

Top things to know for the week ahead

Taper concerns likely put on pause after disappointing labour data

The latest disappointment in labour market data signals that inflation concerns may be put on the back pedal, allowing markets to continue to price in higher risk assets on the back of accommodative monetary and fiscal policy. The most important dataset for the week in the US is likely to be jobless claims and retail sales data. Jobless claims data is likely to show an accelerated recovery in the labour market relative to the disappointing April jobs growth. This may revive some inflation concerns and potentially sooner-than-expected tightening of monetary policy, though is unlikely to majorly shift market sentiment as aggregated continuing claims remains elevated. Expect retail sales growth to normalise after a surge in spending in March thanks to stimulus checks. Note that the level of spending is unlikely to be sustained in April, in which we expect to fall flat for headline growth thanks to rising auto and gas prices. Core retail sales, in our view, is more likely to show a decline, which may exacerbate fading inflation concerns.

This may mean that US equities is likely on track for more upside.

Broad market is likely to gain, though sector and industry performance is likely to deviate further. Cyclical is likely to be the biggest beneficiary, in our view, while growth stocks could see additional downward pressure on the back of the momentum shift and stretched valuations. That said, pure value stocks may be seeing the start of some resistance in its upside given that Bloomberg's calculations of normalised 2022 EPS forecasts suggest that markets may be sceptical of sustainable earnings from those companies moving into 2022.

Data Watch

Day	Time (GMT +8:00)	Related Currency	Events/Indicators
Mon	09:30	AUD	Australia Retail Sales MoM
Tue	09:30	CNY	China CPI YoY
	09:30	CNY	China PPI YoY
	17:00	EUR	Germany ZEW Survey Expectations
	17:00	EUR	Germany ZEW Survey Current Situation
Wed	14:00	GBP	United Kingdom GDP QoQ
	14:00	GBP	United Kingdom GDP YoY
	14:00	EUR	Germany CPI YoY
	14:00	GBP	United Kingdom Industrial Production MoM
	14:00	GBP	United Kingdom Manufacturing Production MoM
	19:00	USD	United States MBA Mortgage Applications
	20:30	USD	United States CPI MoM
Thu	07:50	JPY	Japan BoP Current Account Balance
	20:30	USD	United States Initial Jobless Claims
	-	CNY	China 1-Yr Medium-Term Lending Facility Rate
Fri	06:30	NZD	New Zealand BusinessNZ Manufacturing PMI
	20:30	USD	United States Retail Sales Advance MoM
	21:15	USD	United States Industrial Production MoM
	22:00	USD	United States U. of Mich. Sentiment

Gold bulls returns to control after a decisive move higher

Gold's convincing breakout past its 100-day moving average may be a signal for more upside. A weaker dollar and the reversal in US 10-year yields after a sharp surge earlier in the year are likely the key drivers for the rebound. A stretched 14-day RSI signals that we may see some resistance in the yellow metal in the short-term. However, with MACD indicating that some upward momentum may be sustained in the short-term, we expect to see gold trade in the 1,870 to 1,825 range with a slight upside bias.

Commodities Against DXY (Rebased to 100)

