

Global Overview: US equities ended the week on a mixed performance with Dow's fourth consecutive weekly decline at -0.2% while the S&P closed at +0.3% and the Nasdaq outperformed at +1.1% as stocks were weighed by i) FOMC minutes signaling a possible rate hike in June (FF now pricing a ~28% rate hike by June 2016 and ~75% by December 2016) as US macro continues to firm with solid core CPI while industrial production and housing starts exceeded expectations, despite weaker than expected regional Fed manufacturing surveys, ii) disappointing China factory output and retail data suggesting slower economic activity against a less accommodative PBOC given corporate indebtedness concerns, although losses were partially offset by a rally in tech supported by Berkshire Hathaway's USD 1 billion acquisition in Apple in addition to higher than expected earnings by Applied Materials. US Dollar closed near two month highs driven by Fed optimism which capped oil's six-month high gains amid supply disruptions in Canada, Nigeria, Libya and Venezuela ahead of OPEC meeting scheduled for June 2. US Treasury yields gained on investor expectations of a June rate hike leading to its largest one-day selloff this year while Gold closed its biggest weekly decline since March. European equities closed higher with the Stoxx 600 at +1.0% led by higher oil and healthcare sector, offsetting weaker than expected macro data and Brexit fears. Japanese equities closed higher following post-FOMC retreat, with the Nikkei 225 at +2.0% pushed by Yen weakness versus the US Dollar and as Japanese economy avoids recession from gains in government and consumer spending. Chinese equities closed nearly flat for the week as stocks pared losses from downbeat macro data as well as capital outflows and currency devaluation concerns. Important US macro data this week include Markit manufacturing PMI, new home sales, Richmond Fed manufacturing index, goods trade balance, Markit PMI composite, EIA crude oil change, initial jobless claims, durable goods, GDP, core PCE, Reuters/Michigan consumer sentiment index. Other macro data include EU consumer confidence, EU ZEW survey – economic sentiment, UK GDP, JPY CPI and CNY CB leading economic index. Earnings seasons winds down with reports from HPE, Best Buy, Costco and Royal Bank of Canada among others.

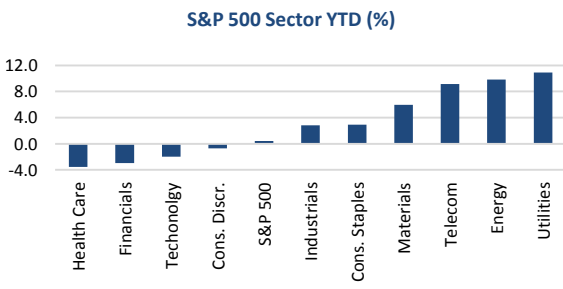
Previous Week Macro Data	Actual	Cons.
US NY Empire State man. index (May)	-9.0	6.5
JPY Industrial production (YoY) (Mar)	0.2%	-
UK Core CPI (YoY) (Apr)	1.2%	1.4%
US Housing starts (MoM) (Apr)	1.17M	1.13M
US Core CPI (YoY) (Apr)	2.1%	2.1%
US Industrial production (MoM) (Apr)	0.7%	0.3%
JPY GDP (QoQ) (Q1)	0.4%	0.1%
EU Core CPI (YoY) (Apr)	0.7%	0.7%
US EIA crude oil Δ (May 13)	1.31M	-
UK Retail sales (YoY) (Apr)	4.3%	2.5%
US Chicago Fed national activity index (Apr)	0.1	-0.2
US Initial jobless claims (May 13)	278K	275K
US Philadelphia Fed man. survey (May)	-1.8	3.0
Upcoming Week Macro Data	Cons.	Prior
M US Markit manufacturing PMI (May)	51.0	50.8
M EU Consumer confidence (May)	-9.0	-9.3
T CNY CB leading economic index (Dec)	-	0.6%
T EU ZEW survey- economic sentiment (May)	-	21.5
T US New home sales (MoM) (Apr)	0.52M	0.51M
T US Richmond Fed man. index (May)	8.0	14.0
W US Goods trade balance (Apr)	-\$60.0B	-\$57.0B
W US Markit PMI composite (May)	-	52.4
W US EIA crude oil Δ (May 20)	-	1.31 M
Th UK GDP (YoY) (Q1)	2.1%	2.1%
Th US Initial jobless claims (May 20)	2753K	278K
Th US Durable goods orders (Apr)	0.4%	0.8%
Th JPY CPI (YoY) (Apr)	-0.4%	-0.1%
F US GDP (Q1)	0.9%	0.5%
F US Core PCE (QoQ) (Q1)	2.1%	2.1%
F US Reuters/Michigan cons. sent. ind. (May)	95.5	95.8

