

**Global Overview:** US equities ended the week lower weighed by technology and healthcare with the Dow at -1.1%, the S&P at -1.2% and the Nasdaq underperforming at -1.9%, mainly on continued uncertainty over this week's UK referendum on EU membership, although a momentum shift in favor of the "Remain" camp after Thursday's campaign suspension helped shares reverse some losses while polls continue to show a tight race. Concerns over weaker economic growth led the Fed to push forward its interest rate hike expectations with six of its seventeen policymakers projecting only one increase in 2016 up from one policymaker in March (FF now pricing a ~19% rate hike in September 2016 and ~38% in December 2016). Risk aversion increased demand for gold and sovereign debt, driving ten-year US Treasury yields to four month lows and 10-year Bunds into negative territory for the first time midweek, before settling at respective 1.61% and 0.02% while the thirty-year Swiss bond yield also turned negative. Oil closed lower, slightly below the USD 50 handle after an end of week rally supported by weaker US Dollar, despite oil rigs increasing for the third consecutive week, US crude stockpiles decreasing less than expected while OPEC forecasts balanced global oil market by end of 2016. European equities closed lower with the Stoxx 600 at -2.1% mainly on concerns over impact of potential Brexit which weighed predominantly on banks. UK equities closed lower with the FTSE 100 at -1.5% while the GBP/USD strengthened end of week as Brexit fears moderated after campaigns were suspended. UK equity funds registered outflows of USD ~1.1 billion during the week, the second largest weekly outflow in ten years. Japanese equities traded significantly lower with the Nikkei 225 at -6.0% mainly on stronger Yen nearing two-year high following BoJ inaction from Brexit concerns although closely monitoring currency movements. Chinese equities closed lower with the Shanghai index at -1.0% as slower than expected growth in fixed-asset investment likely weakened China's growth outlook despite encouraging retail sales and industrial production, and as MSCI delayed adding Chinese A-shares to its indices over Chinese capital controls among other concerns.

**Previous Week Macro Data**

	Actual	Cons.
UK Core CPI (YoY) (May)	1.2%	1.3%
US Retail sales ex autos (MoM) (May)	0.4%	0.4%
UK ILO unemployment rate (3M) (Apr)	5.0%	5.1%
US Industrial production (MoM) (May)	-0.4%	-0.2%
US EIA crude oil Δ (Jun 10)	-0.9M	-2.3M
US Fed interest rate decision	0.5%	0.5%
CHF SNB interest rate decision	-0.75%	-0.75%
UK Retail sales (YoY) (May)	6.0%	3.9%
EU Core CPI (YoY) (May)	0.8%	0.8%
UK BoE interest rate decision (Jun 16)	0.5%	0.5%
US Initial jobless claims (Jun 10)	277K	270K
US CPI (YoY) (May)	1.0%	1.1%
US Housing starts (MoM) (May)	-0.3%	-1.9%
US Baker Hughes oil rig count	337	-

**Upcoming Week Macro Data**

	Cons.	Prior
T JPY All industry activity index (MoM) (April)	1.2%	0.1%
T EU ZEW survey- economic sentiment (Jun)	15.3	16.8
W CNY CB leading economic index (May)	-	0.1%
W US Existing home sales (MoM)(May)	5.5M	5.4M
W EU Consumer confidence (Jun)	-7.0	-7.0
W US EIA crude oil Δ (Jun 17)	-	-0.9M
W UK Gfk consumer confidence (Jun)	-	-1.0
Th JPY Nikkei manufacturing PMI (Jun)	48.2	47.7
Th JPY Coincident index (Apr)	-	112.2
Th EU Markit PMI composite (Jun)	53.0	53.1
Th US Initial jobless claims (Jun 17)	270K	277K
Th US Markit manufacturing PMI (Jun)	50.8	50.7
Th US New home sales (MoM) (May)	0.5M	0.6M
F US Durable goods orders (May)	-0.5%	-3.4%
F US Reuters/Michigan cons. sent. ind (Jun)	94.0	94.3
F US Baker Hughes oil rig count	-	337

**Upcoming Week Key Earnings**

T Adobe Systems, FedEx, Lennar, CarMax
W H&M, Red Hat, Bed Bath & Beyond
Th Accenture, Blackberry
F Naspers

