

Volatility the story as S&P loses ground for the week

Weekly Snapshot



Corporate Bonds

Sovereign Bonds

Gold



World Equities

Oil

Copper

Week in Review

- After treading water for the first two days of the week, the **S&P 500 Index fell 0.53%** on November 15, its first daily drop of more than 0.5%, or 50 basis points, in 50 trading sessions. Markets fretted about a wide range of issues, including uncertainty around **U.S. tax reform and cracks in the high-yield bond market**.
- But on November 16, the S&P 500 jumped 0.8%—its best single-day return since September 11—as the House passed its tax overhaul plan and several key companies announced encouraging third-quarter earnings results. The “risk-on” mood proved to be short-lived, though. U.S. equities stumbled the following day, ending the week with a 0.1% loss.
- On a more positive note, **‘soft’ economic data**—reports based on U.S. sentiment surveys—continued to strengthen. According to the NFIB index, **small business optimism** increased in October, extending its string of historically high readings that began after last November’s presidential election. More business owners expect a pickup in sales and believe now is a good time to expand.

	Index	1 Week Return 10.11.17 to 17.11.17		Year to Date Return 31.12.16 to 17.11.17	
		Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	FTSE World (total return)	-1.1%	-1.1%	7.1%	7.1%
US	S&P 500	-0.1%	-1.1%	15.2%	2.9%
Europe	FTSE Europe Ex. U.K.	-1.1%	-1.1%	9.2%	9.2%
Ireland	ISEQ	0.2%	0.2%	5.8%	5.8%
UK	FTSE 100	-0.7%	-1.6%	3.3%	-1.2%
Japan	Topix	-2.0%	-1.8%	16.1%	8.0%
Hong Kong	Hang Seng	0.2%	-0.8%	32.7%	17.7%
Bonds	Merrill Lynch Euro over5	0.4%	0.4%	0.9%	0.9%

The **global equity index** fell -1.1% on the back of a volatile week in the U.S. and in Europe, although YTD is still a healthy 7.1%.

Oil fell back from its recent upward trend, returning -0.3% but **Gold** remained positive returning 1.4%.

Copper faltered last week returning -0.1%.

The Week Ahead

Monday 20 November	Wednesday 22 November	Wednesday 22 November
<p>Thanksgiving week means that we have lots of US data crammed into the first three days, before Americans take Thursday off and enjoy a half day on Friday. Durable goods, and the Federal Open Market Committee (FOMC) minutes will be ones to watch.</p>	<p>UK budget statement: Chancellor Philip Hammond will unveil the British government's spending plans for the year. Sterling could see some volatility if economic forecasts prove to be different from market expectations.</p>	<p>FOMC minutes: no changes were made at the last meeting, but commentary on the economy and policy outlook will influence USD pairs.</p>

Merrill Lynch, Pierce, Fenner & Smith Incorporated ("BofAML"), used with permission. BofAML PERMITS USE OF THE BofAML INDICES AND RELATED DATA ON AN "AS IS" BASIS, MAKES NO WARRANTIES REGARDING SAME, DOES NOT GUARANTEE THE SUITABILITY, QUALITY, ACCURACY, TIMELINESS, AND/OR COMPLETENESS OF THE BofAML INDICES OR ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM, ASSUMES NO LIABILITY IN CONNECTION WITH THE USE OF THE FOREGOING, AND DOES NOT SPONSOR, ENDORSE, OR RECOMMEND ZURICH LIFE ASSURANCE PLC, OR ANY OF ITS PRODUCTS OR SERVICES.

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.