



Weekly Brief

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Market Action

- Markets in the U.S. were largely flat on the week as Earnings season begins to gather momentum. Financials were among the best sectors thanks to strong earnings posted by banks.
- Saudi Arabia raised over \$17 Billion in the largest bond sale ever by an emerging economy. Demand was for more than three times the amount raised as the country looks to invest and diversify from its oil dependence.
- China's GDP growth hit the government target of 6.7% in Q3 thanks to more fiscal spending, a hot property market, and record bank lending.
- Oil continued its recent rise this week as anticipation of OPEC production cuts dominate market expectations.
- Bond and futures markets continue to price in a hike in interest rates in December. While yields fell slightly this week chatter from Fed Vice-Chair Fischer and the fed funds market still point to a tightening before year-end.
- The Euro has fallen to its lowest level in more than six months following Mario Draghi's press conference. While no new action was announced (and none was expected) the dim economic prospects of the Eurozone continue to weigh on the currency.
- Another trade deal has collapsed this week, as Europe and Canada have not been able to come agreement. The breakdown continues a theme of protectionism and populism interacting to stifle trade.

<u>Equities</u>	Current	Weekly	Monthly	YTD
<u>U.S.</u>				
Dow Jones	18,145.71	0.04%	-0.81%	4.14%
S&P 500	2,141.16	0.38%	-1.02%	4.76%
Nasdaq	5,257.40	0.83%	-0.71%	4.99%
<u>Europe</u>				
FTSE	7,020.47	0.10%	2.72%	12.47%
DAX	10,710.73	1.23%	2.63%	-0.30%
<u>Asia</u>				
Nikkei	17,184.59	1.95%	2.24%	-9.71%
Shanghai	3,090.94	0.89%	2.15%	-12.67%
<u>Currencies</u>				
EUR/\$	1.088	-0.84%	-2.76%	0.17%
\$/Yen	103.820	-0.35%	3.49%	-13.64%
UK/\$	1.222	0.27%	-6.20%	-17.05%
<u>Bonds</u>				
10 Year	1.73	-0.063	0.084	-0.535
Moodys AA	3.58	-0.080	0.030	-0.640
<u>Commodities</u>				
WTI	\$50.93	1.15%	12.33%	37.50%
Brent	\$51.84	-0.21%	10.70%	39.06%
Gold	\$1,267.40	0.95%	-4.81%	19.05%

Returns			
Sector	1 Week	1 Month	YTD
Telecommunications	-3.80%	-6.80%	-5.84%
Materials	1.58%	-0.89%	7.72%
Energy	0.50%	2.85%	12.75%
Consumer Staples	-0.44%	-2.00%	-0.27%
Consumer Discretionary	0.92%	0.40%	2.97%
Financials	1.19%	0.93%	8.46%
Healthcare	0.13%	-4.40%	3.98%
Industrials	-0.39%	-1.37%	5.21%
Technology	0.74%	0.41%	12.78%
Utilities	0.56%	-5.35%	0.03%

This Week from Blacksummit

[Credit Impulse and Currency Outlook: Kafka's Clamence Ponders on Currencies' Trajectory](#)

John E. Charalambakis

Recommended Reads

[Xi Jinping Is A Strongman. That Does Not Mean He Gets His Way](#)

The Economist

[Bye To QE - For Now?](#)

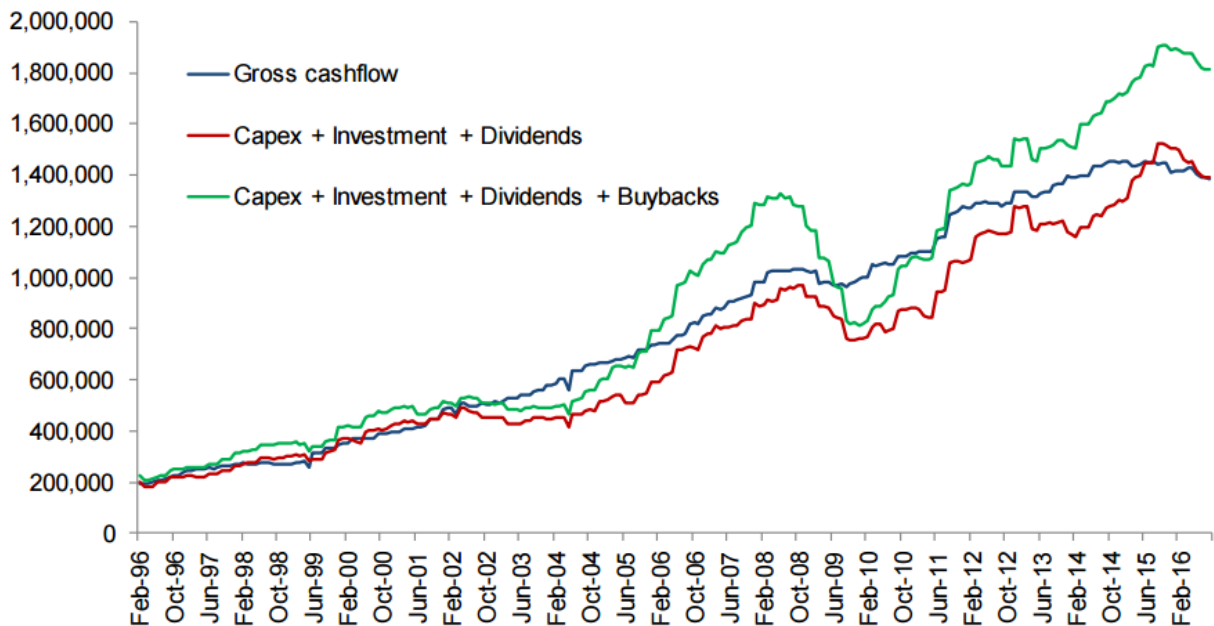
George Magnus, Prospect Magazine

[The Impact in China and Abroad of Slowing Growth](#)

Michael Pettis

Image of the Week: Corporate America Has A Cash Flow Problem

US CORPORATES ARE OUTSPENDING CASHFLOW...



Source: SG Cross Asset Research/Equity Quant, Factset