

**SE** Business

**HD** **Sentiment Weak Amid Mixed Data**

**WC** 1,494 words

**PD** 17 November 2014

**SN** RTT News

**SC** RTTNEW

**LA** English

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(RTTNews) - The major U.S. index futures are pointing to a lower opening on Monday, with sentiment reflecting valuation concerns of traders amid the release of mixed economic data. The Japanese GDP data released earlier in the global trading day showed contraction in GDP, pushing Japan to a recession, while a domestic regional manufacturing activity data came in roughly in line with estimates. The domestic markets may also focus on the industrial production data due shortly and deal announcements characteristic of Mondays.

The G20 meeting that concluded over the weekend in Brisbane, Australia, outlined measures to increase global GDP by 2.1 percent by 2018 if fully implemented. The leaders also called upon nations to undertake actions on climate change.

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U.S. stocks posted uneasy gains in the week ended November 14th, as optimism over central bank support and in turn preservation of economic momentum neutralized the valuation concerns.

Last Monday, the major averages advanced despite a lack of major catalysts before ending modestly higher. Despite showing indecision for much of Tuesday's session, the major averages ended marginally higher.

The lackluster mood continued on Wednesday, with the averages ending mixed for the session. A positive reaction to earnings news helped the major averages end Thursday's session slightly higher. Stocks showed unsettled sentiment on Friday despite the release of better than expected retail sales and consumer sentiment data before ending mixed.

For the week ended November 14th, the Dow Industrials and the S&P 500 Index added 0.35 percent and 0.39 percent, respectively, while the Nasdaq Composite rose 1.21 percent.

Among the sectors, the NYSE Arca Gold Bugs Index rose 2.44 percent for the week and the Dow Jones Transportation and the Philadelphia Semiconductor Index advanced over 1 percent each. Meanwhile, the NYSE Arca Oil Index and the Philadelphia Oil Service Index receded over 2 percent each.

Commodity, Currency Markets</b>

Crude oil futures are receding \$0.72 to \$75.10 a barrel after sliding \$2.83 or 3.60 percent to \$75.82 a barrel in the week ended November 14th.

Last Monday, oil fell \$1.25-a-dollar amid lukewarm risk appetite. The commodity rebounded moderately on Tuesday.

Oil declined moderately on Wednesday and slumped by close to \$3-a-barrel to a 4-year low on Thursday amid the release of the weekly petroleum status report. Oil reversed course, reclaiming some of the lost ground on Friday, when it advanced over \$1.50-a-barrel yet ended the week lower.

Gold futures, which rose \$15.80 or 1.35 percent to \$1,185.60 an ounce in the previous week, are currently rising \$2 to \$1,187.60 an ounce.

Among currencies, the U.S. dollar ended the week ended November 14th mixed, with the greenback shedding 0.56 percent against the euro to end the week at \$1.2525. At the same time, the dollar rose 1.48 percent against the yen to 116.29 yen.

The U.S. dollar is currently trading at 116.15 yen and is valued at \$1.2501 versus the euro.

## Asia </b>

Most Asian markets retreated, with weak Japanese GDP data engendering negative sentiment. The Japanese market led the declines, as the yen gained ground on its safe haven appeal in the wake of the data.

The Japanese market opened lower and declined steadily throughout the session before closing down 517.03 points or 2.96 percent at 16,974. All but three of the Nikkei 225 components moved to the downside.

Australia's All Ordinaries ignored a positive start and moved lower in early trading. After moving steadily lower till late afternoon trading, the average moved sideways before closing 37.20 points or 0.68 percent lower at 5,397.

The market witnessed broad based weakness, with IT, healthcare and financial stocks leading the slide.

**Hong Kong's** Hang Seng Index ended down 290.30 points or 1.21 percent at 23,797 and **China's** Shanghai Composite Index closed at 2,474, down, 4.82 points or 0.19 percent.

