

# Weekly Market Update

## Week ending 10 September 2021

Equities declined over the past week as the lingering delta variant of covid-19 in conjunction with central banks moving into the covid recovery phase by decreasing their pace of bond purchases weighed on economic sentiment. Iron ore prices continued to decline as demand from China slows, weighing heavily on the materials sector. In Australia, resources and real estate sectors led the losses mirroring the declines in the US.

Always in a doctor's best interest

# Weekly Market Recap



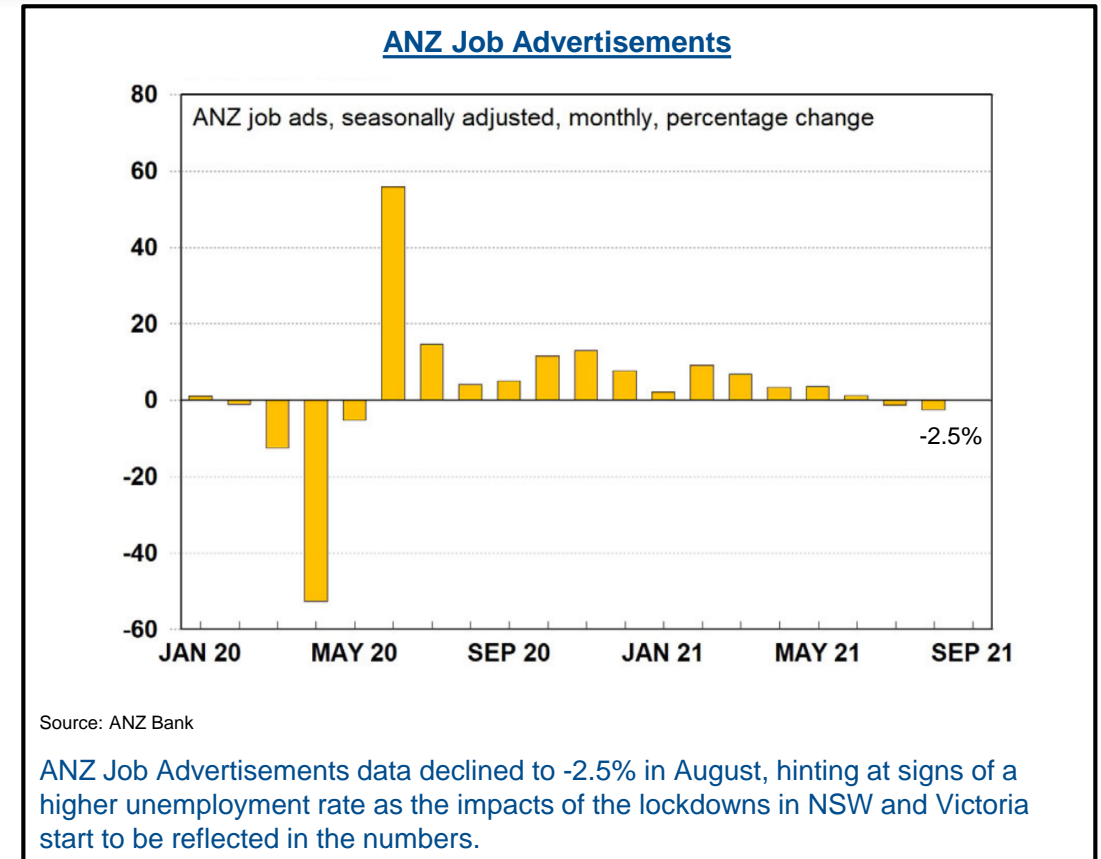
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Long term bond yields remained largely unchanged from the prior week with the Australian 10Y yield finishing the week at 1.22% and the US 10Y at 1.34%. The RBA kept its cash target and 3Y government bond target unchanged at 0.10% however confirmed a reduction of \$1bn of bond buying a week. These purchases have been extended from mid-Nov 2021 to mid-Feb 2022.

