

Markets slightly lower as Trump tests positive

Snapshot



Corporate Bonds

Sovereign Bonds

Gold

Copper



World Equities

Oil

The week ahead

5
Oct

U.S. non-manufacturing PMI readings go to print.

7
Oct

Minutes from the latest Fed meeting are released.

9
Oct

Chinese Services PMI data released.

The latest U.S. non-farms payroll was released on Friday and showed that employers added a net 661,000 jobs in September. This is far above longer term averages but is less than half the number added in August, which again reveals the esoteric nature of data releases at this time. Under the surface, much of the slowing pace was attributed to seasonal government hiring, and the unemployment rates moved down to 7.9%. Whilst this is a headline positive figure it was more a result of less people looking for work, rather than as a result of more people finding work.

In other data, U.S. personal incomes declined in August, as the effect of lower unemployment benefits began to be felt. In a slight contradiction spending actually rose 1.0% in August and services PMI continued to expand. Chinese data once again pointed to a strong recovery in the world's second largest economy. Both manufacturing and services PMIs beat consensus estimates, with the services in particular noteworthy – rising to 55.9 vs a forecasted decline.

Within U.S. politics markets are continuing to closely watch developments regarding stimulus negotiations. On Thursday evening Democrats passed a \$2.2tn aid package in the House, although it is unlikely to make it through the Republican controlled Senate. Talks will continue, with both President Trump and Treasury Secretary Mnuchin making positive comments in recent days.

Closer to home, Brexit negotiations continued with Boris Johnson and European Commission President Ursula von der Leyen holding talk on Saturday. With virus cases within both the EU & U.K. on the rise, softening the economic impact of Brexit takes on fresh impetus. President von der Leyen is also now self-isolating following a close contact last week.

Our regular market information continues on the next page.

	1 Week Return 28.09.20 to 05.10.20		Year to Date Return 01.01.20 to 05.10.20	
	Local Currency	Euro	Local Currency	Euro
World	-0.2%	-0.8%	0.2%	-4.0%
U.S.	0.0%	-0.5%	5.4%	0.8%
Europe	-0.3%	-0.3%	-9.1%	-9.1%
Ireland	-0.4%	-0.4%	-3.5%	-3.5%
U.K.	-0.5%	-0.4%	-23.1%	-28.4%
Japan	-3.0%	-3.6%	-6.3%	-7.7%
Hong Kong	-0.3%	-0.8%	-11.4%	-14.8%
Corporate Bonds	0.4%	0.4%	1.2%	1.2%
Sovereign Bonds	0.3%	0.3%	5.8%	5.8%

Equities

- Global markets were down last week by -0.8% in euro terms and down -0.2% in local terms.
- Year to date the U.K. market is down -28.4% in euro terms and -23.1% in local terms.
- The influential U.S. Market was down -0.5% in euro terms and 0.0% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 0.70% last week. The German equivalent finished at -0.54%. The Irish 10 year bond yield finished at -0.18%.
- The Euro/U.S. Dollar exchange rate finished at 1.17, whilst Euro/GBP finished at 0.91.

Commodities

- Oil finished the week at \$38 per barrel.
- Gold finished the week at \$1,890 per troy ounce up 24.6% year to date in local terms and 19.1% year to date in Euro terms.
- Copper finished the week at \$6,547 per tonne.

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