4-week chart

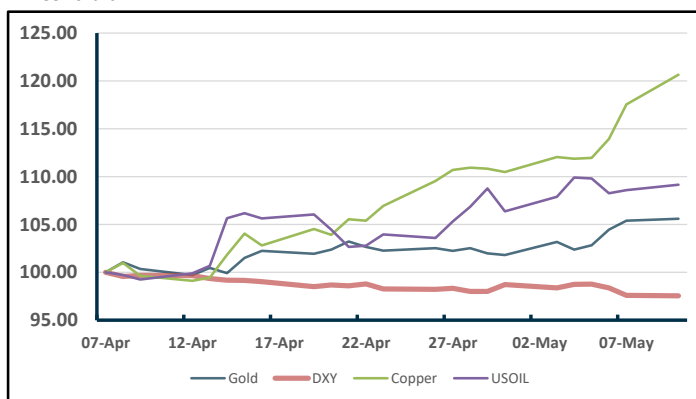


Chart Source: ADSS, Bloomberg

Weekly Market Snapshot

Index Returns					
	Latest Price	1 week	MTD	QTD	YTD
Equities					
S&P 500	4,232.60	1.23%	1.23%	6.54%	12.69%
DJ Industrial Average	34,777.76	2.67%	2.67%	5.45%	13.63%
Nasdaq	13,719.63	-1.02%	-1.02%	4.80%	6.45%
Euro Stoxx 50	4,034.25	1.50%	1.50%	2.94%	13.56%
MSCI EAFE Small Cap	318.43	1.68%	1.68%	5.54%	9.78%
FTSE 100	7,129.71	2.29%	2.29%	6.20%	10.36%
DAX	15,399.65	1.74%	1.74%	2.61%	12.25%
CAC 40	6,385.51	1.85%	1.85%	5.25%	15.03%
Hang Seng	28,610.65	-0.40%	-0.40%	0.82%	5.07%
MSCI World	2,979.41	1.38%	1.38%	5.96%	10.76%
ASX 200	7,080.83	0.78%	0.78%	4.27%	7.50%
NIKKEI	29,357.82	1.89%	1.89%	0.61%	6.97%
CSI 300	4,986.89	-2.59%	-2.59%	-1.35%	-3.93%
China A50	16,900.71	-2.40%	-2.40%	-2.25%	-4.17%
TWSE	16,843.44	-4.12%	-1.60%	5.20%	17.33%
Fixed Income					
Barclays Aggregate	543.98	0.64%	0.64%	1.91%	-2.64%
Barclays Euro Aggregate	268.29	0.02%	0.02%	-0.68%	-2.57%
Barclays US High Yield	2,390.52	0.29%	0.29%	1.38%	2.24%
Barclays Euro High Yield	431.35	0.06%	0.06%	0.50%	2.66%
Barclays TIPS	127.77	0.61%	0.61%	1.81%	0.09%
JPM EMBI Global Divers	977.60	0.68%	0.68%	2.91%	-1.76%
Other					
DJ US Real Estate	383.90	-0.54%	-0.54%	7.26%	14.63%
S&P GSCI	523.03	3.40%	3.40%	11.90%	27.74%
US Dollar Index	90.23	-1.15%	-1.15%	-3.22%	0.33%
VIX	16.69	-10.32%	-10.32%	-13.97%	-26.64%

Commodities					
	Latest Price	30/4/21	31/3/21	28/2/21	31/12/20
Prices					
WTI Oil (\$/barrel)	64.90	63.58	59.16	61.50	48.52
Brent Oil (\$/barrel)	68.28	67.25	63.54	66.13	51.80
Gold (\$/oz)	1,831.24	1,769.13	1,707.71	1,734.04	1,898.36
Silver (\$/oz)	27.45	25.92	24.42	26.67	26.40
Copper	4.77	4.48	4.00	4.09	3.52
Corn	7.73	7.40	5.64	5.56	4.84
Coffee	1.52	1.40	1.24	1.37	1.28
Natural Gas	2.96	2.93	2.61	2.77	2.54

Currencies					
	Latest Price	30/4/21	31/3/21	28/2/21	31/12/20
Prices					
EURUSD	1.2166	1.2020	1.1730	1.2075	1.2216
GBPUSD	1.3984	1.3822	1.3783	1.3933	1.3670
USDJPY	108.60	109.31	110.72	106.57	103.25
USDCHF	0.9008	0.9131	0.9436	0.9085	0.8852
USDCAD	1.2133	1.2287	1.2562	1.2738	1.2725
AUDUSD	0.7844	0.7716	0.7598	0.7706	0.7694
NZDUSD	0.7278	0.7162	0.6985	0.7233	0.7184
USDCNH	6.4161	6.4735	6.5647	6.4807	6.5028

