MORABANC
asset management

MARKETS AND STRATEGIES

> JANUARY 2017

COVER IMAGE BY: RDC

Where there is no bubble

I don't know how, but in 2016 we managed to survive no less than three earthquakes (the worst start to the year, Brexit, and Trump), and on top, most markets closed up on the year (see page 4 for full-year returns). I see all this as a sign of the extraordinary strength of the bull market, and this despite the fact that it is now entering its ninth year (the eighth year of the current economic cycle). I remember studying at university that a business cycle typically lasts five years; and the fact that we are about to double this is certainly a bit scary.

The end of a cycle is normally preceded by falling equity markets, and often the bursting of a bubble (the technology bubble in 2000 and the real estate bubble in 2007, for example). Right now, the closest thing to a bubble is probably core sovereign debt, most of which, in Europe and Japan, trades on negative yields (they are charging you for lending them money!) The good news is that US interest rates are normalising (strong correction since Trump's victory): the smaller the number of participants in a rally, the smaller the danger of a knock-on effect.

> Despite the fact that it is now such a long cycle, we should not be out of the market

Bubbles are normally accompanied by overvaluations on other assets (in correlation/sympathy); even though the Dow Jones never had a significant weighting in technology, in 2000 it was trading on a P/E of 23x (compared with the current 17x). Before the collapse of Lehman Brothers, not only US house prices but also commodities were at record highs. But this time round, I can't think of a second asset class; and this seems a good argument for defending the idea, despite the length of the current cycle, that we should remain on the sidelines. Rather than looking to see where there bubbles are, let's look at where they are not.

Raw materials: despite the spectacular performance of certain commodities last year, prices are not far off all-time lows in what is now a 6-year bear market. In order to reach its 2008 highs, the commodity index would need to jump 160%. No bubble.

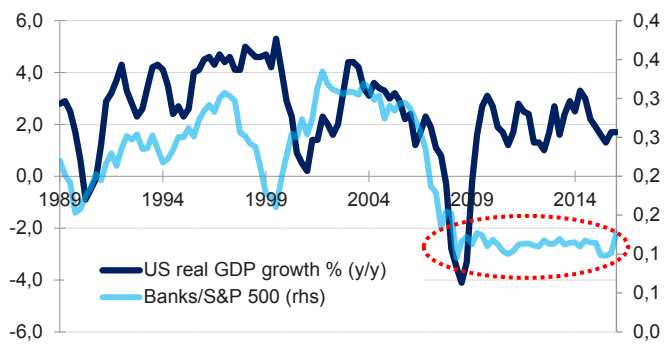
Gold: there was a lot of talk of overvaluation (the problem with gold is that, with no cash flow, it cannot be valued) back in 2011, when the price reached USD1,800/oz. With the price now off 40% from these levels and with ETF volumes down a third, I don't see any bubble here either.

The US housing market: sure, prices are close to their 2007 highs, but there are currently a million homes being built, whereas in 2005-2006 they were building 1.4Mn, 40% more. House prices ought to adjust gradually from here, not collapse, due to: 1) the Fed's higher interest rate cycle; and 2) rising supply.

Banks: the sector that led the rises in the last cycle has been left behind. And I'm not just talking about European banks, whose systemic problems certainly deserve a discount (its size is a different question). Chart 1 shows the ratio of S&P Banks/S&P 500 and the US GDP growth. There are two extremely interesting things here, in my view: 1) despite the post-Trump rally, US banks have not done much in relative terms; and 2) the current cycle, while long, does not yet appear to be complete, meaning that the US economy is surprisingly expanding WITHOUT any outperformance from the financial sector. Are banks the missing piece?

I would like to welcome Juan Hernando, our fund selector (and fund fanatic!), who, with his 12 years of experience, will be joining the *Markets and Strategies* team as of this edition, in order to comment on interesting topics in the world of funds. And last, but not least, from all the team, we wish you all the best with your investments in 2017.

