

The Market Place

- Global equities fell 3.9%
- Markets saw a significant risk-off move with the major US equity index experiencing its worst weekly performance since March 2023, with a more than 4% decline
- Brent crude fell 9.8% last week to \$71.06 per barrel
- Gold fell 0.2% to \$2,497.41 per ounce

US

US equities fell 4.2%

The US unemployment rate retraced some of its prior rise, coming in at 4.2% (vs 4.3% in July)

The US ISM manufacturing print came in beneath expectations at 47.2 in August (vs 47.5 expected) whilst the ISM services index remained in expansionary territory in August at 51.5 (vs 51.4 expected)

The Job Openings and Labor Turnover Summary (JOLTS) report showed the number of job openings fell to a three-and-a-half year low of 7.7m in July (vs 8.1m expected)

Weekly initial jobless claims fell to an 8-week low of 227k (vs 230k expected) over the week ending August 30

Current polls are pointing to a tight US election race, with the polling lead for Trump within the margin of error for most polls

UK

UK equities fell 2.3%

Composite PMI numbers surprised to the upside at 53.8 (vs 53.4 expected)

Construction PMI fell to 53.6 from 55.3 (vs 54.5 expected)

The UK government's net foreign reserves increased by \$3,618 million

Europe

European equities fell 3.9%

The Euro Area composite PMI (Purchasing Managers Index) fell to 51.0 (vs 51.2 expected) whilst the Euro Area Manufacturing PMI rose to 45.8 (vs 45.6 expected)

In German state elections, the far-right Alternative for Deutschland (AfD) came in first place in Thuringia, marking the first time that they had won a state election

French President Macron named Michel Barnier as the new Prime Minister following legislative elections that took place in July where no group achieved a governing majority

Asia / ROW

Global emerging market equities fell 2.2%

Japanese equities fell 4.2% and Chinese equities fell 2.4%

China's Caixin services PMI for August expanded at a slower rate compared to July, with the index falling to 51.6 (vs 51.8 expected) from 52.1

Australia's second quarter GDP growth slowed to 1.0% year-on-year (vs 0.9% expected), the weakest annual pace since the 1990's recession, outside of the Covid-19 pandemic period. It followed an upwardly revised gain of 1.3% in the previous quarter

The Bank of Canada delivered another 25bp interest rate cut to 4.25%, the third consecutive meeting where they've cut rates, in line with expectations



Performance

Asset Class/Region	Currency				
		Week ending 06 Sept 2024	Month to date	YTD 2024	12 Months
Developed Market Equities					
United States	USD	-4.2%	-4.2%	14.2%	22.4%
United Kingdom	GBP	-2.3%	-2.3%	9.1%	14.9%
Continental Europe	EUR	-3.9%	-3.9%	7.0%	13.4%
Japan	JPY	-4.2%	-4.2%	11.1%	11.1%
Asia Pacific (ex Japan)	USD	-2.1%	-2.1%	8.8%	14.0%
Australia	AUD	-0.6%	-0.6%	8.4%	14.7%
Global	USD	-3.9%	-3.9%	12.2%	20.8%
Emerging markets equities					
Emerging Europe	USD	-1.5%	-1.5%	11.2%	21.8%
Emerging Asia	USD	-2.5%	-2.5%	9.8%	13.4%
Emerging Latin America	USD	-2.1%	-2.1%	-14.4%	-0.1%
BRICs	USD	-1.9%	-1.9%	6.9%	7.8%
China	USD	-2.4%	-2.4%	1.9%	-6.1%
MENA countries	USD	0.2%	0.2%	0.7%	5.3%
South Africa	USD	-3.1%	-3.1%	10.4%	22.7%
India	USD	-1.6%	-1.6%	14.5%	27.1%
Global emerging markets	USD	-2.2%	-2.2%	7.1%	12.4%
Bonds					
US Treasuries	USD	1.4%	1.4%	4.2%	8.7%
US Treasuries (inflation protected)	USD	0.6%	0.6%	3.9%	7.6%
US Corporate (investment grade)	USD	1.2%	1.2%	5.3%	12.1%
US High Yield	USD	0.3%	0.3%	6.6%	13.3%
UK Gilts	GBP	1.0%	1.0%	0.6%	9.2%
UK Corporate (investment grade)	GBP	0.7%	0.7%	2.9%	12.9%
Euro Government Bonds	EUR	0.9%	0.9%	1.6%	7.4%
Euro Corporate (investment grade)	EUR	0.6%	0.6%	3.1%	8.7%
Euro High Yield	EUR	0.0%	0.0%	5.7%	11.7%
Global Government Bonds	USD	1.4%	1.4%	2.5%	8.6%
Global Bonds	USD	1.3%	1.3%	3.3%	10.1%
Global Convertible Bonds	USD	-1.1%	-1.1%	1.2%	6.2%
Emerging Market Bonds	USD	0.4%	0.4%	6.4%	14.6%

Performance

Asset Class/Region	Currency				
		Week ending 06 Sept 2024	Month to date	YTD 2024	12 Months
Property					
US Property Securities	USD	-0.7%	-0.7%	11.2%	21.1%
Australian Property Securities	AUD	1.2%	1.2%	16.9%	25.1%
Asia Property Securities	USD	-0.5%	-0.5%	-0.9%	1.1%
Global Property Securities	USD	-0.2%	-0.2%	9.1%	19.2%
Currencies					
Euro	USD	0.2%	0.2%	0.1%	3.3%
UK Pound Sterling	USD	0.0%	0.0%	2.8%	4.9%
Japanese Yen	USD	2.6%	2.6%	-1.1%	3.6%
Australian Dollar	USD	-1.3%	-1.3%	-2.5%	4.5%
South African Rand	USD	-0.3%	-0.3%	2.2%	7.6%
Swiss Franc	USD	0.9%	0.9%	-0.5%	5.8%
Chinese Yuan	USD	-0.1%	-0.1%	0.0%	3.1%
Commodities & Alternatives					
Commodities	USD	-3.2%	-3.2%	-0.3%	-6.4%
Agricultural Commodities	USD	-0.4%	-0.4%	-0.7%	-4.5%
Oil	USD	-9.8%	-9.8%	-7.8%	-21.6%
Gold	USD	-0.2%	-0.2%	21.1%	30.1%

Global Matters Weekly

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