

**Global Overview:** US markets ended the week lower with the Dow at -1.6%, the S&P at -3.1% and the Nasdaq lagging at -5.4% as technology shares weighed amid disappointing outlooks, especially LinkedIn. Equities fell sharply on weaker oil and disappointing macro data, as personal income came in higher at +0.3% while personal spending was flat at +0.0% suggesting caution amid signs of global economic turmoil. ISM non-manufacturing was lower than expected raising concerns about the health of the economy amid possible spillovers from other sectors, followed by higher than estimated initial jobless claims and slower factory orders. The week ended with mixed employment data with nonfarm payrolls below estimates, although unemployment rate came in lower at 4.9% while wages grew +0.5% MoM (+2.5% YoY), raising concerns that Fed would raise interest rates sooner than expected, boosting the US dollar and paring its earlier losses. 10-year Treasury and Bunds yields were lower at 1.9% and 0.3% respectively, while gold, Euro and Yen rose amid global economic worries and safe haven buying. European equities also traded lower with the Stoxx 600 at -4.8% and the FTSE at -3.9% on disappointing corporate earnings and financial sector worries. An EU-UK draft was released with a proposal to offer UK several concessions in order to remain in the EU. Oil fell sharply beginning of the week on slower manufacturing data from US and China, followed by oil inventory buildups surpassing the 500 million barrel mark (highest level since 1930) but ended the week above USD 30. Chinese Yuan and equities were higher as PBoC continued to inject more cash, as foreign reserves fell by almost USD 100 billion to help mitigate currency devaluation and capital flight, ahead of markets closing for Lunar New Year. BoJ hinted at further possible cuts in rates after a surprise rate cut to help business sentiment and reach its targeted 2% inflation. Important US macro data this week include labor market conditions index, JOLTS job openings, EIA crude oil change, initial jobless claims, retail sales and Baker Hughes oil rig count. Other macro data include EU Sentix investor sentiment, EU Q4 GDP, EU industrial production, UK BRC retail sales monitor and UK RICS housing price balance. Earnings season to continue with 64 S&P 500 companies set to report such as Coca-Cola, Sanofi-Aventis, Cisco, Twitter, Total and ArcelorMittal among others.

**Previous Week Macro Data**

	Actual	Cons.
EU Markit manufacturing PMI (Jan)	52.3	52.3
UK Markit manufacturing PMI (Jan)	52.9	51.6
US Core PCE – Price index (YoY) (Dec)	1.4%	1.4%
US Personal income (MoM) (Dec)	0.3%	0.2%
US Personal spending (Dec)	0.0%	0.1%
US ISM manufacturing PMI (Jan)	48.2	48.4
EU Unemployment rate (Dec)	10.4%	10.5%
EU Markit services PMI (Jan)	53.6	53.6
US ISM non-manufacturing PMI (Jan)	53.5	55.1
US EIA crude oil Δ (Jan 29)	7.79M	4.76M
UK BoE interest rate decision (Feb 4)	0.5%	0.5%
US Initial jobless claims (Jan 29)	285K	278K
JPY Leading economic index (Dec)	102.0	102.7
US Nonfarm payrolls (Jan)	151K	190K
US Unemployment rate (Jan)	4.9%	5.0%

**Upcoming Week Macro Data**

	Cons.	Prior
M EU Sentix investor confidence (Feb)	7.6	9.6
M US Labor market conditions index (Jan)	2.5	2.9
T UK BRC retail sales monitor (YoY) (Jan)	0.3%	0.1%
T US JOLTS job openings (Dec)	5.35M	5.43M
W UK NIESR GDP estimate (3M) (Jan)	-	0.6%
W US EIA crude oil Δ (Feb 5)	-	7.79M
Th UK RICS housing price balance (Jan)	52%	50%
Th US Initial jobless claims (Feb 5)	280K	285K
F EU GDP (YoY) (Q4)	1.5%	1.6%
F EU Industrial production (YoY) (Dec)	0.9%	1.1%
F US Retail sales (MoM) (Jan)	0.1%	-0.1%
F US Baker Hughes oil rig count	-	467

