



Brexit likely to go into over time

In view of the continuing uncertainty in the Brexit drama, equity investors remained on the sidelines. Yesterday the British Parliament rejected a disorderly exit from the EU (No-Deal-Brexit) with 321 to 278 votes. After the renewed rejection, a new vote on a possible extension of the deadline (probably until June 30) of the Brexit, which was originally set for March 29, is now to take place today. For its part, the EU Commission stated that a farewell without serious distortions could not be ensured by a vote, but only by the adoption of the Brexit Agreement. At the same time, the latest US economic data was received positively by investors. Orders for durable goods rose more strongly in January than expected by +0.4% compared to the previous month. Analysts had expected a decline. Orders for capital goods, excluding military and aircraft, rose +0.8% month-on-month, which is considered a good indicator of corporate investment activity.

Equities – K+S takes a positive view of the future

K+S increased revenues by +11% to EUR 4bn in 2018 and thus slightly exceeded expectations. EBITDA amounted to EUR 606m, about +3% above estimates. For 2019, the fertilizer and salt producer is positive and expects EBITDA of EUR 700-850m (consensus EUR 842m). **Dufry** met expectations for revenue and EBITDA. However, net profit after minorities of CHF 71.8m remained well below the expectations. The dividend will be raised from CHF 3.75 to CHF 4.00, +6% above consensus. **Vifor Pharma** exceeded profit expectations for 2018 by +4%. EBITDA is expected to increase by +25% in 2019. **Komax** achieved a double-digit increase in operating profit and net profit in 2018, but fell short of expectations. **Lanxess** met expectations with its result in 2018 and was in line with its outlook. **Lufthansa** cut its growth plans after a slide in fares and higher fuel costs weighed on 2018 earnings. However, EBIT was in-line with estimates.

Fixed Income – Global bond markets lost some steam

Global bond markets have given back some of their recent gains whereby ten-year UK Treasury bonds were the biggest underperformer yesterday with a yield increase of 3.5 basis points to a level of 1.20%. Yields got a boost from the rejection of a non-deal Brexit in the parliament with an according rally of the pound. Yields of ten-year US Treasuries were up two basis points to a level of 2.62% and ten-year German bunds were up 0.9 basis points to a mere level of 0.06%. Yields are still far off from the highs of the month where US Treasuries topped out at 2.75% and the German bunds at 0.2%. Growth projections were revised down for the US, the EU and the UK, driving down inflation and rate hike expectations, and hence also led to falling yields across the board.

Equity Indices	Current	YTD (%)
MSCI World	2'095.67	11.24
Dow Jones	25'702.89	10.18
S&P 500	2'810.92	12.13
Nasdaq 100	7'256.98	14.64
Nikkei 225	21'287.02	6.36
SMI	9'387.43	11.37
SLI	1'447.05	11.66
Euro Stoxx 50	3'323.45	10.73
Euro Stoxx 600	375.60	11.24
DAX	11'572.41	9.60
MSCI UK	2'066.38	6.15

EM and Alternative Indices	Current	YTD (%)
MSCI Emerging Markets	1'050.46	8.77
MSCI EM Asia	530.89	9.37
MSCI EM Eastern Europe	163.91	7.75
MSCI EM Latin America	2'832.28	10.38
Brazil IBOVESPA	98'903.88	12.53
Russian Depository Index	1'437.46	10.91
NIFTY Index	11'337.65	4.37
Hang Seng Index	28'773.53	11.33
HSRX Global HF Index	1'223.93	2.86
LPX50 Listed PE TR (EUR)	2'286.48	15.81
BBG NA REITS	299.17	14.23

Fixed Income	Current	YTD (Δ)
US Treasury Bonds 10Y (USD)	2.63	-0.06
German Bund 10Y (EUR)	0.08	-0.16
Swiss Government 10Y (CHF)	-0.31	-0.06
United Kingdom 10Y (GBP)	1.20	-0.08
Japan 10Y (JPY)	-0.04	-0.05
Fed Funds Rate	2.25	0.00
ECB Main Refinancing Rate	0.00	0.00
3 month LIBOR (CHF)	-0.75	0.00
Global IG Corporate Spread	1.27	-0.28
Global HY Corporate Spread	4.02	-1.30
EM Hard Currency Gov. Spread	2.78	-0.51

