

Markets flat, as Turkish woes recede amidst stronger US data

Weekly Snapshot



World Equities
Sovereign Bonds
Corporate Bonds



Gold
Oil
Copper

Week in Review

- **Turkish assets have been under severe pressure globally** since the US implementation of sanctions in recent weeks. **Sentiment did stabilise** somewhat last week, but the exposure of some European corporates to the region remains a market theme.
- **US economic data** helped markets as retail sales numbers for July saw broad based growth **and further indicated the rude health of the US consumer**. Housing starts were also strong, whilst upward revisions to the June data helped offset the impact of weaker July numbers for industrial production. The latest round of **Chinese data points to the gradual slowing of growth**, as authorities implement a more sustainable economic trajectory.

	1 Week Return 10.07.18 to 17.08.18		Year to Date Return 31.12.17 to 17.08.18	
	Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	0.0%	0.0%	7.6%	7.6%
US	0.6%	0.4%	6.6%	12.3%
Europe	-1.2%	-1.2%	-2.6%	-2.6%
Ireland	0.3%	0.3%	-4.8%	-4.8%
UK	-1.4%	-1.8%	-1.7%	-2.5%
Japan	-1.3%	-1.2%	-6.6%	0.4%
Hong Kong	-4.1%	-4.3%	-9.0%	-4.6%

The **global index** was flat last week, with a positive move in the US offset by weaker returns elsewhere, with Hong Kong down more than 4% in local terms.

Oil continued its recent weak run, and closed at roughly \$66/barrel. **Gold** also

moved lower and closed at \$1,185 per troy ounce, and is now down over 9% in dollar terms year-to-date. **Copper** also continued its recent slide, and is now down 20% year-to-date, following a stellar 2017.

The **ten year US bond yield** finished at 2.86%. The **German equivalent** closed at 0.30%, having started the week at 0.32%.

The **EUR/USD** rate finished the week at 1.14, having started the year at 1.20. **EUR/GBP** was at 0.90.

The Week Ahead

Wednesday 22 August	Thursday 23 August	Friday 24 August
The minutes of the latest FED FOMC meeting go to print, whilst the annual Jackson Hole symposium also gets underway this week.	Composite PMI figures for the eurozone are released, where an improvement to 54.4 from 54.3 is expected.	Final German GDP for Q2 goes to print, where the consensus expects a confirmation of the 2% growth rate (year-on-year).

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