

The Market Place

- Global equities fell by -0.1% last week
- The latest US infrastructure bill took another step towards passage
- Gold rose 0.7% last week to \$1814.2 per ounce
- Brent crude oil rose +3.0% last week to \$76.4 per barrel

US

US equities fell by -0.4% last week

The Commerce Department reported its advance estimate that GDP increased at an annualized rate of +6.5% in Q2, well below consensus estimates of +8.4%

Weekly initial jobless claims for the week ending July 24th fell to +400k (vs. +385k expected)

New home sales fell in June with an annualised rate of 676k (vs. 796k expected) the lowest figure since April 2020

The Labor Department's measure of employment costs rose +0.7% in the second quarter, a slowdown from the first quarter and below estimates of a +0.9% gain

The Dallas Fed's manufacturing index fell for a 3rd consecutive month to +27.3 (vs. +31.6 expected).

Senators negotiating the \$1 trillion infrastructure package finished the text of their legislation yesterday, moving the Senate a step closer to likely passage this week

Europe

European equities fell by -0.1% last week

The flash CPI print for the Euro Area for July showed a +0.7% month-on-month increase in core inflation with the headline number coming in at -0.1% (vs. -0.3% expected)

Euro-area GDP grew by +2% last quarter, beating expectations of +1.5%

The Ifo's business climate indicator for Germany fell in July, declining to 100.8 (vs. 102.5 expected)

German unemployment fell by a stronger-than-expected -91k in July (vs. -29k expected) The unemployment rate is down to a post-pandemic low of +5.7%

The European Commission's economic sentiment indicator for the Euro Area rose to 119.0 (vs. 118.2 expected), which is the highest level on record

UK

UK equities rose by +0.2% last week

The Bank of England's Dr Gertjan Vlieghe said in a speech last week that he hadn't changed his view that current elevated inflation would be temporary, and said that the economy "remains an average recession away from full employment" and would also soon be seeing the end of various government support schemes

UK mortgage approvals came in at 81.3k in June (vs. 84.5k expected)

The government is planning to administer booster covid-19 vaccine shots to 32 million people starting from September

Asia / ROW

The Global Emerging Markets index fell by -2.5% last week

Chinese equities fell by -6% last week

Flash Japan manufacturing PMI declined to 52.2 in July from 52.4 in June. The services flash PMI also declined from 48 to 46.4

The Chinese manufacturing PMI fell from 50.9 to 50.4 in July (vs 50.8 expected) - the lowest level since February 2020

Other economies in Asia also posted some weak manufacturing PMIs. Indonesia came in at 40.1 (vs. 53.5 last month) Thailand's fell to 48.7 from 49.5 and the Philippine's fell to 50.4 from 50.8. Vietnam's reading remained in contractionary territory at 45.1 (vs. 44.1 last month)

Australia's final manufacturing PMI for July came in at 56.9 (vs 56.8 in the flash reading)



