

AUGUST MARKET COMMENTARY

COMPLIANCE

4/7 JP Morgan says oil could reach \$380 if Russia retaliates to OPEC oil cap

6/7 Sunak resigns: fundamental differences over economy

<https://www.bbc.co.uk/news/business-62058974>

Nadhim Zahawi in as new Chancellor

<https://www.cityam.com/nadhim-zahawi-hastily-confirmed-as-new-chancellor-as-boris-johnsons-cabinet-crumbles-in-front-of-nations-eyes/>

7/7 Boris clings on <https://www.bbc.co.uk/news/uk-politics-62069494>

And

<https://www.cityam.com/isolated-boris-johnsons-clings-on-after-dramatic-sacking-of-snake-gove-and-tory-leadership-challenge-building/> [whisky joke]

Goldman – world is on brink of a severe recession

<https://www.zerohedge.com/markets/goldman-world-brink-rather-severe-recession>

Boris resignations hit 50 shortly after 7am on July 7th

New PM by September 5th

<https://www.cityam.com/uk-to-get-new-pm-on-5-september-as-tory-leader-votes-start-wednesday/>

Business wants focus on tax and growth

<https://www.bbc.co.uk/news/business-62134320>

16/7 The \$100tn global economy

<https://www.zerohedge.com/economics/100-trillion-global-economy-one-chart>

21/7 Sunak vs Truss in final run off

<https://www.cityam.com/rishi-sunak-or-liz-truss-will-be-the-next-uk-prime-minister/>

Truss promising bonfire of EU rules: Sunak would put UK on 'crisis footing'

27/7 Gloomy IMF forecast with UK doing worst of major countries

<https://www.bbc.co.uk/news/business-62299490>

And

<https://www.cityam.com/global-economy-hurtling-toward-historic-slowdown-imf-warns/>

30/7 China 'prepare for war' over Pelosi's plane

<https://www.zerohedge.com/geopolitical/pelosi-leading-delegation-asia-taiwan-stop-not-clear>

UK

2/7 Business bosses most pessimistic since start of the pandemic

<https://www.cityam.com/uk-business-bosses-most-pessimistic-since-the-start-of-the-pandemic-over-inflation-and-brexit/>

4/7 Dyson casts doubt on UK being 'science superpower'

<https://www.cityam.com/james-dyson-heaps-doubt-on-uk-ambition-to-be-science-superpower-by-2030/>

6/7 Consumer confidence down to lockdown levels

<https://www.cityam.com/consumer-confidence-plunges-to-covid-lockdown-lows-as-households-financial-worries-spiral/>

Auditors say 'perfect conditions for fraud'

<https://www.cityam.com/uks-cost-of-living-crisis-has-created-perfect-conditions-for-fraud-to-flourish-new-report-says/>

7/7 Bank of England vows to bring down inflation

<https://www.bbc.co.uk/news/business-62064837>

11/7 UK economy heading for prolonged slump?

<https://www.cityam.com/uk-economy-headed-for-prolonged-slump-despite-jobs-market-resilience/>

Amazon expects record sales on Prime Day

<https://www.cityam.com/amazon-expects-record-sales-as-cash-strapped-brits-turn-to-prime-day-for-big-ticket-purchases/>

13/7 UK economy rebounds in May – up 0.5%

<https://www.bbc.co.uk/news/business-62146064>

18/7 IMF says cutting UK taxes now would be a mistake

<https://www.bbc.co.uk/news/business-62168489>

UK to have 'drone superhighway?'

<https://www.bbc.co.uk/news/technology-62177614>

20/7 Bigger rate rises on the table says Bank boss

<https://www.bbc.co.uk/news/business-62223722>

Is UK now the 'cutback economy'

<https://www.cityam.com/staggering-25bn-down-the-drain-as-9-in-10-brits-plan-to-cut-back-with-third-of-all-uk-households-now-in-financial-distress/>

21/7 Fuel, milk & eggs push UK inflation to 9.4% in June, from 9.1% in May

<https://www.bbc.co.uk/news/business-62233571>

22/7 Pushes June interest costs to new record

<https://www.bbc.co.uk/news/business-62240775>

23/7 OECD forecasts – UK doing better than EU

<https://commonslibrary.parliament.uk/research-briefings/sn02784/>

27/7 Inflation pushes UK interest costs in June to fresh record

<https://www.bbc.co.uk/news/business-62240775>

28/7 'Brits face painful spike in energy bills'

