

Daily Market Wrap – 19 July 2018

by Anh Nguyen, 6:15PM BST



Equities

The **S&P 500** is still at last week high around the 2800.00 handle even though it lost some momentum today on the back of a strengthening US dollar and pressure from the ongoing trade tension between major economies in the world, as US Kudlow commented China is 'holding up' on trade talks and EU is said to impose 20% tariffs on cars on the US.

The **FTSE** made new high for the week at 7642.5 mainly due to a disappointing UK Retail Sales number this morning (MoM: -0.5%, previous 1.4%; YoY: 2.9%, previous 4.1%).

FX

EURUSD was pulled down as the US dollar is making new high on the back of the Tuesday earnings number and a strong US weekly jobless claims this morning. Brexit uncertainties and trade tension with the US also helped push the pair further to the downside, reaching the month-low around 1.16230.

GBPUSD continues its downward tumbling, trading at around the 1.3000 handle which is the lowest since last September. The familiar Brexit dilemma, coupled with huge misses on inflation data yesterday and retail data today, and a stronger greenback, are all major contributors to a bearish cable.

Commodities

Crude oil initially found support after Saudi officials stating its oil exports are expected to fall 100k bpd and denying all oil markets over-supply rumours, then pulled back down a little as the strike by Norway oil rig workers has now ended according to the ship owner group. Oil is now priced in the middle of this week's range around 67.80.

** all products considered here are futures contracts with September 2018 front month*