

News highlights

- Equity markets ended the week mostly lower (with the notable exception of Chinese bourses) on renewed fears of the coronavirus impact and the multiplication of infection cases outside China. Gold rallied to its highest level in over 7 years, while the 30-year yield on US-Treasuries reached the lowest level ever seen.
- Apple lowered its revenue guidance stating that it would not meet quarterly revenue expectations due to the impact of the coronavirus, which will limit both iPhone production and product demand in China. Investors appeared worried that this could be the “prelude” to a series of earnings downgrade.
- China cut its benchmark lending rates in an effort to support the economy. Fiscal stimulus was also at play with the adaptation of social charges for SMEs. There was also talk of a government bailout for China’s stressed airline companies and a takeover of troubled regional airline, Hainan Airlines.
- Intesa Sanpaolo SpA launched one of the biggest European banking deals since the financial crisis, perhaps catalysing a long-awaited consolidation wave among Italian banks with an unsolicited € 4.8 billion bid for smaller rival UBI Banca. While Intesa was active in growing, HSBC announced a radical downsizing by slashing about 35,000 jobs and \$100bn in assets over the next 3 years in a plan to scale back operations in the US and Europe (notably the UK) while focusing more on Asia and the Middle East.
- Following last week’s downgrade of Kraft to the high yield universe, the rating downgrade of Macy’s (to BB+ by S&P) and Renault (to Ba1 by Moody’s) stoked fears of a potential uptick in fallen angels (investment grade debt downgraded to high yield).

EQUITIES (local currency, price change)

	Last Price	5 days	YTD		5 Years
			Local	EUR	
US					
S&P 500	3 338	-1.3%	3.3%	6.8%	58.2%
Nasdaq	9 577	-1.6%	6.7%	10.4%	93.2%
Dow Jones	28 992	-1.4%	1.6%	5.1%	59.8%
Europe					
Stoxx 50	3 800	-1.1%	1.5%	1.5%	8.9%
DAX	13 579	-1.2%	2.5%	2.5%	22.9%
CAC	6 030	-0.7%	0.9%	0.9%	24.8%
FTSE	7 404	-0.1%	-1.8%	-0.7%	7.1%
AEX	617	-1.9%	2.1%	2.1%	31.4%
BEL 20	4 078	-2.6%	3.1%	3.1%	12.5%
SMI	11 111	-0.2%	4.7%	7.0%	25.0%
EM & Asia					
Nikkei 225	23 387	-1.3%	-1.1%	-0.5%	27.6%
Hang Seng	27 309	-1.8%	-3.1%	0.2%	10.0%
India	NA	-0.2%	-0.2%	2.8%	40.8%
Russia	3 106	0.3%	2.0%	2.0%	73.3%
Brazil	113 681	-0.6%	-1.7%	-7.0%	121.9%

FIXED INCOME (local currency, total return)

	Yield	5 days	YTD		5 Years
			Local	EUR	
US					
Government	1.47	0.8%	2.9%	15.3%	
Investment Grade	2.47	0.6%	3.2%	26.7%	
High Yield	5.16	0.1%	1.2%	33.2%	
Europe					
Government	-	0.04	0.4%	2.7%	13.3%
Investment Grade	0.32	0.1%	1.3%	12.0%	
High Yield	2.91	0.1%	1.2%	24.8%	
EM					
Global HC USD	4.22	0.5%	2.6%	34.4%	

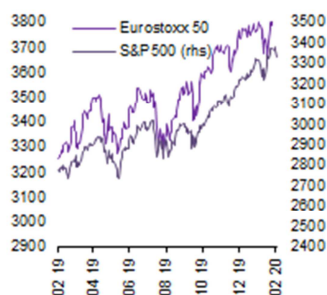
EUR VERSUS MAJOR CURRENCIES

	Last	5 days	YTD	5 Years
USD	1.08	0.1%	-3.3%	-16.1%
JPY	120.99	1.7%	-0.6%	20.2%
CHF	1.06	-0.3%	-2.2%	-12.3%
GBP	0.84	0.8%	-1.0%	5.0%

