

Top things to know for the week ahead

ECB likely to keep policy on hold after success with yield control

The ECB looks likely to keep monetary policy on hold this week while markets focus more on its tone and details on its pace of weekly asset purchases. While rising government borrowing costs was the focus of its previous meeting, it will likely not be the primary concern during this week's meeting with GDP weighted 10-year Euro-Area yields largely in a sideways move since March. We expect the tone of central bankers to remain cautiously optimistic thanks to little change in the outlook for the global economic recovery. That said, domestic vaccination efforts impacted by blood clot concerns surrounding AstraZeneca and Johnson & Johnson's vaccine may result in added emphasis on risks. ECB President Christine Lagarde's speech should be similar to the statement while steering clear of pressure to provide more details on the ECB's pace of asset purchasing moving forward.

No action from the ECB may set up more upside for the euro, at least against the greenback in the short-term as ECB officials show little concern of currency appreciation. Additionally, the euro remains the most undervalued of major currencies, at least according to the OECD's fair value calculations, which suggests that probabilities may be skewed towards the upside for the currency. That said, technical indicators suggest buying in EUR/USD may be slightly stretched which could signal some consolidation back downwards may be due. We see resistance at the 1.1987 likely to break in the short-term, with the nearest support level at 1.1900's level holding in the wake of a possible consolidation downwards.

Data Watch

Day	Time (GMT +8:00)	Related Currency	Events/Indicators
Mon	12:30	JPY	Japan Industrial Production MoM
Tue	09:30	CNY	China 1-Year Loan Prime Rate
	09:30	CNY	China 5-Year Loan Prime Rate
	09:30	AUD	Australia RBA Minutes of April Policy Meeting
	12:30	JPY	Japan Tertiary Industry Index MoM
	14:00	GBP	United Kingdom Claimant Count Rate
	14:00	GBP	United Kingdom Jobless Claims Change
	14:00	GBP	United Kingdom ILO Unemployment Rate 3Mths
Wed	06:45	NZD	New Zealand CPI QoQ
	09:30	AUD	Australia Retail Sales MoM
	14:00	GBP	United Kingdom CPI MoM
	14:00	GBP	United Kingdom CPI YoY
	14:00	GBP	United Kingdom CPI Core YoY
	19:00	USD	United States MBA Mortgage Applications
	20:30	CAD	Canada CPI YoY
	22:00	CAD	Canada Bank of Canada Rate Decision
Thu	19:45	EUR	Eurozone ECB Main Refinancing Rate
	20:30	EUR	Eurozone ECB President Lagarde Post Meeting Press Conf.
	20:30	USD	United States Initial Jobless Claims

Oil traders' focus to remain on discussions on Iran's sanctions

Crude oil prices rebounded last week following tailwinds from signs of stronger energy demand. While upside in crude oil demand is likely in the medium-term given that the US summer season is starting, we would be cautious of a return in Iran's output if sanctions are lifted (Iran has unused capacity of about 1.5 million barrels a day and is currently exempted from OPEC+ cuts). This week we expect a lateral move in the range between US\$60 to US\$66 for USOIL with losses likely capped at about US\$57 if Iran's sanctions are fully lifted.

Commodities Against DXY (Rebased to 100)

