

The Market Place

- Global equities rose +2.4% last week
- Key equity markets and commodities both had a strong week
- Brent crude oil rose +3.6% to \$76.2 a barrel, another multi-year high
- Gold rose +1.0% last week to \$1781.4 per ounce

US

US equities rose +2.8% last week reaching a new all-time high

Progress was made on President Biden's proposed infrastructure package. If agreed, the bill will include ~\$579bn in new spending, bringing the total spend to \$1.2 trillion over the next 8 years

The US 10yr treasury yield rose +8.6bps (+3.2bps on Friday) to +1.5%, driven by a +12.1bp increase in inflation expectations

The flash U.S. Composite PMI posted 63.9 in June (vs. 68.7 in May). Services came in at 64.8 (versus May's record 70.4). Manufacturing read 62.6, (versus 62.1 in May)

Durable goods orders were up +2.3% in May (vs. +2.8% expected)

Weekly initial jobless claims for the week ending June 19th fell to 411k (vs. 380k expected)

Europe

European equities rose +1.2% last week

The Euro Area composite PMI for June came in at 59.2 (vs. 58.8 expected), the strongest pace of growth in 15 years. The services PMI came in at 58.0 as expected (from 55.2 last month), whilst the manufacturing PMI remained unchanged at 63.1

In Germany, the IFO's business climate indicator rose to 101.8 in June (vs. 100.7 expected), the highest reading since November 2018

European Central Bank Executive Board member Isabel Schnabel pledged that she and her colleagues will do everything needed to sustain the economic recovery, and warned governments not to undermine that by tightening fiscal policy too soon

EU leaders have rejected the proposal from Germany and France to hold formal talks with Russian President Putin

UK

UK equities rose +1.7% last week

The Bank of England left the bank's interest rate unchanged at +0.1% and voted to maintain the existing programme of UK government bond purchases at £875bn. The Monetary Policy Committee "judges that UK inflation expectations remain well anchored" despite the recent above-target rise

The flash UK Composite PMI registered at 61.7 in June, down slightly from May's record reading of 62.9, but still one of the strongest monthly improvements in 23 years

The June GfK Consumer Confidence barometer was unchanged at -9 vs (-7 expected) A reading below zero indicates a pessimistic outlook

Germany will attempt today to ban UK travellers from entering the EU regardless of their vaccine status

Binance Markets was banned by the UK's financial watchdog from doing any regulated business in the country, one of the most significant moves to date by a regulator amid a global crackdown in the cryptocurrency industry

Asia / ROW

The benchmark Global Emerging Markets index fell -0.4% last week

Japanese equities rose +0.8% on the week

Chinese equities rose +2.4% last week

The Japanese Flash Composite PMI fell to 47.8 in June from May's 48.8. The manufacturing PMI fell to 51.5, from 53.0 in May. The services PMI improved, rising to 47.2 from 46.5 in May

Australia's manufacturing PMI came in at 58.4 (vs. 60.4 last in May). The Services PMI which came in at 56.0 (vs. 58.0 last month).



Performance

Asset Class/Region	Currency				
		Week ending 25 June 2021	Month to date	YTD 2021	12 Months
Developed Market Equities					
United States	USD	2.8%	1.9%	14.5%	40.3%
United Kingdom	GBP	1.7%	1.8%	12.9%	19.4%
Continental Europe	EUR	1.2%	3.1%	16.3%	30.6%
Japan	JPY	0.8%	2.1%	9.8%	28.4%
Asia Pacific (ex Japan)	USD	1.2%	0.0%	7.2%	39.4%
Australia	AUD	-0.8%	2.1%	12.7%	29.5%
Global	USD	2.4%	1.7%	13.3%	39.9%
Emerging markets equities					
Emerging Europe	USD	2.0%	3.3%	16.3%	31.3%
Emerging Asia	USD	1.4%	0.2%	6.1%	40.4%
Emerging Latin America	USD	2.5%	4.4%	10.7%	42.8%
BRICs	USD	2.0%	1.2%	5.8%	32.8%
China	USD	2.6%	0.3%	2.0%	26.1%
MENA countries	USD	-0.5%	1.6%	19.8%	39.0%
South Africa	USD	0.4%	-7.4%	11.1%	40.6%
India	USD	1.1%	-0.3%	12.5%	59.0%
Global emerging markets	USD	1.4%	0.5%	7.7%	40.1%
Bonds					
US Treasuries	USD	-0.6%	0.2%	-3.3%	-3.9%
US Treasuries (inflation protected)	USD	0.1%	0.2%	1.0%	5.9%
US Corporate (investment grade)	USD	-0.7%	1.0%	-1.9%	3.0%
US High Yield	USD	0.4%	1.1%	3.3%	14.2%
UK Gilts	GBP	-0.6%	0.2%	-6.3%	-7.4%
UK Corporate (investment grade)	GBP	-0.2%	0.5%	-3.2%	2.1%
Euro Government Bonds	EUR	-0.5%	-0.1%	-3.6%	-0.7%
Euro Corporate (investment grade)	EUR	-0.2%	0.2%	-0.6%	3.3%
Euro High Yield	EUR	0.0%	0.6%	3.1%	11.2%
Japanese Government	JPY	0.0%	0.2%	-0.1%	-0.1%
Australian Government	AUD	0.1%	0.7%	-2.6%	-2.3%
Global Government Bonds	USD	-0.2%	-0.9%	-4.7%	-0.2%
Global Bonds	USD	-0.1%	-0.8%	-3.6%	1.9%
Global Convertible Bonds	USD	1.2%	1.2%	2.3%	22.5%
Emerging Market Bonds	USD	-0.4%	0.9%	-3.2%	4.1%



Performance

Asset Class/Region	Currency				
		Week ending 25 Jun 2021	Month to date	YTD 2021	12 Months
Property					
US Property Securities	USD	1.9%	4.1%	23.1%	39.8%
Australian Property Securities	AUD	1.3%	6.1%	9.8%	28.6%
Asia Property Securities	USD	0.3%	1.6%	9.1%	17.4%
Global Property Securities	USD	1.5%	2.5%	15.7%	34.2%
Currencies					
Euro	USD	0.5%	-2.4%	-2.4%	6.3%
UK Pound Sterling	USD	0.6%	-2.1%	1.8%	11.9%
Japanese Yen	USD	-0.5%	-1.2%	-6.8%	-3.3%
Australian Dollar	USD	1.3%	-1.9%	-1.3%	10.4%
South African Rand	USD	1.3%	-2.7%	3.8%	21.9%
Swiss Franc	USD	0.5%	-2.0%	-3.5%	3.4%
Chinese Yuan	USD	0.0%	-1.3%	1.1%	9.6%
Commodities & Alternatives					
Commodities	USD	2.2%	2.2%	26.5%	59.9%
Agricultural Commodities	USD	-1.0%	-3.5%	14.8%	52.8%
Oil	USD	3.6%	9.9%	47.1%	85.6%
Gold	USD	1.0%	-6.6%	-6.0%	1.0%
Hedge funds	USD	0.2%	0.4%	3.9%	11.9%



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