



# Weekly Brief

**BLACKSUMMIT  
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## Market Action

- China's economy accelerated its growth rate in Q2 to 6.9%, with consumer spending, factory output and investment all posting strong figures. Retail sales were also at their strongest level in over a year. While critiques of China's data are valid, corporate commentary affirms a renewed strength for the Asian economy.
- Greece's bonds reached their highest level in years this week after meeting conditions to receive an additional tranche of funds from creditors. Greece will revisit the capital markets for the first time in three years next week with a debt auction.
- The Euro continues to maintain its strength against the dollar as the currency reached a two-year high this week against the greenback. ECB commentary highlighting a defeat of deflation and expectations of a tightening cycle amidst higher growth have boosted the Euro.
- China and the U.S. were not able to come to agreement on a joint statement following high level economic talks between the countries respective leaders. Trade and other economic matters dominated the discussions as the President's administration attempts to create a more level trade playing field.
- Crude markets are paying attention to an OPEC meeting this Monday as the oil cartel attempts to rein in members' production levels. Ecuador announced earlier this week that it will be increasing production out of a desperate need for cash. Crude was slightly down on the week.
- South Korea's equity markets have reached eight record highs in the last nine trading days. A new administration, expectations of greater growth, and foreign capital flows are boosting asset prices.

<u>Equities</u>	Current	Weekly	Monthly	YTD
<u>U.S.</u>				
Dow Jones	21,580.07	-0.27%	0.79%	9.20%
S&P 500	2,472.54	0.54%	1.52%	10.44%
Nasdaq	6,387.75	1.19%	2.47%	18.66%
<u>Europe</u>				
FTSE	7,452.91	1.01%	0.07%	4.34%
DAX	12,240.06	-3.10%	-4.18%	6.61%
<u>Asia</u>				
Nikkei	20,099.75	-0.09%	-0.19%	5.16%
Shanghai	3,237.98	0.48%	2.59%	4.33%
<u>Currencies</u>				
EUR/\$	1.166	1.68%	4.43%	10.90%
\$/Yen	111.130	-1.24%	-0.22%	-4.98%
UK/\$	1.300	-0.77%	2.57%	5.32%
<u>Bonds</u>				
10 Year	2.24	-0.094	0.074	-0.207
Moodys AA	3.74	-0.080	0.040	-0.290
<u>Commodities</u>				
WTI	\$45.77	-1.65%	7.62%	-14.80%
Brent	\$48.06	-1.74%	7.23%	-15.42%
Gold	\$1,252.10	2.27%	0.12%	7.41%

<u>Returns</u>			
Sector	1 Week	1 Month	YTD
Telecommunications	1.02%	-3.53%	-14.69%
Materials	-0.02%	2.94%	10.92%
Energy	-0.48%	1.60%	-13.53%
Consumer Staples	0.58%	-1.56%	6.70%
Consumer Discretionary	1.04%	1.35%	11.91%
Financials	-0.28%	2.66%	6.52%
Healthcare	1.10%	1.47%	17.46%
Industrials	-1.01%	0.96%	9.19%
Technology	1.11%	3.19%	22.78%
Utilities	2.59%	-0.72%	9.53%

## This Week from Blacksummit

[World Markets, Bank Debt, and Diversification: Earnings and Other Drivers](#)

John E. Charalambakis

### Recommended Reads

[Slower Inflation Isn't Transitory](#)

Cardiff Garcia

[Where We Are in the Emerging Markets Cycle](#)

Mark Dow

[The Secret History of the Banking Crisis](#)

Prospect Magazine

### Image of the Week: Return on Equity is at an All Time Low