Chart 1. US banks have not yet joined in the rally



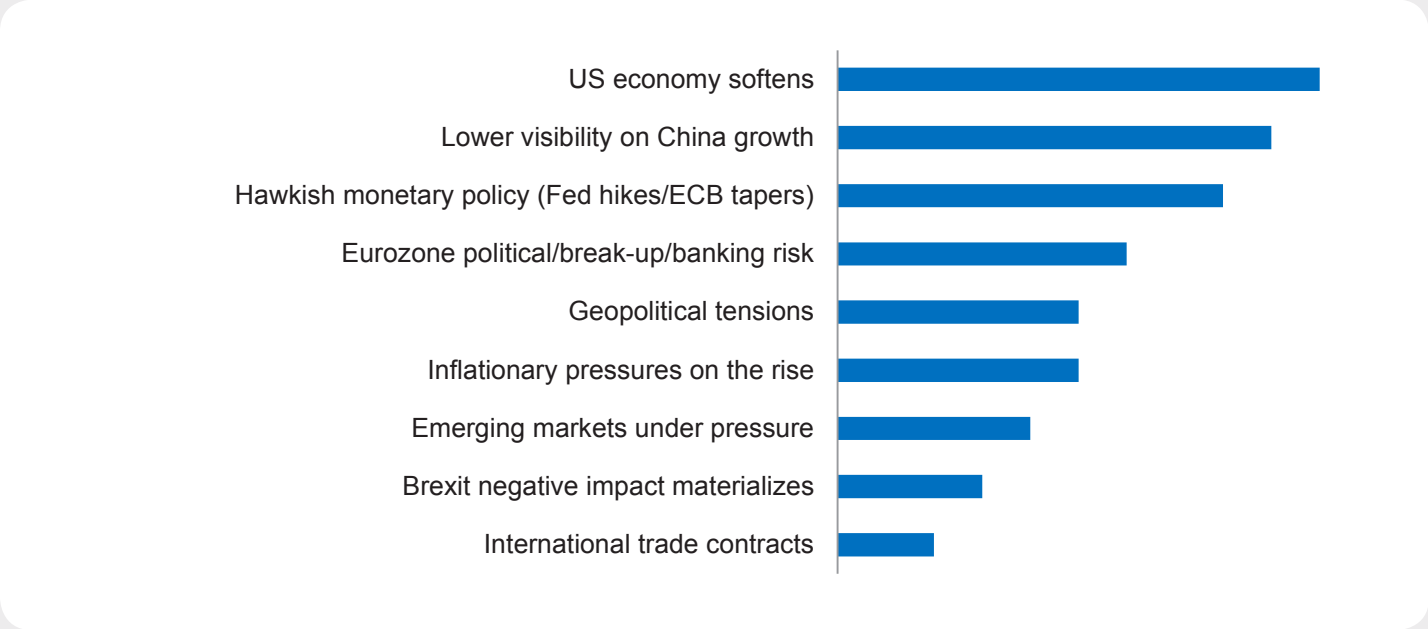
Aleksandra Tomala, CFA
Research & Strategyaleksandra.
tomala@morabanc.ad

Aleksandra Tomala, CFA
Research & Strategy · aleksandra.tomala@morabanc.ad

2017 risks

As of now, our presentation of the different risks will be based on our perception of their potential market impact in case they materialise. The biggest risk for 2017 is, we believe, any weakness in the US economy, which is currently the main driver behind the improvement in global sentiment. We are also concerned about the potential doubts surrounding the Chinese economy (foreign capital flight, refocusing of the fiscal stimulus). Overly restrictive monetary policy ahead of the still fragile recovery could also trigger market panic. The wave of elections (France, Holland, Germany, and possibly Italy) and the unanswered question overhanging Italian banks represent the biggest risk on this side of the Atlantic. A highly probable escalation in geopolitical tensions could also reduce the appetite for risk. Excessive inflation would lead to volatility, particularly in fixed income. Emerging markets may come under pressure from a potential increase in interest rates, the dollar, or a fall in commodity prices. This year, we could also see signs of the negative impact of Brexit (more in the UK than in Europe, in our view). And finally, we will be keeping a close eye on the change in America's political tack and the negative consequences that this may have on international trade.

Chart 2. Risks for 2017



Aleksandra Tomala, CFA
Research & Strategy · aleksandra.tomala@morabanc.ad

2017 Strategy: acceleration potential

Macro environment. After what was a turbulent year full of pessimism, we have arrived, thanks to an improvement in the macro data over the last quarter, at a point where nobody any longer really questions the global economic recovery. All talk of deflation has disappeared as well. The risks now appear to be on the upside: accelerating growth, excess inflation. And the global macro surprise index is at a 6-year high.

In 2016, the main concern was the state of the US economy; but this no longer seems to be the case. The risk now appears to centre on the sustainability of Chinese growth and on the recovery capacity of other emerging markets. Europe and Japan have done their homework over the last couple of years; their macro outlooks are now improving, and they should no longer be under the spotlight. Another issue is the political risk in Europe.

For 2017, consensus forecasts point towards 3.2% growth of the global economy, 6.4% in China, 2.3% in the US, 1.6% in Europe, and 1.0% in Japan. Forecasts were virtually identical a year ago, but the big difference is that the macro data is now that much more promising and there is a fresh outlook in terms of US fiscal stimulus.

