

Global Overview

• US equities ended the first week of October higher amid volatility at an all-time low, with the S&P 500 at +1.2%, the Dow Jones at +1.6%, the Nasdaq at +1.5% and the Russell 2000 at +1.3%. Favorable investor sentiment was driven by i) encouraging US macro data which included higher-than-expected manufacturing and non-manufacturing ISM, ADP employment change and auto sales and ii) further political progress in the US following last week's release of Republicans' tax reform outline. US jobs report was weighed by hurricanes Harvey and Irma in September resulting in job losses at -33K (vs. +90K cons.) while average hourly earnings grew faster-than-expected at 2.9% (vs. 2.5% cons.) and unemployment rate declined to 4.2% (vs. 4.4% cons.)

• US Treasury yields closed higher on stronger-than-expected wage data and Fed Harker suggesting a December rate hike despite soft inflation (FF now pricing a ~80% rate hike probability in December 2017). US Dollar Index strengthened and gold traded lower as US macro supported expectations for a Fed interest rate hike in December despite mixed jobs data end of week and Russian report of a possible North Korean missile test that could reach the west coast of the US

• WTI crude oil closed sharply lower on oversupply fears despite largely higher-than-expected drawdown in crude oil inventories. Oil was also weighed by concerns over possible impact of Tropical Storm Nate on Gulf of Mexico's energy infrastructure

• European equities closed higher with the Stoxx 600 at +0.3% despite worries over the Catalan crisis which impact was limited to Spanish equities and government bonds, and weaker-than-expected EU macro as Markit PMI and retail sales came in slightly lower-than-expected and unemployment increased. UK equities closed higher with the FTSE 100 at +2.0% on GBP/USD weakness. Sterling was pressured on concerns around PM May's premiership challenged by political rivals although partly recovered following May's statement to provide "calm leadership"

• Japanese equities closed higher with the Nikkei 225 at +1.6% amid soft trading volumes as several Asian markets were closed for holidays

• Chinese equities were closed for a week-long national holiday. Emerging markets closed higher with the MSCI EM at +2.0%

• MENA equities edged higher with the S&P Pan Arab Composite at +0.2% as losses in Saudi equities were offset by gains in UAE equities. Saudi equities were pressured by FTSE decision to delay upgrading Riyadh to its secondary emerging market index

Previous Week Macro Data	Actual	Cons.	Date	Upcoming Week Macro Data	Cons.	Prior
JPY Nikkei manufacturing PMI (Sep)	52.9	52.6	09-Oct	EU Sentix investor confidence (Oct)	28.5	28.2
UK Manufacturing PMI (Sep)	55.9	56.4	10-Oct	UK Industrial production (YoY) (Aug)	0.8%	0.4%
EU Unemployment rate (Aug)	9.1%	9.0%	10-Oct	US NFIB business optimism index (Sep)	105.1	105.3
US ISM manufacturing PMI (Sep)	60.8	58.8	10-Oct	UK NIESR GDP estimate (3M) (Sep)	-	0.4%
US Total vehicle sales (Aug)	18.6M	16.9M	10-Oct	US IBD/TIPP economic optimism (MoM) (Oct)	54.2	53.4
EU Markit PMI composite (Sep)	56.7	56.7	11-Oct	US JOLTS job openings (Aug)	6.14M	6.17M
EU Retail sales (YoY) (Aug)	1.2%	2.6%	12-Oct	CNY FDI (YTD) (YoY) (Sep)	-	-0.2%
US ADP employment change (Sep)	135K	125K	12-Oct	EU Industrial production (YoY) (Aug)	2.5%	3.2%
US Markit PMI composite (Sep)	54.8	-	12-Oct	US Initial jobless claims (Oct 6)	254K	260K
US ISM non-manufacturing PMI (Sep)	59.8	55.5	12-Oct	US EIA crude oil stocks change (Oct 6)	-	-6.0M
US EIA crude oil stocks change (Sep 29)	-6.0M	-0.5M	13-Oct	CNY Trade balance USD (Sep)	\$39.5B	\$42.0B
US Trade balance (Aug)	-\$42.4B	-\$42.7B	13-Oct	US Retail sales (MoM) (Sep)	0.3%	0.2%
US Initial jobless claims (Sep 29)	260K	265K	13-Oct	US Core CPI (YoY) (Sep)	1.8%	1.7%
JPY Leading economic index (Aug)	106.8	107.2	13-Oct	US Michigan consumer sent. ind (Oct)	-	95.1
US Nonfarm payrolls (Sep)	-33K	90K	13-Oct	US Business inventories (Aug)	0.4%	0.2%
US Unemployment rate (Sep)	4.2%	4.4%	13-Oct	US Baker Hughes oil rig count	-	740
US Average hourly earnings (YoY) (Sep)	2.9%	2.5%				
US Wholesale inventories (Aug)	0.9%	1.0%				
US Baker Hughes oil rig count	740	-				

