



Weekly market summary

Europe shows signs of increasing pace in inflation amid worsening economic expectations. August's preliminary inflation data projects core inflation to grow to 4.3% y/y from July's 4.0% and headline – to 9.1% y/y from July's 8.9%. Meanwhile, economic sentiment index in Eurozone is down more than expected to 97.6 from July's 99. The fall is mainly attributed to a sharp 65% m/m reduction in industrial sentiment, which is the largest component of the aforementioned index. In contrast, consumer confidence improved in August.

US unemployment increases for the first time since March, a surprise result preceded by improved consumer confidence. In August, non-farm payrolls were reported at 315K, significantly down from July's 526K, increasing the unemployment rate to 3.7% from July's 3.5%. Moreover, factory orders entered the contraction zone for the first time in 18 months, being down 1% m/m.

Conversely, ISM Manufacturing PMI, which was forecasted to fall, stayed at 52.8 in August. Generally, a PMI figure above 50 indicates expansion trend. Adding to the positive news, consumer confidence showed a higher-than-expected increase to 103 from July's 95. This can in partly be due to steadily growing average hourly earnings.

Importantly, markets are still responding unconventionally to macroeconomic news, interpreting positive data releases as a fuel for Fed's hawkishness, while cheering negative news in hopes of less aggressive future monetary policy.

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Performance of major assets

Equities	Level	W/W, %	M/M, %	YTD, %
S&P 500	3,924.26	-3.29	-4.08	-17.66
NASDAQ	11,630.86	-1.66	-5.81	-25.66
Dow Jones	31,318.44	-2.99	-3.33	-13.81
Russell 2000	1,809.75	-4.74	-3.86	-19.40
FTSE 250 (£)	18,853.22	-1.65	-5.14	-19.71
STOXX 600 (€)	415.97	-2.38	-4.61	-14.73
Nikkei 225 (¥)	27,650.84	-3.46	0.20	-3.96
MSCI EM	972.02	-3.43	-1.25	-21.10

Source: Bloomberg

Note: All data is denominated in USD unless specified otherwise.

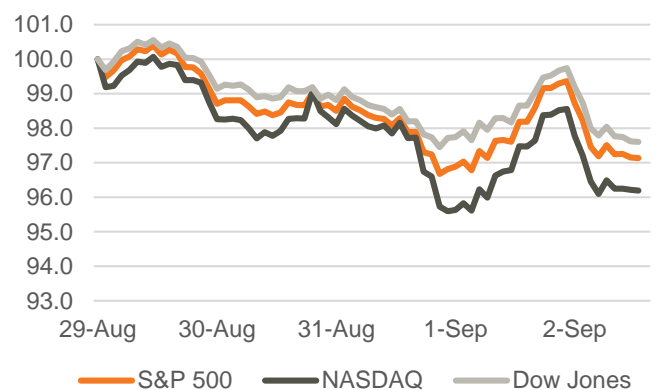
Commodities	Price, \$	W/W, %	M/M, %	YTD, %
WTI Oil (\$/barrel)	86.87	-6.65	-8.00	15.50
Gold (\$/oz)	1,712.19	-1.49	-2.74	-6.40
Natural Gas (\$/mmBtu)	8.786	-5.49	14.02	135.55
Silver	18.0415	-4.53	-9.69	-22.60
Wheat	793	1.05	2.36	2.89

Source: Bloomberg

Currencies	Current	Week ago	1-Jan-22
1EUR/\$	0.9954	0.9966	1.137
1GBP/\$	1.1509	1.1744	1.3532

Source: Bloomberg

Weekly performance of major US indices 26 August 2022 = 100






Source: Bloomberg

Weekly sector performance highlights

Utilities and health care sectors experienced smallest losses, with associated ETFs down only 1.47% and 1.81%, resp. This is unsurprising, as these sectors are generally the least volatile, as their related goods and services represent basic consumer necessities (as opposed to e.g., luxury-heavy consumer discretionary), and therefore, their demand is more resilient during market downturns, but also less prone to growth during rallies.

Technology sector was the worst performer amid market-wide losses, with respective ETF down 5.03%. Notably, tech usually exhibits the strongest volatility, as the sector primarily composed of high-growth companies is heavily reliant on macro environment. In general, the technology sector tends to outperform S&P during bull markets and underperform – during bear markets.

S&P 500 sector review: last week performance

Sector	ETF Ticker	Weekly ETF Change %	Close Price, \$	Market Cap, \$bn	P/E	YTD, %
S&P 500	SPY	-3.22 	405.31	370.87	4.26	-14.66
of which:						
Utilities	XLE	-1.47 	74.60	17.60	30.7	4.22
Health Care	XLV	-1.81 	124.99	37.81	14.4	-11.29
Communication	XLC	-2.39 	53.84	9.49	22.3	-30.69
Financials	XLK	-2.46 	32.89	33.05	28.2	-15.77
Cons. Staples	XLY	-2.54 	72.56	15.48	20.6	-5.90
Cons. Discret.	XLI	-2.62 	155.49	15.40	23.4	-23.94
Energy	XLU	-3.48 	79.96	37.07	15.2	44.07
Industrials	XLF	-3.52 	92.16	14.46	23.2	-12.90
Real Estate	XLRE	-3.96 	41.28	5.11	47.2	-20.32
Materials	XLB	-4.89 	74.35	5.49	29.0	-17.95
Technology	XLP	-5.03 	132.85	40.16	33.7	-23.59

Source: Bloomberg, Capital IQ

Performance of last week's most traded stocks globally (top 20 by value)

