

# Equities enjoy longest stretch of weekly gains since August 2018

## Snapshot



World Equities  
Sovereign Bonds  
Corporate Bonds  
Copper  
Oil



Gold

## Week Ahead

22  
JAN

World Economic  
Forum Begins  
U.S. Existing  
Home Sales

23  
JAN

Bank of Japan  
Policy Briefing  
Canadian Retail  
Sales Announced

24  
JAN

ECB Interest  
Rates Decision  
U.S. Jobless  
Claims Released

Stocks advanced for the fourth week in succession, marking the longest stretch of weekly gains since August 2018. The move came on the back of some large U.S. banks reporting better-than-expected earnings growth, which in turn saw the financial sector as a whole propel the market higher. Volatility, as measured by the VIX, declined and defensive sectors such as utilities and consumer staples lagged as the appetite for risk increased. From an economic perspective, trade negotiations between the U.S. and China are ongoing, with the markets still hopeful of a positive outcome. Meanwhile, the Federal Reserve continues to allay investor fears with their more dovish commentary. In Europe, German data showed GDP slowed to 1.5% in 2018, compared with 2.2% in 2017, the slowest rate of growth in five years. Uncertainty around Brexit is also weighing on sentiment. Growth in Asia has also been soft, forcing central banks to adoptive an accommodative approach to policy.

	1 Week Return 11.01.19 to 18.01.19		Year to Date Return 31.12.18 to 11.01.19	
	Local Currency	Euro	Local Currency	Euro
World	2.2%	3.2%	6.2%	6.8%
U.S.	2.9%	3.8%	6.7%	7.6%
Europe	2.2%	2.2%	5.6%	5.6%
Ireland	2.5%	2.5%	6.8%	6.8%
U.K.	0.7%	1.9%	3.5%	5.3%
Japan	1.7%	1.4%	4.5%	5.4%
Hong Kong	1.5%	2.4%	5.3%	6.0%
Sovereign Bonds	0.3%	0.3%	0.4%	0.4%
Corporate Bonds	0.5%	0.5%	0.4%	0.4%

### Equities

- The MSCI World Index advanced 2.2%, with the U.S. (+2.9%) leading the move higher on the back of positive earnings.
- 59 companies from the S&P 500 will report fourth quarter earnings during the week ahead.

### Fixed Income & FX

- The U.S. 10-year yield ticked higher to 2.78% with the German yield at 0.26% as the bid for safe-haven assets moderated.
- The EUR/USD weakened to 1.136 and the EUR/GBP declined to 0.883 on slowing growth concerns.

### Commodities

- Oil prices continued to rebound with supply cuts and trade talk optimism taking centre stage, sending prices to \$53.80.
- Gold moved marginally lower to \$1,282 per troy ounce, while Copper prices ticked higher to \$6,030.

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