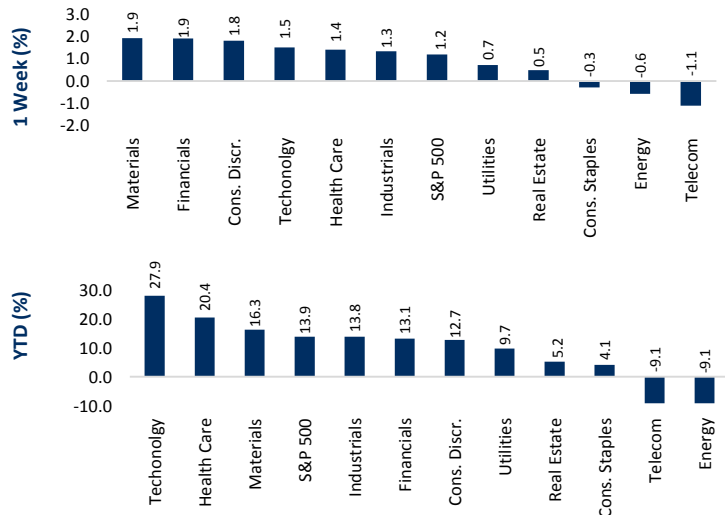
Date	Upcoming Policy & Related Events
09-Oct	EU Eurogroup meeting, EU ECB Cœuré, Mersch & Lautenschläger
10-Oct	JPY BoJ Kuroda, US Fed Kashkari & Kaplan
11-Oct	US Fed Kaplan, Evans & Williams, US FOMC minutes, EU ECB Praet
12-Oct	UK BoE Haldane, US Fed Brainard, Powell & Bostic, EU ECB Draghi, Cœuré & Lautenschläger
13-Oct	IMF meeting, US Fed Rosengren, Evans, Kaplan & Powell, EU ECB Mersch, Constâncio & Cœuré

Date	Upcoming Week Key Earnings
11-Oct	BlackRock, Delta Air Lines, Fastenal, Bank of the Ozarks
12-Oct	JP Morgan Chase, Citigroup, Sky, Domino's Pizza
13-Oct	Bank of America, Wells Fargo, PNC Financial Services, First Republic Bank

Equities	Value	1 Day %	1 Week %	YTD %	P/E	Div. Yld. %
S&P 500	2,549.33	-0.11	▲ 1.19	▲ 13.87	21.21	1.95
Dow Jones	22,773.67	-0.01	▲ 1.65	▲ 15.24	19.44	2.32
NASDAQ	6,590.18	0.07	▲ 1.45	▲ 22.42	24.41	1.05
Russell 2000	1,510.22	-0.12	▲ 1.30	▲ 11.28	21.89	1.16
STOXX 600	389.47	-0.40	▲ 0.34	▲ 8.04	18.39	3.34
FTSE 100	7,522.87	0.20	▲ 2.04	▲ 5.18	22.32	4.13
Nikkei 225	20,690.71	0.30	▲ 1.64	▲ 8.25	18.23	1.83
Shanghai Comp.	3,348.94	0.28	▼ -0.11	▲ 7.90	16.40	2.00
S&P Pan Arab	691.10	-0.22	▲ 0.23	▲ 0.84	13.07	3.69
MSCI ACWI	1,972.37	-0.07	▼ -0.07	▲ 17.12	17.70	3.17
MSCI EM	1,103.12	0.03	▲ 1.98	▲ 27.93	15.29	2.43

