



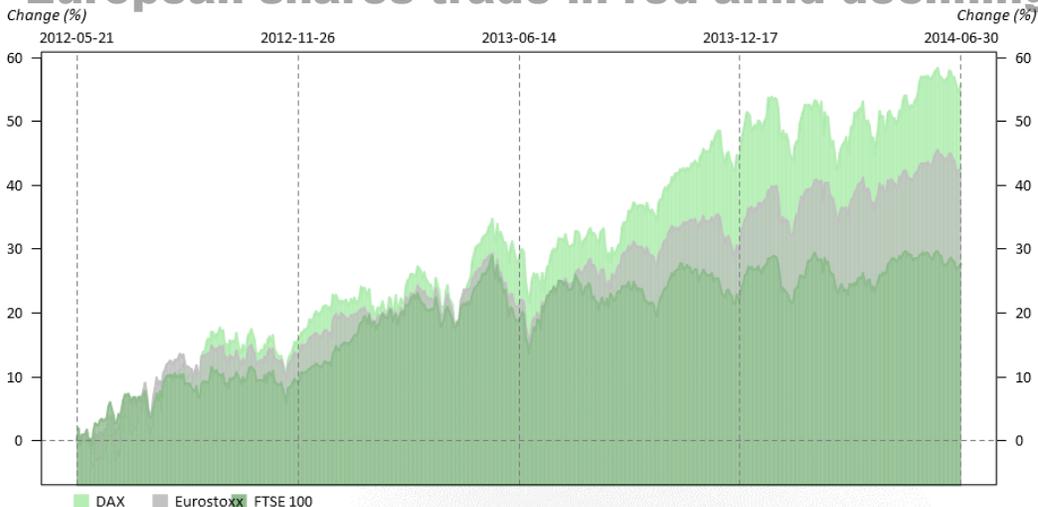
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Weekly Global Stock Market Review

European shares trade in red amid declining banks



European shares rallied on Friday amid soaring shares of Portuguese banks, yet with all major regional stock indices posting weekly losses. The Portuguese PSI stock index rebounded after having dropped as much as 4.3% on Thursday amid concerns over Portugal's biggest listed lender. The whole European banking sector was hit by concerns over Banco Espirito Santo and German Commerzbank, as it was designated for sanctions by the U.S.

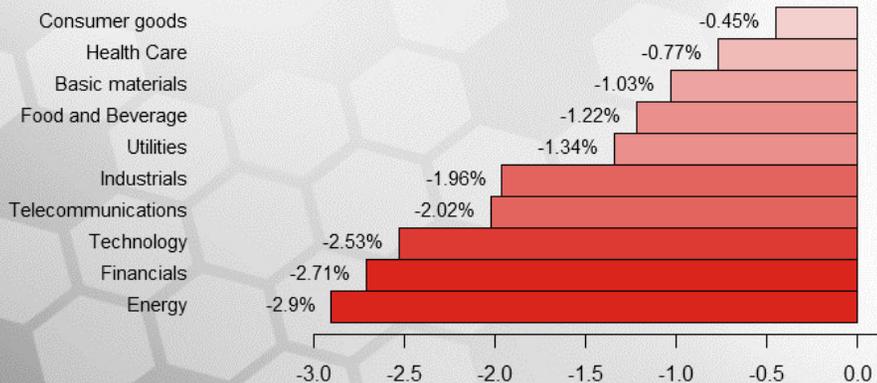


The Stoxx 600 Index plummeted 2.3% in the week ending 11 July with all ten industry groups posting weekly losses. The weakest performing sectors appeared to be energy, financial and technology shares, as investors switched to safer stocks. Shire Plc was the best performing blue chip company on the Stoxx 600, as its share price rose from 58.09 to 58.60 euros and capped further decline in the health care sector. Banco Espirito was the last week's weakest performer after it was sharply downgraded by S&P and Moody's agencies due to the financial problems its parent company is facing.

