

Global Overview: US equities closed mixed for the week amid relatively light trading volume with the Dow at -0.1%, the S&P almost flat and the Nasdaq at +0.1% as divided Fed-Speak and FOMC minutes led investors to reassess their rate hike outlook ahead of Fed Chair Yellen speech this week at the Jackson Hole Symposium, offsetting earlier gains from higher oil. US 2-year and 10-year Treasury yields closed higher while gold closed slightly lower on US rate hike prospects (FF now pricing a ~22% rate hike by September 2016 and ~51% by December 2016). Oil entered a bull market helped by an unexpected drawdown in US crude and gasoline stocks, talks of an output freeze by major producers and weaker US Dollar. European equities settled lower with the Stoxx 600 at -1.7% weighed by mining and banks as well as stronger Euro despite firmer oil. UK equities closed lower with the FTSE 100 at -0.8% as better-than-expected retail sales and labor market conditions supported the pound although weighed end of week by talks of earlier-than-expected start of Brexit process. Japanese equities closed lower with the Nikkei 225 at -2.2% on stronger Yen, weaker-than-expected GDP growth and decline in exports. 10-yr JGB yields rose as limited availability of government bonds puts into question the effectiveness of BOJ bond-buying program. Chinese equities closed higher with the Shanghai Composite Index at +6.7% helped by Shenzhen-Hong Kong stock exchanges link and expectations of further monetary policy easing. Earnings season winds down with PetroChina, Medtronic and Royal Bank of Canada set to report among others.

Previous Week Macro Data

| | Actual | Cons. |
|---|---------|---------|
| JPY GDP (Q2) | 0.2% | 0.7% |
| EU ZEW survey- economic sentiment (Aug) | 4.6 | -14.7 |
| US Core CPI (Jul) (YoY) | 2.2% | - |
| US Industrial production (MoM) (Jul) | 0.7% | 0.3% |
| UK ILO unemployment rate (3M) (Jun) | 4.9% | 4.9% |
| US EIA crude oil Δ (Aug 12) | -2.5M | - |
| JPY Merchandise trade balance total (Jul) | ¥513.5B | ¥273.2B |
| UK Retail sales (YoY) (Jul) | 5.9% | 4.2% |
| EU Core CPI (YoY) (Jul) | 0.9% | 0.9% |
| US Initial jobless claims (Aug 12) | 262K | 265K |
| US Baker Hughes oil rig count | 406 | - |

Upcoming Week Macro Data

| | Cons. | Prior |
|---|----------|----------|
| M US Chicago Fed national act. index | 0.20 | 0.16 |
| T CNY MNI Business sentiment indicator (Aug) | - | 55.5 |
| T JPY Nikkei manufacturing indicator (Aug) | 49.5 | 49.3 |
| T EU Markit PMI composite (Aug) | 53.1 | 53.2 |
| T US Markit manufacturing PMI (Aug) | 52.7 | 52.9 |
| T US New home sales (MoM) (Jul) | 0.58M | 0.59M |
| T US Richmond Fed manufacturing index (Aug) | 6.0 | 10.0 |
| T EU Consumer confidence (Aug) | -7.7 | -7.9 |
| W JPY Coincident index (Jun) | - | 110.5 |
| W US Existing home sales (MoM) (Jul) | 5.51M | 5.57M |
| W US EIA crude oil Δ (Aug 19) | - | -2.5M |
| Th US Initial jobless claims (Aug 19) | 265K | 262K |
| Th US Durable goods orders (Jul) | -3.5% | -3.9% |
| Th US Kansas Fed manufacturing activity (Aug) | -2.0 | -6.0 |
| F UK GDP (YoY) (Q2) | 2.2% | 2.2% |
| F US GDP (Q2) | 1.1% | 1.2% |
| F US International trade in goods (Jul) | -\$63.0B | -\$63.3B |
| F US Core PCE (QoQ) (Q2) | 1.7% | 1.7% |
| F US Reuters/Michigan cons. sent. index (Aug) | 90.7 | 90.4 |
| F US Baker Hughes oil rig count | - | 406 |

Upcoming Week Policy & Related Events

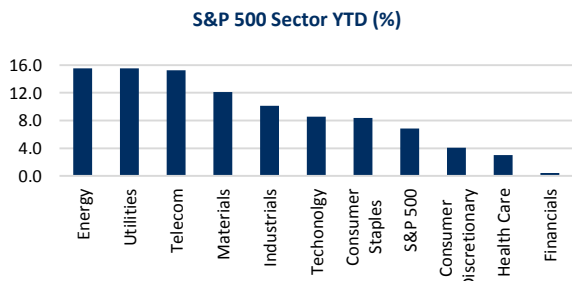
- T JPY BoJ Kuroda
- Th US Jackson Hole Symposium
- F US Fed Yellen

