



## News: Manufacturing and Inflation data fuel rally

US markets opened higher thanks to strength from Europe and Asia. Yesterday was a better day for macro data and goes against the recent negative trend. Firstly China PMI manufacturing showed expansion albeit at a slower pace. Next European PMI manufacturing numbers were better across the board. Finally after the US open ISM manufacturing also beat estimates, while the Prices Paid element was also higher allaying deflation fears and construction spending topped estimates. Markets didn't look back and trended higher for the rest of the afternoon. Look out today for Personal Income/Spending and Pending Home sales; they could surprise to the upside following the 30% MoM drop in May.

Commodity	Price	1 Day Change
Brent Crude	80.76	-0.07%
Baltic Dry	1,977.00	0.51%
Gold	1,181.10	-0.19%
Copper	7,510.00	2.93%
Silver	18.37	0.00%
Dollar Index	80.62	-0.39%

Commodity	Price	1 Day Change
Eur / Usd	1.3233	0.41%
Eur / Gbp	0.8307	-0.13%
Eur / Yen	113.90	0.09%
Gbp / Usd	1.593	0.27%
Usd / Yen	86.07	0.50%

Stock Index	Latest	1 Day Change
ISEQ	2,988	0.87%
FTSE 100	5,380	-0.32%
NIKKEI 225	9,694	1.29%
DOW JONES	10,674	1.99%
S&P 500	1,126	2.20%
NASDAQ	2,295	1.80%
CAC 40	3,742	-0.26%
DAX 30	6,304	0.20%
EUROSTOXX	2,815	-0.24%

10 Year Benchmark	Yield %	1 Day Change
United States	2.92	-1.41%
United Kingdom	3.33	-0.66%
Germany	2.67	-0.96%
Japan	1.03	-2.28%
Ireland	4.96	-0.36%

### Strategy: S&P500 targeting 1150. Support at 1100 strengthens

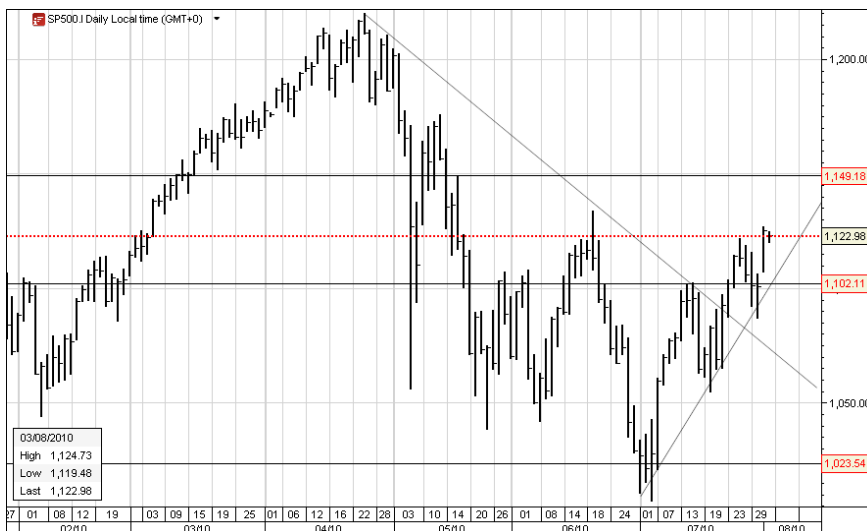
Yesterday's rally confirmed the positive move from July's low and confirmed support at the 1100 level. There has been a more positive reaction to monthly macro reports which are now showing signs of bucking their negative trend.

Today's Pending Home sales could further fuel the rally today after an unprecedented 30% decline in May (marking the end of the first time buyers credit).

The VIX volatility index also known as the 'fear index' is trading at an orderly 22, signaling positive sentiment and a more confident investor.

If macro numbers continue to affirm confidence by showing economic growth, then fears of the 'double dip' lessen and risk appetite strengthens.

The next level in the uptrend is May's high of 1133 then resistance at 1150.



### Top 5 Open Positions

Ticker	Stock	Price	BID now	Gain/Loss
EMC	EMC Corp	16.83	20.41	+21.3%
LGF	Lions Gate	5.59	6.71	+20.0%
AZN	AstraZeneca Plc	2760	3258	+18.0%
SKG	Smurfit Kappa	7.27	8.3	+14.2%
QQQ	Nasdaq Trust ETF	42.6	46.69	+9.6%

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