

Global Overview

- US equities ended the week flat to higher with the S&P 500 at +0.1% supported by rally in healthcare following US President Trump promises of lower taxes on pharmaceuticals and approval of new drugs, the Dow Jones at -0.1%, the Nasdaq at +0.1% and the Russell 2000 ahead at +0.5%. Equities were helped by Friday's rally on stronger headline payrolls and Trump's executive order to review banking regulations including the Dodd-Frank Act. US macro data came in mixed with January jobs report showing higher-than-expected payrolls at 227k (vs. 180k cons.) while unemployment rate increased to 4.8% (vs. 4.7% cons.) on account of higher participation rate while average hourly earnings edged up +2.5% (vs. 2.7% cons). US Markit PMI Composite printed at its highest level since November 2015 and factory orders rose higher-than-expected while non-ISM manufacturing came in below expectations
- US dollar weakened and 2-year and 10-year Treasury yields closed lower as slower-than-expected wage growth overshadowed higher-than-expected headline payrolls despite hawkish comments from Fed Williams suggesting possibly three interest rate hikes in 2017. Fed maintained its benchmark interest rate unchanged while noting improvement in consumer and business sentiment. Gold traded higher on softer US dollar and weaker US Treasury yields, also supported by lack of clarity on Fed rate hikes and data showing rise in investment to a four-year high offsetting lower physical demand for gold
- Oil ended the week higher as weaker US dollar, OPEC/non-OPEC compliance to output cuts and new US sanctions imposed on Iran offset larger-than-expected build in US crude oil stocks and higher US oil rig count
- European equities closed lower with the Stoxx 600 at -0.6% weighed by lower-than-expected corporate earnings including Deutsche Bank and Daimler despite better-than-expected macro and improved investor sentiment end of week on hopes of lighter regulations for the financial sector. UK equities were roughly flat for the week with the FTSE 100 at +0.1% while UK Gilts rallied as Parliament gave PM Theresa May the power to invoke Article 50. BoE kept its policy rate unchanged and upgraded its economic growth forecasts for 2017 while revising down its inflation forecasts for the next three years
- Japanese equities closed lower with the Nikkei 225 at -2.8% on weaker USD/JPY. BoJ left its monetary policy and inflation expectations unchanged while forecasting stronger economic growth
- Chinese equities ended the holiday-shortened week higher with the Shanghai Composite at +0.5% following slightly better-than-expected manufacturing data. PBOC surprised financial markets by raising short-term interest rates as part of its policy tightening efforts which aim to curb further outflows and contain excessive credit growth. Emerging markets closed higher with the MSCI EM at +0.3%
- MENA equities closed lower with the S&P Pan Arab Composite at -1.3% as Saudi Arabia and UAE markets were reportedly lower on profit taking

