



**DUKASCOPY**  
RESEARCH PRODUCTS

11/01/2016



# **Weekly Global Stock Market Review**

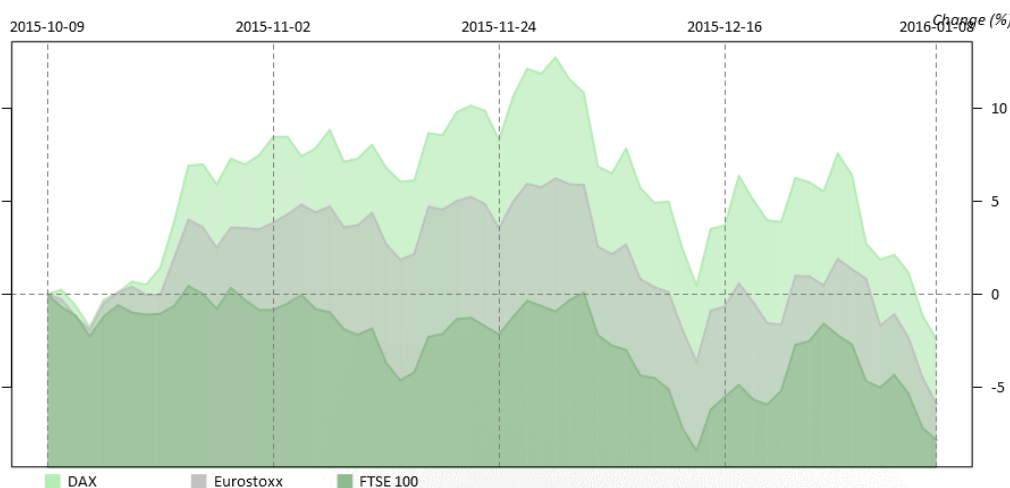
# European stocks declined due to Chinese weaknesses



Shares of major European companies plunged significantly, pushing markets down during the previous trading week, after the drop of Chinese index of manufacturing activity signaled concerns over the health of the Chinese economy. Concerning the European data, despite aggressive efforts from the European Central Bank (ECB) to revive economic growth and return inflation toward its 2% target, inflation held steady at dangerously low levels in December, by advancing only 0.2% from year ago.

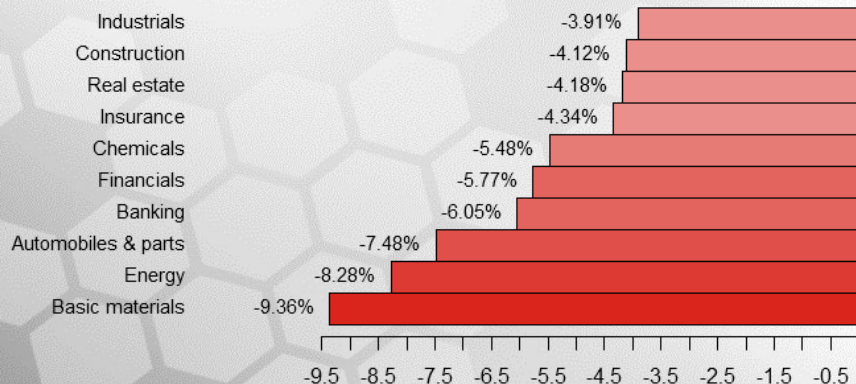
The Eurostoxx 600 gauge diminished 4.2% to close at 341.35 points on Friday's evening. All the sectors included in the index declined in value, while basic materials and energy industries plunged the most by 9.3% and 8.2%, respectively. Among best-performing companies, Home Retail Group, one of the UK's leading home and general merchandise retailers, soared 38.5% to 137.90 pence, after the Sainsbury's 1billion pound proposal to snap up Home Retail Group. The Company's segments include Argos, Homebase and Financial Services. Among biggest losers, Sports Direct International, the British number 1 Sports Retailer, lost 24% to 433 pence after weak Christmas sales. Nearly half a billion pounds was erased from the value of Sports Direct, after the retailer announced that annual profits would be 40million pounds lower than expected.

Meanwhile, the German DAX dipped 4.2% to 9,859.50, while the British FTSE 100 Index slipped 2.9% to close at the 5,912.44 mark back on Friday.