<https://www.cityam.com/january-blues-brits-face-painful-spike-in-energy-bills-as-kremlin-puts-under-west-pressure/>

29/7 Battery maker to build £190m factory in Scotland

<https://www.cityam.com/lithium-battery-maker-to-build-190m-megafactory-in-the-uk-in-global-ev-push/>

30/7 First profit since pandemic for BA owner

<https://www.bbc.co.uk/news/business-62344654>

UK Jobs and Retail

4/7 Number of UK pubs falls by 7,000 in a decade

<https://www.bbc.co.uk/news/business-62031833>

12/7 Retail sales fall at fastest rate since lockdown

<https://www.bbc.co.uk/news/business-62121262>

Energy bills to rise more than predicted in October

<https://www.bbc.co.uk/news/business-62123691>

15/7 Amazon to create 4,000 new jobs in UK

<https://www.bbc.co.uk/news/business-62171239>

But tech talent shortage to stifle growth

<https://www.bbc.co.uk/news/technology-62098767>

Ukraine

3/7 Ukraine accurately hitting Russian command posts

<https://www.zerohedge.com/military/ukraine-successfully-hitting-russian-command-posts-new-rocket-system-pentagon>

7/7 Ukraine investigating 21,000 war crimes

<https://www.bbc.co.uk/news/world-europe-62073669>

9/7 Michael Clarke summary

<https://tippingpoint2020s.com/2022/07/08/the-pendulums-of-war-three-phases-three-fighting-fronts/>

16/7 Putin held party when Johnson resigned – expects to break West's resolve this winter

<https://www.cityam.com/jubilant-kremlin-held-big-party-when-boris-johnson-resigned-as-putin-expects-to-break-west-s-resolve-this-winter/>

18/7 Zelensky fires chief prosecutor and security chief

<https://www.bbc.co.uk/news/world-europe-62202078>

20/7 Dozens more fired for treason

<https://www.cityam.com/kremlins-grip-on-kyiv-chaos-and-mass-exodus-at-ukrainian-security-services-as-zelensky-fires-dozens-of-officials-for-treason/>

21/7 Russia says war aims have expanded. General mobilisation?

<https://www.zerohedge.com/geopolitical/russia-willing-annex-fresh-parts-ukraine-if-west-keeps-pumping-weapons>

22/7 Russia looting steel meant for Europe and UK

<https://www.bbc.co.uk/news/business-62252704>

23/7 Steals steel worth £500m bound for UK

<https://www.cityam.com/russia-accused-of-stealing-uk-bound-steel-by-ukrainian-firm-boss/>

Russia and Ukraine to agree grain deal

<https://www.aljazeera.com/news/2022/7/21/turkey-says-russia-ukraine-to-sign-un-grain-export-deal-friday>

And

<https://www.cityam.com/russia-and-ukraine-agree-deal-to-resume-grain-exports/>

24/7 Thrown into doubt after missile attack on Odessa

<https://www.bbc.co.uk/news/world-europe-62278010>

Europe

5/7 Germany records first trade deficit since 1991

<https://www.cityam.com/germany-registers-first-trade-deficit-since-1991-on-surg-ing-energy-prices/>

German energy giant seeks government bailout

<https://www.zerohedge.com/markets/german-energy-giant-talks-over-eu9-billion-bailout-package>

10/7 Germany facing energy crisis?

<https://www.zerohedge.com/markets/social-peace-great-danger-germany-quietly-shutting-down-energy-crunch-paralyzes-economy>

11/7 Macron named as secretly helping Uber

<https://www.bbc.co.uk/news/business-62057321>

13/7 Euro below dollar for 1st time in 20 years: ECB slow to raise rates

<https://www.bbc.co.uk/news/business-62153251>

14/7 EU trying to cut gas demand ahead of winter?

<https://www.cityam.com/eu-prepares-to-cut-down-gas-demand-ahead-of-cold-win-ter-months-amid-russian-disruption/>

15/7 Shell says EU energy rationing can't be ruled out

<https://www.bbc.co.uk/news/business-62167060>

Rationing in Germany this winter says UBS

<https://www.cityam.com/rationing-energy-supplies-could-be-inevitable-for-germa-ny-this-winter-warns-ubs/>

Mario Draghi tries to resign as Italian PM

<https://www.cityam.com/italian-president-refuses-to-accept-mario-draghis-resign-ation-as-pm/>

18/7 Brussels slashes EU growth forecasts

<https://www.cityam.com/brussels-slashes-eu-growth-forecasts-as-euro-faces-end-of-the-beginning-of-us-dollar-slide/>

19/7 Is Gazprom halting gas flows to Germany?