Credit	Value	1 Week %	YTD %	Yield %
Barclays Global Aggregate	477.17	▼ -0.50	▲ 5.72	1.64
Barclays Global Agg. – Corporate	250.23	▬ 0.00	▲ 4.47	2.51
Barclays Global High Yield	1,298.77	▲ 0.01	▲ 9.50	5.09
Markit CDX N.A. Investment Grade	54.27	▼ -2.50	NA	NA
Markit CDX N.A. High Yield (price)	108.08	▲ 0.22	NA	NA
Markit CDX EM (price)	96.28	▲ 0.31	NA	NA
Markit iTraxx ITX Crossover	88.52	▼ -5.28	NA	NA
Markit iTraxx Europe	19.56	▲ 1.66	NA	NA

S&P 500 Sector



Rates	Value	1 Week %	YTD %	Yield %
Treasuries 2-Yr	99.75	▼ -0.04	▼ -0.37	1.51
Treasuries 10-Yr	99.04	▼ -0.22	▲ 3.04	2.36
Treasuries 30-Yr	97.13	▼ -0.67	▲ 0.88	2.89
Gilts 10-Yr	127.31	▼ -0.05	▼ -1.80	1.37
Bunds 10-Yr	100.41	▲ 0.04	▲ 2.39	0.45
French 10-Yr	102.47	▲ 0.08	▲ 6.87	0.72
Italian 10-Yr	100.60	▼ -0.31	▲ 5.89	2.09
Spanish 10-Yr	97.68	▼ -0.97	▼ -1.59	1.64
JGBs 10-Yr	100.48	▲ 0.09	▼ -0.10	0.05

Volatility	Value	1 Week %	YTD %
S&P 500 VIX	9.65	▲ 1.47	▼ -31.27
Stoxx 50 VIX	12.51	▲ 3.17	▼ -31.00
EM VIX	15.91	▼ -0.75	▼ -28.75
Interest rate VIX	71.84	▲ 0.38	▼ -19.21
Deutsche Bank FX VIX	7.65	▲ 25.83	▼ -7.25
Crude Oil VIX	26.74	▲ 2.33	▼ -9.33

Investment Style

	Value	Blend	Growth
1 Week (%)	Large	1.1	1.3
	Mid	0.9	1.6
	Small	1.1	1.3
YTD (%)	Large	7.7	19.4
	Mid	6.0	12.7
	Small	7.3	11.0

Commodities	Value	1 Week %	YTD %
Oil-Brent	55.62	▼ -2.06	▼ -2.11
Oil-WTI	49.29	▼ -4.61	▼ -8.25
Natural Gas	2.86	▼ -4.79	▼ -23.12
Gold	1,274.90	▼ -0.77	▲ 10.70
Silver	16.79	▲ 0.68	▲ 5.01
Copper	302.90	▲ 2.50	▲ 20.89
S&P GSCI	391.85	▼ -1.87	▼ -1.60

Currencies	Value	1 Week %	YTD %
EUR-USD	1.1730	▼ -0.71	▲ 11.53
GBP-USD	1.3066	▼ -2.48	▲ 5.88
USD-JPY	112.6500	▲ 0.12	▼ -3.69
USD-CNY	6.6528	▲ 0.95	▼ -4.21
USD-CHF	0.9797	▲ 1.18	▼ -3.86
AUD-USD	0.7767	▼ -0.86	▲ 7.76
USD-CAD	1.2529	▲ 0.46	▼ -6.79
USD-SEK	8.1188	▼ -0.36	▼ -10.84
DXY Index	93.8000	▲ 0.78	▼ -8.23

FFA Equity Ideas

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

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