



## Recession fears creep in

After some disappointing economic data, especially from Europe, investors took cover at the end of last week. Economic worries fueled new fears that the global economy might cloud over. Negative impetus also came from the US bond market: for the first time since the financial crisis, interest rates on ten-year US government bonds fell on Friday below those on three-month money market paper, which many be regarded as a signal of recession. At the same time, the yield on ten-year German government bonds fell below the zero percent mark for the first time in two and a half years. Brexit continues to cause great uncertainty. This evening, the British parliamentarians want to debate how to proceed. Before that, Prime Minister May will most likely make a statement in the afternoon on the course of the EU summit this weekend. At the same time, more than five million people have signed an online petition for the UK to remain in the EU.

## Equities – Apple to reveal new services

**Apple** is expected to reveal separate subscription services for TV and news content during a special event today. It wants to sell subscriptions to premium cable channels like HBO, Showtime, and Starz for USD 9.99 each on its new TV app, the Wall Street Journal reported. **Ascom**, a global solutions provider focused on healthcare ICT and mobile workflow solutions, signed a sales agreement with an international real-estate investor about the divestment of the Technologiepark Teningen. The transaction will lead to a book gain of a mid-single digit million amount in CHF. Exploratory talks between **Deutsche Bank** and **Commerzbank** will also focus on the question of the extent to which Deutsche Bank's capital-intensive investment banking business should be restructured, according to unconfirmed media reports. Global miners **BHP Group** and **Glencore** halted output at energy and metals operations as two cyclones hit Australia.

## Fixed Income – US Yield curve inversion comes days before auction

Last week, markets have been spooked as the dovish surprise move by the US Federal Reserve left markets wondering about the state of the US economy. Additionally, last week's US manufacturing purchasing manager index (PMI) showed slowing signs while weak economic data from France and Germany added to the poor market sentiment. The result can be seen in the US yield curve, which inverted between the three-month and ten-year rates, thereby reminding of bad memories of 2006 when the same part of the yield curve inverted the last time. Timing could be better as this week investors are to absorb USD 131bn of Treasury note auctions even though they do come at lowest yields in months.

Equity Indices	Current	YTD (%)
MSCI World	2'094.81	11.20
Dow Jones	25'502.32	9.32
S&P 500	2'800.71	11.72
Nasdaq 100	7'326.06	15.74
Nikkei 225	20'977.11	4.81
SMI	9'319.42	10.56
SLI	1'427.44	10.14
Euro Stoxx 50	3'305.73	10.14
Euro Stoxx 600	376.03	11.37
DAX	11'364.17	7.63
MSCI UK	2'078.68	6.78

EM and Alternative Indices	Current	YTD (%)
MSCI Emerging Markets	1'059.63	9.72
MSCI EM Asia	540.07	11.26
MSCI EM Eastern Europe	167.16	9.89
MSCI EM Latin America	2'712.96	5.73
Brazil IBOVESPA	93'735.15	6.65
Russian Depository Index	1'478.23	14.06
NIFTY Index	11'341.80	4.41
Hang Seng Index	28'507.41	10.30
HSFX Global HF Index	1'224.53	2.91
LPX50 Listed PE TR (EUR)	2'277.55	15.36
BBG NA REITS	300.21	14.62

Fixed Income	Current	YTD (Δ)
US Treasury Bonds 10Y (USD)	2.44	-0.25
German Bund 10Y (EUR)	-0.02	-0.26
Swiss Government 10Y (CHF)	-0.43	-0.18
United Kingdom 10Y (GBP)	1.01	-0.26
Japan 10Y (JPY)	-0.09	-0.09
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	1.24	-0.31
Global HY Corporate Spread	4.04	-1.27
EM Hard Currency Gov. Spread	2.78	-0.52

## Earnings calendar

Date	Ctry	Company	Period	Cons quarterly EPS
-	-	-	-	-
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.	US	GOLDMAN SACHS GROUP INC	Q1	5.65
15.04.	FR	VEOLIA ENVIRONNEMENT	Q1	0.34
16.04.	US	BANK OF AMERICA CORP	Q1	0.68
16.04.	US	INTL BUSINESS MACHINES CORP	Q1	2.22
16.04.	US	JOHNSON & JOHNSON	Q1	2.06
16.04.	CH	TEMENOS AG - REG	Q1	0.44
17.04.	US	ALCOA CORP	Q1	0.04

## Forex

	Current	YTD (%)
EUR/USD	1.1300	-1.46
EUR/CHF	1.1242	-0.12
USD/CHF	0.9948	1.29
GBP/CHF	1.3101	4.62
GBP/USD	1.3169	3.25
USD/JPY	109.93	0.22
USD/HKD	7.8487	0.21
USD/SGD	1.3518	-0.81
USD/CNY	6.7136	-2.40
EUR/NOK	9.6794	-2.26
EUR/SEK	10.4825	3.25

## Economic data calendar

Date	CET	Ctry	Indicator	Period	Cons	Prev.
25.03.	10:00	DE	IFO Business Climate	Mar	98.50	98.50
25.03.	10:00	DE	IFO Current Situation	Mar	103.00	103.40
25.03.	10:00	DE	IFO Expectations	Mar	94.00	93.80
25.03.	13:30	US	Chicago Fed National Activity	Feb	-0.36	-0.43
26.03.	08:00	DE	GfK Consumer Confidence	Apr	10.80	10.80
26.03.	08:45	FR	GDP (q/q)	4Q F	0.30	0.30
26.03.	08:45	FR	Business Confidence	Mar	102.90	102.90
26.03.	13:30	US	Building Permits (m/m)	Feb	-1.30	-0.70
26.03.	13:30	US	Housing Starts (y/y)	Feb	-0.90	-14.00
26.03.	14:00	US	FHFA US House Price Index	Jan	0.30	0.30
27.03.	08:45	FR	Consumer Confidence	Mar	96.00	95.00

## Commodities

	Current	YTD (%)
Oil Future Nymex WTI (USD)	58.52	25.82
Oil Future Brent (USD)	66.66	22.74
Gold-ounce (USD)	1'315.88	2.60
Silver-ounce (USD)	15.45	-0.27
Platinum (USD)	848.75	6.67
Palladium (USD)	1'551.69	22.98
JOC Industrial Metals Index	-	-
S&P GSCI Index Spot Indx	434.17	15.99
Rogers Int. Commodity Index	2'414.09	10.02
BBG Commodity Index	81.56	6.31
Rogers Agriculture TR Index	762.34	0.61

## Topics LGT looks at

Topics	Description	Publication Type	Published
Consolidation in the Swiss tele-com 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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