



Weekly Brief

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Market Action

- This week has been challenging for investors as they struggle to grapple with the impact of trade threats and counter-threats between the US and China. China responded to the US tariff announcement on steel imports by announcing its own tariff of up to 25% on 106 American products, including soybeans. President Trump responded by threatening to impose tariffs on an additional \$100bn. of imports from China. China's Ministry of Commerce has already responded, stating that it has a detailed plan in place to defend itself against the additional tariffs.
- The US Department of Labor released its hiring and unemployment figures for March on Friday morning, showing that 103,000 jobs were added in March, which is slightly lower than predictions. Average earnings rose by 8 cents an hour and are up 2.7% over the past year. March is now the 90th consecutive month of job growth. Though the report illustrates that while fundamentals are strong, wage growth remains weak given the low unemployment rate.
- Businesses across the Eurozone ended the first quarter with their weakest growth since the start of 2017. Bad weather and strong currency both slowed activity in Europe's service sector. The service sector in the UK suffered from a similar fate, expanding at its slowest rate since the vote to leave the EU in June 2016. The Bank of England is expected to raise interest rates in May, for only the second time since the global financial crisis.
- Facebook has been under immense scrutiny after reports that Cambridge Analytica, a British analytics firm obtained the personal information of up to 87 million Facebook users. Sheryl Sandberg, Facebook's COO, said that the social media giant would likely find more improperly shared user data. Mark Zuckerberg will testify at a joint hearing before the Senate Judiciary and Senate Commerce, Science, and Transportation committees on Tuesday, April 10.
- The US has imposed sanctions on seven Russian oligarchs and 17 senior government officials in response to Russia's alleged meddling in the 2016 US election, and because of Russia's ongoing actions in Crimea, Eastern Ukraine, and Syria. This represents the strongest action the current administration has taken against Russia.

<u>Equities</u>	Current	1 Week	1 Month	YTD
<u>U.S.</u>				
Dow Jones	23,932.76	-0.71%	-3.50%	-3.18%
S&P 500	2,504.47	-1.38%	-4.49%	-2.59%
Nasdaq	6,915.11	-2.10%	-6.51%	0.17%
<u>Europe</u>				
FTSE	7,183.64	2.19%	0.36%	-6.56%
DAX	12,241.27	3.63%	-0.03%	-5.24%
<u>Asia</u>				
Nikkei	21,567.52	0.53%	1.48%	-5.26%
Shanghai	3,131.11	-1.19%	-4.30%	-5.32%
<u>Currencies</u>				
EUR/\$	1.228	-0.35%	-1.05%	2.30%
\$/Yen	106.930	0.61%	0.81%	-5.11%
UK/\$	1.409	0.55%	1.41%	4.28%
<u>Bonds</u>				
10 Year	2.77	0.035	-0.109	0.368
Moodys AA	4.03	0.110	0.020	0.470
<u>Commodities</u>				
WTI	\$62.06	-4.43%	1.49%	2.71%
Brent	\$67.11	-4.50%	4.31%	0.36%
Gold	\$1,336.10	0.66%	0.20%	1.32%

Returns			
Sector	1 Week	1 Month	YTD
Telecommunications	1.28%	-3.17%	-9.05%
Materials	1.49%	-5.81%	-8.02%
Energy	1.94%	0.94%	-8.31%
Consumer Staples	2.23%	-2.15%	-7.53%
Consumer Discretionary	2.23%	-3.27%	0.55%
Financials	0.69%	-5.85%	-2.75%
Healthcare	0.40%	-5.46%	-4.46%
Industrials	0.03%	-4.42%	-4.74%
Technology	0.19%	-7.07%	-0.57%
Utilities	0.63%	3.76%	-3.48%

This Week from BlackSummit

[Is the Market Turning? Fundamental Changes and Cross-Determination](#)
[John Charalambakis](#)

Recommended Reads

[The Post-American World Economy](#)
Adam S. Posen

[Fresh Prince: The Schemes and Dreams of Saudi Arabia's Next King](#)
F. Gregory Cause III

[The Last Temptation](#)
Michael Gerson

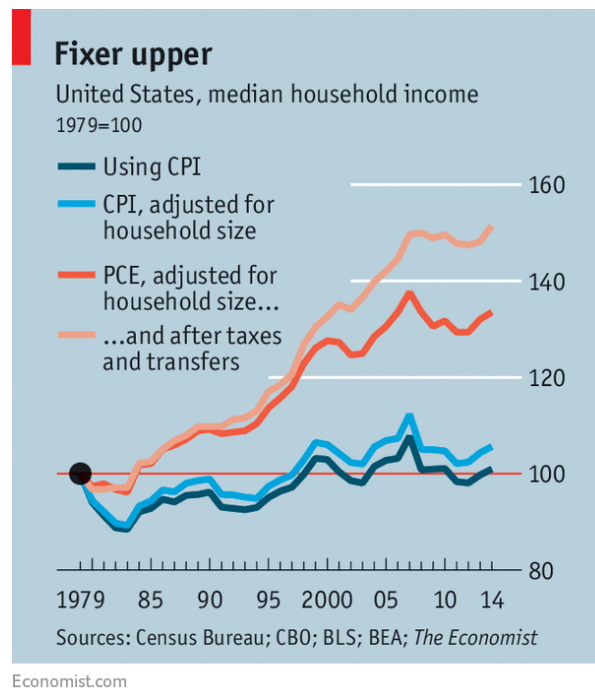
[Facebook's Data Crackdown Has Two Winners: Facebook and Google](#)
Mark Bergen and Sarah Frier

Video of the Week

[Millennials Are Finding Jobs, Just Not the Ones They Want](#)

Image of the Week

United States, median household income.



Source: “The average American is much better off now than four decades ago,” *The Economist*, March 31, 2018.