

UK

- The FTSE 100 closed the week at 7019, down 3.01%. The 10 year UK gilt yield moved from 3.14% to 3.83%.
- The UK's recent fiscal event of raising rates from 1.75% to 2.25% represents the 7th meeting in a row at which rates have been increased. Over the past 35 years, nothing has quite hit the UK gilt market compared to how recent price moves have reacted to the chancellor's mini budget. Friday saw the biggest package of tax cuts seen in 50 years as delivered by Chancellor Kwasi Kwarteng, along with energy subsidies to protect households against soaring energy prices. The brutal sell off of UK government debt may have been driven by concerns regarding the overall direction of macroeconomic environment. The turmoil within the gilt market has in turn hit the UK housing sector, with mortgage lenders now halting loans in response to this volatility. This recent fiscal event has reduced the availability of new mortgage products, with anything below 5% unlikely to be offered as lenders continue to reprice mortgages significantly.
- Last week, saw the pound in focus as it fell to a record low of \$1.035 against the dollar triggered by turmoil in financial markets. The debate of the likelihood of a deep recession for the UK now comes into question, exacerbated by the UK's 9.9% inflation and a weaker sterling that only aggravates concerns of high energy costs.

GLOBAL

- Last week, global equities were down 21.7% YTD on market close on Friday, falling for the fifth time in 6 weeks as Fed revealed amid expectations that short-term interest rates will continue to increase over in near future. With the Fed on it's fastest rate hiking cycle since 1990's and a further 0.75% hike last week, it is clear that the Fed wants solid evidence of inflation on a definitive 2% path before hiking is stopped. Concerns of how the Fed's current policy could impact US growth raises fears of entering into a restrictive territory that ignites economic damage.
- Last week, saw Japan intervene to support the sliding yen for the first time since 1998, whilst still being the only country in the world with negative rates. The Bank of Japan's pledge to maintain its ultra-easy monetary policy drove the yen to a 24-year low on Thursday, losing a fifth of it's value against the dollar this year.
- As recessionary fears continue to grow, the price of U.S. crude oil dropped slipping below the \$80-per-barrel mark for the first time since early January. This was driven by the accelerated dollar strength that further applies pressure on commodities.

Equity Markets	Index Level 23 Sep 22	Total Return (Sterling)		
		MtD	YtD	1 Year
FTSE All Share	3849	-3.8%	-5.9%	-2.4%
FTSE 100	7019	-3.5%	-2.0%	2.8%
FTSE 250	17973	-5.5%	-21.8%	-22.6%
MSCI World	2439	-0.8%	-4.8%	1.1%
MSCI World EM	906	-2.6%	-6.1%	-7.2%

Bond Markets	Yield 23 Sep 22	Index % Change (Sterling)		
		MtD	YtD	1 Year
FTA All Stock Gilt Index	3.96	-8.6%	-25.5%	-25.3%
FTA All Stock ILG index	0.30	-13.7%	-34.3%	-33.3%
FTA Over 5 Year ILG index	0.31	-15.4%	-38.4%	-37.5%
FTA Under 5 Year FIG Index	4.00	-2.4%	-6.3%	-6.8%
FTA Over 15 Year FIG Index	3.97	-14.8%	-41.4%	-40.5%

Interest Rates & Yields	Yield 23 Sep 22	Yield 31 Aug 22	Yield 31 Dec 21	Yield 23 Sep 21
UK 10 Year Gilt Yield	3.83	2.80	0.97	0.91
UK 15 Year Gilt Yield	4.07	3.18	1.15	1.10
US 10 Year Treasury Yield	3.68	3.19	1.51	1.43
German 10 Year Yield	2.02	1.54	-0.18	-0.26
Spanish 10 Year Yield	3.18	2.74	0.57	0.38
Greek 10 Year Yield	4.57	4.09	1.32	0.77
Japan 10 Year Yield	0.23	0.22	0.07	0.04

Currencies Exchange Rate	23 Sep 22	31 Aug 22	31 Dec 21	23 Sep 21
GBP / USD	1.09	1.16	1.35	1.37
GBP / EURO	1.12	1.16	1.19	1.17
GBP / YEN	156.04	161.24	155.71	151.44

Commodities	Price Level 23 Sep 22	Price Level 31 Aug 22	Price Level 31 Dec 21	Price Level 23 Sep 21
Oil - WTI \$	78.74	89.55	75.21	73.30
Gold \$	1,643.94	1,711.04	1,829.20	1,742.76
Wheat \$	880.50	809.00	770.75	717.75

Source: Mobius Life, Bloomberg
Please Note: Past performance is not a guide to future performance

Index Source: London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group").
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Date	Region	Event	Survey	Actual	Prior
28/09/2022	IT	Manufacturing Confidence	102.2	--	104.3
29/09/2022	SP	CPI YoY	10.10%	--	10.50%
29/09/2022	US	Initial Jobless Claims	215k	--	213k
30/09/2022	JN	Industrial Production MoM	0.20%	--	0.80%
03/10/2022	US	ISM Manufacturing	52.8	--	52.8

Source: Bloomberg

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