



Investment Digest

21 June 2019 – 28 June 2019



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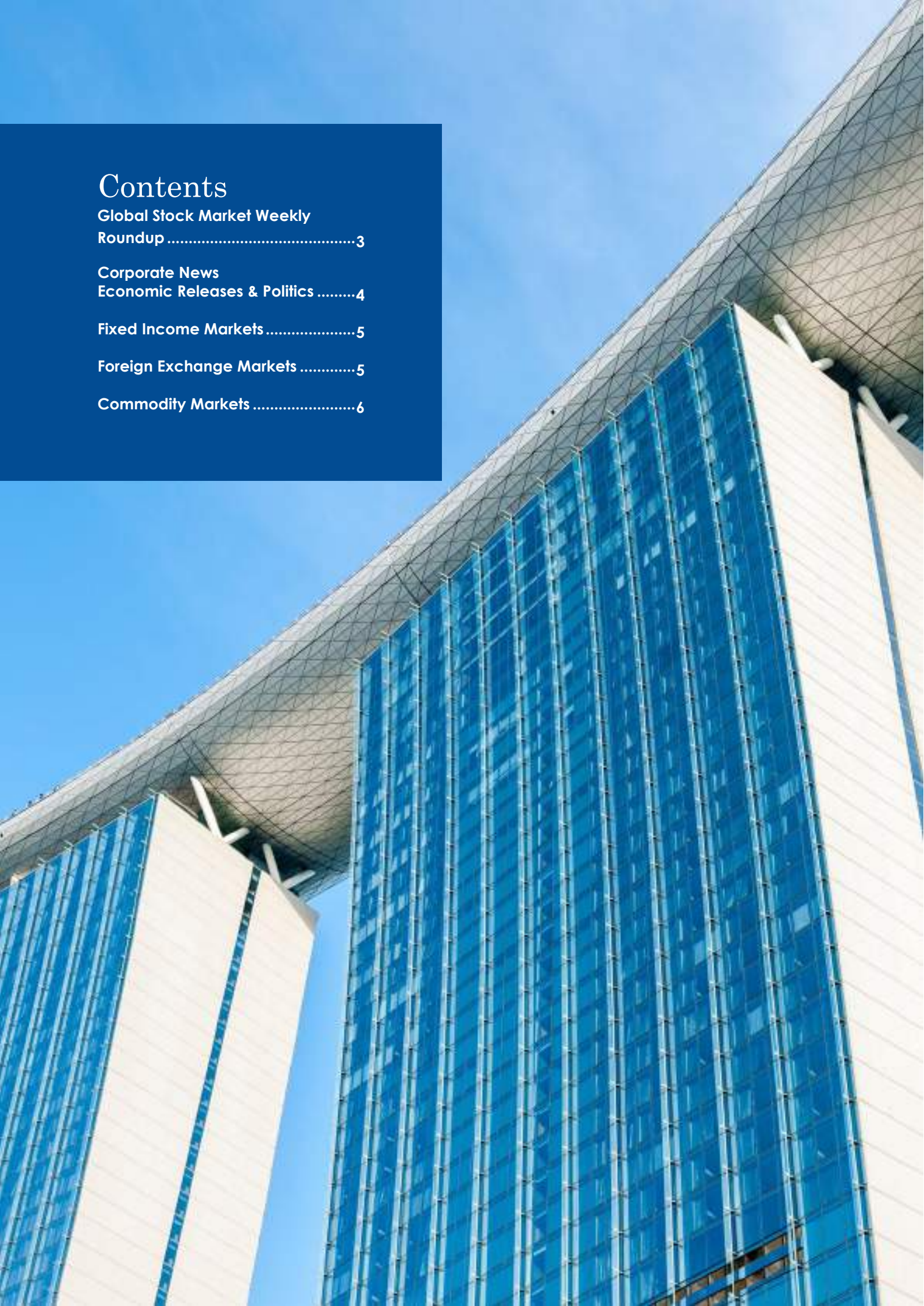
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Investment Digest

Global Stock Market Weekly Roundup

The Dow Jones Industrial Average index was down by 0.45 percent and closed at 26,599.96 at the end of the week. U.S. markets took a breather and fell slightly, as investors remained cautious over U.S.-Iran tensions, uncertainty in U.S.-China trade relations, a less dovish than expected Fed and the upcoming G20 summit at the end of the week.

The Shanghai Composite Index was down by 0.77 percent and closed at 2,978.88 at the end of the week. Overall, Asian markets were initially down as U.S.-Iran tensions and a less dovish than expected weighed, but bucked the trend and rallied in the latter end of the week as optimism over the U.S.-China trade talks at the upcoming G20 summit at the end of the week boosted risk appetite.