Previous Week Macro Data	Actual	Cons.	Date	Upcoming Week Macro Data	Cons.	Prior
US Core PCE (YoY) (Dec)	1.7%	1.7%	07-Feb	JPY Leading economic index (Dec)	105.5	102.8
US Personal spending (MoM) (Dec)	0.5%	0.5%	07-Feb	US Trade balance (Dec)	\$-45.0B	\$-45.2B
US Personal income (MoM) (Dec)	0.3%	0.4%	07-Feb	US JOLTS job openings (Dec)	5.57M	5.52M
JPY BoJ interest rate decision	-0.1%	-0.1%	07-Feb	US IBD/TIPP economic optimism (MoM) (Feb)	-	54.8
EU GDP (YoY) (Q4)	1.8%	1.7%	08-Feb	CNY FDI (YoY) (Jan)	1.4%	5.7%
EU Unemployment rate (Jan)	9.6%	9.8%	08-Feb	CNY Trade balance USD (Jan)	\$49.0B	\$40.8B
EU Core CPI (YoY) (Jan)	0.9%	0.9%	08-Feb	US EIA crude oil stocks change (Feb 3)	-	6.5M
US Consumer confidence (Jan)	111.8	112.8	09-Feb	US Initial jobless claims (Feb 3)	249K	246K
CNY NBS manufacturing PMI (Jan)	51.3	51.2	09-Feb	US Wholesale inventories (Dec)	1.0%	1.0%
US ADP employment change (Jan)	246K	168K	10-Feb	UK Trade balance (Dec)	-	£-4.2B
US ISM manufacturing PMI (Jan)	56.0	55.0	10-Feb	UK Industrial production (YoY) (Dec)	3.2%	2.0%
US EIA crude oil stocks change (Jan 27)	6.5M	-	10-Feb	US Michigan consumer sentiment index (Feb)	97.8	98.5
US Fed interest rate decision	0.75%	0.75%	10-Feb	UK NIESR GDP estimate (3M) (Jan)	-	0.5%
UK BoE interest rate decision	0.25%	0.25%	10-Feb	US Baker Hughes oil rig count	-	583
US Initial jobless claims (Jan 27)	246K	250K				
US Nonfarm payrolls (Jan)	227K	180K				
US Average hourly earnings (YoY) (Jan)	2.5%	2.7%	06-Feb	US Fed Harker, EU ECB Draghi		
US Unemployment rate (Jan)	4.8%	4.7%	07-Feb	JPY BoJ summary of opinions		
US ISM non-manufacturing PMI (Jan)	56.5	57.0	08-Feb	EU European commission economic growth forecasts, UK MPs debate on Article 50 bill, UK BoE Cunliffe		
			09-Feb	US Fed Bullard & Evans, UK BoE Carney		
			10-Feb	EU Extraordinary economic summit, EU ECB Mersch, US President Donald Trump and Japan PM Shinzo Abe meeting		
Date	Upcoming Week Key Earnings					
06-Feb	21 st Century Fox, Sysco, Tyson Foods, Newell Brands					
07-Feb	Walt Disney, Intercontinental Exchange, BP, Gilead, Mondelez, Statoil, GM, Emerson, S&P Global, Pioneer					
08-Feb	Sanofi, Rio Tinto, GSK, Allergan, Softbank, Time Warner, Itaú Unibanco, Suncor, ABB, HDFC Bank, Prudential, Exelon, Cognizant					
09-Feb	Coca-Cola, Total, Reynolds American, CVS, NVIDIA, Occidental, Manulife, Zurich Insurance, Thomson Reuters, Nissan, TransCanada, Société Générale					
10-Feb	NTT, AON					

Equities	Value	1 Day %	1 Week %	YTD %	P/E	Div. Yld. %
S&P 500	2,297.42	▲ 0.73	▲ 0.12	2.62	20.19	2.12
Dow Jones	20,071.46	▲ 0.94	▼ -0.11	1.56	18.46	2.54
NASDAQ	5,666.77	▲ 0.54	▲ 0.11	5.27	23.67	1.23
Russell 2000	1,377.84	▲ 1.50	▲ 0.52	1.53	22.04	1.48
STOXX 600	364.07	▲ 0.59	▼ -0.63	0.73	19.12	3.61
FTSE 100	7,188.30	▲ 0.67	▲ 0.05	0.64	27.00	4.22
Nikkei 225	18,918.20	▲ 0.02	▼ -2.82	-0.72	20.64	1.77
Shanghai Comp.	3,140.17	▼ -0.60	▲ 0.55	1.72	15.65	2.00
S&P Pan Arab	691.61	▼ -0.25	▼ -1.31	1.08	13.04	5.39
MSCI ACWI	1,741.84	▲ 0.31	▲ 0.01	3.43	17.70	3.33
MSCI EM	918.87	▲ 0.40	▲ 0.32	6.56	14.14	2.68

Credit	Value	1 Week %	YTD %	Yield %
Barclays Global Aggregate	456.05	▲ 0.68	1.04	1.67
Barclays Global Agg. – Corporate	239.20	▲ 0.24	0.74	2.73
Barclays Global High Yield	1,212.88	▲ 0.50	2.26	5.52
Markit CDX N.A. Investment Grade	63.82	▼ -0.53	NA	NA
Markit CDX N.A. High Yield (price)	106.47	▼ -0.19	NA	NA
Markit CDX EM (price)	94.59	▲ 0.52	NA	NA
Markit iTraxx ITX Crossover	208.87	▲ 5.71	NA	NA
Markit iTraxx Europe	43.08	▲ 4.21	NA	NA

