CREATERRA FINANCE

Market insight

November 2023

Dear readers,

After three months of decline, the financial markets rebounded strongly in November. Both equities and bonds were decisively back. This early end-of-year rally was helped by the publication of lower-than-expected inflation figures in November on both sides of the Atlantic. The fall in inflation was particularly helped by a significant drop in energy prices.

The fact that inflation data continues to fall suggests that the US Federal Reserve and the European Central Bank will both stop hiking interest rates. Participants are also betting that they will start cutting rates as early as next year.

The technology sector was the biggest winner in November's rally. The real estate sector also had a good month thanks to the fall in bond yields. More and more investors expect this sector to rebound in 2024 after the shocks from the sharp interest rate hikes in 2022 and 2023.

The US dollar weakened over the past month as investors anticipated the US Federal Reserve would be the first to cut rates. Some expect it to happen as early as the first quarter of 2024.

The US economy remains buoyant. In Europe, the economy is no more than moderate but seems to be landing smoothly. In China, the official figures show a fragile economic recovery.

Against this backdrop, we have slightly increased our equity market exposures in our portfolios over the past few weeks.

Performance of the main markets in 2023

	November 2023	from 01/01 to 30/11/2023
Euro Stoxx 50	+7.91%	+15.52%
Stoxx Europe 600	+6.45%	+8.64%
S&P 500	+8.92%	+18.97%
S&P 500 Equal weighted	+9.18%	+4.99%
BEL 20	+5.13%	-4.65%
MSCI WORLD	+9.21%	+16.17%
Nikkei 225	+8.52%	+28.33%
Hang Seng (Hong Kong)	-0.41%	-13.84%

Charles Bok
Chief Executive Officer

Fabien Plancq
Senior Wealth Manager