We are sticking with our upbeat outlook for 2017; the global economy is recovering and, now that in addition to the potential acceleration in the US economy we are also seeing both Russia and Brazil pulling out of recession, growth is likely to exceed consensus forecasts, quite possibly with more inflation.

The Fed raised rates in December for the second time in this cycle. Although committee members are talking about three 25bp hikes this year, we think it will probably end up being just two, due to: 1) the FOMC's dovish bias; 2) dollar strength; and 3) the likely increase in public debt.

Our constructive view depends on the capacity of China's government to redirect fiscal stimulus in an orderly fashion away from the real estate sector (pretty overheated) and towards infrastructure.

Equity. Historically, equities have performed well when the economy is recovering and inflation is rising, which is exactly what we expect to see now. EPS is forecast to rise by 10%, both in Europe and the US; estimate that looks reasonable, given the bounce in the oil price and the brighter macro outlook. We definitely prefer Europe to the US, betting that investors will rotate from the mature US cycle to the young European one. The outlook for emerging markets is not at all clear; we remain neutral. We are underweight Japan; we don't see the yen going any lower, this normally being the driver for the local equity market. We see that many investors have still not entered into the "trumpflation" trade, so we are positioning ourselves accordingly: we are buyers of cyclical, value, and capex stocks (this means mainly banks and industrials). We are staying away from bond proxies and quality (utilities and consumer staples). Target levels: S&P at 2.400, EuroStoxx 50 at 3.800, Ibex at 10.800.

Fixed income. We remain bearish on core sovereign debt, which we expect to correct in line with the macroeconomic recovery and the rise in inflationary pressure. Our forecast ranges for the bund and the UST are 0.5-1.0% and 2.25-3.0% respectively. We see further potential in credit and peripheral debt (Spain and Italy). Given our mixed outlook for emerging markets, we maintain a more cautious stance: neutral on emerging debt. Where we are more confident this year is on inflation protection: we are increasing ILBs to strong OW.

EURUSD. We are maintaining our EURUSD range of 1.05-1.10 and our neutral stance; we believe the market is now properly discounting monetary policy divergences and that the improvement in Eurozone fundamentals ought to prevent any further slide in the euro.

Commodities. We remain buyers of oil, setting a new target level of USD60/bbl (Brent); given the production cuts introduced by OPEC and non-OPEC countries and also the improvement in the macro outlook, this year should mark the end to the supply/demand disequilibrium. We are also taking a more constructive stance on gold; our outlook of more inflation and less interest rate hikes in the US implies real rates below those of the consensus, which is more conducive to stronger gold prices. We are increasing to neutral, with a new target price of USD1,250/oz.

Chart 3. Total returns in 2016 (30/12/2015-30/12/2016)*

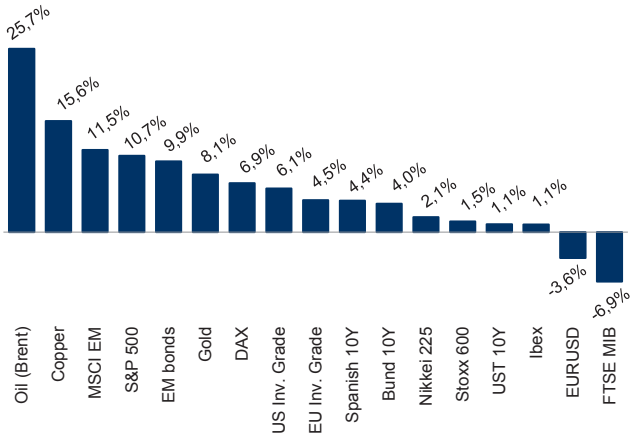
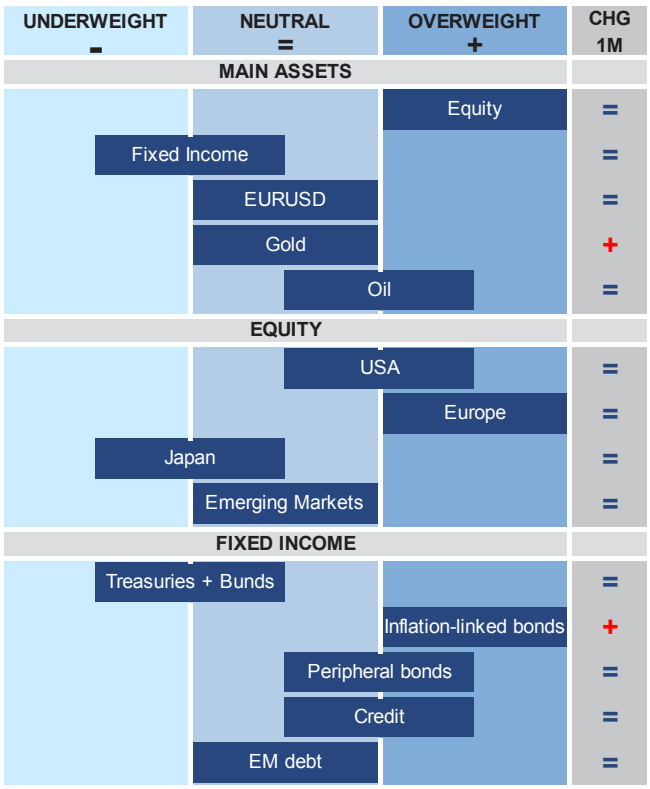


