



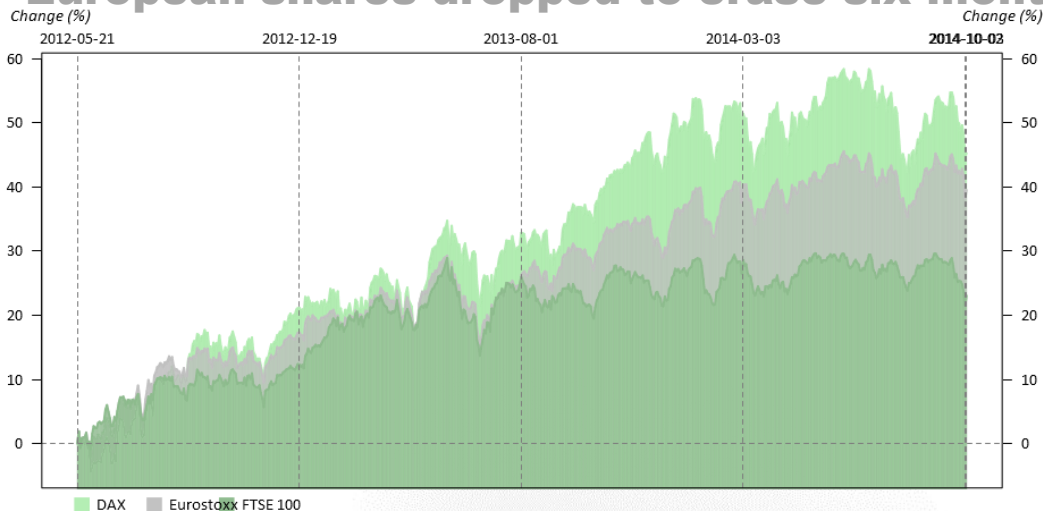
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06/10/2014

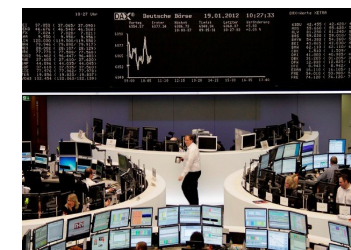


# **Weekly Global Stock Market Review**

# European shares dropped to erase six-month gains



Shares of major European companies declined significantly during the previous trading week, as all biggest stock indexes of the region erased gains of last six months, pushing it to the red zone. Despite some positive data on manufacturing activity in Britain and some of Eurozone's countries, U.K. current account deficit widened in the second quarter and core inflation in the single currency area fell to 0.7%.

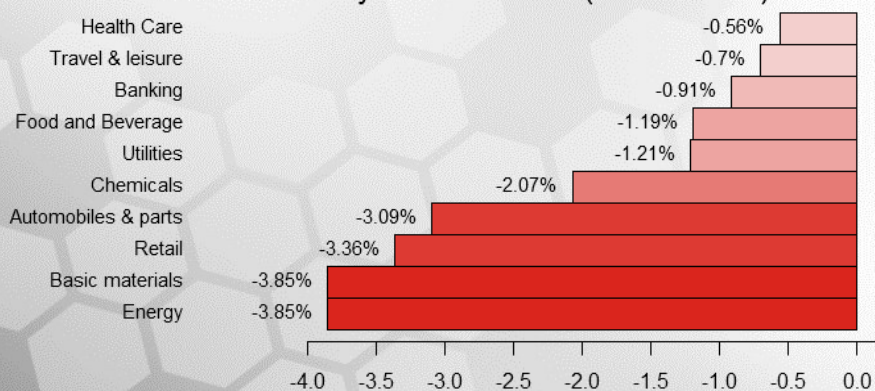


The Eurostoxx 600 gauge, which represents largest companies from the whole region, lost 1.7% to close at 335.19 points on Friday's evening. Unlike one week before, all the sectors included in the index declined in value during the September 29—October 3 week, while the energy and basic materials industries slipped the most, both by 3.9%. Retail sector followed with a decrease of 3.4%. Among biggest losers, Balfour Beatty Plc lost more than 21% to 176.90 pence at London Stock Exchange. The company, which provides engineering and construction services and works with major U.K. building projects, lowered profit expectations for the fifth time in two years amid a 75 million pounds shortfall due to its business activities. Outotec OYJ, a Finnish producer of construction and mining machinery, followed with a plunge of 13.1% to 5.55 euro per share. Among best-performing companies, Easyjet PLC added 4.7% to 1,459 pence, as airline's rating was upgraded by RBC Capital.

