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Putting Greece aside, the big focus globally this week was on the **Chinese stock-market which continued to fall a further 10-11%**. From the peak, the market is now down almost 25%, and causing some panic amongst the late, household buyers.

The fall this week comes in spite of a move last weekend to cut both local lending rates and the capital requirement of Chinese banks, so as to free up liquidity within the economy.

Whilst I recognize I have been out of the office for much of the last week and not as in touch with things as I otherwise might, I actually can't put a finger on the justification for China's large sell-off other than to remark that the index was up 150% within a year only a few weeks ago, and hence what goes up must invariably come back.

Certainly the interest rate easing was seen by the many brokers I speak to as a moderately desperate measure, aimed in no small part to reassure the stock-market, after a few rocky weeks.

Seemingly the market saw through this charade.

The **Chinese manufacturing data for June released this month continued to stagnate**, again, leaving little room for economic excitement.

Lastly, on the **US** this week we saw the usual slew of monthly economic data released with little to write home about. Manufacturing and service sector activity is fine and more or less in line with recent months, whilst employment gains were strong but short of the recent pace.

Trading ended the week on a soft note going into the Independence Day long weekend.