Economic news was light across the week. In the US, producer prices rose 0.7% in August bringing the annual PPI inflation to a record of 8.3%. Service prices were driven mainly through health, beauty and optical goods whilst cost of goods were boosted through meat prices. In Australia, the ANZ Job Advertisements data declined to -2.5% in August, hinting at signs of a higher unemployment rate as the impacts of the lockdowns in NSW and Victoria start to be reflected in the numbers.

42.5% of Australia has now been fully vaccinated. It is expected that Australia will hit a 70% full vaccination rate in less than 7 weeks with NSW on track to reopen as early as mid October.



# Economic data released across the prior week



ANZ Job Advertisements MoM (Aug)  
Building Permits MoM (Jul)

Current	Market expectations	Prior Period
-2.5%		-1.3%
-8.6%	-8.6%	-5.5%

### The Week Ahead

- House price index
- Westpac consumer confidence index
- Unemployment rate



Wholesale Inventories MoM (Jul)  
PPI MoM (Aug)  
PPI YoY (Aug)

Current	Market expectations	Prior Period
0.6%	0.6%	1.2%
0.7%	0.6%	1%
8.3%	8.2%	7.8%

### The Week Ahead

- Inflation rate
- Retail sales



Construction PMI

Current	Market expectations	Prior Period
49.5		49.8

### The Week Ahead

- Industrial production
- Inflation rate



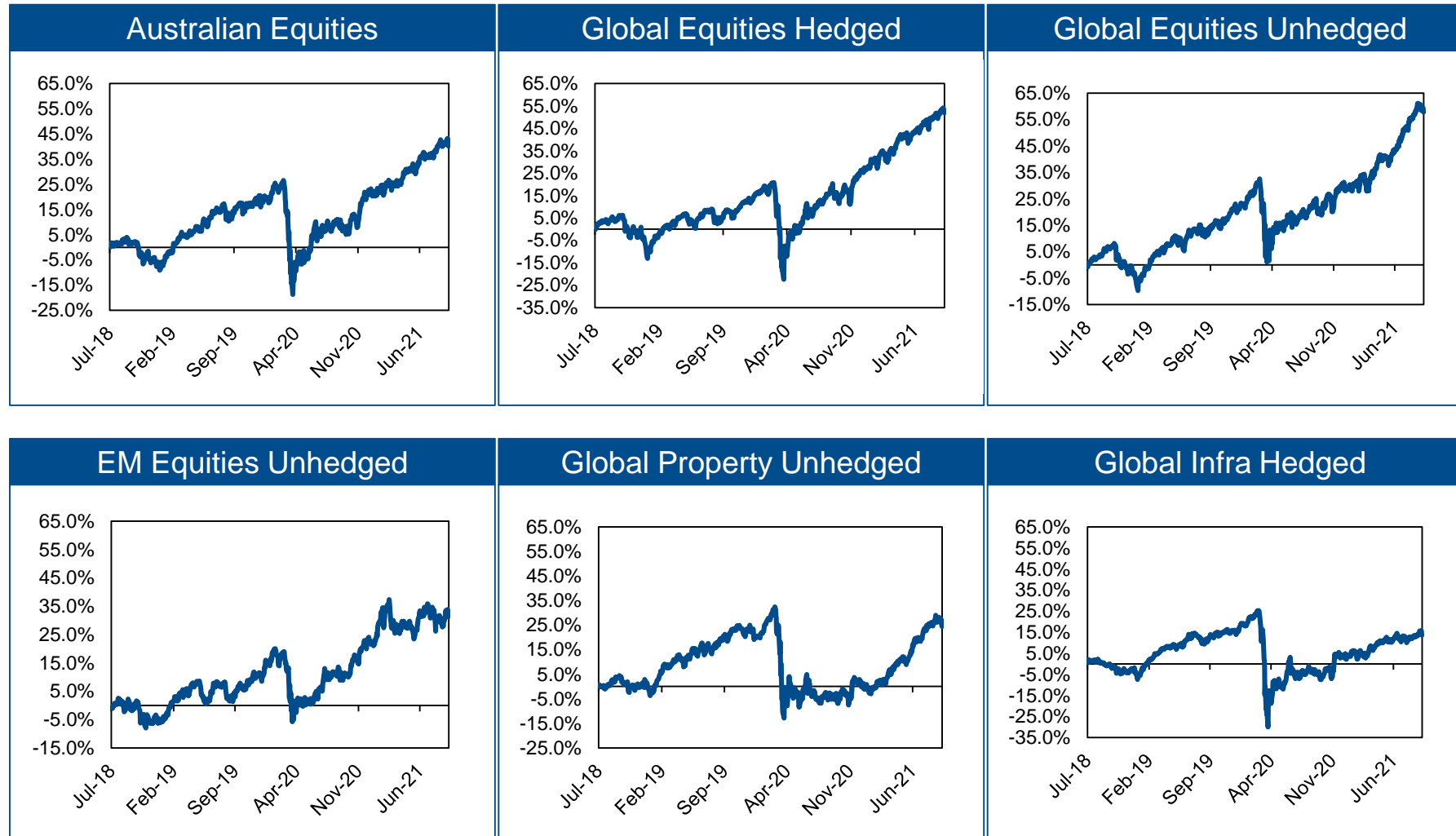
Exports YoY  
Imports YoY  
Inflation Rate YoY (Aug)  
Inflation Rate MoM (Aug)

