



# The Market Place

- Global equities fell 1.5%
- Brent crude rose 2.2% to \$78.8 per barrel
- Gold fell 0.8% to \$2,045.5 per ounce
- Growing signs of geopolitical risk and ongoing risks over shipping via the Red Sea dampened sentiment last week

## US

US equities fell 1.5%

The final manufacturing PMI came in at 47.9.

Minutes of the December Fed meeting did not offer any pointers to imminent Fed rate cuts.

The ISM manufacturing index for December remained in contractionary territory coming in at 47.4, above the 47.1 expected. The ISM services index for December fell from 52.7 to 50.6, its weakest in seven months.

The Job Offering and Labour Turnover Survey for November showed that job openings were down to 8.790m vs 8.821m expected, the lowest since March 2021. The hires rate fell to 3.5%, its lowest since 2014 excluding the pandemic months of March and April 2020. The quits rate fell to 2.2%, beneath its pre-pandemic level suggesting that workers are less confident about leaving their current roles.

ADP's report of private payrolls showed an increase of 164k in December vs 125k expected.

Headline payrolls came in at 216k vs 173k expected, with the unemployment rate staying at 3.7% and average hourly earnings rising 0.4% month-on-month.

## Europe

European equities fell 0.7%

Euro Area composite PMI was revised up from the flash reading of 47.0 to 47.6 with the services PMI also revised up from 48.1 to 48.8. The manufacturing PMI came in at 44.4, having remained below the 50-mark since June 2022.

German CPI came in at 3.8% up from 2.3% in November, partly down to base effects rolling out of the annual comparison, as support for heating bills last winter had helped push down energy prices.

## UK

UK equities fell 0.4%

Mortgage approvals were stronger than expected in November at 50.1k vs 48.8 expected, taking them up to a 5-month high.

There were positive revisions in the final PMI readings, as the services PMI was revised up to 53.4 vs 52.7 expected. The composite PMI was revised up to 52.1 vs 51.7 flash.

## Asia / ROW

Global emerging market equities fell 2.1%

Japanese equities rose 1.1%

Chinese equities fell 2.7%

In China, the Caixin services PMI came in at 52.9 against 51.6 expected and 51.5 in the prior month.

Japan's December service activity expanded at a slightly faster pace with the services PMI climbing to 51.5 in December from 50.8 in November.



# Performance

Asset Class/Region	Currency				
		Week ending 5 Jan 2024	Month to date	YTD 2024	12 Months
<b>Developed Market Equities</b>					
United States	USD	-1.5%	-1.5%	-1.5%	24.8%
United Kingdom	GBP	-0.4%	-0.4%	-0.4%	4.6%
Continental Europe	EUR	-0.7%	-0.7%	-0.7%	12.5%
Japan	JPY	1.1%	1.1%	1.1%	31.3%
Asia Pacific (ex Japan)	USD	-2.5%	-2.5%	-2.5%	1.8%
Australia	AUD	-1.3%	-1.3%	-1.3%	10.5%
Global	USD	-1.5%	-1.5%	-1.5%	22.3%
<b>Emerging markets equities</b>					
Emerging Europe	USD	-0.6%	-0.6%	-0.6%	30.5%
Emerging Asia	USD	-2.4%	-2.4%	-2.4%	1.5%
Emerging Latin America	USD	-1.7%	-1.7%	-1.7%	31.7%
BRICs	USD	-1.4%	-1.4%	-1.4%	-3.5%
China	USD	-2.7%	-2.7%	-2.7%	-19.6%
MENA countries	USD	1.4%	1.4%	1.4%	7.3%
South Africa	USD	-5.4%	-5.4%	-5.4%	-5.7%
India	USD	0.0%	0.0%	0.0%	21.2%
Global emerging markets	USD	-2.1%	-2.1%	-2.1%	4.5%
<b>Bonds</b>					
US Treasuries	USD	-1.0%	-1.0%	-1.0%	2.3%
US Treasuries (inflation protected)	USD	-0.8%	-0.8%	-0.8%	2.7%
US Corporate (investment grade)	USD	-1.2%	-1.2%	-1.2%	6.2%
US High Yield	USD	-1.1%	-1.1%	-1.1%	10.9%
UK Gilts	GBP	-1.9%	-1.9%	-1.9%	1.2%
UK Corporate (investment grade)	GBP	-1.6%	-1.6%	-1.6%	7.1%
Euro Government Bonds	EUR	-0.8%	-0.8%	-0.8%	4.3%
Euro Corporate (investment grade)	EUR	-0.9%	-0.9%	-0.9%	6.3%
Euro High Yield	EUR	-0.6%	-0.6%	-0.6%	10.5%
Japanese Government	JPY	0.2%	0.2%	0.2%	0.7%
Australian Government	AUD	-0.9%	-0.9%	-0.9%	2.5%
Global Government Bonds	USD	-1.4%	-1.4%	-1.4%	2.5%
Global Bonds	USD	-1.3%	-1.3%	-1.3%	4.6%
Global Convertible Bonds	USD	-1.8%	-1.8%	-1.8%	7.0%
Emerging Market Bonds	USD	-2.0%	-2.0%	-2.0%	7.7%

