

**Global Overview:** US equities ended the holiday-shortened week higher ahead of Q2 earnings season, with the Dow at +1.1%, the S&P at +1.3% closing within one point of its all-time high, and the Nasdaq at +1.9% as Friday's encouraging US jobs data for June improved risk appetite and latest FOMC minutes suggested low probability of an imminent rate hike (FF now pricing a ~21% rate hike by December 2016 and ~43% by December 2017). According to Bloomberg estimates, Q2 EPS growth for the S&P 500 is forecasted at -5.7% YoY heavily weighed by energy and financials (-2.2% ex-energy) while revenue growth is forecasted at -0.8% YoY (+2.3% ex-energy) with a projected return to growth in the back half of 2016. 10-year and 30-year US Treasuries closed higher as demand shifted from negative yielding Swiss, German and Japanese government bonds in addition to weaker economic growth outlook and cautious sentiment as BoE Carney highlighted Brexit spillover concerns earlier in the week. Oil closed lower on weaker than expected decline in crude inventories and slightly stronger US Dollar, despite seasonal increase in gasoline demand, recent attacks on Nigerian oil pipelines and downtrend in US crude production. European equities closed lower with the Stoxx 600 at -1.5% as uncertainty over Brexit weighed on banking shares in addition to growing concerns over Italian banks' non-performing loans as Bank of Italy Governor considers possible state intervention with EU authorities ahead of stress tests results on July 29. UK equities closed higher with the FTSE 100 at +0.2% benefitting from international exposure, weaker Sterling and as BoE announced cuts in capital requirements for UK banks to support lending, while Brexit fears weighed on the outlook for UK property prices leading several real estate funds to suspend redemptions. Japanese equities closed lower ahead of Japan's Sunday upper house election with the Nikkei 225 at -3.7% mainly on stronger safe-haven Yen. Chinese equities closed higher with the Shanghai Composite Index at +2.6%.

**Previous Week Macro Data**

	Actual	Cons.
UK Industrial production (YoY) (May)	1.4%	0.5%
US ADP employment change (Jun)	172K	160K
US Initial jobless claims (Jul 1)	254K	269K
UK NIESR GDP estimate (3M) (Jun)	0.6%	-
US EIA crude oil Δ (Jul 1)	-2.2M	-
US Unemployment rate (Jun)	4.9%	4.8%
US Nonfarm payrolls (Jun)	287K	180K
US Average hourly earnings (YoY) (Jun)	2.6%	2.7%
US Baker Hughes oil rig count	351	-

**Upcoming Week Macro Data**

	Cons.	Prior
M US Labor market conditions index (Jun)	-	-4.8
T US JOLTS job openings (May)	5.7M	5.8M
W CNY Trade balance USD (Jun)	\$45.7B	\$49.9B
W EU Industrial production (YoY) (May)	1.4%	2.0%
W EIA crude oil Δ (Jul 8)	-	-2.2M
Th UK BoE interest rate decision (Jul 14)	0.25%	0.50%
Th US Initial jobless claims (Jul 8)	265K	254K
F CNY Industrial production (YoY) (Jun)	5.9%	6.0%
F CNY GDP (YoY) (Q2)	6.6%	6.7%
F EU Core CPI (YoY) (Jun)	-	0.9%
F US NY Empire State manufacturing ind. (Jun)	5.0	6.0
F US Retail sales (MoM) (Jun)	0.1%	0.5%
F US CPI (YoY) (Jun)	1.1%	1.0%
F US Industrial production (MoM) (Jun)	0.2%	-0.4%
F US Reuters/Michigan consumer sent. ind. (Jul)	93.0	93.5
F US Business inventories (May)	0.1%	0.1%
F US Baker Hughes oil rig count	-	351

**Upcoming Week Key Earnings**

- M Alcoa
- T Fastenal
- W Yum! Brands, CSX Corporation
- Th JP Morgan Chase, Blackrock, Infosys, Delta Air Lines, Progressive Corp., First Republic Bank, Svenska Handelsbanken
- F Wells Fargo, Citigroup, US Bancorp, PNC Financial Services