Current	Market expectations	Prior Period
25.6%	17.1%	19.3%
33.1%	26.8%	28.1%
0.8%	1%	1%
-0.1%	0.5%	0.3%

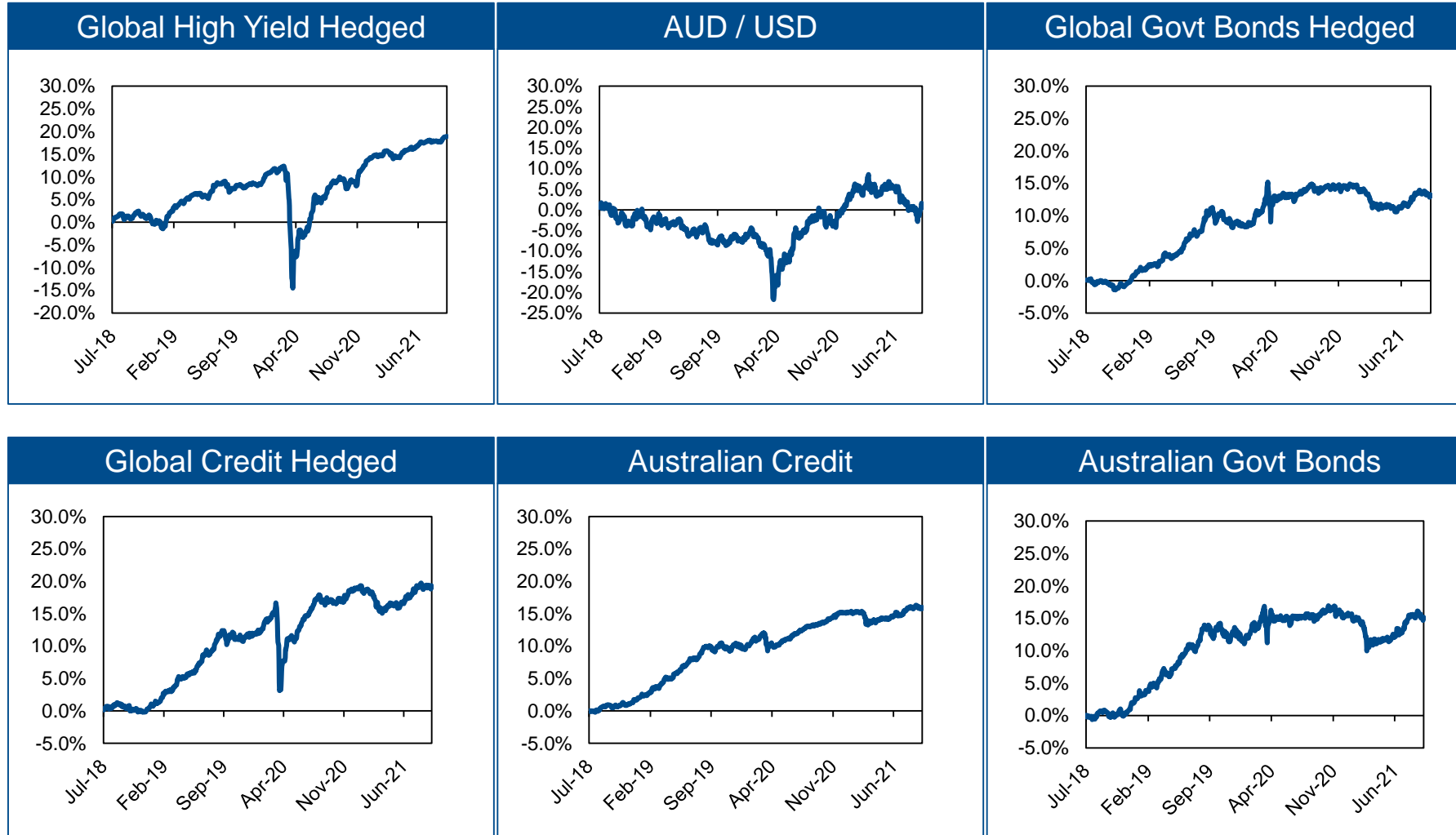
### The Week Ahead

- Retail sales
- Unemployment rate

# Historical market returns



# Historical market returns



# Market performance

	Index Returns (%)								Index Characteristics			
	Price	1 week	MTD	YTD	FYTD	1 yr	3 yrs pa	5yrs pa	Div Yld	Trailing PE	Forward PE	10Y Average PE
<b>Australian Shares</b>												
Top 50	7,116	-1.23	-1.02	16.34	2.20	29.64	11.76	12.95	3.82	23.04	17.20	18.71
Top 200	7,419	-1.27	-0.90	15.90	2.68	30.49	11.82	13.06	3.47	24.54	17.86	20.26
Top 300	7,421	-1.29	-0.90	16.12	2.79	30.97	12.04	13.13	3.43	32.27	18.04	23.00
Small Caps	3,496	-2.24	-1.39	15.44	4.23	32.08	11.00	11.90	2.23	45.53	22.17	
<b>Overseas Shares - local currency</b>												
Global Equities	3,122	-1.30	-0.55	17.63	3.81	32.89	15.56	15.66	1.68	24.28	20.06	20.30
