

Global Overview: US equities ended the week higher with the Dow at +0.2%, the S&P at +0.1% and the Nasdaq at +0.2% after reaching record highs as better-than-expected corporate earnings and recovery in oil improved sentiment despite disappointing US macro data. US 2-year and 10-year treasuries rallied while US Dollar weakened on weaker-than-expected retail sales and PPI which further postponed expectations of a Fed rate hike ahead of FOMC minutes this week. Gold closed lower mainly on profit-taking after demand for safe haven assets previously rose on disappointing macro from China and the US. Oil ended the week higher supported by Saudi oil minister suggesting potential action to stabilize oil prices ahead of informal OPEC meeting in September, as well as IEA forecasts of a tighter crude market in the second half of the year despite near-record OPEC output and weaker-than-expected economic data from US and China. European equities closed higher with the Stoxx 600 at +1.4% mainly on stronger oil although pressured by mining stocks and softer-than-expected EU GDP and industrial production. UK equities closed higher with the FTSE 100 at +1.8% benefitting from weaker pound and record low interest rates which saw 10-year Gilt yields decline sharply as BoE initially fell short of its purchasing target after its newly launched bond-buying program. Japanese equities closed higher with the Nikkei 225 at +4.1% on improved global sentiment and firmer oil despite slightly stronger Yen. Chinese equities closed higher with the Shanghai Composite Index at +4.7% as weaker-than-expected fixed-asset investment, industrial output and retail sales raised the prospect of further policy easing. Earnings season winds down with Home Depot, Tencent, Nestlé and Wal-Mart set to report.

Previous Week Macro Data

	Actual	Cons.
CNY CPI (YoY) (Jul)	1.8%	1.8%
UK Industrial production (YoY) (Jun)	1.6%	1.6%
US Nonfarm productivity (Q2)	-0.5%	0.4%
US Wholesale inventories (Jun)	0.3%	0.0%
UK NIESR GDP estimate (3M) (Jul)	0.3%	0.4%
US JOLTS job openings (Jun)	5.6M	5.7M
US EIA crude oil Δ (Jul 29)	1.1M	-
US Initial jobless claims (Jul 29)	266K	265K
US Export price index (YoY) (Jul)	-3.0%	-
US Import price index (YoY) (Jul)	-3.7%	-4.3%
CNY Retail sales (YoY) (Jul)	10.2%	10.5%
CNY Industrial production (YoY) (Jul)	6.0%	6.2%
EU GDP (YoY) (Q2)	1.6%	1.6%
EU Industrial production (YoY) (Jun)	0.4%	0.7%
US Retail sales (MoM) (Jul)	0%	0.4%
US PPI (YoY) (Jul)	-0.2%	0.3%
US Reuters/Michigan consumer sent ind. (Aug)	90.4	91.5

Upcoming Week Macro Data

	Cons.	Prior
T EU ZEW survey- economic sentiment (Aug)	-	-14.7
T US Housing starts (MoM) (Jul)	1.18M	1.19M
T US Core CPI (Jul)	247.9	247.5
T US Industrial production (MoM) (Jul)	0.3%	0.6%
W UK ILO unemployment rate (3M) (Jun)	4.9%	4.9%
W US EIA crude oil Δ (Aug 12)	-	1.1M
W JPY Merchandise trade balance total (Jul)	¥273.2B	¥692.8B
Th UK Retail sales (YoY) (Jul)	4.2%	4.3%
Th EU Core CPI (YoY) (Jul)	0.9%	0.9%
Th US Initial jobless claims (Aug 12)	265K	266K
Th US Philadelphia Fed man. survey (Aug)	2.0	-2.9
Th US CB leading indicator (MoM) (Jul)	0.3%	0.3%
F JPY All industry activity index (MoM) (Jun)	0.9%	-1.0%
F US Baker Hughes oil rig count	-	396

Upcoming Week Policy & Related Events

T US Fed Lockhart
W US Fed Bullard, US FOMC minutes
Th EU ECB monetary policy meeting accounts, US Fed Williams