Earnings calendar

Date	Ctry	Company	Period	Cons quarterly EPS
14.03.	CH	GALENICA AG-REG	Y	-
14.03.	US	ORACLE CORP	Q3	0.84
15.03.	GB	LINDE PLC	Q4	1.52
20.03.	DE	BAYERISCHE MOTOREN WERKE	Y	1.92
21.03.	IT	ENEL SPA	Y	0.14
21.03.	US	NIKE INC -CL B	Q3	0.64
11.04.	CH	BARRY CALLEBAUT AG-REG	S1	-
12.04.	US	JPMORGAN CHASE & CO	Q1	2.39
15.04.	US	CITIGROUP INC	Q1	1.84
15.04.	FR	VEOLIA ENVIRONNEMENT	Q1	0.34
16.04.	US	BANK OF AMERICA CORP	Q1	0.68

Forex

	Current	YTD (%)
EUR/USD	1.1313	-1.34
EUR/CHF	1.1367	0.99
USD/CHF	1.0048	2.31
GBP/CHF	1.3331	6.45
GBP/USD	1.3268	4.03
USD/JPY	111.60	1.74
USD/HKD	7.8498	0.23
USD/SGD	1.3551	-0.57
USD/CNY	6.7148	-2.38
EUR/NOK	9.7058	-2.00
EUR/SEK	10.5300	3.72

Economic data calendar

Date	CET	Ctry	Indicator	Period	Cons	Prev.
14.03.	08:00	DE	EU harmonized Consumer Prices (y/y)	Feb F	1.70	1.70
14.03.	08:45	FR	EU Harmonised Consumer Prices (y/y)	Feb F	1.50	1.50
14.03.	13:30	US	Import Price Index (y/y)	Feb	-1.15	-1.70
14.03.	13:30	US	Initial Jobless Claims (thousands)	03.	223.	223.00
15.03.	08:00	-	EU 27 Car Registrations	Feb	-	-4.60
15.03.	10:00	IT	Industrial Orders (y/y)	Jan	-	-5.30
15.03.	11:00	EU	Core Consumer Prices (y/y)	Feb F	1.00	1.00
15.03.	11:00	EU	Consumer Prices (Final, y/y)	Feb F	1.49	1.50
15.03.	11:00	IT	EU harm. Consumer Prices (y/y)	Feb F	1.20	1.20
15.03.	13:30	US	NY Fed Empire State Manufacturing	Mar	9.28	8.80
15.03.	14:15	US	Industrial Production (m/m)	Feb	0.39	-0.58

Commodities

	Current	YTD (%)
Oil Future Nymex WTI (USD)	58.42	26.78
Oil Future Brent (USD)	67.82	24.88
Gold-ounce (USD)	1'301.96	1.52
Silver-ounce (USD)	15.34	-1.01
Platinum (USD)	831.26	4.48
Palladium (USD)	1'544.68	22.42
JOC Industrial Metals Index	-	-
S&P GSCI Index Spot Indx	431.49	15.27
Rogers Int. Commodity Index	2'407.87	9.74
BBG Commodity Index	81.51	6.25
Rogers Agriculture TR Index	749.99	-1.02

Topics LGT looks at

Topics	Description	Publication Type	Published
Consolidation in the Swiss telecom market	The takeover of UPC Switzerland by Sunrise represents a consolidation of the Swiss telecom market.	Market News	28.02.2019
Asset Allocation PBE	In our monthly publication, we are presenting our asset allocation for the current month.	Asset Allocation Private Banking Europe	27.02.2019
Brexit – a drama without end	UK Prime Minister May survives a vote of no confidence and enters the next round of the Brexit drama. However, the outcome remains highly uncertain and ranges from "hard Brexit" to new elections or even a new referendum.	Market News	17.01.2019
Outlook 2019 – Quality is king	Heightened volatility on capital markets and a more and more dysfunctional political environment are promising a challenging year for investors. Our motto is: Quality is king.	Investment Idea	09.01.2019
Safe haven assets return to investor's favor	Shaky risk markets finally propel safe haven assets Gold and JPY higher as USD stumbles.	Market News	04.01.2019

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