



Trump's rhetoric ensures tough week

Weekly Snapshot



Oil



World Equities

Copper

Gold

Corporate Bonds

Week in Review

- The US Administration's China trade war heated up last week. The market waits to see if China will retaliate should the US continue to impose tariffs on Chinese imports and we move closer into a potential lose-lose trade war scenario. While the direct economic effect of current US tariffs on USD50bn worth of Chinese goods is manageable, the actual negative impact on the economy would be bigger, such as delayed investment arising from uncertainty associated with the potential further trade.
- With World Cup 2018 in full swing, a positive for Russia is that it might generate \$1.5-2bn in FX inflows, which can support the RUB during vulnerable period of adverse seasonality. World Cup related spending might support consumer indicators and potentially add 15-20bp to the 2Q18-3Q18 GDP.

	1 Week Return 18.06.2018 to 22.06.18		Year to Date Return 31.12.17 to 22.06.18	
	Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	-1.1%	-1.1%	4.3%	4.3%
US	-0.9%	-1.2%	3.0%	6.4%
Europe	-1.5%	-1.5%	-2.4%	-2.4%
Ireland	-0.3%	-0.3%	1.0%	1.0%
UK	0.6%	0.1%	-0.1%	1.0%
Japan	-2.5%	-2.3%	-4.0%	1.5%
Hong Kong	-3.2%	-3.5%	-1.9%	0.8%

Global equities suffered a testing week with most major markets experiencing falls.

Overall the picture was a -1.1% fall for World Equities with Far East stocks posting the largest falls

(Japan -2.5% and Hong Kong -3.2% in local currency terms).

Year to date the picture is still positive as we come to the end of the half year with global equities up over 4%.

Commodities were a mixed bag with Oil up over 5% for the week but Gold and Copper both fell (-0.8% and -3.7% respectively).

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