

Equities positive, as trade tensions dissipate

Weekly Snapshot



World Equities
Sovereign Bonds
Corporate Bonds
Oil
Copper



Gold

Week in Review

- Global markets were higher last week, **as tariffs** announced by the US and China **were lower than feared**. In a reversal of recent trends, Asian stocks led the global market higher, whilst the US, although still positive, lagged the global average.
- China's response to US tariffs was perceived as being measured, with **investors choosing to focus on the continued strength of the global economy**. The leading economic index in the US climbed once again in August and - whilst PMIs in Europe were not stellar- they were above the 50 mark, which signifies continuing expansion.
- Brexit negotiations faltered in Salzburg**, as the EU broadly rejected the UK's Chequers proposal, with the **Northern Ireland border** remaining a key stumbling block to progress.

	1 Week Return 14.09.18 to 21.09.18		Year to Date Return 31.12.17 to 21.09.18	
	Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	1.4%	0.9%	6.7%	7.7%
US	0.8%	-0.2%	9.6%	12.0%
Europe	1.7%	1.7%	-0.9%	-0.9%
Ireland	0.5%	0.5%	-5.2%	-5.2%
UK	2.5%	1.6%	-2.6%	-3.6%
Japan	4.4%	2.8%	-0.7%	1.5%
Hong Kong	2.4%	1.8%	-6.6%	-4.4%
Bonds	0.2%	0.2%	0.4%	0.4%

The **global index** was up 0.9% last week in euro terms, as Asian markets led the index higher. A weaker dollar, reduced returns overall for a euro investor.

Oil was up over the course of the week, and closed at over \$70/barrel.

Gold lost some ground as a 'risk on' attitude was evident in markets and closed at \$1,199 per troy ounce.

The **ten year US bond yield** finished at 3.06%, having reached a level seen only three times since 2011. The

German equivalent also closed higher at 0.46%.

The **EUR/USD** rate finished the week at 1.175 with the **EUR/GBP** rate at 0.90.

The Week Ahead

Wednesday 26 September	Thursday 27 September	Friday 28 September
The Federal Reserve meets for the latest US interest rate decision, where the market fully expects an increase to the 2%-2.25% range.	The final reading for Q2 US GDP goes to print where the consensus forecasts the growth figure to come in at 4.3% (QoQ).	Eurozone CPI data for September is released, with the core figure expected to come in at 1.2% (YoY) from 1.0%.

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