Crypto Currencies					
	Latest Price	30/4/21	31/3/21	28/2/21	31/12/20
Prices					
BTC/USD	57,684.39	56,814.44	58,960.2	45,672.1	28,996.3
XRP/USD	1.6020	1.5763	0.5646	0.4235	0.2249
LTC/USD	348.86	266.51	195.69	167.56	124.11
DSH/USD	419.42	317.44	217.17	205.67	99.30

Rates & Spreads					
	Latest Rate	30/4/21	31/3/21	28/2/21	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	0.16%	0.18%	0.19%	0.19%	0.24%
US Treasuries 2 Year	0.14%	0.16%	0.16%	0.13%	0.12%
US Treasuries 10 Year	1.58%	1.63%	1.74%	1.40%	0.91%
German Bunds 2 Year	-0.69%	-0.69%	-0.70%	-0.67%	-0.72%
German Bunds 10 Year	-0.22%	-0.20%	-0.29%	-0.26%	-0.57%
Japan Gov't Bonds 10 Year	0.08%	0.09%	0.09%	0.16%	0.02%
UK Gilts 10 Year	0.78%	0.84%	0.85%	0.82%	0.20%
Swiss Gov't Bonds 10 Year	-0.23%	-0.22%	-0.30%	-0.23%	-0.58%

Global Equity Returns YTD 2021

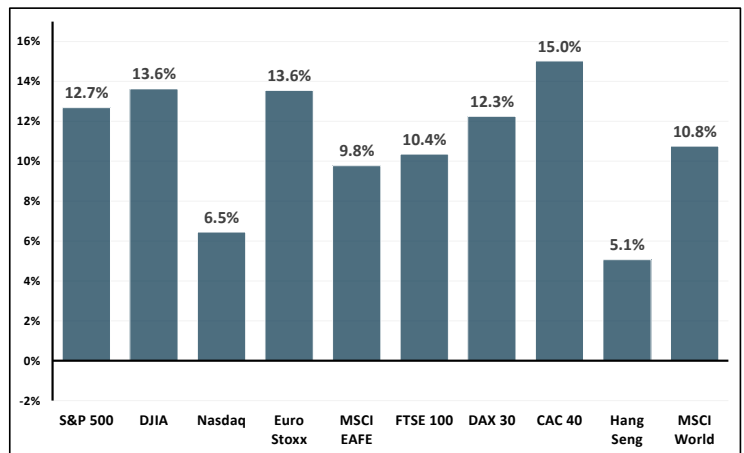


Chart Source: ADSS and Bloomberg as of the closing price on

7-May-21

Global Currency Returns (Weekly)

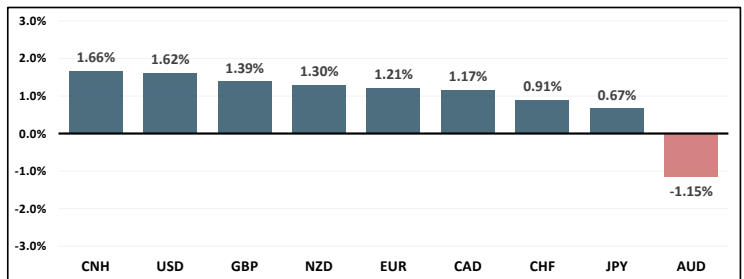


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Global Currency Returns YTD 2021

