

Fed keeps interest rates unchanged and instead looks to Balance Sheet

Week in Review

- All eyes were on the **FOMC meeting on Wednesday** as the Fed announced it would **keep interest rates unchanged** while closely monitoring inflation. The Fed had previously delivered three rate hikes since December but instead **signalled an imminent Balance Sheet reduction**.
- **In the US GDP estimate figures were released** last week showing an **expansion of 2.6%**, slightly lower than expectations. **Europe will be releasing its own preliminary Q2 GDP figures on Tuesday of this week**.
- **Oil had its best week of the year so far as it rose 8.6%** and was on pace to set a two month high going into the end of the week.

Weekly Snapshot



Gold
Copper
Oil
Silver



World Equities
Oil
Sovereign Bonds

	Index	1 Week Return 21.07.17 to 28.07.17		Year to Date Return 31.12.16 to 28.07.17	
		Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	FTSE World (total return)	-0.7%	-0.7%	2.7%	2.7%
US	S&P 500	0.0%	-0.8%	10.4%	-0.8%
Europe	FTSE Europe Ex. U.K.	-0.3%	-0.3%	7.2%	7.2%
Ireland	ISEQ	-0.6%	-0.6%	2.2%	2.2%
UK	FTSE 100	-1.1%	-0.8%	3.2%	-1.5%
Japan	Topix	-0.5%	-0.9%	6.8%	1.0%
Hong Kong	Hang Seng	1.0%	0.3%	22.6%	9.4%
Bonds	Merrill Lynch Euro over 5	-0.5%	-0.5%	-1.4%	-1.4%

The **global index** returned -0.7% for the week as the stronger euro continues to negate local currency gains. **Commodities** continued on from last week enjoying another

positive week, as **Gold** (+1.2%) and **Copper** (+5.6%) closed higher. **Oil** however was the prominent force as it rose by 8.6% on the back of an OPEC producers meeting

US 10 year Treasuries prices fell, with the yield (which moves inversely to price) rising to 2.29%, from 2.24% a week previously.

The Week Ahead

Monday 31 July	Thursday 03 Aug	Friday 04 Aug
The Eurozone market will be keeping an eye to inflation figures released on Monday morning by the EU. Inflation in the Eurozone has managed to remain below the ECB's target in recent times.	The Bank of England will meet on Thursday to decide on its monetary policy where it is widely expected they keep rates the same.	Falling unemployment rates in the US has led to increased economic growth in recent times and markets will be watching carefully Friday as the July jobs report is released,

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