

Weekly Market Update

Global financial markets navigated mixed signals from central banks, with US and European policymakers leaning towards rate cuts while Japan maintained its dovish stance. Inflation trends, regulatory challenges in tech, and commodity price dynamics shaped the week's movements.

US

US markets saw mixed movements with strong performances in the tech sector driving Nasdaq to new all-time highs. Meanwhile, the Dow lagged, weighed down by energy and utilities.

Inflation data remained a key focus, as markets anticipated a potential interest rate cut by the Federal Reserve following "lukewarm" labour market updates.

Significant stock movements included Nvidia facing pressures from ongoing China tech probes however, Donald Trump has said to have invited Xi to his inauguration.

Consumer discretionary sectors posted gains, signalling consumer confidence despite broader market volatility.

UK

The Bank of England hinted at potential monetary policy adjustments as inflation data showed slower-than-expected progress towards targets.

Consumer spending trends improved, boosting retail and housing market sentiment.

Keir Starmer will task local UK councils with meeting mandatory housebuilding targets to help meet his goal of delivering 370,000 homes per year.

The UK government plans to slash more than 10,000 civil service jobs amid a cost-cutting drive. Chancellor Rachel Reeves has vowed to tackle "wasteful spending" and find savings of up to 5% within departments.

Europe

The European Central Bank cut rates by 25 basis points, signalling a dovish tone amid subdued growth and moderating inflation.

Energy prices remained stable, offering relief to industries, though labour strikes in France created logistical disruptions.

German industrial production data showed unexpected resilience, suggesting a potential stabilisation of the eurozone's largest economy.

The top European stock index gained, driven by strong performances in the healthcare and consumer goods sectors.

Asia/ROW

China's export figures showed a slight rebound in November, but domestic consumption remained sluggish, challenging the recovery narrative.

China's 10-year bond yields slid to a record low on hopes of policy easing.

The yen stabilised after recent declines, as the Bank of Japan maintained its ultra-loose monetary policy stance.

Commodity-dependent economies like Brazil and Australia benefited from higher metal and energy prices.



Performance

Asset Class/Region	Currency				
		Week ending 13 Dec 2024	Month to date	YTD 2024	12 Months
Developed Market Equities					
United States	USD	-0.6%	0.4%	28.0%	29.8%
United Kingdom	GBP	-0.1%	0.1%	11.0%	13.8%
Continental Europe	EUR	-0.9%	1.6%	9.0%	10.2%
Japan	JPY	0.7%	2.5%	18.6%	19.4%
Asia Pacific (ex Japan)	USD	-0.2%	1.6%	13.2%	19.8%
Australia	AUD	-1.5%	-1.7%	13.2%	18.5%
Global	USD	-1.0%	0.2%	22.1%	24.9%
Emerging markets equities					
Emerging Europe	USD	-0.7%	4.8%	9.1%	11.6%
Emerging Asia	USD	0.2%	2.8%	14.8%	20.7%
Emerging Latin America	USD	0.1%	0.2%	-21.5%	-16.2%
BRICs	USD	0.3%	2.5%	13.3%	17.3%
China	USD	0.5%	3.1%	19.9%	23.3%
MENA countries	USD	0.8%	2.3%	1.5%	6.2%
South Africa	USD	1.2%	4.8%	18.5%	30.7%
India	USD	0.2%	2.4%	13.2%	17.7%
Global emerging markets	USD	0.3%	2.7%	10.6%	16.5%
Bonds					
US Treasuries	USD	-1.4%	-1.0%	1.2%	2.3%
US Treasuries (inflation protected)	USD	-1.0%	-0.8%	2.7%	3.6%
US Corporate (investment grade)	USD	-1.3%	-0.8%	3.8%	5.1%
US High Yield	USD	-0.3%	0.2%	8.8%	11.3%
UK Gilts	GBP	-0.9%	-1.2%	-2.4%	-0.1%
UK Corporate (investment grade)	GBP	-0.2%	-0.1%	2.6%	5.1%
Euro Government Bonds	EUR	-0.9%	-0.7%	2.6%	3.9%
Euro Corporate (investment grade)	EUR	-0.2%	0.0%	5.1%	6.6%
Euro High Yield	EUR	0.2%	0.8%	8.8%	10.5%
Global Government Bonds	USD	-1.3%	-1.1%	-1.6%	0.9%
Global Bonds	USD	-1.3%	-1.0%	-0.3%	2.1%
Global Convertible Bonds	USD	-0.9%	-0.6%	7.9%	11.5%
Emerging Market Bonds	USD	-0.8%	-0.1%	7.1%	10.1%

