

Best start since 1987 for U.S. equities, as China hits bull market

Snapshot



World Equities

Corporate Bonds

Copper



Sovereign Bonds

Oil, Gold

Week Ahead

Eurozone Retail Sales

U.S. New Home Sales

5 MAR

ECB Announcement
U.S. Jobless Claims

7 MAR

German Manufacturing Orders
U.S. Housing Starts

8 MAR

Global equities grinded higher while the end of February marked the best two-month start to the year for the S&P500 since 1987. Meanwhile, mainland Chinese stocks entered a bull market after MSCI announced that it would raise the weighting of China shares in its benchmarks. The move higher in global equities came despite softer economic data, as for the first time since 2013, eurozone PMI fell below the 50 level that denotes expansion. A drop in Chinese exports led factory orders to fall to 49.2, the weakest level in three years. However this weakness, combined with benign inflation, should ensure that central banks in developed economies maintain their accommodative policies and in turn support asset prices. Finally, with a quarter of the US economy and over half of global growth tied to trade, negotiations between the U.S. and China will remain a key topic in the coming weeks.

	1 Week Return 15.02.19 to 22.02.19		Year to Date Return 31.12.18 to 22.02.19	
	Local Currency	Euro	Local Currency	Euro
World	0.4%	0.0%	11.3%	11.7%
U.S.	0.4%	0.2%	12.2%	13.2%
Europe	1.0%	1.0%	10.8%	10.8%
Ireland	2.6%	2.6%	13.2%	13.2%
U.K.	-1.1%	-0.2%	5.5%	10.1%
Japan	0.2%	-1.1%	8.1%	7.0%
Hong Kong	0.0%	-0.3%	14.6%	15.4%
Corporate Bonds	0.1%	0.1%	2.1%	2.1%
Sovereign Bonds	-0.4%	-0.4%	1.0%	1.0%

Equities

- The MSCI World Index advanced 0.4% in local currency terms, and is now up over 11% year-to-date.
- Ireland was up a strong 2.6%, with the UK once more disappointing.

Fixed Income & FX

- The U.S. 10-year yield is at 2.75%, having started the year at 2.68%, while the equivalent German yield was moved to 0.18% from 0.10% a week earlier.
- The Euro was steady against the U.S. dollar and closed at 1.13.

Commodities

- Oil fell over the week to close at \$55.80 per barrel.
- Gold and Copper prices finished the week at \$1,293 per troy ounce and \$6,525 respectively.

Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com)

Source ICE Data Indices, LLC ("ICE DATA"), is used with permission. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY SUPPLIERS DISCLAIM ANY AND ALL WARRANTIES AND REPRESENTATIONS, EXPRESS AND/OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, INCLUDING THE INDICES, INDEX DATA AND ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM. NEITHER ICE DATA, ITS AFFILIATES NOR THEIR RESPECTIVE THIRD PARTY PROVIDERS SHALL BE SUBJECT TO ANY DAMAGES OR LIABILITY WITH RESPECT TO THE ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDICES OR THE INDEX DATA OR ANY COMPONENT THEREOF, AND THE INDICES AND INDEX DATA AND ALL COMPONENTS THEREOF ARE PROVIDED ON AN "AS IS" BASIS AND YOUR USE IS AT YOUR OWN RISK. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY SUPPLIERS DO NOT SPONSOR, ENDORSE, OR RECOMMEND ZURICH LIFE ASSURANCE PLC, OR ANY OF ITS PRODUCTS OR SERVICES.

Warning: Past performance is not a reliable guide to future performance.
Warning: The value of your investment may go down as well as up.
Warning: Benefits may be affected by changes in currency exchange rates.
Warning: If you invest in this product you may lose some or all of the money you invest.

Zurich Life Assurance plc
Zurich House, Frascati Road, Blackrock, Co. Dublin, Ireland.
Telephone: 01 283 1301 Fax: 01 283 1578 Website: www.zurich.ie
Zurich Life Assurance plc is regulated by the Central Bank of Ireland.

Intended for distribution within the Republic of Ireland.

GR: 3399 Print Ref: ZL ISA 3399 1218

