



Weekly Brief

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Market Action

- The U.S. added 235,000 jobs in February, far above the 198,000 that analysts and economists had estimated. The unemployment rate fell to 4.7% while labor force participation and wages both increased. All eyes will now be on the Federal Reserve this upcoming week and whether another rate hike will be decided.

- Crude oil hit a 3 month low this week after stockpiles grew by 8 million barrels, considerably more than the 2.8 million that was forecasted. Record stockpiles have been a steady theme in 2017, to the surprise of many including OPEC.

- Mario Draghi and the ECB stood pat this month in raising rates despite the pickup in inflationary pressures. While the Governing Council took a dovish stance this month Draghi stated that there is less urgency for stimulus moving forward.

- Foreign Exchange reserves rose in China for the first time in 8 months while imports soared and producer prices also climbed. The combination of the reports perplexed analysts given the outflow of capital that has been reported in the country.

- Bitcoin, the poster child of digital currencies, fell over 18% on Friday after the SEC ruled that an investment company could not bring an ETF based on the product to market, citing an undeveloped market. Money flows out of China have pushed the digital currency up to record highs.

- The Republican Party finally introduced their alternative to the Affordable Care Act this week. The legislation seeks to reshape much of the healthcare industry and has major implications for a sector that amounts to almost 20% of GDP.

<u>Equities</u>	Current	Weekly	Monthly	YTD
<u>U.S.</u>				
Dow Jones	20,902.98	-0.49%	4.23%	5.77%
S&P 500	2,372.60	-0.44%	3.40%	5.97%
Nasdaq	5,861.73	-0.15%	3.15%	8.89%
<u>Europe</u>				
FTSE	7,343.08	-0.42%	2.15%	2.80%
DAX	11,963.18	-0.53%	3.64%	4.20%
<u>Asia</u>				
Nikkei	19,604.61	0.70%	3.14%	2.56%
Shanghai	3,212.43	-0.18%	1.44%	3.51%
<u>Currencies</u>				
EUR/\$	1.067	0.44%	-0.27%	1.45%
\$/Yen	114.740	0.61%	2.51%	-1.90%
UK/\$	1.216	-1.07%	-3.04%	-1.46%
<u>Bonds</u>				
10 Year	2.58	0.097	0.239	0.131
Moodys AA	4.04	0.000	0.100	0.010
<u>Commodities</u>				
WTI	\$48.39	-9.26%	-7.55%	-9.92%
Brent	\$51.37	-8.10%	-6.80%	-9.59%
Gold	\$1,204.50	-1.79%	-2.82%	4.35%

<u>Returns</u>			
Sector	1 Week	1 Month	YTD
Telecommunications	-1.13%	0.00%	0.00%
Materials	-1.34%	0.55%	6.12%
Energy	-2.82%	-1.20%	-7.56%
Consumer Staples	-0.25%	5.44%	5.54%
Consumer Discretionary	-0.32%	2.65%	6.32%
Financials	-0.72%	6.79%	6.21%
Healthcare	0.00%	6.73%	10.47%
Industrials	-0.82%	4.31%	5.39%
Technology	0.52%	5.11%	11.20%
Utilities	-1.21%	5.92%	4.62%

This Week from Blacksummit

[Reflation Trades and Upbeat Sentiment: Rates, Oil, and the Containment of Risks](#)

John E. Charalambakis

Recommended Reads

[Show Me the Money](#)

Bill Gross

[Volatility: How Low Can It Go?](#)

Robin Wigglesworth

[Why Good Companies Can Be Bad Investments](#)

Aswath Damodaran

[Europes Complex Political Landscape](#)

Wall St. Journal

Image of the Week: South Korea's Decade Long Drought