Chart 4. Positioning in the main asset classes



*USD returns on MSCI EM index and EM bonds

Rubén Giménez
Macroeconomic Research · ruben.gimenez@morabanc.ad

macroeconomy

2017: Ready... steady... go!

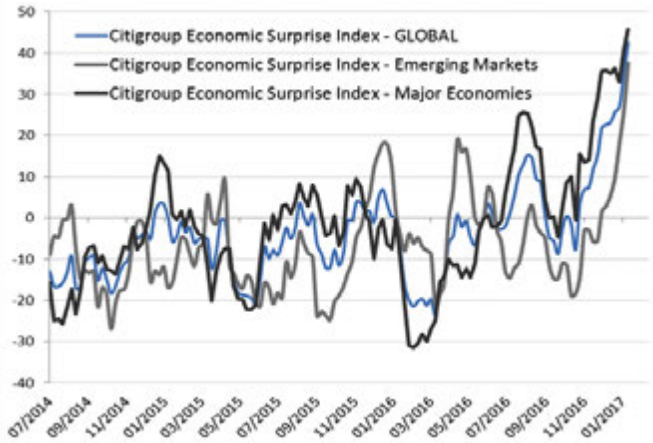
Promising start to the year, at last! Last year, oil and interest rates both showed significant signs of having bottomed out, or at least of having formed a significant floor. Global growth forecasts have been raised (a novelty in itself!) and recession indicators in both the US and the rest of the world have decreased considerably. With more than two months now having passed since the US elections, market performance suggests that the event is a potential game changer looking forward: we have seen heavy selling of core debt assets, a pick-up in inflation expectations, multiple growth indicators accelerating at the global level, and after eight years of extraordinarily high correlation in financial markets, finally significant decreases (quite possibly an indication that markets are "normalising").

These are the main brushstrokes, but let's take a look at some of the finer detail. Generally speaking, we are still in a low-volatility environment (historically speaking) that may well be unsustainable long-term; inflation and growth levels are still low, and economies therefore still lack a cushion against negative surprises linked to high debt levels, demographic pyramids that are far from optimal, and a busy geopolitical calendar. So, it is certainly not a question of throwing caution to the wind.

R. Giménez

News	Events
Global economic surprise indicators at 6-year highs	27/JAN/17. First 4Q16 GDP estimate in the US
Theresa May speaks frankly about a clean and rapid Brexit	31/JAN/17. Interest rate decision in Japan
World leaders meet at the World Economic Forum at Davos	1/JAN/17. Interest rate decision in the US
Correlations between financial assets at the lowest level for a decade	19/FEB/17. General elections in Ecuador (president and vice President)

Chart 5. Economic surprise indices "on fire"



Miquel Soca, CEFA
FI Strategy · miquel.soca@morabanc.ad

fixed income

Outlook 2017: Debt markets

Surprises were commonplace on both sides of the Atlantic in 2016. Rather than macroeconomic data, it was Brexit, US elections, and the Italian referendum that were the main drivers behind the uncertainty. And for 2017, we are not expecting the uncertainty to diminish. In Europe, elections in Germany, France, and Holland, as well as the possible start of tapering or the extension of QE will all be key factors for markets (both government debt and credit). Peripheral debt spreads can still narrow further (in the case of Spain and Italy).

As for the US, we need to pay close attention to the introduction of the Trump administration's economic plan and fiscal stimuli, and also to any unexpected moves by the Fed. At the moment, the positive macroeconomic data (indicators on growth, employment, salaries, and inflation all surprising positively) is providing solid support, along with the strong momentum, to investment grade credit and high yield markets. If we see a more hawkish tone at the Fed's first meetings, the steepening of the US curve could continue.

And turning to emerging debt, while dollar strength and the firming of the US curve may weaken any movement in the emerging debt curve, better than expected macro data would probably support it.

