



Weekly Brief

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Market Action

- Markets recovered some of their losses from last week as the Nasdaq approaches an all-time high thanks to Apple's resurgence in the midst of iPhone 7 demand.

- Median household income rose at the greatest rate in nearly a generation according to data released this week. The 5.2% gain in income boosted stocks and bond yields higher. The figure still stand slightly below 2007 highs but is some of the strongest data since the Financial Crisis.

- Russia cut interest rates by 50 basis points this week. Crude's fall over the past couple of years has sparked capital flight and a weaker ruble, pushing up prices and forcing the central bank to tighten. Inflationary pressures have abated in recent months.

- Greece informed its creditors that it cannot comply with demands to eliminate collective negotiations on wages and conditions, jeopardizing the next tranche of its €86 billion bailout.

- Chinese data continues to come in mixed overall but the economy does appear to be avoiding a hard landing so far. Industrial output, retail sales and fixed asset investment all improved relative to expectations.

- Oil demand growth continues to slow according to the International Energy Agency. The group downgraded its forecast for demand growth for the balance of 2016, following the EIA last week.

- UK economic data continues to show some resilience but markets continue to expect a rate cut in the near future, sending the Pound lower on the week.

<u>Equities</u>	Current	Weekly	Monthly	YTD
<u>U.S.</u>				
Dow Jones	18,123.80	0.21%	-2.55%	4.01%
S&P 500	2,139.16	0.53%	-2.19%	4.66%
Nasdaq	5,244.57	2.31%	0.08%	4.74%
<u>Europe</u>				
FTSE	6,710.28	-0.98%	-2.31%	7.50%
DAX	10,276.17	-2.81%	-3.08%	-4.35%
<u>Asia</u>				
Nikkei	16,519.29	-2.63%	0.20%	-13.21%
Shanghai	3,002.85	-2.47%	-3.26%	-15.15%
<u>Currencies</u>				
EUR/\$	1.116	-0.69%	-1.75%	2.70%
\$/Yen	102.290	-0.39%	2.40%	-14.91%
UK/\$	1.300	-2.00%	-1.26%	-11.77%
<u>Bonds</u>				
10 Year	1.69	0.018	0.144	-0.577
Moody's AA	3.62	0.090	0.210	-0.600
<u>Commodities</u>				
WTI	\$43.03	-6.21%	-10.76%	16.17%
Brent	\$45.77	-4.67%	-10.06%	22.77%
Gold	\$1,310.20	-1.82%	-2.86%	23.07%

Returns			
Sector	1 Week	1 Month	YTD
Telecommunications	0.51%	-3.38%	5.58%
Materials	-0.99%	-3.36%	17.89%
Energy	-2.91%	-3.21%	18.17%
Consumer Staples	0.70%	-3.46%	6.82%
Consumer Discretionary	0.48%	-3.52%	14.33%
Financials	-1.26%	-1.34%	16.19%
Healthcare	1.21%	-2.90%	13.74%
Industrials	-0.50%	-3.65%	13.61%
Technology	3.03%	1.39%	24.00%
Utilities	2.42%	-1.51%	6.24%

This Week From Blacksummit

[Enlightenment in the Era of Central Banking: Fearing the Normal or Normalizing Fear?](#)

John Charalambakis

Recommended Reads

[Will Interest Rates Ever Rise?](#)

George Magnus, Prospect

[Least Productive Sectors Only Thing Keeping Inflation Going](#)

Matthew Klein, FT Alphaville

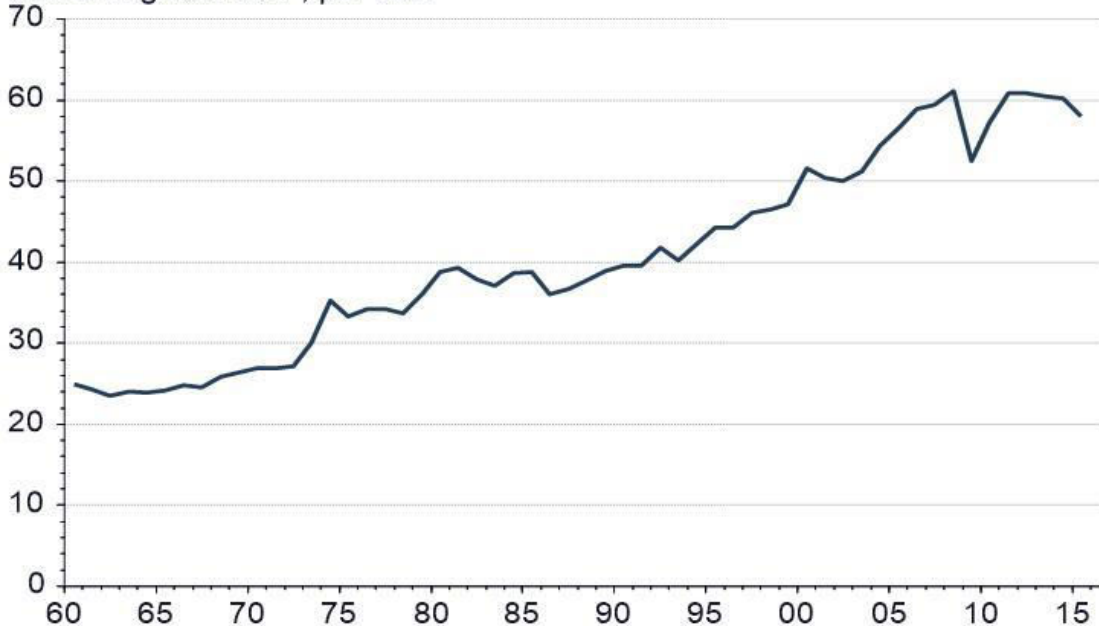
[Why We Must Distribute The Gains From Technical Change](#)

Luc Soete, FT Alphaville

Image of the Week: Globalization Stuck in A Rut

Global trade

Share of global GDP, per cent



Quelle: Thomson Reuters Datastream / Fathom Consulting