



# Weekly Brief

**BLACKSUMMIT**  
**FINANCIAL GROUP**

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## Market Action

- Markets tempered their recent rally despite positive economic news from a number of sources this week. Tech stocks sold off as the rising dollar threatens overseas sales.
- The dollar continues to move higher as markets price in a Fed rate hike at the next meeting on December 14. Analysts and forecasters are projecting the dollar to reach multiyear highs against both the Euro and Yen as part of the next tightening cycle.
- Despite skepticism in media reports OPEC reached agreement on production cuts of 1.2 million barrels. Russia, a non-OPEC producer, also agreed to take part in the cuts. The news sent oil stocks up more than 10%.
- GDP growth in Q3 was revised up to 3.2% compared to the original 2.9% that was reported. The jobs report on Friday was also stronger than expected and lowered the unemployment rate to 4.6%, the lowest point since August 2007.
- U.S. housing prices reached their highest point since 2007 according to new data this week. Despite the news home ownership remains at a five decade low.
- The ECB is ready to support Italian bonds if the results of Sunday's referendum spark volatility. Italian banks hold one third of unpaid loans at key Eurozone lenders.
- Corporate profits rose more than 5% over the past year, the first annual increase since 2014.

<u>Equities</u>	Current	Weekly	Monthly	YTD
<u>U.S.</u>				
Dow Jones	19,170.42	0.10%	6.74%	10.02%
S&P 500	2,191.95	-0.97%	4.48%	7.24%
Nasdaq	5,255.65	-2.65%	2.94%	4.96%
<u>Europe</u>				
FTSE	6,730.72	-1.61%	-1.68%	7.82%
DAX	10,513.35	-1.74%	1.37%	-2.14%
<u>Asia</u>				
Nikkei	18,426.08	0.24%	7.54%	-3.19%
Shanghai	3,243.84	-0.55%	4.55%	-8.34%
<u>Currencies</u>				
EUR/\$	1.066	0.71%	-3.91%	-1.82%
\$/Yen	113.510	0.26%	9.88%	-5.58%
UK/\$	1.273	2.02%	3.45%	-13.62%
<u>Bonds</u>				
10 Year	2.38	0.026	0.581	0.114
Moody's AA	4.13	0.050	0.450	-0.090
<u>Commodities</u>				
WTI	\$51.66	12.16%	13.94%	39.47%
Brent	\$54.41	15.18%	16.11%	45.95%
Gold	\$1,179.30	-0.14%	-10.13%	10.64%

<b>Returns</b>			
Sector	1 Week	1 Month	YTD
Telecommunications	-1.69%	5.86%	-1.14%
Materials	0.69%	7.73%	4.87%
Energy	2.64%	9.29%	9.03%
Consumer Staples	-1.44%	-3.88%	-3.17%
Consumer Discretionary	-1.99%	5.51%	1.93%
Financials	0.86%	15.83%	17.59%
Healthcare	-1.60%	2.25%	-4.32%
Industrials	-0.01%	10.59%	9.90%
Technology	-2.92%	-0.97%	8.66%
Utilities	-0.94%	-3.02%	-2.20%

## This Week from Blacksummit

[European Developments Meet Bruegel: The Icarus Effect](#)

John E. Charalambakis

### Recommended Reads

[The Key to Great Investing](#)

Isaac Presley

[China Capital Curbs Reflect Buyer's Remorse Over Market Reforms](#)

Financial Times

[Long Term Bonds Behave More Like Stocks Than You Think](#)

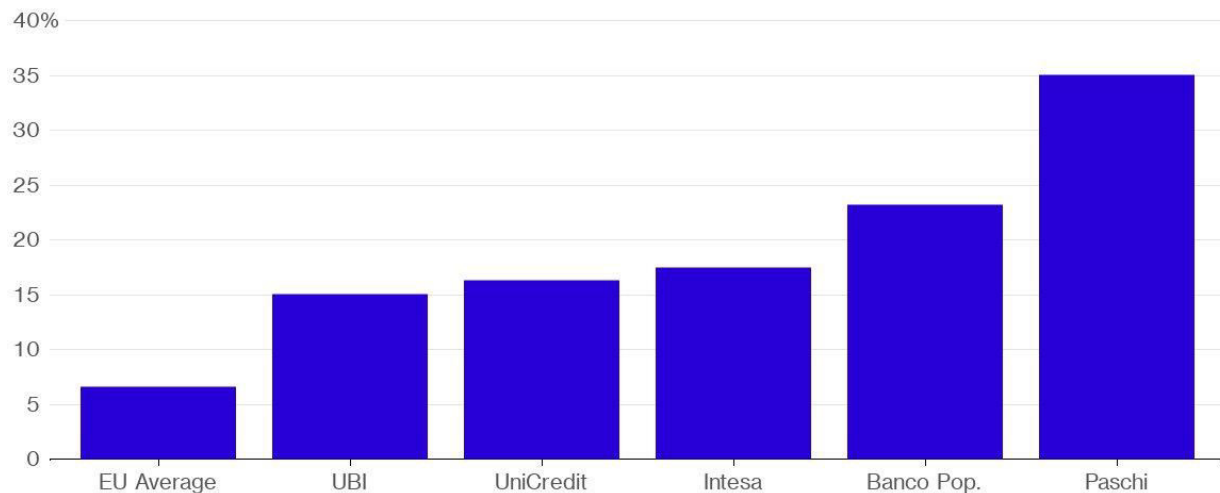
Fortune Financial Advisors

## Image of the Week: The Price of Italy's Referendum

### Bad Loans Burden

Italy bad loans more than double European average

■ NPL Ratio



Source: Bloomberg Data

Bloomberg