**Macroeconomic** **Overview**

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| **U.S. Stocks** |  |  |
| **Index** | **% Change Week-to-Date** | **% Change Year-to-Date** |
| DJIA | -1.28% | 0.02% |
| S&P 500 | -0.99% | 1.08% |
| NASDAQ Composite | -1.28% | 4.13% |
| Russell 2000 | -1.02% | 3.91% |
| VIX | 10.41% | -27.66% |

During this past trading week, all major U.S. indices decreased on a weekly basis. After showing gains during the start of the week, negative news from overseas caused sharp declines on Friday. In effect, the Dow Jones Industrial Average and the NASDAQ Composite decreased on a weekly basis by 1.28%, while the S&P 500 declined by 0.99% during the last week. Small cap stocks measured by the Russell 2000 index also experienced declines, yielding -1.02% throughout the week. The VIX week-to-date change of 10.41% indicates that volatility levels start to increase again, leading to a year-to-date change of -27.66%. The yield of the 10-year U.S. T-note decreased by 9 basis points to 1.87%. In addition, the price of oil increased throughout the week by 2.01% to a price of $55.74/bbl.

This week’s market movements were primarily driven by events and news from overseas. After closing near all-time highs mid-week, all major U.S. indices declined at the end of the week primarily due to news that Greece might not be able to fulfill their debt obligations, being unable to make scheduled debt payments. This led once again to debates about the likelihood of Greece’s exit from the Eurozone. As a result Standard & Poor’s downgraded Greece’s credit rating to CCC+ with regard to a negative future outlook. In addition to negative news from Europe, the Chinese economy showed signs of weakness again. During the first quarter of 2015 Chinas growth continued to slow down. The country reported GDP growth of 7% on an annual basis which is Chinas slowest growth rate in the past six years. In addition China’s industrial output, retail sales and fixed asset investments slowed down and could not meet expectations.

Except for a 0.6% decline in industrial output, U.S. economic data for the month of March was generally positive. U.S. retail sales improved by 0.9%, the highest monthly gain in over a year. U.S. housing starts rose 2.2% in March to an annual rate of 926,000 homes. News of a decline in U.S. oil production led to an increase in oil prices throughout the week, driving up the majority of oil and energy stocks.

Next week, investors will be looking forward to see data from different economic reports that will have an impact on the global markets. On Monday 20th, the Governor of the Bank of Canada will hold a press conference talking about short term interest rate outlooks. On Tuesday 21st, The German Zentrum für Europäische Wirtschaftsforschung (ZEW) will report on the country’s economic sentiment index providing an outlook for the economy’s performance in the upcoming months.  On the same day, Australia will report on the country’s Consumer Price Index (QoQ) (Q1). On Wednesday 22nd, the Bank of England will hold its Monetary Committee Policy Meeting Minutes. On the same day China will release data about their economy’s HSBC Manufacturing PMI (Apr). On Thursday 23rd, Germany will report on their country’s Manufacturing PMI (Apr). On the same day, England will release data about their country’s retail sales (MoM) (Mar).