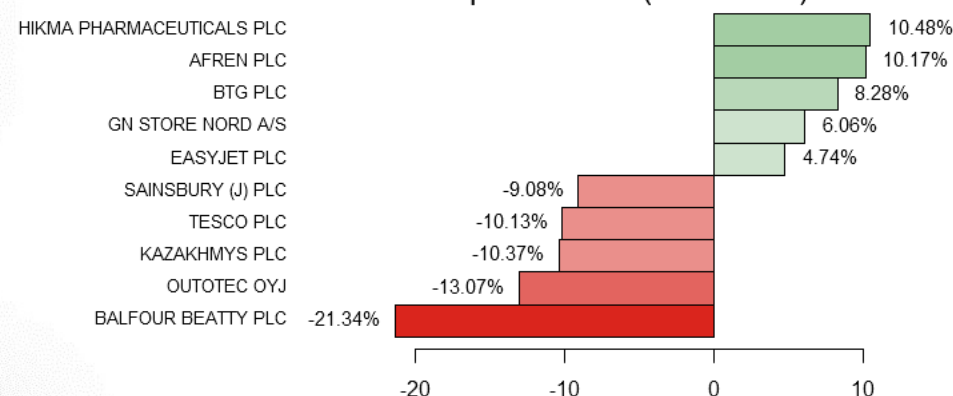
British FTSE 100 Index, however, plummeted 1.8% to 6,527.91 points, while German DAX dipped 2.4% to close at a 9,195.88 mark on Friday's evening.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Eurostoxx	-1.7	-2.84	-3.67	-1.18	7.85	8.28
DAX	-2.41	-4.48	-8.13	-5.16	6.56	6.95
FTSE 100	-1.79	-5.03	-4.92	-2.5	1.4	1.22

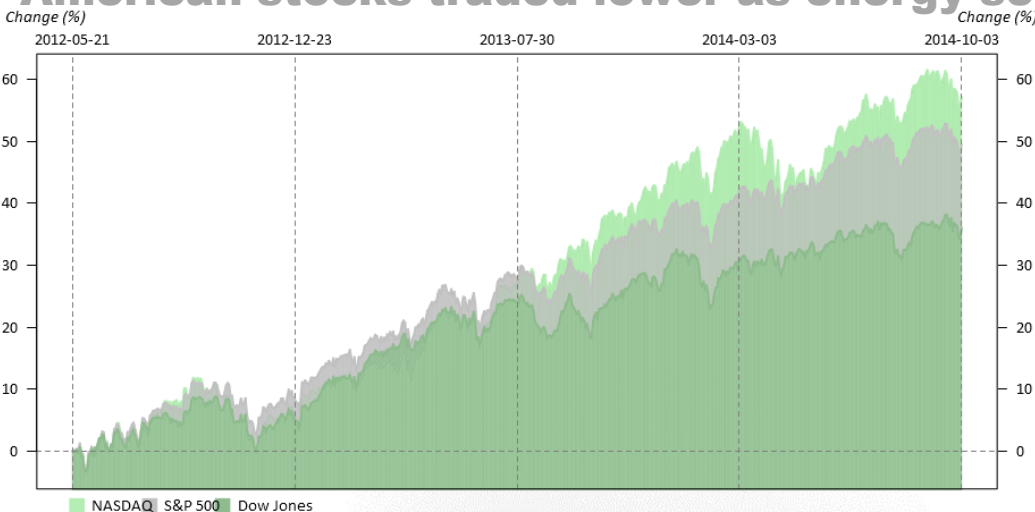
## Industry Performance (STOXX600)



## TOP performers (SXXP600)



# American stocks traded lower as energy sector weakened



In course of the previous working week, stock market in the United States followed the trend of the week before, as all major indexes fell slightly from Monday to Friday. They were largely influenced by negative statistical data on country's manufacturing activity and consumer confidence, while pending home sales decreased more than expected. On the other hand, unemployment claims decreased for the week ended September 26 along with growing employment, while jobless rate slipped to 5.9%, the lowest reading since August 2008.

