



Your Gateway To The World

WEEKLY MARKET SUMMARY



Equity Markets



Bond Markets



Currencies



Commodities

29 November 2020



US

S&P500 +2.27% (3,638.35); NASDAQ +2.96% (12,205.85); DJIA +2.21% (29,910.37)

This week's reports:

- **Q3 2020 GDP Growth Annualized** (second est.) was confirmed at 33.1%, as was previously estimated.
 - **November's Consumer Confidence Index** dropped to 96.1 from 101.4 in October; it was expected to fall to 98. The confidence fell amid a widespread resurgence in new Covid-19 infections and business restrictions; the data was collected before the news on vaccines progress.
 - **November's Michigan Consumer Sentiment Index** declined to 76.9 from October's 77.
 - **October's Personal Income** fell 0.7% from September's +0.7%. **Personal Spending** rose 0.5% from September's +1.2%.
 - **September's FHFA Housing Price Index** jumped 1.7% from August's +1.5%.
 - **September's S&P/Case-Shiller Home Price Indices** rose 6.6% y/y versus August's +5.3% y/y.
 - **October's New Home Sales** fell 0.3% from September's +0.1%.
 - **November's Markit Manufacturing PMI** (prelim.) rose to 56.7, a 74-month high, from October's 53.4; it was expected to decline to 53. **Services PMI** (prelim.) rose to 57.7, a 68-month high, from October's 56.9; it was expected to decline to 55.3. **Composite PMI** (prelim.) rose to 57.9, also a 68-months high, from October's 56.3, indicating that growth momentum picked up further.
 - **October's Chicago Fed National Activity Index (CFNAI)** rose to 0.83 from September's 0.32.
 - **November's Richmond Fed Manufacturing Index** fell to 15 from October's 29; it was expected to remain unchanged.
 - **October's Wholesale Inventories** (prelim.) rose 0.9% from September's +0.7%.
 - **October's Durable Goods Orders** rose 1.3% from September's +2.1%. **Durable Goods Orders ex Transportation** also rose 1.3% from September's +1.5%.
 - **Initial Jobless Claims** for the week ending November 21st rose by 30K to 778K, versus the expected decrease to 730K. **Continuing Jobless Claims** for the week ending November 14th fell by 299K to 6.071M versus the expectations of a decline to 6.02M. The advance seasonally adjusted insured unemployment rate was 4.1%, a decrease of 0.2% from the previous week's rate.
- US stocks edged higher during Friday's holiday-shortened session amid decreasing political uncertainty and positive vaccine news. Gains across shares of technology and health-care companies pushed the S&P 500 and Nasdaq Composite to new closing records. Earlier in the week, the DJIA also surged to a record, rising above 30,000 for the first time, a remarkable development even though the index declined shortly afterward. The VIX index briefly dipped below 20 on Friday for the first time since late February.
 - The Dow is up 12.9% in November, its biggest monthly gain since January 1987. The S&P 500 and Nasdaq are up 11.3% and 11.9%, respectively, in November. Meanwhile, the small-cap Russell 2000 is on track for its best month ever, up about 20%. November's sharp gains were led by beaten-down value stocks as the positive vaccine news sparked hope for a strong economic recovery.



Canada

S&P/TSX Composite +2.22% (17,396.56)

- Canada's S&P/TSX Composite Index rose strongly over the week, following Wall Street's lead, finally climbing back into positive territory on a year-to-date basis. The rally was led by the energy sector shares as the group received added support from a US Energy Information Administration report that showed a surprise drawdown in US crude stockpiles.

Europe

EUROSTOXX50	+1.74%	(3,527.79)
DJSTOXX600	+0.93%	(393.23)
DAX30	+1.51%	(13,335.68)
CAC40	+1.86%	(5,598.18)
FTSE100	+0.25%	(6,367.58)

- European stocks gained for a fourth straight week on Friday as investors looked past near-term virus damage and hoped for a quicker economic revival next year. The gains in the pan-European STOXX 600 were led by the tech and banks, while energy stocks were the top gainers for the week on rising oil prices. Stock markets in Europe were also lifted as the European Central Bank reinforced expectations of further stimulus next month.
 - The STOXX 600 index has gained 40% since a coronavirus-driven slump in March and was set to end its best month on record, but rising infections in some European countries have capped gains. Still, the European index closed the month up 15%.
- **November's Markit Manufacturing PMI** (prelim.) fell to 53.6, a 3-month low, from October's 54.8; it was expected to decline to 53.1. **Services PMI** (prelim.) dropped to 41.3, a 6-month low, from October's 46.9; it was expected to decline to 42.5. **Composite PMI** (prelim.) tumbled to 45.1, also a 6-months low, from October's 50.0, indicating that Eurozone's business activity fell sharply in November.
- **November's Consumer Confidence Index** fell to -17.6 from October's -15.5. **Economic Sentiment Indicator** fell to 87.6 from October's 91.1.