US Top 500	4,459	-1.71	-1.50	21.92	4.22	30.18	17.43	18.13	1.33	26.70	21.96	19.39
Europe Top 600	466	-1.17	-0.90	19.73	3.42	29.73	10.80	10.13	2.55	24.39	16.74	23.33
UK Top 100	7,029	-1.86	-1.09	12.01	1.02	21.17	2.73	5.10	4.08	18.60	12.46	29.15
Emerging Market	1,309	-0.46	0.10	3.01	-4.14	23.27	11.57	10.95	2.19	16.35	13.62	14.07
<b>Overseas Shares in AUD</b>												
Global Equities ex Aus (UH)	14,397	-0.38	-1.49	22.84	5.67	30.46	14.03	15.47	1.63	24.32	20.14	20.43
Global Equities ex Aus (H)	2,517	-1.17	-0.63	18.55	3.84	31.30	13.30	14.59	1.63	24.32	20.14	20.43
Emerging Markets (UH)	484	0.45	-0.83	7.68	-2.50	21.21	10.25	10.93	2.19	16.35	13.62	14.07
<b>Listed Real Assets</b>												
Australian REITs	1,632	-2.23	-1.26	16.22	5.54	33.00	8.80	8.68	3.72	13.95	19.53	
Global REITs (H)	3,096	-2.93	-1.91	23.38	3.39	29.08	5.57	5.56	3.10	41.24	30.26	26.27
Global Infrastructure (H)	5,481	-1.20	-1.26	16.22	5.54	33.00	4.50	5.28	3.31	33.15	24.94	22.09

