

Elston market performance update: March 2022

- Commodities and Property strongest MTD again
- US & Global equities outperform UK
- Liquid Real Assets outperforms Gilts

Monthly update

Commodities was the top performing asset class in March (again), returning +12.18% in GBP terms, on inflation fears from war, supply-chain, sanctions and energy crisis.

Global Property returned +6.69% as risk appetite returned somewhat, and investors sought an inflation hedge. US Equities rebounded +5.06%, Global Equities +4.87% and UK Equities +1.87%. Prospects of a potential cease-fire and continuing strong earnings momentum.

Our Gold & Precious Metals index – a composite of predominantly gold, but also silver, platinum and palladium – increased +3.29% MTD in GBP terms.

Our Liquid Real Assets index returned +3.29% for the month, compared to Gilts -2.14%.

Within the multi-asset space, our “Equal Risk” or Risk Parity Index returned +0.59%, compared to -2.02% for a traditional 60/40 portfolio. Our Equal Weight Index returned +1.77%.

US & UK 10 year yields closed at 2.32% and 1.62% respectively an increase on the month.

US & UK 5 year market-implied Break Even Inflation Rates closed at 3.51% and 4.72% respectively, a 20-30bp increase on last month.

Quarter to date

Commodities were strongest at +30.04%, Gold & Precious Metals* +10.04% and UK Equity Income +6.06% were top performing asset class exposures in GBP terms in 1q22.**

*as represented by Elston Gold & Precious Metals Index and **Elston Smart-Beta UK Dividend Index

See table on next page for key performance measures.

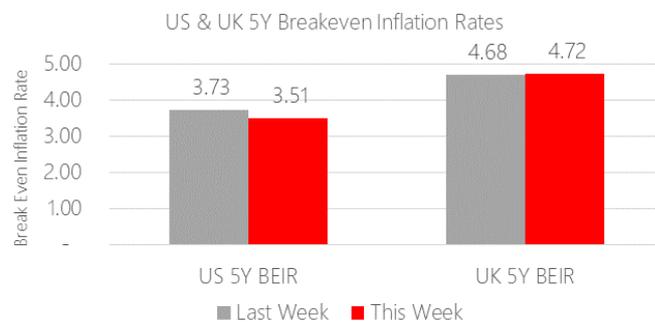
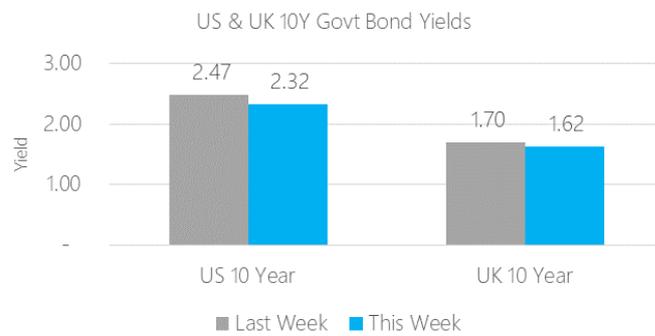
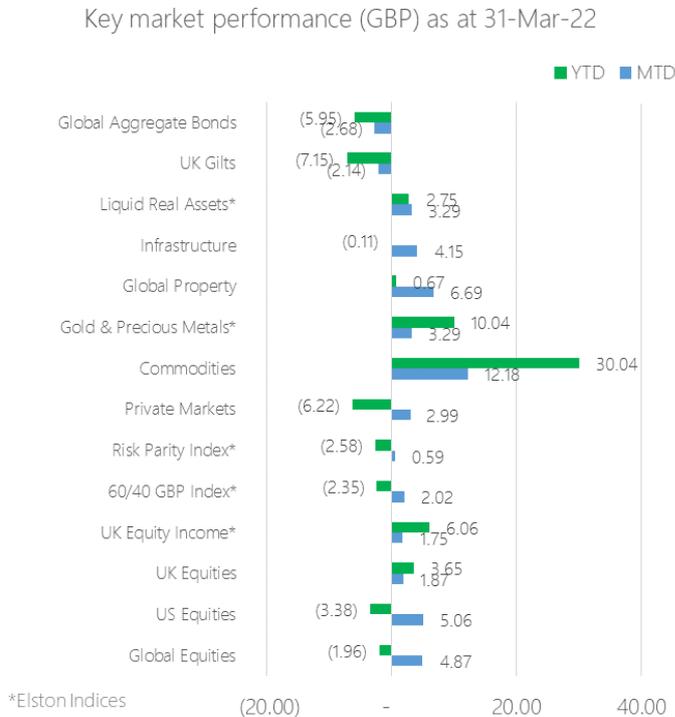
Our granular asset-level report is updated in our Quarterly Review and Outlook after each March, June, September and December quarter end.

Market performance

The month-end market performance snapshot is summarised in the chart below.

For latest commentary, please refer to our [Insights](#) and [weekly Friday Insights email](#).

Fig.1. Month-end performance snapshot



Source: Elston research, Bloomberg data

Research Team

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Our Research & CPD focuses on multi-asset strategies, index funds and ETFs.

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