

Global equities decline but still positive in euro terms year-to-date

Weekly Snapshot



Gold
Copper
Sovereign Bonds



World Equities
Corporate Bonds
Oil

Week in Review

- Global equities declined but are still showing gains in euro terms year-to-date (+0.7%). **Value stocks outperformed growth stocks** in the US for the fourth consecutive week, with internet and technology shares amongst the hardest hit.
- On the economic front, **trade tensions between the US and China** continued to weigh on sentiment, as did the rise in US weekly jobless claims and a decline in consumer sentiment. However, **existing home sales** in the US did **increase more than expected**.
- Corporate bonds** were once again **under pressure**, particularly in the **high yield sector**, where energy is a large segment of the market.

	1 Week Return 16.11.18 to 23.11.2018		Year to Date Return 31.12.17 to 23.11.2018	
	Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	-2.6%	-2.3%	-2.9%	0.7%
US	-3.8%	-3.1%	-1.5%	4.3%
Europe	-1.3%	-1.3%	-9.1%	-9.1%
Ireland	-0.9%	-0.9%	-15.8%	-15.8%
UK	-0.9%	-0.3%	-9.6%	-9.2%
Japan	0.0%	0.6%	-10.4%	-5.4%
Hong Kong	-1.0%	-0.2%	-13.3%	-8.3%
Bonds	0.4%	0.4%	-0.4%	-0.4%

The **global equity index** declined 2.3% in euro terms last week, led lower by weakness in US tech stocks.

Oil prices continued to slide, slumping to just over \$50 /barrel as supply issues remain the primary concern. **Gold** ended marginally higher at \$1,223 per

troy ounce, while **Copper** also finished the week higher at \$6,237 per metric tonne.

Despite weaker equity and commodity markets, investors did not retreat to safe haven assets as much as might have been expected. The **ten year US**

bond yield only slightly declined to 3.04%, while the German equivalent moved lower to finish at 0.34%.

The **EUR/USD** rate ended the week at 1.134, with the **EUR/GBP** at 0.885.

The Week Ahead

Wednesday 28 November	Thursday 29 November	Friday 30 November
US GDP is expected to come in at 3.5% annualised, with consumer spending rising to 3.7%, below the previous estimates for 4%. New home sales are forecast to rise sharply to 575k, after a weak reading of 553k in September.	EU economic sentiment is forecast to remain relatively unchanged at 109.4, with consumer prices in Germany rising to 0.2% m-m from the previous reading of 0.1%. The consensus range for US jobless claims in 210-228k.	The flash harmonised CPI (HCPI) figure for the Eurozone is predicted to decline from 2.2% to 2% y-y. Meanwhile, the French HCPI is forecast to come in at -0.2%, considerably lower than the previous reading of 0.1%.

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