

Equities down slightly as markets pause for breath

Weekly Snapshot



Euro (€)

US Equities

Sovereign Bonds



World Equities



Oil

Japanese Equities

The **S&P 500** Index was the best performing of the major markets, posting a 1.8% return for the week. However currency fluctuations saw a negative return for Euro investors. The **global index** (in euro terms) fell slightly (-0.4%) last week, ending March on a negative note.

Eurozone equities finished down for the week, posting a -0.5% return

Week in Review

- Stocks were slightly down for the week as markets paused for breath in advance of Friday US Jobs data. **March's nonfarm payrolls growth came in at 215,000**, ahead of the consensus expectation of 205,000.
- Yellen's comments at the Economic Club in New York were **perceived as being dovish in tone**. The Fed Chair highlighted external risk factors and lower long run policy rate expectations at the Fed.
- Euro area **manufacturing PMIs were revised higher**, bringing the quarterly average to the highest since Q2 2015. However competitive pressures remain and the impact of a stronger Euro weighs on growth forecasts for 2016. Political risks also persist, in particular the looming Brexit vote.

	Index	1 Week Return 25.03.16 to 01.04.16		Year to Date Return 31.12.15 to 01.04.16	
		Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	FTSE World (total return)	-0.4%	-0.4%	-4.4%	-4.4%
US	S&P 500	1.8%	-0.2%	1.4%	-3.3%
Europe	FT/S&P Europe Ex. U.K.	-0.5%	-0.5%	-8.3%	-8.3%
Ireland	ISEQ	1.0%	1.0%	-7.5%	-7.5%
UK	FTSE 100	0.7%	-0.7%	-1.5%	-9.4%
Japan	Topix	-4.7%	-5.4%	-15.9%	-13.1%
Hong Kong	Hang Seng	0.8%	-1.2%	-6.5%	-10.8%
Bonds	Merrill Lynch Euro over 5	0.7%	0.7%	5.6%	5.6%

whilst Ireland finished the week in positive territory, with a 1.0% gain.

Commodities had a mixed week, with Oil, Copper and Silver all posting losses; however Gold was up 0.5% in local terms.

Eurozone **bond** prices were up 0.7% for the week, maintaining a strong start to the year on the back of the

continuing accommodative stance from the ECB.

The Euro strengthened against the dollar and sterling, with EUR/USD closing the week at 1.14, 5% higher than at the turn of the year. Sterling weakness may well persist in the run up to the Brexit vote in late June.

The Week Ahead

Tuesday 5 April	Wednesday 6 April	Friday 8 April
There are a number of economic indicators due out in the US, including nonmanufacturing PMI and trade balance data. The consensus view is for positive, albeit modest, readings in both.	ECB and Fed minutes are released, which should help provide further context and detail on the respective recent policy decisions.	Chinese trade balance data is released, with forecasts indicating a significant widening of the surplus to over \$40b.

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