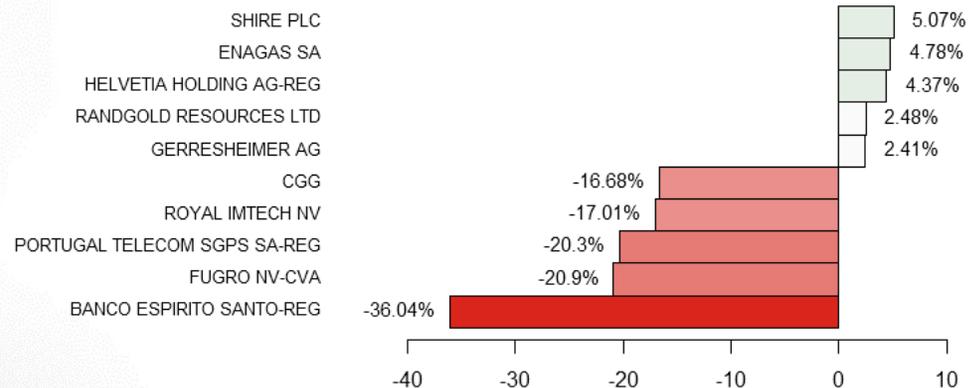
The German DAX Index fell 2.4% on week to finish Friday's trading session at 9,666.34. The gauge had been falling since 4 July.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Eurostoxx	-2.29	-3.11	2.48	2.11	14.27	13.61
DAX	-2.42	-2.85	3.77	2.04	19.83	18.48
FTSE 100	-1.95	-2.17	1.96	-0.74	2.85	2.24

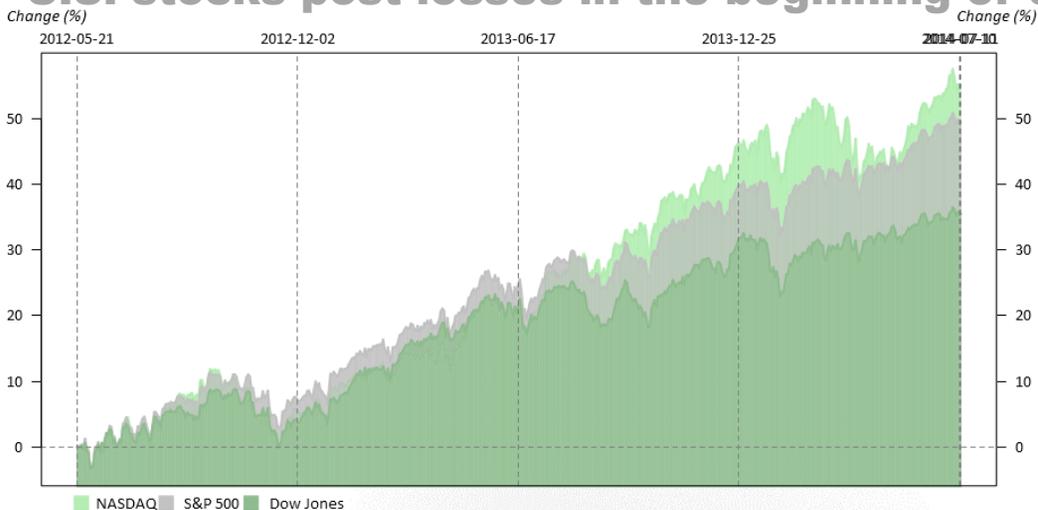
Industry Performance (STOXX600)



TOP performers (SXXP600)



U.S. stocks post losses in the beginning of earnings season

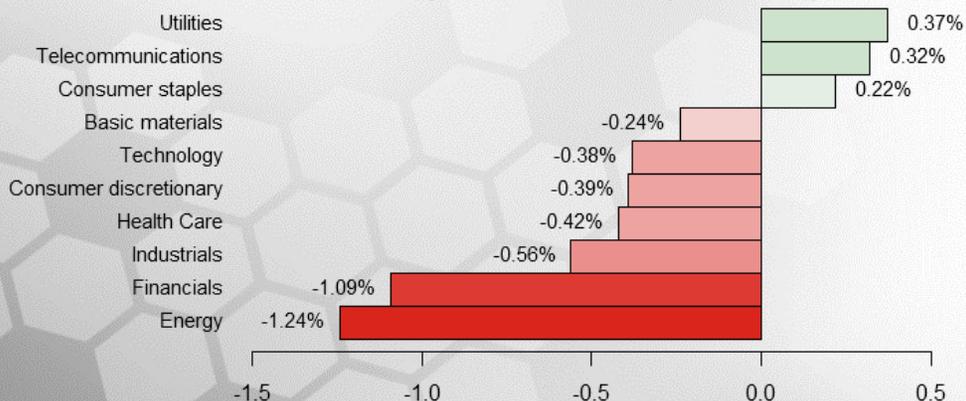


The U.S. stock market ended higher on Friday after the main benchmark indices rose in late afternoon, snapping part of their weekly losses. Investors seemed to be more cautious last week as second-quarter earnings season kicked off, while worrisome news on Portuguese lender fuelled fears over the European debt crisis. Moreover, the markets seemed to ignore the positive data U.S. jobless claims that was better and signalled a rebound in the world's largest economy.

