

Equities move higher as market worries fail to sway sentiment

Snapshot



World Equities

Oil

Copper



Sovereign Bonds

Corporate Bonds

Gold

Week Ahead

10
Sept

Chinese inflation data is released to the market, and is forecast to rise.

12
Sept

The ECB meets for its latest decision on interest rates.

12
Sept

U.S. inflation data goes to print, with a slight rise in the core figure expected.

Equities started the month strongly last week, with all major markets in positive territory. This was in spite of a poor U.S. jobs data reading, which trended downwards as trade tensions and the talk of a potential recession hit nonfarm payrolls data. Employers added 130,000 jobs in August with the 12 month average down to 173,000 – from 235,000 in January. Manufacturing data also disappointed, with the ISM index falling below 50 (signalling a contraction) for the first time since 2016. Chinese export data moved lower as the imposed tariffs begin to bite, however the U.S. has confirmed the next round of trade talks with China – which will take place in Washington next month. U.K. and Irish stocks continued to be heavily influenced by Brexit events in Westminster, which evolved at a hectic pace last week. The situation is liable to change further throughout the week ahead, with Prime Minister Johnson in Dublin for talks this morning, and further votes scheduled for Westminster. However, wider assets continue to be more influenced by global factors, including the aforementioned tariff tensions and macroeconomic prospects.

	1 Week Return 02.09.19 to 09.09.19		Year to Date Return 01.01.19 to 09.09.19	
	Local Currency	Euro	Local Currency	Euro
World	2.0%	1.2%	15.7%	19.7%
U.S.	1.8%	1.2%	19.0%	23.7%
Europe	1.8%	1.8%	16.8%	16.8%
Ireland	1.6%	1.6%	17.6%	17.6%
U.K.	0.0%	1.6%	7.5%	7.9%
Japan	2.3%	1.0%	4.1%	11.0%
Hong Kong	5.0%	4.4%	4.7%	8.6%
Corporate Bonds	-0.6%	-0.6%	6.9%	6.9%
Sovereign Bonds	-0.5%	-0.5%	15.1%	15.1%

Equities

- Equities started the month strongly last week, increasing by 1.2% in euro terms, and 2.0% in local terms.
- All major markets were in positive territory.

Fixed Income & FX

- The U.S. 10-year yield recovered slightly last week to finish at 1.59%. The German equivalent is now at -0.60%. The Irish 10 year bond yield is at -0.01%.
- The Euro/U.S. Dollar exchange rate finished at 1.10, whilst Euro/GBP was at 0.89.

Commodities

- Oil finished the week higher at \$57 per barrel.
- Gold finished the week at \$1,509 per troy ounce.
- Copper increased to \$5,809 per tonne.

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Zurich Life Assurance plc
Zurich House, Frascati Road, Blackrock, Co. Dublin, Ireland.
Telephone: 01 283 1301 Fax: 01 283 1578 Website: www.zurich.ie
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