M. Soca

Chart 6. Ideas for 2017

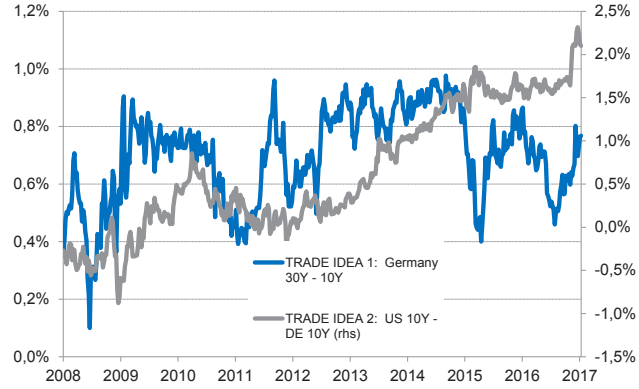
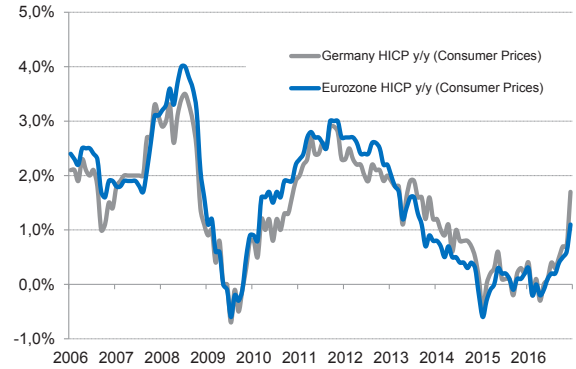


Chart 7. Inflationary risks in Europe



Xavier Torres, CEFA
Equity Strategy · xavier.torres@morabanc.ad

equity

Beginning the year...

As always, around these dates, we try to make a forecast for the year ahead. And 2017 is no exception, despite how difficult it might seem, especially when it comes to predicting movements in equity prices! According to the analysts, average earnings growth this year, in both Europe and the US, will be around +10%. It is the beginning of the year, and it is easy to get too optimistic, as we all know....and sentiment will inevitably deflate, as usual. But, all this aside, if the trend is towards improvement, this should be enough to ensure that markets have a good year. If to this we add the potential improvement in US bank results, thanks to the lower tax rate announced by Trump, there will be a very positive impact on earnings and, in turn, on market sentiment.

At the same time, we continue to believe there is plenty of value in Europe, and we expect this to be reflected this year. In Spain and Portugal in particular.

X. Torres

Chart 8: SP500 vs. earnings

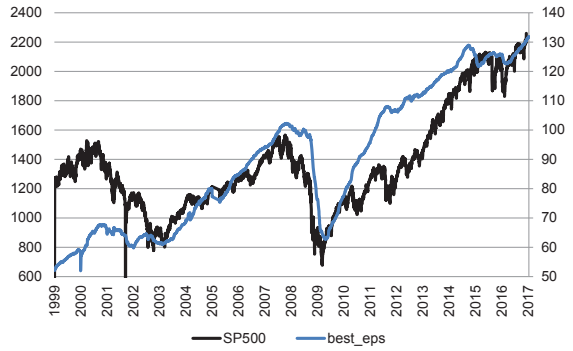
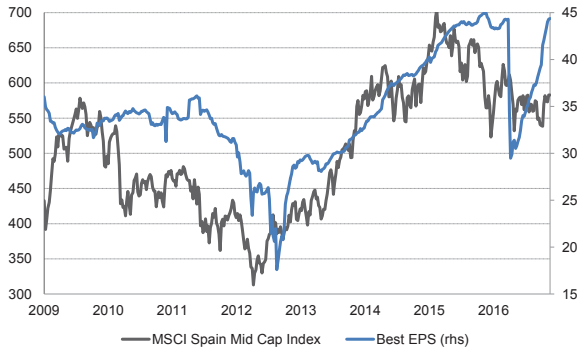


Chart 9: Performance of the MSCI Spain Mid Cap and its earnings



Gorka Apodaca, CEFA
Technical Analysis · gorka.apodaca@morabanc.ad

equity / technical analysis

Warming up

Hello readers! Here we are, back on the starting grid, with everything in place for equity grand prix! This year's race looks to have plenty of bends. But is anybody afraid anymore after last years' experience? It will be important to keep a close eye on rookie driver, Donald Trump, undoubtedly a threat because of his audacity and inexperience. But it will also be important to watch the new British team, which may cause some instability on the track, and also the fuel driving these engines, i.e. oil. As we know, the markets are a non-stop race that requires 100% concentration; so let's take a look at the different European and American indices. On the EuroStoxx 50, we see clear long-term resistance on the trend line that began in 2000, and now at the 3,450 level; if there is a correction from this level, a good entry level would be around 3,100. As for the Ibex, we see the resistance at 9,600, but any correction back to 8,900 would provide an opportunity for increasing equity exposure. And in the US, further new highs are possible this year, possibly up to 2,400 on the SP 500. So, fasten your seat belt, we're off!