Performance

Asset Class/Region	Currency				
		Week ending 13 Dec 2024	Month to date	YTD 2024	12 Months
Property					
US Property Securities	USD	-1.6%	-4.0%	11.6%	14.1%
Australian Property Securities	AUD	-2.0%	-4.7%	17.2%	22.4%
Asia Property Securities	USD	-2.6%	-1.7%	-7.9%	-2.6%
Global Property Securities	USD	-1.9%	-3.3%	6.4%	10.8%
Currencies					
Euro	USD	-0.5%	-0.7%	-5.1%	-2.7%
UK Pound Sterling	USD	-0.8%	-0.8%	-1.1%	0.9%
Japanese Yen	USD	-2.4%	-2.6%	-8.4%	-5.5%
Australian Dollar	USD	-0.3%	-2.5%	-7.0%	-3.3%
South African Rand	USD	0.8%	0.7%	2.1%	6.7%
Swiss Franc	USD	-1.5%	-1.3%	-6.0%	-1.7%
Chinese Yuan	USD	0.0%	-0.4%	-2.4%	-1.4%
Commodities & Alternatives					
Commodities	USD	2.0%	1.4%	6.0%	9.3%
Agricultural Commodities	USD	0.1%	0.6%	4.2%	4.5%
Oil	USD	4.7%	2.1%	-3.3%	0.3%
Gold	USD	0.6%	0.2%	28.4%	33.6%



Global Matters Weekly

16 December 2024

For more information, please contact your adviser or alternatively contact:

Belvest Investment Services Limited
研富投資服務有限公司
9th Floor, Centre Mark II
305-313 Queen's Road Central
Sheung Wan, Hong Kong

Tel +852 2827 1199
Fax +852 2827 0270
belvest@bis.hk
www.bis.hk

Important notes

This communication is issued by Belvest Investment Services Limited and/or Belvest related companies (collectively, and individually Belvest) solely to its clients, qualified prospective clients or institutional and professional investors. Unless stated otherwise, any opinions or views expressed in this communication do not represent those of Belvest. Opinions or views of any Belvest company expressed in this communication may differ from those of other departments or companies within Belvest, including any opinions or views expressed in any research issued by Belvest. Belvest may deal as Distributor or Agent, or have interests, in any financial product referred to in this email. Belvest has policies designed to negate conflicts of interest. Unless otherwise stated, this e-mail is solely for information purposes.

This message may contain confidential information. Any use, dissemination, distribution or reproduction of this information outside the original recipients of this message is strictly prohibited. If you receive this message by mistake, please notify the sender by reply email immediately.

Unless specifically stated, neither the information nor any opinion contained herein constitutes as an advertisement, an invitation, a solicitation, a recommendation or advise to buy or sell any products, services, securities, futures, options, other financial instruments or provide any investment advice or service by Belvest.

No representation or warranty is given as to the accuracy, likelihood of achievement or reasonableness of any figures, forecasts, prospects or return (if any) contained in the message. Such figures, forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies. The assumptions and parameters used by Belvest are not the only ones that might reasonably have been selected and therefore Belvest does not guarantee the sequence, accuracy, completeness or timeliness of the information provided herein. None of Belvest, its group members or any of their employees or directors shall be held liable, in any way, for any claims, mistakes, errors or otherwise arising out of or in connection with the content of this e-mail.

This e-mail and any accompanying attachments are not encrypted and cannot be guaranteed to be secure, complete or error-free as electronic communications may be intercepted, corrupted, lost, destroyed, delayed or incomplete, and/or may contain viruses. Belvest therefore does not accept any liability for any interception, corruption, loss, destruction, incompleteness, viruses, errors, omissions or delays in relation to this electronic communication. If verification is required please request a hard-copy version. Electronic communication carried within the Belvest system may be monitored.