

Markets higher once again as Phase 1 trade deal gets signed

Snapshot



World Equities
Corporate Bonds
Copper
Gold



Sovereign Bonds
Oil

Week Ahead

21
Jan

No change in interest rates are expected as the Bank of Japan meets

23
Jan

The ECB meets for its first interest rate decision of the year

24
Jan

Eurozone manufacturing and services PMI for January go to print

U.S. stocks led global equities higher as the 'Phase 1' US-China trade deal was formally signed. The terms were broadly in line with expectations and included commitments from China to purchase U.S. goods and services worth over \$200bn over the next two years. The Senate also passed the United States-Mexico-Canada Agreement (USMCA) trade deal, and positive economic data also helped lift sentiment. New home construction in the U.S. surged 16.9% in December (the highest level since 2006) whilst U.S. financials kicked off the Q4 earnings seasons. Morgan Stanley grabbed the headlines with impressive profit and revenue numbers, whilst Goldman Sachs saw a more mixed reaction to their release. More big names such as Netflix, Johnson & Johnson, and Intel are all set to report this week, as earnings is set to take much of the focus in the coming weeks.

	1 Week Return 13.01.20 to 20.01.20		Year to Date Return 31.12.19 to 20.01.20	
	Local Currency	Euro	Local Currency	Euro
World	1.1%	1.5%	2.4%	3.6%
U.S.	1.2%	1.7%	3.2%	4.3%
Europe	1.5%	1.5%	2.4%	2.4%
Ireland	-0.7%	-0.7%	-1.2%	-1.2%
U.K.	0.8%	1.2%	1.8%	0.9%
Japan	0.2%	0.5%	1.2%	0.9%
Hong Kong	1.5%	2.0%	5.2%	6.7%
Corporate Bonds	0.4%	0.4%	0.2%	0.2%
Sovereign Bonds	-0.1%	-0.1%	0.4%	0.4%

Equities

- Influential U.S. stocks led equity markets higher last week.
- Hong Kong was the strongest market delivering returns of 1.5% in local terms and 2.0% in euro terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 1.82% last week. The German equivalent finished at -0.21%. The Irish 10 year bond yield finished at 0.06%.
- The Euro/U.S. Dollar exchange rate remained at 1.11, whilst Euro/GBP was at 0.85.

Commodities

- Oil fell back slightly finishing the week at \$58 per barrel.
- Gold finished the week at \$1,560 per troy ounce.
- Copper increased to \$6,247 per tonne.

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