



# Cytonn H1'2021 Markets Review

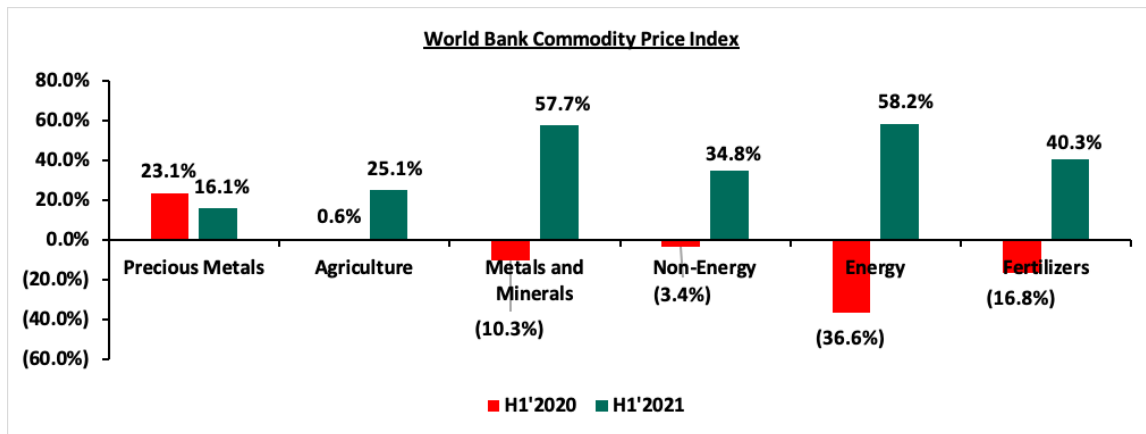
## Global Markets Review

### Introduction

According to the World Bank's June 2021 report, the global economy is projected to grow at a rate of 5.6% in 2021, 1.6% points higher than their initial outlook of 4.0%, largely driven by a projected 6.0% growth in emerging markets and developing economies, coupled with a 5.4% growth in advanced economies. Key to note, the 5.6% projected growth is the strongest post-recession pace in 80 years. The global recovery is however uneven, with advanced economies rebounding while developing countries lag behind driven by the unequitable vaccine access and distribution. The economic growth shall be largely supported by how fast the vaccines shall be distributed and the strength of the Fiscal and monetary measures put in place. The key challenges going forward shall be the increasing inflation rates globally due to high commodity prices and the high cost of trade due to shipping and logistical strains globally.

### Commodity Prices:

The high demand for commodities has led to the prices increasing to the pre-pandemic levels led by energy and metal prices which are up 58.2% and 57.7% respectively. The prices of precious metals have registered muted growth as investors participate in other attractive asset classes like long-term bonds. Below is a summary performance of various commodities:



Source: World Bank