

Equities lower as Trump policy concerns come to the fore

Weekly Snapshot



Gold
Oil



World Equities
European Corporate
Bonds
Industrial Metals

Week in Review

- Global equities finished in negative territory, despite shaving losses towards the end of the week on the back of **well received US economic data**. The January US jobs report stated that 227,000 jobs were created, well above the forecast 170,000. However, this was tempered somewhat by a slowing average earnings growth.
- President **Trump remained a key influence on markets** as the fallout from his travel ban remained to the forefront of news reports during the week, weighing on both stocks and the US dollar. However, financial stocks were higher on the prospect of decreased regulation on Wall Street, whilst Oil was higher as the **US administration put Iran 'on notice'** after it tested a ballistic missile.
- In its first policy meeting of the year the Fed, as expected, left US interest rates unchanged. Lastly, **earnings season continues to be positively received**, with the majority of companies reporting last week beating expectations.

	Index	1 Week Return 27.01.17 to 03.02.17		Year to Date Return 31.12.16 to 03.02.17	
		Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	FTSE World (total return)	-0.6%	-0.6%	1.2%	1.2%
US	S&P 500	0.1%	-0.7%	2.6%	0.4%
Europe	FTSE Europe Ex. U.K.	-0.5%	0.5%	1.2%	1.2%
Ireland	ISEQ	-0.4%	-0.4%	-0.1%	-0.1%
UK	FTSE 100	0.1%	-1.3%	0.6%	-0.2%
Japan	Topix	-2.2%	-0.9%	-0.2%	1.1%
Hong Kong	Hang Seng	-1.0%	-1.8%	5.1%	2.8%

The **global index** trended downwards over the course of the week, finishing 0.6% lower in euro terms. **Copper paused for breath**, following recent gains, returning -2.7% over the

period. Gold was positive 2.4% over the week, as investors displayed a more 'risk off' appetite. **Oil** returned 1.4%, as supply concerns in the Middle East came to the fore.

The **US 10 year bond** was relatively flat during the week, moving from 2.48% to 2.46%. The yield on the equivalent German Bund closed at 0.41%.

The Week Ahead

Monday 6- Friday 10 February	Tuesday 7 February	Friday 10 February
Over 80 S&P 500 companies are due to report earnings this week, with highlights including Coca-Cola and Walt Disney on Tuesday, and Rio Tinto on Wednesday.	US Trade Balance figures for December are released, where the deficit is expected to remain at just above \$45 billion. With the trade balance a key policy focus of President Trump, the political reaction will be closely watched.	The IEA oil market report goes to print where markets will be keen to see if OPEC is sticking to its production cut promises, and also if US production is increasing thanks to higher prices.

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