

Equities fall further as fear grips global markets

Weekly Snapshot



Sovereign Bonds
Gold



World Equities
Corporate Bonds
Copper
Oil

Week in Review

- Markets fell last week, as a myriad of topics weighed on investor sentiment. Whilst nothing new to markets, **US dollar strength, higher interest rate expectations, trade tensions, and a mixed reaction to corporate earnings** were all cited by market analysts.
- **Earnings season** continues to gather pace with **almost half the S&P 500 having reported**. Although the market reaction has been muted, the average earnings surprise has been better than Q2, pushing **the annual earnings growth to 23.7%**.
- **Eurozone PMI data weakened** somewhat, dragged down by weaker readings in both manufacturing and services. However **US GDP growth for Q3 topped expectations** by coming in at 3.5% (YoY).

	1 Week Return 19.10.18 to 26.10.18		Year to Date Return 31.12.17 to 26.10.18	
	Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	-3.7%	-2.9%	-3.0%	0.5%
US	-3.9%	-3.0%	-0.6%	4.8%
Europe	-2.5%	-2.5%	-9.6%	-9.6%
Ireland	-0.3%	-0.3%	-15.1%	-15.1%
UK	-1.6%	-2.4%	-9.7%	-9.7%
Japan	-5.7%	-4.3%	-12.2%	-6.9%
Hong Kong	-3.3%	-2.3%	-17.4%	-13.3%
Bonds	1.0%	1.0%	-0.4%	-0.4%

The **global index** was down nearly 3% in euro terms last week, with Asian markets amongst the heaviest fallers.

Oil moved lower, and closed at \$68/barrel, as global growth concerns

weighed on demand. **Gold** closed higher at \$1233 per troy ounce, helped by a 'risk off' sentiment in markets. **Copper** finished the week at \$6,207 per metric tonne.

The **ten year US bond yield** finished at 3.08%, whilst the **German equivalent** closed lower at 0.35.

The **EUR/USD** rate was at 1.14.

The Week Ahead

Tuesday 30 October	Wednesday 31 October	Friday 2 November
Flash GDP growth for the eurozone goes to print, where the consensus expects a figure of 0.4% (QoQ).	No change in policy is forecast when the Bank of Japan meets for its latest interest rate policy decision.	US non-farm payrolls for October are released where a figure of 189,000 jobs created is expected, from a previous reading of 134,000.

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