

Arlo Associates Weekly Market Summary

15th April 2018

US stocks recovered from previous week's losses

With technology and energy stocks outperforming, in a volatile week of trading on the back of continued trade war fears and aggression against Syria. Technology shares were boosted by a surge in Facebook, as investors responded favourably to Mark Zuckerberg's testimony to Congress, whilst energy stocks gained as oil prices rose to a 3½-year high.

European shares rose for a third consecutive week

With the benchmark Stoxx Europe 600 index up 1.2 percent, as investors weighed positive economic data against geopolitical concerns. Driving the markets higher was news that Germany's consumer price inflation rose in March to 1.6 percent from 1.4 in February, whilst minutes from the latest ECB meeting indicated a cautious approach to tightening monetary policy.

Russian stocks fell over 11 percent on Monday

The largest single day decline in the RTS index since late 2014, after the US imposed its harshest sanctions to date on several Russian individuals, officials, associated companies and agencies. US citizens and entities are banned from doing business with anyone on the sanctions list, whilst the assets of sanctioned entities under US jurisdiction will now be frozen.

Oil prices rose over 8 percent for the week

Holding levels last seen in 2014, on fears of a US-led military conflict in Syria and a reduction in the global oil supply glut. The International Energy Agency announced on Friday that oil stockpiles are falling and are only 30 million barrels above OPEC's five-year-average target. WTI and Brent crude closed the week at \$67.39 and \$72.58 a barrel, respectively.

IN OTHER FINANCIAL NEWS :

- **Turkish lira falls to record low**, hitting 4.14 against the US dollar, as the economy is suffering from double digit inflation and concerns over the current account deficit.
- **Saudi Arabia issued \$11 billion of sovereign debt**, its fourth international bond issuance, with the funds covering the kingdom's hard currency needs for 2018.
- **Saudi Aramco is world's most profitable company**, with net income for the first half of 2017 totaled at \$33.6bn, significantly higher than Apple's \$28.9bn.
- **Russia blocks Telegram messaging app**, after a court approved a request by the regulator following refusal by the company to hand-over encryption keys.

The information transmitted is intended for the person or entity to which it is addressed and may contain confidential, privileged or copyrighted material. If you receive this in error, please contact the sender and delete the material from any computer.

To unsubscribe or change your details please contact your Asset Manager at Arlo Associates.