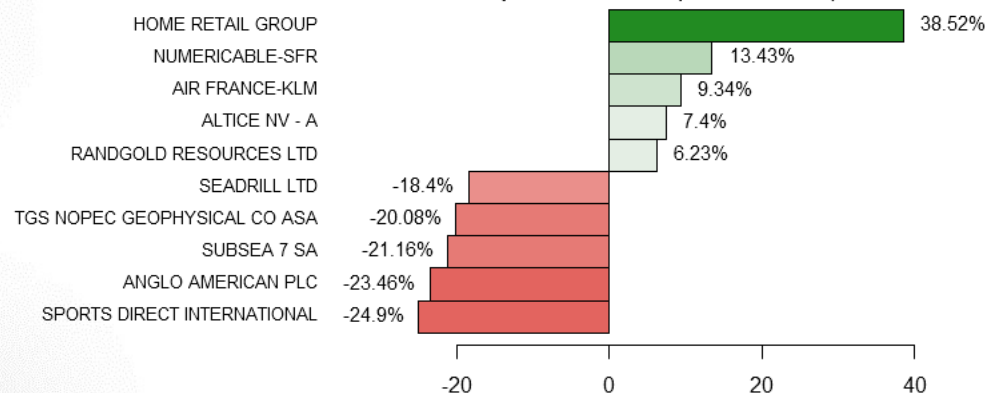


Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Eurostoxx	-4.29	-6.27	-5.92	-12.2	2.45	-0.29
DAX	-4.22	-7.02	-2.45	-12.96	3.48	0.12
FTSE 100	-2.97	-3.5	-7.85	-11.4	-7.9	-10.01