Upcoming Week Key Earnings
 T HPE, Intuit, AutoZone, Best Buy
 W Costco, Bank of Montreal, HP Inc
 Th Royal Bank of Canada, Toronto Dominion Bank

Upcoming Week Policy & Related Events
 M US Fed Bullard, Williams and Harker
 T EU Eurogroup meeting, EU ECB Praet
 W EU ECB Constancio, EU EcoFin meeting, US Fed Kashkari, Kaplan and Harker
 Th US Fed Bullard and Powell
 F US Fed Yellen

	Value	1 Day %	1 Week %	YTD %	P/E	Div. Yld. %
S&P 500	2,052.3	▲ 0.60	▲ 0.28	0.4	18.3	2.2
Dow Jones	17,500.9	▲ 0.38	▼ -0.20	0.4	16.6	2.7
NASDAQ	4,769.6	▲ 1.21	▲ 1.10	-4.8	20.5	1.3
Russell 2000	1,112.3	▲ 1.60	▲ 0.89	-2.1	19.1	1.6
FTSE 600	338.0	▲ 1.23	▲ 0.99	-7.6	17.5	3.7
STOXX 100	6,156.3	▲ 1.70	▲ 0.29	-1.4	19.9	4.2
NIKKEI 225	16,736.4	▲ 0.54	▲ 1.97	-12.5	17.6	2.0
Shanghai Index	2,825.5	▲ 0.66	▼ -0.06	-19.9	13.4	2.2
S&P Pan Arab	636.3	▼ -0.80	▼ -1.43	-3.4	11.4	4.1
MSCI ACWI	1,634.3	▲ 0.91	▲ 0.16	-4.8	16.5	3.5
MSCI EM	785.3	▲ 0.44	▼ -1.36	-1.1	11.4	3.0

Fixed Income	Value	Yield %	YTD %
Barclays Global Aggregate	467.9	1.40	5.83
Barclays Global Agg. – Corporate	239.05	2.64	4.98
Barclays Global High Yield	1,111.36	7.03	7.07
Markit CDX N.A. Investment Grade	NA	NA	NA
Markit CDX N.A. High Yield	NA	NA	NA
Markit iTraxx Europe	65.5	NA	NA
Markit iTraxx ITX Crossover	366.6	NA	NA



Rates	Value	Yield %
Treasuries 2-Yr	99.8	0.88
Treasuries 10-Yr	98.1	1.83
Treasuries 30-Yr	97.5	2.62
Gilts 10-Yr	104.8	1.45
Bunds 10-Yr	103.4	0.15
French 10-Yr	100.1	0.49
Italian 10-Yr	104.8	1.47
Spanish 10-Yr	103.6	1.55
Greek 10-Yr	74.3	7.42
JGBs 10-Yr	102.0	-0.10

Volatility	Value	YTD %
S&P 500 VIX	15.2	-16.5%
Euro Stoxx 50 VIX	22.6	1.9%
Crude Oil VIX	40.3	-12.8%
Interest Rate VIX	85.6	4.7%

	Investment Style YTD (%)		
	Value	Blend	Growth
Large	2.0	0.4	-1.1
Mid	5.4	3.7	2.1
Small	3.7	1.4	-0.8

Commodities	Value	YTD %
Oil-Brent	48.3	29.6%
Oil-WTI	47.9	29.3%
Natural Gas	2.1	-9.2%
Gold	1,250.7	17.8%
Silver	16.3	17.9%
Copper	206.1	-3.5%
S&P GSCI CME	367.3	17.9%

Currencies	Value	YTD %
EUR-USD	1.1229	3.4%
GBP-USD	1.4526	-1.4%
USD-JPY	109.7800	-8.7%
USD-CNY	6.5491	0.9%
USD-CHF	0.9896	-1.2%
AUD-USD	0.7246	-0.5%
USD-CAD	1.3110	-5.3%
USD-SEK	8.3135	-1.5%
DX Index	95.1690	-3.5%

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 For equity ideas or price quotes, please contact us

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 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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