

# JULY 2022 MARKET COMMENTARY

## SOURCES

Businesses say inflation and supply chain could be worse than Covid

<https://www.cityam.com/businesses-warn-inflation-and-supply-chain-crisis-could-be-worse-than-impact-of-covid-19/>

Workplace robot orders jump 40% in first quarter:

<https://www.zerohedge.com/technology/great-robo-placement-workplace-robot-orders-jump-40-first-quarter>

7/6 Boris Johnson wins confidence vote by 211 to 148 – majority of 63.

8/6 World Bank warns of recession due to Ukraine

<https://www.bbc.co.uk/news/business-61723643>

11/6 Global inflation figures

<https://www.zerohedge.com/economics/red-hot-us-inflation-no-longer-outlier>

14/6 Crypto down 20% in two days

<https://www.cityam.com/terrible-tuesday-for-bitcoin-as-crypto-tumbles-20-per-cent-in-just-two-days-with-investors-fleeing-risk/>

15/6 Mortgage arrears hit highest level for 12 years

<https://www.cityam.com/uk-mortgage-arrears-hit-highest-level-in-more-than-12-years-as-debts-to-banks-creep-past-record-2bn/>

17/6 Stock markets fall on global recession/inflation fears

<https://www.bbc.co.uk/news/business-61830925>

18/6 Global economic shift

<https://www.zerohedge.com/geopolitical/visualizing-coming-shift-global-economic-power-2006-2036>

19/6 Bitcoin below \$20,000 for first time since 2020

<https://www.cityam.com/big-crypto-crash-bitcoin-tanks-below-20000-for-first-time-since-2020/>

Government suffers two by-election defeats

<https://www.bbc.co.uk/news/uk-england-devon-61918899> and

<https://www.bbc.co.uk/news/uk-england-leeds-61896693>

25/6 New Pacific-wide pact vs Beijing?

<https://www.zerohedge.com/geopolitical/new-6-nation-pacific-pact-proposed-beat-back-beijings-unrestricted-warfare>

27/6 G7 bans Russian gold imports

<https://www.zerohedge.com/markets/biden-g-7-will-ban-russian-gold-imports>

UK

3/6 Rates 'should rise by 3% to stop inflation'

<https://www.cityam.com/ex-rate-setter-urges-boe-to-raise-interest-by-3-per-cent-to-stop-inflation/>

7/6 500,000 small businesses could go bust say FSB

<https://www.zerohedge.com/markets/ticking-timebomb-500000-uk-small-businesses-could-imminently-go-bust>

8/6 OECD slams Sunak – UK set for weakest growth in developed world

<https://order-order.com/2022/06/08/oecd-forecasts-uk-set-for-weakest-growth-in-developed-world/>

14/6 Car industry in shock as UK axes all grants for EVs

<https://www.cityam.com/breaking-car-industry-in-shock-as-department-for-transport-scraps-all-grants-for-electric-vehicles/>

15/6 UK exports to EU hit highest level ever

<https://www.cityam.com/boost-for-global-britain-as-uk-exports-to-eu-defy-brexit-challenges-and-hit-highest-level-ever/>

And

<https://order-order.com/2022/06/15/shadow-minister-says-labour-government-will-re-enter-single-market-and-customs-union-as-eu-exports-hit-record-high/>

Inflation up to 9% in May

<https://www.theguardian.com/business/2022/may/18/uk-inflation-soars-to-highest-level-in-more-than-40-years>

BoFE raises rates by further 0.25% to 1.25% - highest for 13 years

<https://www.bbc.co.uk/news/business-61801362>

Forecast to hit 11% this year

<https://capital.com/uk-inflation-forecast-to-hit-11-pound-tumbles-after-0-25-rate-hike>

19/6 Rail and tube strikes to go ahead

<https://www.cityam.com/failed-resolution-talks-rail-and-tube-strikes-will-go-ahead-next-week/>

21/6 Rail strikes to hit hospitality industry <https://www.bbc.co.uk/news/business-61866089>

UK set to become Europe's biggest ents and media market

<https://www.cityam.com/uk-set-to-become-largest-entertainment-and-media-market-in-europe/>

22/6 Inflation up to 9.1% in May <https://www.bbc.co.uk/news/business-61891649>

Shoppers setting limits at tills <https://www.bbc.co.uk/news/business-61879194>

£33bn trade deal with six Gulf states?

