|  |  |
| --- | --- |
| **Major Indices** *(taken from Trading View)* | |
| S&P 500 | **-1.16%** |
| DOW JONES | **-0.3%** |
| NASDAQ | **+1.93%** |
| FTSE 100 | **-3.65%** |
| DAX | **-3.37%** |
| Nikkei 225 | **-2.41%** |
| Shanghai Composite | **-0.17%** |

A screenshot of a computer

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- NASDAQ is seeing its best start to a year since 1883

- S&P 500 this year has doubled its average annual return

A screenshot of a graph

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S&P 500 Sectors

S&P 500 Technical Chart

**US Jobs Report Release**

## US unemployment rate fell to 3.6% in this month’s Jobs Report, meeting expectations

A graph showing the fall of the stock market

Description automatically generated

US Unemployment (Bureau of National Statistics)

* US employers have **added jobs for 30 consecutive months**

## Total nonfarm payroll employment increased by 209,000 vs 240,000 expected. Led by government hiring

* More women are working than ever before
* Wages rose 4.4% from a year ago, beating expectations slightly

There is a 92.4% prediction that we will see a quarter percentage increase to interest rates by the FED in July, who are concerned that inflation is not returning to the desired 2% rate. The FED expect to make two more hikes in 2023.

**Next FOMC Meeting 25-26th July.**

**Other Headlines**

* UK Banking chiefs faced court for failing to provide interest rates to customers that fairly reflect the Bank of England’s rate.
* **UK mortgage rates soar**, as houses suffer steepest price decline in the last 12 years
* Janet Yellen (US Treasury Secretary) took a trip to Beijing and said there is “ample room” for US and Chinese companies to boost trade and investment, despite security tensions.
* Janet Yellen also asked China to cooperate on climate change action. US and China remain the two largest producers of greenhouse gases
* The BRICS alliance has received applications from 25 nations to join them and ‘ditch the U.S. dollar’.

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| **Major Indices** *(taken from Trading View)* | |
| S&P 500 | **%** |
| DOW JONES | **%** |
| NASDAQ | **%** |
| FTSE 100 | **%** |
| DAX | **%** |
| Nikkei 225 | **%** |
| Shanghai Composite | **%** |



S&P 500 Sectors

|  |  |
| --- | --- |
| **Major Indices** *(taken from Trading View)* | |
| S&P 500 | **%** |
| DOW JONES | **%** |
| NASDAQ | **%** |
| FTSE 100 | **%** |
| DAX | **%** |
| Nikkei 225 | **%** |
| Shanghai Composite | **%** |

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S&P 500 Sectors

**UK CPI Release**

UK inflation fell to 7.9% from 8.7% in May (vs 8.2% expected), but is still of course way higher than the 2% target. Fuel prices fell a staggering 22.7%. This positive news comes after four consecutive surprises of higher-than-expected inflation statistics. The UK lags behind the US in tackling inflation and rate hikes, but this surprise has caused GBPUSD to fall 1.83% this week. 50bps hike from the BoE is now less likely and will have to be re-calculated in line with this new data.

A graph of a graph showing the price of the company's inflation rate

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**Emerging Markets *Look* Cheap…**

The P/E ratio is 26% cheaper than that of developed nations, and their economies are expected to grow faster.

|  |  |  |
| --- | --- | --- |
| **2024 Estimates** | **MSCI EM** | **MSCI World** |
| **Price-to-Book Valuation** | 1.5 | 2.1 |
| **P/E** | 13.3 | 17.9 |
| **Dividend Yield (%)** | 3.0 | 2.1 |

Bloomberg

The iShares Emerging Markets ETF (EEM) is currently trading at 30.8% below its peak in February 2021

**A graph of stock market

Description automatically generated**

**Other Headlines**

**Coming Up Next Week…**

Mondays NASDAQ 100 Rebalance

Before markets open on Monday, some larger companies will lose weight in the index, and technology megacaps will lose dominance.

Busiest week of Earnings season:

$25tn worth of companies will release their earnings