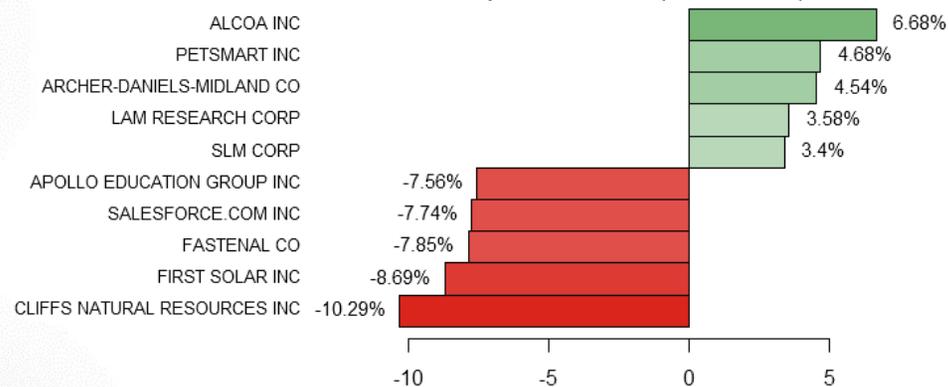
The S&P 500 Index closed the last trading week at 1,967.57 for a 0.5% weekly loss. Three out of ten industry groups inched up last week at least 0.2%, whereas, energy and financial sectors dropped by 1.2% and 1.1%, respectively. Alcoa Inc. was the last week's major mover, with its stock price climbing 6.7% to end Friday's trading session at \$15.97. The aluminium giant advanced after posting upbeat quarterly earnings. In addition, the firm's target stock price was lifted from \$10.00 to \$11.00 at Macquarie. On the downside, Cliffs Natural Resources Inc. plunged by 10.3%, finishing the week at \$14.73 per share. The Dow Jones finished the week adding 28.74 points or 0.2% closing at 16,943.81, while the Nasdaq Composite Index gained 0.4% finishing the trading week at 4,415.49 points.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
S&P 500	-0.51	1.22	8.36	6.8	19.06	17.47
Dow Jones	-0.47	0.59	5.72	3.08	10.8	9.59
NASDAQ	-0.81	1.93	10.39	5.77	25.41	23.4

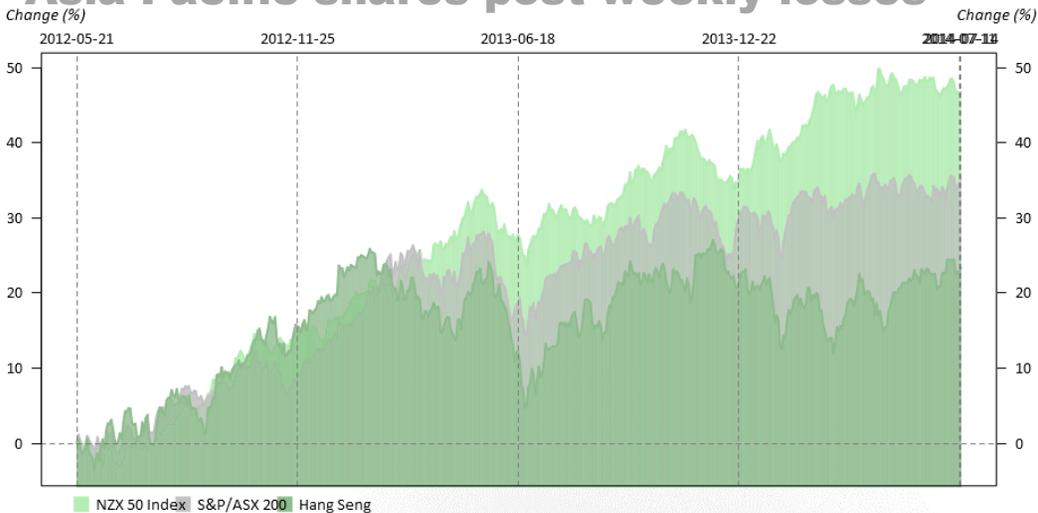
Industry Performance (S&P 500)



