



Weekly Brief

Market Action

- A coalition deal was reached in Italy as the Five Star Movement and League officially joined forces to govern the eurozone's third-largest economy. In Spain, Pedro Sanchez claimed the country's prime minister post after his socialist party secured enough votes to topple Mariano Rajoy in a confidence vote over a corruption case.
- The head of Brazil's oil giant Petrobras, Pedro Parente, resigned following a nationwide strike by truck drivers that caused significant disruption to Latin America's largest economy. Shares in Petrobras have plunged nearly 30% in two weeks over fears that political interference would unwind recent investor-focused policies.
- The US Federal Reserve Board voted this week to relax rules put in place in the wake of the global financial crisis which limited banks' ability to engage in proprietary trading. The board voted unanimously to ease the industry's regulatory burden, with the greatest relief coming for smaller banks. Four other federal agencies are expected to follow the Fed's lead.
- The Trump administration reinstated tariffs on \$50 billion in imports from China and took steps to protect US intellectual property by restricting Chinese investment in certain US technology companies, ending a two-week old truce in the trade war.
- US president Donald Trump also allowed exemptions from steel and aluminum tariffs to expire on June 1st, resulting in 25% levies being imposed on imports of steel from the EU, Canada and Mexico. Aluminum imports will be subject to a 10% duty. The EU, Canada, and Mexico reacted to the tariffs by imposing levies of their own against US imports.

<u>Equities</u>	Current	1 Week	1 Month	YTD
<u>U.S.</u>				
Dow Jones	24,635.21	-0.48%	2.97%	-0.34%
S&P 500	2,734.62	0.49%	3.75%	2.28%
Nasdaq	7,554.33	1.62%	6.39%	9.43%
<u>Europe</u>				
FTSE	7,701.77	-0.37%	2.10%	0.18%
DAX	12,724.27	-1.65%	-0.61%	-1.50%
<u>Asia</u>				
Nikkei	22,171.35	-1.24%	-1.34%	-2.61%
Shanghai	3,075.14	-2.11%	-0.20%	-7.02%
<u>Currencies</u>				
EUR/\$	1.166	0.07%	-2.44%	-2.88%
\$/Yen	109.540	0.12%	-0.27%	-2.80%
UK/\$	1.335	0.28%	-1.69%	-1.24%
<u>Bonds</u>				
10 Year	2.90	-0.029	-0.064	0.497
Moody's AA	3.99	-0.070	-0.110	0.430
<u>Commodities</u>				
WTI	\$ 65.81	-3.05%	-3.12%	8.92%
Brent	\$ 76.79	0.46%	4.68%	14.83%
Gold	\$ 1,299.30	-0.74%	-0.95%	-1.82%

<u>Returns</u>			
Sector	1 Week	1 Month	YTD
Telecommunications	-0.86%	0.50%	-12.75%
Materials	-0.05%	3.65%	-4.11%
Energy	2.48%	3.25%	3.40%
Consumer Staples	-0.52%	1.01%	-13.06%
Consumer Discretionary	0.25%	3.14%	6.19%
Financials	-1.30%	1.09%	-1.82%
Healthcare	0.43%	2.62%	-0.56%
Industrials	-0.73%	5.29%	-1.86%
Technology	2.06%	7.70%	11.21%
Utilities	-0.63%	-2.80%	-4.54%

This Week from BlackSummit

[The Dollar and TIVA: An Overview of Turkey, Italy, Venezuela, and Argentina](#)

John E. Charalambakis

[Crossroads: At the Intersection of Geopolitics and Geoeconomics](#)

Andy Quirk

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Enda Curran and Chris Anstey

Video of the Week

['Spiderman rescue': Moment Malian man rescues Paris child](#)

Image of the Week