# Performance

Asset Class/Region	Currency				
		Week ending 5 Jan 2024	Month to date	YTD 2024	12 Months
<b>Property</b>					
US Property Securities	USD	-1.6%	-1.6%	-1.6%	11.5%
Australian Property Securities	AUD	-3.5%	-3.5%	-3.5%	7.6%
Asia Property Securities	USD	-2.2%	-2.2%	-2.2%	-7.9%
Global Property Securities	USD	-1.8%	-1.8%	-1.8%	8.3%
<b>Currencies</b>					
Euro	USD	-1.1%	-1.1%	-1.1%	4.0%
UK Pound Sterling	USD	-0.3%	-0.3%	-0.3%	6.9%
Japanese Yen	USD	-2.7%	-2.7%	-2.7%	-8.0%
Australian Dollar	USD	-1.8%	-1.8%	-1.8%	-0.5%
South African Rand	USD	-2.3%	-2.3%	-2.3%	-8.0%
Swiss Franc	USD	-1.3%	-1.3%	-1.3%	10.1%
Chinese Yuan (data as at 28 September 2023)	USD	-0.6%	-0.6%	-0.6%	-3.7%
<b>Commodities &amp; Alternatives</b>					
Commodities	USD	0.5%	0.5%	0.5%	0.8%
Agricultural Commodities	USD	-1.3%	-1.3%	-1.3%	1.8%
Oil	USD	2.2%	2.2%	2.2%	0.1%
Gold	USD	-0.8%	-0.8%	-0.8%	11.5%

# Global Matters Weekly

08 January 2024

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](http://www.bis.hk)

## Important notes

This communication is issued by Belvest Investment Services Limited and/or Belvest related companies (collectively, and individually Belvest) solely to its clients, qualified prospective clients or institutional and professional investors. Unless stated otherwise, any opinions or views expressed in this communication do not represent those of Belvest. Opinions or views of any Belvest company expressed in this communication may differ from those of other departments or companies within Belvest, including any opinions or views expressed in any research issued by Belvest. Belvest may deal as Distributor or Agent, or have interests, in any financial product referred to in this email. Belvest has policies designed to negate conflicts of interest. Unless otherwise stated, this e-mail is solely for information purposes.

This message may contain confidential information. Any use, dissemination, distribution or reproduction of this information outside the original recipients of this message is strictly prohibited. If you receive this message by mistake, please notify the sender by reply email immediately.

Unless specifically stated, neither the information nor any opinion contained herein constitutes as an advertisement, an invitation, a solicitation, a recommendation or advise to buy or sell any products, services, securities, futures, options, other financial instruments or provide any investment advice or service by Belvest.

No representation or warranty is given as to the accuracy, likelihood of achievement or reasonableness of any figures, forecasts, prospects or return (if any) contained in the message. Such figures, forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies. The assumptions and parameters used by Belvest are not the only ones that might reasonably have been selected and therefore Belvest does not guarantee the sequence, accuracy, completeness or timeliness of the information provided herein. None of Belvest, its group members or any of their employees or directors shall be held liable, in any way, for any claims, mistakes, errors or otherwise arising out of or in connection with the content of this e-mail.

This e-mail and any accompanying attachments are not encrypted and cannot be guaranteed to be secure, complete or error-free as electronic communications may be intercepted, corrupted, lost, destroyed, delayed or incomplete, and/or may contain viruses. Belvest therefore does not accept any liability for any interception, corruption, loss, destruction, incompleteness, viruses, errors, omissions or delays in relation to this electronic communication. If verification is required please request a hard-copy version. Electronic communication carried within the Belvest system may be monitored.