BIL BANQUE INTERNATIONALE À LUXEMBOURG 1856

Weekly Market Snapshot

19th October 2020

News highlights

- US equity market oscillated between positive and negative territory last week supported by encouraging economic releases and affected by rising concerns on Coronavirus and vaccine trials.
- In Europe, stocks fell on stricter government measures to contain the spread of the virus via localized lockdowns and night-time curfews.
- US retail sales jumped 1.9% in September, a bright spot, well above forecasts, despite the expiration of emergency relief measures and the continued stalemate in Washington on a fiscal relief deal.
- The IMF revised its global growth forecasts higher for this year while downgrading its forecasts for next year, and warning of a long, slow recovery that will stoke poverty and damage growth.
- With the Brexit clock ticking, Boris Johnson said the country should prepare for a no-deal on January 1st. However, the two sides agreed to continue talks this week.
- The beginning of the earnings season showed that inside banking, the winners were investment banks and the losers, retail banks; a further demonstration of the diverging fortunes of Wall Street versus Main Street.
- It was a big week for the GAFA with Apple presenting its new iPhone and Amazon launching its 'Prime Day' event. In the meantime, according to the FT, EU regulators are preparing a 'hit list' of up to 20 big tech companies to be subject to strict new rules concerning data-sharing with rivals and increased transparency on data collection
- This week, Q3 earnings season will heat up – investors will welcome the opportunity to discuss something other than US politics, Brexit and the Coronavirus crisis.

EQUITIES *(local currency, price change)*

	Last Price	5 days	YTD		5 Years
US			**Local**	**EUR**	
S&P 500	3 484	0.2%	7.8%	3.3%	71.4%
Nasdaq	11 672	0.8%	30.1%	24.6%	138.8%
Dow Jones	28 606	0.1%	0.2%	-4.0%	66.2%
Europe					
Stoxx 50	3 245	-0.8%	-13.3%	-13.3%	-0.6%
DAX	12 909	-1.1%	-2.6%	-2.6%	27.8%
CAC	4 936	-0.2%	-17.4%	-17.4%	5.0%
FTSE	5 920	-1.6%	-21.5%	-26.7%	-7.2%
AEX	568	0.2%	-6.0%	-6.0%	26.9%
BEL 20	3 265	-3.6%	-17.5%	-17.5%	-4.7%
SMI	10 207	-1.1%	-3.9%	-2.7%	17.1%
EM & Asia					
Nikkei 225	23 411	-0.9%	-1.0%	-2.2%	28.0%
Hang Seng	24 387	1.1%	-13.5%	-16.7%	5.7%
India	39 983	-1.3%	-3.1%	-9.9%	46.9%
Russia	2 800	-1.2%	-8.1%	-30.0%	63.0%
Brazil	98 309	0.8%	-15.0%	-42.0%	108.1%

FIXED INCOME *(local currency, total return)*

	Yield	5 days	YTD	5 Years
US				
Government	0.53	0.3%	8.5%	19.4%
Investment Grade	1.87	0.4%	7.0%	31.9%
High Yield	5.33	0.1%	2.0%	37.8%
Europe				
Government -	0.21	0.6%	4.6%	16.0%
Investment Grade	0.41	0.3%	1.7%	14.9%
High Yield	4.32	-0.1%	-1.8%	22.1%
EM				
Global HC USD	3.66	0.1%	2.7%	32.7%

EUR VERSUS MAJOR CURRENCIES

	Last	5 days	YTD	5 Years
USD	1.17	-0.9%	4.5%	-9.4%
JPY	123.48	-1.2%	1.4%	22.7%
CHF	1.07	-0.4%	-1.2%	-11.4%
GBP	0.91	0.1%	7.3%	13.8%

COMMODITIES

	Last	5 days	YTD		5 Years
			USD	**EUR**	
Brent	42.93	0.2%	-35.0%	-37.7%	-60.9%
Gold	1 899.29	-1.6%	25.2%	19.9%	7.6%

Source: Bloomberg, BIL, as at 16/10/2020

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