Upcoming Week Key Earnings

- M Nordson
- T PetroChina, BMO, Intuit, J.M. Smucker, Best Buy, Toll Brothers
- W RBC, Glencore, WPP, HP, Workday, PVH, SQM, Heico
- Th Medtronic, TD, CIBC, CRH, Dollar General, Vivendi, Dollar Tree, Ulta Salon, Autodesk, Tiffany & Co., Splunk
- F China Life Insurance, Lukoil, Tata Motors, Prada, Big Lots

| Equities | Value | 1 Day % | 1 Week % | YTD % | P/E | Div. Yld. % |
|----------------|-----------|---------|----------|--------|-------|-------------|
| S&P 500 | 2,183.87 | ▼ -0.14 | ▼ -0.01 | 6.85 | 19.67 | 2.12 |
| Dow Jones | 18,552.57 | ▼ -0.24 | ▼ -0.13 | 6.47 | 17.87 | 2.58 |
| NASDAQ | 5,238.38 | ▼ -0.03 | ▲ 0.10 | 4.61 | 22.70 | 1.20 |
| Russell 2000 | 1,236.77 | ▼ -0.01 | ▲ 0.57 | 8.88 | 19.88 | 1.36 |
| STOXX 600 | 340.14 | ▼ -0.81 | ▼ -1.72 | -7.02 | 17.96 | 3.61 |
| FTSE 100 | 6,858.95 | ▼ -0.15 | ▼ -0.83 | 9.88 | 23.11 | 3.98 |
| NIKKEI 225 | 16,545.82 | ▲ 0.36 | ▼ -2.21 | -12.80 | 18.02 | 1.99 |
| Shanghai Index | 3,108.10 | ▲ 5.86 | ▲ 6.68 | -12.62 | 14.76 | 1.98 |
| S&P Pan Arab | 641.69 | ▼ -0.08 | ▼ -0.09 | -2.75 | 11.68 | 3.89 |
| MSCI ACWI | 1,699.76 | ▼ -0.48 | ▼ -0.64 | -0.96 | 17.51 | 3.39 |
| MSCI EM | 910.34 | ▼ -0.66 | ▲ 0.03 | 14.63 | 13.54 | 2.53 |

| Fixed Income | Value | Yield % | YTD % |
|------------------------------------|----------|---------|-------|
| Barclays Global Aggregate | 488.16 | 1.14 | 10.41 |
| Barclays Global Agg. – Corporate | 248.35 | 2.23 | 9.06 |
| Barclays Global High Yield | 1,178.81 | 5.96 | 13.57 |
| Markit CDX N.A. Investment Grade | 70.54 | NA | NA |
| Markit CDX N.A. High Yield (Price) | 104.95 | NA | NA |
| Markit iTraxx Europe | 49.12 | NA | NA |
| Markit iTraxx ITX Crossover | 366.56 | NA | NA |



| Rates | Value | Yield % |
|------------------|--------|---------|
| Treasuries 2-Yr | 99.96 | 0.77 |
| Treasuries 10-Yr | 99.16 | 1.59 |
| Treasuries 30-Yr | 99.11 | 2.29 |
| Gilts 10-Yr | 112.14 | 0.62 |
| Bunds 10-Yr | 100.47 | -0.05 |
| French 10-Yr | 103.13 | 0.18 |
| Italian 10-Yr | 104.43 | 1.12 |
| Spanish 10-Yr | 109.28 | 0.94 |
| Greek 10-Yr | 71.52 | 8.03 |
| JGBs 10-Yr | 101.75 | -0.08 |

| Volatility | Value | YTD % |
|-------------------|-------|--------|
| S&P 500 VIX | 11.34 | -37.7% |
| Euro Stoxx 50 VIX | 21.13 | -4.7% |
| Crude Oil VIX | 35.18 | -23.9% |
| Interest Rate VIX | 82.88 | 1.3% |

| Commodities | Value | YTD % |
|--------------|---------|-------|
| Oil-Brent | 50.00 | 34.1% |
| Oil-WTI | 47.79 | 29.0% |
| Natural Gas | 2.63 | 12.4% |
| Gold | 1333.08 | 25.6% |
| Silver | 18.87 | 36.3% |
| Copper | 215.35 | 0.9% |
| S&P GSCI CME | 370.44 | 18.9% |

| Currencies | Value | YTD % |
|------------|----------|--------|
| EUR-USD | 1.1279 | 3.8% |
| GBP-USD | 1.3048 | -11.5% |
| USD-JPY | 100.8300 | -16.1% |
| USD-CNY | 6.6632 | 2.6% |
| USD-CHF | 0.9640 | -3.8% |
| AUD-USD | 0.7590 | 4.2% |
| USD-CAD | 1.2924 | -6.6% |
| USD-SEK | 8.4201 | -0.2% |
| DXY Index | 94.9450 | -3.7% |

Investment Style YTD (%)

| | Value | Blend | Growth |
|-------|-------|-------|--------|
| Large | 8.1 | 6.8 | 5.6 |
| Mid | 13.8 | 11.7 | 9.7 |
| Small | 14.4 | 11.5 | 8.8 |

FFA Equity Ideas

For equity ideas or price quotes, please contact us

FFA Fixed Income Ideas

For fixed income ideas or price quotes, please contact our fixed income desk

Source: Reuters, Bloomberg, Barclays, Morningstar, WSJ, CNBC, Briefing, FXStreet.

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