

PARFINews

DEDICATED TO WEALTH MANAGEMENT

“Knock Knock...”

Main News

- **Gold prices hit an all-time high** of \$1944.5 per troy ounce on Monday amid mounting US-China tensions and concerns about the global economic outlook as the coronavirus pandemic is far from controlled and new hot spots emerge. Meanwhile, the dollar traded at levels not seen in 2 years, also offering strong support to the precious metal.
- **U.S.-China diplomatic tensions continue to simmer.** Chinese authorities entered the U.S. consulate in Chengdu this morning after the mission shut down, as ordered. This after Beijing slammed Friday's "forced entry" into its Houston consulate by U.S. personnel. Federal agents and local authorities broke into the consulate building late that night, according to the media. Beijing said the U.S. broke diplomatic conventions by entering "China's national property."
- Negotiations in **the USA for the next round of fiscal stimulus** continue without a clear timeline. While US housing data released on Friday indicates a strong recovery in demand, rising COVID-19 cases and a looming fiscal cliff could interrupt the economic recovery in the USA.
- **LVMH also reports Organic revenue** is expected to have dropped 42% as shoppers worldwide went into lockdowns and boutiques shut. Its fashion and leather goods unit, which contains the Louis Vuitton and Christian Dior brands, may have stood its ground, Bloomberg Intelligence said.

Main Markets

	Close	WTD	YTD		Close	WTD	YTD
Equities							
S&P 500	3215.63	-0.18%	-0.47%	MSCI World	2291.58	-0.02%	-2.84%
DAX	12893.86	-0.49%	-2.68%	Eurostoxx 50	3313.61	-1.69%	-11.52%
Nikkei	22715.85	0.08%	-3.98%	HSCEI	10079.13	-0.99%	-9.75%
S&P Bse Se	38019.07	3.28%	-7.84%	Brazil Ibovespa	102381.60	0.28%	-11.47%
Commodities							
Gold Spot	1939.53	5.05%	27.83%	WTI	41.24	1.57%	-32.46%
Currencies							
EUR/USD	1.1705	1.98%	4.39%	USD/CAD	1.34	-0.20%	3.06%
EUR/CHF	1.0753	0.04%	-0.95%	USD/CNY	7.00	-1.25%	0.54%
GBP/EUR	1.0969	-0.08%	-7.24%	USD/RUB	71.61	-0.33%	15.61%
Swap Rate							
10Y US Rate	0.57	-6.54%	-69.35%	3M Libor	0.24675	-9.08%	-87.07%
10Y EU Rate	-0.193	-7.74%	-194.61%	3M Euribor	-0.45	-0.61%	-16.97%
Central Bank Rates							
Fed Funds	0.25	N/A	N/A	ECB Rate	0.00	N/A	N/A

Week Ahead

- **The Fed will confront clear signs the U.S.** economic recovery is stalling when it meets tomorrow and Wednesday. Officials will probably hold fire on more stimulus and repeat guidance to keep rates near zero as Congress debates more fiscal aid. Expect Jerome Powell to be peppered with questions about how to provide more explicit forward guidance on the path of the federal funds rate and asset purchases.
- **A slew of second-quarter GDP data** is set to show the economic devastation wrought by the virus. The U.S. may see an annualized contraction of 35% — the steepest drop in records going back to the 1940s. The euro-area is expected to register a drop of 12%. France's economy is likely to shrink 15%, Germany's GDP probably contracted by 9% and Spain by 16%.

EARNINGS WHISPERS		Most Anticipated Earnings Releases									
		for the week beginning									
		July 27, 2020									
Monday		Tuesday		Wednesday		Thursday		Friday			
Before Open	After Close	Before Open	After Close	Before Open	After Close	Before Open	After Close	Before Open	After Close	Before Open	After Close

Quote of the week

«And what he greatly thought, he nobly dared.»

Homer

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