

Equities retreat slightly, as Jackson Hole Symposium closes

Weekly Snapshot



Gold
Oil
Copper



World Equities
Sovereign Bonds
Corporate Bonds

Week in Review

- **Equities were relatively stable** in local terms during the week, with the stronger Euro reducing returns for Irish investors. **US Economic data was mixed**, with solid retail sales and labour data somewhat offset by weaker home sales figures.
- The **Jackson Hole Economic Symposium** saw keynote speeches from a number of prominent central bankers, with Fed Chair Powell commenting that the **US economy has 'strengthened substantially'** and that further interest rate increases would remain appropriate.
- The announcement of a wave of new **US tariffs on Chinese imports** failed to upset markets, as press reports of a breakthrough in **NAFTA negotiations** between Mexico and the US also hit news bulletins.

| | 1 Week Return 17.07.18 to 24.08.18 | | Year to Date Return 31.12.17 to 24.08.18 | |
|---------------|---------------------------------------|--------|---|--------|
| | Local Currency % | Euro % | Local Currency % | Euro % |
| Global (euro) | -0.7% | -0.7% | 6.8% | 6.8% |
| US | 0.9% | -0.7% | 7.5% | 11.2% |
| Europe | 1.2% | 1.2% | -1.4% | -1.4% |
| Ireland | 1.4% | 1.4% | -3.5% | -3.5% |
| UK | 0.3% | -0.6% | -1.4% | -3.1% |
| Japan | 0.7% | -1.6% | -6.0% | -1.5% |
| Hong Kong | 1.7% | 0.1% | -7.5% | -4.8% |
| Bonds | 0.0% | 0.0% | 0.4% | 0.4% |

The **global index** was down slightly last week, in euro terms, as a weaker US dollar affected returns. Europe and Ireland both saw strong positive moves.

Oil reversed its recent weak run, and closed at just short of \$69/barrel as

Iran sanctions started to impact global supply. **Gold** also moved higher and closed at \$1,205 per troy ounce. **Copper** was up nearly 3% over the course of the week, helped by the weaker US dollar.

The **ten year US bond yield** finished at 2.81%, amid some market uncertainty. The **German equivalent** closed at 0.34%, having started the week at 0.30%.

The **EUR/USD** rate finished the week at 1.16.

The Week Ahead

| Wednesday 29 August | Friday 31 August | Friday 31 August |
|--|---|---|
| The second estimate of Q2 GDP growth in the US is released, and looks set to be confirmed at 4.1% (QoQ). | Eurozone inflation goes to print, where the consensus forecast the core figure to remain unchanged at 1.1% (YoY). | The latest Chinese manufacturing PMI is expected to come in at 51.0 from a previous figure of 51.2. |

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