ZURICH

Stocks move lower as economic data disappoints

Snapshot

Sovereign Bonds

Corporate Bonds

World Equities

Gold

Copper

Oil

Week Ahead

8 Oct Chinese PMIs for September go to print

9 Oct The minutes are released from the latest FOMC meeting

10 Oct Key trade talks between the U.S. and China are scheduled to start

Equities fell last week on the back of some poor global economic data. U.S. manufacturing PMIs caught the headlines last Tuesday as the latest release confirmed a continuing contraction in activity within the sector. This was combined with poor US vehicle sales figures and the non-farm payrolls coming in slightly under consensus expectations. Whilst the hiring numbers have been trending lower in the U.S., there was an upward revision for previous months and unemployment (currently 3.5%) remains at a 50 year low. Within the Eurozone, PMIs were also weak and the latest inflation reading came in at 0.9%, well below the ECB's target of 'below, but close to' 2%. U.K. stocks also endured a torrid time, as the probability of a Brexit deal diminishes with each passing day. Elsewhere, Australia and India both cut interest rates, as the trend of lower interest rates (and therefore bond yield and deposit returns) continues globally.

	1 Week Return 30.09.19 to 7.10.19		Year to Date Return 01.01.19 to 7.10.19	
	Local Currency	**Euro**	**Local Currency**	**Euro**
World	-1.2%	-1.9%	14.3%	19.0%
U.S.	-0.8%	-1.5%	17.9%	23.1%
Europe	-3.0%	-3.0%	14.5%	14.5%
Ireland	-1.7%	-1.7%	17.6%	17.6%
U.K.	-3.5%	-4.0%	5.5%	6.3%
Japan	-1.0%	-0.6%	6.2%	14.0%
Hong Kong	-0.7%	-1.5%	-0.5%	3.7%
Corporate Bonds	0.2%	0.2%	6.9%	6.9%

Equities

- Equities decreased last week, by -1.2% in local terms, and by -1.9% in euro terms.
- Closer to home, Ireland was down -1.7% this week but is still up 17.6% year to date.

Fixed Income & FX

- The U.S. 10-year yield recovered further last week to finish at 1.52%. The German equivalent is now at -0.59%. The Irish 10 year bond yield is at -0.04%.
- The Euro/U.S. Dollar exchange rate finished at 1.10, whilst Euro/GBP was at 0.89.

Commodities

- Oil finished the week at $53 per barrel.
- Gold finished the week at $1,505 per troy ounce.
- Copper decreased to $5,608 per tonne.

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