#	Ticker	Name	Close Price, \$	W/W, %	YTD, %	P/E	12M Price Target, \$	12M Return Target, %
1	NFLX	Netflix	226.11	1.27	-74.19	23.74	228.30	0.97
2	MS	Morgan Stanley	86.40	-0.47	-11.98	12.39	90.53	4.78
3	JPM	JPMorgan Chase & Co.	113.71	-0.84	-28.19	9.51	139.39	22.58
4	F	Ford Motor Company	15.16	-1.62	-27.01	7.55	15.56	2.64
5	BAC	Bank of America	33.43	-1.76	-24.86	9.56	42.40	26.83
6	C	Citigroup	48.84	-1.89	-19.13	7.17	60.90	24.69
7	XOM	Exxon Mobil	95.59	-2.33	-18.59	7.95	112.05	17.22
8	NKE	NIKE	105.74	-2.35	-36.56	28.20	129.91	22.86
9	GOOG	Alphabet	108.68	-2.35	-76.22	20.00	144.64	33.09
10	AMZN	Amazon.com	127.51	-2.48	-23.52	77.48	176.94	38.77
11	DIS	Walt Disney	111.20	-2.52	-27.34	23.07	144.00	29.50
12	META	Meta Platforms	68.77	-3.05	137.22	6.89	224.21	226.03
13	MSFT	Microsoft Corporation	256.06	-4.49	-23.86	25.09	325.77	27.22
14	VZ	Verizon	41.30	-4.51	-20.52	7.98	52.15	26.27
15	AAPL	Apple	155.81	-4.77	-9.39	25.18	183.12	17.53
16	TSLA	Tesla	270.21	-6.21	-52.21	51.18	315.15	16.63
17	INTC	Intel	31.22	-6.41	-39.38	13.45	39.00	24.92
18	OXY	Occidental Petroleum	68.77	-6.50	137.22	6.89	76.69	11.52
19	AMD	Advanced Micro Devices	80.24	-12.00	-40.45	17.95	123.24	53.59
20	NVDA	NVIDIA	136.47	-16.07	-53.60	38.92	209.60	53.59

Source: Bloomberg, Capital IQ, Tipranks

Note: Positive 12 month return targets imply aggregated "Buy" recommendation by analysts

Selected company news

NVIDIA (NVDA)

Close Price (\$)	136.47
Weekly Change %	-16.07
YTD Change %	-53.60
P/E	38.92
12M Price Target	209.60
12M % Growth Potential	53.59

Shares of two chip-maker giants, NVIDIA and AMD, slumped on Thursday as the US government ordered to halt exports of certain type of chips to China. The restriction is effective immediate and targets the high-performance integrated circuits, citing the risk of these products being used for military engineering purposes.

Microsoft (MSFT)

Close Price (\$)	256.06
Weekly Change %	-4.49
YTD Change %	-23.86
P/E	25.09
12M Price Target	325.77
12M % Growth Potential	27.22

In addition to general hit to the technology sector, Microsoft share price has also suffered from the news that company's \$69bn buyout deal of Activision Blizzard (ACTI) is under further scrutiny from the UK Competition and Markets Authority (CMA). Importantly, a top competitor in gaming industry, Sony (SONY), is actively pushing against the acquisition, claiming it is anti-competitive as users may switch from PlayStation to Xbox.

Tesla (TSLA)

Close Price (\$)	270.21
Weekly Change %	-6.21
YTD Change %	-52.21
P/E	51.18
12M Price Target	315.15
12M % Growth Potential	16.63

Tesla shares have tumbled as the company is soon to face increased competition, with Honda and LG Energy having announced a joint plan to build a \$4.4bn electric vehicle battery factory in the US. Additionally, news has spread that a Model 3 owner in California sues Tesla over a braking defect, accusing company of "fraudulently hiding safety risks associated with Autopilot and breaching its warranties".

Source: Bloomberg, Tipranks, NASDAQ, Forbes, CNBC

This week calendar

Macroeconomic news

Company News

	Time (GMT +4)	Country	Event	Company	Ticker	Time (GMT +4)	Forecast EPS \$
Monday September 5	12:00	Eurozone	Services PMI (AUG)	Aspen	AZPN	Premarket	2.11
	12:30	UK	Services PMI (AUG)	DocuSign	DOCU	After market	0.43
	13:00	Eurozone	Retail Sales (AUG)	Phreesia	PHR	After market	-0.97
Tuesday September 6	03:00	UK	BRC Retail Sales Monitor (AUG)	Kingsoft Cloud	KC	Premarket	-1.80
	17:45	US	Services PMI (AUG)	Guidewire	GWRE	After market	-0.01
	18:00	US	ISM Non-Manufacturing PMI (AUG)	Healthequity	HQY	After market	0.33
Wednesday September 7	07:00	China	Balance of Trade (AUG)	Nio	NIO	Premarket	-1.16
	13:00	Eurozone	GDP Growth Y/Y est. (2Q)	Copart	CPRT	After market	1.1
	15:00	US	US Mortgage Applications (02/SEP)	Uipath	PATH	After market	-0.11
	18:00	US	Balance of Trade (JUL)				
Thursday September 8	03:50	Japan	GDP Y/Y (2Q)	Zscaler	ZS	After market	0.21
	16:15	Eurozone	ECB Interest Rate Decision	Bilibili	BILI	Premarket	-4.42
	23:30	US	Consumer Credit (JUL)	RH	RH	After market	6.63
Friday September 9	04:00	EU	Emergency Energy Meeting	Kroger	KR	Premarket	0.80
	05:30	China	Inflation Rate (AUG)	ABM Industries	ABM	After market	0.90
	10:45	France	Industrial Production (JUL)				
	18:00	US	Wholesale Inventories M/M (JUL)				

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