



Confident start in Brexit-influenced week

Equity investors were in a buying mood at the end of last week and at the start of the new trading week in Asia. However, political uncertainties could dampen sentiment at any time. This week, Brexit is likely to be at the focus again. According to the British parliament's wish to postpone the departure date, a vote on the deadline will take place on Tuesday. In addition, the European Union countries must agree. Meanwhile Japan's exports fell more sharply than expected in February. Exports fell by -1.2% for the third month in a row and imports fell by -6.7%. Meanwhile, according to the University of Michigan, consumer sentiment in the US remains solid, but other US economic data such as the New York Fed's Empire State Index, which fell to a two-year low in March, disappointed. In the euro area, inflation rose from 1.4% to 1.5% in February. Core inflation, which excludes energy and food prices, fell slightly from 1.1% to 1.0%.

Equities – Deutsche Bank and Commerzbank merger talks official

Previously unconfirmed merger talks between **Deutsche Bank** and **Commerzbank** are now official. According to the two banks, the talks are at an early stage with a completely open outcome. However, the labor unions have already announced that they will resist, as they are afraid of drastic job cuts. **Allianz** is named as a potential bidder for Deutsche Bank's 78% stake in the asset manager **DWS**, according to media reports. **Novartis** subsidiary **Alcon**, which is about to be spun off, acquires US company PowerVision for USD 285m. Additional payments could be made if milestones were reached from 2023 onwards. With this acquisition, Alcon strengthens its interocular lens business, i.e. lenses which are implanted in the eye. Alcon maintains its 2023-outlook. **Deutsche Post** CEO Frank Appel says it is better to grow organically, as there is hardly any scope for mergers and acquisitions for the world's largest logistics service provider.

Fixed Income – S&P raises Portugal credit rating

Portugal's government bond rating was raised to BBB from BBB- by S&P Global Ratings, which cited an outlook for steady economic growth and budget surpluses excluding interest payments, the so-called primary budget surplus, as major reason. "We expect the Portuguese economy to post balanced growth" of around +1.6% through 2021, S&P said. The government's primary budget surpluses will exceed 3% of gross domestic product over the next three years, keeping the ratio of public debt to GDP "on a firm downward path." Last September, the rating agency increased the rating outlook from stable to positive. In October, Moody's restored Portugal's credit rating to investment grade. Portugal is also rated investment grade by Fitch Ratings.

Equity Indices	Current	YTD (%)
MSCI World	2'108.78	11.94
Dow Jones	25'848.87	10.81
S&P 500	2'822.48	12.59
Nasdaq 100	7'306.99	15.43
Nikkei 225	21'584.50	7.84
SMI	9'483.10	12.50
SLI	1'464.37	12.99
Euro Stoxx 50	3'386.08	12.82
Euro Stoxx 600	381.10	12.87
DAX	11'685.69	10.67
MSCI UK	2'086.37	7.17

EM and Alternative Indices	Current	YTD (%)
MSCI Emerging Markets	1'057.30	9.48
MSCI EM Asia	534.09	10.03
MSCI EM Eastern Europe	165.68	8.91
MSCI EM Latin America	2'850.72	11.10
Brazil IBOVESPA	99'136.74	12.80
Russian Depository Index	1'437.30	10.90
NIFTY Index	11'416.80	5.10
Hang Seng Index	29'324.73	13.46
HFRI Global HF Index	1'224.89	2.94
LPX50 Listed PE TR (EUR)	2'305.26	16.76
BBG NA REITS	298.34	13.91

Fixed Income	Current	YTD (Δ)
US Treasury Bonds 10Y (USD)	2.60	-0.09
German Bund 10Y (EUR)	0.08	-0.16
Swiss Government 10Y (CHF)	-0.30	-0.05
United Kingdom 10Y (GBP)	1.21	-0.07
Japan 10Y (JPY)	-0.04	-0.04
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	1.25	-0.30
Global HY Corporate Spread	4.00	-1.31
EM Hard Currency Gov. Spread	2.74	-0.55

Earnings calendar

Date	Ctry	Company	Period	Cons quarterly EPS
20.03.	DE	BAYERISCHE MOTOREN WERKE	Y	1.97
21.03.	IT	ENEL SPA	Y	0.14
21.03.	US	NIKE INC -CL B	Q3	0.64
11.04.	CH	BARRY CALLEBAUT AG-REG	S1	-
12.04.	US	JPMORGAN CHASE & CO	Q1	2.39
15.04.	US	CITIGROUP INC	Q1	1.84
15.04.	US	GOLDMAN SACHS GROUP INC	Q1	5.82
15.04.	FR	VEOLIA ENVIRONNEMENT	Q1	0.34
16.04.	US	BANK OF AMERICA CORP	Q1	0.68
16.04.	US	INTL BUSINESS MACHINES CORP	Q1	2.22
16.04.	US	JOHNSON & JOHNSON	Q1	2.12

Forex

	Current	YTD (%)
EUR/USD	1.1342	-1.09
EUR/CHF	1.1360	0.93
USD/CHF	1.0016	1.99
GBP/CHF	1.3311	6.29
GBP/USD	1.3290	4.20
USD/JPY	111.55	1.70
USD/HKD	7.8498	0.23
USD/SGD	1.3513	-0.85
USD/CNY	6.7112	-2.43
EUR/NOK	9.6550	-2.51
EUR/SEK	10.4543	2.97

Economic data calendar

Date	CET	Ctry	Indicator	Period	Cons	Prev.
18.03.	11:00	EU	Trade Balance (s.a.)	Jan	15.10	15'630
18.03.	15:00	US	NAHB Housing Market Index	Mar	62.00	62.00
19.03.	08:00	CH	Exports (m/m)	Feb	-	0.60
19.03.	08:00	CH	Imports (m/m)	Feb	-	4.80
19.03.	10:30	GB	Unemployment ILO Rate	Jan	4.00	4.00
19.03.	10:30	GB	Unemployment Claimant Count	Feb	-	14.20
19.03.	10:30	GB	Claimant Count Rate	Feb	-	2.80
19.03.	11:00	DE	ZEW Current Situation	Mar	12.20	15.00
19.03.	11:00	EU	ZEW Expectation	Mar	-	-16.60
19.03.	11:00	DE	ZEW Expectation	Mar	-10.90	-13.40
19.03.	15:00	US	Durable Goods New Orders (m/m)	Jan F	0.40	0.40

Commodities

	Current	YTD (%)
Oil Future Nymex WTI (USD)	58.43	26.80
Oil Future Brent (USD)	67.24	23.81
Gold-ounce (USD)	1'303.19	1.61
Silver-ounce (USD)	15.34	-1.00
Platinum (USD)	831.82	4.55
Palladium (USD)	1'555.96	23.31
JOC Industrial Metals Index	-	-
S&P GSCI Index Spot Indx	432.48	15.53
Rogers Int. Commodity Index	2'406.31	9.66
BBG Commodity Index	81.60	6.37
Rogers Agriculture TR Index	756.52	-0.16

Topics LGT looks at

Topics	Description	Publication Type	Published
Consolidation in the Swiss telecom market	The takeover of UPC Switzerland by Sunrise represents a consolidation of the Swiss telecom market.	Market News	28.02.2019
Asset Allocation PBE	In our monthly publication, we are presenting our asset allocation for the current month.	Asset Allocation Private Banking Europe	27.02.2019
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

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