Currency movements cover losses as global stocks fall

Snapshot

World Equities

Sovereign Bonds

Corporate Bonds

Oil

Gold

Copper

The week ahead

29 Sep Preliminary German inflation figures for September are released.

30 Sep The latest Chinese PMI data is published.

2 Oct U.S. non-farm payrolls for September go to print.

U.S. markets fell for the fourth week in a row, as energy stocks suffered most in a response to falling oil and gas prices. Tech and consumer discretionary stocks outperformed, helped by strong results from Nike. The continuing failure of politicians to strike a fiscal stimulus deal weighed on sentiment, as the focus on the upcoming Supreme Court nomination means further progress is seen as unlikely.

Data was broadly positive last week, as the U.S. housing market continues to emit strong numbers, with both new and existing home sales risings, buoyed by the continuing low borrowing costs. Manufacturing data and durable goods orders also both improved in September. Eurozone data was less positive, as the impact of rising COVID case numbers starts to become evident in 'high frequency' data points.

Whilst the spread of the virus slowed during the European summer break, numbers are on the up as workers and students returned in large numbers throughout September. Daily numbers are now above the peaks seen earlier this year, however there is increased testing and less hospitalisations this time round. On the back of all this, eurozone PMI data slipped back in contraction territory (47.6 for September) whilst the manufacturing number held up better, rising to 53.7.

The U.K. unveiled a new jobs-support programme, focusing on the hospitality and tourism sectors. The programme received a mixed reaction as it is much smaller than the original, which is due to expire on 1st October. Bank of England Governor Andrew Bailey also stated this week that a move to negative interest rates was not imminent. Amidst the COVID crisis, Brexit negotiations continue once more this week.

Our regular market information continues on the next page.

	1 Week Return 21.09.20 to 28.09.20		Year to Date Return 01.01.20 to 28.09.20	
	Local Currency	**Euro**	**Local Currency**	**Euro**
World	-0.1%	1.0%	-1.3%	-4.7%
U.S.	0.5%	1.6%	3.7%	-0.1%
Europe	-0.7%	-0.7%	-10.7%	-10.7%
Ireland	1.9%	1.9%	-4.7%	-4.7%
U.K.	0.5%	1.9%	-23.9%	-28.9%
Japan	-0.7%	-0.3%	-4.9%	-5.5%
Hong Kong	-1.8%	-0.8%	-10.9%	-13.8%
Corporate Bonds	-0.1%	-0.1%	0.7%	0.7%

Equities

- Global markets were up last week by 1.0% in euro terms and down -0.1% in local terms.
- Year to date the U.K. market is down -28.9% in euro terms and -23.9% in local terms.
- The influential U.S. Market was up 1.6% in euro terms and 0.5% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 0.67% last week. The German equivalent remained at -0.52%. The Irish 10 year bond yield finished at -0.16%.
- The Euro/U.S. Dollar exchange rate finished at 1.16, whilst Euro/GBP finished at 0.91.

Commodities

- Oil finished the week at $40 per barrel.
- Gold finished the week at $1,851 per troy ounce up 17.5% year to date in local terms and 22.0% year to date in Euro terms.
- Copper finished the week at $6,544 per tonne.

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