4-week chart

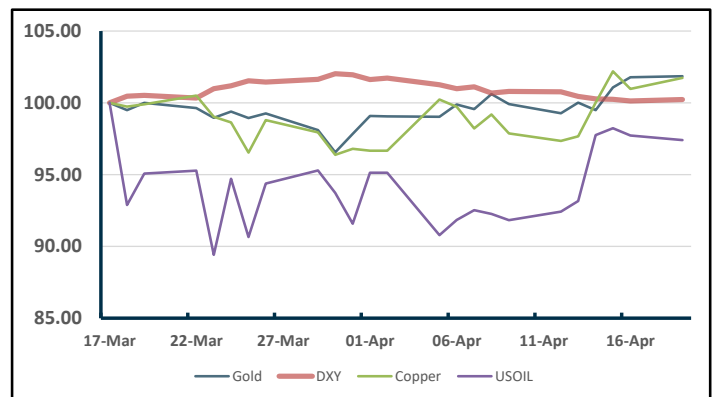


Chart Source: ADSS, Bloomberg

Weekly Market Snapshot

Index Returns					
	Latest Price	1 week	MTD	QTD	YTD
Equities					
S&P 500	4,185.47	1.37%	5.35%	11.43%	11.43%
DJ Industrial Average	34,200.67	1.18%	3.70%	11.74%	11.74%
Nasdaq	14,041.91	1.42%	7.26%	8.95%	8.95%
Euro Stoxx 50	4,032.99	1.36%	2.90%	13.52%	13.52%
MSCI EAFE Small Cap	316.47	1.87%	4.89%	9.10%	9.10%
FTSE 100	7,019.53	1.50%	4.56%	8.65%	8.65%
DAX	15,459.75	1.48%	3.01%	12.69%	12.69%
CAC 40	6,287.07	1.91%	3.62%	13.25%	13.25%
Hang Seng	28,969.71	0.94%	2.08%	6.38%	6.38%
MSCI World	2,953.35	1.49%	5.04%	9.79%	9.79%
ASX 200	7,063.45	0.98%	4.02%	7.23%	7.23%
NIKKEI	29,683.37	-0.28%	1.73%	8.16%	8.16%
CSI 300	4,970.45	-1.37%	-1.68%	-4.24%	-4.24%
China A50	16,843.78	-1.40%	-2.58%	-4.50%	-4.50%
TWSE	16,865.97	0.07%	4.43%	16.47%	16.47%
Fixed Income					
Barclays Aggregate	540.58	0.58%	1.27%	-3.25%	-3.25%
Barclays Euro Aggregate	269.59	-0.16%	-0.20%	-2.09%	-2.09%
Barclays US High Yield	2,379.36	0.20%	0.91%	1.77%	1.77%
Barclays Euro High Yield	431.11	0.15%	0.44%	2.60%	2.60%
Barclays TIPS	126.48	0.89%	0.78%	-0.92%	-0.92%
JPM EMBI Global Divers	973.10	1.44%	2.43%	-2.22%	-2.22%
Other					
DJ US Real Estate	375.00	2.54%	4.78%	11.97%	11.97%
S&P GSCI	488.72	3.73%	4.56%	19.36%	19.36%
US Dollar Index	91.56	-0.66%	-1.80%	1.80%	1.80%
VIX	16.25	-2.64%	-16.24%	-28.57%	-28.57%

Commodities					
	Latest Price	31/3/21	28/2/21	31/1/21	31/12/20
Prices					
WTI Oil (\$/barrel)	63.13	59.16	61.50	52.20	48.52
Brent Oil (\$/barrel)	66.77	63.54	66.13	55.88	51.80
Gold (\$/oz)	1,776.51	1,707.71	1,734.04	1,847.65	1,898.36
Silver (\$/oz)	25.97	24.42	26.67	26.99	26.40
Copper	4.17	4.00	4.09	3.56	3.52
Corn	5.86	5.64	5.56	5.47	4.84
Coffee	1.29	1.24	1.37	1.23	1.28
Natural Gas	2.68	2.61	2.77	2.56	2.54

Currencies					
	Latest Price	31/3/21	28/2/21	31/1/21	31/12/20
Prices					
EURUSD	1.1983	1.1730	1.2075	1.2136	1.2216
GBPUSD	1.3832	1.3783	1.3933	1.3708	1.3670
USDJPY	108.80	110.72	106.57	104.68	103.25
USDCNH	0.9201	0.9436	0.9085	0.8903	0.8852
USDCAD	1.2508	1.2562	1.2738	1.2777	1.2725
AUDUSD	0.7734	0.7598	0.7706	0.7644	0.7694
NZDUSD	0.7142	0.6985	0.7233	0.7193	0.7184
USDCNH	6.5261	6.5647	6.4807	6.4522	6.5028

