BANQUE INTERNATIONALE À LUXEMBOURG

1856

Weekly Market Snapshot

5th February 2019

News highlights

- The first month of the year finished on a high note, with stocks advancing for the week and the S&P 500 recording the strongest January gain since 1987.
- Stocks surged in response to a dovish Fed last week and improving earnings as well as economic data that helped to put the market on much firmer ground. With one month to go before the truce ends, Donald Trump said huge progress had been made last Wednesday and Thursday on trade talks with China.
- The Fed meeting was drastically more dovish than expected on rate guidance, risk bias and balance sheet language.
- Bank stocks suffered after the European Union said it had launched an enquiry into 8 banks for manipulating the sovereign debt market between 2007-12. No names were given.
- UK Parliament has backed PM May’s bid to reopen talks with the EU on the Irish border “backstop” plan. The next step is for Parliament to vote on what the PM returns with from Brussels by February 14.
- Earnings season will continue to be in full swing this week, with 20% of the S&P 500 companies scheduled to report earnings. China mainland equity markets will be close for a week-long holiday for the Chinese New Year.

EQUITIES *(local currency, price change)*

	Last Price	5 days	YTD		5 Years
US			Local	EUR	
S&P 500	2 707	1.6%	8.9%	8.6%	51.8%
Nasdaq	7 264	1.4%	10.3%	10.0%	77.0%
Dow Jones	25 064	1.3%	8.7%	8.4%	59.7%
Europe					
Stoxx 50	3 171	0.2%	6.2%	6.2%	5.2%
DAX	11 181	-0.9%	5.9%	5.9%	20.1%
CAC	5 019	1.9%	7.3%	7.3%	20.5%
FTSE	7 020	3.1%	4.3%	7.2%	7.8%
AEX	523	1.6%	8.1%	8.1%	35.3%
BEL 20	3 508	0.3%	9.3%	9.3%	21.3%
SMI	8 996	0.8%	6.7%	5.4%	9.8%
EM & Asia					
Nikkei 225	20 788	0.1%	3.9%	4.4%	39.4%
Hang Seng	27 931	1.3%	9.5%	9.0%	26.8%
India	36 469	1.2%	1.1%	-1.3%	77.8%
Russia	2 522	0.9%	6.9%	13.3%	73.4%
Brazil	97 861	0.2%	11.3%	17.6%	105.4%

FIXED INCOME *(local currency, total return)*

	Yield	5 days	YTD	5 Years
US				
Government	2.62	0.4%	0.4%	9.2%
Investment Grade	3.86	0.8%	2.3%	17.5%
High Yield	6.88	0.8%	4.8%	25.4%
Europe				
Government	0.65	0.0%	0.8%	17.5%
Investment Grade	1.15	0.5%	1.1%	13.9%
High Yield	4.53	0.5%	2.2%	21.6%
EM				
Global HC USD	5.10	0.6%	3.1%	27.6%

EUR VERSUS MAJOR CURRENCIES

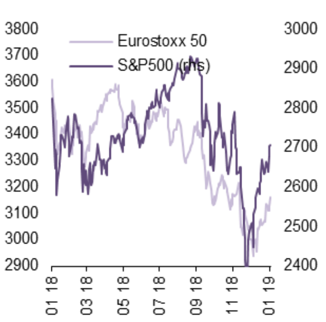
	Last	5 days	YTD	5 Years
USD	1.15	0.4%	0.1%	-11.4%
JPY	125.46	0.4%	-0.6%	24.6%
CHF	1.14	0.7%	1.3%	-5.7%
GBP	0.88	1.3%	-2.8%	9.8%

COMMODITIES

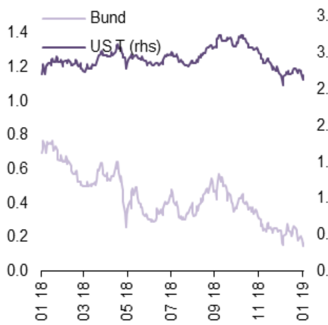
	Last	5 days	YTD		5 Years
			USD	EUR	
WTI	55.26	2.9%	21.9%	21.6%	-39.9%
Gold	1 317.65	1.1%	2.9%	2.6%	-25.3%
Base Metals	187.78	1.0%	4.8%	4.8%	-15.0%

Charts of the week

Equities (price, local currency)

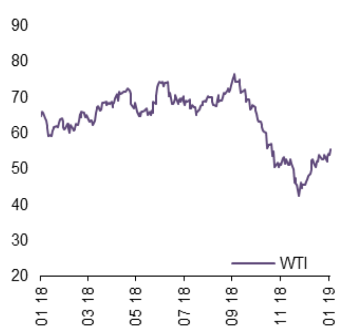


Bonds (Yield)



EUR vs. USD

Oil price (USD)



Source: Bloomberg, BIL, as at 01/02/19

Banque Interntionale à Luxembourg SA
69 route d’Esch, L-2953 Luxembourg
RCS Luxembourg B-6307
T (+352) 4590-1 • F (+352) 4590-2010
contact@bil.com • www.bil.com

BIL 1856

BANQUE
INTERNATIONALE
À LUXEMBOURG