



Trade poker dominates sentiment

Persistent uncertainties surrounding the trade negotiations between the USA and China as well as with regard to the Brexit continue to weigh on investor sentiment. It was announced late last week that US President Trump will not meet with China's head of state Xi Jinping before the March 1 ultimatum. Trump's economic advisor Larry Kudlow also warned that the US and China are still a long way from settling the trade dispute. This week, a high-ranking US delegation led by Treasury Secretary Steven Mnuchin will travel to Beijing for further talks. While stock traders in China are returning to the floor after the New Year's break, the Tokyo Stock Exchange remained closed today due to a public holiday. Meanwhile, another "shutdown" could be imminent in the United States, as the fronts in the dispute over Trump's Wall are still hardened. Republicans and Democrats have until this coming Friday to agree on a budget law.

Equities – Apple China shipments plunge according to IDC

According to market research firm IDC, **Apple's** shipments of iPhones to China fell by an estimated -20% in Q4 2018, twice as much as total demand. IDC named a slower economic growth, longer replacement times and Apple's high pricing policy as the key reasons. While the slump at Chinese company Xiaomi was even more pronounced with -35%, **Huawei** was able to expand its market-leading position in China with an increase of 23%. **UBS** CEO Sergio Ermotti could move to the bank's Board of Directors within the next twelve months, the Swiss newspaper SonntagsZeitung reported. According to further media reports, **Credit Suisse** Chairman Urs Rohner still sees the current CEO Tidjane Thiam in office in 2021. **Volkswagen**, **BMW** and **Daimler** were able to gain market share in China, despite the fact that the Chinese car market has shrunk for the first time in 20 years by -4% last year, according to a market study by Ernst & Young.

Currencies – Yen softer on optimism over US-China talks

The yen dropped versus all of its G10 peers as optimism trade talks between the US and China this week supported risk sentiment. US President Donald Trump's advisers are said to have discussed holding a summit with Chinese leader Xi Jinping next month. The Chinese Vice Premier Liu He is supposed to join US Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin in trade talks in Beijing on February 14 and 15. Subsequently, the USD/JPY exchange rate advanced +0.2% to 109.98, with sustained demand from macro and leveraged accounts. A further risk-on indication could be that Chinese shares rallied on the first day of trading after the Lunar New Year holidays.

Equity Indices	Current	YTD (%)
MSCI World	2'020.53	7.25
Dow Jones	25'106.33	7.63
S&P 500	2'707.88	8.02
Nasdaq 100	6'913.13	9.21
Nikkei 225	20'333.17	1.59
SMI	9'003.41	6.81
SLI	1'385.95	6.94
Euro Stoxx 50	3'135.62	4.47
Euro Stoxx 600	358.07	6.05
DAX	10'906.78	3.29
MSCI UK	2'043.67	4.98

EM and Alternative Indices	Current	YTD (%)
MSCI Emerging Markets	1'036.03	7.27
MSCI EM Asia	518.11	6.74
MSCI EM Eastern Europe	165.02	8.48
MSCI EM Latin America	2'851.15	11.12
Brazil IBOVESPA	95'343.10	8.48
Russian Depository Index	1'456.90	12.41
NIFTY Index	10'890.35	0.26
Hang Seng Index	28'082.21	8.65
HSFX Global HF Index	1'216.98	2.28
LPX50 Listed PE TR (EUR)	2'211.33	12.01
BBG NA REITS	294.39	12.40

Fixed Income	Current	YTD (Δ)
US Treasury Bonds 10Y (USD)	2.63	-0.05
German Bund 10Y (EUR)	0.09	-0.16
Swiss Government 10Y (CHF)	-0.30	-0.05
United Kingdom 10Y (GBP)	1.15	-0.13
Japan 10Y (JPY)	-0.03	-0.03
Fed Funds Rate	2.25	0.00
ECB Main Refinancing Rate	0.00	0.00
3 month LIBOR (CHF)	-0.75	0.00
Global IG Corporate Spread	1.34	-0.21
Global HY Corporate Spread	4.28	-1.04
EM Hard Currency Gov. Spread	2.80	-0.50

