



Thursday, 30th of April

Markets Outlook

Equities were in the green yesterday as all main indices around the globe rallied by at least 2% on the day. DAX and EuroStoxx are up marginally on Thursday ahead of ECB later on. The Nikkei 225 was up over 2% overnight.

For currencies: The risk-on tone which was led by equities affected currency trade yesterday, drawing money out of the USD and into riskier asset classes. Euro has been grinding higher towards the \$1.09 mark, we expect all currencies to remain quiet until after the economic data releases this afternoon.

For safe-havens: Gold is broadly flat on the week so far, in the green this morning and still holding above that \$1,700 mark. Yields were mixed yesterday, having traded mostly range bound over the past couple of weeks.

Looking ahead: At 12:45 today the European Central Bank will release their rate decision and monetary policy statement, ECB President Lagarde will hold a press conference at 13:30. The weekly US Unemployment Claims figure is also due at 13:30 today, we forecast a fall from last week's figure which was 4.4m, down to circa 3.5m this week. Later today we get earnings results from Apple, Twitter, and Visa, On Friday we get Chevron, Exxon Mobil, and RBS.

Key Events to Watch

30/04/2020 - ECB Rate Decision
 30/04/2020 - US Unemployment Claims
 01/05/2020 - US Manufacturing PMI
 05/05/2020 - RBA Rate Decision

Market Moves

Equity Indices	Value	Daily Change	YTD Change
S&P 500	2,939	2.66%	-9.02%
DAX	11,102	2.85%	-16.16%
EuroStoxx	2,994	2.12%	-20.05%
ISEQ	5,687	3.76%	-20.51%
FTSE	6,115	2.63%	-19.12%
Nikkei 225	20,202	2.18%	-14.64%

FX	Value	Daily Change	YTD Change
EUR/USD	1.0875	0.51%	-3.02%
EUR/GBP	0.8724	0.18%	3.23%
GBP/USD	1.2468	0.35%	-6.01%
USD/CHF	0.9737	-0.15%	0.43%
USD/JPY	106.71	-0.15%	-1.82%
EUR/JPY	116.05	0.35%	-4.80%

Fixed Income	Value	Daily Change
US 10yr	0.628	0.015
US 2yr	0.205	-0.018
Bund 10yr	-0.495	-0.024
Irish 10yr	0.161	-0.035
Gilt 10yr	0.283	-0.004
JGB 10yr	-0.049	-0.003

Financial News Round Up

Royal Dutch Shell

British-Dutch oil and gas giant Royal Dutch Shell have seen a fall in share prices this morning, down almost 6% to €16.20 in Amsterdam following the release of the company's Q1 earnings results. Shell have surprisingly cut their dividend payout for the first time since the second world war, reflecting the adverse effect that the Coronavirus-led oil crash of 2020 has had on the whole energy sector. The dividend for this year will now be just €0.16 per share compared to the previous €0.47. Shell were FTSE 100's largest dividend payer in 2019.

When adjusted for supply costs, the firm's net income came in at \$2.9b for Q1, down massively from the \$5.3b achieved in the same period last year.

CEO Ben van Beurden said today: "Given the continued deterioration in the macroeconomic outlook and the significant mid and long-term uncertainty, we are taking further prudent steps to bolster our resilience, underpin the strength of our balance sheet and support the long-term value creation of Shell."

Microsoft

Microsoft released better than expected earnings results last night after market close in the US, pushing the stock up another 2.5% in after-hours trading, having already risen 4.5% on Wednesday. Including last night/this morning's out of hours trading, MSFT stock is now just 4.5% off its February all-time highs and has bounced over 33% from its March low point.

The tech firm reported quarterly sales of \$35.02b which exceeded our in-house forecast of \$33b. Microsoft's sales rose 15% when compared to this time last year, while earnings rose by 23%. Notably, the firm's commercial cloud business saw a 30% jump in revenue to \$13.3b, this includes Azure infrastructure services and Office 365 software.

"We've seen two years' worth of digital transformation in two months" said CEO Satya Nadella, "From remote teamwork and learning, to sales and customer service, to critical cloud infrastructure and security- we are working alongside customers every day to help them adapt and stay open for business in a world of remote everything."

At Seaspray, we continue to own Microsoft as one of our diversifiers throughout the current pandemic and will likely hold well into 2021.