**Macroeconomic** **Overview**

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| **U.S. Stocks** |   |   |
| **Index** | **% Change Week-to-Date** | **% Change Year-to-Date** |
| DJIA | 1.42% | 1.44% |
| S&P 500 | 1.75% | 2.86% |
| NASDAQ Composite | 3.25% | 7.52% |
| Russell 2000 | 1.25% | 5.22% |
| VIX | -11.52% | -39.55% |

During this past trading week, all major U.S. indices increased on a weekly basis, with the Nasdaq Composite Index reaching its all-time high exceeding the previous record high set in March 2000. In addition, oil prices continued their price gains of the recent weeks. In effect, the Dow Jones Industrial Average and the NASDAQ Composite increased on a weekly basis by 1.42% and 3.25% respectively, while the S&P 500 increased by 1.75% during the last week. Small cap stocks measured by the Russell 2000 index also experienced gains, yielding 1.25% throughout the week. The VIX week-to-date change of -11.52% indicates that volatility levels start to decrease again, leading to a year-to-date change of -39.55%. The yield of the 10-year U.S. T-note decreased by 6 basis points to 1.93%. In addition, the price of oil increased throughout the week by 2.53% to a price of $57.15/bbl.

This week’s market movements were primarily driven by earnings reports and global economic news. Currently being in first quarter earnings season, more than one third of S&P 500 companies have already reported first quarter of 2015 earnings data. More than 70% have surprised on the upside although their profits have been suffering in the past months due to the strong U.S. dollar. In the past week multiple economic data has been released in the U.S. and globally. U.S. jobless claims have increased to 295,000 indicating current difficulties in the labor market caused by decreased business spending. Additionally, U.S. core durable goods orders have decreased for the seventh straight month. In March business equipment spending fell by 0.5%.

Internationally, the Reserve Bank of China has reduced its reserve ratio requirements by an additional 1% which equals the largest reduction in the history of the country. This move was caused by a continuing slowdown of China’s growth and will increase the economy’s liquidity. In addition, China’s manufacturing purchasing managers’ index decreased again in the month of March indicating continuing slowdown of China’s economy. In April, the manufacturing sector of the Eurozone also experienced a slowdown after reaching an 11 month high in March. The upholding debt crisis in Greece also causes lowered investor confidence in Europe.

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 28th, Great Britain will report on their economy’s Gross Domestic Product (QoQ) and (YoY) (Q1). On the same day, the governor of the Bank of Canada Stephen Poloz is expected to speak about the control of the country’s short term interest rate. On Wednesday 29th, the Reserve Bank of New Zealand governor decides on where to set interest rates. On Thursday 30th, the Bank of Japan will hold a press conference reporting on the overall economic outlook, inflation and insights about the upcoming interest rate decisions. On the same day, Germany will report on their country’s unemployment change (Apr). In addition, the European Central Bank will report on the Eurozone’s Consumer Price Index changes (YoY) (Apr). The same day, Russia will decide on changing their economy’s short term interest rates. Additionally, Canada will report on the country’s Gross Domestic Product (MoM) (Feb).