

The Market Place

- Global equities rose 1.0%
- The amount of Fed cuts priced in by December fell -12.8bps on Friday to 37bps
- Brent crude fell 2.5% to \$79.62 per barrel after OPEC+ announced its intention to start rolling back its voluntary supply cuts in October
- Gold fell 1.4% to \$2293.78 per ounce

US

US equities rose 1.3% , growth stocks outperformed value stocks by the widest margin since the start of the year

Nonfarm payrolls increased 272k in May. The unemployment rate increased to 4% from 3.9%, a 2-year high. Average hourly earnings climbed 0.4% from April and 4.1% from this time last year

Services PMI (Purchasing Managers' Index) jumped to its highest level in nine months to 53.8 in May whilst manufacturing PMI fell further into contraction territory at 48.7

Europe

European equities rose 1.6%

The ECB (European Central Bank) forecast that inflation would average 2.5% in 2024, an upward revision from the previous estimate of 2.3%

French President Macron called a snap election in a bid to thwart the rise of right-wing Marine Le Pen, after suffering a large defeat in the European elections

UK

UK equities fell 0.2%

The CBI has upgraded UK GDP projections to 1.0% in 2024 and 1.9% in 2025, the British Chamber of Commerce has also upgraded 2024 growth to 0.8%. Consensus until recently was for 0.4% growth in 2024

Asia / ROW

Global emerging market equities rose 2.4%

Japanese equities fell 0.6%

Chinese equities rose 1.7%

Japan's Finance Minister Shunichi Suzuki confirmed that his ministry had intervened in the foreign exchange market in the period from April 29 to May 29 to counter excessive currency moves

The Japanese economy shrank slightly less than initially estimated in Q1 on upward revisions to capital spending and inventory data. GDP contracted -1.8% year-on-year in the three months to March as against a revised decline of -2.0% in the initial estimate

In China, the value of new home sales by the country's top 100 developers rose 11.5% in May, up from April's 3.4% increase, according to the China Real Estate Information Corp. New home sales slumped 33.6% in May from a year ago but eased from April's 45% decline



Performance

Asset Class/Region	Currency	Cumulative returns			
		Week ending 7 June 2024	Month to date	YTD 2024	12 Months
Developed Market Equities					
United States	USD	1.3%	1.3%	12.6%	26.6%
United Kingdom	GBP	-0.2%	-0.2%	8.7%	12.7%
Continental Europe	EUR	1.6%	1.6%	11.7%	17.6%
Japan	JPY	-0.6%	-0.6%	17.7%	27.8%
Asia Pacific (ex Japan)	USD	2.9%	2.9%	7.4%	11.7%
Australia	AUD	2.1%	2.1%	5.3%	14.8%
Global	USD	1.0%	1.0%	10.6%	23.2%
Emerging markets equities					
Emerging Europe	USD	-1.7%	-1.7%	13.1%	31.0%
Emerging Asia	USD	3.4%	3.4%	9.4%	12.7%
Emerging Latin America	USD	-4.5%	-4.5%	-14.2%	-1.2%
BRICs	USD	2.1%	2.1%	7.2%	10.3%
China	USD	1.7%	1.7%	8.6%	0.7%
MENA countries	USD	0.7%	0.7%	-5.4%	-1.5%
South Africa	USD	-0.6%	-0.6%	-4.9%	2.9%
India	USD	3.4%	3.4%	7.5%	24.6%
Global emerging markets	USD	2.4%	2.4%	5.9%	10.7%
Bonds					
US Treasuries	USD	0.4%	0.4%	-1.4%	0.8%
US Treasuries (inflation protected)	USD	0.1%	0.1%	0.0%	2.1%
US Corporate (investment grade)	USD	0.4%	0.4%	-0.2%	5.7%
US High Yield	USD	0.4%	0.4%	2.1%	10.6%
UK Gilts	GBP	0.6%	0.6%	-3.3%	3.6%
UK Corporate (investment grade)	GBP	0.3%	0.3%	-0.6%	9.2%
Euro Government Bonds	EUR	0.2%	0.2%	-1.9%	3.1%
Euro Corporate (investment grade)	EUR	0.2%	0.2%	0.0%	6.0%
Euro High Yield	EUR	0.5%	0.5%	3.1%	10.5%
Global Government Bonds	USD	0.4%	0.4%	-3.9%	-0.8%
Global Bonds	USD	0.2%	0.2%	-2.7%	1.9%
Global Convertible Bonds	USD	0.3%	0.3%	-1.2%	4.4%
Emerging Market Bonds	USD	0.3%	0.3%	0.9%	8.7%

Performance

Asset Class/Region	Currency	Currency returns			
		Week ending 7 June 2024	Month to date	YTD 2024	12 Months
Property					
US Property Securities	USD	0.0%	0.0%	-3.4%	3.6%
Australian Property Securities	AUD	3.3%	3.3%	12.7%	22.1%
Asia Property Securities	USD	0.9%	0.9%	-6.9%	-6.5%
Global Property Securities	USD	0.0%	0.0%	-2.7%	5.4%
Currencies					
Euro	USD	-0.4%	-0.4%	-2.3%	1.0%
UK Pound Sterling	USD	0.0%	0.0%	-0.3%	2.3%
Japanese Yen	USD	0.3%	0.3%	-10.1%	-10.5%
Australian Dollar	USD	-0.8%	-0.8%	-3.6%	-1.0%
South African Rand	USD	0.1%	0.1%	-2.9%	1.7%
Swiss Franc	USD	0.8%	0.8%	-6.4%	1.5%
Chinese Yuan	USD	-0.1%	-0.1%	-2.0%	-1.6%
Commodities & Alternatives					
Commodities	USD	-1.3%	-1.3%	7.3%	11.1%
Agricultural Commodities	USD	-1.9%	-1.9%	5.0%	8.1%
Oil	USD	-2.5%	-2.5%	3.3%	3.5%
Gold	USD	-1.4%	-1.4%	11.2%	18.1%

Global Matters Weekly

10 June 2024

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