On the economic front, a report released by Japan's Cabinet Office showed that Japanese GDP contracted by an annualized 1.6 percent in the third quarter. Economists expected a 2.2 percent increase. Sequentially GDP eased 0.4 percent, belying expectations for a 0.5 percent increase. With the economy contracting for two straight quarters, it has re-entered recession territory.

The total number of new motor vehicle sales in Australia was down a seasonally adjusted 1.6 percent month-over-month in October, according to a report release by the Australian Bureau of Statistics. This compared to forecasts for a decline of 2 percent.

## Europe</b>

After opening lower, the major European averages saw some volatility in early trading and was modestly lower in early trading, as the weak GDP data from Japan reignited risk aversion, sending stocks lower. However, with the release of the regional U.S. manufacturing data, the averages have turned mixed.

In corporate news, Hennes & Mauritz reported that its sales, including VAT, rose 14 percent year-over-year in October.

On the economic front, **property** tracking website Rightmove reported that the average asking price for a house in the U.K. slipped 1.7 percent month-over-month in November, smaller than the 2.5 percent drop expected by economists. On a yearly basis, house prices jumped 8.5 percent compared to expectations for a gain of 7.7 percent.

A report released by Eurostat showed that Eurozone exports and imports rose 4.2 percent and 3 percent, respectively month-over-month in September. As a result, the trade surplus increased to a seasonally adjusted 17.7 billion euros from 15.4 billion euros in August.

## U.S. Economic Reports</b>

Manufacturing and housing market data are likely to be in focus in the unfolding week. The results of manufacturing surveys for November by the New York and Philadelphia Federal Reserves, the Federal Reserve's industrial production report for October, the results of the National Association of Home Builders' housing market survey for November, the Commerce Department's housing starts report for October and the National Association of Realtors' existing home sales report for October are among the closely followed reports of the week.

The Federal Reserve is also scheduled to release the minutes of its October monetary policy meeting, which could shed some light on the outlook for interest rates.

The Labor Department's reports on producer prices for final demand and consumer price inflation, both for October, the Conference **Board's** leading economic indicators index for October, some Fed speeches and announcements concerning Treasury auctions of 2-year, 5-year and 7-year notes round up the economic events of the week.

After reporting a substantial slowdown in the pace of growth in the New York manufacturing sector in the previous month, the Federal Reserve Bank of New York released a report showing a rebound by its index of regional manufacturing activity.

The New York Fed said its general business conditions index climbed to 10.2 in November from 6.2 in October, with a positive reading indicating growth in regional manufacturing activity. Economists had expected the index to rise to a reading of 11.0.

The Federal Reserve is due to release its industrial production report for October at 9:15 am ET. The consensus estimate calls for a 0.2 percent month-over-month increase in industrial output.

Industrial production rose 1 percent month-over-month in September, with manufacturing output rising by 0.5 percent. Computer and electronics output was up 0.8 percent, while auto production declined by 1.4 percent. Utility output was up 3.9 percent compared to a 1.8 percent increase in mining output. Capacity utilization rose to 79.3 percent from 78.7 percent in August.

Stocks in Focus</b>

Halliburton (HAL) announced a deal to acquire Baker Hughes (BHI) in a cash and stock deal valued at \$78.62 per share or enterprise value of \$38 billion.

Pfizer (PFE) said it has signed an agreement with Merck KGaA to jointly develop and commercialize a cancer drug for an upfront payment of \$850 million. The immunotherapy drug is currently in development by Merck KGaA. Further, Merck KGaA will be eligible to receive regulatory and **commercial** milestone payments of up to \$2 billion. Pfizer also cut its earnings outlook for full year 2014 to reflect the upfront payment.

Boeing (BA) announced that it has signed an agreement to **buy** composites for 777X wings from Toray Industries.

Sanofi's (SNY) Genzyme unit announced that the FDA has approved Lemtrada for the treatment of patients with relapsing forms of multiple sclerosis. The treatment is recommended for patients having an inadequate response to 2 or more MS drugs.

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