TOP performers (S&P 500)



Asia Pacific shares post weekly losses



Price Changes (%)

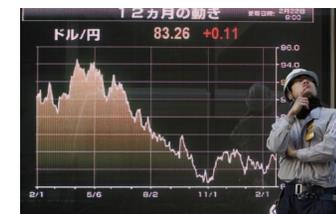
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
S&P/ASX 200	-0.58	0.6	1.07	3.28	11.94	10.49
Hang Seng	-1.31	-0.1	1	1.69	11.14	8.38
NZX 50 Index	-1.65	-1.52	0.18	4.86	11.93	11.85

Asia Pacific markets traded mixed on Friday, yet with all benchmark indices trading lower on rising concerns over the Portuguese lender's financial health, as it missed a debt payment last week.

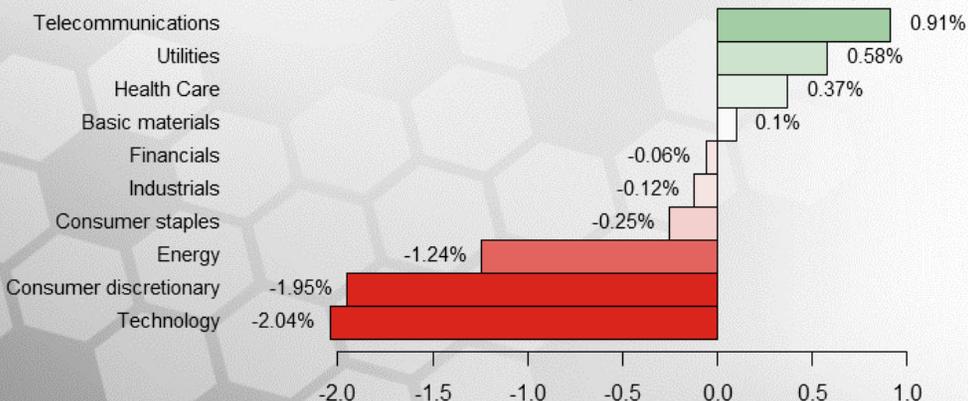
The Australian S&P/ASX 200 Index dropped 0.6% in the week ending 11 July to close it at 5,486.79, after having dropped to 5,452.48 earlier in the week. Safer stocks, such as telecommunications, utilities and health care shares showed the best weekly performance. Wotif.com Holdings was the last week's major market mover with a 25% surge in its share price. The company's stock started surging after Expedia Inc., an American travel booking site company, announced its plans of buying the Australian online travel group.

Elsewhere in the region, the Hang Seng Index slumped 1.3% during the last week after having ended flat on Friday, 11 July. The gauge closed at 23,233.45 points.

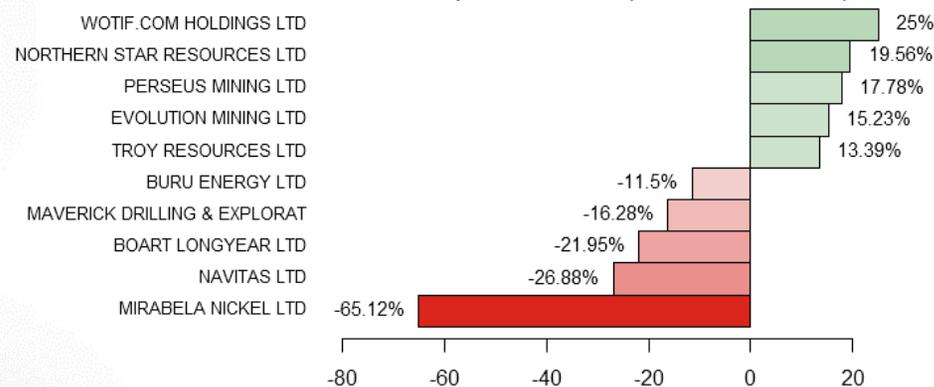
The New Zealand's NZX 50 Index dropped as much as 1.7% to finish the week 5,100.59 points, its lowest level since April 16. The benchmark gauge has rallied nearly 8% since the beginning of the year, outperforming the Australian S&P/ASX 200 and Japanese Nikkei 225.



