

Daily Update

Your daily market news, moves
and outlook



SEASPRAY FINANCIAL

Wealth & Investment Management

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Markets Outlook

Equity markets around the globe are continuing to fall on Friday as we approach the closing bell in Europe. Across the pond, the S&P 500 has shed 3% of its value after losing a hefty 4.4% yesterday. The Dow Jones 30 and Nasdaq 100 are down roughly 3.5% and 2.5% today, respectively.

The VIX, which is the S&P 500's volatility index, is at the highest level it has seen since 2009, after it saw a massive spike this week.

Volatility has picked up across all markets this week, not just for equities. Gold futures today are seeing an inevitable pullback on the higher timeframes, currently down nearly 3.5% after what was a strong first three weeks of February for the safe haven asset.

WTI Crude Oil has seen another major drop on Friday, down 6% on the day and amazingly down over 27% in 2020 so far. Bonds are seeing massive demand this week, today alone US 10-year treasury yields have dropped 10 basis points and are currently below 1.15% which is an all time low for the bond.

We saw mixed results from the European CPIs this morning, but they had little influence on European markets, which were dominated by the recent wave of Coronavirus-related selling pressure.

Key Events to Watch

29/02/2020 - Chinese PMIs

02/03/2020 - Chinese Caixin Manufacturing PMI

02/03/2020 - US ISM Manufacturing PMI

03/03/2020 - RBA Rate Decision

Market Moves

FX	Value	Daily Change	YTD Change
EUR/USD	1.0997	1.06%	-2.00%
EUR/GBP	0.8533	1.20%	1.04%
GBP/USD	1.2888	-0.14%	-2.96%
USD/JPY	109.63	-0.72%	0.09%
EUR/JPY	120.55	0.32%	-1.92%

Equity Indices	Value	Daily Change	YTD Change
S&P 500	2,978	-4.42%	-10.72%
DAX	12,367	-3.19%	-11.19%
EuroStoxx	3,455	-3.40%	-12.02%
FTSE	6,796	-3.49%	-13.56%
Nikkei 225	21,142	-3.67%	-10.63%

Fixed Income	Value	Daily Change
US 10yr	1.274	-0.056
US 2yr	1.071	-0.082
Bund 10yr	-0.541	-0.023
Gilt 10yr	0.472	-0.022
JGB 10yr	-0.105	-0.010

Financial News Round Up

Coronavirus Update

Markets have been increasingly more fragile as the week has gone on, as a result of the sharply rising rate of new infections reported outside of China, and the ever-growing list of countries with infected people: Northern Ireland has now joined this list.

As the week went on, we also saw more and more multinational corporations release warnings that they will suffer major blows to their Q1 and indeed FY 2019 earnings figures as a result of a supply chain breakdown because of the extended outbreak in China.

Worldwide, as of Friday's latest figures, COVID-19 has infected over 83,000 individuals and has claimed the lives of nearly 3,000.

All major equity indices on the planet have shed over 10% over the past 5 days. This has proven to be the worst week for stocks since 2008, as investors continue to worry about the Coronavirus having a lasting impact on global economic growth.

Irish Mortgages

According to the Banking & Payments Federation Ireland (BPFI) the country saw an increase in mortgage approvals in January, up 8% y-o-y in terms of volume. First time buyers were a big contributor, making up 61% of January approvals for house purchases. €744m worth of mortgages were approved last month, with first time buyers accounting for €371m of this figure. Movers were second, coming in at €226m.

The data points to the fact that the average mortgage size for first time buyers in Ireland is growing steadily, up to €233,333 from €221,095 the previous January.

Glenveagh Properties

Glenveagh shares finished the day down 2.64% on Friday after releasing their 2019 full year earnings this morning. These results are consistent with the guidance that the Irish property firm gave the public last month. Glenveagh's operating profit for 2019 came in at €30.5m, vs what was actually a €2.1m loss for the firm in 2018.

Revenue surged up 238% last year to €284.6m from the previous €84.2m, while total unit completions were up to 844 units which is a 207% jump on 2018's 275 units.

Global stocks are being hammered today, so a red day for the Irish firm is to be expected, despite impressive earnings results.

CRH

CRH plc have seen a 3.45% drop in share price in Dublin today, after reporting a 7% increase in yearly earnings (excluding currency moves). The building materials firm saw core earnings of €4.2b in 2019, a year in which it has benefited from its \$3.5b acquisition of the American Ash Grove Cement.

CRH have now announced a dividend payout of €0.85 per share, which is a healthy 15% increase from 2018.

"With a continuing focus on margin expansion, cash generation and enhanced returns for shareholders, we believe that 2020 will be a year of further progress for the group" said CEO Albert Manifold.