<https://www.zerohedge.com/energy/gazprom-declares-force-majeure-will-halt-gas-flows-germany-indefinitely>

21/7 EU prepares for Russia to turn off the gas

<https://www.bbc.co.uk/news/business-62230201>

ECB finally set to raise interest rates

<https://www.zerohedge.com/markets/ecb-preview-first-rate-hike-11-years-and-an-other-major-policy-mistake>

22/7 ECB raises rates for first time in 11 years

<https://www.theguardian.com/business/2022/jul/21/european-central-bank-raises-interest-rates-for-first-time-in-11-years>

23/7 Declining population in Eastern Europe

<https://www.zerohedge.com/geopolitical/these-are-20-nations-fastest-declining-populations>

26/7 Russia makes further cuts in gas supplies to EU

<https://www.bbc.co.uk/news/business-62291458>

And

<https://www.cityam.com/no-pressure-gazprom-cuts-gas-flows-into-europe-as-cold-winter-months-loom/>

28/7 Gas prices jump as Russia cuts supply to Germany

<https://www.bbc.co.uk/news/business-62318376>

30/7 Eurozone inflation to fresh record in July

<https://www.cityam.com/eurozone-inflation-surges-to-fresh-record-high-dialling-up-pressure-on-ecb/>

31/7 Gazprom cuts off Latvia's gas

<https://www.bbc.co.uk/news/world-europe-62359890>

US

1/7 S&P has worst first half of year since 1970

<https://www.bbc.co.uk/news/business-62005360>

7/7 Tesla sales in China booming

<https://www.zerohedge.com/markets/tesla-china-sales-june-come-about-78000-vehicles-142-sequentially>

8/7 US jobs forecast is 268K

<https://www.zerohedge.com/markets/june-payrolls-preview-big-data-hints-huge-negative-surprise> Not too strong - inflation. Not too weak - recession

9/7 Musk pulls out of deal to buy Twitter - lawyers rubbing their hands

<https://www.bbc.co.uk/news/business-62102821>

10/7 Is Biden selling oil to China?

<https://www.zerohedge.com/political/bidens-selling-oil-reserve-hunter-biden-tied-chinese-firm-impeachable-republicans>

13/7 US economy added 372,000 jobs in June – ahead of expectations

<https://www.nytimes.com/live/2022/07/08/business/jobs-report-june-2022>

14/7 US inflation up to 9.1% in June – highest for 40 years. Rate rises inevitable & therefore dollar rises

<https://www.cbsnews.com/news/inflation-june-cpi-report-hit-new-high-40-years-9-1-percent/#:~:text=Inflation%20hit%20a%20fresh%2040,above%20what%20economy%20had%20expected.>

And <https://www.bbc.co.uk/news/business-62148662>

20/7 Netflix loses a million subscribers

<https://www.bbc.co.uk/news/business-62226912>

Trials account sharing

<https://www.cityam.com/netflix-confirms-account-sharing-charges-as-all-eyes-fall-on-quarterly-results-and-subscriber-numbers/>

22/7 Institutions ready to buy property if US market crashes

<https://www.zerohedge.com/markets/blackstone-prepares-record-50-billion-snap-real-estate-during-coming-crash>

AT&T slumps as consumers can't afford to pay phone bills

<https://www.zerohedge.com/personal-finance/state-us-consumer-att-crashes-americans-cant-afford-pay-their-phone-bills>

26/7 Walmart issues profits warning as price rises hit

<https://www.bbc.co.uk/news/business-62301316>

28/7 First ever sales fall for Meta <https://www.bbc.co.uk/news/business-62322862>

Fed lifts rates by 0.75% to 2.25% to 2.5% range

<https://www.bbc.co.uk/news/business-62310354>

29/7 Apple and Amazon sales up despite rising prices

<https://www.bbc.co.uk/news/business-62336340>

US goes into technical recession as economy shrinks 0.9% in Q2

<https://www.cityam.com/us-plunges-into-recession-as-rest-of-world-braces-for-similar-fate/>

Far East

6/7 Japan facing energy crisis

<https://www.zerohedge.com/markets/worlds-third-largest-economy-facing-looming-energy-crisis>

7/7 Chinese yuan chipping away at dollar dominance

<https://www.zerohedge.com/geopolitical/chinese-yuan-beginning-chip-away-dollar-dominance>

