

The Market Place

- Global equities fell 2.1%
- Equities declined globally, while bonds rallied in response to US economic data taking a turn for the worse
- Brent crude fell 5.3% to \$76.81 per barrel
- Gold rose 2.3% to \$2,443.24 per ounce

US

US equities fell 2.1%

The Federal Reserve kept interest rates unchanged, with the chair Jerome Powell taking a more dovish tone than in previous meetings.

Labour market data showed headline payrolls increasing 114k month-on-month (vs 175k expected), and a 27k downward revision to June's print.

The unemployment rate rose to 4.3% (vs 4.1% expected), its highest level in three years.

The ADP employment report of private payrolls fell to a 6-month low of 122k in July (vs 150k expected), while the Employment Cost Index fell back to 0.9% in Q2.

UK

UK equities fell 1.2%

The Bank of England began the process of easing, cutting the policy rate by 25bps to 5%

CBI's retail sales volume survey fell to -43 (vs -10 expected)

The new Labour government made several fiscal announcements, including £5.5bn of savings over 2024-25, and £8.1bn for 2025-26. Chancellor Rachel Reeves also confirmed that the government's first Budget would occur on 30 October

Europe

European equities fell 3.1%

Euro Area GDP grew by 0.3% in Q2 (vs 0.2% expected), which aligns with the Q1 level. This included 0.3% growth in France and an unexpected contraction of 0.1% in Germany

The Euro Area flash CPI (Consumer Price Index) reading showed the headline rising 2.6% (vs 2.5% expected). The core measure held steady at 2.9% (vs 2.8% expected) for a third consecutive month

Asia / ROW

Global emerging market equities fell 1.0%

Japanese equities fell 6.0%, and Chinese equities fell 0.6%

In China, the Caixin services PMI (Purchasing Manager Index) climbed to 52.1 (vs 51.5 expected) from 51.2 in June

In Australia, the trimmed mean for CPI in Q2 increased by 0.8% (vs 1.0% expected). The monthly year-on-year print for June also fell to 3.8%, which is in line with expectations

Japan's jobless rate dropped to 2.5% in June (vs 2.6% expected) from 2.6% the previous month



Performance

Asset Class/Region	Currency				
		Week ending 2 Aug 2024	Month to date	YTD 2024	12 Months
Developed Market Equities					
United States	USD	-2.1%	-3.2%	12.7%	19.7%
United Kingdom	GBP	-1.2%	-2.2%	8.2%	13.0%
Continental Europe	EUR	-3.1%	-4.0%	5.0%	9.9%
Japan	JPY	-6.0%	-9.2%	8.5%	12.8%
Asia Pacific (ex Japan)	USD	-0.8%	-2.1%	6.4%	7.7%
Australia	AUD	0.3%	-1.8%	6.6%	12.3%
Global	USD	-2.1%	-3.4%	9.8%	16.7%
Emerging markets equities					
Emerging Europe	USD	-3.1%	-2.5%	12.7%	20.5%
Emerging Asia	USD	-0.9%	-2.1%	8.4%	8.3%
Emerging Latin America	USD	-3.2%	-3.3%	-17.6%	-9.5%
BRICs	USD	-0.7%	-1.9%	5.3%	2.7%
China	USD	-0.6%	-2.2%	1.1%	-11.3%
MENA countries	USD	0.3%	-0.5%	-0.4%	0.7%
South Africa	USD	-0.1%	-3.4%	6.3%	9.9%
India	USD	-0.5%	-1.0%	13.9%	26.4%
Global emerging markets	USD	-1.0%	-2.2%	5.5%	6.7%
Bonds					
US Treasuries	USD	2.7%	1.8%	3.2%	6.6%
US Treasuries (inflation protected)	USD	1.4%	0.6%	3.1%	5.8%
US Corporate (investment grade)	USD	2.1%	1.2%	3.7%	9.4%
US High Yield	USD	-0.1%	-0.4%	4.3%	11.4%
UK Gilts	GBP	2.1%	1.1%	0.2%	7.6%
UK Corporate (investment grade)	GBP	1.4%	0.7%	2.6%	11.6%
Euro Government Bonds	EUR	1.3%	0.5%	0.8%	5.9%
Euro Corporate (investment grade)	EUR	0.8%	0.4%	2.6%	7.6%
Euro High Yield	EUR	0.1%	-0.2%	4.3%	10.7%
Global Government Bonds	USD	2.5%	1.6%	0.2%	4.1%
Global Bonds	USD	2.3%	1.5%	1.4%	6.1%
Global Convertible Bonds	USD	-0.7%	-1.1%	-0.4%	2.0%
Emerging Market Bonds	USD	1.2%	0.6%	3.9%	10.2%

Performance

Asset Class/Region	Currency				
		Week ending 2 Aug 2024	Month to date	YTD 2024	12 Months
Property					
US Property Securities	USD	1.5%	0.9%	6.2%	11.6%
Australian Property Securities	AUD	1.6%	-1.3%	14.0%	23.6%
Asia Property Securities	USD	-0.6%	-2.7%	-9.0%	-7.9%
Global Property Securities	USD	1.0%	-0.1%	3.4%	10.1%
Currencies					
Euro	USD	0.4%	1.0%	-1.4%	-0.4%
UK Pound Sterling	USD	-0.7%	-0.4%	0.2%	0.5%
Japanese Yen	USD	4.7%	2.5%	-4.1%	-2.5%
Australian Dollar	USD	-0.7%	-0.2%	-4.7%	-0.5%
South African Rand	USD	0.1%	-0.4%	0.0%	1.3%
Swiss Franc	USD	2.7%	2.4%	-2.4%	1.9%
Chinese Yuan	USD	1.1%	0.7%	-1.0%	0.3%
Commodities & Alternatives					
Commodities	USD	-2.0%	-2.5%	0.6%	-2.3%
Agricultural Commodities	USD	-0.8%	-0.3%	-2.9%	-5.7%
Oil	USD	-5.3%	-4.8%	-0.3%	-7.7%
Gold	USD	2.3%	0.7%	18.4%	26.2%

* Data as at 15 July 2024 due to Bank Holidays in India

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