

News highlights

- Equity markets recorded solid positive returns last week. Over the past two weeks, a rotation has been witnessed in most equity markets - from growth to value, from large capitalization to smaller cap, from defensive to cyclical, from US to Europe.
- Optimism about the reopening of the global economy was the driver of market sentiment, associated with a significant slowdown in infection curve and news about human trials of a possible vaccine.
- Economic data surprised on the upside, even if nowadays this means the numbers were bad rather than dire, supporting the idea that economies might be turning the corner, beginning an upturn from the lockdown bottom.
- Tensions between the US and China continued to escalate. The US President plans to eliminate special treatment for Hong Kong after Beijing announced new security legislation in the territory. President Trump's latest salvo aimed against China nevertheless, did not deliver the harsh sanctions traders had feared.
- President Trump threatened to tighten regulations on social media platforms after Twitter attached a fact-check warning to two of his tweets, one of which the company said "glorified violence".
- Comments from ECB staff sparked fresh hopes of further stimulus via an increase in the PEPP program, while the EC President unveiled a €750 billion pandemic recovery plan meeting some of the objections of the 'frugal four' countries (Austria, Denmark, Netherlands and Sweden).
- European governments were also active on bailouts, Lufthansa and Renault being notable names.
- According to DB calculations, over the last few days US investment grade credit issuance hit one trillion dollars for 2020. This is 55% higher than the record issuance seen in 2017 at this stage and 92% above the same point last year.

EQUITIES (local currency, price change)

	Last Price	5 days	YTD		5 Years
			Local	EUR	
US					
S&P 500	3 044	3.0%	-5.8%	-4.7%	44.5%
Nasdaq	9 490	1.8%	5.8%	7.0%	87.2%
Dow Jones	25 383	3.8%	-11.1%	-10.0%	40.9%
Europe					
Stoxx 50	3 050	5.0%	-18.6%	-18.6%	-14.6%
DAX	11 587	4.6%	-12.5%	-12.5%	1.5%
CAC	4 695	5.6%	-21.5%	-21.5%	-6.2%
FTSE	6 077	1.4%	-19.4%	-24.3%	-13.0%
AEX	533	1.6%	-11.9%	-11.9%	7.9%
BEL 20	3 203	8.1%	-19.0%	-19.0%	-13.6%
SMI	9 831	1.5%	-7.4%	-5.8%	6.4%
EM & Asia					
Nikkei 225	21 878	7.3%	-7.5%	-5.6%	6.4%
Hang Seng	22 961	0.1%	-18.5%	-17.2%	-16.3%
India	32 424	5.7%	-21.4%	-25.1%	16.5%
Russia	2 735	0.9%	-10.2%	-20.2%	70.0%
Brazil	87 403	6.4%	-24.4%	-43.4%	65.7%

FIXED INCOME (local currency, total return)

	Yield	5 days	YTD	5 Years
Government	0.51	-0.1%	8.6%	20.9%
Investment Grade	2.28	0.7%	2.9%	26.4%
High Yield	7.02	1.8%	-4.7%	23.3%
Europe				
Government	0.15	0.4%	1.0%	12.4%
Investment Grade	1.12	0.8%	-2.5%	8.7%
High Yield	6.22	2.5%	-7.0%	13.5%
EM				
Global HC USD	4.74	0.7%	-3.0%	23.6%

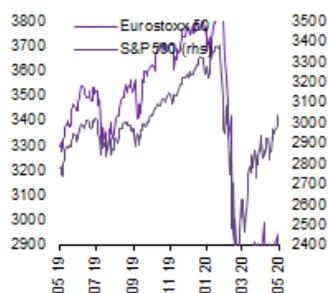
EUR VERSUS MAJOR CURRENCIES

	Last	5 days	YTD	5 Years
USD	1.11	1.8%	-1.0%	-14.2%
JPY	119.77	2.1%	-1.6%	19.0%
CHF	1.07	0.8%	-1.7%	-11.8%
GBP	0.90	0.4%	6.3%	12.8%

COMMODITIES

	Last	5 days	YTD		5 Years
			USD	EUR	
Brent	35.33	0.6%	-46.5%	-45.8%	-67.8%
Gold	1 730.77	0.3%	14.0%	15.4%	1.0%

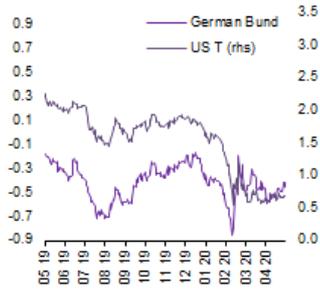
Equities (price, local currency)



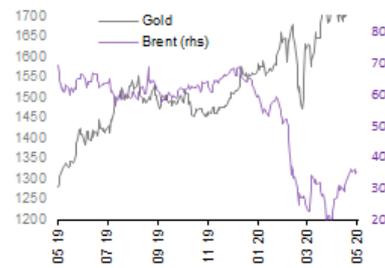
EUR vs. USD



Bonds (Yield)



Gold & Brent (USD)



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