

Equities grind higher as markets digest trade tariff developments

Weekly Snapshot



World Equities
Oil



Sovereign Bonds
Corporate Bonds
Gold
Copper

Week in Review

- Global **markets overall were mixed** last week, as markets digested a large amount of incoming news items, ranging from the continuing **trade tariff tensions** between the US and China, to **Turkey** increasing its benchmark **interest rate** to 24%.
- CPI data in the US came in below forecasts, with inflation expectations remaining anchored in the short term. **Small business optimism** saw another tick upwards in August to hit an **all-time high**, and although retail sales came in below expectation this was tempered by an upward revision in the previous month's data.
- Central bank meetings last week proved largely uneventful**, with the ECB and BoE keeping a steady course in relation to future interest rate moves. However, it was announced BoE Governor **Mark Carney** would see his **term extended** into 2019.

	1 Week Return 07.09.18 to 14.09.18		Year to Date Return 31.12.17 to 14.09.18	
	Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	1.2%	0.6%	5.2%	6.7%
US	1.2%	0.5%	8.7%	12.3%
Europe	1.2%	1.2%	-2.6%	-2.6%
Ireland	-0.1%	-0.1%	-5.7%	-5.7%
UK	0.4%	0.9%	-5.0%	-5.1%
Japan	2.6%	1.0%	-4.9%	-1.3%
Hong Kong	1.2%	0.6%	-8.8%	-6.2%

The **global index** was up 1.2% in euro terms last week, with dollar weakness impacting returns. **Oil** saw further price rises as US inventories were hit by bad weather on the East

Coast. **Gold** lost some ground and closed at \$1,193 per troy ounce.

The **ten year US bond yield** finished at 3.00%, and closed above the 3% mark for the first time in a number of

months. The **German equivalent** closed at 0.45%, from 0.39% a week previously. The **EUR/USD** rate finished the week at 1.16 with the **EUR/GBP** rate at 0.89.

The Week Ahead

Wednesday 19 September	Wednesday 19 September	Friday 21 September
The Bank of Japan meets on Wednesday for its latest interest rate decision, where no change in current policy is expected.	UK CPI data for August goes to print where the consensus forecasts the core figure to come in at 2.1% (YoY).	Eurozone flash PMI data for September is released where the consensus expects the composite figure to edge down slightly to 54.4.

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