Earnings calendar

Date	Ctry	Company	Period	Cons quarterly EPS
12.02.	FR	KERING	Y	-
12.02.	CH	TEMENOS AG - REG	Y	1.12
13.02.	CA	BARRICK GOLD CORP	Q4	0.05
13.02.	CH	CLARIANT AG-REG	Y	0.38
13.02.	US	CISCO SYSTEMS INC	Q2	0.72
13.02.	DE	DEUTSCHE BOERSE AG	Y	1.26
13.02.	GB	TULLOW OIL PLC	Y	-
14.02.	FR	AIR LIQUIDE SA	Y	3.55
14.02.	CH	CREDIT SUISSE GROUP AG-REG	Y	0.13
14.02.	US	DUKE ENERGY CORP	Q4	0.89
14.02.	US	COCA-COLA CO/THE	Q4	0.43

Forex

	Current	YTD (%)
EUR/USD	1.1328	-1.21
EUR/CHF	1.1330	0.66
USD/CHF	1.0001	1.83
GBP/CHF	1.2939	3.32
GBP/USD	1.2938	1.44
USD/JPY	109.97	0.26
USD/HKD	7.8467	0.19
USD/SGD	1.3562	-0.49
USD/CNY	6.7690	-1.59
EUR/NOK	9.7876	-1.17
EUR/SEK	10.5025	3.45

Economic data calendar

Date	CET	Ctry	Indicator	Period	Cons	Prev.
11.02.	08:30	FR	BdF Business Sentiment	Jan	102.88	102.72
11.02.	08:30	CH	EU harm. Consumer Prices (y/y)	Jan	0.63	0.80
11.02.	10:30	GB	Industrial Production (y/y)	Dec	-0.60	-1.50
13.02.	10:30	GB	Core Consumer Prices (y/y)	Jan	1.90	1.90
13.02.	10:30	GB	PPI Output (y/y)	Jan	2.20	2.50
13.02.	10:30	GB	EU-harm. Consumer Prices (y/y)	Jan	2.00	2.10
13.02.	11:00	EU	Industrial Production (y/y)	Dec	-3.00	-3.30
13.02.	14:30	US	Consumer Prices (m/m)	Jan	0.10	-0.10
13.02.	14:30	US	Core Consumer Prices (y/y)	Jan	2.10	2.20
13.02.	14:30	US	Consumer Prices (y/y)	Jan	1.50	1.90
13.02.	14:30	US	Core Consumer Prices (m/m)	Jan	0.20	0.20

Commodities

	Current	YTD (%)
Oil Future Nymex WTI (USD)	52.23	14.24
Oil Future Brent (USD)	61.85	14.49
Gold-ounce (USD)	1'311.88	2.29
Silver-ounce (USD)	15.76	1.72
Platinum (USD)	794.51	-0.14
Palladium (USD)	1'387.89	9.99
JOC Industrial Metals Index	-	-
S&P GSCI Index Spot Indx	407.89	8.97
Rogers Int. Commodity Index	2'333.38	6.34
BBG Commodity Index	79.98	4.25
Rogers Agriculture TR Index	770.71	1.72

Topics LGT looks at

Topics	Description	Publication Type	Published
Asset Allocation PBE	In our monthly publication, we are presenting our asset allocation for the current month.	Asset Allocation Private Banking Europe	30.01.2019
Brexit – a drama without end	UK Prime Minister May survives a vote of no confidence and enters the next round of the Brexit drama. However, the outcome remains highly uncertain and ranges from "hard Brexit" to new elections or even a new referendum.	Market News	17.01.2019
Outlook 2019 - Quality is king	Heightened volatility on capital markets and a more and more dysfunctional political environment are promising a challenging year for investors. Our motto is: Quality is king.	Investment Idea	09.01.2019
Safe haven assets return to investor's favor	Shaky risk markets finally propel safe haven assets Gold and JPY higher as USD stumbles.	Market News	04.01.2019
Market roller coaster over the Christmas holidays	With the recent sell-off in US stocks, Q4 2018 ranks among the worst fourth quarters for US stocks in history.	Market News	27.12.2018

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