

Global equities tick higher on the back of positive politics and economics

Weekly Snapshot



World Equities



European Sovereign Bonds

Corporate Bonds

Gold

Oil

Industrial Metals

Week in Review

- Emmanuel **Macron** won a landslide **victory** yesterday, taking 65% of the vote in the French presidential election, a larger margin than had been predicted in the polls. The initial reaction in equity markets appears to be muted, with the result broadly as expected.
- Markets were muted in the run up to the election although there were a number of positive narratives last week. The **Obamacare replacement bill** was passed, which bodes well for the likelihood of the Trump administration passing further market friendly legislation. **US jobs data** was also **positive**, with another 211,000 people added to the nation's payroll in April. **Economic data** emanating from **Europe struck an optimistic tone**, with PMIs hitting a six year high, inflation data moving higher (albeit still below the 2% target), and GDP figures coming in at roughly the same as the US.
- The US reporting season is drawing to a conclusion, with over **78% of the S&P having reported results since 3 April**. More than **72% of companies have beaten estimates**, with Tech and Industrials amongst the best sectors.

| | Index | 1 Week Return 28.04.17 to 05.05.17 | | Year to Date Return 31.12.16 to 05.05.17 | |
|---------------|---------------------------|---------------------------------------|--------|---|--------|
| | | Local Currency % | Euro % | Local Currency % | Euro % |
| Global (euro) | FTSE World (total return) | 0.1% | 0.1% | 5.4% | 5.4% |
| US | S&P 500 | 0.6% | -0.3% | 7.2% | 2.9% |
| Europe | FTSE Europe Ex. U.K. | 2.5% | 2.5% | 11.4% | 11.4% |
| Ireland | ISEQ | 4.2% | 4.2% | 9.7% | 9.7% |
| UK | FTSE 100 | 1.3% | 0.6% | 2.2% | 2.9% |
| Japan | Topix | 1.2% | -0.8% | 2.1% | 2.7% |
| Hong Kong | Hang Seng | -0.6% | -1.6% | 11.3% | 6.4% |
| Bonds | Merrill Lynch Euro over 5 | 0.0% | 0.0% | -1.6% | -1.6% |

The **global index** finished the week up 0.1%, with Ireland performing strongly at 4.2%. **Gold** slipped by

3.7% as a more 'risk-on' sentiment prevailed in the market. **Oil** was down also, as confidence in OPEC

production cut plan continues to fade. **US ten year yields** moved to 2.35% from 2.28% a week ago.

The Week Ahead

| Thursday 11 May | Friday 12 May | Friday 12 May |
|--|---|--|
| The Bank of England's Monetary Policy Committee meets in London, where no change in policy is expected. Markets however will closely monitor any comments in relation to recent Sterling strength. | US inflation data is released where the April CPI figure is forecast to be 0.2% (month-on-month), from a previous reading of -0.3%. | German GDP for Q117 goes to print where a figure of 0.7% (quarter-on-quarter) and 1.7% (year-on-year) is forecast, up from 0.4% and 1.2% respectively from the last reading. |

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.