8/7 Shinzo Abe killed in Japan <https://www.bbc.co.uk/news/world-asia-62089486>

11/7 Bank run in China turns violent over frozen deposits

<https://www.zerohedge.com/markets/chinese-bank-run-turns-violent-after-angry-crowd-storms-bank-china-branch-over-frozen>

12/7 Big majority for his party following Abe's death

<https://www.zerohedge.com/political/shinzo-abes-ruling-party-gains-supermajority-upper-house-election-following-his>

China credit growth explodes in June – 4th highest ever:

<https://www.zerohedge.com/markets/china-credit-growth-explodes-4th-highest-ever-june-its-still-not-enough>

13/7 Fukushima bosses ordered to pay \$97bn in damages

<https://www.bbc.co.uk/news/business-62147050>

15/7 Chinese economy contract 2.6% in 2nd quarter thanks to zero-Covid

<https://www.bbc.co.uk/news/business-62173735>

But picked up in June

<https://www.zerohedge.com/markets/china-gdp-growth-plunges-q2>

Homeowners revolt in China – problems for the banks

<https://www.zerohedge.com/economics/damage-could-be-huge-chinese-banks-tumble-swept-mortgage-nonpayment-scandal-borrowers>

Refusing to pay mortgages for unfinished construction projects

<https://www.zerohedge.com/markets/china-verge-violent-debt-jubilee-thousands-disgruntled-homebuyers-refuse-pay-their-mortgage>

18/7 Other Asian countries could follow Sri Lanka

<https://www.bbc.co.uk/news/business-61976928>

19/7 Shrinking population a problem for China's housing market

<https://www.zerohedge.com/economics/shrinking-population-another-trouble-housing>

25/7 More problems for Evergrande

<https://www.bbc.co.uk/news/business-62287685>

'China junk bonds trading below 35 cents'

<https://www.zerohedge.com/markets/most-chinese-property-junk-bonds-are-trading-below-35-cents>

28/7 China's power demand to surpass record in heat wave

<https://www.zerohedge.com/commodities/chinas-power-demand-surpass-record-amid-heatwave>

China youth unemployment hits record 19.3%

<https://www.zerohedge.com/economics/why-chinas-youth-unemployment-has-hit-record-193>

29/7 Xi chairs Politburo meeting: Zero Covid here to stay as Wuhan locks down 1m people over 4 cases

<https://www.zerohedge.com/markets/president-xi-chaired-july-politburo-meeting-today-heres-what-happened>

Emerging Markets

2/7 Russia takes control of huge oil and gas project

<https://www.bbc.co.uk/news/business-62008413>

Close relations between India and Russia

<https://www.zerohedge.com/markets/putin-modi-hold-warm-phone-call-india-gorges-cheap-russian-oil>

8/7 India and China both increase spending on Russian oil March to May

<https://www.zerohedge.com/commodities/what-india-and-china-spend-russian-oil>

10/7 Sri Lanka President to resign after palace stormed – swimming in the pool

<https://www.bbc.co.uk/news/world-asia-62108597>

14/7 India rejects EU/US calls to boycott Russian oil

<https://www.zerohedge.com/energy/india-rejects-us-eu-calls-boycott-russian-oil>

23/7 Three way meeting in Iran – oil & gas, wheat & grains, missiles and drones on the agenda

<https://www.zerohedge.com/geopolitical/escobar-power-troika-trumps-biden-west-asia>

24/7 BRICS working on global reserve currency?

<https://www.zerohedge.com/markets/russia-and-china-officially-announce-new-global-reserve-currency>

27/7 Iran oil revenues up 580%

<https://www.zerohedge.com/markets/irans-oil-revenues-soar-580-crude-prices-rally>

And finally...

2/7 Wealth in asteroids

<https://www.zerohedge.com/technology/colossal-untapped-value-asteroids>

Beer made from recycled sewage water

<https://www.zerohedge.com/markets/singapore-brewery-launches-new-beer-made-recycled-sewage-water>

Russia new McDonald's runs out of fries

<https://www.bbc.co.uk/news/world-europe-62103506>

14/7 Heartbeat from the galaxy

<https://www.cityam.com/are-we-alone-out-there-astronomers-stunned-to-hear-heartbeat-billions-of-light-years-from-earth/>

As Shakespeare told us, there are more things in Heaven and Earth...

29/7 Kit hit the fan:

<https://www.cityam.com/kit-hits-the-fan-retailers-running-out-of-england-womens-shirts-ahead-of-euros-final/>