

Risk assets move higher on global growth optimism

Weekly Snapshot



World Equities
Sovereign Bonds
Oil



Gold
Copper
Corporate Bonds

Week in Review

- Equity markets moved forward over the course of the week, with **strong economic fundamentals taking centre stage**. Data in Europe continued to expand and economically sensitive stock sectors did better than those with a more defensive orientation, as oil also moved forward on the back of global growth optimism.
- The Minutes from the January **Fed meeting were released and conveyed confidence in the US economy**, with a rate rise in March looking increasingly likely on the back of firm global growth and a better than expected boost from US tax cuts.
- Earnings season is drawing to a close, and with 87% of companies on the S&P 500 having now reported over three quarters have beaten profit expectations.

	1 Week Return 16.02.18 to 23.02.18		Year to Date Return 31.12.17 to 23.02.18	
	Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	1.5%	1.5%	-0.2%	-0.2%
US	0.6%	1.5%	2.8%	0.4%
Europe	0.2%	0.2%	-1.1%	-1.1%
Ireland	-1.6%	-1.6%	-4.5%	-4.5%
UK	-0.7%	-0.3%	-5.8%	-4.8%
Japan	1.3%	1.7%	-3.1%	0.0%
Hong Kong	0.5%	1.2%	4.5%	2.0%
Bonds	0.0%	0.0%	-0.5%	-0.5%

The **global index** rose by nearly 1.5% in euro terms for the week, with Asia leading the way with **Japan** one of the best performing of the major markets, up 1.3% in local terms.

Oil moved higher last week, and closed back above \$63/barrel, helped by optimism on global growth.

Copper fell 1%, on the back of a 7% upward movement the week before and **gold** lost 1.4% but remains up 2% in 2018 in dollar terms.

The **ten year US bond yield** finished the week at 2.87%, roughly were it finished the week before, the **German**

equivalent was at 0.65%, from 0.70%.

The **EUR/USD** rate closed the period at 1.24, from 1.07 a year ago. The **EUR/GBP** was at 0.88.

The Week Ahead

Wednesday 28 February	Wednesday 28 February	Sunday 4 March
Flash eurozone inflation figures for February are released, with the headline number expected to rise to 1.3% from 1.2% (year-on-year), with the core figure forecast to hold steady at 1.0%.	Fed Chair Jerome Powell testifies in front of the US Congress, which will be his first public appearance since taking office.	Italy goes to the polls this weekend, in a hotly contested general election which currently has no clear winner according to polls.

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