## Industry Performance (STOXX600)

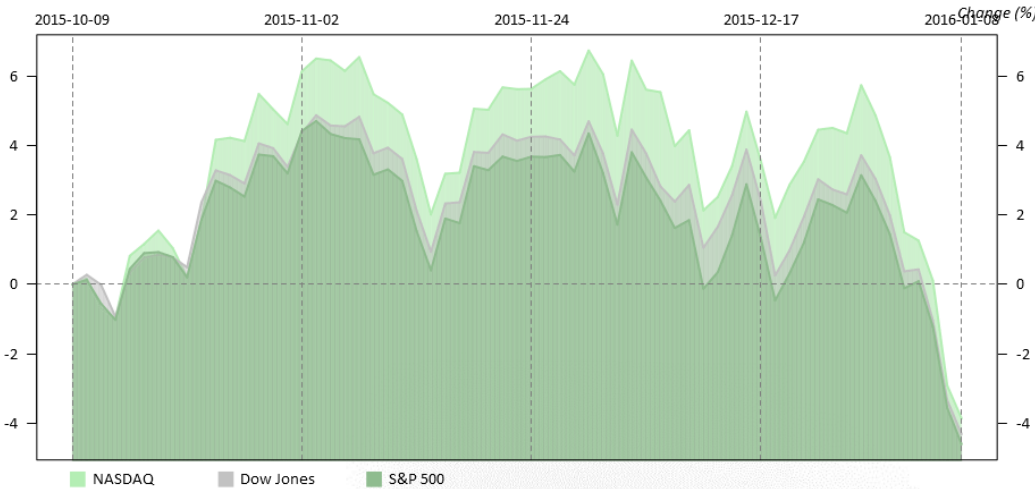


## TOP performers (SXXP600)



# American stocks were trading in red over global slowdown

Monday, January 11, 2016



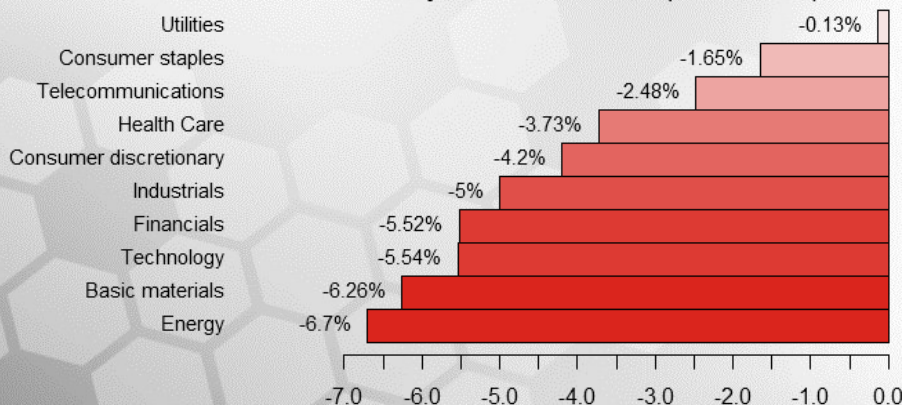
In course of the previous working week, all major US indexes fell significantly. Stocks were largely influenced by broad global weakness affected by decrease in Chinese stock market and falling oil prices, which reached 11-year lows. Meanwhile, US December nonfarm payrolls rise 292,000, while unemployment rate remains steady at 5%. However, the Institute for Supply Management (ISM) manufacturing index slipped to 48.2 in December, showing the lowest level in six years, weighed down by a strong dollar and weak global demand. The non-manufacturing ISM index, in turn, went down to 55.3 in December from 55.9 in November, but held well above the neutral level of 50.

The largest S&P 500 Index, which colligates data for 500 biggest companies in the US, plunged 4.5% to 1,922.03 points by the end of the trading week. Similar to the Europe, all the industries included in the gauge faced losses. The worst performance was showed by energy, basic materials and technology, as they lost value in the range from 5% to 6%. Time Warner Inc, a global leader in media and entertainment, was among the leaders this week, gaining 10.05% and trading at \$71.17 per share on Friday, after Fox has made a new offer for Time Warner, at the price of \$105 per share. On the other hand, Joy Global Inc, a manufacturer of heavy machinery, plummeted as much as 22.8% to trade at \$9.73.

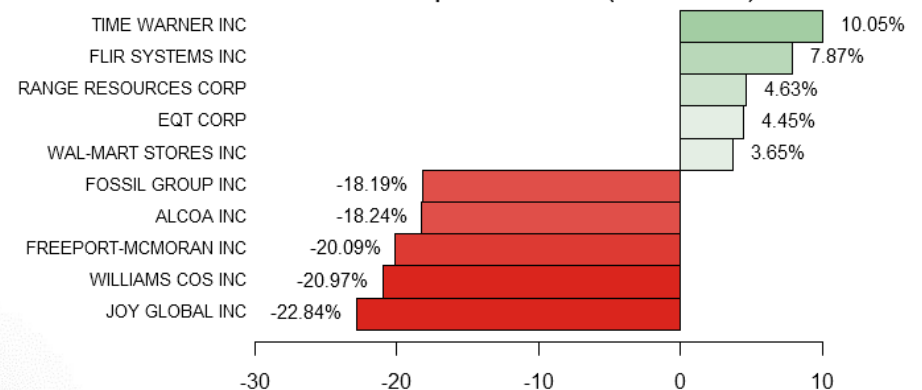
Meanwhile, the Dow Jones Industrial Average decreased in 4.6% during the previous trading week to 16,346.45 points, while high-tech index NASDAQ dipped 5.2% to reach the 4,643.631 mark.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
S&P 500	-4.5	-6.13	-4.61	-7.44	-5.13	-6.79
Dow Jones	-4.68	-6.55	-4.32	-7.96	-7.04	-8.72
NASDAQ	-5.29	-7.55	-3.87	-7.08	-0.15	-1.95

