

Elston market performance update: February 2022

- Commodities and Gold & Precious Metals strongest MTD
- UK equities outperform global
- Liquid Real Assets outperforms gilts

Monthly update

Commodities was the top performing asset class in February, returning +6.83% in GBP terms, on inflation fears and energy crisis- exacerbated by political risk resulting from Russia's invasion of Ukraine.

Fears of the first European land war since the 1990s also drove demand for Gold as a safe-haven asset and inflation hedge. Our Gold & Precious Metals index – a composite of predominantly gold, but also silver, platinum and palladium – increased +5.65% MTD in GBP terms.

Within equities, UK equities continued to outperform US and global equities owing to the inherent value bias.

Our Liquid Real Assets index returned +1.21% for the month, compared to Gilts -1.44%.

Within the multi-asset space, our "Equal Risk" or Risk Parity Index returned +0.27%, compared to -1.32% for a traditional 60/40 portfolio.

US & UK 10 year yields closed at 1.87% and 1.42% respectively

US & UK 5 year market-implied Break Even Inflation Rates closed at 3.19% and 4.52% respectively.

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.

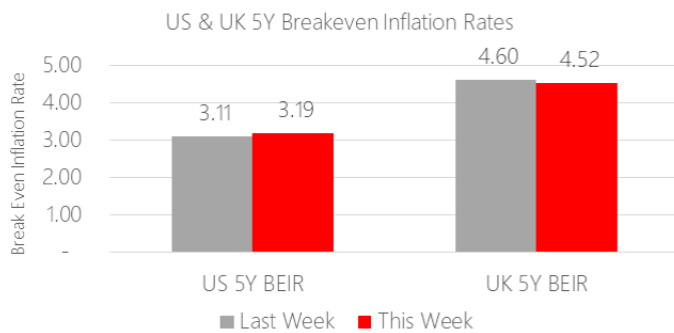
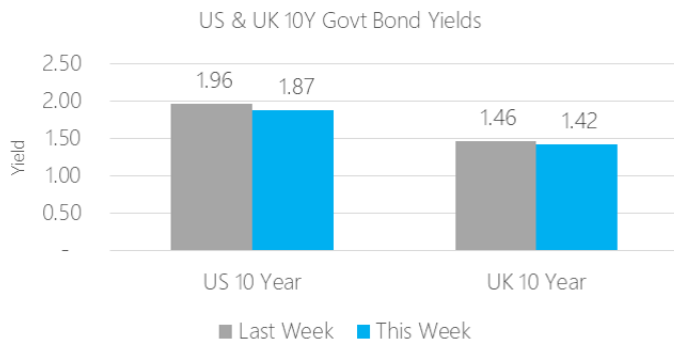
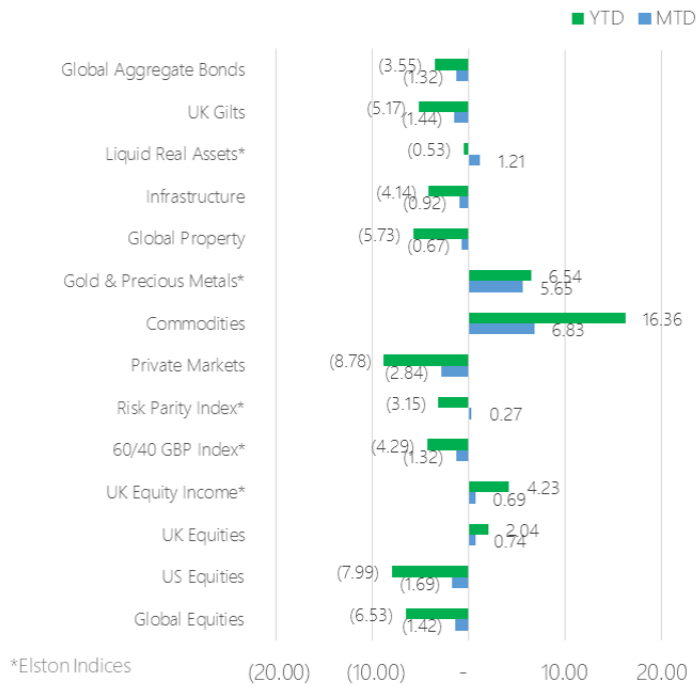
Market performance

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

Key market performance (GBP) as at 28-Feb-22



Source: Elston research, Bloomberg data

Research Team

Elston Consulting



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

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