Crypto Currencies					
	Latest Price	31/3/21	28/2/21	31/1/21	31/12/20
Prices					
BTC/USD	62,005.41	58,960.19	45,672.1	34,641.1	#####
XRP/USD	1.6323	0.5646	0.4235	0.2898	0.2249
LTC/USD	309.21	195.69	167.56	136.16	124.11
DSH/USD	375.96	217.18	205.67	104.36	99.30

Rates & Spreads					
	Latest Rate	31/3/21	28/2/21	31/1/21	31/12/20
Rates					
Fed Funds Target	0.25%	0.25%	0.25%	0.25%	0.25%
ECB Depo Rate	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
3 Month US Dollar Libor	0.19%	0.19%	0.19%	0.20%	0.24%
US Treasuries 2 Year	0.16%	0.16%	0.13%	0.11%	0.12%
US Treasuries 10 Year	1.58%	1.74%	1.40%	1.07%	0.91%
German Bunds 2 Year	-0.70%	-0.70%	-0.67%	-0.74%	-0.72%
German Bunds 10 Year	-0.26%	-0.29%	-0.26%	-0.52%	-0.57%
Japan Gov't Bonds 10 Year	0.09%	0.09%	0.16%	0.05%	0.02%
UK Gilts 10 Year	0.76%	0.85%	0.82%	0.33%	0.20%
Swiss Gov't Bonds 10 Year	-0.25%	-0.30%	-0.23%	-0.45%	-0.58%

Global Equity Returns YTD 2021

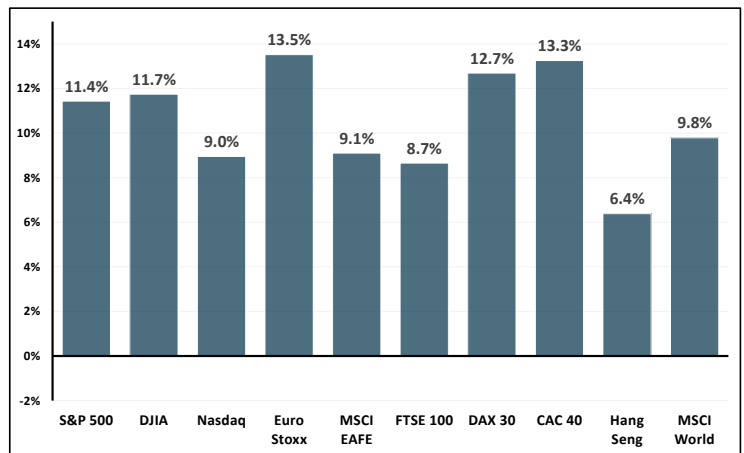


Chart Source: ADSS and Bloomberg as of the closing price on 16-Apr-21

Global Currency Returns (Weekly)

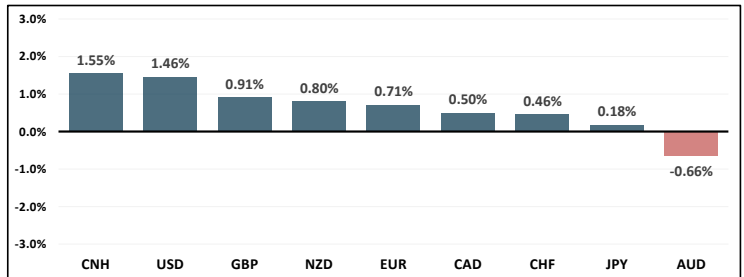


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Global Currency Returns YTD 2021