## Industry Performance (S&P 500)



## TOP performers (S&P 500)



# Asia-Pacific share market erases previous week's gains

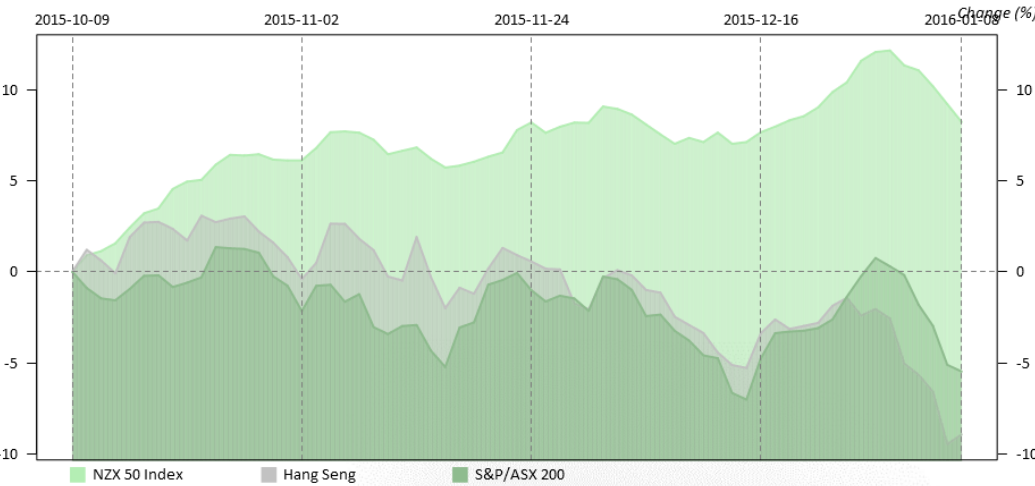
Monday, January 11, 2016  
16:30 GMT



Asia-Pacific equities were mixed last week, since economic data was generally negative, indicating slowing growth in China. The Caixan purchasing managers' index, contracted for the 10<sup>th</sup> straight month in December, falling to 48.2, while the official PMI, posted a reading of 49.7 points. Meanwhile, hoping to dampen equity market volatility, China imposed circuit breakers in stock markets at the start of 2016. Rather than weaken volatility, Chinese policymakers increased it, as investors rushed to sell for fear of being locked into positions in frozen markets.

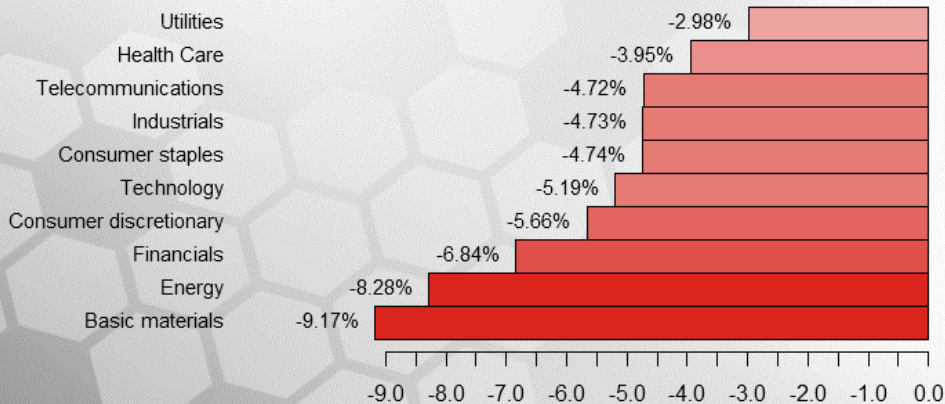
The benchmark S&P/ASX200 Index diminished 5.3% to 4,990.80 points last week, as all the industries included in the gauge posted a negative movement. Basic materials and energy lost the most around of 9.1% and 8.2%, respectively. Among market movers, Primary Health Care Ltd, an Australian healthcare company, went up 5.1% to \$2.4 per share. MMA Offshore Ltd, a marine service company, followed with a slight advance, adding 3.9% to \$0.26. On the contrast, Slater & Gordon Ltd, a multinational law firm headquartered in Australia, plunged 16.3% to \$0.69. Moreover, company's stock are facing further scrutiny, after it emerged that the company's lenders have appointed investigative accountants to take a closer look at its books.

Meanwhile, the Hang Seng Index decreased sharply 4.1% to 20,453.71 points last week, while the NZX 50 gauge of New Zealand stock lost 2.7% to close at 6,158.11 points back on January 8.

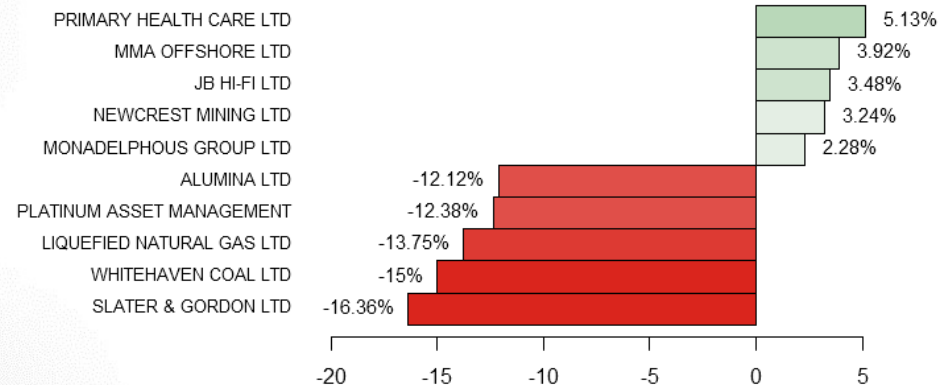


Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
S&P/ASX 200	-5.31	-1.76	-5.47	-9.13	-6.78	-7.26
Hang Seng	-4.1	-6.19	-8.93	-17.86	-13.63	-14.19
NZX 50 Index	-2.79	0.81	8.23	6.59	9.49	9.27

