

Markets mixed but equities hold above October lows

Weekly Snapshot



Gold
Copper



World Equities
Sovereign Bonds
Corporate Bonds
Oil

Week in Review

- **Trade concerns** weighed on US markets but equities **held above their October lows and regained some lost ground** with materials, real estate and industrial shares outperforming. Technology and internet shares declined, led by Amazon.
- **Brexit fears** and **Italy's budget standoff with the European Commission (EC)** dragged European markets lower. Banks were amongst the worst performers, while the British pound came under pressure against both the US dollar and euro.
- **Apple's shares** came under increased scrutiny as worries escalated that iPhone sales would disappoint. Two key Apple suppliers (Japan Display & Lumentum Holdings) both **lowered their earnings guidance for the year**.

| | 1 Week Return 09.11.18 to 16.11.2018 | | Year to Date Return 31.12.17 to 16.11.2018 | |
|---------------|---|--------|---|--------|
| | Local Currency % | Euro % | Local Currency % | Euro % |
| Global (euro) | -1.5% | -1.8% | -0.3% | 3.1% |
| US | -1.6% | -2.3% | 2.3% | 7.7% |
| Europe | -1.6% | -1.6% | -7.9% | -7.9% |
| Ireland | -3.1% | -3.1% | -15.0% | -15.0% |
| UK | -1.3% | -3.0% | -8.8% | -8.9% |
| Japan | -2.6% | -2.5% | -10.4% | -5.9% |
| Hong Kong | 2.3% | 1.6% | -12.5% | -8.1% |
| Bonds | -0.2% | -0.2% | -0.8% | -0.8% |

The **global index** declined 1.8% in euro terms last week, led lower by higher valuation growth stocks.

Oil declined once again, closing just over \$56 /barrel due to continued strong supply. **Gold** ended marginally

higher at \$1,222 per troy ounce, while **Copper** also finished the week higher at \$6,224 per metric tonne.

The **ten year US bond yield** fell to 3.06%, while the German equivalent declined to 0.37% as investors sought

out safe haven assets on the back of equity and crude oil weakness.

The **EUR/USD** rate finished the week at 1.142.

The Week Ahead

| Tuesday 20 November | Wednesday 21 November | Friday 23 November |
|--|---|---|
| US Housing Starts are expected to pick up (+1.6%) after falling 5.3% last month. Building Permits declined 0.6% last month and another decline (-1.6%) is forecast this month. | US Durable Goods Orders are expected to decline (-2.4%) m-m, with little change forecast in Jobless Claims (213k). The consensus range for New Home Sales is 5.1-5.3 million. | The Eurozone Composite Flash PMI is expected to remain above 50, signaling rising output versus the previous month. The prior reading for the composite PMI was 52.7. |

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