Whether it be on purpose or by coincidence, investors also saw multiple strategists cut their year-end price targets, including:

Bank of America Managing Director Savita Subramanian cut her year-end S&P 500 target to 3,600 from 4,500 (noted 3,000-3,200 in a recession).

UBS Strategist Keith Parker cut his target to 4,150, seeing modest upside with slowing growth and no recession.

Chief Investment Strategist Michael Kantrowitz of Piper Sandler cut his year-end target to 3,400 from 4,000, believin[illegible] earnings expectations will weaken with the economic slowdown.

U.S. equities on Monday turned sharply lower after Apple (which slid more than 2% for its worst day in over [illegible]eeks) announced their plans to slow hiring, which added to investor worries that the Federal Reserve's campaign against inflatio[illegible] u[illegible]y send the economy into a recession. The S&P 500 finished near its worst levels of the day, with healthcare leading the dro[illegible]

# INTERNATIONAL

European equities ended off their worst level but still broadly down with the STOXX d[illegible].8%. Euro zone Recession worries, inflatio[illegible]lian political instability, and depressed Chinese macro news kept indices from staging [illegible]very.

Based on projections from The European Commission, the Euro's rebound will b[illegible]er than expecte[illegible] to the continued macroeconomic pressure of Russia's war in Ukraine and the looming threats of permanent energy [illegible]on as a re[illegible]lready the potential of a full halt to Russian gas has depressed previous GDP outlooks by 1.5% by some of the worst esti[illegible] Dow[illegible]es for European earnings are expected as this larger effect filters through the economy.

The largest challenge the region faces is heating homes during [illegible] winter season if a suitable [illegible]ute for Russian gas is not secured as temperatures begin to drop. EU winter energy reserves are c[illegible]ical levels, which only [illegible]s for 46 days of normal consumption. Nord Stream 1, which was projected to be supplying 65% of it[illegible] capa[illegible] sanctions, is only s[illegible]g 40% from pre-war levels. Whether this is in retaliation for Western sanctions or due to su[illegible] difficulties[illegible] from Russia [illegible]ficulty in maintaining their previous capacity without the aid of western specialized industrial compo[illegible]s is not know[illegible] the pipeline is completely closed for repairs and it is unknown if and when repairs are done what the new cap[illegible] will be. Bl[illegible]berg [illegible] have said that even without Russia artificially disrupting pipelines a recession in the EU is inevitable.

The Italian Prime Minister Mario Draghi [illegible]ed to retake offi[illegible] he tendered his resignation late on Thursday. This comes after a vote of no confidence by his party[illegible]ition g[illegible]ment named "T[illegible]ve Star Movement". Italy has been plagued by high inflation and energy prices much like the rest o[illegible] EU after COV[illegible] and fallout fr[illegible]ussia's invasion. However, his party boycotted Draghi's wide-ranging $26B policy package ai[illegible]at helping Italian[illegible]ilies cope with [illegible]ng inflation. He threatened to resign if he was unable to secure support for his bill, which fe[illegible]d additional borrow[illegible]on top of already[illegible]T Italian debt level. As of Thursday, he has officially followed through with his threat le[illegible]his country without[illegible]me Minister for the[illegible]e being. Without the approval of the budget, Italy is unable to access the $200B COVID-19[illegible]ry fund set a[illegible]

The spread between 10-year Itali[illegible]ds[illegible]their German counterparts has soared past 200bps, a higher spread than was thought possible, because of this upheaval, w[illegible]y put additional pressure on the European Central Bank (ECB) to become more aggressive in their hiking [illegible]ECB is expec[illegible]continue to hike rates to combat inflation with a 25bps hike expected next Thursday.

**APAC**

[illegible] and Japan see increased [illegible] numbers w[illegible] both markets reporting losses for the week.

[illegible]has confirmed 580 locally tr[illegible]itted cases of COVID, which is the highest number of daily infections in the last two months during the lo[illegible]s. Most cases were focus[illegible] Lanzhau in the Gansu district, which is in the Western mainland region of China sharing a border with Mong[illegible] response, the region[illegible]overnment announced an extension of its temporary lockdowns to July 24th. Entertainment business such as [illegible]d karaoke sites a[illegible]remain closed, and capacity limits are to be enforced at restaurants, cinemas, and gyms. Shanghai has reported th[illegible]ase during t[illegible]ckdown that was found to be outside the local quarantine zone. City health officials have stated the situation rema[illegible]tively[illegible]e.

In Japan, Kyodo Ne[illegible]rted that case numbers have topped 110,000 for the first time since their previous record of 104,000 cases, amid their seventh wave of [illegible]VID. Friday the government, along with urging citizens to be vaccinated and tested, made clear that existing medical capacity is sufficient to handle increased demand of this current wave.

Severe cases are approximately one in every 1000 new cases, which is a distinct difference from previous waves when this was ten times more than current levels. The government has stated they are not considering restricting people's movements and they will seek to balance potential disruptions of socioeconomic activities with any new measures to keep the infections in check.