



19 FEBRUARY 2019 MARKET SNAPSHOT

ASIA

Asian stocks slightly corrected this morning following Monday's rally when indices had gained more than 3%. Hang Seng is losing 0.3%, CSI is down by 0.6% after HSBC shares slipped as banks' profits missed expectations for 2018. However, trade talks optimism remains as the low-level talks will continue today and higher-level talks are due Thursday and Friday..

US

The US markets were closed yesterday because of a public holiday – President's Day.

EU

The US-EU trade tensions came to the fore as the EU vowed to take measures if the US would place its tariffs on imported vehicles. The EU might refuse to allow purchases of American soy and LNG if any duties were to be placed. EUR slid to 1.1301 while the yield on 10Y DBR rose to 0.116% from 0.108%.

UK

Jean-Claude Juncker told Stuttgarter Zeitung the European Union wouldn't oppose a delay to the UK's exit date. UK and EU officials are working on a new agreement regarding the Irish backstop. Finally, British PM Theresa May has continued to oppose internal opposition within the Conservative Party towards removing a no-deal option from the negotiating table.

RUSSIA

The Ruble slightly advanced to 66.25 per USD level on a quiet trading session yesterday, Firmer oil prices and a stable global backdrop gave support to the Russian currency. Sovereign Eurobonds as well as corporates mostly remained unchanged.

LATAM

On the Latam front, US President Trump called on the Venezuelan military to drop support for Nicolas Maduro. In Brazil, President Bolsonaro fired a key political ally amid a campaign funding scandal.

Disclaimer : This overview provided by Meritkapital Limited (the "Overview") only summarizes recent market movements and contextualizes upcoming political, economic and central banks events. Any views expressed in the Overview are limited in scope. Under Article 12(3)(a) of the MiFID II Delegated Directive, such publications are considered a minor non-monetary benefit which can be freely distributed without charge.

This Overview constitutes neither investment, legal, tax advice nor other advice and it does not take into account the specific investment objectives, risk appetite and financial situation of anyone who may receive this report, and the latter shall not rely on it in making an investment or other decision.

Meritkapital Limited does not accept any liability whatsoever for any direct or consequential loss arising from the use of this document. This Overview is for information purposes only and is not, and should not be construed as, an offer to buy or sell any securities. The information contained in this Overview is published for the assistance of the recipient, but is not to be relied upon as authoritative or taken in substitution for the exercise of judgment by any recipient.