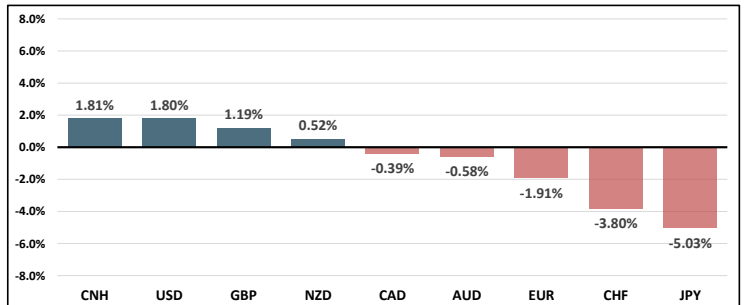
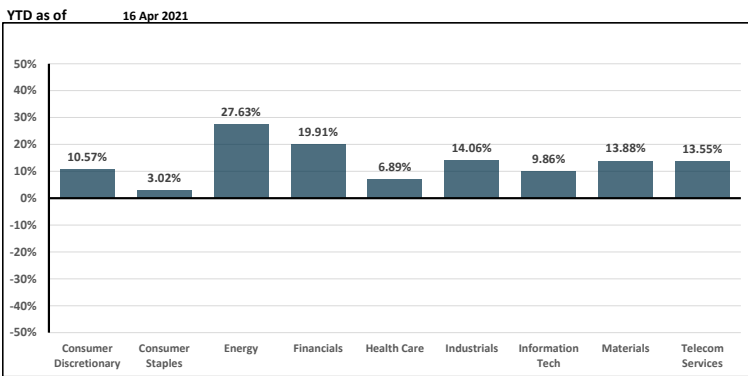
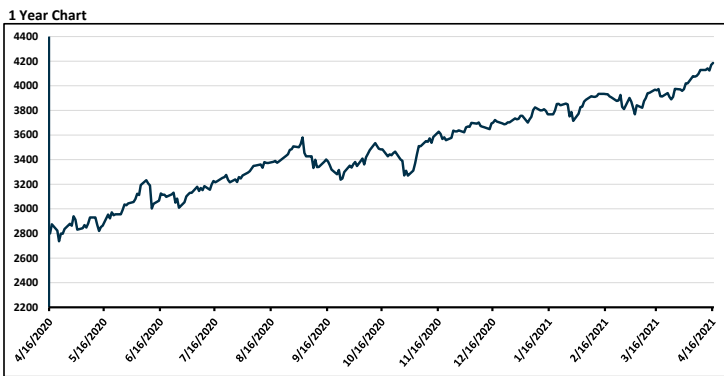


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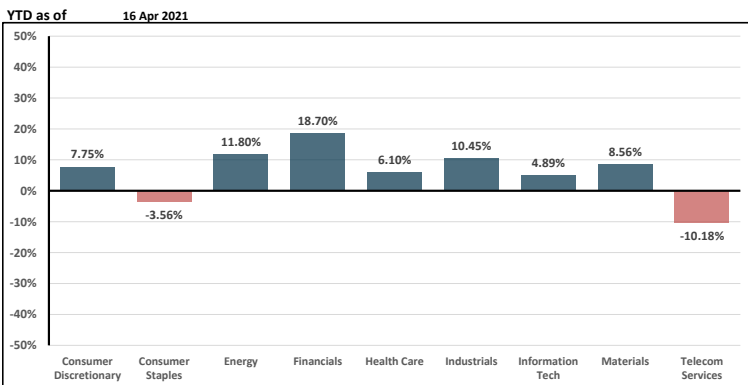
S&P 500 Index Sector Returns