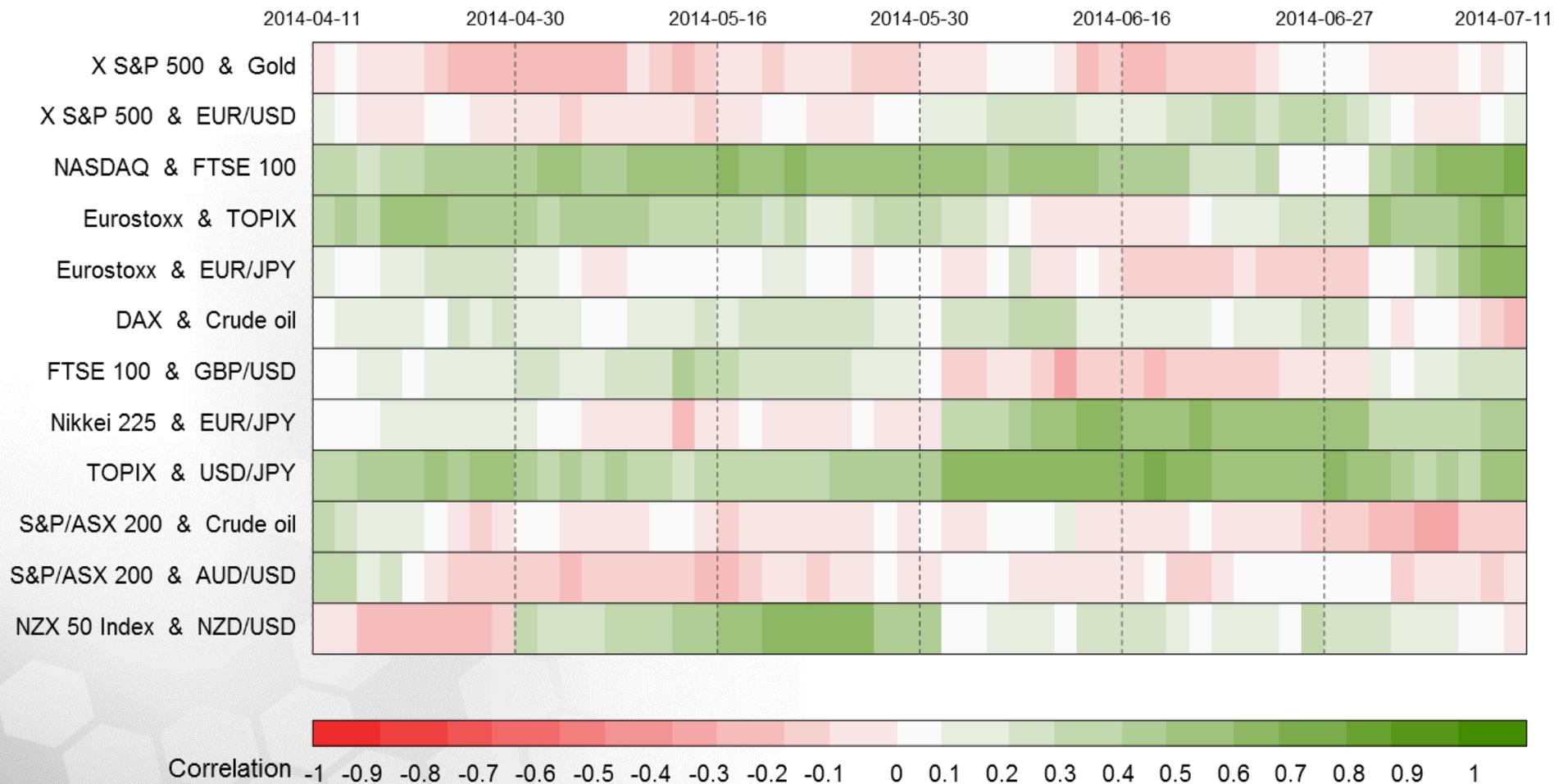
Industry Performance (S&P/ASX 200)



TOP performers (S&P/ASX 200)

