**Macroeconomic** **Overview**

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| **U.S. Stocks** |   |   |
| **Index** | **% Change Week-to-Date** | **% Change Year-to-Date** |
| DJIA | 1.66% | 1.26% |
| S&P 500 | 1.70% | 2.13% |
| NASDAQ Composite | 2.23% | 5.69% |
| Russell 2000 | 0.73% | 5.50% |
| VIX | -14.25% | -29.29% |

During this past trading week, all major U.S. indices increased on a weekly basis before the start of 2015’s first quarter earnings season. In effect, the Dow Jones Industrial Average and the NASDAQ Composite increased on a weekly basis by 1.66% and 2.23% respectively, while the S&P 500 gained 1.70% during the last week. Small cap stocks measured by the Russell 2000 index experienced relatively low returns compared to large-cap benchmarks, yielding 0.73% throughout the week. The VIX week-to-date change of -14.25% indicates that volatility levels decreased at a faster pace during the week, leading to a year-to-date change of -29.29%. The yield of the 10-year U.S. T-note increased by 4 basis points to 1.96%. In addition, the price of oil increased throughout the week by 5.09% to a price of $54.64/bbl.

This week’s market movements were primarily driven by investors’ positive sentiment towards upcoming 2015 first quarter earnings reports. Main driver of large-cap benchmarks throughout the week has been the superior performance of industrial giant General Electric. A surge in GE’s stock price on Friday boosted major benchmarks. Main driver for the surge was the company’s announcement of planning to sell its banking assets in order to repurchase $50 billion of their outstanding stocks. On a year-to-date basis small cap stocks have generally outperformed large-cap stocks, primarily due to small companies’ lesser exchange rate exposure created by the strong dollar in recent months. The U.S. ISM non-manufacturing sector decreased by 0.4 points in March, however still remaining at an expansionary level of 56.5. The superior performance of the sector compared to the manufacturing sector suggests headwinds for the U.S. service sector. Primarily affected by the strong dollar, export prices fell for the past seven months resulting in prices in March that are 1.8% lower compared to one year ago.

Canadian labor market data released in the past week surprised on the upside. Despite expectations of no job growth in Canada, their economy added 28,700 jobs in March. The Reserve Bank of Australia reported to leave their cash target rate unchanged despite expectations of decreasing rates in Australia. The growth in the U.K. manufacturing sector has declined in the past months to a current level near 0% growth. However, further analyzing the data indicates that the slowdown is primarily caused by a 12% decline in oil and gas production compared to 2014.

Next week, investors will be looking forward to see data from different economic reports that will have an impact on the global markets. On Tuesday 14th, the U.K. will release data about their economy’s Consumer Price Index (YoY) (Mar). On the same day China will report on their economy’s Gross Domestic Product (YoY & QoQ) (Q1). In addition China will release data about the country’s performance regarding industrial production (YoY) (Mar). On Wednesday 15th, the European Central Bank will hold a press conference, one of the topics being the Eurozone’s decision regarding interest rate changes. On the same day Australia will report on their country’s employment change (Mar). On Friday 17th, the European Central Bank will report on the economy’s Consumer Price Index (YoY) (Mar). On the same day, Canada will report on their country’s Consumer Price Index (Mar) and the economy’s performance in the retail sales sector.