UK

- **November's Markit Manufacturing PMI** (prelim.) rose to 55.2, a 3-month high, from October's 53.7; it was expected to decline to 50.5. **Services PMI** (prelim.) dropped to 45.8, a 6-month low, from October's 51.4; it was expected to decline to 42.5.

Japan

NIKKEI 225 +4.38% (26,644.71)

- Tokyo stocks shrugged off profit-taking to add to gains Friday, underpinned by unabated anticipation for economic recovery. Nikkei-225 Stock Average advanced to its highest level since May 1991 after rallying 16% in November.
- **September's Leading Economic Index** rose to 92.5 from August's 88.5.

Australia & New Zealand

S&P/ASX200 +0.95% (6,601.05)

NZX 50 +1.59% (12,639.83)

- **Australia's November Commonwealth Bank (Markit) Manufacturing PMI** (prelim.) rose to 56.1, a 35-month high, from October's 54.2. **Services PMI** (prelim.) rose to 54.9, a 4-month high, from October's 53.7. **Composite PMI** (prelim.) rose to 54.7, also a 4-months high, from October's 53.5.
- **New Zealand's November ANZ Consumer Confidence Index** declined to 106.9 from October's 108.7.
- **New Zealand's Q3 2020 Retail Sales** surged 28% from Q2's -14.8%.



Emerging Markets

MSCI EM	+1.77%	(1,230.72)
MSCI Asia Pacific	+2.22%	(179.66)
Shanghai Composite (China)	+0.91%	(3,408.31)
HANG SENG Index	+1.68%	(26,894.68)
India BSE SENSEX Index	+0.61%	(44,149.72)
EM Eastern Europe	+2.97%	(151.16)
Russia's IMOEX	+3.00%	(3,142.68)
MSCI EM Latin America (USD)	+3.52%	(2,238.73)
Brazil BOVESPA Index	+4.27%	(110,575.50)

- Emerging market stocks rose for another week, closing November with a 11.6% gain, but still lagging behind the MSCI World Index of developed markets, which ended the month up 13.6%. Among the main emerging markets, Poland's WIG20 Index showed the largest gain in November, above 22%, while Shanghai Composite registered the smallest increase for the month, 5.7%.
- China's largest industrial companies saw their profits grow for a sixth straight month in October, indicating continued recovery from the coronavirus pandemic in the world's second largest economy. Profits at Chinese industrial firms rose 28.2% in October from a year earlier, almost triple the 10.1% increase in September, according to National Bureau of Statistics (NBS) data. From January to October, profits among big industrial companies grew 0.7% y/y, improving from the 2.4% y/y decline in the first nine months of the year.



US

2-yr USTs closed unch. at 0.15%. 10-yr USTs closed up 1bps to 0.84%.

- US government bond yields rose at the beginning of the week, as global risk sentiment surged and stocks rallied. Treasury yields dropped on Friday in thin post-holiday trading, paring most of their previous rise, as they were weighed down by persistent concerns about the continued surge in coronavirus cases and possibly weaker economic data next week amid renewed lock-downs in several US states and around the world.

Canada

2-yr GCAD closed down 1bps to 0.25%. 10-yr GCAD closed up 3bps to 0.68%.

Europe

2-yr Bunds closed unch. at -0.71%. 10-yr Bunds closed down 1bps to -0.59%.

UK

2-yr Gilts closed unch. at -0.04%. 10-yr Gilts closed down 2bps to 0.28%.

Japan

2-yr bonds closed unch. at -0.14%. 10-yr bonds closed up 2bps to 0.03%.