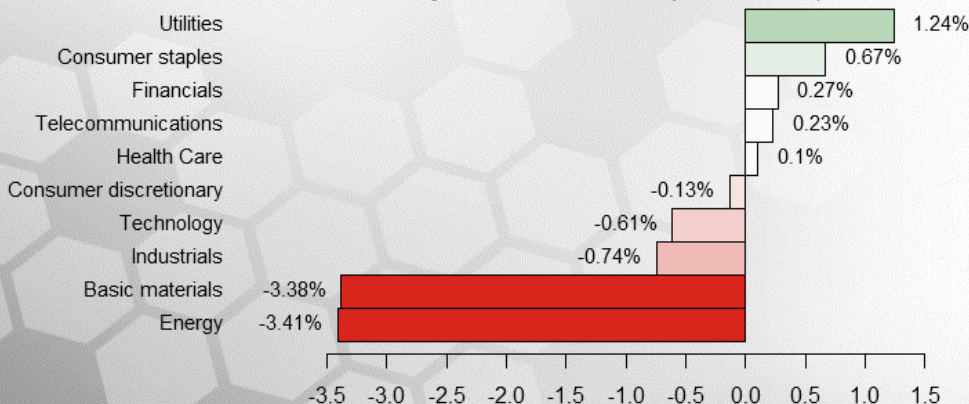
The largest S&P 500 Index, which colligates data for 500 biggest companies in the U.S., was mainly driven by two industries, namely energy and basic materials. Similar to the European market, both these sectors lost 3.4% in five trading days of the last week. The benchmark index, however, managed to close down 0.5% to 1,967.90 points, falling further away from the 2,000 important mark. Cliffs Natural Resources plunged 24% last week to trade at \$8.32 per share on Friday, which pushed the basic materials sector deeper to the red zone. The company's rating was recently downgraded by Nomura International. Meanwhile, utilities gained 1.2% last week and consumer staples rose 0.7%. The latter one was positively influenced by performance of Tyson Foods Inc., which added 10.5% last week to close at a \$41.70 mark.

Alongside, the Dow Jones Industrial Average decreased 0.4% to 17,009.69 points, showing the same downward movement for second consecutive week. NASDAQ, in turn, went down 0.7% to 4,475.62 points.

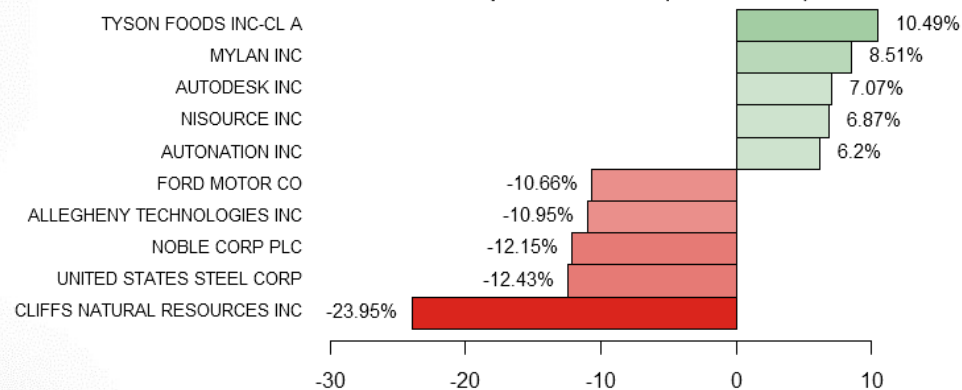
## Price Changes (%)

	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
S&P 500	-0.5	-1.64	-0.88	5.51	16.18	17.23
Dow Jones	-0.36	-0.4	-0.34	3.64	12.4	13.42
NASDAQ	-0.67	-2.12	-0.23	8.43	17.32	18.58

