



## Voting marathon in the Brexit drama continues

On the Brexit issue, a majority in the British Parliament (412 to 202) voted in a further vote for a temporary postponement of the Brexit date, originally set for March 29, 2019. A third vote on the Brexit deal negotiated by British Premier Theresa May with the European Union and the duration of the postponement is scheduled for next week. However, the prerequisite for an extension of the deadline is that all 27 EU member states approve the agreement, EU Council President Donald Tusk warned. An immediate problem for the European Union is now the upcoming European elections on 23-26 May. Despite the ongoing Brexit turbulences, the majority of investors were quite confident and the European benchmark index EuroStoxx 50 climbed yesterday to its highest level since October 2018. Meanwhile, US President Donald Trump said he will announce some "news" on the trade conflict with China in the next three or four weeks.

## Equities – Volkswagen is facing another lawsuit in the US

The US Securities and Exchange Commission (SEC) has filed a lawsuit against **Volkswagen** for violations of US securities laws. VW is alleged to have violated information regulations when it obtained bonds worth USD 13bn between April 2014 and May 2015. The SEC assumes that VW had already been aware of the diesel fraud at that time. The carmaker, which has already reached a settlement with the US Department of Justice, plans to appeal. **UBS** increases provisions for potential lawsuits following the court ruling in France. With the publication of the annual report, UBS's net profit has decreased by USD 382m. Profit before tax for 2018 is now USD 5.99bn. Renewed allegation regarding **Swedbank's** potential involvement into money laundering are expanding. The amount of questionable transactions has more than doubled to USD 10.2bn. **Oracle** reported Q3 results that beat estimates and announced to increase its dividend.

## Fixed Income – Turkey's ten-year yield close to mid-January highs

Ten-year yields of Turkey have climbed close to 200 basis points since the end of February, following a five-month long rally, returning close to a 72 percent return for investors. Because of the strong performance over the last five months, the country's bonds score as the strongest performing bonds amongst emerging markets. Closest peer market, Brazil, only returned around half of that. After this strong performance, benchmark yields rose for a fourth straight day, resulting in yields close 16.3 percent and with that, the highest level since mid-January. While market appears to remain un-relaxed, investor interest in long-dated debt could soon emerge, as the country's yields appear highly attractive.

Equity Indices	Current	YTD (%)
MSCI World	2'096.33	11.28
Dow Jones	25'709.94	10.21
S&P 500	2'808.48	12.03
Nasdaq 100	7'243.01	14.42
Nikkei 225	21'450.85	7.18
SMI	9'481.90	12.49
SLI	1'461.37	12.76
Euro Stoxx 50	3'342.03	11.35
Euro Stoxx 600	378.52	12.10
DAX	11'587.47	9.74
MSCI UK	2'074.47	6.56

EM and Alternative Indices	Current	YTD (%)
MSCI Emerging Markets	1'048.20	8.53
MSCI EM Asia	529.96	9.18
MSCI EM Eastern Europe	163.57	7.52
MSCI EM Latin America	2'819.51	9.88
Brazil IBOVESPA	98'604.67	12.19
Russian Depository Index	1'432.58	10.53
NIFTY Index	11'422.70	5.16
Hang Seng Index	29'090.22	12.55
HFRI Global HF Index	1'224.42	2.90
LPX50 Listed PE TR (EUR)	2'299.95	16.49
BBG NA REITS	299.41	14.32

Fixed Income	Current	YTD (Δ)
US Treasury Bonds 10Y (USD)	2.62	-0.06
German Bund 10Y (EUR)	0.08	-0.16
Swiss Government 10Y (CHF)	-0.30	-0.05
United Kingdom 10Y (GBP)	1.22	-0.05
Japan 10Y (JPY)	-0.04	-0.04
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	1.25	-0.30
Global HY Corporate Spread	3.99	-1.32
EM Hard Currency Gov. Spread	2.75	-0.54

## Earnings calendar

Date	Ctry	Company	Period	Cons quarterly EPS
15.03.	GB	LINDE PLC	Q4	1.52
20.03.	DE	BAYERISCHE MOTOREN WERKE	Y	1.97
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
16.04.	US	GOLDMAN SACHS GROUP INC	Q1	5.82
16.04.	US	INTL BUSINESS MACHINES CORP	Q1	2.22

## Forex

	Current	YTD (%)
EUR/USD	1.1320	-1.28
EUR/CHF	1.1346	0.81
USD/CHF	1.0023	2.06
GBP/CHF	1.3285	6.08
GBP/USD	1.3255	3.93
USD/JPY	111.66	1.80
USD/HKD	7.8495	0.22
USD/SGD	1.3545	-0.62
USD/CNY	6.7212	-2.29
EUR/NOK	9.6875	-2.18
EUR/SEK	10.5145	3.57

## Economic data calendar

Date	CET	Ctry	Indicator	Period	Cons	Prev.
15.03.	08:00	-	EU 27 Car Registrations	Feb	-	-1.00
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	0.37	-0.58
15.03.	15:00	US	Uni Michigan Consumer Confidence	Mar P	95.70	93.80
15.03.	21:00	US	Net Long-term TIC Flows	Jan	-	-48.31
18.03.	11:00	EU	Trade Balance (s.a.)	Jan	-	15'630
18.03.	15:00	US	NAHB Housing Market Index	Mar	62.13	62.00

## Commodities

	Current	YTD (%)
Oil Future Nymex WTI (USD)	58.74	27.47
Oil Future Brent (USD)	67.38	24.07
Gold-ounce (USD)	1'301.28	1.47
Silver-ounce (USD)	15.33	-1.04
Platinum (USD)	828.84	4.17
Palladium (USD)	1'559.23	23.57
JOC Industrial Metals Index	-	-
S&P GSCI Index Spot Indx	431.81	15.36
Rogers Int. Commodity Index	2'403.15	9.52
BBG Commodity Index	81.50	6.24
Rogers Agriculture TR Index	749.90	-1.03

## 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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