G. Apodaca

Chart 10. Eurostoxx future (daily chart)

Chart 11. Ibex future (daily chart)

Tomás García-Purriños, CAIA
FX and commodities · tomas.garcia@morabanc.ad

FX

Brexit again

We said in December that the EURUSD was looking oversold and suggested giving it some breathing space. The significant EUR recovery since then makes us stick to this view, at least to the 1.075 level. It would be naïve to ignore the fact that the single currency has plenty of technical resistance and political events pending to prevent a swift return to fair value (around 1,18 according to our calculations). But we do not see enough arguments in favour of a USD acceleration either, with the makeup of the FOMC more dovish that at any time over the last three years. In short, we are sticking to our forecast range of 1.05-1.10, but we see the risk to the downside.

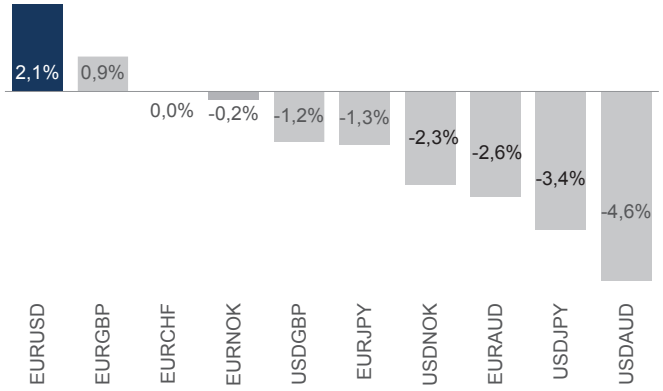
The most popular cross rates for 2017 are, without doubt, those related to GBP. Sterling is under pressure, due to economic uncertainty, but even more so, due to political uncertainty. The underlying current is still negative for the currency, in our view, and the risks are, without doubt, on the downside. This said, there may well be moments of overselling and sharp spikes, so care and timing will be crucial when trading anything that is GBP-related.

And finally on the renminbi and its slide versus the USD. The reduction in China's currency reserves are proof of the efforts it has made to soften the move; but the authorities are fighting against the so-called impossible trinity (it is impossible to maintain control over capital flows, monetary policy, and the currency all at the same time).

T. García-Purriños

Chart 12. GBPUSD

Chart 13. Performances of main currencies in 2017 (YTD)



Tomás García-Purriños, CAIA
FX and commodities · tomas.garcia@morabanc.ad

commodities

Change in view on gold

2017 has started with little news, with the Bloomberg Commodity Index flat, and with noticeable differences between the different raw materials of which it is composed.

For example, energy-related commodities are performing badly, led by natural gas. Crude also began the year with a small correction. Despite this, our view is unchanged, and we reiterate our target price of USD 60 for Brent. The market is now waiting for the conclusions of the OPEC Compliance Committee (21-22 Jan), following the agreement reached in December.

Precious metals have begun the year on a strong foot. In fact, we have decided to raise our target price on gold to USD 1,250/oz, in keeping with our outlook for real interest rates; as a result, we are going neutral. We believe that inflation will rise faster than interest rates, which is likely to have a positive impact on gold.

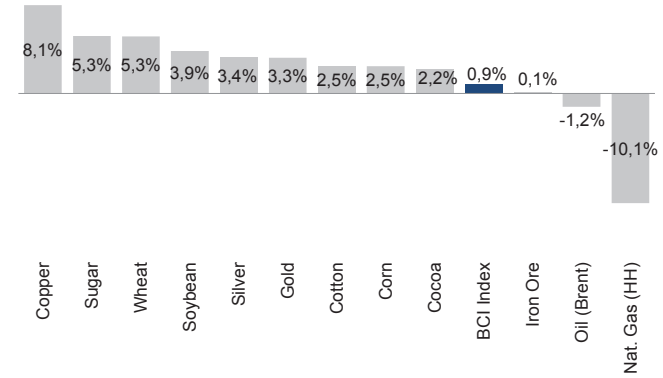
As for industrial metals, the Indonesian government's decision to ease export restrictions on nickel and bauxite had a negative effect, triggering profit taking on all the other metals. But overall, the year has begun strongly, in line with the economic indicators, which are signalling a degree of recovery.

The first few weeks of the year have also brought a pick-up in soft commodities.

T. García-Purriños

Chart 14. Gold and real 10-year rates (rhs, inverted)

Chart 15. Performance of the main commodities in 2017 (YTD)



Juan Hernando García-Cervigón, CAIA
Funds · juan.hernando@morabanc.ad

Not without my manager?