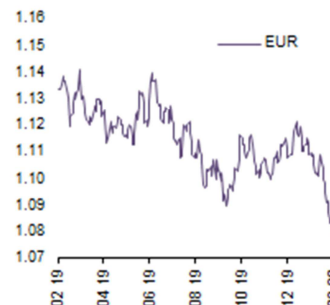
COMMODITIES

	Last	5 days	YTD		5 Years
			USD	EUR	
Brent	58.50	2.1%	-11.4%	-8.3%	-46.7%
Gold	1 643.41	3.7%	8.3%	12.0%	-6.9%

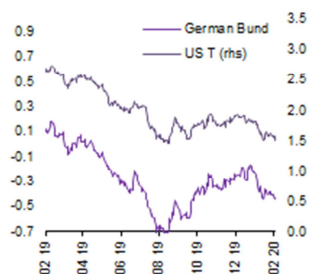
Equities (price, local currency)



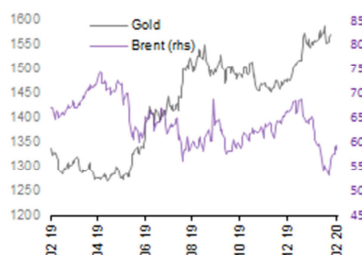
EUR vs. USD



Bonds (Yield)



Gold & Brent (USD)



DISCLAIMER All financial data and/or economic information released by this Publication (the "Publication"); (the "Data" or the "Financial data and/or economic information"), are provided for information purposes only, without warranty of any kind, including without limitation the warranties of merchantability, fitness for a particular purpose or warranties and non-infringement of any patent, intellectual property or proprietary rights of any party, and are not intended for trading purposes. Banque Internationale à Luxembourg SA (the "Bank") does not guarantee expressly or impliedly, the sequence, accuracy, adequacy, legality, completeness, reliability, usefulness or timelessness of any Data. All Financial data and/or economic information provided may be delayed or may contain errors or be incomplete. This disclaimer applies to both isolated and aggregate uses of the Data. All Data is provided on an "as is" basis. None of the Financial data and/or economic information contained on this Publication constitutes a solicitation, offer, opinion, or recommendation, a guarantee of results, nor a solicitation by the Bank of an offer to buy or sell any security, products and services mentioned into it or to make investments. Moreover, none of the Financial data and/or economic information contained on this Publication provides legal, tax accounting, financial or investment advice or services regarding the profitability or suitability of any security or investment. This Publication has not been prepared with the aim to take an investor's particular investment objectives, financial position or needs into account. It is up to the investor himself to consider whether the Data contained herein this Publication is appropriate to his needs, financial position and objectives or to seek professional independent advice before making an investment decision based upon the Data. No investment decision whatsoever may result from solely reading this document. In order to read and understand the Financial data and/or economic information included in this document, you will need to have knowledge and experience of financial markets. If this is not the case, please contact your relationship manager. This Publication is prepared by the Bank and is based on data available to the public and upon information from sources believed to be reliable and accurate, taken from stock exchanges and third parties. The Bank, including its parent-, subsidiary or affiliate entities, agents, directors, officers, employees, representatives or suppliers, shall not, directly or indirectly, be liable, in any way, for any: inaccuracies or errors in or omissions from the Financial data and/or economic information, including but not limited to financial data regardless of the cause of such or for any investment decision made, action taken, or action not taken of whatever nature in reliance upon any Data provided herein, nor for any loss or damage, direct or indirect, special or consequential, arising from any use of this Publication or of its content. This Publication is only valid at the moment of its editing, unless otherwise specified. All Financial data and/or economic information contained herein can also quickly become out-of-date. All Data is subject to change without notice and may not be incorporated in any new version of this Publication. The Bank has no obligation to update this Publication upon the availability of new data, the occurrence of new events and/or other evolutions. Before making an investment decision, the investor must read carefully the terms and conditions of the documentation relating to the specific products or services. Past performance is no guarantee of future performance. Products or services described in this Publication may not be available in all countries and may be subject to restrictions in some persons or in some countries. No part of this Publication may be reproduced, distributed, modified, linked to or used for any public or commercial purpose without the prior written consent of the Bank. In any case, all Financial data and/or economic information provided on this Publication are not intended for use by, or distribution to, any person or entity in any jurisdiction or country where such use or distribution would be contrary to law and/or regulation. If you have obtained this Publication from a source other than the Bank website, be aware that electronic documentation can be altered subsequent to original distribution.

Banque Internationale 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



BANQUE
INTERNATIONALE
À LUXEMBOURG