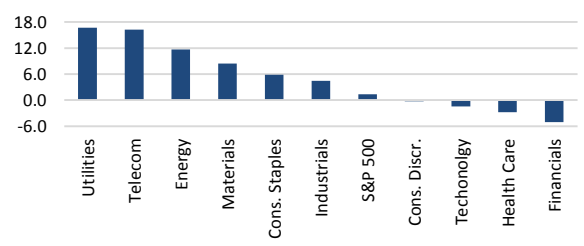
**Upcoming Week Policy & Related Events**

M JPY BoJ monetary policy meeting minutes, US Fed Kashkari
T EU ECB Draghi, US Fed Yellen & Powell
W EU ECB non-monetary policy meeting, US Fed Yellen
Th UK EU referendum, JPY BoJ Kuichi, JPY BoJ summary of opinions
F JPY BoJ Nakaso, US Fed Kaplan

	Value	1 Day %	1 Week %	YTD %	P/E	Div. Yld. %
S&P 500	2,071.2	▼ -0.33	▼ -1.19	1.3	18.5	2.2
Dow Jones	17,675.2	▼ -0.33	▼ -1.06	1.4	16.8	2.7
NASDAQ	4,800.3	▼ -0.92	▼ -1.92	-4.1	20.7	1.3
Russell 2000	1,144.7	▼ -0.30	▼ -1.65	0.8	19.6	1.5
STOXX 600	325.8	▲ 1.40	▼ -2.14	-10.9	16.8	3.9
FTSE 100	6,021.1	▲ 1.19	▼ -1.55	-3.5	19.2	4.4
NIKKEI 225	15,599.7	▲ 1.07	▼ -6.03	-16.1	16.9	2.1
Shanghai Index	2,885.1	▼ -1.73	▼ -0.97	-18.5	13.7	2.2
S&P Pan Arab	632.8	▼ -0.49	▼ -1.19	-3.9	11.4	4.0
MSCI ACWI	1,595.3	▲ 1.69	▼ -2.78	-7.0	16.1	3.6
MSCI EM	806.2	▲ 0.81	▼ -2.14	1.5	12.1	2.8

Fixed Income	Value	Yield %	YTD %
Barclays Global Aggregate	478.8	1.3	8.3
Barclays Global Agg. – Corporate	242.8	2.5	6.7
Barclays Global High Yield	1,123.4	6.9	8.2
Markit CDX N.A. Investment Grade	82.8	NA	NA
Markit CDX N.A. High Yield (Price)	102.3	NA	NA
Markit iTraxx Europe	70.4	NA	NA
Markit iTraxx ITX Crossover	366.6	NA	NA

S&P 500 Sector YTD (%)



Rates	Value	Yield %
Treasuries 2-Yr	100.1	0.69
Treasuries 10-Yr	100.0	1.61
Treasuries 30-Yr	101.2	2.42
Gilts 10-Yr	107.5	1.14
Bunds 10-Yr	104.6	0.02
French 10-Yr	100.7	0.43
Italian 10-Yr	101.6	1.44
Spanish 10-Yr	103.6	1.55
Greek 10-Yr	71.0	8.00
JGBs 10-Yr	102.6	-0.15

Volatility	Value	YTD %
S&P 500 VIX	19.4	6.6%
Euro Stoxx 50 VIX	38.0	71.5%
Crude Oil VIX	41.3	-10.6%
Interest Rate VIX	85.2	4.2%

Investment Style YTD (%)

	Value	Blend	Growth
Large	3.3	1.3	-0.6
Mid	8.6	5.8	3.1
Small	7.3	4.4	1.8

Commodities	Value	YTD %
Oil-Brent	49.7	33.3%
Oil-WTI	48.5	31.0%
Natural Gas	2.7	14.0%
Gold	1,283.6	20.9%
Silver	17.4	25.4%
Copper	206.3	-3.4%
S&P GSCI CME	376.8	20.9%

Currencies	Value	YTD %
EUR-USD	1.1346	4.5%
GBP-USD	1.4582	-1.0%
USD-JPY	104.7700	-12.9%
USD-CNY	6.5804	1.3%
USD-CHF	0.9593	-4.3%
AUD-USD	0.7440	2.1%
USD-CAD	1.2847	-7.2%
USD-SEK	8.2475	-2.3%
DXY Index	93.6210	-5.1%

**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, WSJ, CNBC, Briefing, FXStreet.

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