

WEEKLY COMMENTARY

01.08.2022

U.S. Equities

Bonds and equities sold off to start the new year as investors positioned themselves for less accommodative monetary policy in 2022. However, confusing weakness in Friday's employment report, left investors wondering how aggressive the Fed could be.

For the week, the Nasdaq Composite declined by 4.5%, its sharpest weekly drop since February of 2021. The S&P slipped 1.9%, the Dow Jones fell 0.3% and the Russell 2000 dropped 2.9%.

Treasuries

Bond traders seem focused on comments out of the FOMC suggesting the Fed will move quickly to raise interest rates in 2022.

Treasury yields posted their biggest weekly gains in years with the 10-year yield up 27.3 basis points on the week. The 2-year note yield was up 13.8 basis points and the 30-year bond yield up 22.8 basis points. The 30-year bond yield now sits above 2%.

Dollar

The dollar had a relatively calm week, was down only 0.2%.

Gold

The fear of tighter monetary policy put pressure on gold prices. Gold ended the week down 1.7%.

Crude Oil

Oil prices, pushed higher by unrest in Kazakhstan, rose approximately 5% on the week.

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Ticker	Last	%WEEKLY	%YTD
INDICES			
AMERICAS			
S&P 500 Index	4677.03	-1.870	-1.8705
DOW JONES INDUS	36231.66	-0.293	-0.2935
NASDAQ COMP INDX	14935.9	-4.532	-4.5323
EMEA			
Euro Stoxx 50 Pr	4305.83	0.173	0.1726
STXE 600 (EUR) Pr	486.25	-0.318	-0.3178
FTSE 100 INDEX	7485.28	1.111	1.3642
CAC 40 INDEX	7219.48	0.929	0.929
DAX INDEX	15947.74	0.396	0.3958
IBEX 35 INDEX	8751.8	0.436	0.4361
UAE ADX INDEX	8379.48	-1.283	-1.2827
EGYPT HERMES INDEX	1297.068	1.921	1.3251
TADAWUL INDEX	11430.51	1.319	1.3189
ASIA/PACIFIC			
NIKKEI 225	28478.56	-1.482	-1.0876
HANG SENG INDEX	23493.38	0.409	0.4091
S&P/ASX 200 INDEX	7453.347	-0.799	0.1169
SHANGHAI SE COMPOSITE	3579.543	-1.095	-1.6548
S&P BSE SENSEX INDEX	59744.65	2.559	2.5592

BONDS			
US BENCHMARK			
US 2 Year	0.8621	17.7411	17.7411
US Generic Govt 5 Yr	1.4987	18.6619	18.6619
US Generic Govt 10 Yr	1.762	16.681	16.681
UK BENCHMARK			
UK Gilts 2 Year	0.83	20.815	20.8151
UK Gilts 5 Year	0.996	21.463	21.4634
UK Gilts 10 Yr	1.178	21.318	21.3182
EU BENCHMARK			
EURO 2 Year	-0.593	4.355	4.3548
EURO 5 Year	-0.379	16.336	16.3355
EURO 10 Year	-0.043	75.706	75.7062
JP BENCHMARK			
Japan Govt 2Y Simple Yield	-0.048	46.067	46.0674
Japan Govt 5Y Simple Yield	-0.039	48	48
Japan Govt 10 Yr	0.14	97.183	97.1831
ENERGY			
WTI CRUDE FUTURE Feb22	78.9	4.91	4.9063
BRENT CRUDE FUTR Mar22	81.75	5.10	5.1041
GOLD			
GOLD 100 OZ FUTR Feb22	1797.4	-1.706	-1.7062

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