

# Equities higher on the back of US midterm election results

# Weekly Snapshot



**World Equities** 

**Corporate Bonds** 



**Sovereign Bonds** 

Copper

Gold

Oil

## Week in Review

- The S&P 500 recorded its third-best daily gain over the past year last Wednesday after Democrats took control of the House and Republicans secured the Senate. Health care stocks outperformed with communication services stocks weighing.
- The US Fed kept their federal funds target at 2%-2.25%, citing strength in the labour market and solid economic activity. They also reaffirmed their plans to continue raising rates gradually. The ISM Non-Manufacturing PMI fell to 60.3, but general growth in the services sector remains solid.
- The European Commission said that Eurozone growth would slow through 2020, pressured by trade worries, high oil prices and uncertainty. Italian debt came under added pressure as the EU warned Italy it is poised to breach the EU's budget deficit limit in 2020 if the government continues with its spending plans.

	1 Week Return 02.11.18 to 09.11.2018		Year to Date Return 31.12.17 to 09.11.2018	
	Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	1.3%	1.4%	1.1%	4.9%
US	2.1%	2.6%	4.0%	10.2%
Europe	0.3%	0.3%	-6.4%	-6.4%
Ireland	-0.8%	-0.8%	-12.3%	-12.3%
UK	0.2%	0.6%	-7.6%	-6.0%
Japan	0.9%	0.8%	-8.0%	-3.5%
Hong Kong	-3.3%	-3.2%	-14.4%	-9.5%
Bonds	-0.1%	-0.1%	-0.6%	-0.6%

strong supply rather than global demand fears. **Gold** declined to \$1210 per troy ounce, while **Copper** also finished the week lower at \$6,078 per metric tonne as recent weakness resurfaced. The **ten year US bond** 

yield was relatively unchanged at 3.18% with midterm election results as expected, while the **German** equivalent declined to 0.41%.

The **EUR/USD** rate was at 1.134.

The **global index** was up 1.4% in euro terms last week, led by large cap stocks in the US.

Oil declined once again and closed at \$60/barrel, predominantly due to

### The Week Ahead

### Wednesday 14 November Wednesday 14 November Thursday 15 November Consumer prices in the US are forecast Eurozone GDP estimates released in Retail sales in the US are forecasted to to rise 0.3% in October. Last month, September pointed to growth of be 0.4% m-m. They edged up 0.1% in consumer prices rose 0.1%, below the 0.2% q-q and 1.7% y-y. These September, below expectations of forecast of 0.2%, with energy prices figures are expected to be reaffirmed 0.6%, thanks largely to a drop in weighing. in this week's update. spending at restaurants.

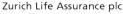
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