



Your Gateway To The World

WEEKLY MARKET SUMMARY



Equity Markets



Bond Markets



Currencies



Commodities

2 February 2020



US

S&P500 -2.12% (3,225.52); NASDAQ -1.76% (9,150.94); DJIA -2.53% (28,256.03)

This week's reports:

- **Q4 2019 GDP Growth Annualized** (prelim.) was 2.1%, the same as in Q3.
 - **December's Personal Income** rose 0.2% from November's +0.4%. **Personal Spending** rose 0.3% from November's +0.4%.
 - **January's Michigan Consumer Sentiment Index** rose to 99.8 from December's 99.1. **Conference Board Consumer Confidence** jumped to 131.6, a five-month high, from December's 128.5.
 - **November's S&P/Case-Shiller Home Price Indices** rose 2.6% y/y versus October's 2.2% y/y.
 - **December's New Home Sales** fell 0.4% from November's -1.1%. **New Home Sales** fell 4.9% from November's +1.2%.
 - **January's Chicago PMI** fell to 42.9 from December's 48.2.
 - **January's Richmond Fed Manufacturing Index** surged to 20 from December's -5.
 - **January's Dallas Fed Texas Manufacturing Index** rose to -0.2 from December's -3.2.
 - **December's Durable Goods Orders** rose 2.4% from November's -3.1%. **Durable Goods Orders ex Transportation** fell 0.1% from November's -0.4%.
 - **December's Wholesale Inventories** (prelim.) fell 0.1% from November's +0.1%.
 - **Initial Jobless Claims** for the week ending January 24th fell by 7K to 216K. **Continuing Jobless Claims** for the week ending January 17th fell by 44K to 1.703M.
- US stocks capped off a turbulent week with a punishing selloff as the spreading coronavirus outbreak fanned fears about global economic growth. All three main US indexes suffered their worst January since 2016.
 - The S&P 500 energy sector entered a bear market Friday, registering its worst January on record with a fall of 11%, as oil prices dropped on concerns about global growth.

Canada

S&P/TSX Composite -1.41% (17,318.49)

- Canadian stocks recorded their biggest weekly decline since October on growing worries about the economic impact of the coronavirus.
- **November's GDP Growth** was +0.1% versus October's -0.1%.



Eurozone

EUROSTOXX50	-3.66%	(3,640.91)
DJSTOXX600	-3.05%	(410.71)
DAX30	-4.38%	(12,981.97)
CAC40	-3.62%	(5,806.34)
FTSE100	-3.95%	(7,286.01)

- European stocks had their worst week since October as the UK reported its first cases of coronavirus and data showed softer growth in the eurozone. The health emergency has had a bigger impact on European companies than their US peers due to their high exposure to China.
- **Q4 2019 GDP Growth** (prelim.) was 1% y/y versus Q3's 1.2% y/y.
- **January's CPI** (prelim.) rose 1.4% y/y versus December's 1.3% y/y.
- **January's Consumer Confidence** was unchanged from December's -8.1. **Economic Sentiment** rose to 102.8 from December's 101.3.
- **December's Unemployment Rate** fell to 7.4% from November's 7.5%.

UK

- **January's GfK Consumer Confidence** rose to -9 from December's -11.

Japan

NIKKEI -2.61% (23,205.18)

- **January's Consumer Confidence** was unchanged from December's 39.1.
- **December's Unemployment Rate** was unchanged from November's 2.2%.
- **December's Retail Trade** fell 2.6% y/y versus November's -2.1% y/y.
- **December's Industrial Production** (prelim.) fell 3.0% y/y versus November's -8.2% y/y.



Australia & New Zealand

S&P/ASX200	-1.03%	(7,017.20)
NZX 50	-1.35%	(11,717.44)

- Australia's December Westpac Leading Index rose 0.05% from November's -0.02%.
- Australia's December NAB Business Confidence fell to -2 from November's reading of 0.
- New Zealand's January Consumer Confidence fell to 122.7 from December's 123.3.

Emerging Markets

MSCI EM	-5.10%	(1,062.34)
MSCI Asia Pacific	-3.73%	(151.97)
Shanghai Composite (China)	NA	(2,976.59)
HANG SENG Index	-5.86%	(26,312.63)
India SENSEX Index	-2.14%	(40,723.49)
EM Eastern Europe	-5.42%	(185.11)
Russia's MICEX	-2.21%	(3,076.65)
MSCI EM Latin America (USD)	-4.91%	(2,751.56)
Brazil BOVESPA Index	-3.90%	(113,760.60)

- Emerging market stocks tumbled with optimism around faster global growth fading as the World Health Organization declared a global emergency in the wake of the deadly coronavirus outbreak in China.
- With Chinese onshore markets closed until Feb. 3 for the Lunar New Year holidays, declines in Asia were led by South Korean shares, which closed out the week with their sharpest fall in 15 months.
- China's December NBS Manufacturing PMI (official) fell to 50 from November's 50.2. Non-Manufacturing PMI (official) rose to 54.1 from November's 53.5.



