

Stocks down slightly as bond yields rise further

Weekly Snapshot



World Equities

Sovereign Bonds

Corporate Bonds

Gold

Copper

Oil

Week in Review

- Global stocks finished the week slightly down, despite Friday's **US payroll data being a positive surprise**. 220,000 jobs were added, exceeding forecasts whilst there were also upward revisions for figures for both April and May. Other economic news emanating from the US was mixed; a positive reaction to the **highest manufacturing PMI reading in nearly three years** was tempered by **lower than envisaged reading for factory orders**.
- Oil weighed** on markets once again, as data showed an increase in US production levels, in addition to OPEC exports, hitting their highest level this year. It was also a **difficult week for Bonds**, as a number of Central Banks discussed the possibility of tighter policy conditions. Core eurozone bonds lost value, and the **German ten year yield** (which moves inversely to price) closed at its **highest level since January 2016**.

	Index	1 Week Return 23.06.17 to 10.07.17		Year to Date Return 31.12.16 to 10.07.17	
		Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	FTSE World (total return)	-0.1%	-0.1%	3.1%	3.1%
US	S&P 500	0.1%	0.3%	8.3%	0.2%
Europe	FTSE Europe Ex. U.K.	0.3%	0.3%	7.5%	7.5%
Ireland	ISEQ	0.7%	0.7%	5.5%	5.5%
UK	FTSE 100	0.5%	-0.3%	2.9%	-0.7%
Japan	Topix	-0.3%	-1.5%	5.8%	0.1%
Hong Kong	Hang Seng	-1.6%	-1.5%	15.2%	5.7%
Bonds	Merrill Lynch Euro over 5	-1.2%	-1.2%	-2.7%	-2.7%

The **global index** ticked down slightly over the course of the week, returning -0.1%. **Gold** also lost value, as the prospect of higher interest rates weighed on its outlook. **Copper** and

Oil also moved lower, down 2.3% and 3.9% respectively.

US 10 year Treasuries were higher, with the yield moving to 2.39%, from 2.30% a week previously. As mentioned above, the equivalent

German yield also rose, moving to 0.57% from 0.47%.

The **EUR/USD** rate closed at \$1.14 whilst **EUR/GBP** was at £0.88.

The Week Ahead

Wednesday 12 July	Thursday 13 July	Friday 14 July
UK jobs data goes to print, where the unemployment rate for May is forecast to rise to 4.7% from 4.6%.	The start of the latest US earnings season provides the big focus this week, with financials leading the way. JP Morgan, Citigroup and Wells Fargo all report on Thursday.	The latest US CPI readings are released, where the market expects the annualised inflation rate to increase slightly from 1.7% to 1.8%.

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