	Index Returns (%)								Levels			
	Yield	1 week	MTD	YTD	FYTD	1 yr	3 yrs pa	5yrs pa	Aus OAS	10-Sep-21	31-May-21	30-Apr-21
<b>Domestic Fixed Income</b>												
Australian Composite	0.89	0.03	-0.35	-0.27	1.50	0.30	4.45	12.74	AAA	0.352	0.365	0.344
Australian Treasury	0.82	0.00	-0.40	-0.32	1.80	-0.15	4.63	12.17	AA	0.461	0.516	0.469
Australian Credit	1.17	0.07	-0.07	0.64	1.00	2.28	4.75	13.89	A	0.672	0.727	0.630
Australian Bank Bills	0.03	0.00	0.00	0.02	0.00	0.04	0.82	5.90	BBB	0.992	1.049	0.955
<b>Global Fixed Income</b>									<b>Global OAS</b>	<b>10-Sep-21</b>	<b>31-May-21</b>	<b>30-Apr-21</b>
Global Agg (UH)	1.06	-0.22	0.03	-2.30	0.94	0.78	4.65	2.55	AAA	0.487	0.438	0.462
Global Agg (H)	1.06	-0.06	-0.11	-0.71	0.92	0.09	4.30	3.07	AA	0.543	0.511	0.530
Global Agg credit (UH)	1.42	-0.13	0.06	-1.07	0.87	2.35	6.14	4.14	A	0.718	0.698	0.724
Global High Yield (UH)	4.31	0.01	0.24	3.09	0.99	9.20	6.52	5.81	BBB	0.977	0.992	1.019
<b>Rates</b>	<b>10-Sep-21</b>	<b>30-Jul-21</b>	<b>31-May-21</b>	<b>30-Apr-21</b>	<b>31-Dec-20</b>	<b>31-Aug-20</b>	<b>31-Jul-20</b>	<b>30-Apr-20</b>	<b>Currency</b>	<b>10-Sep-21</b>	<b>31-May-21</b>	<b>30-Apr-21</b>
RBA cash rate	0.10	0.10	0.10	0.10	0.10	0.25	0.25	0.25	AUD/USD	0.74	0.77	0.77
90 day BBSW	0.01	0.02	0.04	0.04	0.01	0.09	0.10	0.10	AUD/EUR	0.62	0.63	0.64
Aus 3 yr yield	0.26	0.24	0.28	0.30	0.11	0.26	0.27	0.25	AUD/JPY	80.8	84.8	84.3
Aus 10 yr yield	1.22	1.18	1.71	1.75	0.97	0.98	0.82	0.89	EUR / USD	1.18	1.22	1.20
Fed Funds Target rate	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	GDP / USD	1.38	1.42	1.38
US 2 yr yield	0.21	0.18	0.14	0.16	0.12	0.13	0.11	0.20	CNY/ USD	6.44	6.37	6.47
US 3 yr yield	0.44	0.34	0.30	0.33	0.16	0.15	0.11	0.24	<b>Commodity</b>	<b>10-Sep-21</b>	<b>31-May-21</b>	<b>30-Apr-21</b>
US 10 yr yield	1.34	1.22	1.59	1.63	0.91	0.70	0.53	0.64	Gold (US\$)	\$1,788	\$1,907	\$1,769
ECB Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	WTI Crude (US\$)	\$70	\$65	\$62
10 yr German Bund	-0.33	-0.46	-0.19	-0.20	-0.57	-0.40	-0.53	-0.59	Iron Ore (US\$)	\$133	\$206	\$180

# Contact Us

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## We are available

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