US

2-yr USTs closed down 18bps to 1.31%. 10-yr USTs closed down 18bps to 1.51%.

- US government bond prices surged as investors flew into safe assets. Demand for Treasuries pushed the yield on the 10-year note near 2016's record low.

Canada

2-yr GCAD closed down 5bps to 1.43%. 10-yr GCAD closed down 9bps to 1.27%.

Europe

2-yr Bunds closed down 7bps to -0.67%. 10-yr Bunds closed down 10bps to -0.43%.

UK

2-yr Gilts closed up 8bps to 0.50%. 10-yr Gilts closed down 4bps to 0.52%.

Japan

2-yr bonds closed down 2bps to -0.14%. 5-yr bonds closed down 5bps to -0.17%. 10-yr bonds closed down 5bps to -0.07%.



CURRENCIES



Currencies	31/01/2020	Weekly %	MTD %	YTD %
USDILS	3.4515	-0.22%	-0.05%	-0.05%
EURILS	3.8263	0.39%	-1.22%	-1.22%
GBPILS	4.5560	0.83%	-0.55%	-0.55%
CHFILS	3.5808	0.61%	0.31%	0.31%
JPYILS	3.1836	0.65%	0.15%	0.15%
AUDILS	2.3067	-2.21%	-4.84%	-4.84%
CADILS	2.6062	-0.86%	-1.98%	-1.98%
EURUSD	1.1093	0.62%	-1.07%	-1.07%
GBPUSD	1.3206	1.02%	-0.38%	-0.38%
USDJPY	108.3500	-0.85%	-0.24%	-0.24%
AUDUSD	0.6692	-2.05%	-4.69%	-4.69%
CHFUSD	1.0380	0.83%	0.45%	0.45%
CADUSD	0.7554	-0.72%	-1.87%	-1.87%
NZDUSD	0.6464	-2.16%	-4.09%	-4.09%

- The US dollar had a volatile week, first rising on the coronavirus fears, then falling on weaker-than-expected economic data.
- The British pound strengthened after the Bank of England kept interest rates on hold, citing a relatively more upbeat economic outlook.
- Trade-linked currencies such as the Australian and the New Zealand dollars fell to new multi-month lows on fears of the economic impact of the coronavirus outbreak. Oil-linked currencies, such as the Canadian dollar, also weakened, while safe-haven currencies (Swiss franc and the Japanese yen) strengthened.
- Emerging-market currencies fell for a second straight week as fears grew that the coronavirus will adversely impact global growth.



Energy & Metals

WTI Crude Oil for March closed -4.85% to US\$51.56

- Crude oil prices fell sharply and registered their fourth consecutive weekly loss, as markets grew more concerned about the economic damage of the new coronavirus that has spread from China to around 20 countries.
- WTI prices slid 15% and Brent prices fell 12% in January, their biggest January slide since 1991.

Gold for April closed +0.61% to US\$1,587.90

- Gold prices rose, closing their its biggest monthly gain since August 2019, as investors rushed to safer assets on a wave of coronavirus worries.

Copper for March closed -6.22% to US\$251.70

- Copper prices tumbled for a second week in a row as the coronavirus outbreak has sparked fears that an economic slowdown could cause radical drops in demand from China, leading to a cooling of prices.

ETF MONEY FLOWS (WTD)



IEFA US Equity	ISHARES CORE MSCI EAFE ETF	2,585,780,002	
SPY US Equity	SPDR S&P 500 ETF TRUST	940,435,803	
BND US Equity	VANGUARD TOTAL BOND MARKET	929,103,012	
IVV US Equity	ISHARES CORE S&P 500 ETF	885,730,019	
IEF US Equity	ISHARES 7-10 YEAR TREASURY B	802,092,992	
VOO US Equity	VANGUARD S&P 500 ETF	748,670,598	
LMBS US Equity	FIRST TRUST LOW DURATION OPP	665,233,764	
VTI US Equity	VANGUARD TOTAL STOCK MKT ETF	659,542,396	
SPHD US Equity	INVESCO S&P 500 HIGH DIVIDEN	617,039,015	
AGG US Equity	ISHARES CORE U.S. AGGREGATE	582,784,992	
HYG US Equity	ISHARES IBOXB HIGH YLD CORP	(1,745,124,975)	
IWM US Equity	ISHARES RUSSELL 2000 ETF	(1,621,526,489)	
JNK US Equity	SPDR BBG BARC HIGH YIELD BND	(1,333,031,067)	
EEM US Equity	ISHARES MSCI EMERGING MARKET	(1,220,296,473)	
XLF US Equity	FINANCIAL SELECT SECTOR SPDR	(1,219,301,568)	
XLI US Equity	INDUSTRIAL SELECT SECT SPDR	(877,848,755)	
XLK US Equity	TECHNOLOGY SELECT SECT SPDR	(716,230,364)	
XLE US Equity	ENERGY SELECT SECTOR SPDR	(653,954,360)	
QQQ US Equity	INVESCO QQQ TRUST SERIES 1	(500,593,938)	
XLY US Equity	CONSUMER DISCRETIONARY SELT	(486,929,340)	

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