

Weekly Market Update

Overall, it was a good week for most stock markets globally. Some key items during the week included Biden's \$1.9 trillion American Rescue Plan, Chinese markets poor performance, rising Covid-19 cases across some European countries and the UK's January exports to the EU.



US: Markets up and American Rescue Plan approved

Stocks moved broadly higher in the US for the week, lifting major benchmarks to new records. The S&P 500 was up 2.7% and the Russell 2000 Index (smaller companies) was up 7.4%. Biden's \$1.9 trillion American Rescue Plan was signed into law.



Asia: Japanese markets up whilst Chinese shares fall

The Shanghai Composite Index was down 1.4% whilst Japan's Nikkei 225 was up 3%. Despite underperformance of Chinese shares this year, investor appetite for Chinese stocks appears undiminished. Chinese exports were strong in January and February.



Europe: Vaccinations, lockdowns and economic recovery

The EuroStoxx 50 was up 4.5%. The European Central Bank (ECB) expects EU GDP growth of 4% in 2021. Italy to impose new lockdown amidst rising cases, whilst vaccination rollout continues to lag other developed markets.



UK: Brexit and economic output

The FTSE 100 was up 2.1% and the FTSE 250 was up 2.6%. The British Pound appreciated to 1.39 USD per GBP. Economic output shrank in January due to slowdown of the services sector. Imports & exports with EU were down as Brexit hit trade.



The Week Ahead

- In the UK, BoE rate meeting due, and public borrowing data released
- In Europe, inflation, trade balance and economic sentiment data released
- In the US, Fed meeting due, plus manufacturing and retail sales data released

To hear more about these topics, please download the latest episode of [The Monday Investment Club](#) podcast.

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