

# Weekly Market Update

30 September 2024

Stimulus measures announced in China boosted sentiment across global stock markets.



## Market Monitor (%): How did major stock markets perform last week?



## Market Update:



UK

In the UK private sector activity remained in expansionary territory for the 11th month running. The Flash UK PMI Composite Output Index registered 52.9, down from 53.8 in August. Separately, inflation, as measured by prices charged, eased across the economy to a 42-month low, further driving pressure on the Bank of England to continue reducing interest rates.



Japan

Japan's main stock market rose over the week as the Japanese yen weakened versus the US Dollar due to the US Federal Reserve's latest decision to cut interest rates. As mentioned in previous weeks, a weaker Japanese yen benefits exporters – making their goods less expensive compared to goods priced in stronger currencies. The week also saw the Bank of Japan (BoJ) leave their own interest rate level unchanged at around 0.25%, as expected. The Governor of the BoJ, Kazuo Ueda, stated that interest rate policy decisions depend on economic, price and financial developments and that interest rates will only be raised if forecasts are met. On the domestic data front, annual inflation rose to 3%, matching expectations and up from the prior month's 2.8%.



US

Stocks moved to record highs, as investors appeared to celebrate new stimulus measures in China. Chemicals and materials stocks were particularly strong on hopes for a rebound in Chinese demand. Technology stocks outperformed as well, helped by reports of a possible takeover of Intel and news that NVIDIA's CEO had ceased sales of his own shares in the company. Some benign inflation data helped spur an early rally Friday. Before trading opened, the Commerce Department reported that the Federal Reserve's preferred inflation gauge, the core (less food and energy) personal consumer expenditures (PCE) price index, rose only 0.1% in August, a tick below expectations. Meanwhile, personal incomes and spending both surprised on the downside in August, further suggesting a moderation in inflationary pressures.



China

Chinese stocks surged after Beijing unveiled a slew of measures to shore up the economy. The moves were part of a sweeping stimulus package announced last Tuesday at a rare press conference by the Peoples Bank of China Governor that aims to jumpstart China's ailing economy. On Thursday, China's top leaders vowed to take action to stabilize the country's property market and make real estate prices "stop declining," according to state media. The readout from the meeting included a statement that China would deploy the necessary fiscal spending to meet its 2024 growth target of around 5%.



Europe

European stocks rebounded last week, as evidence of slowing business activity spurred hopes for interest rate cuts. China also unveiled a package of measures to stimulate its economy, helping to lift sentiment. Business activity in the eurozone unexpectedly shrank in September due to a marked fall in new orders, according to purchasing managers' indexes (PMIs) compiled by S&P Global.



[The Omnis Investment Club](#)

To hear more about these topics, please search for "The Omnis Investment Club Podcast" on your podcast player.

[Omnisinvestments.com](https://www.omnisinvestments.com)

**Omnis**  
INVESTMENTS

Issued by Omnis Investments Limited. This update reflects Omnis' view at the time of writing and is subject to change. The document is for informational purposes only and is not investment advice. We recommend you discuss any investment decisions with your financial adviser. Omnis is unable to provide investment advice. Every effort is made to ensure the accuracy of the information, but no assurance or warranties are given. Past performance should not be considered as a guide to future performance. The Omnis Managed Investments ICVC and the Omnis Portfolio Investments ICVC are authorised Investment Companies with Variable Capital. The authorised corporate director of the Omnis Managed Investments ICVC and the Omnis Portfolio Investments ICVC is Omnis Investments Limited (Registered Address: Auckland House, Lydiard Fields, Swindon SN5 8UB) which is authorised and regulated by the Financial Conduct Authority.