It has been a sad start to the year in the fund world: the death of Stephen Thornber, manager of the Threadneedle Global Income, with almost EUR 2Bn under management. Quite aside from the inevitable impact of a sudden death, the question for investors in the fund is what to do. Does a change of manager mean I should sell? Should I believe in the strength of the team as a whole?

Fortunately, the sudden death of the manager of a fund in which we are invested is not a common occurrence; but what is more frequent is a change of manager (for other reasons). When this occurs, it is important to understand properly the fund's management style and the importance of the role played by the manager.

In some cases, the role is extremely personal, and the individual manager accounts for a high percentage of the fund's success or failure. In such cases, and if we lack positive references on the substitute, it is preferable to sell and look for another option. It is normally a question of time before the manager in whom we believe reappears at another management company or sets up their own project. It is very much like a Michelin-star restaurant when the chef leaves.

But then there are investment processes that allow the main manager less discretion and give more importance to the analyst team, or management styles that are more systematic. These have a better chance of eliminating "star manager" risk, and in these cases the loss of such a manager is not as significant.

We have seen all kinds of examples, including funds that, without their star, have proven that there is a great team behind and have gone on to perform even better. There is no hard and fast rule on what to do in these situations; the key is to know well the funds in which we are investing, and then to take our decisions.

J. Hernando

Chart 16. Example of the impact on AuM following departure of star manager

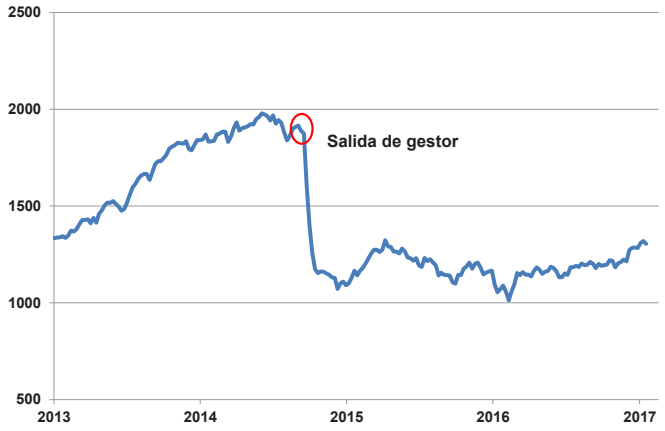
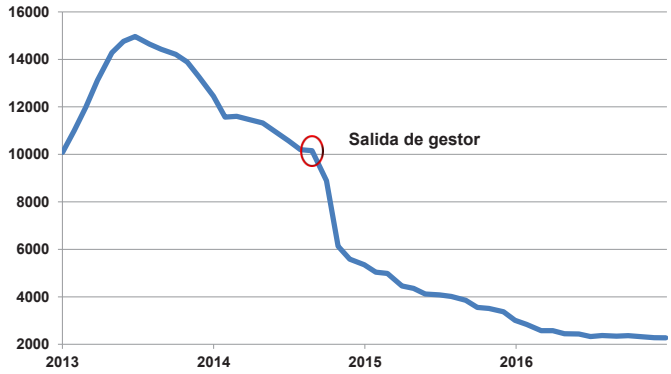


Chart 17. Example of the impact on AuM following departure of star manager



Investment lessons from natural evolution: On bulls, bears, cold turkey and cockroaches

During the past nine years equity investors have become addicted to positive returns. The early days allowed for easy flirting with the habit. After all, corporate earnings were growing and central banks subsidized the fix. In 2015 the trend started to revert and ever since, in order to keep denying the addiction, investors have been hanging on a succession of narratives such as "rates lower for longer" and the Trump reflation trade. Just like a junkie the dose – the risk in this case – had to increase to get the same level of satisfaction and after feeling the pain of quitting cold turkey – be it China, Brexit, Trump or the Italian referendum – they returned to the habit with even more fruition.

There are good reasons for being bullish on equities over the long-term. After all, public companies are the finest artifacts humanity has discovered for creating economic value on a large scale; mostly because in sharp contrast with our quasi-medieval public institutions, corporations are subject to the brutal laws of natural evolution.

Just as living organisms need to capture enough energy to feed and reproduce themselves, corporations have to deliver a positive return on capital in order to survive under strong market competition. The constant evolutionary pressure ensures that only successful organisms and companies prevail – hence the importance of diversification.

Continuing with the analogy, being permanently bearish on equities – a species known as "permabear" – is like waiting for the complete extinction of life, a losing proposition in the long run as entrepreneurship, the same as life, always crawls back. However, being long natural evolution is not the same as being bullish on every evolutionary period. Evolution is a nonlinear process marked by mass extinction events caused by a shock to the ecosystem, like the impact of a meteorite or climate change.

