

Global Overview

- US equities closed flat to higher ending a busy earnings week with the Dow Jones roughly unchanged, the S&P 500 at +0.4% and the Nasdaq at +0.8% helped by stronger-than-expected earnings from technology companies. Earnings recession expected to end following five quarters of declines with 73%/41% of S&P 500 companies beating on EPS/sales so far for Q3/16 and EPS up +4% YoY.
- 2-year Treasury yields remained flat while 10-year and 30-year yields closed lower, flattening the yield curve mainly on ECB decision to maintain its monetary policy unchanged.
- Gold closed higher helped by ECB and firmer demand from China and India, despite stronger US Dollar as better-than-expected US macro and comments from Fed Dudley supported expectations of a Fed move this year (FF now pricing a ~67% rate hike in December 2016). Crude oil closed flat weighed by stronger US Dollar and profit-taking following earlier gains from rally on unexpected drawdown in US crude oil stocks.
- European equities closed higher with the Stoxx 600 at +1.3% and the Euro weakened on lack of clear guidance following ECB policy meeting. The ECB maintained its interest rates and monetary stimulus program unchanged while Draghi confirmed that tapering or extending QE beyond March 2017 was not discussed during the meeting, deferring the decision to modify ECB's asset purchases until December.
- UK equities roughly unchanged with the FTSE 100 at +0.1% while the Sterling strengthened on talks of UK parliamentary vote on EU Brexit deal and higher-than-expected core CPI. BoE's corporate bond buying which started in September and expected to last 18 months, reached 15% of its 10 billion pound purchase scheme aimed at easing economic uncertainty caused by Brexit.
- Japanese equities closed higher with the Nikkei 225 at +1.9% on weaker Yen and better-than-expected corporate earnings.
- Chinese equities closed higher with the Shanghai Composite at +2.0% while favorable GDP, retail sales and urban investment data helped ease slowdown concerns. Emerging markets closed higher with the MSCI EM at +1.6%.
- Q3/16 earnings season to accelerate with 181 S&P 500 and 115 Stoxx 600 companies set to report.

Previous Week Macro Data	Actual	Cons.
US Industrial production (MoM) (Sep)	0.1%	0.1%
UK Core CPI (YoY) (Sep)	1.5%	1.4%
US Core CPI (YoY) (Sep)	2.2%	2.3%
CNY Retail sales (YoY) (Sep)	10.7%	10.7%
CNY Industrial production (YoY) (Sep)	6.1%	6.4%
CNY Urban investment (YTD) (YoY) (Sep)	8.2%	8.2%
CNY GDP (YoY) (Q3)	6.7%	6.7%
UK ILO unemployment rate (3M) (Aug)	4.9%	4.9%
US Housing starts (MoM) (Sep)	1.04M	1.17M
US EIA crude oil Δ (Oct 14)	-5.2M	-
UK Retail sales (YoY) (Sep)	4.0%	4.4%
EU ECB interest rate decision (Oct 20)	0.0%	0.0%
US Initial jobless claims (Oct 14)	260K	250K
EU Consumer confidence (Oct)	-8.0	-8.2

Date	Upcoming Week Key Earnings
24-Oct	Visa, Kimberly-Clark, T-Mobile
25-Oct	Apple, AT&T, P&G, Novartis, Merck, 3M, Eli Lilly, UTC, Lockheed Martin, DuPont, Caterpillar, GM, Orange
26-Oct	Coca-Cola, Comcast, GSK, Boeing, Texas Instruments, Banco Santander, Biogen, Mondelez, Simon Property, General Dynamics
27-Oct	Alphabet, Amazon, Amgen, Altria, UPS, Bristol-Myers Squibb, Celgene, Volkswagen, Colgate, Baidu, Dow Chemical
28-Oct	ExxonMobil, Anheuser-Busch Inbev, Chevron, Total, Mastercard, Novo Nordisk, AbbVie, Ambev, ENI, UBS

Date	Upcoming Week Macro Data	Cons.	Prior
24-Oct	US Markit manufacturing PMI (Oct)	51.5	51.5
24-Oct	CNY CB leading economic index (Sep)	-	0.9%
25-Oct	US S&P/ Case-Shiller home price ind. (YoY) (Aug)	5%	5.0%
25-Oct	US Consumer confidence (Oct)	101.0	104.1
25-Oct	US IBD/TIPP econ. optimism (MoM) (Oct)	47.5	46.7
25-Oct	UK Gfk consumer confidence (Oct)	-	-1.0
26-Oct	US Markit PMI composite (Oct)	-	52.3
26-Oct	US New home sales (MoM) (Sep)	0.60M	0.61M
26-Oct	US EIA crude oil Δ (Oct 21)	-	-5.2M
27-Oct	UK GDP (YoY) (Q3)	2.1%	2.1%
27-Oct	US Initial jobless claims (Oct 21)	255K	260K
27-Oct	US Durable goods orders (Sep)	0.0%	0.1%
27-Oct	JPY CPI (YoY) (Sep)	-	-0.5%
27-Oct	JPY Unemployment rate (Sep)	3.1%	3.1%
28-Oct	EU Economic sentiment indicator (Oct)	104.7	104.9
28-Oct	US GDP (Q3)	2.5%	1.4%
28-Oct	US Core PCE (QoQ) (Q3)	1.6%	1.8%
28-Oct	US Michigan consumer sentiment	88.2	87.9

Date	Upcoming Policy & Related Events
24-Oct	US Fed Dudley, Bullard, Evans & Powell
25-Oct	UK BoE Carney, EU ECB Draghi
27-Oct	EU ECB Mersch & Praet
28-Oct	EU ECB Coeuré

