

The Market Place

- Global equities rose 1.4%
- Chinese equities surged 17.2%, driven by new stimulus measures from Beijing, including cuts to the required reserve ratio and key interest rates, which also boosted global emerging market performance
- Brent crude fell 3.4% to \$71.98 per barrel
- Gold rose 1.4% to \$2,658.24 per ounce, driven by expectations of US rate cuts

US

US equities rose 0.6%

Flash Purchasing Managers' Index (PMIs) indicated ongoing economic resilience, with the composite PMI coming in at 54.4 (vs 54.3 expected), showing continued economic strength into September. However, the Conference Board's consumer confidence reading for September fell to 98.7 (vs 104.0 expected), marking its largest drop in three years

Weekly initial jobless claims for the week ending 21 September dropped to 218k (vs 223k expected), the lowest since May, while annual GDP revisions showed stronger economic performance, with Q1 revised up to 1.6% and full-year 2023 growth revised to 2.9%

August Personal Consumption Expenditure (PCE) inflation came in below expectations at 2.2% year-on-year (vs 2.3% expected), with core PCE matching forecasts at 2.7%

UK

UK equities rose 1.2%

Q2 GDP showed growth of 0.5%, while the preliminary composite PMI came in at 52.9 (vs. 53.5 expected), indicating a modest slowdown in activity

Europe

European equities rose 3.1%

The Euro Area flash composite PMI fell back into contractionary territory at 48.9 (vs 50.5 expected), raising concerns about the region's economic health. France and Germany's PMI numbers were also below 50 as well, signalling contraction

Germany's Ifo business climate index dropped to 85.4 in September, the lowest in eight months.

The Euro Area M3 money supply grew by 2.9% year-on-year in August, its strongest since January 2023

Asia / ROW

Global emerging market equities rose 6.2%

Japanese equities rose 4.7%, and Chinese equities rose 17.2%, supported by fresh stimulus measures from Beijing

The People's Bank of China (PBoC) announced several policy easing steps, including cutting the required reserve ratio (RRR) by 0.5% and reducing the 7-day reverse repo rate to 1.5%. Additionally, the PBoC cut its medium-term lending facility to 2%, the largest reduction since its inception in 2016

China's official manufacturing PMI improved slightly to 49.8 in September (vs 49.4 expected), though it remained below 50 for a fifth consecutive month, while the Caixin PMI saw a sharper contraction at 49.3 (vs 50.5 expected)

Japan's industrial output in August fell by 3.3% month-on-month, while retail sales rose by 2.8% year-on-year, exceeding expectations



Performance

Asset Class/Region	Currency				
		Week ending 27 Sep 2024	Month to date	YTD 2024	12 Months
Developed Market Equities					
United States	USD	0.6%	1.7%	21.2%	35.6%
United Kingdom	GBP	1.2%	-0.8%	10.7%	13.6%
Continental Europe	EUR	3.1%	0.6%	12.0%	21.7%
Japan	JPY	4.7%	2.0%	18.4%	18.9%
Asia Pacific (ex Japan)	USD	6.2%	7.7%	19.7%	29.9%
Australia	AUD	0.0%	2.3%	11.6%	21.2%
Global	USD	1.4%	1.9%	19.0%	33.2%
Emerging markets equities					
Emerging Europe	USD	2.8%	1.7%	14.8%	31.8%
Emerging Asia	USD	7.1%	8.1%	21.6%	30.2%
Emerging Latin America	USD	1.7%	1.1%	-11.6%	5.8%
BRICs	USD	9.0%	10.7%	20.7%	25.4%
China	USD	17.2%	19.2%	24.4%	20.4%
MENA countries	USD	1.6%	2.3%	2.8%	8.5%
South Africa	USD	6.6%	9.1%	24.4%	41.6%
India	USD	1.1%	3.9%	21.0%	33.6%
Global emerging markets	USD	6.2%	7.0%	17.2%	27.1%
Bonds					
US Treasuries	USD	0.0%	1.5%	4.2%	10.5%
US Treasuries (inflation protected)	USD	0.0%	1.6%	5.0%	10.3%
US Corporate (investment grade)	USD	0.0%	1.9%	6.0%	14.4%
US High Yield	USD	0.1%	1.6%	8.0%	15.9%
UK Gilts	GBP	-0.6%	0.1%	-0.3%	7.1%
UK Corporate (investment grade)	GBP	-0.3%	0.4%	2.6%	10.8%
Euro Government Bonds	EUR	0.6%	1.2%	1.9%	9.3%
Euro Corporate (investment grade)	EUR	0.5%	1.2%	3.8%	9.7%
Euro High Yield	EUR	0.3%	1.0%	6.7%	12.6%
Global Government Bonds	USD	0.5%	2.0%	3.1%	11.3%
Global Bonds	USD	0.4%	1.8%	3.8%	12.9%
Global Convertible Bonds	USD	2.5%	3.7%	6.1%	14.4%
Emerging Market Bonds	USD	-0.1%	1.8%	7.8%	18.1%

Performance

Asset Class/Region	Currency				
		Week ending 27 Sep 2024	Month to date	YTD 2024	12 Months
Property					
US Property Securities	USD	-0.2%	1.8%	14.1%	33.3%
Australian Property Securities	AUD	-1.2%	6.0%	22.4%	39.2%
Asia Property Securities	USD	7.4%	7.6%	7.1%	14.7%
Global Property Securities	USD	1.7%	3.9%	13.6%	31.7%
Currencies					
Euro	USD	-0.2%	0.9%	0.8%	6.2%
UK Pound Sterling	USD	0.4%	2.0%	4.9%	10.4%
Japanese Yen	USD	0.9%	2.6%	-1.2%	5.0%
Australian Dollar	USD	1.4%	2.2%	1.1%	8.7%
South African Rand	USD	2.2%	4.2%	6.8%	12.3%
Swiss Franc	USD	0.8%	1.0%	-0.4%	9.3%
Chinese Yuan	USD	0.5%	1.2%	1.3%	4.2%
Commodities & Alternatives					
Commodities	USD	1.2%	2.6%	5.6%	-1.9%
Agricultural Commodities	USD	2.6%	5.2%	4.9%	2.6%
Oil	USD	-3.4%	-8.7%	-6.6%	-25.4%
Gold	USD	1.4%	6.2%	28.9%	41.7%



Global Matters Weekly

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