<https://www.cityam.com/trade-secretary-touches-down-in-saud-arabia-to-kick-off-talks-on-33bn-trade-deal-with-six-gulf-states/>

23/6 Government borrowing down as tax income rises

<https://www.bbc.co.uk/news/business-61906235>

But 3<sup>rd</sup> highest since May 1993

<https://www.cityam.com/public-sector-borrowing-hit-14bn-last-month-the-third-highest-may-since-1993/>

New coal mine for Cumbria to get go-ahead? <https://www.bbc.co.uk/news/uk-politics-61904622>

24/6 Cocktail of problems sends UK consumer confidence to new low

<https://www.cityam.com/cocktail-of-problems-plunges-uk-consumer-confidence-to-record-low/>

25/6 Huge surge in tourism as Covid restrictions end

<https://www.cityam.com/27-fold-jump-in-number-of-foreign-visitors-flocking-to-britain-post-pandemic/>

27/6 UK to bring in steel tariffs on developing countries?

<https://www.cityam.com/johnson-prepares-to-bring-in-steel-tariffs-on-developing-countries/>

28/6 Car industry to face 50% jump in energy bills

<https://www.cityam.com/car-industry-sounds-alarm-bells-uk-vehicle-makers-face-staggering-50-per-cent-jump-in-energy-bills/>

29/6 5G failings could cost UK economy £7bn

<https://www.cityam.com/lack-of-5g-investment-in-towns-and-smaller-cities-could-cost-economy-up-to-7bn/>

30/6 Inflation at 9.1% in May <https://www.bbc.co.uk/news/business-61891649>

Exports to Commonwealth countries 'at highest level for 15 years'

<https://www.cityam.com/31bn-boost-for-global-britain-as-uk-exports-to-commonwealth-markets-hit-highest-level-in-15-years/>

UK Jobs and Retail

3/6 Shoppers not returning to Scotland's stores

<https://www.bbc.co.uk/news/uk-scotland-61672868>

5/6 Will cost of living scupper Jubilee spending boom?

<https://www.cityam.com/jubilee-high-street-boom-risks-being-upended-by-cost-of-living-crisis/>

7/6 Shoppers cut back on spending as incomes squeezed

<https://www.bbc.co.uk/news/business-61709995>

Cost of fuelling a lorry up £20,000 <https://www.bbc.co.uk/news/business-61716039>

9/6 Rail strikes will be devastating for hospitality <https://www.bbc.co.uk/news/business-61738945>

John Lewis to build homes to rent on two Waitrose sites

<https://www.cityam.com/the-new-landlord-in-town-john-lewis-to-build-homes-on-two-london-waitrose-sites/>

Growth to be hit by skills shortages

<https://www.cityam.com/recruiters-warn-companies-growth-to-be-hit-by-increasing-skills-shortages/>

16/6 Firms letting staff go due to pandemic: hiring freelancers

<https://www.cityam.com/exclusive-almost-a-quarter-of-firms-have-let-staff-go-due-to-pandemic-with-a-fifth-now-hiring-freelancers/>

Ukraine

3/6 Central bank hikes rates to 7 year high, considers extra import duty

<https://www.cityam.com/ukraine-mulls-extra-import-duty-as-it-hikes-interest-rate-to-seven-year-high/>

Michael Clarke on 3<sup>rd</sup> June – 100 days

A '100 hours' war is now 100 days. My guess is that Ukrainians will fight Ru forces to a standstill everywhere in the 20% of territory they now occupy. Whether they can throw Ru forces out depends on maintaining the western consensus and sending many more, and different, weapons.

7/6 UK joins US in sending longer range missiles

<https://www.zerohedge.com/geopolitical/uk-joins-us-sending-longer-range-rockets-ukraine-despite-putin-warnings>

14/6 Zelensky makes last-ditch appeal to Germany

<https://www.cityam.com/zelensky-makes-last-ditch-appeal-to-germany-for-support-as-russia-encircles-city-of-sievierodonetsk/>

20/6 'Prepare for the worst' in the Donbas – Kharkiv to be 'next frontline city'

<https://www.zerohedge.com/geopolitical/ukraine-says-prepare-worst-donbas-kharkiv-will-likely-be-next-frontline-city>

21/6 Russia on Lithuania blockade

<https://www.zerohedge.com/geopolitical/eu-just-implemented-risky-anti-russia-measure-could-trigger-ww3-few-are-taking-notice>

26/6 Russia to transfer nuclear-capable missiles to Belarus 'within months'

<https://www.zerohedge.com/geopolitical/russia-transfer-nuclear-capable-missiles-belarus-within-months-putin>

28/6 G7 pledges to stay with Ukraine 'to the end'

<https://www.bbc.co.uk/news/world-europe-61954445>

29/6 Russia hits shopping centre <https://www.bbc.co.uk/news/world-europe-61967376>

Finland/Sweden join NATO <https://www.bbc.co.uk/news/world-europe-61971858>

Europe

1/6 Russia cuts off natural gas to Denmark after it refuses to pay in roubles

<https://apnews.com/article/russia-ukraine-putin-government-and-politics-netherlands-10923b26194d11c555f6176799465dd2>

13/6 Will Northern Europe pay for the south at 8% inflation?

