



Market Update – July 2021

Markets juggled concerns about the spread of the Covid-19 delta variant against a positive start to Q2 earning season where surprises to the upside have supported equity markets closing higher. Healthcare continued to be a winning sector in July with strong performances also within Real Estate, Utilities, and Media sectors. Meanwhile the Energy sector underperformed. The Federal Reserve acknowledged progress towards key economic targets but reiterated a transitory view of inflation, maintaining that any tapering talks will require further improvements in the economic data. Elsewhere, China and emerging markets saw sharp declines with new regulatory focus on the education sector on top of investigations into companies within the internet and technology sector, including those listed in the US.