The Euro Stoxx 50 index was up by 0.20 percent and closed at 3,473.69 at the end of the week. European markets were flat as U.S.-Iran tensions, U.S.-China trade uncertainty and disappointing Fed comments weighed on European markets. Investors remained cautious as the G20 summit approached.

ECONOMIC RELEASES & POLITICS	ACTUAL	EXPECTED
U.S. Nondefense Capital Goods Orders ex Aircraft (May'19)	0.4%	0.1%
U.S. Gross Domestic Product Annualized (Q1'19)	3.1%	3.1%
U.S. Michigan Consumer Sentiment Index (Jun'19)	98.2	98.0
EUR Consumer Price Index - Core (YoY) (Jun'19)	1.1%	1.0%
EUR Business Climate (Jun'19)	0.17	0.23
China NBS Manufacturing PMI (Jun'19)	49.4	49.5

STOCK MARKETS		21/6/2019	28/6/2019	Weekly Change (%)	YTD Change (%)
MSCI World	▲	2,178.16	2,178.35	0.01%	15.63%
S&P 500	▼	2,950.46	2,941.76	-0.29%	17.35%
Dow Jones Industrial Average	▼	26,719.13	26,599.96	-0.45%	14.03%
NASDAQ	▼	8,031.71	8,006.24	-0.32%	20.66%
FTSE 100	▲	7,407.50	7,425.63	0.24%	10.37%
Euro Stoxx 50	▲	3,466.92	3,473.69	0.20%	15.73%
MSCI Asia Pacific ex Japan	▲	524.73	527.83	0.59%	10.64%
NIKKEI	▲	21,258.64	21,275.92	0.08%	6.30%
Hang Seng	▲	28,473.71	28,542.62	0.24%	10.43%
Shanghai Composite Index	▼	3,001.98	2,978.88	-0.77%	19.45%
Straits Times Index	▲	3,321.40	3,321.61	0.01%	8.24%
MSCI Emerging Markets	▲	1,053.22	1,054.86	0.16%	9.22%
JPM Global Aggregate Bond Index	▲	594.28	596.25	0.33%	5.70%
WTI Oil (US\$)	▲	57.43	58.47	1.81%	22.84%
Spot Gold (US\$)	▲	1,394.31	1,409.60	1.10%	9.99%

Corporate News

Global private capital platform CapBridge has inked a deal with United Overseas Bank (UOB) to offer a range of private capital solutions to private, high-growth companies in Asia.

Fixed Income Markets

The 10-year U.S. Treasury yield was down 7 basis points and closed off the week at 2.00 percent. Despite a less dovish than expected Fed, yields fell as investors took some risk off the table in anticipation of the upcoming G20 summit and the next step in U.S-China trade relations.

Foreign Exchange Markets

The U.S. Dollar Index, which tracks the U.S. currency against six major rivals, was down by 0.09 percent and closed at 96.13. The dollar was flat as investors digested the interest rate projections for the year and the upcoming G20 summit loomed.

Bitcoin price was up by 21.36% for the week and closed off at US\$11,898.85. Bitcoin continued riding on the bullish momentum as digital currencies found legitimacy. It is an unpredictable asset class which correlates with the direction of global stock markets randomly.

Commodity Markets

Brent Crude price was down by 0.71 percent for the week and closed at US\$64.74 per barrel. Brent crude initially rallied and hit a month-high on a larger than expected drawdown on reserves and as U.S. exports hit a record high, but fell later as remaining parties to the Iran nuclear deal vowed to help normalize trade with the Middle Eastern nation, stabilizing oil supply.

Gold price was up by 1.1 percent and closed higher this week at US\$1,409.60 an ounce. The precious yellow metal continued its upward trend as falling yields and global uncertainty support the safe haven asset. Lower interest rates boost gold by reducing the opportunity cost of holding the metal.

Smarter Investing

While investment frauds are far from rare, the allure of quick and easy money is often irresistible for many investors. To ensure you don't become the next scam victim, here are some things to consider before sticking your neck out for any high-return investments that come your way.

Perform Due Diligence on the Company:

The fact that a firm is legally registered in Singapore does not immediately qualify it as a trustworthy company. Investors are advised to deal only with companies that are regulated by the Monetary Authority of Singapore (MAS), and should also stay away from firms that are relatively new and unheard of, even if they are already regulated by the authorities.

Assessment of Investment Strategy:

Investors should also do a comprehensive evaluation of a company's investment strategy, and assess the sustainability of the high returns and the track record of the company, before making any investment decisions.

Evaluate your Risk Appetite:

Even if an investment scheme is legitimate and does not undertake excessive risks to achieve its investment objectives, investors should evaluate their risk profile and long-term financial goals, and determine if a particular investment scheme fits into their portfolios. As high-return investment schemes usually carry a high degree of risk, they should only be included in the supplementary portion of a portfolio, should investors decide to plough money into them.

Diversification:

Diversification is key to ensure that risk is not concentrated on one single entity.