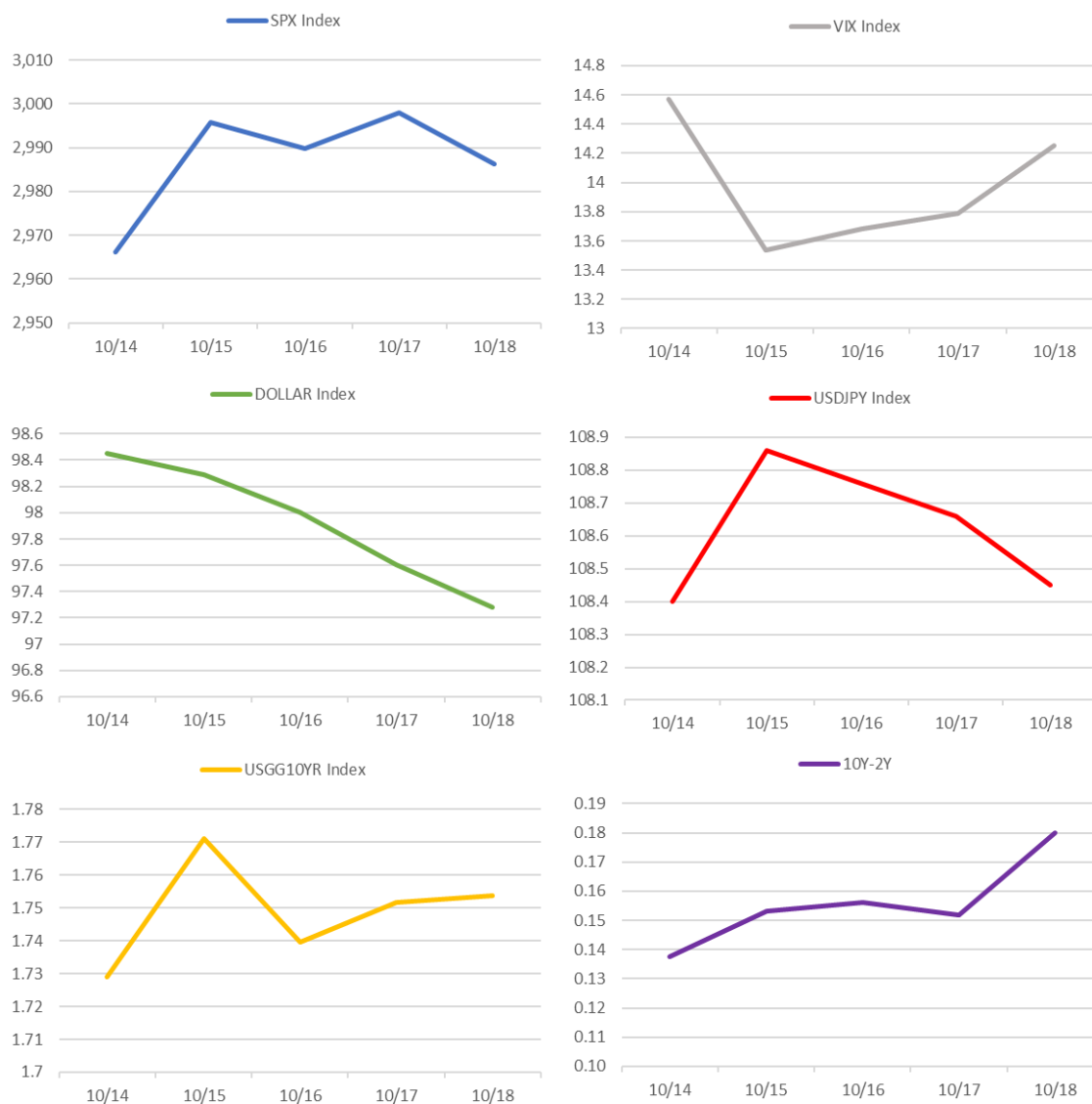


US Market Weekly Overview (10/18/19)



*** Index selection details:

- **SPX index:** S&P 500 index stands for overall market performance
- **Dollar index:** The overall index value of US dollar currency
- **USGG xYR:** US government x-year bond yield stands for overall bond market
- **USDJPY:** USD currency in terms of JPY currency stands for macro risk sentiment
- **10Y-2Y:** 10Y US treasury yield – 2Y US treasury yield stands for macro risk sentiment
- **BCOM index:** Bloomberg commodity index details of composition (Energy: 30%, Grains: 23%, Industrial metals: 17, Precious metals: 16%, Softs: 7%, Livestock: 5%)

Recent News & Economics:

- 10/17: Markets excited over the announcement of the EU-UK Brexit agreement only to have its hopes dashed as the DUP party declared it could not vote for the agreement. The UK Parliament is scheduling a Saturday session and vote, quite an historic occasion as the last time the UK Parliament sat on a Saturday was in 1982 to discuss the Argentine invasion of the Falklands.

Perspectives vs Actual:

Date	Driver	Equity	Rates	Vol	Curve Shape (10Y-2Y)	USD Basket	JPY
17-Oct	Brexit	1	1	-1	1	-1	0
Expected		1	1	-1	1	0	0
Actual		1	1	-1	1	-1	0

- Not much news this week as the UK approaching Brexit deadline, market starts pricing in the expectation of this leaving by weighting on GBP a lot. While on the other hand, the curve spread between 10Y and 2Y continues to narrow and that enhances the bright expectation of US market. What left to watch is the manufacture sector bouncing back or not.

