

# Equities continue to move forward on economics and earnings

## Weekly Snapshot



World Equities

Oil

Gold



Sovereign Bonds

Copper

Corporate Bonds

## Week in Review

- US **stocks marched to record highs once again**, with consumer stocks lifted by **strong retail sales** and energy stocks helped by a **higher oil price**. Financials were also helped by **solid earnings** from the likes of JP Morgan, BlackRock and Wells Fargo.
- A **number of high profile commentators**, including Bill Gross, made **bearish comments on government bond markets** as the solid economic backdrop and stronger inflation figures in the US led to a sell-off in global bond markets.
- The **Euro moved higher** and hit a three year high versus the dollar as **Angela Merkel announced a coalition deal**. The single currency was also helped by **hawkish comments from the ECB**.

	1 Week Return 05.01.18 to 12.01.18		Year to Date Return 31.12.17 to 12.01.18	
	Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	0.4%	0.4%	2.7%	2.7%
US	1.6%	0.1%	4.2%	3.2%
Europe	0.2%	0.2%	2.9%	2.9%
Ireland	-1.4%	-1.4%	0.5%	0.5%
UK	0.7%	0.4%	1.2%	1.5%
Japan	-0.2%	0.2%	3.2%	3.6%
Hong Kong	1.9%	0.5%	5.0%	3.9%
Bonds	-0.3%	-0.3%	-0.2%	-0.2%

The **global index** in euro terms is up a solid 2.7% in what is a strong start to the year. Japan and Hong Kong lead the way up 3.6% and 3.9% respectively in euro terms.

**Oil** continued its recent strength with another strong week, and remains above the \$60/barrel mark. Copper closed down again for the week whilst gold was up 1.41%.

The **ten year US bond yield** finished the week at 2.55% as interest rate expectations ticked up. The **10 year German equivalent** was at 0.58% from 0.42%.

## The Week Ahead

Wednesday 17 January	Thursday 18 January	Friday 19 January
Eurozone CPI data for December goes to print where the consensus expects the final figure to be confirmed at 1.4% (year-on-year).	Chinese GDP data for the last quarter of 2017 is released where the forecasts are for a year-on-year figure of 6.8%	UK Retail Sales data for December published and is forecast to come in at 0.3% (year-on-year) and 0.4% (month-on-month)

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