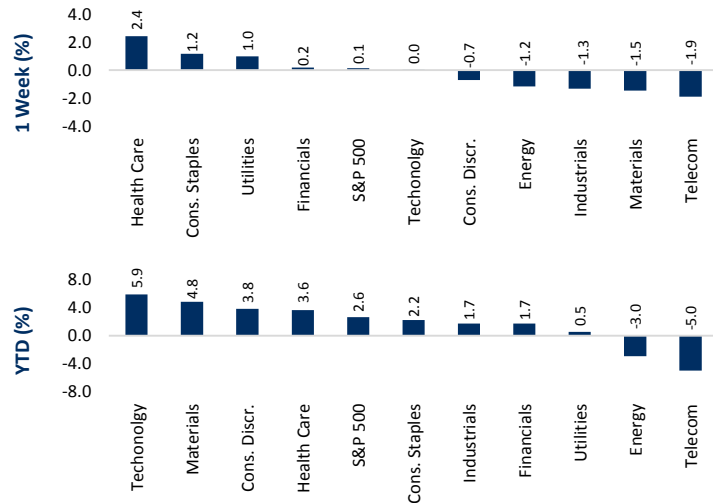
Rates	Value	1 Week %	YTD %	Yield %
Treasuries 2-Yr	99.86	▲ 0.04	-0.26	1.19
Treasuries 10-Yr	95.98	▲ 0.18	-0.15	2.46
Treasuries 30-Yr	95.82	▼ -0.62	-0.48	3.09
Gilts 10-Yr	101.33	▲ 1.04	-1.03	1.35
Bunds 10-Yr	98.43	▲ 0.49	0.37	0.41
French 10-Yr	92.35	▼ -0.45	-3.69	1.09
Italian 10-Yr	91.28	▼ -0.32	-3.92	2.27
Spanish 10-Yr	96.67	▼ -0.85	-2.62	1.69
Greek 10-Yr	74.42	▼ -2.50	-2.06	7.45
JGBs 10-Yr	100.05	▼ -0.18	-0.53	0.10

Volatility	Value	1 Week %	YTD %
S&P 500 VIX	10.97	▲ 3.69	-21.87
Stoxx 50 VIX	15.13	▼ -4.50	-16.50
EM VIX	16.45	▼ -1.67	-26.33
Crude Oil VIX	28.36	▼ -4.58	-3.83
Interest rate VIX	86.63	▼ -2.22	-2.58

Commodities	Value	1 Week %	YTD %
Oil-Brent	56.81	▲ 1.99	-0.02
Oil-WTI	53.83	▲ 1.24	0.20
Natural Gas	3.06	▼ -8.78	-17.75
Gold	1,220.80	▲ 2.49	6.00
Silver	17.48	▲ 2.00	9.32
Copper	261.60	▼ -2.73	4.41
S&P GSCI	400.38	▲ 0.73	0.55

Currencies	Value	1 Week %	YTD %
EUR-USD	1.0783	▲ 0.79	2.53
GBP-USD	1.2484	▼ -0.57	1.17
USD-JPY	112.6100	▼ -2.16	-3.72
USD-CNY	6.8672	▼ -0.24	-1.12
USD-CHF	0.9930	▼ -0.63	-2.55
AUD-USD	0.7680	▲ 1.71	6.55
USD-CAD	1.3023	▼ -0.99	-3.11
USD-SEK	8.7648	▼ -0.95	-3.75
DXY Index	99.8680	▼ -0.66	-2.29

S&P 500 Sector



Investment Style

	Value	Blend	Growth
1 Week (%)			
Large	0.2	0.1	0.0
Mid	0.7	0.6	0.5
Small	0.3	0.3	0.4
YTD (%)			
Large	1.3	2.6	3.8
Mid	2.5	2.8	3.0
Small	-0.2	0.4	1.0

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FFA Fixed Income Ideas

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

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

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