**Upcoming Week Key Earnings**

M 21<sup>st</sup> Century Fox, Loews, Hasbro  
 T Coca-Cola, Walt Disney, Sanofi-Aventis, CVS, America Movil  
 W Cisco, Time Warner, Prudential Financial, Mylan, Twitter  
 Th PepsiCo, Total, Reynolds American, AIG, Teva, Rio Tinto  
 F Brookfield, Ventas, IPG, Buckeye Partners, ArcelorMittal

**Upcoming Week Policy & Related Events**

W EU European commission releases economic growth forecasts, US Fed Yellen and Williams speeches  
 Th EU Eurogroup meeting  
 F EU EcoFin meeting, US Fed Dudley speech

Equities	Value	1 Week %	YTD %	EPS %	P/E	Div. Yld. %
S&P 500	1,880.1	-3.10	-8.0	9.5	16.6	2.5
Dow Jones	16,205.0	-1.59	-7.0	0.3	14.7	2.9
NASDAQ	4,363.1	-5.44	-12.9	15.4	18.6	1.4
Russell 2000	985.6	-4.81	-13.2	13.2	16.7	1.9
STOXX 600	325.9	-4.78	-10.9	13.6	16.2	4.0
FTSE 100	5,848.1	-3.87	-6.3	11.6	16.9	4.5
NIKKEI 225	17,004.3	-2.93	-10.7	4.7	17.2	1.9
Shanghai Index	2,763.5	0.95	-21.9	16.8	12.9	2.5
S&P Pan Arab	595.1	2.55	-9.6	6.1	10.5	4.6
MSCI ACWI	1,566.8	-1.55	-8.7	5.1	14.7	3.7
MSCI EM	739.6	-0.37	-6.9	-7.8	10.2	3.1

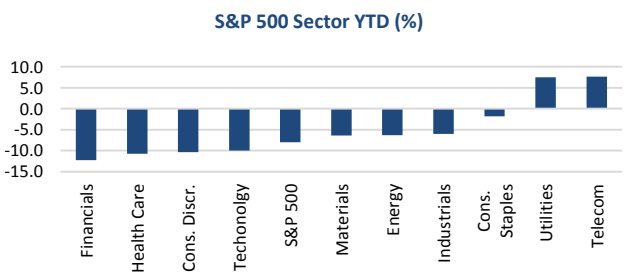
Fixed Income	Value	Yield %	YTD %
Barclays Global Aggregate	453.5	1.5	2.6
Barclays Global Agg. – Corporate	229.8	3.0	0.9
Barclays Global High Yield	1,021.3	8.7	-1.6
Markit CDX N.A. Investment Grade	114.8	NA	NA
Markit CDX N.A. High Yield	98.0	NA	NA
Markit iTraxx Europe	91.3	NA	NA
Markit iTraxx ITX Crossover	366.6	NA	NA

Rates	Value	Yield %
Treasuries 2-Yr	100.0	0.73
Treasuries 10-Yr	103.5	1.86
Treasuries 30-Yr	106.3	2.69
Gilts 10-Yr	103.9	1.56
Bunds 10-Yr	102.0	0.29
French 10-Yr	103.6	0.62
Italian 10-Yr	104.2	1.54
Spanish 10-Yr	104.7	1.63
Greek 10-Yr	62.7	9.50
JGBs 10-Yr	102.5	0.04

Commodities	Value	YTD %
Oil-Brent	34.3	-8.0
Oil-WTI	31.1	-16.0
Natural Gas	2.1	-9.8
Gold	1,164.9	9.8
Silver	14.9	7.8
Copper	208.3	-2.4
S&P GSCI	291.6	-6.4

Currencies	Value	YTD %
EUR-USD	1.1146	2.6
GBP-USD	1.4521	-1.5
USD-JPY	117.3500	2.4
USD-CHF	0.9931	0.9
AUD-USD	0.7104	-2.5
USD-CAD	1.3865	-0.2
USD-SEK	8.4647	-0.3
Dollar Index	97.0610	-1.6

Volatility	Value	YTD %
S&P 500 VIX	23.4	28.4
Euro Stoxx 50 VIX	30.1	35.5
Crude Oil VIX	66.8	44.5
Interest Rate VIX	83.6	2.2



	Investment Style YTD (%)		
	Value	Blend	Growth
Large	-6.7	-8.0	-9.3
Mid	-7.4	-8.5	-9.6
Small	-8.8	-9.9	-10.9

- 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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