k increase). The unemployment rate over the three months to July rose to its highest level since September 2021 at 4.3%

The Royal Institute of Chartered Surveyors (RICS) house price balance survey for August fell from -53% to -68%, a new post-Global Financial Crisis low

Asia / ROW

Global emerging market equities rose by 1.2% last week

Chinese equities were flat, whilst Japanese equities rose by 2.9%

August producer prices in Japan rose 3.2% year-on-year, slowing from 3.4% in the prior month

The Peoples Bank of China further ramped up stimulus by adding a net 191bn yuan into the financial system via a one-year policy loan, shortly after announcing another 25bp cut to its reserve requirement ratio

Industrial output in China for August advanced 4.5% year-on-year, whilst retail sales grew by 4.6% ahead of expectations of 3.0%



Performance

Asset Class/Region	Currency				
		Week ending 15 Sep 2023	Month to date	YTD 2023	12 Months
Developed Market Equities					
United States	USD	-0.1%	-1.2%	16.9%	15.4%
United Kingdom	GBP	3.2%	4.0%	6.3%	9.5%
Continental Europe	EUR	1.2%	0.2%	12.2%	15.8%
Japan	JPY	2.9%	4.1%	30.2%	27.9%
Asia Pacific (ex Japan)	USD	1.3%	0.6%	2.9%	4.8%
Australia	AUD	1.8%	0.3%	7.1%	10.9%
Global	USD	0.4%	-0.8%	15.2%	16.2%
Emerging markets equities					
Emerging Europe	USD	-1.4%	-4.1%	16.9%	48.2%
Emerging Asia	USD	1.2%	0.9%	4.7%	5.0%
Emerging Latin America	USD	3.9%	1.3%	17.1%	18.9%
BRICs	USD	0.8%	1.2%	1.2%	1.0%
China	USD	0.0%	-0.7%	-5.3%	-3.4%
MENA countries	USD	0.0%	-1.6%	1.5%	-8.5%
South Africa	USD	0.0%	-1.8%	-8.3%	0.5%
India	USD	1.7%	4.3%	11.9%	9.6%
Global emerging markets	USD	1.2%	0.6%	5.2%	5.5%
Bonds					
US Treasuries	USD	-0.3%	-1.0%	-0.1%	-1.4%
US Treasuries (inflation protected)	USD	-0.3%	-0.6%	0.5%	-2.3%
US Corporate (investment grade)	USD	-0.3%	-1.1%	1.8%	1.6%
US High Yield	USD	0.2%	-0.1%	7.1%	7.2%
UK Gilts	GBP	0.3%	-0.2%	-3.5%	-7.0%
UK Corporate (investment grade)	GBP	0.6%	0.3%	1.5%	0.4%
Euro Government Bonds	EUR	-0.6%	-1.6%	1.1%	-4.0%
Euro Corporate (investment grade)	EUR	0.0%	-0.4%	2.8%	1.2%
Euro High Yield	EUR	0.5%	0.8%	6.6%	7.3%
Japanese Government	JPY	-0.3%	-0.3%	0.0%	-2.6%
Australian Government	AUD	-0.1%	-0.3%	2.1%	1.3%
Global Government Bonds	USD	-0.5%	-1.7%	-2.0%	-1.2%
Global Bonds	USD	-0.4%	-1.7%	-0.2%	0.5%
Global Convertible Bonds (figures as of 12 Sep 2023)	USD	0.1%	-1.1%	3.7%	3.9%
Emerging Market Bonds	USD	-0.3%	-1.2%	2.4%	4.4%



Performance

Asset Class/Region	Currency				
		Week ending 15 Sep 2023	Month to date	YTD 2023	12 Months
Property					
US Property Securities	USD	0.8%	-0.3%	4.1%	-1.6%
Australian Property Securities	AUD	-1.0%	-3.3%	3.8%	3.2%
Asia Property Securities	USD	-0.9%	0.3%	-7.6%	-8.0%
Global Property Securities	USD	0.4%	-0.5%	1.4%	-2.1%
Currencies					
Euro	USD	-0.3%	-1.5%	-0.4%	6.7%
UK Pound Sterling	USD	-0.5%	-2.1%	2.5%	8.0%
Japanese Yen	USD	-0.1%	-1.6%	-11.4%	-3.0%
Australian Dollar	USD	0.9%	-0.5%	-5.6%	-4.2%
South African Rand	USD	0.7%	-0.6%	-10.4%	-7.6%
Swiss Franc	USD	-0.4%	-1.5%	2.8%	7.1%
Chinese Yuan	USD	1.0%	-0.2%	-5.2%	-3.9%
Commodities & Alternatives					
Commodities	USD	1.8%	2.5%	3.0%	3.4%
Agricultural Commodities	USD	0.9%	0.7%	4.5%	4.0%
Oil	USD	3.6%	8.1%	9.3%	3.4%
Gold	USD	0.3%	-0.9%	5.5%	15.6%

Global Matters Weekly

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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

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