

Last Week at a Glance

Global equities notched gains last week despite holiday-shortened trading in the United States. Stocks rallied after US Federal Reserve minutes signaled a slower pace of interest rate hikes ahead. Global bond yields moved lower for the week. A resurgence of COVID-19 cases in China led to more lockdowns, threatening more economic disruption and adding downward pressure to oil prices.

- The most recent Fed meeting minutes revealed that a “substantial majority” of officials favored slowing the future pace of interest-rate increases. The Fed has hiked its benchmark policy rate by 75 basis points in each of its past four meetings. As of November 27, interest rate traders saw a 76% likelihood that the Fed would hike rates by 50 bps at its December meeting.
- China reported a record number of COVID-19 cases, prompting an expansion of lockdowns that sparked a wave of civil unrest across major cities. The lockdowns threatened to further dampen economic activity and have created new concerns about supply-chain disruptions to the global economy. The People’s Bank of China cut the reserve requirement ratio for banks by 25 bps to spur more lending and help prop up the faltering economy.
- The price of Brent crude oil fell 3%, its third straight weekly decline, amid concerns about waning demand from China and softer economic activity more broadly. Brent crude prices have declined 14% since touching a recent high of around \$98 in early November. Traders were also watching for progress toward a price cap on Russian oil, which was still being negotiated by European Union member states over the weekend.

MARKET PERFORMANCE

As of November 27, 2022 • Local Currency • Percent (%)

Equities	Last Week	This Month	This Year
Global	1.3	5.0	-12.8
Developed Markets	1.5	4.7	-12.4
United States	1.5	3.9	-16.0
Euro Area	1.2	8.6	-9.1
United Kingdom	1.5	5.9	7.5
Japan	2.4	4.6	2.3
Emerging Markets	-0.4	8.5	-16.3
Fixed Income			
US Aggregate	1.1	3.5	-12.8
US Treasuries	0.9	2.4	-12.3
US Corporate IG	1.5	5.1	-15.4
US Corporate HY	1.1	2.2	-10.6
Real Assets			
Global Equity REITs	1.8	5.5	-22.1
Global Natural Resources	1.2	4.7	31.6
Gold Bullion	-0.3	6.8	-4.0
Currencies			
EUR/USD	0.4	5.3	-8.5
GBP/USD	1.4	5.0	-10.7
USD/JPY	-0.5	-6.3	20.9