Upcoming Week Key Earnings

T Home Depot, TJX, BHP Billiton, Ecopetrol, Advance Auto Parts
W Tencent, Lowe's, Target Corporation, NetEase, L brands, Analog Devices, Agilent Technologies
Th Nestlé, Wal-Mart, Applied Materials, Ross Stores, Hormel, Gap
F Estée Lauder, Deere & Co, Foot Locker

	Value	1 Day %	1 Week %	YTD %	P/E	Div. Yld. %
S&P 500	2,184.05	▼ -0.08	▲ 0.05	7.15	19.77	2.12
Dow Jones	18,576.47	▼ -0.20	▲ 0.18	6.95	17.98	2.57
NASDAQ	5,232.90	▲ 0.09	▲ 0.23	5.08	22.83	1.19
Russell 2000	1,229.82	▲ 0.06	▼ -0.12	9.33	19.93	1.36
STOXX 600	346.09	▼ -0.16	▲ 1.38	-5.86	18.17	3.58
FTSE 100	6,916.02	▲ 0.02	▲ 1.80	10.68	23.30	3.96
NIKKEI 225	16,919.92	▲ 1.10	▲ 4.09	-12.80	18.04	1.99
Shanghai Index	3,050.67	▲ 3.90	▲ 4.71	-12.13	14.88	1.98
S&P Pan Arab	642.27	▼ -0.15	▲ 1.32	-1.58	11.83	3.84
MSCI ACWI	1,710.73	▲ 0.14	▲ 2.73	-0.32	17.61	3.35
MSCI EM	910.08	▲ 0.27	▲ 2.77	15.33	13.55	2.52

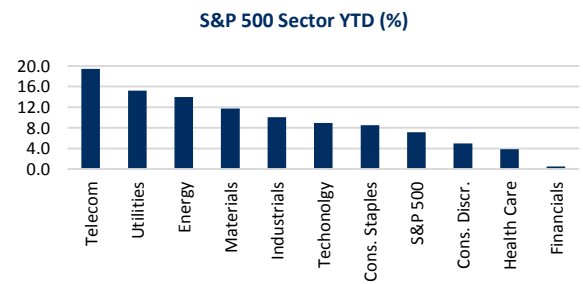
Fixed Income	Value	Yield %	YTD %
Barclays Global Aggregate	486.20	1.13	9.97
Barclays Global Agg. – Corporate	247.42	2.23	8.66
Barclays Global High Yield	1,172.91	6.03	13.00
Markit CDX N.A. Investment Grade	70.41	NA	NA
Markit CDX N.A. High Yield (Price)	104.93	NA	NA
Markit iTraxx Europe	49.32	NA	NA
Markit iTraxx ITX Crossover	366.56	NA	NA

Rates	Value	Yield %
Treasuries 2-Yr	100.08	0.71
Treasuries 10-Yr	99.87	1.51
Treasuries 30-Yr	100.41	2.23
Gilts 10-Yr	113.12	0.52
Bunds 10-Yr	101.10	-0.11
French 10-Yr	103.78	0.11
Italian 10-Yr	105.22	1.04
Spanish 10-Yr	109.47	0.93
Greek 10-Yr	71.28	8.06
JGBs 10-Yr	102.09	-0.11

Volatility	Value	YTD %
S&P 500 VIX	11.8	-35.1%
Euro Stoxx 50 VIX	18.8	-15.1%
Crude Oil VIX	37.9	-18.1%
Interest Rate VIX	82.9	1.4%

Commodities	Value	YTD %
Oil-Brent	46.97	26.0%
Oil-WTI	44.49	20.1%
Natural Gas	2.59	10.7%
Gold	1,335.97	25.9%
Silver	19.71	42.3%
Copper	214.00	0.2%
S&P GSCI CME	353.12	13.3%

Currencies	Value	YTD %
EUR-USD	1.1162	2.8%
GBP-USD	1.292	-12.3%
USD-JPY	101.3	-15.7%
USD-CNY	6.6362	2.2%
USD-CHF	0.9744	-2.8%
AUD-USD	0.7652	5.0%
USD-CAD	1.2951	-6.4%
USD-SEK	8.4536	0.1%
DXY Index	95.722	-2.9%



	Value	Blend	Growth
Large	8.2	7.2	6.2
Mid	14.0	12.2	10.4
Small	14.6	11.8	9.3

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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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