



Markets relatively flat, as earnings season fails to capture imagination

Snapshot



Copper

Gold

Sovereign Bonds

Corporate Bonds



Oil

World Equities

Week Ahead

24
July

EU and US Composite PMIs go to print.

25
July

ECB Rate decision.

26
July

Preliminary US GDP data for Q2 is released.

Markets were mixed last week, as earnings per share fell on average versus the week before, even as good earnings from Tech and Healthcare helped markets. In the US, retail sales and manufacturing production both saw positive readings released to the market. Inflation data also came in stronger than expected, although this is unlikely to dissuade the Federal Reserve from cutting interest rates at its July meeting. Chinese GDP data softened to 6.2% in Q2, which was the slowest pace in several decades. However, it remains to be seen if this was a result of the ongoing trade negotiations, or a deliberate effort from the authorities to slow growth. Earnings this week focusses on some of the big tech names, with Amazon, Facebook, and Alphabet all reporting.

	1 Week Return 15.07.19 to 19.07.19		Year to Date Return 31.12.18 to 19.07.19	
	Local Currency	Euro	Local Currency	Euro
World	-0.9%	-0.5%	16.5%	18.7%
U.S.	-1.2%	-0.9%	19.1%	21.7%
Europe	-0.2%	-0.2%	15.4%	15.4%
Ireland	-1.0%	-1.0%	18.3%	18.3%
U.K.	-0.3%	-0.3%	11.0%	10.9%
Japan	-0.7%	-0.3%	5.5%	9.7%
Hong Kong	1.3%	1.9%	17.3%	20.3%
Corporate Bonds	0.4%	0.4%	6.3%	6.3%
Sovereign Bonds	1.4%	1.4%	10.4%	10.4%

Equities

- A negative week for US equities, down -1.2% for the week. The US market has now returned 19.1% in local currency terms for the year.
- Europe and the UK were down slightly over the week but both are showing strong YTD returns of 15.4% and 11.0% respectively (local currency).

Fixed Income & FX

- The U.S. 10-year yield was down over the week, closing at 2.04% from 2.12%, as the continuing positive economic news sent yields higher. The German equivalent closed at -0.33, close to record levels again.
- The Euro/US Dollar exchange rate finished at 1.122, whilst Euro/GBP was at 0.90.

Commodities

- Oil finished the week lower at \$56.8 per barrel.
- Gold finished the week up at \$1,425 per troy ounce.
- Copper also rose higher at \$6,055 per tonne.

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