<https://www.zerohedge.com/markets/hedge-fund-cio-investors-must-seriously-cotemplate-disintegration-europe-whatever-it-takes>

14/6 Europe preparing for trade war with UK <https://www.bbc.co.uk/news/business-61789030>

15/6 German inflation to 8.7% in May

<https://think.ing.com/snaps/german-inflation-at-8-in-may-based-on-european-measure/>

16/6 Germany accuses Gazprom of pushing up prices

<https://www.bbc.co.uk/news/business-61818997>

17/6 European leaders take the train to Kiev <https://www.cityam.com/macron-scholz-draghi-kyiv/>

18/6 Italy says energy supplies cut by half <https://www.bbc.co.uk/news/business-61838905>

19/6 Europe heading for sovereign debt crisis?

<https://capx.co/be-warned-a-full-blooded-european-sovereign-debt-crisis-is-coming/>

20/6 Macron loses majority <https://www.bbc.co.uk/news/world-europe-61859881>

And <https://www.bbc.co.uk/news/world-europe-61859595>

'Stunning blow'

<https://www.zerohedge.com/markets/stunning-blow-macron-loses-absolute-majority-far-right-left-surge>

22/6 Dilemma for ECB – stability or bail out countries?

<https://www.zerohedge.com/markets/ecb-has-huge-dilemma-price-stability-or-bail-out-nations>

US

2/6 End to remote working at Tesla – 'pretend to be working somewhere else'

<https://www.bbc.co.uk/news/business-61666339>

May shows dramatic slowdown in US new car sales: auto Armageddon

<https://www.zerohedge.com/markets/auto-armageddon-may-sales-data-shows-dramatic-slowdown-us-new-car-sales>

3/6 Poor jobs figures could stop interest rate rises

<https://www.zerohedge.com/markets/may-payrolls-preview-non-trivial-odds-negative-print>

4/6 Add more jobs than expected in May <https://www.bbc.co.uk/news/business-61684059>

390,000 vs 325,000

5/6 Marriott Hotels to leave Russia after 25 years <https://www.bbc.co.uk/news/business-61685925>

7/6 Musk threatens to walk away from Twitter deal

<https://www.bbc.co.uk/news/business-61709782>

Americans 'deeply pessimistic' about US economy

<https://www.zerohedge.com/political/americans-deeply-pessimistic-about-us-economy-inflation>

8/6 US consumers maxing credit cards ahead of recession?

<https://www.zerohedge.com/economics/shocking-consumer-credit-numbers-everyone-maxing-out-their-credit-card-ahead-recession-0>

11/6 Energy and food send US inflation to 40 year high

<https://www.bbc.co.uk/news/business-61762131>

And

<https://www.zerohedge.com/markets/soaring-cpi-crushes-peak-inflation-narrative-sparks-global-tumult>

12/6 How high will US interest rates go

<https://www.zerohedge.com/economics/inflation-crisis-worse-admitted-will-interest-rates-go-record-highs>

16/6 Fed lifts rates 0.75% to range 1.5% to 1.75% - biggest rise for 30 years

<https://www.bbc.co.uk/news/business-61804877>

Musk leans towards Ron DeSantis

<https://www.zerohedge.com/political/elon-musk-leaning-towards-desantis-president-2024-predicts-massive-red-wave-2022>

18/6 'A tidal wave of discounts'

<https://www.zerohedge.com/economics/deflationary-tsunami-deck-tidal-wave-discounts-and-crashing-prices>

Housing crash imminent?

<https://www.zerohedge.com/economics/housing-crash-imminent-mortgage-rates-explode-price-cuts-soar-and-buyer-demand-collapses>

20/6 Fed warns of 'more steep rate rises'

<https://www.cityam.com/us-federal-reserve-official-warns-investors-to-brace-for-more-steep-rate-rises/>

23/6 New Tesla factories losing billions due to battery shortages – 'giant money furnaces'

<https://www.bbc.co.uk/news/business-61905276>

24/6 Nike is latest company to leave Russia <https://www.bbc.co.uk/news/business-61914165>

26/6 IMF slashes US growth forecast

<https://www.zerohedge.com/economics/imf-slashes-us-growth-forecast-claims-recession-will-be-narrowly-avoided>

Far East

7/6 More doubts about China's figures

<https://www.zerohedge.com/political/fall-high-level-party-official-who-faked-economic-data-triggers-concern-over-chinas>

