

WEEKLY COMMENTARY

03.11.2023

U.S. Equities

A strong employment report and the collapse of Silicon Valley Bank had nervous investors headed for the sidelines.

The Dow Jones Average suffered its worst week since June and the Nasdaq recorded its worst week since November. On the week the Dow fell 4.4% the S&P 500 dropped 4.5% and the Nasdaq shed 4.7%. Volatility also spiked as the buying of protection accelerated.

Treasuries

The issues surrounding Silicon Valley Bank and other financial institutions with exposure to SVB, send investors into the safety of Treasuries. The 2-year note posted its biggest weekly drop in yield since 2008. The 10-year note yield fell 26.8 basis points and the 30-year bond yield was down 18.7 basis points, its worst week since November.

I would note that Silicon Valley Bank is a small player but does have extensive exposure to the Tech sector and the US banking system is far better capitalized than it was in 2008.

Dollar

Despite the volatility in other markets the US Dollar index was flat on the week.

Gold

The price of gold got a boost last week as risk assets came under pressure, finishing the week up 0.7%.

Oil

Oil prices fell as strong economic data in the US put a 50-basis point rate hike back on the table for the Fed's March meeting, fueling fears of a recession.

WTI was down 3.8% and Brent slid 3.6% for the week. Both WTI and Brent marked their biggest weekly declines since the week ended Feb. 17.

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Ticker	Last	%WEEKLY	%YTD
INDICES			
AMERICAS			
S&P 500 Index	3861.59	-4.549	0.5753
DOW JONES INDUS	31909.64	-4.436	-3.7337
NASDAQ COMP INDX	11138.89	-4.706	6.4244
EMEA			
Euro Stoxx 50 Pr	4229.53	-1.520	11.4906
STXE 600 (EUR) Pr	453.76	-2.262	6.7947
FTSE 100 INDEX	7748.35	-2.501	3.9804
CAC 40 INDEX	7220.67	-1.734	11.5375
DAX INDEX	15427.97	-0.966	10.8045
IBEX 35 INDEX	9285	-1.893	12.8313
UAE INDEX	9827.79	-0.797	-3.7538
EGYPT HERMES INDEX	1809.823	-1.646	10.9264
TADAWUL INDEX	10463.18	1.804	-0.1458
ASIA/PACIFIC			
NIKKEI 225	28143.97	0.775	7.854
HANG SENG INDEX	19319.92	-6.066	-2.3329
S&P/ASX 200 INDEX	7144.688	-1.907	1.506
SHANGHAI SE COMPOSITE	3230.077	-2.954	#N/A N/A
S&P BSE SENSEX INDEX	59135.13	0.383	-2.8034

BONDS

US BENCHMARK			
US 2 Year	4.5862	-5.5657	3.6242
US Generic Govt 5 Yr	3.9647	-6.6185	-0.979
US Generic Govt 10 Yr	3.6987	-6.4023	-4.5448
UK BENCHMARK			
UK Gilts 2 Year	3.642	-1.541	1.8456
UK Gilts 5 Year	3.525	-3.478	-2.5705
UK Gilts 10 Yr	3.64	-5.43	#N/A N/A
EU BENCHMARK			
EURO 2 Year	3.097	-3.64	12.0478
EURO 5 Year	2.643	-6.805	2.5213
EURO 10 Year	2.508	-7.624	-2.4504
JP BENCHMARK			
Japan Govt 2Y Simple Yield	-0.024	29.412	-161.5385
Japan Govt 5Y Simple Yield	0.206	1.98	-11.2069
Japan Govt 10 Yr	0.411	-18.775	-2.6066

COMMODITIES

ENERGY			
WTI CRUDE FUTURE Apr23	76.68	-3.765	-4.7808
BRENT CRUDE FUTR May23	82.78	-3.554	-2.9201
GOLD			
GOLD 100 OZ FUTR Apr23	1867.2	0.679	1.3571

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