

U.S. market hits record high as Apple tops \$2 trillion

Snapshot



World Equities

Corporate Bonds

Sovereign Bonds

Oil

Copper



Gold

The week ahead

25
Aug

U.S. consumer confidence and new homes sales go to print.

27
Aug

The 2nd estimate of Q2 U.S. GDP is published.

28
Aug

U.S. personal spending and German consumer confidence data is released.

The U.S. market hit a record high last week, surpassing its pre-COVID high set in late February. Tech stocks once again outperformed as Apple's market capitalisation hit the \$2 trillion mark. Euro weakness enhanced returns for Irish investors, in a reversal of the trend seen in recent weeks. U.S. markets did dip slightly following the release of the latest minutes from the Fed FOMC, which were perceived to strike a cautionary tone. 'High frequency' data, such as weekly U.S. jobs claims suggest a slowing of momentum for the recovery, but leading indicators did rise again in July for the second straight month, albeit at a slower pace. The U.S. housing market continues to show strength. On the back of supportive borrowing rates, confidence amongst homebuilders in August equalled a record high as existing home sales rose 24.7% (per annum) in July.

Within the eurozone, bond prices rose and stocks faltered as the pace of the recovery stumbled slightly. The manufacturing PMI was stable at 51.7, with the equivalent reading for services falling back to 50.1, still just in expansion territory. U.K. PMIs were more encouraging with the services figure showing the strongest reading since 2013. However, Brexit headwinds are gathering as negotiations continue to move at a glacial pace.

A number of eurozone countries see COVID cases on the rise once again. On Sunday, France reported its highest one day jump since April and new U.K. cases stayed above 1,000 for the fourth consecutive day. In the U.S., the FDA granted emergency approval for a blood plasma treatment as President Trump seeks similar approval for the vaccine under development from AstraZeneca Plc and the University of Oxford.

Our regular market information continues on the next page.

	1 Week Return 17.08.20 to 24.08.20		Year to Date Return 01.01.20 to 24.08.20	
	Local Currency	Euro	Local Currency	Euro
World	-0.1%	0.7%	1.4%	-3.3%
U.S.	0.5%	1.0%	6.6%	1.2%
Europe	-1.0%	-1.0%	-8.8%	-8.8%
Ireland	0.4%	0.4%	-3.9%	-3.9%
U.K.	-2.1%	-1.7%	-21.8%	-26.6%
Japan	-0.4%	0.2%	-6.0%	-8.3%
Hong Kong	-0.1%	0.4%	-8.2%	-12.4%
Corporate Bonds	0.5%	0.5%	1.1%	1.1%
Sovereign Bonds	0.8%	0.8%	4.8%	4.8%

Equities

- Global markets were up last week by 0.7% in euro terms and down slightly by -0.1% in local terms.
- Year to date the U.K. market is down -21.8% in local terms and -26.6% in euro terms.
- In contrast, the influential U.S. Market is up 6.6% in local terms and 1.2% in Euro Terms year to date.

Fixed Income & FX

- The U.S. 10-year yield finished at 0.63% last week. The German equivalent finished at -0.50%. The Irish 10 year bond yield finished at -0.16%.
- The Euro/U.S. Dollar exchange rate finished at 1.18, whilst Euro/GBP remained at 0.90.

Commodities

- Oil finished the week at \$43 per barrel.
- Gold finished the week at \$1,946 per troy ounce up 28.3% year to date in local terms and 21.7% year to date in Euro terms.
- Copper finished the week at \$6,511 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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