## Industry Performance (S&P 500)



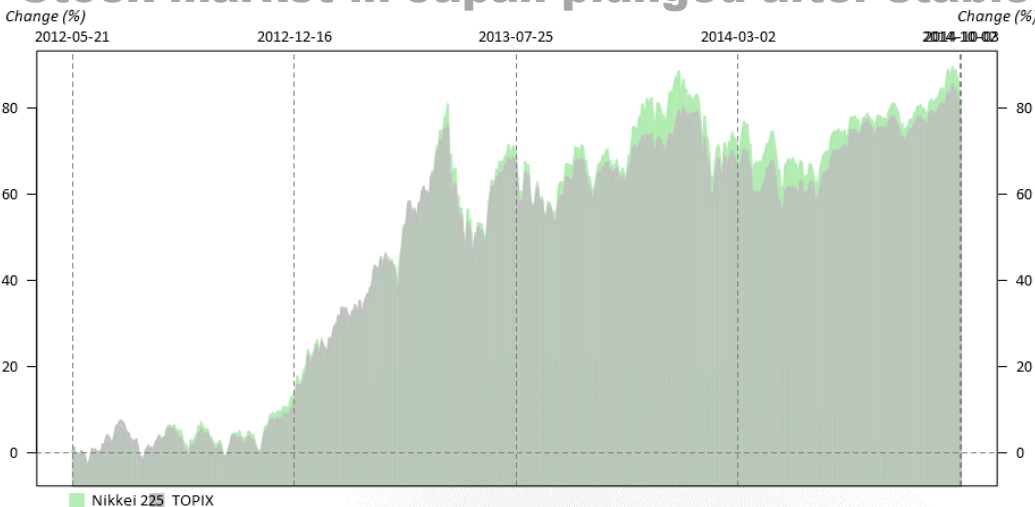
## TOP performers (S&P 500)



# Stock market in Japan plunged after stable September 22-26 week

Monday, October 06, 2014

15:30 GMT



After showing rather successful development during the week ended September 26, shares of major Japanese corporations entered the negative territory last week, posting considerable and the biggest losses among all largest world markets. Therefore, quarterly gains were decreased to minimal. At the same time, among fundamentals only household spending registered a worse-than-predicted result, by falling 4.7% in August. Alongside, retail sales in the third biggest economy expanded and average cash earnings rose as well.

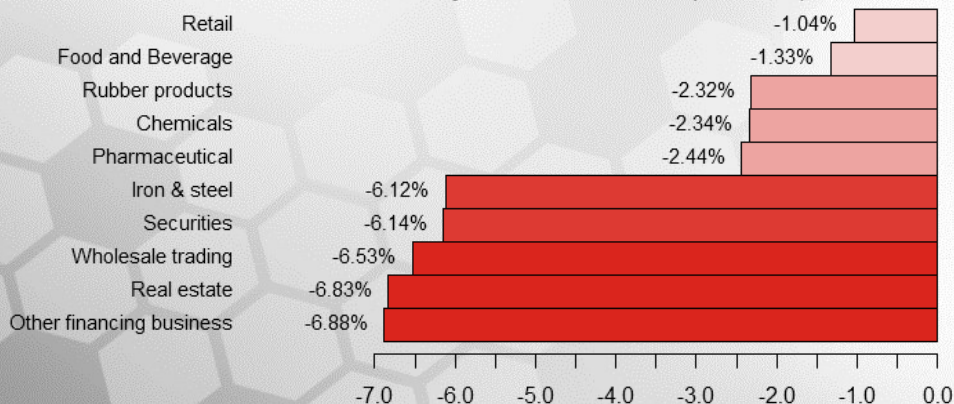
The benchmark Topix Index crashed 4.1% to close as low as at 1,282.54 in the end of the week. All the industries included in the gauge went down in five trading days. The worst performance was showed by financials, real estate, wholesale trading, securities and iron and steel industries, as they lost value in the range from 6% to 7%. Retail sector performed better than others; however, it also decreased 1% from Monday to Friday. Ibiden Co Ltd plunged 19.8% to 1,733 yen per share, as a representative of technology industry decreased its profit forecast, down from 16.5 billion yen to almost 11 billion yen for the year 2014. On the other hand, among the best performers, I'Rom Holdings Co Ltd surged 49% to 1,198 yen per share, while Airtech Japan Ltd followed with an increase of 37.6% to 710 yen.

The second biggest Japanese stock index, the Nikkei 225, declined as much as 3.7% last week to trade at 15,708.65 points at market closing time on Friday, October 3.

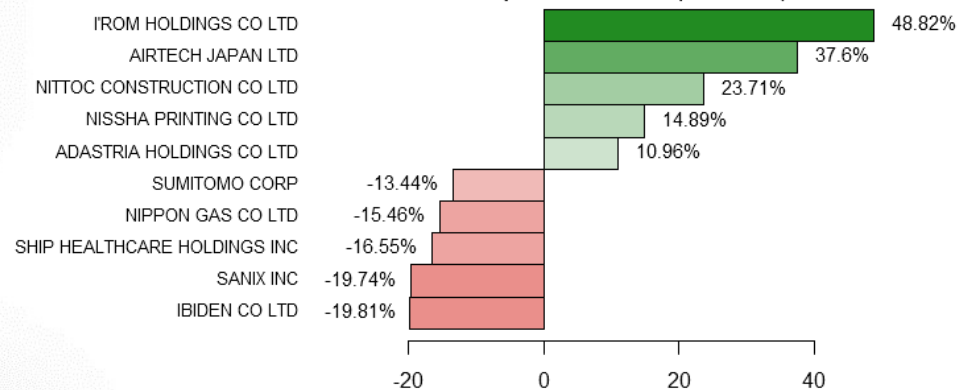
## Price Changes (%)

