

# Receding trade war fears eases path for equities

## Weekly Snapshot



World Equities

Oil

Gold

Copper



Corporate Bonds

## Week in Review

- Receding trade-war fears help **the S&P 500 Index return 2%** for the week. Energy stocks surged, with the price of oil reaching a four-year high amid concerns over the U.S. strike on Syria. **Europe's STOXX 50 Index (+1.2%) rallied for the third consecutive week.**
- Consumer sentiment in the U.S. is still broadly positive as evidenced by the release last week of the University of Michigan's sentiment index, with consumers remaining confident in April despite their unease over the potential economic impact of U.S. trade policies.
- As earnings season in the U.S. begins, analysts are **predicting a positive boost** from the recent corporate tax cuts. Overall, the consensus estimate for first-quarter earnings growth is 17.1% year over year bolstered by a solid global economy, healthy revenue growth, and higher cash flows stemming from December's corporate tax cut.

	1 Week Return 09.04.18 to 13.04.18		Year to Date Return 31.12.17 to 13.04.2018	
	Local Currency %	Euro %	Local Currency %	Euro %
Global (euro)	1.2%	1.2%	-2.4%	-2.4%
US	2.0%	1.6%	-0.6%	-3.2%
Europe	0.9%	0.9%	-2.6%	-2.6%
Ireland	0.1%	0.1%	-5.7%	-5.7%
UK	1.1%	1.7%	-5.5%	-3.0%
Japan	0.6%	-0.2%	-4.8%	-2.8%
Hong Kong	3.2%	2.8%	3.0%	-0.2%

The **global index** rallied and was up a solid 1.2% for the week. This was led by positive US (+2%) and Hong Kong (+3.2%) markets.

Europe also returned a positive 0.9% for the week.

Another key driver for the week was **Oil**, rising sharply (+8.6%) on the

back of concerns over US strikes on Syria.

**Gold** (+0.9%) and **Copper** (+0.4%) also saw slight rises.

## The Week Ahead

Tuesday 17 April	Wednesday 18 April	Friday 20 April
<b>UK employment data</b> for March forecast to be 4.4% in February, up from 4.3% previously, while February average earnings (including bonus) rise 2.6%.	<b>German ZEW index</b> for April – economic sentiment forecast to drop to 3.2 from 5.1.	<b>Japan CPI for March</b> – forecast to be unchanged 1.5% YoY from 1.5%. Core CPI to be 1%, in line with last month.

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