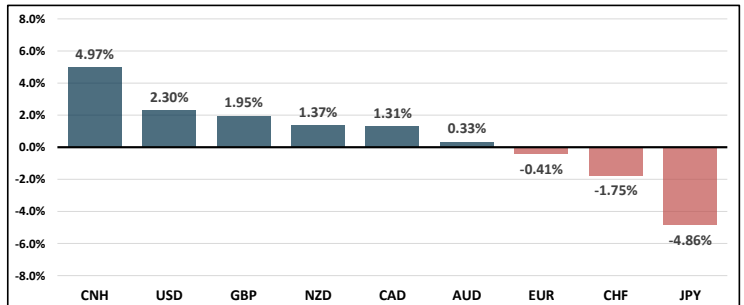
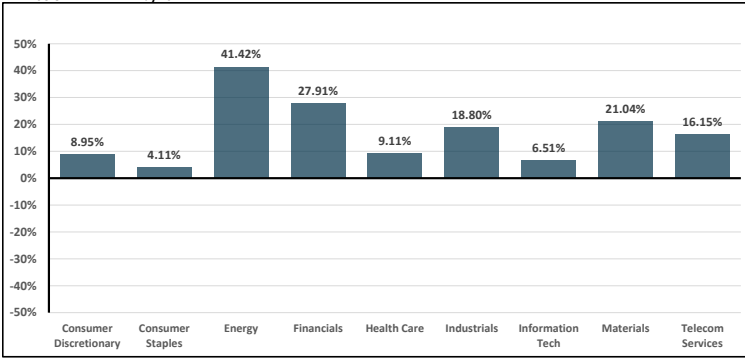


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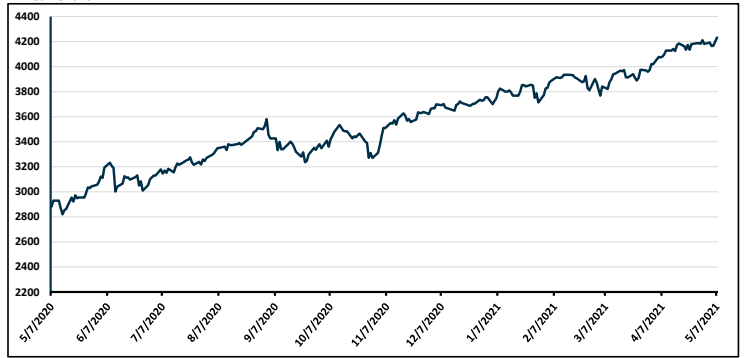
S&P 500 Index Sector Returns

YTD as of 7 May 2021



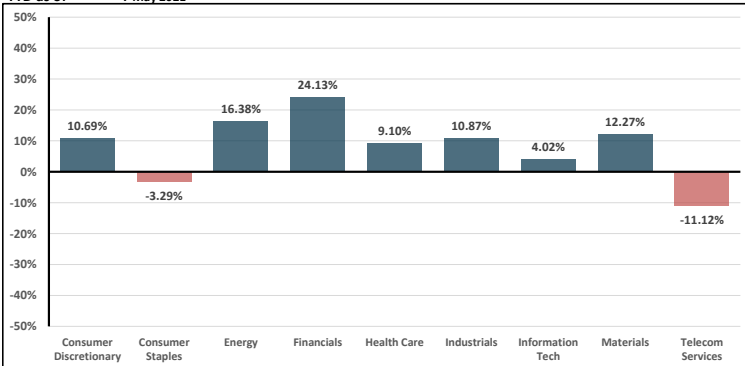
S&P 500 Index Trendline

1 Year Chart



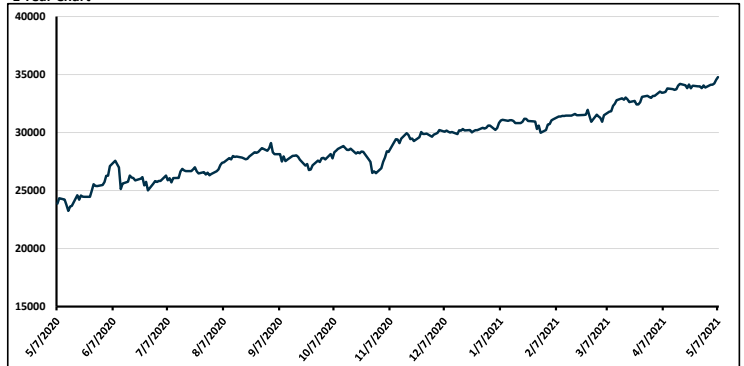
Dow Jones Industrial Average Index Sector Returns

