

# Daily Update

Your daily market news, moves  
and outlook



## SEASPRAY FINANCIAL

Wealth & Investment Management

### Tuesday, 25th of August

## Markets Outlook

**Equities:** Globally all major indices were up into the close yesterday driven by a growing belief that a breakthrough is on the horizon for overcoming Covid 19. Economically sensitive stocks were the main beneficiaries. In Europe Oil stocks were the big winner and financial stocks also saw rallies. Today the positive mood is expected to continue with further moves likely in travel stocks including Ryanair which was up 3% yesterday'

**Currencies:** The Dollar has held firm shrugging off selling pressure from a move higher in equities. Investors await Thursdays speech from US fed reserve chair. Sterling - Dollar was weaker on fears of lack of progress in Brexit talks.

**Safe-havens:** Gold has had a small rally in Asia overnight as a weaker dollar and ongoing COVID concerns brought investors in to the safe haven asset. Currently trading at 1937 we still believe a break below 1900 would indicate a buy level.

**Looking ahead:** Today we will get indications of the confidence in US economy and German GDP which will reflect the lockdown in Europe and how well Europe's largest economy has handled things. Markets are very focussed this week towards the Fed Chair speech which will set the tone for Q3 in US assets.

## Key Events to Watch

25/08/2020 - US consumer confidence

25/08/2020 - German GDP (QoQ) Q2

27/08/2020 - US GDP Update

27/08/2020 - Fed Chair Powell Speaks

27/08/2020 - Jackson Hole Symposium

## Market Moves

Equity Indices	Value	Daily Change	YTD Change
S&P 500	3,431	1.00%	6.21%
DAX	13,067	2.36%	-1.38%
EuroStoxx	3,332	2.21%	-11.04%
ISEQ	6,460	0.98%	-8.32%
FTSE	6,105	1.71%	-19.06%
Nikkei 225	23,390	1.76%	-1.13%

FX	Value	Daily Change	YTD Change
EUR/USD	1.1809	0.19%	5.23%
EUR/GBP	0.9014	0.08%	6.67%
GBP/USD	1.3100	0.28%	-1.22%
USD/CHF	0.9113	-0.03%	-5.85%
USD/JPY	106.00	0.02%	-2.41%
EUR/JPY	125.17	0.21%	2.77%

Fixed Income	Value	Daily Change
US 10yr	0.661	0.015
US 2yr	0.160	0.007

## Financial News Round Up

### Tesco

Tesco has announced that in the UK it will create 16,000 new permanent roles amid growth in its online business since coronavirus lockdowns took hold. These 16,000 jobs are in addition to the 4,000 permanent jobs already created since the start of the COVID-19 pandemic, the company said. Supermarkets have been some of the winners of the coronavirus crisis, enjoying a surge in both online and in-person sales. New roles will include 10,000 pickers — the people behind assembling customer orders, and 3,000 delivery drivers. Before the pandemic around 9% of Tesco's sales were online. The figure is now more than 16% of sales, with Tesco expecting online sales of over £5.5bn (\$7.2bn) this year, up from £3.3bn last year. Jason Tarry, Tesco UK & ROI CEO, said: "Since the start of the pandemic, our colleagues have helped us to more than double our online capacity, safely serving nearly 1.5 million customers every week and prioritising vulnerable customers to ensure they get the food they need." These new roles will help us continue to meet online demand for the long term, and will create permanent employment opportunities for 16,000 people across the UK." Supermarkets have enjoyed record growth in sales during lockdown, with the market expanding at its fastest rate since records began. The supermarket sector grew by 16.9% between mid-April and mid-July, market research firm Kantar said, marking the fastest growth since Kantar began monitoring the industry in 1994. However, growth in the UK grocery market slowed over the past month. The easing of coronavirus restrictions has prompted shoppers to move towards normality. Overall, the sector saw growth of 14.4% during the past twelve weeks, a slight decline on the same figure from July, according to Kantar.

### Apple (APPL)

The iPhone maker's shares closed at \$506 after hitting a high of \$513.70 on the back of the recently announced 4-for-1 stock split last month, which takes effect on Aug. 31 for shareholders of record on Aug. 24. This was the fifth straight positive day for the stock. Shares in Apple's suppliers in the Greater China region also rose on Monday, following some media speculation about co's upcoming iPhone 12 release date, price information and general market leaks

Stories are circulating in markets that the U.S. government is privately reassuring some U.S. companies, including Apple, that they can still do business with messaging app WeChat in China. Apple's stock market value topped \$2 trillion last week, making it the first publicly listed U.S. company to breach that mark...