

News highlights

- The approval of the Pfizer-BioNTech vaccine by UK authority and resurfacing hopes for a new round of fiscal stimulus in the US supported risky assets last week but in a more tepid way, with equity markets in need of breath taking after an outstanding November rally
- Oil extended its gains after OPEC and its allies, after days of tense discussions, agreed to increase production more gradually than initially planned
- US Treasury bond prices came under pressure, boosting yields, with the rate on the 10-year Treasury note approaching the 1.0% mark. The biggest shift has been in the US dollar which has lost ground against all currencies including the euro.
- According to media reports, the European Commission is ready to exclude Poland and Hungary from the pandemic recovery fund and proceed if they continue to block the seven-year budget
- On the corporate side, two mega deals were confirmed during the week, with Salesforce buying Slack Technologies for \$27.7bn and S&P buying IHS Markit for \$44bn. The acquisition of Markit, while being the 2nd largest M&A deal this year, also mark a new milestone in the perspective of data being the valuable commodity.
- All eyes will be on Europe this week with Brexit talks nearing their deadline, disputes over the EU's long-term budget and recovery fund continuing, a summit of EU leaders scheduled and the last ECB meeting of the year

Stock markets

EQUITIES (local currency, price change)

	Last Price	5 days	YTD		5 Years
			Local	EUR	
US					
S&P 500	3 699	1,7%	14,5%	5,9%	76,8%
Nasdaq	12 464	2,1%	38,9%	28,4%	142,4%
Dow Jones	30 218	1,0%	5,9%	-2,1%	69,3%
Europe					
Stoxx 50	3 539	0,3%	-5,5%	-5,5%	6,3%
DAX	13 299	-0,3%	0,4%	0,4%	23,7%
CAC	5 609	0,2%	-6,2%	-6,2%	19,0%
FTSE	6 550	2,9%	-13,2%	-18,4%	5,0%
AEX	616	0,7%	1,8%	1,8%	37,8%
BEL 20	3 727	0,2%	-5,8%	-5,8%	2,4%
SMI	10 365	-1,3%	-2,4%	-2,0%	17,7%
EM & Asia					
Nikkei 225	26 751	0,4%	13,1%	9,2%	37,2%
Hang Seng	26 836	-0,2%	-4,8%	-11,5%	20,7%
India	45 080	2,1%	9,3%	-2,4%	75,8%
Russia	3 185	1,3%	4,6%	-19,0%	81,4%
Brazil	113 750	2,9%	-1,6%	-29,5%	150,8%

FIXED INCOME (local currency, total return)

	Yield	5 days	YTD	5 Years
Government	0,63	-0,8%	7,4%	19,7%
Investment Grade	1,77	-0,3%	8,3%	34,6%
High Yield	4,39	0,9%	6,0%	45,9%
Europe				
Government	- 0,20	-0,3%	4,4%	16,0%
Investment Grade	0,25	0,0%	2,6%	15,5%
High Yield	3,24	0,6%	2,1%	25,4%
EM				
Global HC USD	3,33	0,3%	5,0%	36,4%

EUR VERSUS MAJOR CURRENCIES

	Last	5 days	YTD	5 Years
USD	1,21	1,6%	8,1%	-6,0%
JPY	126,44	1,7%	3,7%	25,7%
CHF	1,08	-0,1%	-0,4%	-10,7%
GBP	0,90	0,4%	6,5%	13,1%

COMMODITIES

	Last	5 days	YTD		5 Years
			USD	EUR	
Brent	49,25	2,2%	-25,4%	-31,0%	-55,1%
Gold	1 838,86	2,9%	21,2%	12,1%	4,2%

Source: Bloomberg, BIL, as at 4/12/2020

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