



### News: Rally continues as financials catch up

The market closed on its high thanks to a continuation of the positive macro data we saw yesterday. Initial jobless claims were a little lower than expected, factory orders just missed, but the previous months decline was revised much more favourably, and pending home sales rose 5.2% when a decline was expected.

The banks were outperformers after being the weakest sector in August, and the better housing data will help too. Anything consumer related or cyclical also outperformed.

### Portfolio view: US Macro Focus – Jobs Friday

A few days can make a big difference in investor confidence, and it's something very evident in this week's trading environment. Early in the week there was serious concern about the S&P breaking under short-term support levels of 1040 to test the 1010 mark (July low). Instead, the S&P has now pushed through resistance levels of 1080 or so. At the close last night the S&P traded at 1090.

Indeed, it's been a positive week for US numbers, with pending home sales numbers being the big beat yesterday (+5.2% v -1.3% exp). On top of this it was shown that initial jobless claims were at least in line with expectations, if not a little better than the surveyed number.

A lot of US macro numbers are on the agenda today, with a glut of data to be released pre-open. Non-farm payrolls and unemployment rate for August will be released at 13:30 Irish time; shortly after the opening of the market we have ISM non-manufacturing figures, which investors will hope to see a beat of expectations, much like ISM manufacturing figures from Wednesday.

The one which may move the market is the jobs number, as this is the figure most analysts use as a barometer of the general economic state. Expectations from surveyed analysts show that there is an expected decrease in non-farm payrolls of around 100,000, with unemployment expected to creep up from 9.5%-9.6%. These figures should be priced into current levels on the S&P 500 so any deviations from these figures should move the market.

An important thing to note for today is that despite the rally this week of around 4% in the S&P, the importance of US macro data is still prevalent, and with potential profit taking to be had from the gains made this week there could be a pullback in the short term at least, especially when you consider that it's Labour day in the US on Monday.

Commodity	Price	1 Day Change
Brent Crude	76.40	-0.69%
Baltic Dry	2,835.00	3.43%
Gold	1,251.50	0.42%
Copper	7,635.00	0.38%
Silver	19.59	-0.30%
Dollar Index	82.40	-0.08%

Currency	Price	1 Day Change
Eur / Usd	1.2824	-0.01%
Eur / Gbp	0.83268	-0.47%
Eur / Yen	108.09	0.00%
Gbp / Usd	1.5425	0.16%
Usd / Yen	84.28	0.00%

Stock Index	Latest	1 Day Change
ISEQ	2,745	-0.57%
FTSE 100	5,371	0.09%
NIKKEI 225	9,114	0.57%
DOW JONES	10,320	0.49%
S&P 500	1,080	2.95%
NASDAQ	2,200	1.06%
CAC 40	3,631	0.21%
DAX 30	6,084	0.00%
EUROSTOXX	2,715	0.00%

10 Year Benchmark	Yield %	1 Day Change
United States	2.61	-0.41%
United Kingdom	2.96	1.06%
Germany	2.28	-0.18%
Japan	1.15	2.41%
Ireland	5.70	-0.07%

### Top 5 Open Positions

Ticker	Stock	Price	BID now	Gain/Loss
LGF	Lions Gate	5.59	7.22	+29.16%
AZN	AstraZeneca Plc	2760	3280	+18.84%
EMC	EMC Corp	16.83	19.57	+16.28%
QQQ	Nasdaq Trust ETF	42.6	45.26	+6.2%
SKG	Smurfit Kappa	7.27	7.40	+1.8%

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