

# Daily Update

Your daily market news, moves  
and outlook



## SEASPRAY FINANCIAL

Wealth & Investment Management

### Thursday, 23rd of April

## Markets Outlook

**Equities:** Yesterday we saw another boost to risk sentiment as indices around the world rallied, and flows came from the safe-havens. DAX30 and EuroStoxx50 are slightly lower on Thursday morning following misses of expectations for both Services and Manufacturing PMIs in Europe. Japan was up 1.43% overnight.

**For currencies:** FX volatility has been lower over the last week or so, with the Dollar grinding higher slowly. EUR/USD trades just below 1.08 this morning while GBP/USD remains below 1.24. USD/JPY has stayed between 107 - 108 for a week now.

**For safe-havens:** Bond yields nearly all moved higher in line with stocks yesterday on the global risk-on sentiment. Gold is in the green again this morning after gaining 3% yesterday, now above \$1,750.

**Looking ahead:** EU leaders, prime ministers, presidents will meet via video conference today to discuss financing the coronavirus response on the continent. This afternoon we will see PMI readings from the US, along with the novel US Unemployment Claims weekly figure. Looking to tomorrow: we will see earnings results from Verizon, Sanofi, and Nestlé.

## Key Events to Watch

- 23/04/2020 - EU Leaders Meeting
- 23/04/2020 - European PMIs
- 23/04/2020 - US PMIs
- 23/04/2020 - US Unemployment Claims

## Market Moves

Equity Indices	Value	Daily Change	YTD Change
S&P 500	2,799	2.29%	-13.35%
DAX	10,419	1.66%	-22.00%
EuroStoxx	2,835	1.59%	-24.73%
ISEQ	5,232	2.18%	-27.59%
FTSE	5,770	2.30%	-23.80%
Nikkei 225	19,412	1.43%	-17.87%

FX	Value	Daily Change	YTD Change
EUR/USD	1.0823	-0.32%	-3.70%
EUR/GBP	0.8775	-0.64%	3.67%
GBP/USD	1.2334	0.32%	-7.05%
USD/CHF	0.9715	0.19%	0.59%
USD/JPY	107.75	-0.03%	-0.96%
EUR/JPY	116.61	-0.35%	-4.63%

Fixed Income	Value	Daily Change
US 10yr	0.618	0.038
US 2yr	0.215	0.008
Bund 10yr	-0.417	0.074
Irish 10yr	0.320	0.065
Gilt 10yr	0.313	0.021
JGB 10yr	-0.003	-0.010

## Financial News Round Up

### EU Economic Response

Leo Varadkar will today partake in a video conference call with leaders from EU nations as the group addresses differences of opinion on how to handle Europe's overall recovery package. This will be the group's fourth call since the virus reached the continent and will mainly focus on settling differences and coming to agreements on longer term recovery plans.

National interests will be at the forefront today, as many countries (especially in the south) will be calling for the mutual sharing of debt by all involved.

Germany, Austria, and the Netherlands have so far rejected the idea of these so-called 'Coronabonds'. These nations are not keen on the concept of the EU as a whole guaranteeing the debt of each member state and of course see that scenario as high risk.

### Credit Suisse

Investment bank Credit Suisse has released its Q1 earnings results this morning, reporting an increase in net profits by 1.5% to 1.3 billion Swiss Francs. The bank is the first of the large European lenders to report earnings this quarter and since the region entered lockdown. Quarterly net revenues were up, by 7% to 5.8 billion Francs. The bank's AUM was down last quarter by 100b Francs to 1.4 trillion as a direct result of negative equity market moves.

Credit Suisse have stated that they have built up reserves of over 1 billion Francs in Q1 in response to the pandemic.

"Thanks to our strong capital and liquidity base, we are well positioned to support our clients, employees and societies in the coming quarters, during which we expect the COVID-19-related uncertainty to persist" said CEO Thomas Gottstein.

Credit Suisse shares are down over 2% as we write.

### Unilever

Consumer staple and discretionary goods giant Unilever has seen a fall in its share price, off by just over 2% to €45.70 in Amsterdam this morning. The group said its underlying sales growth was flat in the first three months of the year, citing slightly higher volume but simultaneously slightly lower prices. Unilever appears to remain relatively optimistic despite serious economic headwinds by sticking to its plan to pay its €0.41 per share dividend to investors, albeit withdrawing its in-house growth outlook for 2020.

"We are adapting to new demand patterns and are preparing for lasting changes in consumer behaviour, in each country, as we move out of the crisis and into recovery." Chief Exec Alan Jope stated today. For more information on Unilever or any stocks mentioned in our Daily Update please contact [info@seasprayfs.ie](mailto:info@seasprayfs.ie).