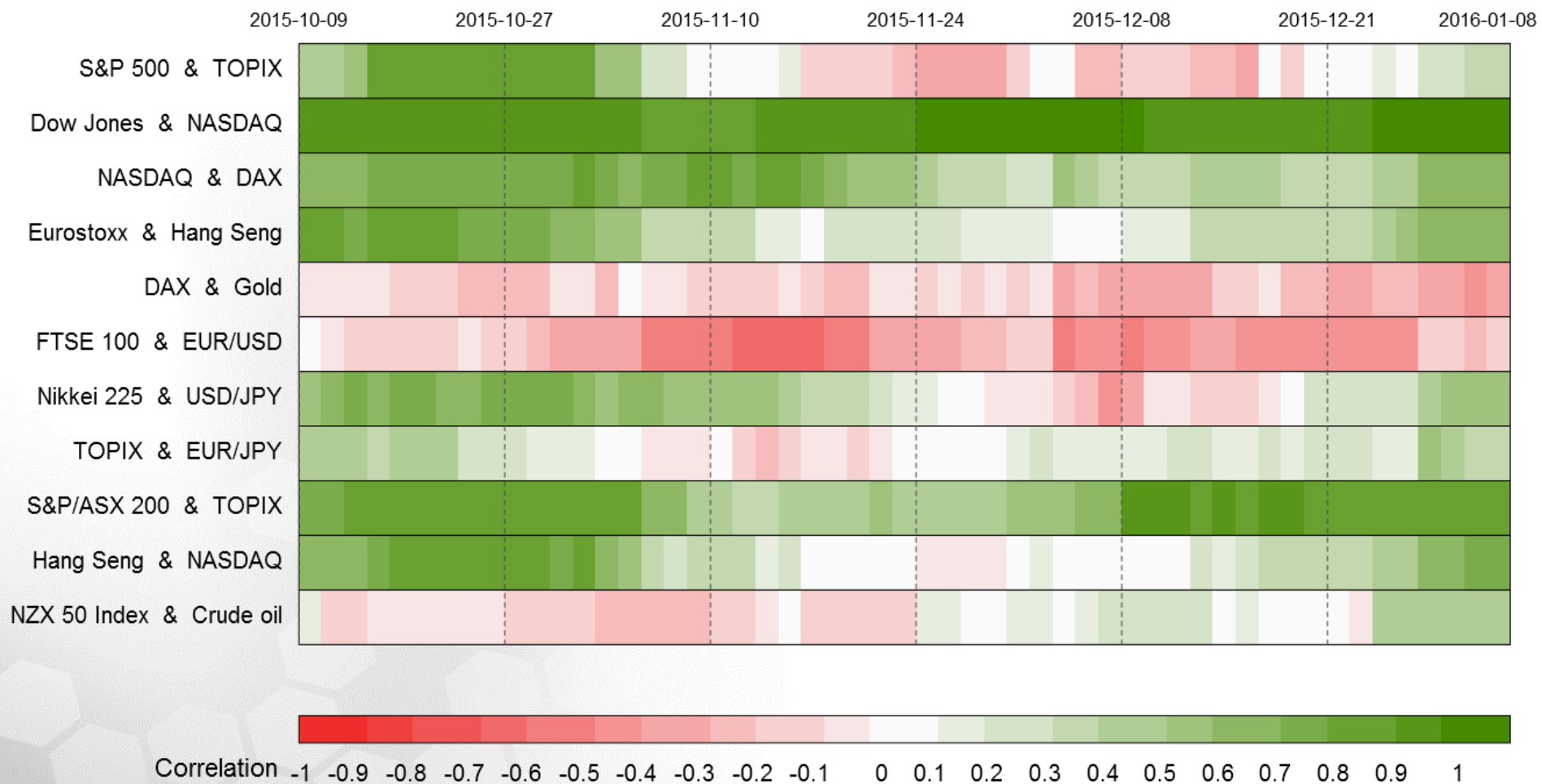
## Industry Performance (S&P/ASX 200)



