

The Market Place

- Global equities rose 1.7% last week
- The US Senate acquitted former President Trump of incitement to insurrection
- Brent crude rose 5.2% last week to \$62.4 a barrel
- Gold rose 0.6% to \$1824.23 per ounce

US

US equities rose 1.3% last week

The trade deficit widened from \$577bn in 2019 to \$679bn in 2020, making it the largest annual trade deficit since 2008

Speaker Pelosi said the House is aiming to vote on the full bill for Biden's stimulus package next week

The number of job openings rose to 6.65m in December against 6.4m expected

Consumer prices rose by 0.3% month-on-month in January as expected, whilst year-on-year core inflation fell to 1.4%, its lowest level since June

In a call with his Chinese counterpart Xi Jinping, President Biden expressed concerns over China's "coercive and unfair economic practices" and growing restrictions on political freedoms in Hong Kong

Weekly initial jobless claims for the week ending 6th February fell to 793k, against 760k expected. The number of continuing claims for the week ending 30th January fell to 4.545m, however this was higher than the 4.420m expected

Europe

European equities rose 1.0% last week

Draghi has been sworn in as the next Italian PM

Germany factory orders fell -1.9% in December, against -1.0% expected

Italian retail sales outperformed versus expectations, rising 2.5% over the month against 1.6%

The European Commission downgraded their 2021 growth forecast for the Euro Area to 3.8% against 4.2% forecast in November, though they upgraded their 2022 forecast from 3.0% to 3.8%

UK

UK equities rose 1.6% last week

The UK economy shrank by a record 9.9% in 2020, as the contraction was more than twice as much as the previous largest annual fall on record

The economy grew by 1.2% in December, after shrinking by 2.3% in November

Asia / ROW

The benchmark Global Emerging Markets index returned 2.4% last week

Japanese equities rose 2.3% in the week

China's January CPI figures came in at -0.3% year-on-year against 0% expected

Japan's Health Ministry has approved the Pfizer-BioNTech vaccine, with vaccinations likely to begin later this week



Performance

| Asset Class/Region | Currency | | | | |
|-------------------------------------|----------|----------------------------|------------------|----------|-----------|
| | | Week ending 12 Feb 2021 | Month to date | YTD 2021 | 12 Months |
| Developed Market Equities | | | | | |
| United States | USD | 1.3% | 6.0% | 4.9% | 17.9% |
| United Kingdom | GBP | 1.6% | 2.6% | 1.9% | -11.3% |
| Continental Europe | EUR | 1.0% | 4.8% | 3.7% | 0.8% |
| Japan | JPY | 2.3% | 6.9% | 7.2% | 15.2% |
| Asia Pacific (ex Japan) | USD | 2.3% | 7.1% | 10.9% | 34.8% |
| Australia | AUD | -0.5% | 3.0% | 3.4% | -1.2% |
| Global | USD | 1.7% | 5.9% | 4.9% | 17.6% |
| Emerging markets equities | | | | | |
| Emerging Europe | USD | 1.0% | 5.1% | 2.7% | -8.3% |
| Emerging Asia | USD | 2.6% | 8.0% | 12.6% | 43.5% |
| Emerging Latin America | USD | 0.3% | 5.8% | -1.3% | -11.8% |
| BRICs | USD | 3.5% | 9.5% | 13.7% | 33.0% |
| China | USD | 4.3% | 10.0% | 18.1% | 49.9% |
| MENA countries | USD | 2.2% | 1.7% | 3.8% | 5.7% |
| South Africa | USD | 5.5% | 10.8% | 13.8% | 14.3% |
| India | USD | 2.0% | 11.7% | 9.2% | 23.4% |
| Global emerging markets | USD | 2.4% | 7.5% | 10.8% | 31.6% |
| Bonds | | | | | |
| US Treasuries | USD | -0.2% | -0.7% | -1.9% | 4.3% |
| US Treasuries (inflation protected) | USD | -0.1% | -0.4% | -0.1% | 9.6% |
| US Corporate (investment grade) | USD | -0.1% | -0.6% | -1.8% | 5.5% |
| US High Yield | USD | 0.3% | 1.0% | 1.3% | 7.3% |
| UK Gilts | GBP | -0.3% | -2.6% | -4.2% | 1.2% |
| UK Corporate (investment grade) | GBP | 0.0% | -1.0% | -2.1% | 4.1% |
| Euro Government Bonds | EUR | -0.2% | -0.5% | -1.1% | 1.7% |
| Euro Corporate (investment grade) | EUR | 0.0% | 0.0% | -0.1% | 1.6% |
| Euro High Yield | EUR | 0.1% | 0.9% | 1.4% | 2.7% |
| Japanese Government | JPY | -0.1% | -0.1% | -0.4% | -1.7% |
| Australian Government | AUD | -0.1% | -0.5% | -1.2% | 1.1% |
| Global Government Bonds | USD | 0.2% | -0.7% | -2.0% | 7.0% |
| Global Bonds | USD | 0.3% | -0.5% | -1.5% | 7.4% |
| Global Convertible Bonds | USD | 2.2% | 5.4% | 5.5% | 27.9% |
| Emerging Market Bonds | USD | 0.0% | 0.2% | -1.6% | 2.6% |

Performance

| Asset Class/Region | Currency | | | | |
|---------------------------------------|----------|----------------------------|------------------|----------|-----------|
| | | Week ending 12 Feb 2021 | Month to date | YTD 2021 | 12 Months |
| Property | | | | | |
| US Property Securities | USD | 2.0% | 5.5% | 5.6% | -7.5% |
| Australian Property Securities | AUD | -2.0% | 0.0% | -4.1% | -18.4% |
| Asia Property Securities | USD | 2.4% | 4.2% | 4.2% | -6.7% |
| Global Property Securities | USD | 1.6% | 3.9% | 2.8% | -6.2% |
| Currencies | | | | | |
| Euro | USD | 0.7% | -0.1% | -0.8% | 11.4% |
| UK Pound Sterling | USD | 0.9% | 1.1% | 1.5% | 6.9% |
| Japanese Yen | USD | 0.4% | -0.2% | -1.5% | 4.9% |
| Australian Dollar | USD | 1.2% | 1.5% | 0.8% | 15.1% |
| South African Rand | USD | 2.0% | 4.4% | 0.8% | 2.0% |
| Swiss Franc | USD | 0.9% | -0.1% | -0.7% | 9.7% |
| Chinese Yuan | USD | 0.1% | -0.5% | 1.1% | 8.0% |
| Commodities & Alternatives | | | | | |
| Commodities | USD | 2.9% | 6.7% | 11.2% | 10.7% |
| Agricultural Commodities | USD | 1.0% | 1.4% | 6.3% | 27.2% |
| Oil | USD | 5.2% | 11.7% | 20.5% | 11.9% |
| Gold | USD | 0.6% | -1.3% | -3.7% | 16.3% |
| Hedge funds | USD | 0.7% | 2.3% | 2.3% | 7.5% |

Global Matters Weekly

15 February 2021

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

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.