8/6 Economic consequences of Zero Covid in Shanghai

<https://unherd.com/2022/06/zero-covid-has-radicalised-shanghai/>

9/6 Chinese passenger car sales down 17% YoY

<https://www.zerohedge.com/markets/chinese-passenger-car-sales-down-17-year-over-year>

10/6 Japan re-opens to tourists, but with strict rules

<https://www.bbc.co.uk/news/business-61702904>

11/6 Shanghai locks down again for mass testing

<https://www.zerohedge.com/markets/shanghai-returns-lockdown-weekend-mass-testing-just-days-after-reopening>

India and China coal production surges by 700m tons a year – greater than all US output

<https://www.zerohedge.com/energy/india-and-china-coal-production-surging-700m-tons-year-that-s-greater-all-us-coal-output>

14/6 Japan in danger of 'systemic collapse?'

<https://www.zerohedge.com/markets/japan-verge-systemic-collapse-dramatic-unpredictable-non-linearities-financial-markets-bank>

15/6 Hedge funds bet against Japan

<https://www.zerohedge.com/markets/giant-hedge-fund-goes-soros-bank-japan-bets-billions-japan-and-mmt-will-break>

<https://www.bloomberg.com/news/newsletters/2022-06-28/hedge-funds-are-betting-japan-can-t-keep-rates-low-much-longer>

16/6 Xi says China will keep backing Russia

<https://www.zerohedge.com/geopolitical/xi-pledges-china-will-keep-backing-russian-sovereignty-security-putin-call>

21/6 Pressure on Bank of Japan

<https://www.zerohedge.com/markets/bank-japan-spends-record-81-billion-avert-collapse-10-trillion-jgb-market-now-completely>

29/6 Japan suffering from heatwave <https://www.bbc.co.uk/news/world-asia-61976937>

Emerging Markets

2/6 Russia 'failure to pay'

<https://www.zerohedge.com/markets/minor-19-million-failed-interest-payment-triggers-russian-failure-pay-event>

3/6 Pakistan faces economic collapse over fuel prices – 40,000 factories at risk

<https://www.zerohedge.com/commodities/40000-factories-risk-closing-pakistans-capital-amid-fuel-crisis>

8/6 Sri Lanka says it needs \$5bn for 'essential goods'

<https://www.bbc.co.uk/news/business-61727801>

14/6 Russia now India's 2<sup>nd</sup> biggest oil supplier

<https://www.zerohedge.com/geopolitical/russia-has-become-indias-second-largest-oil-supplier>

Russia earns \$97bn on energy exports <https://www.bbc.co.uk/news/business-61785111>

17/6 The new G8

<https://www.zerohedge.com/geopolitical/escobar-new-g8-meets-chinas-three-rings>

26/6 Russia on brink of default as deadline nears <https://www.bbc.co.uk/news/business-61929926>

27/6 Defaults on foreign debt for first time since 1918

<https://www.bbc.co.uk/news/business-61929926>

28/6 BRICS summit confirms Russia not that isolated

<https://www.zerohedge.com/geopolitical/brics-summit-reaffirms-russia-not-isolated-nato-suggests>

30/6 Indian businesses paying Russia in yuan

<https://www.zerohedge.com/geopolitical/indias-largest-cement-maker-circumventing-dollar-russia-n-coal-yuan-deal>

And Finally...

Parents will choose digital babies in the Metaverse

<https://www.zerohedge.com/technology/ai-expert-says-parents-will-choose-digital-babies-metaverse-over-real-ones-within-50>

\$80,000 for Metaverse trainers

<https://www.thesun.co.uk/tech/18386929/nike-dunk-genesis-cryptokicks-virtual-sneakers-metaverse/>

Pint in London goes past £8 – Lancashire at £1.79

<https://www.cityam.com/pint-at-london-pub-surges-past-8-price-amid-sky-high-inflation/>

New Zealand to tax cow emissions <https://www.bbc.co.uk/news/business-61741352>

Russian McDonald's new logo <https://www.bbc.co.uk/news/business-61727807>

<https://www.cityam.com/rebranded-and-under-new-ownership-mcdonalds-set-to-relaunch-in-russia-market-this-weekend/>

Bank of England spends 200k on mission statement

<https://www.cityam.com/bank-of-england-splurges-200000-on-defining-mission-statement/>

Russians says yes to ET

<https://www.zerohedge.com/geopolitical/extraterrestrial-intelligent-life-could-account-some-ufo-sightings-russian-space-chief>

YouTuber builds tunnel under garden

<https://www.bbc.co.uk/news/uk-england-lincolnshire-61851694>

Japanese businessman loses city's data

<https://www.zerohedge.com/markets/drunk-japanese-businessman-passes-out-street-loses-usb-drive-nearly-500000-peoples-personal>