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

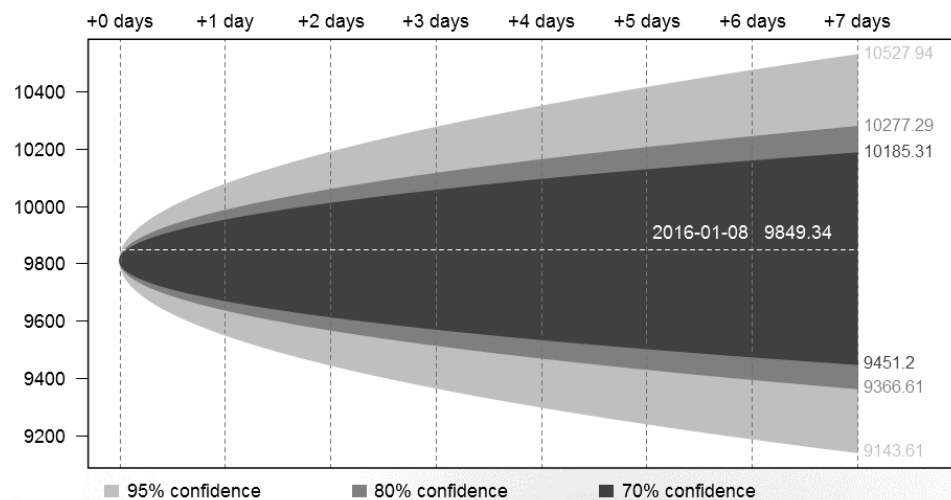


# Correlation Matrix

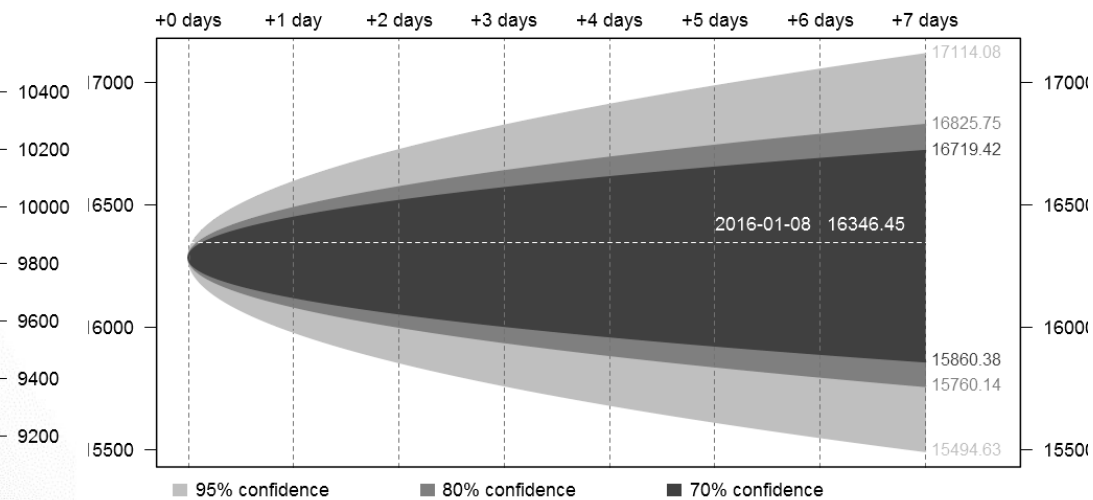


# Confidence Intervals

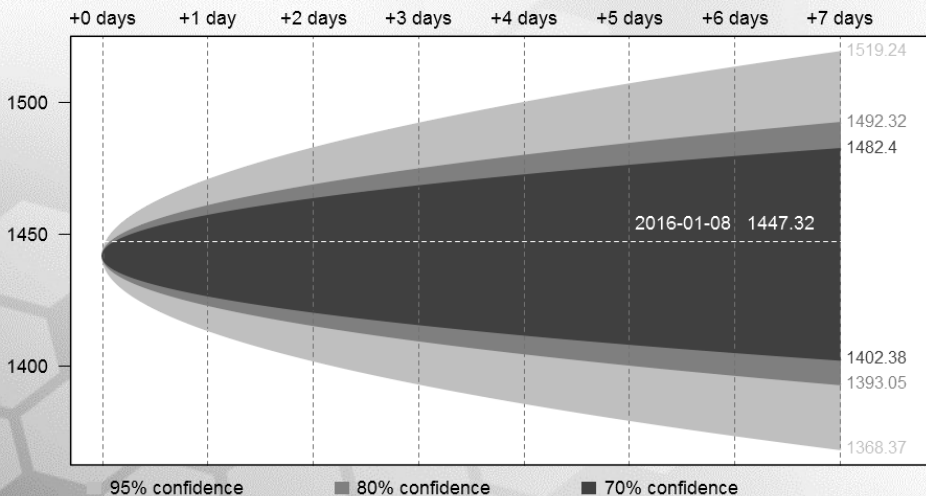
DAX Potential Rates



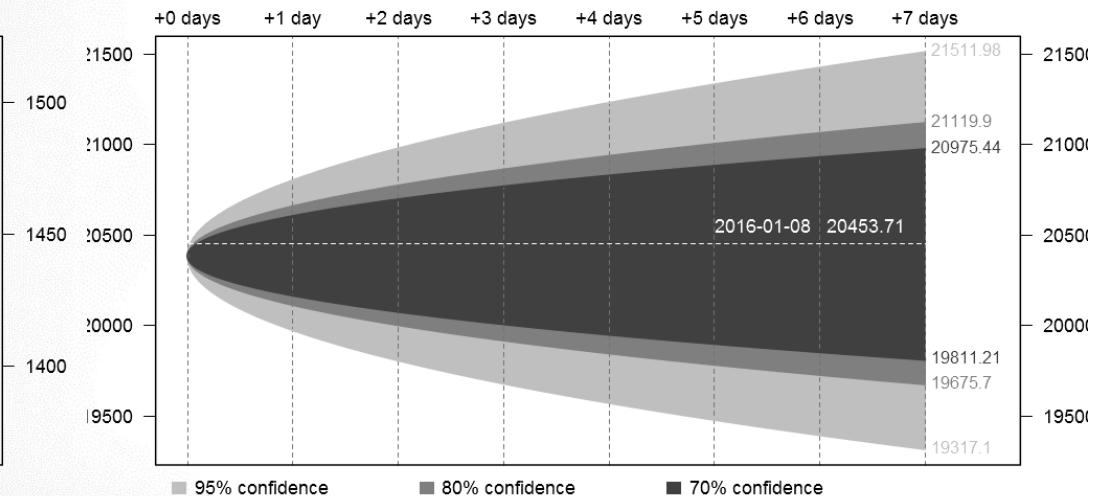
Dow Jones Potential Rates



TOPIX Potential Rates



Hang Seng 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



**Newest releases and archive:**

- Fundamental Analysis
- Technical Analysis
- Press Review
- Market Research
- Expert Commentary
- Dukascopy Sentiment Index
- Trade Pattern Ideas
- Global Stock Market Review
- Commodity Overview
- Economic Research
- Quarterly Report
- Aggregate Technical Indicator

**Additional information:**

- Dukascopy Group Home Page
- Market News & Research
- FXSpider
- Live Webinars
- Dukascopy TV
- Daily Pivot Point Levels
- Economic Calendar
- Daily Highs/Lows
- SWFX Sentiment Index
- Movers & Shakers FX
- Forex Calculators
- Currency Converter
- Currency Index
- CoT Charts

**Social networks:**



**Disclaimer**

Everything in this article, including opinions and figures, is provided for informational purposes only and may not be interpreted as financial advice or solicitation of products. Dukascopy group assume no responsibility for the completeness or the accuracy of any data contained in this article. Financial figures indicated in this article have not been verified by the Dukascopy group. Views, opinions and analyses are those of the author of the article, and are not endorsed by the Dukascopy group.

Dukascopy group waive any and all warranties, express or implied, regarding, but without limitation to, warranties of the merchantability or the fitness for a particular purpose, with respect to all information in this article. Dukascopy group shall under no circumstances be responsible for any direct, indirect, consequential, contingent or any other damages sustained in connection with the use of this article.