

A surging January staggers to a close

Weekly Snapshot



World Equities

Sovereign Bonds

Copper

Oil

Gold

Corporate Bonds

Week in Review

- After surging more than 7% over the first four weeks of the year, the S&P 500 Index reversed course last week, falling 3.9%, its steepest one-week decline in just over two years. The mood in Europe was similarly downbeat during the week. With a rising euro weighing on European exporters, European markets fell by 3.0%.
- However, despite January's rocky ending, **the S&P 500 still returned 5.7% for January** (in local currency), its best one-month performance since March 2016.
- In yet another solid employment report, the **U.S. economy added 200,000 jobs** in January, ahead of forecasts for about 180,000. The unemployment rate held steady at a 17-year low of 4.1%.

	1 Week Return 26.01.18 to 02.02.18		Year to Date Return 31.12.17 to 02.02.18	
	Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	-3.4%	-3.4%	-0.1%	-0.1%
US	-3.8%	-4.1%	3.3%	-0.4%
Europe	-3.0%	-3.0%	0.6%	0.6%
Ireland	-3.0%	-3.0%	-2.1%	-2.1%
UK	-2.9%	-3.4%	-3.1%	-2.3%
Japan	-0.8%	-2.5%	2.6%	1.1%
Hong Kong	-1.7%	-1.9%	9.0%	4.9%
Bonds	-0.6%	-0.6%	-0.7%	-0.7%

Last week weighed heavily on **global returns**, dragging the index down to -0.1%YTD. Despite the US market being positive for the month, Euro currency strength meant returns for Irish investors were flat.

Japan and Hong Kong continue to lead the way for equities up 1.1% and 4.9% respectively YTD in euro terms.

Commodities also endured a tough week with **Oil** down just over 1%. **Gold** and **Copper** also saw falls of -1.2% and -0.4% for the week.

The Week ahead

Tuesday & Wednesday	Thursday 8 February	Thursday 8 February
<p>Meetings of the Reserve Bank of Australia (RBA) and the Bank of England (BoE) dominate the monetary policy sphere, and while no changes are expected, the comments will be worth watching.</p>	<p>BoE rate decision & inflation report: the bank is expected to keep rates unchanged, but the statement, minutes and inflation report are all vital as they give insight into the outlook, and will likely prompt sterling volatility</p>	<p>China trade balance (January): exports forecast to rise 9.1% year-on-year, from a 10.9% growth in December</p>

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