

The Market Place

- Global equities rose 0.3%.
- Fed Chair Powell's speech signalled a dovish shift, indicating potential US rate cuts soon, with a focus on supporting employment. Powell mentioned that the Fed would do "everything we can to support a strong labour market" and hinted at the possibility of larger rate cuts.
- Brent crude fell 0.3% to \$78.80 per barrel.
- Gold fell 0.4% to \$2,503.39 per ounce.

US

US equities rose 0.3%

Economic data showed mixed signals: July core durable goods orders declined by 0.2% (vs -0.1% expected), while the Dallas Fed manufacturing index improved to its highest reading since January 2023 of -9.7 (vs -16.0 expected). The Conference Board's consumer confidence index rose to a six-month high of 103.3 (vs 100.7 expected), though labour market indicators weakened.

The GDP for Q2 was revised up to a 3.0% annualised growth rate (vs 2.8% previously estimated). Inflation figures were also revised downward, bringing core PCE closer to the Fed's target at +2.8%.

Weekly initial jobless claims for the week ending August 24th were in line with expectations at 231k.

UK

UK equities rose 0.7%

The Bank of England reported mortgage approvals at 62k in July, their highest level in almost two years.

Average house prices rose by 2.4% year-on-year according to the latest Nationwide House Price Index.

Europe

European equities rose 1.4%

Germany's Ifo - Information and Forschung (research) - business climate indicator fell to 86.6 in August, its lowest since February.

The Euro Area M3 money supply growth grew by 2.3% year-on-year in July (vs. 2.7% expected).

Initial flash CPI data releases came in softer than expected, with Germany's harmonised CPI at 2.0% and Spain's at 2.4%. Euro Area flash CPI readings also hit a low of 2.2% in August, keeping the door open for potential European Central Bank rate cuts.

Asia / ROW

Global emerging market equities were flat

Japanese equities rose 1.1%, and Chinese equities fell 0.3%

In China, industrial profits for large companies grew by 4.1% year-on-year in July, up from 3.6% in June.

Australia's July CPI fell to 3.5%, slightly below expectations.

Japan's Tokyo CPI exceeded forecasts at 2.6% year-on-year. However, retail sales and industrial production figures were weaker than expected, and the jobless rate increased to 2.7%, the highest since March 2023.



Performance

Asset Class/Region	Currency				
		Week ending 30 Aug 2024	Month to date	YTD 2024	12 Months
Developed Market Equities					
United States	USD	0.3%	2.4%	19.2%	26.4%
United Kingdom	GBP	0.7%	1.0%	11.7%	17.1%
Continental Europe	EUR	1.4%	1.8%	11.3%	16.6%
Japan	JPY	1.1%	-2.9%	16.0%	20.0%
Asia Pacific (ex Japan)	USD	0.5%	2.3%	11.2%	16.3%
Australia	AUD	1.0%	0.5%	9.1%	15.2%
Global	USD	0.3%	2.6%	16.7%	24.2%
Emerging markets equities					
Emerging Europe	USD	-0.5%	-2.3%	12.9%	18.1%
Emerging Asia	USD	0.2%	1.6%	12.5%	16.5%
Emerging Latin America	USD	-2.3%	2.6%	-12.6%	-2.5%
BRICs	USD	0.3%	1.5%	9.0%	10.3%
China	USD	-0.3%	1.0%	4.4%	-3.2%
MENA countries	USD	-0.1%	0.4%	0.5%	3.0%
South Africa	USD	-0.8%	3.6%	13.9%	19.9%
India	USD	1.6%	1.1%	16.4%	30.0%
Global emerging markets	USD	0.0%	1.6%	9.5%	14.1%
Bonds					
US Treasuries	USD	-0.5%	1.3%	2.7%	6.2%
US Treasuries (inflation protected)	USD	-0.4%	0.8%	3.3%	6.2%
US Corporate (investment grade)	USD	-0.5%	1.5%	4.0%	9.6%
US High Yield	USD	0.2%	1.6%	6.3%	12.6%
UK Gilts	GBP	-0.5%	0.5%	-0.4%	7.2%
UK Corporate (investment grade)	GBP	-0.3%	0.3%	2.2%	11.4%
Euro Government Bonds	EUR	-0.4%	0.4%	0.7%	5.5%
Euro Corporate (investment grade)	EUR	-0.1%	0.3%	2.6%	7.7%
Euro High Yield	EUR	0.4%	1.2%	5.6%	11.9%
Global Government Bonds	USD	-0.5%	2.5%	1.1%	5.6%
Global Bonds	USD	-0.7%	2.2%	2.0%	7.0%
Global Convertible Bonds	USD	0.0%	1.5%	2.3%	6.7%
Emerging Market Bonds	USD	0.1%	2.6%	6.0%	12.7%

Performance

Asset Class/Region	Currency				
		Week ending 30 Aug 2024	Month to date	YTD 2024	12 Months
Property					
US Property Securities	USD	0.8%	6.4%	12.1%	19.6%
Australian Property Securities	AUD	2.2%	0.1%	15.5%	21.7%
Asia Property Securities	USD	3.2%	6.3%	-0.5%	2.9%
Global Property Securities	USD	1.1%	5.7%	9.4%	17.9%
Currencies					
Euro	USD	-1.1%	2.2%	-0.1%	1.1%
UK Pound Sterling	USD	-0.5%	2.2%	2.8%	3.2%
Japanese Yen	USD	-0.9%	3.0%	-3.7%	-0.1%
Australian Dollar	USD	-0.4%	3.5%	-1.1%	4.2%
South African Rand	USD	-0.6%	2.1%	2.4%	4.6%
Swiss Franc	USD	-0.1%	3.5%	-1.4%	3.2%
Chinese Yuan	USD	0.4%	1.8%	0.1%	2.7%
Commodities & Alternatives					
Commodities	USD	-0.3%	-0.2%	2.9%	-2.1%
Agricultural Commodities	USD	2.6%	2.3%	-0.3%	-4.1%
Oil	USD	-0.3%	-2.4%	2.3%	-8.2%
Gold	USD	-0.4%	3.1%	21.3%	28.7%

Global Matters Weekly

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