

60 SECOND SNAPSHOT

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THIS WEEK IN 30 SECONDS...

The UK will kick the economic week off on Tuesday when they release their January unemployment rate. Analysts are forecasting a 0.1% increase from the previous month with a 3.8% rate. US annual inflation data will be released on the same day. Although inflation is being poised to stick around longer than expected, analysts are still expecting a 0.2% drop from previous with a median expectation of 6.2% for February. On the 16th attention will turn to the ECB when the central bank makes an interest rate call. Currently the base rate in the Eurozone stands at 3% as ECB President Christine Lagarde has voiced a hawkish tone over the last number of weeks.

There are still some big economies set to announce their quarterly earnings this week. Up first on the 14th investors in the Volkswagen Group await their Q4 earnings report. With supply challenges and high inflation, it will be interesting to see how one of the world largest vehicle manufactures has held up. Tech software company Adobe will announce their Q1 earnings on the 15th whilst Samsung will hold their AGM on the same day.

LAST WEEK IN 30 SECONDS...

Inflation in China slowed to the lowest rate in a year and well below analyst expectations for February hitting 1% as consumers remained cautious despite the abandonment of strong pandemic controls last year. Fed Chairman Powell also warned that the US central bank is prepared to raise rates higher than expected to cool ongoing inflation. These comments were made before the collapse of SVB. Additionally U.S. employers revealed they added 311K jobs in February convincingly topping estimates of 205K. It was also announced that the unemployment rate rose to 3.6%, up from 3.4%.

Overall equities sold off strongly last week off the back of the collapse of SVB. The Nasdaq fell 4.7% whilst global equities dropped 4.2%. The selloff in US markets also contributed to EUR/USD rising 0.8% over the week. There was also a heavy sell off in bond markets with US 10-year yields falling 0.27% in the view that the Fed will be less aggressive in raising rates to protect the financial system.

Equities	Region	1-Week Change	Year-to-date
NASDAQ Composite	US	-4.7%	6.6%
FTSE World €	Global	-4.2%	2.4%
Eurofirst 300	Europe	-2.1%	7.2%
SHANGHAI Comp	China	-3.0%	4.6%
NIKKEI 225	Japan	0.8%	7.9%

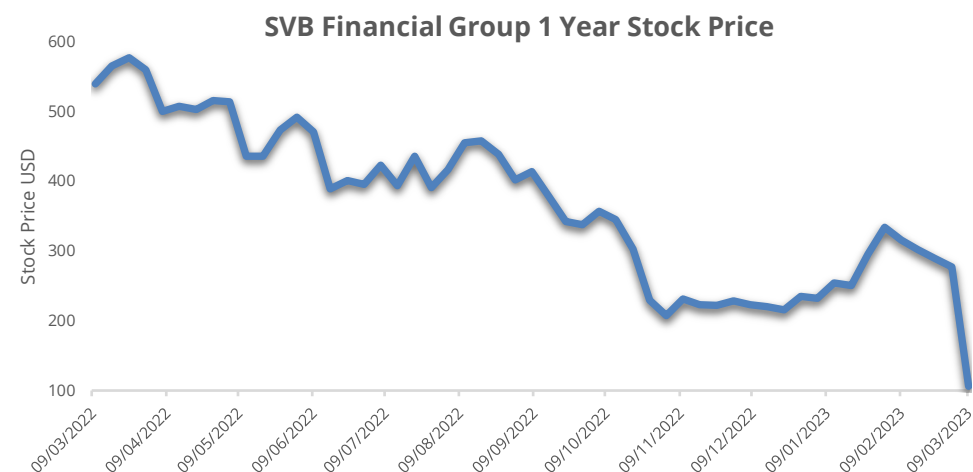
Forex	Value	1-Week Change	Year-to-date
EUR/USD	\$1.07	0.8%	0.1%
EUR/GBP	£0.88	-0.2%	-0.5%
EUR/YEN	¥143.57	-0.6%	2.0%
USD/YEN	¥134.34	-1.5%	1.8%
BTC/USD	\$20k	-9.7%	22.0%

Commodities	Value	1-Week Change	Year-to-date
WTI Crude Oil	\$76.58	-3.8%	-4.5%
Brent Crude Oil	\$82.84	-3.7%	-2.4%
Gold per Oz	\$1,859.13	0.7%	2.4%
DJ UBS Index	\$104.55	-3.5%	-7.3%

Bonds 10 Year	Yield	1-Week Change	Year-to-date
Germany	2.50%	-0.21%	-0.06%
Ireland	2.97%	-0.24%	-0.15%
U.K.	3.64%	-0.21%	-0.03%
Italy	4.32%	-0.22%	-0.37%
USA	3.69%	-0.27%	-0.14%

SVB SHARE PRICE SPIRALS AFTER SOLVENCY PROBLEMS.

Silicon Valley Bank was one of the 20 biggest banks in the USA up until last week. The banks primary business model involved offering growth focused tech start ups with debt capital to grow their businesses. In the current macro environment, with high interest rates, the lender has seen a lot of its loans to those businesses come under pressure. In an effort to improve the bank's liquidity SVB planned to offer \$1.25bn of stock to investors. However, there was little appetite for investors to invest in the bank and by the end of trading on Friday, US authorities took control of the bank's deposits. US regulators promised that the banks depositors would be protected above a \$250k threshold. Additionally the Federal Reserve revealed a liquidity facility for other banks that could be exposed to SVB but confirmed no bailouts would be offered. This time last year the bank's stock was trading at \$539.



Source: Refinitive