YTD as of 7 May 2021



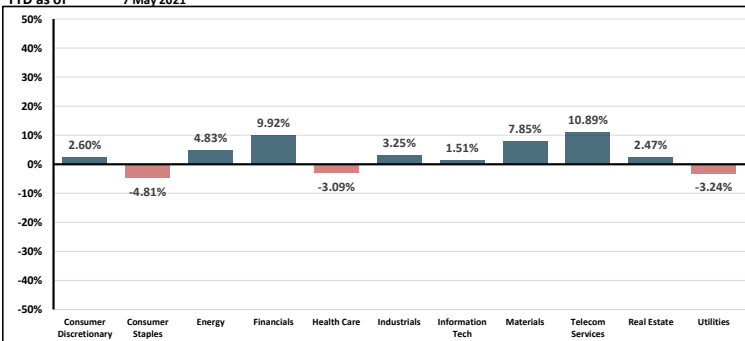
Dow Jones Industrial Average Index

1 Year Chart



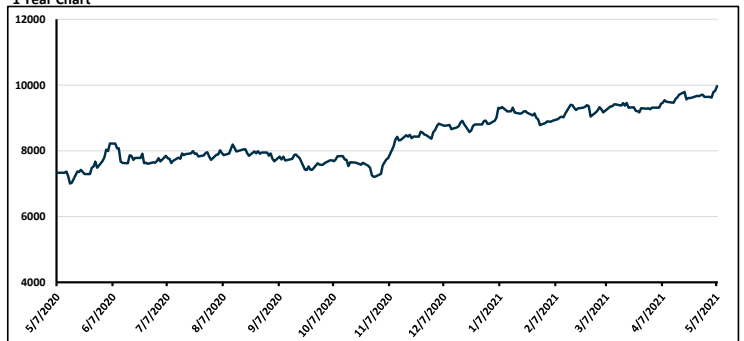
FTSE100 Index Sector Returns

YTD as of 7 May 2021



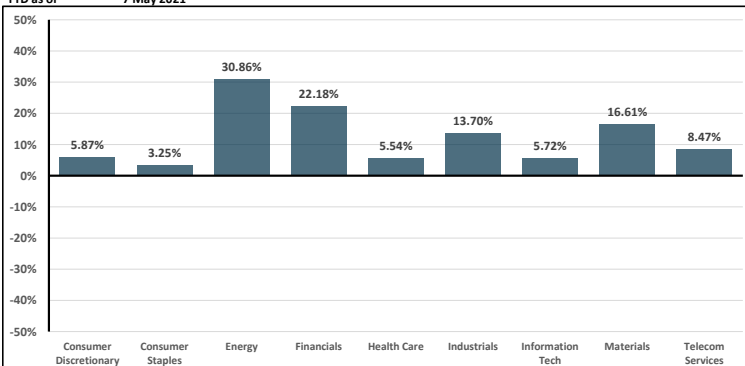
FTSE 100 Index

1 Year Chart



MSCI World Index Sector Returns

YTD as of 7 May 2021



MSCI World Index

1 Year Chart

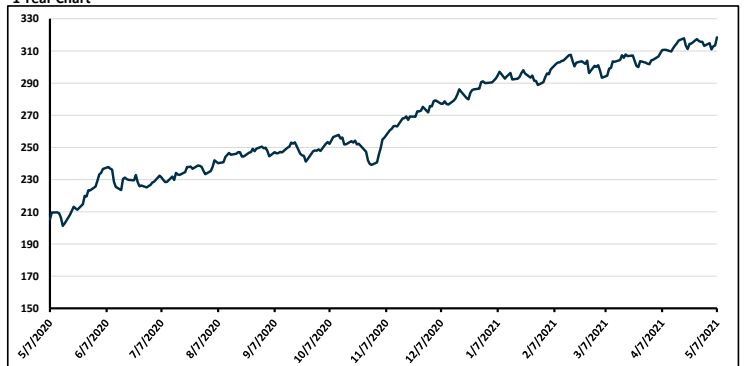


Chart Source: ADSS, Bloomberg

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