

Global Overview: US markets ended the week on a higher note with the Dow at +2.3%, the S&P at +1.7% and the Nasdaq lagging at +0.5% on i) Friday's BoJ's surprise start of a negative interest rates policy, ii) higher oil prices helping investor sentiment and iii) encouraging earnings with 2015 S&P 500 companies having already reported with 80%/48% topping YoY earnings/sales expectations respectively. Previously, equities were busy digesting a slightly more dovish Fed while keeping rates unchanged on Wednesday (FF now pricing in a low 14% rate hike by March 2016) as well as mixed macro data with sharply better-than-expected Chicago PMI, lower initial jobless claims, slower economic growth with Q4 GDP at 0.7% and a decline in December manufacturing with durable goods orders at -5.1%. Global equities ended the month of January sharply lower with the S&P at -5.1%, the Nasdaq at -7.9%, the FTSE at -2.5%, the Stoxx 600 at -6.4%, the Nikkei at -7.9% while the Shanghai Index registered at ~-24.0% monthly performance. 10-year Treasury and Bunds yields were lower at 1.9% and 0.3% respectively, while gold rose amid global economic worries, and capping their strong January performance. European equities also traded higher last week with the Stoxx 600 at +1.2% and the FTSE at +3.1%, helped by improved investor sentiment and Q4 earnings season off to a solid start, despite talks of a possible BREXIT and worries involving Italian banks' bad debts. Oil stayed above the USD 30 handle likely on short covering, improved sentiment, bullish stance by speculative community and optimism from Russia/OPEC talks of possible production cuts, despite inventory builds and stronger USD. Important US macro data this week include core PCE, personal income and spending, ISM manufacturing PMI, ISM non-manufacturing PMI, EIA crude oil change, ADP employment change, initial jobless claims, nonfarm payrolls and unemployment rate. Other macro data include CNY Caixin services PMI, EU Markit manufacturing PMI, EU unemployment rate, EU Markit services PMI, UK Markit manufacturing PMI, UK BoE interest rate decision and JPY leading economic index. Earnings season to continue with 119 S&P 500 companies due to report such as Alphabet, Exxon, Pfizer and Merck among many others.

Previous Week Macro Data

	Actual	Cons.
US Dallas Fed man. business index (Jan)	-34.6	-15.0
EU German IFO – business climate (Jan)	107.3	108.4
US Markit composite PMI (Jan)	53.7	-
US EIA crude oil Δ (Jan 22)	8.383M	3.277M
US Fed interest rate decision	0.5%	0.5%
US Initial jobless claims (Jan 22)	278K	281K
US Durable goods orders (Dec)	-5.1%	-0.7%
JPY BoJ interest rate decision	-0.1%	-
EU Core CPI (YoY) (Jan)	1.0%	0.9%
US GDP annualized (Q4)	0.7%	0.8%
US Reuters/Mich. cons. sent. index (Jan)	92.0	93.0
US Baker Hughes oil rig count	498	510

Upcoming Week Macro Data

	Cons.	Prior
M EU Markit manufacturing PMI (Jan)	52.3	52.3
M UK Markit manufacturing PMI (Jan)	51.6	51.9
M US Core PCE – Price index (YoY) (Dec)	1.4%	1.3%
M US Personal income (MoM) (Dec)	0.2%	0.3%
M US Personal spending (Dec)	0.1%	0.3%
M US ISM manufacturing PMI (Jan)	48.5	48.2
T EU Unemployment rate (Dec)	10.5%	10.5%
W CNY Caixin services PMI (Jan)	-	50.2
W EU Markit services PMI (Jan)	53.6	53.6
W US ISM non-manufacturing PMI (Jan)	55.1	55.3
W US EIA crude oil Δ (Jan 29)	-	8.383M
W US ADP employment Δ (Jan)	190K	257K
Th UK BoE interest rate decision (Feb 4)	0.5%	0.5%
Th US Initial jobless claims (Jan 29)	280K	278K
F JPY Leading economic index (Dec)	102.7	103.5
F US Nonfarm payrolls (Jan)	190K	292K
F US Unemployment rate (Jan)	5%	5%

Upcoming Week Key Earnings

M Alphabet, BT, Mitsubishi, Aetna
 T BP, Dow, Exxon, Gilead Sciences, Pfizer, UBS, UPS
 W Novo Nordisk, Merck, GSK, Mondelez, MetLife, GM
 Th Philip Morris, RDS, Vodafone, AstraZeneca
 F NTT, Estée Lauder, CME, Aon, Tyson Foods, Moody's