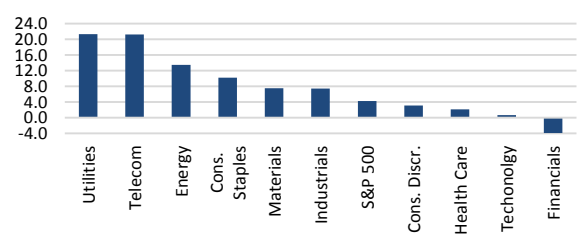
**Upcoming Week Policy & Related Events**

- M EU Eurogroup meeting, US Fed George and Mester
- T UK Inflation report hearings, UK BoE quarterly bulletin, US Fed Tarullo, Bullard, Kashkari and Mester
- W UK BoE credit conditions survey, US Fed Beige Book, US Fed Harker and Kaplan
- Th UK BoE minutes, US Fed Bullard, Lockhart, George and Kaplan
- F CNY NBS press conference, US Fed Kashkari

	Value	1 Day %	1 Week %	YTD %	P/E	Div. Yld. %
S&P 500	2,129.90	▲ 1.53	▲ 1.28	4.2	19.0	2.2
Dow Jones	18,146.74	▲ 1.40	▲ 1.10	4.1	17.2	2.6
NASDAQ	4,956.76	▲ 1.64	▲ 1.94	-1.0	21.6	1.3
Russell 2000	1,177.36	▲ 2.40	▲ 1.78	3.7	19.0	1.5
STOXX 600	327.35	▲ 1.62	▼ -1.47	-10.5	16.9	3.8
FTSE 100	6,590.64	▲ 0.87	▲ 0.19	5.6	20.7	4.1
NIKKEI 225	15,106.98	▼ -1.11	▼ -3.67	-17.5	16.6	2.1
Shanghai Index	2,988.09	▲ 1.77	▲ 2.56	-15.2	14.2	2.1
S&P Pan Arab	N/A	N/A	N/A	N/A	N/A	N/A
MSCI ACWI	1,592.10	▲ 0.57	▼ -1.76	-7.2	16.0	3.6
MSCI EM	828.84	▲ 0.22	▼ -1.24	4.4	12.2	2.7

Fixed Income	Value	Yield %	YTD %
Barclays Global Aggregate	458.3	1.1	9.8
Barclays Global Agg. – Corporate	245.5	2.3	7.8
Barclays Global High Yield	1,193.3	6.5	9.8
Markit CDX N.A. Investment Grade	73.0	NA	NA
Markit CDX N.A. High Yield (Price)	104.0	NA	NA
Markit iTraxx Europe	64.4	NA	NA
Markit iTraxx ITX Crossover	366.6	NA	NA

S&P 500 Sector YTD (%)



Rates	Value	Yield %
Treasuries 2-Yr	99.98	0.64
Treasuries 10-Yr	102.27	1.38
Treasuries 30-Yr	108.73	2.10
Gilts 10-Yr	111.20	0.73
Bunds 10-Yr	106.72	-0.19
French 10-Yr	103.96	0.10
Italian 10-Yr	103.87	1.19
Spanish 10-Yr	107.49	1.14
Greek 10-Yr	72.35	7.82
JGBs 10-Yr	103.86	-0.28

Volatility	Value	YTD %
S&P 500 VIX	13.20	-27.5%
Euro Stoxx 50 VIX	24.62	11.0%
Crude Oil VIX	40.62	-12.1%
Interest Rate VIX	82.78	1.2%

**Investment Style YTD (%)**

	Value	Blend	Growth
Large	5.7	4.2	2.7
Mid	10.4	8.7	7.1
Small	9.7	7.5	5.6

Commodities	Value	YTD %
Oil-Brent	46.39	24.4%
Oil-WTI	45.00	21.5%
Natural Gas	2.84	21.7%
Gold	1,362.55	28.4%
Silver	20.36	47.0%
Copper	215.05	0.7%
S&P GSCI CME	358.04	14.9%

Currencies	Value	YTD %
EUR-USD	1.1035	1.6%
GBP-USD	1.2956	-12.1%
USD-JPY	101.9200	-15.2%
USD-CNY	6.6878	3.0%
USD-CHF	0.9834	-1.9%
AUD-USD	0.7552	3.7%
USD-CAD	1.3051	-5.7%
USD-SEK	8.5876	1.7%
DXY Index	96.5390	-2.1%

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For equity ideas or price quotes, please contact us

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Source: Reuters, Bloomberg, Barclays, Morningstar, WSJ, CNBC, Briefing, FXStreet.

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