Performance

| Asset Class/Region | Currency | | | | |
|-------------------------------------|----------|-----------------------------|------------------|----------|-----------|
| | | Week ending 30 July 2021 | Month to date | YTD 2021 | 12 Months |
| Developed Market Equities | | | | | |
| United States | USD | -0.4% | 2.3% | 17.7% | 36.9% |
| United Kingdom | GBP | 0.2% | 0.3% | 11.6% | 21.4% |
| Continental Europe | EUR | -0.1% | 2.1% | 17.6% | 31.4% |
| Japan | JPY | -0.2% | -2.2% | 6.5% | 26.1% |
| Asia Pacific (ex Japan) | USD | -2.8% | -6.6% | -0.2% | 20.3% |
| Australia | AUD | 0.0% | 1.1% | 14.1% | 25.9% |
| Global | USD | -0.1% | 1.8% | 15.1% | 35.1% |
| Emerging markets equities | | | | | |
| Emerging Europe | USD | 2.2% | 0.2% | 14.7% | 30.4% |
| Emerging Asia | USD | -3.4% | -8.1% | -2.6% | 18.0% |
| Emerging Latin America | USD | -1.0% | -4.1% | 4.5% | 23.2% |
| BRICs | USD | -4.2% | -9.7% | -4.9% | 10.2% |
| China | USD | -6.1% | -13.8% | -12.3% | 0.4% |
| MENA countries | USD | 2.2% | 1.1% | 21.6% | 39.4% |
| South Africa | USD | 1.6% | -1.7% | 8.6% | 27.6% |
| India | USD | -0.4% | 0.4% | 11.7% | 44.8% |
| Global emerging markets | USD | -2.5% | -6.7% | 0.2% | 20.3% |
| Bonds | | | | | |
| US Treasuries | USD | 0.2% | 1.3% | -1.6% | -3.5% |
| US Treasuries (inflation protected) | USD | 0.8% | 2.8% | 4.4% | 7.1% |
| US Corporate (investment grade) | USD | 0.4% | 1.4% | 0.1% | 1.5% |
| US High Yield | USD | 0.1% | 0.4% | 4.0% | 10.8% |
| UK Gilts | GBP | 0.2% | 2.8% | -3.2% | -4.4% |
| UK Corporate (investment grade) | GBP | 0.2% | 1.6% | -1.2% | 2.3% |
| Euro Government Bonds | EUR | 0.2% | 1.9% | -1.2% | 0.4% |
| Euro Corporate (investment grade) | EUR | 0.2% | 1.1% | 0.7% | 3.2% |
| Euro High Yield | EUR | 0.2% | 0.4% | 3.5% | 9.8% |
| Japanese Government | JPY | 0.1% | 0.6% | 0.4% | 0.2% |
| Australian Government | AUD | 0.2% | 2.1% | -0.3% | -0.1% |
| Global Government Bonds | USD | 0.6% | 1.6% | -3.1% | -1.7% |
| Global Bonds | USD | 0.6% | 1.3% | -2.2% | 0.0% |
| Global Convertible Bonds | USD | -0.4% | -1.3% | 0.2% | 14.4% |
| Emerging Market Bonds | USD | -0.1% | 0.6% | -2.5% | 1.7% |



Performance

| Asset Class/Region | Currency | | | | |
|---------------------------------------|----------|-----------------------------|------------------|----------|-----------|
| | | Week ending 30 July 2021 | Month to date | YTD 2021 | 12 Months |
| Property | | | | | |
| US Property Securities | USD | 0.3% | 4.8% | 27.1% | 37.6% |
| Australian Property Securities | AUD | 0.4% | 0.3% | 8.0% | 27.2% |
| Asia Property Securities | USD | -2.4% | -3.9% | 2.9% | 12.1% |
| Global Property Securities | USD | -0.1% | 2.4% | 16.6% | 30.9% |
| Currencies | | | | | |
| Euro | USD | 0.8% | 0.1% | -3.0% | 0.5% |
| UK Pound Sterling | USD | 1.0% | 0.7% | 1.8% | 6.4% |
| Japanese Yen | USD | 0.7% | 1.2% | -5.9% | -4.4% |
| Australian Dollar | USD | -0.3% | -2.0% | -4.5% | 2.7% |
| South African Rand | USD | 1.6% | -1.9% | 0.4% | 15.3% |
| Swiss Franc | USD | 1.6% | 2.1% | -2.4% | 0.6% |
| Chinese Yuan | USD | 0.3% | -0.1% | 1.0% | 8.5% |
| Commodities & Alternatives | | | | | |
| Commodities | USD | 1.1% | 1.7% | 30.6% | 54.7% |
| Agricultural Commodities | USD | 0.1% | -0.2% | 19.6% | 52.2% |
| Oil | USD | 3.0% | 1.6% | 47.4% | 77.8% |
| Gold | USD | 0.7% | 2.4% | -4.2% | -6.9% |
| Hedge funds | USD | -0.1% | -0.4% | 3.5% | 10.2% |



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