

News highlights

- Global stocks managed to record solid gains last week on better-than-expected economic data and talks about a massive infrastructure stimulus plan from the US administration. The Fed also lifted spirits by putting into practice its buying of single line corporate bonds.
- The US retail sales report showed a 17.7% MoM increase in spending in May, the largest increased on record (albeit one measured against a 23.3% cumulative decline over the previous 3 months), offering a promising sign of pent-up demand being unleashed and the effectiveness of stimulus checks and enhanced unemployment benefits. In contrast, there was no real improvement in industrial production numbers.
- The ECB announced a record €1.31 trillion uptake in its TLTRO operation last week while the BOE enlarged its bond-buying program by GBP 100 billion, saying it will slow the rate of purchases. It expects to meet a new target of GBP 745 billion by the end of the year.
- EU leaders agreed on Friday that urgent action was needed to haul their economies out of the coronavirus-induced slump. It seems that compromise is slowly building on the Recovery Fund but we are not yet there. Discussions are expected to continue in July.
- On the corporate side, Wirecard topped headlines with its shares losing four-fifths of their value and its debt trading around 25 cents on the euro. The German payments company crashed following the revelation that auditors could not confirm the existence of €1.9bn in cash that was supposed to be held in escrow accounts at two Asian banks. In an indication of the company's worsening outlook, Moody's said on Friday that it cut Wirecard's credit ratings six levels (from Baa3 to B3); the company is under review for further downgrade.

EQUITIES (local currency, price change)

	Last Price	5 days	YTD		5 Years
			Local	EUR	
US					
S&P 500	3 098	1.9%	-4.1%	-3.8%	46.8%
Nasdaq	9 946	3.7%	10.8%	11.2%	94.4%
Dow Jones	25 871	1.0%	-9.3%	-9.1%	43.6%
Europe					
Stoxx 50	3 269	3.7%	-12.7%	-12.7%	-5.4%
DAX	12 331	3.2%	-6.9%	-6.9%	11.7%
CAC	4 979	2.9%	-16.7%	-16.7%	3.4%
FTSE	6 293	3.1%	-16.6%	-22.0%	-6.2%
AEX	568	4.2%	-6.1%	-6.1%	19.4%
BEL 20	3 377	2.4%	-14.6%	-14.6%	-5.9%
SMI	10 266	4.8%	-3.3%	-1.4%	15.8%
EM & Asia					
Nikkei 225	22 479	0.8%	-5.0%	-3.0%	11.4%
Hang Seng	24 644	1.4%	-12.6%	-11.9%	-7.9%
India	34 732	2.8%	-15.8%	-21.1%	27.1%
Russia	2 759	0.5%	-9.4%	-19.1%	65.9%
Brazil	96 572	4.1%	-16.5%	-36.8%	79.7%

FIXED INCOME (local currency, total return)

	Yield	5 days	YTD	5 Years
Government	0.54	0.0%	8.3%	21.4%
Investment Grade	2.07	0.9%	4.7%	30.2%
High Yield	6.44	0.9%	-2.3%	27.5%
Europe				
Government	0.08	0.4%	1.6%	15.7%
Investment Grade	0.86	0.2%	-1.1%	12.3%
High Yield	5.15	0.6%	-4.8%	18.6%
EM				
Global HC USD	4.36	0.7%	-0.8%	28.2%

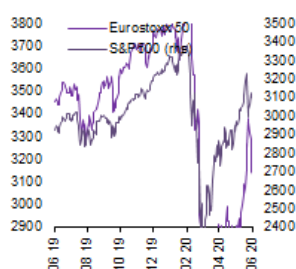
EUR VERSUS MAJOR CURRENCIES

	Last	5 days	YTD	5 Years
USD	1.12	-0.7%	-0.3%	-13.6%
JPY	119.46	-1.2%	-1.9%	18.7%
CHF	1.06	-0.7%	-1.9%	-12.0%
GBP	0.91	0.8%	7.0%	13.5%

COMMODITIES

	Last	5 days	YTD		5 Years
			USD	EUR	
Brent	42.19	8.9%	-36.1%	-35.9%	-61.6%
Gold	1 743.87	0.8%	14.9%	15.3%	-1.2%

Equities (price, local currency)

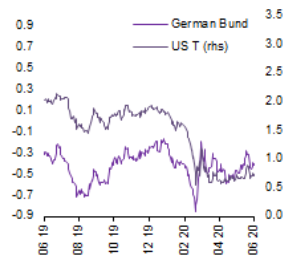


EUR vs. USD

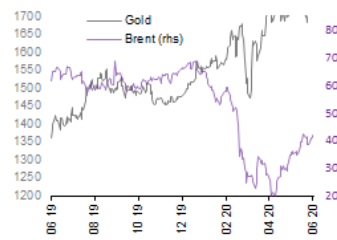


Source: Bloomberg, BIL, as at 19/06/2020

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