	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Nikkei 225	-3.69	-0.13	1.76	4.28	10.85	10.96
TOPIX	-4.09	-1.46	-0.21	5.48	9.14	9.25

## Industry Performance (TOPIX)



## TOP performers (TOPIX)



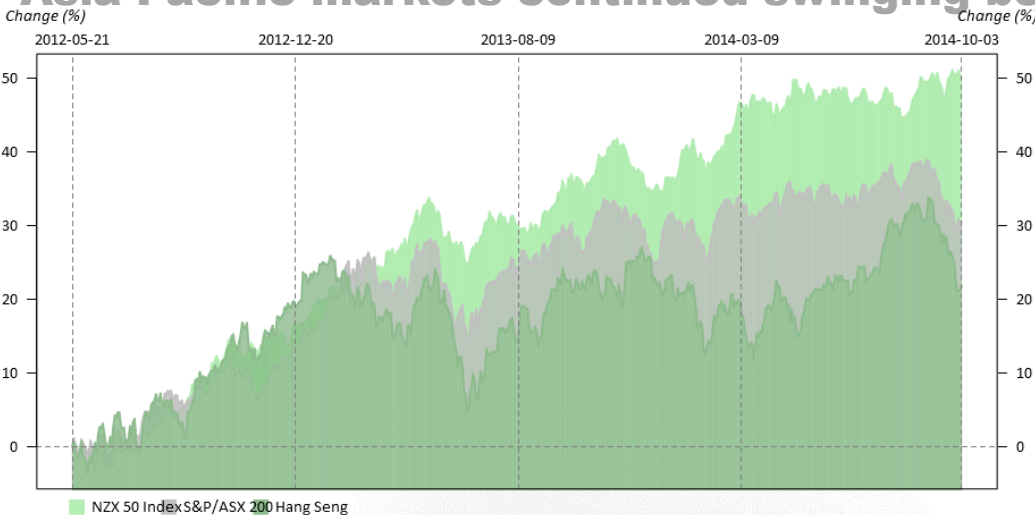
# Asia-Pacific markets continued swinging between gains and losses



Among world's largest financial markets, the Asia-Pacific shares performed in the most successful way during September 29—October 3 trading week. Markets in this region, however, were mostly driven by a number of particular sectors, as well as fundamental news. Building approvals in Australia surged 3% in August, while retail sales in the country rose less than forecasted. Chinese manufacturing activity, in turn, continued to increase gradually.

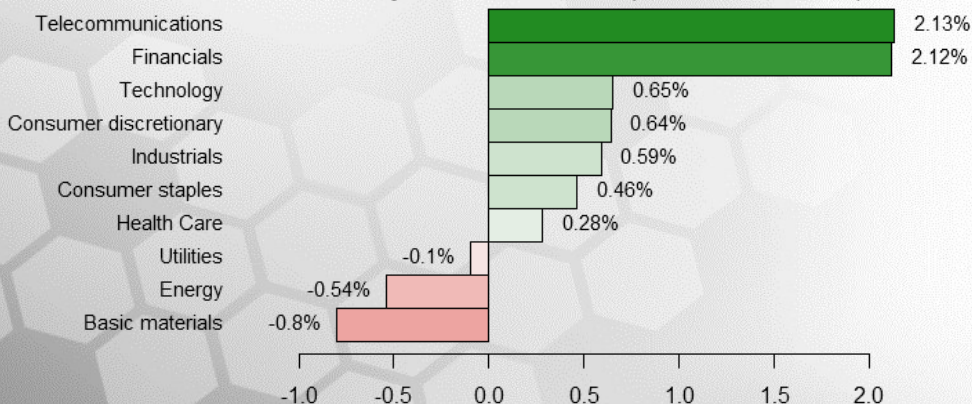
The most important S&P/ASX 200 Index added 1% in total value to hit the 5,318.20 mark in the end of trading session on Friday of the last week. The positive performance was provided by telecommunications and financials industries, as they both advanced 2.1% in five days. With larger gap, technology and consumer discretionary sectors followed with a rise of 0.7% and 0.6%, respectively. The gains were led by Wotif.Com Holdings Ltd, an internet hotel-booking services' company, which climbed 6.8% to A\$3.30 per share, when Australian regulators announced the foreign takeover of the media-giant may push hotel accommodation prices up. As expected, the American company Expedia will acquire the former one for \$700 million. Meanwhile, basic materials and energy sectors slipped 0.8% and 0.5%, accordingly. The biggest losses were experienced by Lynas Corp Ltd, which went down 31.3% to A\$0.079.

