

## News highlights

- The long-awaited "phase-one" trade agreement between the U.S. and China was formally signed last week and was called by President Trump a "monster" deal. Specific terms included commitments from China to increase purchases by \$200 billion over the next two years (\$78 billion of manufactured goods, \$52 billion in energy, \$32 billion of agricultural products, and \$38 billion in services).
- The agreement is perceived as a major step towards de-escalation between the two countries. However, two-thirds of US imports from China remain in place and attention will now shift to implementation and enforcement. Observers in Asia are viewing the deal as a band-aid rather than a solution. China's claim that other countries will not suffer as it redirects purchases back to the U.S. also seems unlikely to many. ESG investing came to the forefront following BlackRock CEO's annual letter.
- Last week was another good week for US and European equity markets. Financial markets remained uninterested in US President Trump's impeachment trial. Instead, investors were focused on earnings reports with Morgan Stanley delivering glittering estimates and forecasts for the year ahead.
- China's 4Q GDP growth supported the case of a bottoming out recovery, while December's firmer data adds to a growing view that the world's 2nd largest economy will avoid a significant slowdown
- The U.S. Treasury Department added the Swiss franc to its 'manipulation' watch list. This helped the CHF to reach a near three-year high against the euro in anticipation of limited SNB capacities to hold down the currency. More importantly and as expected, China's manipulator label was lifted.
- In France, social tensions remain intense, while the number of protestors in the streets is dwindling, the strike keeps beating records in terms of its length. The first negative effects filtered into some profit warnings from Fnac, Darty and Casino.
- The World Economic Forum Annual Meeting will be held from 21<sup>st</sup> till 24<sup>th</sup> of January in Davos, Switzerland.

### EQUITIES (local currency, price change)

	Last Price	5 days	YTD		5 Years
			Local	EUR	
<b>US</b>					
S&P 500	3 330	2.0%	3.1%	4.3%	64.9%
Nasdaq	9 389	2.3%	4.6%	5.9%	102.6%
Dow Jones	29 348	1.8%	2.8%	4.1%	67.6%
<b>Europe</b>					
Stoxx 50	3 808	0.5%	1.7%	1.7%	18.9%
DAX	13 526	0.3%	2.1%	2.1%	33.0%
CAC	6 101	1.1%	2.1%	2.1%	39.3%
FTSE	7 675	1.1%	1.8%	1.2%	17.2%
AEX	616	0.8%	1.8%	1.8%	42.2%
BEL 20	4 007	-0.1%	1.3%	1.3%	19.0%
SMI	10 842	1.9%	2.1%	3.2%	37.2%
<b>EM &amp; Asia</b>					
Nikkei 225	24 041	0.8%	1.6%	1.6%	42.6%
Hang Seng	29 056	1.5%	3.1%	4.6%	20.5%
India	41 945	0.8%	1.7%	3.2%	49.2%
Russia	3 197	2.3%	5.0%	6.8%	100.9%
Brazil	118 478	2.6%	2.4%	-0.5%	141.7%

### FIXED INCOME (local currency, total return)

	Yield	5 days	YTD	5 Years
<b>US</b>				
Government	1.76	0.0%	0.5%	10.8%
Investment Gr	2.73	0.2%	0.7%	22.8%
High Yield	5.12	0.3%	0.7%	35.7%
<b>Europe</b>				
Government	0.18	-0.1%	0.3%	11.6%
Investment Gr	0.47	0.2%	0.3%	11.8%
High Yield	3.07	0.2%	0.5%	26.5%
<b>EM</b>				
Global HC USI	4.32	0.3%	0.8%	33.9%

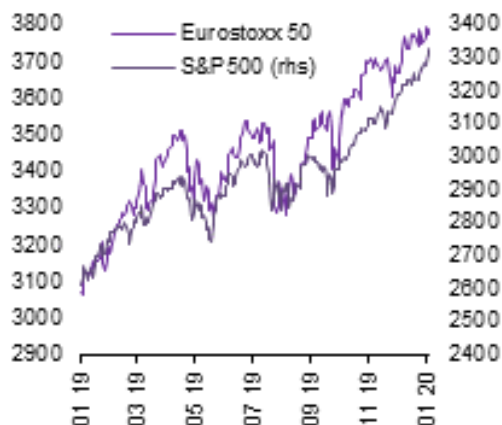
### EUR VERSUS MAJOR CURRENCIES

	Last	5 days	YTD	5 Years
USD	1.11	-0.3%	-1.1%	-14.2%
JPY	122.19	0.4%	0.3%	21.4%
CHF	1.07	-0.7%	-1.1%	-11.3%
GBP	0.85	0.1%	0.7%	6.9%

### COMMODITIES

	Last	5 days	YTD		5 Years
			USD	EUR	
Brent	64.85	-0.2%	-1.7%	-0.5%	-40.9%
Gold	1 557.24	-0.3%	2.6%	3.9%	-11.7%

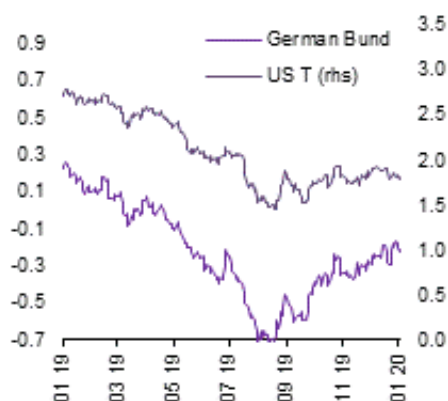
Equities (price, local currency)



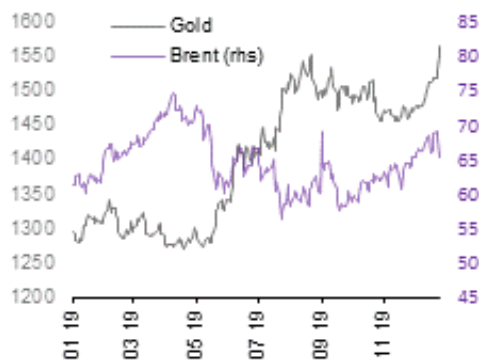
EUR vs. USD



Bonds (Yield)



Gold & Brent (USD)



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