

Equities move forward as US stocks extend winning streak

Weekly Snapshot



World Equities

Copper



Sovereign Bonds

Gold

Oil

Corporate Bonds

Week in Review

- In the US the **S&P 500 extended its run of consecutive record high closes** to six, after rising for the first four days of last week, achieving its longest unbroken string of gains since 2013. Markets cheered the clearer focus on tax reform, **whilst manufacturing and services PMIs both beat expectations**. The services index rose to a twelve year high.
- Friday's job report data was mixed**, with the **US shedding 33,000 jobs last month**, although data suggested that much of this was down to the influence of Hurricanes Harvey and Irma. On the upside the **unemployment rate ticked down to 4.2%**, the lowest since 2001. **Wages also grew by 0.5%**, buoying hawkish market participants as long dated treasury bonds lost value on the expectation of monetary tightening.
- German equities got a lift** as a weakening in the euro helped export orientated stocks, whilst the **political unrest in Catalonia** highlighted the sometimes fragile nature of EU politics.

	Index	1 Week Return 29.09.17 to 06.10.17		Year to Date Return 31.12.16 to 06.09.17	
		Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	FTSE World (total return)	1.5%	1.5%	6.2%	6.2%
US	S&P 500	1.2%	1.9%	13.9%	2.4%
Europe	FTSE Europe Ex. U.K.	0.5%	0.5%	10.9%	10.9%
Ireland	ISEQ	-0.3%	-0.3%	5.3%	5.3%
UK	FTSE 100	2.0%	0.2%	5.3%	0.2%
Japan	Topix	0.7%	1.3%	11.1%	3.4%
Hong Kong	Hang Seng	3.3%	4.2%	29.4%	15.6%
Bonds	Merrill Lynch Euro over 5	-0.2%	-0.2%	-0.8%	-0.8%

The **global index** posted a positive return of 1.5% last week as **Gold** faltered slightly, returning -0.3%. Copper moved forward again returning 2.5% whilst

Oil closed below \$50/barrel after a negative 4.6% return. The influential **US ten year bond yield** moved to 2.36% from 2.25%, on the back of increased rate expectations. The

German equivalent stood at 0.46% from 0.45% a week ago.

The **EUR/USD** rate closed at 1.17 from 1.18 a week previously.

The Week Ahead

Wednesday 11 October	Thursday 12 October	Friday 13 October
The big focus from the US will be the publication of September's FOMC meeting minutes, where markets will look to see a reinforcement of the recent hawkish stance.	ECB President Mario Draghi takes part in a panel discussion on monetary policy, which also features Fed representative Lael Brainaird.	In the US September's CPI report is released where the consensus expect a 0.6% rise in inflation and a 1.7% rise in retail sales (both month-on-month).

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