Speaking about other major Asian stock markets, Hang Seng dipped 0.7% to 23,064.56 points, while NZX 50 Index lost as much as 0.4% to trade at 5,236.99 points on Friday's evening.

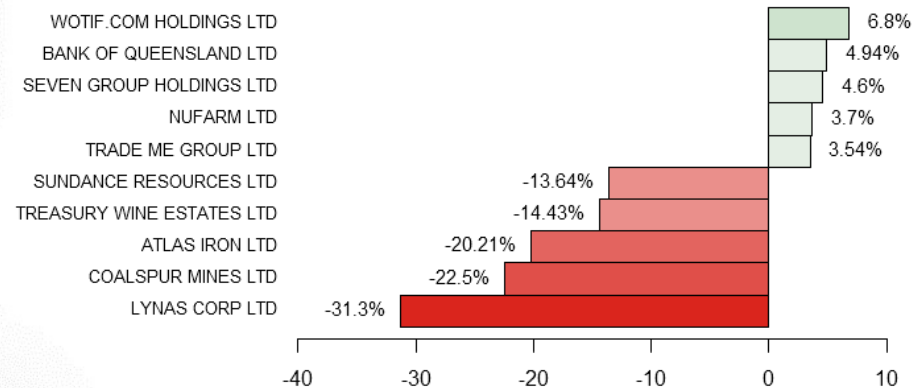


Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
S&P/ASX 200	1.03	-5.97	-3.74	-1.93	1.97	1.59
Hang Seng	-0.71	-8.9	-2.02	2.46	-0.65	-0.32
NZX 50 Index	-0.43	0.24	0.93	2.21	9.82	9.79

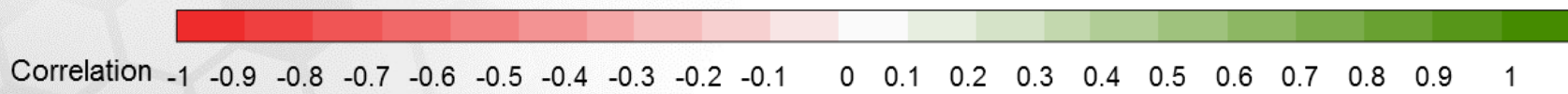
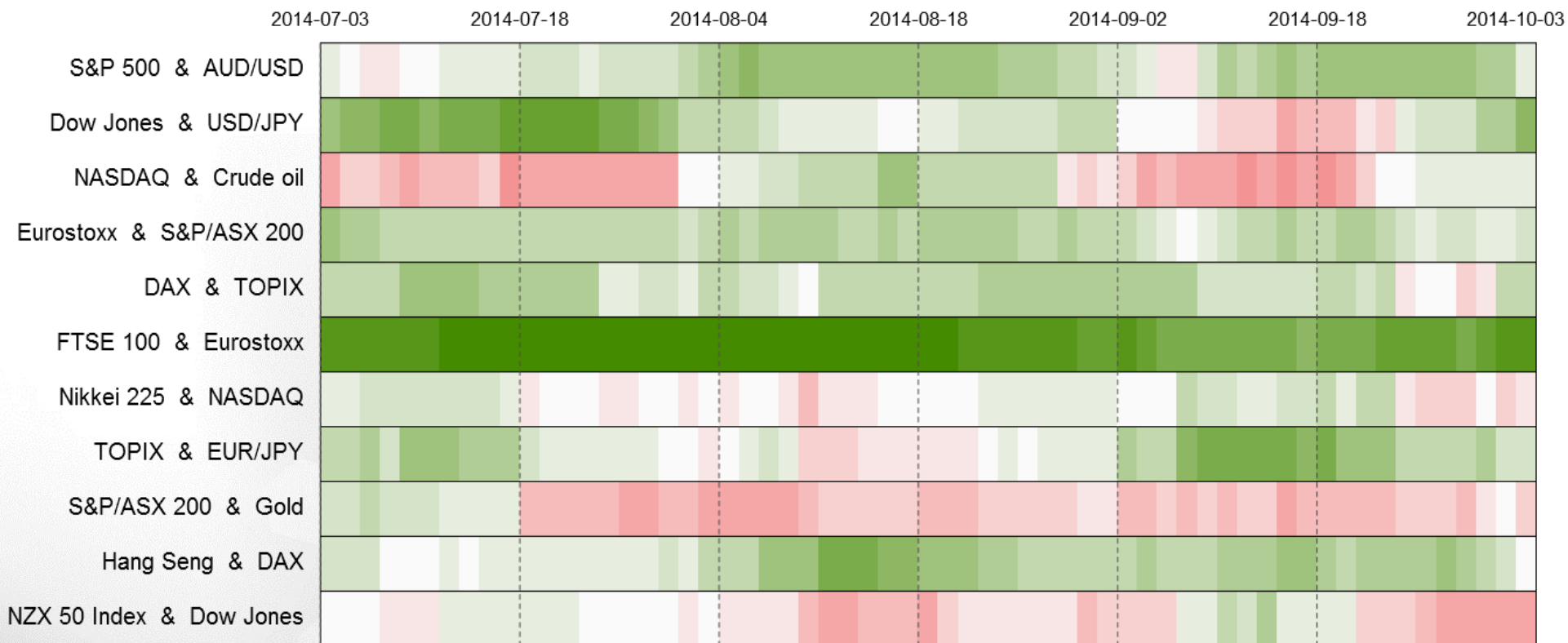
## Industry Performance (S&P/ASX 200)



