

The Market Place

- Global equities rose 5.6% last week
- The Federal Open Market Committee decided to hold interest rates at 5.5%, though hinting at a possible December rate hike
- Brent crude fell 6.2% to \$84.89 a barrel
- Gold fell 0.7% to \$1992.65 per ounce

US

US equities rose 5.9% last week

The latest Job Openings and Labor Turnover Survey (JOLTS) report for September showed job openings up to a 4-month high of 9.553m (vs 9.4m expected)

October's Automatic Data Processing, Inc. (ADP) report showed private payrolls were only up 113k in October (vs 150k expected) and the 3-month rolling average fell to its lowest since March 2021

Continuing claims for the week ending 21 October rose to 1.818m (vs 1.8m expected), their highest level since April 2023. Initial jobless claims for the week ending 28 October also rose to a 7-week high of 217k (vs 210k expected)

Nonfarm payrolls for October came in below expectations at 150k, a significant drop from September

The unemployment rate rose to 3.9% (vs 3.8% expected)

Europe

European equities rose 3.6% last week

The Euro area's flash Consumer Price Index (CPI) for October fell to 2.9%, below the 3.1% expected

In Germany, CPI fell to 3.0% (vs 3.3% expected), while in Spain, it came in at 3.5% (vs 3.8% expected)

Germany's Q3 GDP showed a modest contraction of 0.1%, better than the expected 0.2% contraction

Q3 growth for the euro area showed a 0.1% contraction, marking the worst quarterly performance since Q2 2020 at the height of the pandemic.

German unemployment increased by 30k in October, pushing the registered unemployment rate up to 5.8%, the highest level since June 2021

UK

UK equities rose 1.7% last week

The housing market showed little sign of revival, with mortgage approvals in September at an 8-month low of 43.3k

The M4 money supply data indicated a year-on-year contraction of 3.9%, the fastest decline since August 2012

The Bank of England kept rates at 5.25%, but a split 6-3 vote revealed three members preferring a 25bp hike

Asia / ROW

Global emerging market equities rose 3.1% last week

Japanese equities rose 3.0%

Chinese equities rose 1.1%

The official manufacturing Purchasing Managers Index (PMI) in China contracted to 49.5 in October, signalling renewed sector weakness. The non-manufacturing PMI also dropped to 50.6 from 51.7 in September, suggesting that the economy is still struggling despite better-than-expected Q3 GDP data reported recently

The Bank of Japan (BoJ) marginally tweaked its yield curve control settings by allowing 10-year Japanese government bond yields to increase above 1%, redefining it as a loose "upper bound" Subsequently, after this decision, the BoJ announced an unscheduled bond purchase program to curb the rise in yields



Performance

| Asset Class/Region | Currency | | | | |
|-------------------------------------|----------|----------------------------|------------------|----------|-----------|
| | | Week ending 06 Nov 2023 | Month to date | YTD 2023 | 12 Months |
| Developed Market Equities | | | | | |
| United States | USD | 5.9% | 3.9% | 14.6% | 18.5% |
| United Kingdom | GBP | 1.7% | 1.2% | 2.7% | 6.9% |
| Continental Europe | EUR | 3.6% | 2.6% | 8.1% | 12.7% |
| Japan | JPY | 3.0% | 3.0% | 25.7% | 22.8% |
| Asia Pacific (ex Japan) | USD | 2.9% | 3.6% | -1.0% | 14.3% |
| Australia | AUD | 2.2% | 2.9% | 2.7% | 6.0% |
| Global | USD | 5.6% | 4.2% | 12.4% | 18.8% |
| Emerging markets equities | | | | | |
| Emerging Europe | USD | 3.4% | 3.2% | 20.5% | 48.3% |
| Emerging Asia | USD | 2.4% | 3.1% | 0.0% | 15.5% |
| Emerging Latin America | USD | 6.1% | 7.7% | 15.7% | 8.9% |
| BRICs | USD | 1.6% | 2.6% | -2.4% | 12.0% |
| China | USD | 1.1% | 2.6% | -8.9% | 17.6% |
| MENA countries | USD | 4.4% | 2.0% | -1.8% | -8.0% |
| South Africa | USD | 8.7% | 8.4% | -4.0% | 11.2% |
| India | USD | 1.3% | 1.1% | 6.8% | 7.2% |
| Global emerging markets | USD | 3.1% | 3.6% | 1.4% | 13.1% |
| Bonds | | | | | |
| US Treasuries | USD | 1.5% | 1.9% | -0.6% | 1.7% |
| US Treasuries (inflation protected) | USD | 1.5% | 2.0% | 0.3% | 2.4% |
| US Corporate (investment grade) | USD | 1.9% | 2.3% | 0.9% | 5.9% |
| US High Yield | USD | 2.7% | 2.4% | 7.2% | 9.6% |
| UK Gilts | GBP | 2.1% | 1.8% | -3.0% | -4.5% |
| UK Corporate (investment grade) | GBP | 1.9% | 1.5% | 2.6% | 4.5% |
| Euro Government Bonds | EUR | 1.6% | 1.2% | 1.6% | -0.3% |
| Euro Corporate (investment grade) | EUR | 1.1% | 0.8% | 3.5% | 5.0% |
| Euro High Yield | EUR | 1.2% | 0.8% | 6.7% | 10.0% |
| Japanese Government | JPY | -0.3% | 0.2% | -1.9% | -3.4% |
| Australian Government | AUD | 0.6% | 1.0% | -0.4% | -0.5% |
| Global Government Bonds | USD | 1.8% | 2.2% | -2.5% | 2.6% |
| Global Bonds | USD | 2.1% | 2.4% | -0.6% | 5.0% |
| Global Convertible Bonds | USD | 2.3% | 2.5% | 0.9% | 6.2% |
| Emerging Market Bonds | USD | 3.4% | 3.1% | 1.3% | 10.1% |

Performance

| Asset Class/Region | Currency | | | | |
|---|----------|----------------------------|------------------|----------|-----------|
| | | Week ending 06 Nov 2023 | Month to date | YTD 2023 | 12 Months |
| Property | | | | | |
| US Property Securities | USD | 8.3% | 5.8% | -1.8% | 1.2% |
| Australian Property Securities | AUD | 6.9% | 6.5% | -1.8% | -0.7% |
| Asia Property Securities | USD | 3.0% | 3.9% | -10.6% | 4.8% |
| Global Property Securities | USD | 7.5% | 6.0% | -2.7% | 4.6% |
| Currencies | | | | | |
| Euro | USD | 1.5% | 1.5% | 0.2% | 10.2% |
| UK Pound Sterling | USD | 2.1% | 1.9% | 2.4% | 10.8% |
| Japanese Yen | USD | 0.2% | 1.4% | -12.3% | -0.7% |
| Australian Dollar | USD | 2.7% | 2.7% | -4.5% | 3.5% |
| South African Rand | USD | 3.2% | 2.6% | -6.5% | 1.0% |
| Swiss Franc | USD | 0.6% | 1.3% | 2.7% | 12.8% |
| Chinese Yuan (data as at 28 September 2023) | USD | 0.2% | 0.2% | -5.6% | 0.0% |
| Commodities & Alternatives | | | | | |
| Commodities | USD | -1.3% | 0.5% | -0.1% | 0.2% |
| Agricultural Commodities | USD | -0.5% | 0.9% | 1.7% | 2.7% |
| Oil | USD | -6.2% | -2.9% | -1.2% | -10.3% |
| Gold | USD | -0.7% | 0.4% | 9.2% | 22.3% |



Global Matters Weekly

06 November 2023

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