

Weekly Market Update

After a difficult week for markets in the previous week, inflation fears appear to have calmed down this week, triggering most global markets to post gains last week. Countries continue on their path to reopening their economies wrapping up the first half of the year with an optimistic tone.



US: Best weekly gains since early April

The S&P 500 rose 2.8% rebounding from the previous week's declines as inflation fears eased during the week. President Biden announced a plan for roughly USD 1 trillion in infrastructure spending over five years. The bill has yet to be drafted.



Japan: Optimistic outlook as vaccine rollout accelerates

The Nikkei 225 rose 0.4% in a volatile week. The outlook for services in Japan is optimistic, stemming from hopes that the accelerated vaccine rollout would contribute to easing restrictions and trigger a broader recovery in demand.



China: Markets recover led by financial stocks

The CSI 300 Index rose 2.8%. Financial stocks led the rally after the People's Bank of China injected liquidity into the financial system. Domestic leisure and travel stocks also advanced amid reports that China may not open its international borders this year.



Europe: Economic activity to improve strongly

The Euro Stoxx 50 rose 1.0%. European Central Bank President Lagarde said the outlook was "brightening" and economic activity "should improve strongly" in the second half of 2021. Rising inflation should start declining in 2022.



UK: Interest rates remain unchanged; Covid-19 cases rise

The FTSE 100 and FTSE 250 rose 1.8% and 1.5% respectively. The number of COVID-19 cases in the UK rose sharply, mostly due to infection by the delta variant of the virus. Policymakers at the Bank of England voted to keep the key interest rate at 0.1%

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