## TOP performers (S&P/ASX 200)

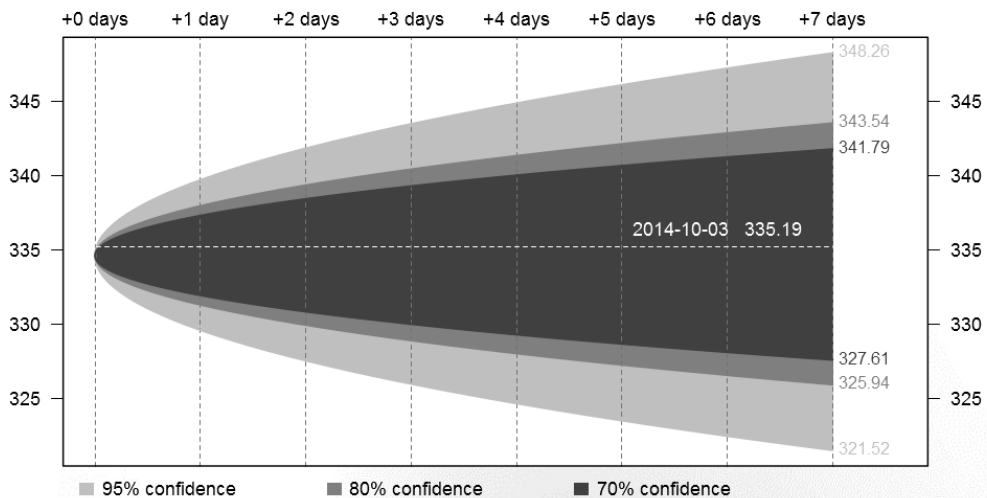


# Correlation Matrix

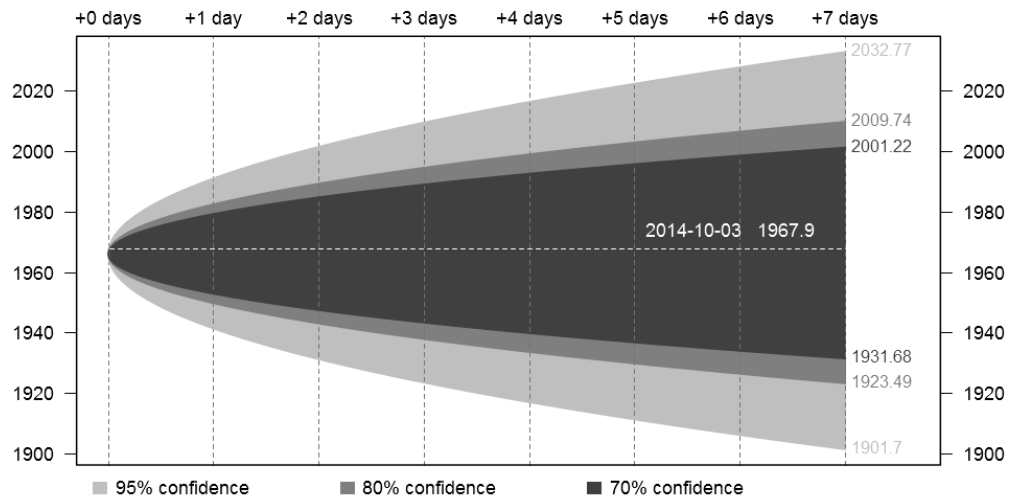


# Confidence Intervals

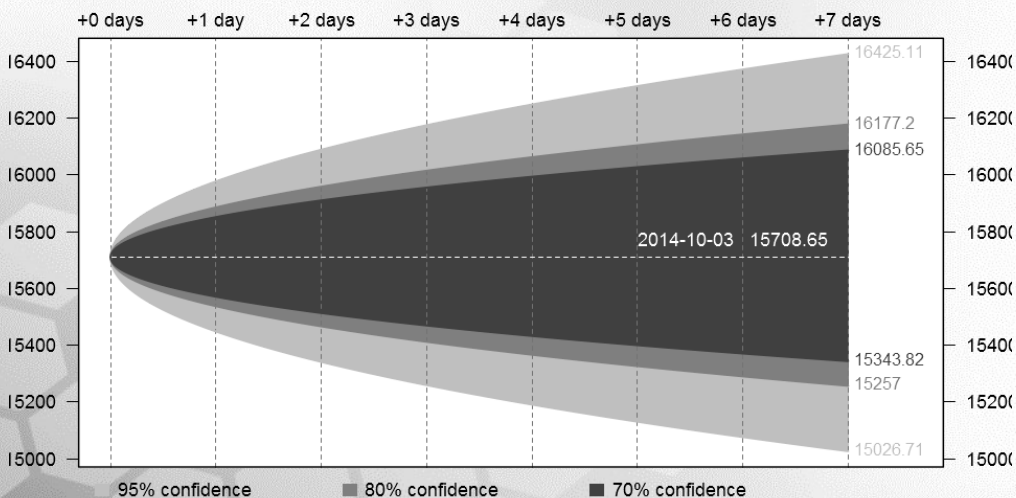
