ZURICH

Stocks move higher as Hurricane Harvey hits Texas

Weekly Snapshot

World Equities

Sovereign Bonds

Gold

Copper

Corporate Bonds

Oil

Week in Review

- Non-fundamental events took centre stage last week as **North Korea** raised tensions in the region once again by firing a missile over Japan on Tuesday morning. The regime has also now tested a nuclear weapon over the weekend; the sixth such launch in their history. **Hurricane Harvey** also made landfall in Texas, which has seen several hundred thousand people displaced and caused disruption in energy markets.
- On the economic front, Friday's **US nonfarm payrolls** data **disappointed**, generating 165,000 jobs in August, which was below expectations. Additionally the **unemployment rate ticked** up slightly to 4.4%, from a previous reading of 4.3%.
- However, stocks on both sides of the Atlantic still managed to move higher over the course of the week as **manufacturing and consumer spending** in the US both saw **positive data releases**. In Europe, economic sentiment reached its highest level in more than a decade and export orders increased at the fastest rate since 2011, despite fears regarding the effects of a stronger euro currency on the sector.

	Index	1 Week Return 25.08.17 to 01.09.17		Year to Date Return 31.12.16 to 01.09.17	
		Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	FTSE World (total return)	1.0%	1.0%	2.3%	2.3%
US	S&P 500	1.4%	1.9%	10.6%	-1.6%
Europe	FTSE Europe Ex. U.K.	0.3%	0.3%	7.1%	7.1%
Ireland	ISEQ	1.0%	1.0%	3.0%	3.0%
UK	FTSE 100	0.5%	1.6%	4.1%	-2.8%
Japan	Topix	1.4%	1.1%	6.7%	0.3%
Hong Kong	Hang Seng	0.4%	0.8%	27.1%	12.0%
Bonds	Merrill Lynch Euro over 5	0.1%	0.1%	-0.2%	-0.2%

The **global index** moved higher last week, returning 1% in euro terms. **Gold** was positive over the course of the period, returning 2.6% on the back of heightened geopolitical tensions.

The influential **US ten year bond yield** closed at 2.17%, whilst the **German equivalent** was at 0.38%. The EUR/USD rate stood at $1.19.

The Week Ahead

Thursday 7 September	Thursday 7 September	Friday 8 September
No change in monetary policy is expected when the ECB governing council meets in Frankfurt. However, comments from President Draghi will be closely watched for any hint of QE tapering.	The consensus view is for eurozone Q2 GDP to be confirmed at 0.6% (quarter-on-quarter) in its final reading.	Chinese trade data for August goes to print, where both import and export figures are forecast to rise, with the trade balance remaining broadly similar to the last reading.

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.
Warning: If you invest in this product you may lose some or all of the money you invest.

Zurich Life Assurance plc
Zurich House, Frascati Road, Blackrock, Co. Dublin, Ireland.
Telephone: 01 283 1301 Fax: 01 283 1578 Website: www.zurichlife.ie
Zurich Life Assurance plc is regulated by the Central Bank of Ireland.
Intended for distribution within the Republic of Ireland.

ZURICH®