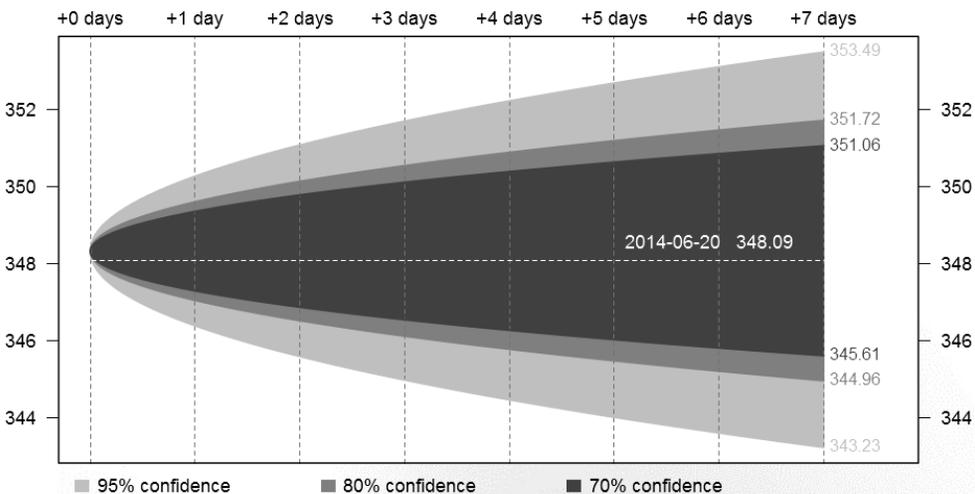


Correlation Matrix

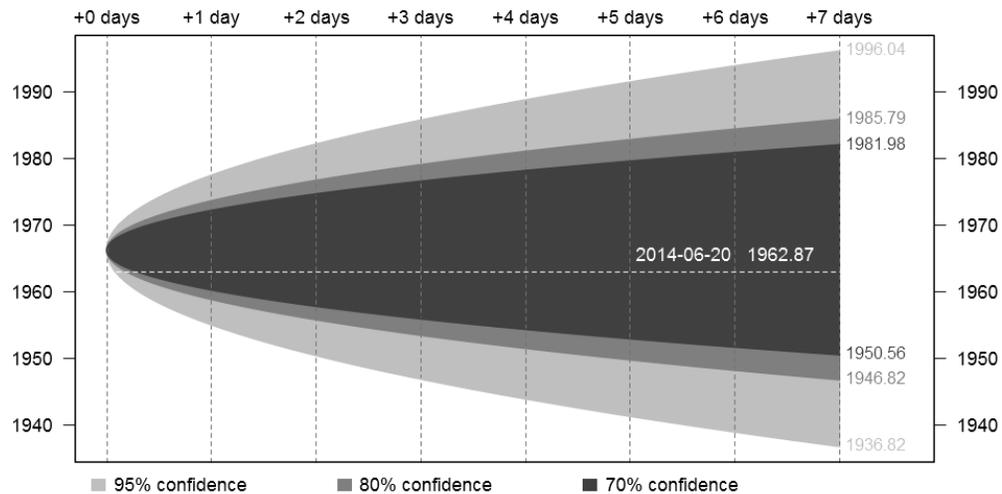


Confidence Intervals

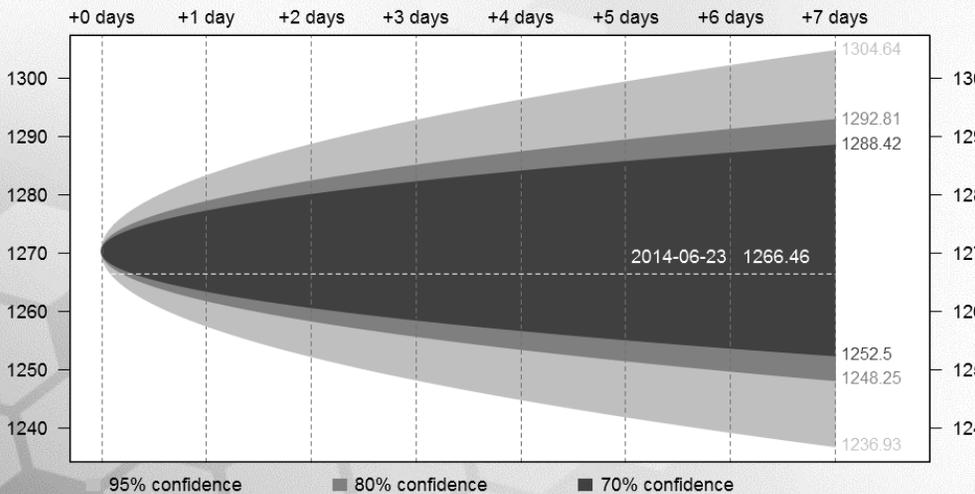
Eurostoxx Potential Rates



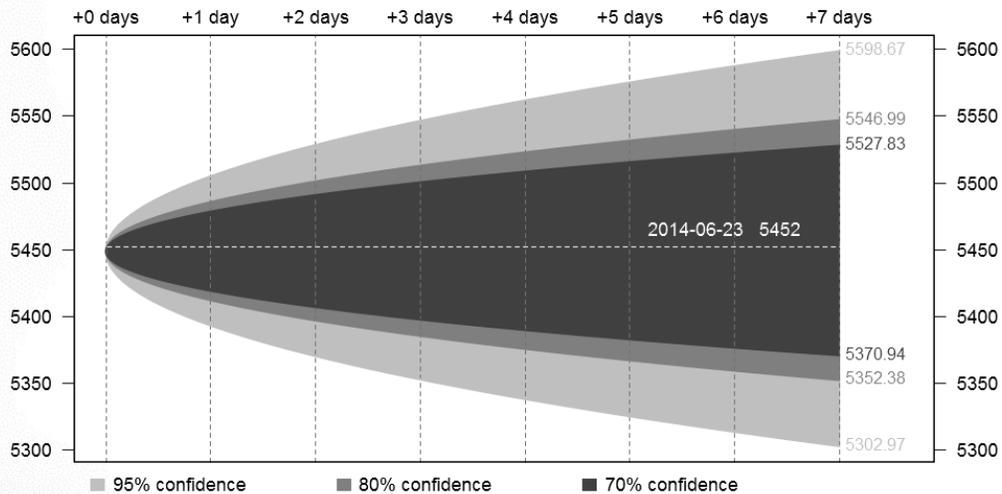
S&P 500 Potential Rates



TOPIX Potential Rates



S&P/ASX 200 Potential Rates



EXPLANATIONS

Indexes

- **Standard & Poor's 500 Index (S&P 500) or (SPX)** - U.S. stock market index consisting of the 500 large-cap shares widely traded on the New York Stock Exchange and the NASDAQ.
- **Dow Jones Industrial Average Index (INDU)** - U.S. stock market index consisting of the 30 large publicly owned U.S. companies, primarily industrials
- **NASDAQ Composite Index** - U.S. stock market index representing all the stocks that are traded on the Nasdaq stock market, mostly technology and Internet-related
- **New Zealand Exchange 50 Gross Index (NZX 50)** - stock market index consisting of the top 50 companies listed on the New Zealand Stock exchange
- **S&P/ASX 200** - a market-capitalization weighted stock market index of stocks listed on the Australian Securities Exchange from Standard and Poor's
- **Hang Seng Index (HI)** - Hong Kong's stock market index consisting of 48 largest companies listed on the Hong Kong Exchange
- **Japan's Nikkei Stock Average (Nikkei 225 Index) or (NKY)** - Japanese stock market index consisting of the 225 largest companies listed on Tokyo Stock Exchange
- **FTSE 100 Index (UKX)** - U.K. stock market index consisting of the 100 most capitalized U.K. companies trading on the London Stock Exchange
- **DAX Index (DAX)** - German stock market index consisting of the 30 largest and most liquid German companies trading on the Frankfurt Stock Exchange
- **Eurostoxx 600** - stock market index, derived from the Stoxx Europe Total Market Index, consisting of 600 large, mid- and small-sized companies from 18 European countries

Chart

- **Correlation** - statistical measure of the linear relationship between two random variables. It is defined as the covariance divided by the standard deviation of two variables.
- **Historical price changes** - chart reflecting the historical price changes of particular region's stock indices

Indicators

- **Industry performance** - weekly performance of industries within the particular stock market index
- **Top performers** - companies within a particular stock market index showing the best or worst weekly performance
- **Performance** - relative historical change of stock market index value



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