Equities	Value	1 Day %	1 Week %	YTD %	P/E	Div. Yld. %
S&P 500	2,141.16	▼ -0.01	▲ 0.38	4.8	19.29	2.16
Dow Jones	18,145.71	▼ -0.09	▲ 0.04	4.1	17.23	2.65
NASDAQ	5,257.40	▲ 0.30	▲ 0.83	5.0	22.82	1.21
Russell 2000	1,218.10	▼ -0.14	▲ 0.47	7.2	19.43	1.39
STOXX 600	344.29	▬ 0.00	▲ 1.28	-5.9	17.90	3.61
FTSE 100	7,020.47	▼ -0.09	▲ 0.10	12.5	22.85	4.17
Nikkei 225	17,184.59	▲ 2.24	▲ 1.95	-9.5	19.02	1.91
Shanghai Index	3,063.81	▲ 0.08	▲ 1.97	-11.6	15.62	1.92
S&P Pan Arab	604.92	▲ 1.10	▼ -0.30	-7.5	11.34	4.02
MSCI ACWI	1,672.45	▼ -0.44	▲ 0.46	-2.6	17.19	3.37
MSCI EM	911.24	▼ -0.23	▲ 1.58	14.7	13.65	2.48

Credit	Value	1 Week %	YTD %	Yield %
Barclays Global Aggregate	474.77	▬ 0.00	7.4	1.22
Barclays Global Agg. – Corporate	244.42	▲ 0.13	7.3	2.31
Barclays Global High Yield	1,190.07	▲ 0.34	14.7	5.75
Markit CDX N.A. Investment Grade	73.80	▼ -2.41	NA	NA
Markit CDX N.A. High Yield (price)	105.27	▲ 0.31	NA	NA
Markit CDX EM (price)	93.80	▲ 0.53	NA	NA
Markit iTraxx ITX Crossover	228.49	▼ -5.58	NA	NA
Markit iTraxx Europe	45.09	▼ -5.45	NA	NA

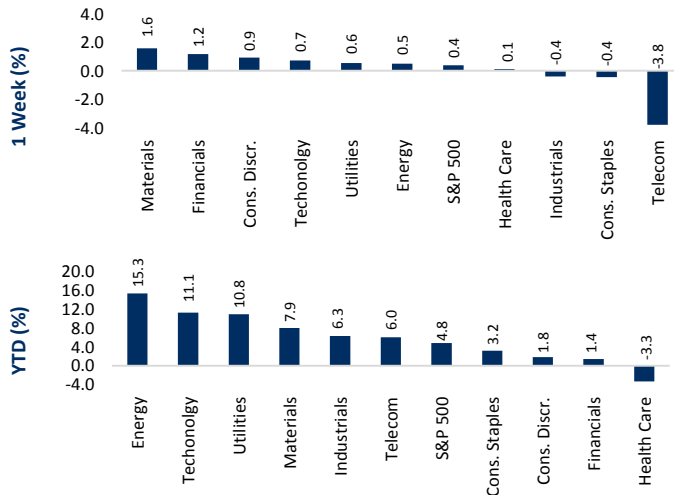
Rates	Value	1 Week %	YTD %	Yield %
Treasuries 2-Yr	99.85	▲ 0.02	0.1	0.83
Treasuries 10-Yr	97.97	▲ 0.58	-2.2	1.73
Treasuries 30-Yr	95.36	▲ 1.59	-5.6	2.47
Gilts 10-Yr	103.81	▲ 0.07	3.1	1.09
Bunds 10-Yr	100.15	▲ 0.51	-3.6	-0.02
French 10-Yr	99.94	▲ 0.51	-0.7	0.26
Italian 10-Yr	102.37	▲ 0.05	-1.2	1.34
Spanish 10-Yr	102.09	▲ 0.08	-1.2	1.08
Greek 10-Yr	70.24	▼ -0.41	-2.0	8.37
JGBs 10-Yr	101.59	▲ 0.02	1.2	-0.06

Volatility	Value	1 Week %	YTD %
S&P 500 VIX	13.34	▼ -17.25	-26.7
Stoxx 50 VIX	16.60	▼ -14.71	-25.1
EM VIX	19.65	▼ -16.20	-14.2
Crude Oil VIX	33.08	▼ -2.36	-28.4
Interest rate VIX	80.29	▼ -0.94	-1.8

Commodities	Value	1 Week %	YTD %
Oil-Brent	51.78	▼ -0.33	38.9
Oil-WTI	50.85	▲ 0.20	37.3
Nat. Gas	2.993	▼ -8.89	28.1
Gold	1267.7	▲ 0.97	19.4
Silver	17.493	▲ 0.30	26.3
Copper	208.85	▼ -1.04	-2.2
S&P GSCI	375.78	▲ 0.04	20.6

Currencies	Value	1 Week %	YTD %
EUR-USD	1.0884	▼ -0.80	0.2
GBP-USD	1.2234	▲ 0.35	-17.0
USD-JPY	103.8000	▼ -0.36	-13.7
USD-CNY	6.767	▲ 0.58	4.2
USD-CHF	0.9937	▲ 0.34	-0.8
AUD-USD	0.7608	▼ -0.13	4.4
USD-CAD	1.3332	▲ 1.47	-3.7
USD-SEK	8.9157	▲ 0.83	5.6
DXY Index	98.695	▲ 0.69	0.1

S&P 500 Sector



Investment Style

	Value	Blend	Growth
1 Week %			
Large	0.1	0.4	0.6
Mid	0.7	0.5	0.2
Small	0.1	-0.4	-0.9
YTD %			
Large	5.6	4.8	3.9
Mid	12.0	9.2	6.4
Small	12.1	9.3	6.7

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, WSI, CNBC, Briefing, FXStreet.

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