Upcoming Week Policy & Related Events

M EU ECB Draghi speech, US Fed Fischer speech
 T US Fed George speech
 W EU Non-monetary policy's meeting, JPY BoJ Kuroda speech
 Th EU ECB Draghi speech, EU Economic bulletin, UK Monetary policy summary, UK BoE minutes, UK BoE Carney speech

Equities	Value	1 Week %	YTD %	EPS %	P/E	Div. Yld. %
S&P 500	1,940.2	1.75	-5.1	9.7	17.2	2.4
Dow Jones	16,466.3	2.32	-5.5	0.9	15.0	2.9
NASDAQ	4,614.0	0.50	-7.9	15.2	19.8	1.3
Russell 2000	1,035.4	1.44	-8.8	13.3	17.5	1.8
STOXX 600	342.3	1.16	-6.4	15.1	17.0	3.8
FTSE 100	6,083.8	3.11	-2.5	12.6	17.4	4.4
NIKKEI 225	17,865.2	5.35	-6.1	5.2	18.1	1.8
Shanghai Index	2,688.9	-7.81	-24.0	16.9	12.5	2.6
S&P Pan Arab	591.6	8.60	-10.2	5.1	10.4	4.6
MSCI ACWI	1,591.5	1.48	-7.3	3.2	14.8	3.6
MSCI EM	742.4	4.46	-6.5	-8.2	10.2	3.1

Fixed Income	Value	Yield %	YTD %
Barclays Global Aggregate	446.0	1.6	0.9
Barclays Global Agg. – Corporate	227.8	3.0	0.0
Barclays Global High Yield	1,022.5	8.5	-1.5
Markit CDX N.A. Investment Grade	101.8	NA	NA
Markit CDX N.A. High Yield	99.7	NA	NA
Markit iTraxx Europe	79.2	NA	NA
Markit iTraxx ITX Crossover	366.6	NA	NA

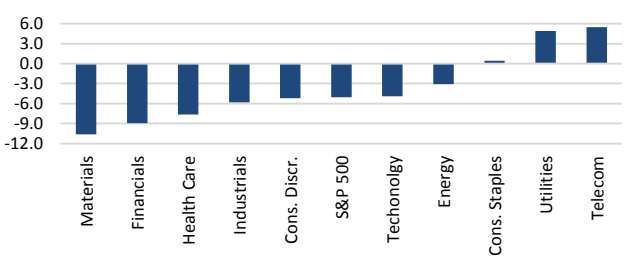
Rates	Value	Yield %
Treasuries 2-Yr	100.0	0.77
Treasuries 10-Yr	103.0	1.91
Treasuries 30-Yr	105.3	2.74
Gilts 10-Yr	103.9	1.56
Bunds 10-Yr	101.8	0.32
French 10-Yr	103.5	0.63
Italian 10-Yr	105.6	1.39
Spanish 10-Yr	106.0	1.49
Greek 10-Yr	63.2	9.37
JGBs 10-Yr	102.4	0.05

Commodities	Value	YTD %
Oil-Brent	35.2	-5.6
Oil-WTI	32.9	-11.2
Natural Gas	2.2	-5.4
Gold	1,123.6	5.9
Silver	14.4	3.7
Copper	203.9	-4.5
S&P GSCI	300.7	-3.5

Currencies	Value	YTD %
EUR-USD	1.0851	-0.1
GBP-USD	1.4255	-3.3
USD-JPY	121.2600	-0.9
USD-CHF	1.0217	-1.9
AUD-USD	0.7069	-3.0
USD-CAD	1.4023	-1.3
USD-SEK	8.5652	-1.4
Dollar Index	99.4560	0.8

Volatility	Value	YTD %
S&P 500 VIX	20.2	10.9
Euro Stoxx 50 VIX	27.4	23.5
Crude Oil VIX	61.6	33.2
Interest Rate VIX	82.9	1.3

S&P 500 Sector YTD (%)



Investment Style YTD (%)

	Value	Blend	Growth
Large	-5.0	-5.1	-5.1
Mid	-5.7	-5.8	-5.9
Small	-5.9	-6.2	-6.5

FFA Equity Ideas

- ARM Holdings plc (ARM)
- Airbus (AIR)
- Suncor (SU)
- Siemens (SIE)
- Commercial International Bank (COMI)

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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