

Stocks defy data and continue moving forward

Weekly Snapshot



World Equities
Oil
Industrial Metals



Gold
European Corporate Bonds
European Sovereign Bonds

Week in Review

- US stocks led the world higher towards the end of the week, despite **Q4 GDP coming in at below estimates**. Growth came in at 1.9% on an annualised basis, whereby economists had expected 2.2%. The **VIX index**, which measures volatility, **hit a 12 month low** as market participants begin to believe that President Trump will implement a large amount of his election policy pledges.
- **28.4% of the S&P 500 has reported earnings** since 3 January and of those companies, **approximately 68% have beat earnings expectations**. Revenue figures have also generally been positive, and more figures are due to be released this week.
- European stocks were also higher during the week, even in the face of a number of **minor political surprises**. Angela Merkel will now face the more popular Martin Schultz in the German election, French Presidential hopeful **François Fillon** was hit with a scandal involving payments to his wife, whilst an **Italian Supreme Court** ruling on electoral law is been seen by some commentators as paving the way for elections this year.

	Index	1 Week Return 20.01.17 to 27.01.17		Year to Date Return 31.12.16 to 27.01.17	
		Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	FTSE World (total return)	1.0%	1.0%	1.8%	1.8%
US	S&P 500	1.0%	1.1%	2.5%	1.2%
Europe	FTSE Europe Ex. U.K.	0.9%	0.9%	1.7%	1.7%
Ireland	ISEQ	-1.3%	-1.3%	0.3%	0.3%
UK	FTSE 100	-0.2%	1.3%	0.6%	0.9%
Japan	Topix	1.0%	0.7%	2.0%	2.0%
Hong Kong	Hang Seng	2.1%	2.1%	6.2%	4.8%
Bonds	Merrill Lynch Euro over 5	-0.8%	-0.8%	-3.2%	-3.2%

The **global index** was up 1% over the course of the week, being led by Hong Kong which gained 2.1%. **Copper rose once again**, returning 2.5% over the period. Gold was off 1.6% over

the week, as investors displayed a more 'risk on' appetite. **Oil** was up 1.4%, to close above \$53/barrel on the back of well received comments from OPEC.

The US 10 year bond price fell once again, as the yield moved up from 2.47% to 2.48% during the week. The yield on the equivalent German Bund closed at 0.46%.

The Week Ahead

Tuesday 31 January	Thursday 2 February	Friday 3 February
In Europe, the preliminary Q4 2016 GDP growth goes to print, where the consensus expects 0.4% (quarter-on-quarter) growth, up from 0.3% in Q3. January Headline Inflation is also expected to tick up to 1.6%, from the last reading of 1.5%.	There is no policy change envisaged at the Bank of England's MPC meeting. However, there is a slew of economic data also released and this may drive Sterling volatility.	January Non-farm payrolls are expected to increase in the US, up approximately 170,000, from the December reading of 156,000. The unemployment rate is expected to hold at 4.7%.

Warning: Past performance is not a reliable guide to future performance.
Warning: The value of your investment may go down as well as up.
Warning: Benefits may be affected by changes in currency exchange rates.
Warning: If you invest in this product you may lose some or all of the money you invest.