CURRENCIES



Currencies	27/11/2020	Weekly %	MTD %	YTD %
USDILS	3.3139	-0.70%	-2.82%	-4.03%
EURILS	3.9646	0.16%	0.02%	2.35%
GBPILS	4.4135	-0.53%	0.00%	-3.66%
CHFILS	3.6640	-0.06%	-1.39%	2.64%
JPYILS	3.1848	-0.97%	-2.17%	0.19%
AUDILS	2.4488	0.38%	2.28%	1.02%
CADILS	2.5514	0.02%	-0.25%	-4.04%
EURUSD	1.1963	0.89%	2.71%	6.69%
GBPUSD	1.3311	0.27%	2.81%	0.41%
USDJPY	104.0900	0.22%	-0.54%	-4.16%
AUDUSD	0.7387	1.16%	5.11%	5.21%
CHFUSD	1.1034	0.52%	1.17%	6.78%
CADUSD	0.7698	0.80%	2.53%	0.00%
NZDUSD	0.7027	1.41%	6.23%	4.26%

- The US dollar hit its lowest levels against a basket of currencies in more than two years this week, as decreasing political uncertainty, mostly positive economic data and good news about the vaccine development pushed investors towards riskier assets and away from the safety of the US currency. The Bloomberg Dollar Index fell to its lowest since April 2018.
- The British pound declined against the euro as the European Union and Britain said substantial differences remained over a Brexit trade deal as the EU chief negotiator prepared to travel to London in a last-ditch attempt to avoid a tumultuous finale to the five-year Brexit crisis.
- The commodity-linked currencies, seen as proxy for risk sentiment, rallied. New Zealand's dollar hit its highest level in more than three years, while the Australian dollar scaled September levels after data showed October profits at China's industrial firms grew at their quickest pace since early 2017.
- Most emerging market currencies rose against the weakening dollar, with the MSCI EM Currency Index strengthening for a fourth straight week, as riskier assets benefited from higher demand spurred by positive news on Covid-19 vaccines.



Energy & Metals

WTI Crude Oil for January closed +7.33% to US\$45.53

- WTI crude climbed to its highest price in eight months in a holiday shortened week, as traders were once again focusing on a coronavirus vaccine news and hopes for a swift demand recovery once the economy returns to normal.
- The OPEC+ is scheduled to meet next week to map out its production strategy for the coming months. According to officials familiar with the discussions, OPEC and its Russia-led partners are leaning toward extending oil production cuts for another two to three months, a move they hope will keep markets tight even as prices start to recover from Covid-19-inspired lows earlier this year.

Gold for December closed -4.83% to US\$1,781.90

- Gold settled sharply lower, registering its biggest weekly slide since late September, as price has been buffeted by upbeat news on coronavirus vaccines that have driven investors to equities and away from the perceived haven of bullion.

Copper for December closed +3.30% to US\$339.95

- Copper prices rose to their best level in two and a half years as the expectation of higher demand lifted prices of commodities tied to economic growth.

ETF MONEY FLOWS (WTD)



QUAL US Equity	ISHARES MSCI USA QUALITY FACTOR	2,798,915,931	
QQQ US Equity	INVESCO QQQ TRUST SERIES 1	1,750,761,571	
IWM US Equity	ISHARES RUSSELL 2000 ETF	1,230,399,009	
SPY US Equity	SPDR S&P 500 ETF TRUST	1,212,636,182	
AGG US Equity	ISHARES CORE U.S. AGGREGATE	1,027,596,003	
VOO US Equity	VANGUARD S&P 500 ETF	862,715,236	
VTI US Equity	VANGUARD TOTAL STOCK MKT ETF	853,629,120	
XLF US Equity	FINANCIAL SELECT SECTOR SPDR	784,071,239	
VXUS US Equity	VANGUARD TOTAL INTL STOCKS	739,503,204	
EWJ US Equity	ISHARES MSCI JAPAN ETF	665,580,018	
GLD US Equity	SPDR GOLD SHARES	(1,303,806,732)	
IEF US Equity	ISHARES 7-10 YEAR TREASURY BOND	(1,253,025,992)	
SPLV US Equity	INVESCO S&P 500 LOW VOLATILITY	(625,400,621)	
SPYG US Equity	SPDR PORTFOLIO S&P 500 GROWTH	(558,063,802)	
SLV US Equity	ISHARES SILVER TRUST	(433,049,096)	
SHV US Equity	ISHARES SHORT TREASURY BOND	(431,660,003)	
USMV US Equity	ISHARES MSCI USA MIN VOL FACTOR	(393,140,997)	
TLT US Equity	ISHARES 20+ YEAR TREASURY BOND	(319,100,993)	
SPIB US Equity	SPDR PORTFOLIO INTERMEDIATE	(236,714,445)	
ACWI US Equity	ISHARES MSCI ACWI ETF	(228,358,005)	

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