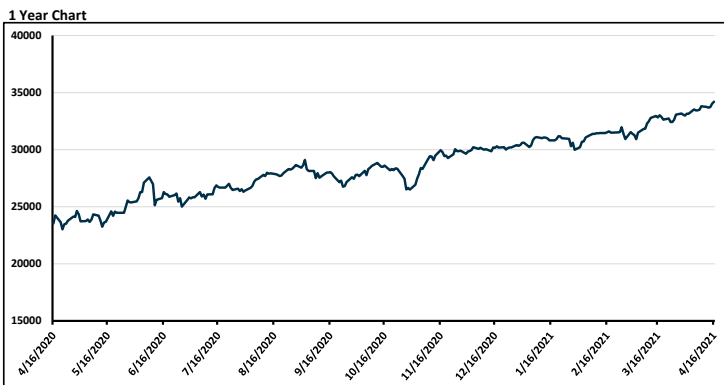
S&P 500 Index Trendline



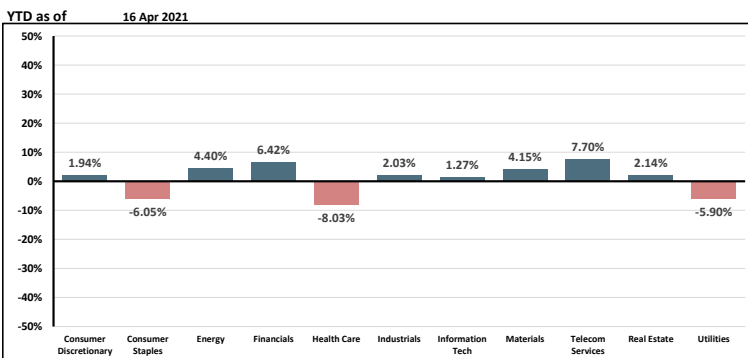
Dow Jones Industrial Average Index Sector Returns



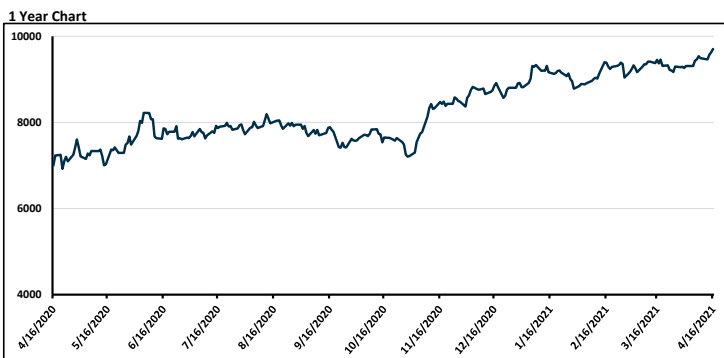
Dow Jones Industrial Average Index



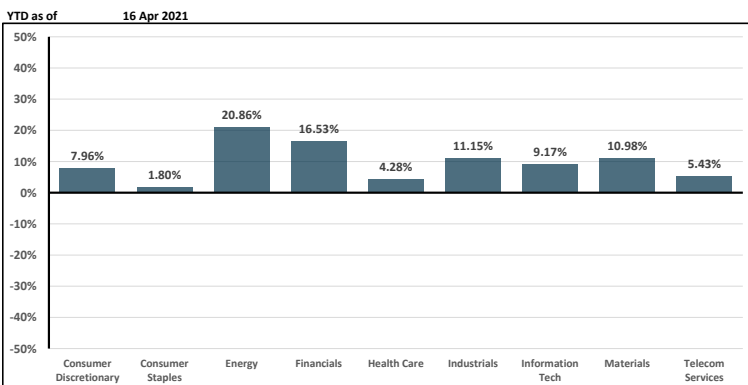
FTSE100 Index Sector Returns



FTSE 100 Index



MSCI World Index Sector Returns



MSCI World Index

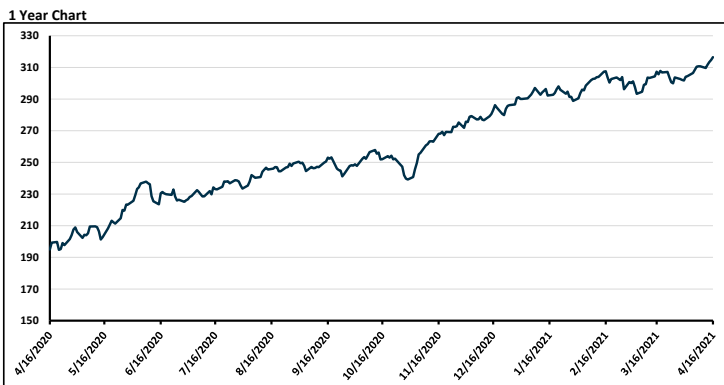


Chart Source: ADSS, Bloomberg

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