**Eurostoxx Potential Rates**



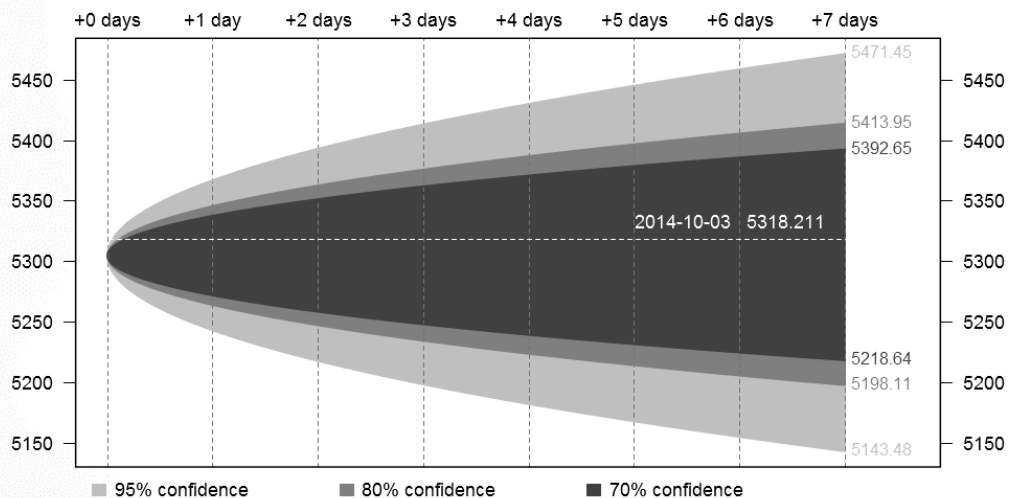
**S&P 500 Potential Rates**



**Nikkei 225 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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