

Stocks move higher as S&P 500 hits another new high

Weekly Snapshot



World Equities
Corporate Bonds
Gold
Sovereign Bonds



Oil
Industrial Metals

Week in Review

- **Stocks rallied once again** last week, as the S&P 500 broke through the **2,400 mark** for the first time, as US investors seem comfortable with the prospect of an upcoming interest rate hike from the Fed. The second estimate of **Q1 US GDP data** was **revised upwards**, but **remaining economic data was broadly flat** in the world's biggest economy.
- **European economic data remains positive**, with German business sentiment surging to a 26 year high and manufacturing and service sector activity remaining at elevated levels. The helped lift the **euro against the dollar**, as it broke through the **\$1.12** mark for the **first time since October**.
- **OPEC agreed an extension** to the current production cut, but disappointed the market, who had expected them to go further. Oil slipped **below \$50/barrel** as a result.

	Index	1 Week Return 19.05.17 to 26.05.17		Year to Date Return 31.12.16 to 26.05.17	
		Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	FTSE World (total return)	1.2%	1.2%	4.8%	4.8%
US	S&P 500	1.4%	1.6%	7.9%	1.8%
Europe	FTSE Europe Ex. U.K.	0.2%	0.2%	10.1%	10.1%
Ireland	ISEQ	0.6%	0.6%	7.0%	7.0%
UK	FTSE 100	1.0%	-0.5%	5.7%	3.4%
Japan	Topix	0.6%	0.8%	3.4%	2.1%
Hong Kong	Hang Seng	1.8%	2.0%	16.5%	9.4%
Bonds	Merrill Lynch Euro over 5	0.5%	0.5%	-0.7%	-0.7%

The **global index** rose 1.2% last week, with the US and Hong Kong leading the way. **Gold** moved higher once again, and is now up just short of 10% this year.

Copper was slipped further this week by 0.6%, paring the 2017 gain to

2.4%. As mentioned previously oil slipped to below \$50/barrel, and appears range bound around this level.

US ten year yields moved up (yields and price move inversely) to 2.25% from 2.23% a week ago. The

equivalent German yield moved higher and finished at 0.33% from 0.37%.

The **EUR/USD** rate closed at 1.12, up from rate of 1.05 at the end of 2016. The **EUR/GBP** rate finished the week at 0.87.

The Week Ahead

Wednesday 31 May	Wednesday 31 May	Friday 2 June
In China the Caixin manufacturing PMI index is forecast to tick down to 50.2 from 50.3, signaling at continued expansion, albeit at a slower rate.	The first estimate for eurozone unemployment for April is released and is expected to fall to 9.4%, from 9.5%.	Nonfarm payrolls data for May is released in the US, where the consensus expects 176,000 jobs to be added (last 211K). The unemployment rate is expected to hold steady at 4.4%.

Warning: Past performance is not a reliable guide to future performance.
Warning: The value of your investment may go down as well as up.
Warning: Benefits may be affected by changes in currency exchange rates.
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