The lower the degree of biodiversity (the biologic equivalent of investors' complacency) at the time of the event, the longer it takes for life on Earth to flourish again. Likewise, markets may need many years to recover from a stock crash, something many investors have never experienced or seem to have forgotten. Those who invested in the S&P 500 in the year 2000 had to wait eight years to see the index recover its initial value, although just for a couple of months, as the financial crisis hit and another six years had to pass to break even again. When factoring in dividends, the comeback was somehow shortened, but still twelve years were needed to be on firm ground.

If (time scales aside) trying to time market crashes may prove as difficult as anticipating evolutionary turns, one can at least try to bet on those species and companies alike that are better equipped to survive a shock. To identify them, it helps to realize that there are limits to natural evolution as well as to corporate performance. As gravity forces animal size to follow the square-cub law, requiring bones and muscles to be proportionately much larger than those of smaller animals, interest rates and earnings weigh on stock prices. If animals, or stock prices, grow beyond their fundaments, sooner or later they crumble under their own weight. If you are amongst those who think that many stocks have overgrown like dinosaurs, then you should consider investing in defensive stocks which, like cockroaches or jellyfishes, can survive many different evolutionary periods.

Fernando de Frutos, PhD, CFA
Mora Wealth Management
Chief Investment Officer
fernando.defrutos@morawealth.com

Equity

20/01/2017	LAST PRICE	CHANGE 1M	CHANGE YTD
INDEXES			
MSCI World	1.783	0,8%	1,4%
MSCI Emerging Markets	894,5	5,1%	3,7%
S&P 500	2.269	0,2%	1,6%
Nikkei 225	19.138	-1,8%	0,1%
EuroStoxx 50	3.305	0,8%	0,4%
FTSE 100	7.215	2,4%	1,0%
DAX	11.628	1,4%	1,3%
Ibex 35	9.409	0,0%	0,6%
CAC 40	4.860	0,2%	0,0%
FTSE MIB	19.527	1,5%	1,5%
PSI 20	4.604	-1,2%	-1,6%
Athex	640	1,9%	-0,5%
Hang Seng	22.885,9	5,3%	4,0%
Bovespa	64.375	11,8%	6,9%
Micex	2.163	-2,8%	-3,1%
SECTORS			
Consumer Discretionary	202,2	1,0%	2,5%
Consumer Staples	209,5	1,0%	0,8%
Energy	218,8	-1,5%	-1,4%
Financials	107,2	-0,4%	0,6%
Industry	216,3	1,3%	2,0%
Materials	230,7	4,4%	3,8%
Health Care	196,8	1,5%	1,3%
Technology	165,9	1,3%	2,9%
Telecommunication	70,6	1,1%	0,8%
Utilities	116,3	0,4%	0,1%

20/01/2017	LAST PRICE	CHANGE 1M	CHANGE YTD
IBEX-5			
BBVA	6,1	-6,3%	-4,3%
Inditex	31,2	-3,4%	-3,7%
Repsol	14,3	2,2%	6,3%
Santander	5,1	0,5%	2,0%
Telefónica	9,1	4,0%	3,4%
BLUE CHIPS EUROPE			
BASF	89,7	1,5%	1,6%
Daimler	70,7	0,1%	-0,2%
E.ON	7,4	12,7%	10,1%
HSBC	677,9	1,8%	3,2%
Nestle	73,3	2,1%	0,3%
Roche	235,6	0,9%	0,5%
Royal Dutch Shell	25,9	-1,6%	-0,5%
Siemens	117,0	1,3%	0,2%
Vodafone	206,5	3,6%	3,3%
BLUE CHIPS US			
Apple	119,9	3,4%	3,6%
Bank Of America	22,4	-1,3%	1,2%
Coca-Cola	41,4	-1,0%	-0,3%
Exxon Mobil	85,5	-4,9%	-4,0%
Mc Donald's	122,7	-0,3%	0,8%
Microsoft	62,7	0,0%	0,3%
Procter & Gamble	86,7	0,4%	3,1%
Walt Disney	107,8	4,0%	3,5%

Fixed Income

20/01/2017	LAST PRICE	CHANGE 1M	CHANGE YTD
GOVERNMENT BONDS	**YTM**	**bp**	**bp**
Treasury 2y USD	1,22%	0,7	3,5
Treasury 5y USD	1,97%	-6,4	4,8
Treasury 10y USD	2,49%	-6,6	4,8
Bund 2y EUR	-0,68%	10,9	9,1
Bund 5y EUR	-0,42%	7,0	11,0
Bund 10y EUR	0,41%	14,3	20,5
CDS	**Spread**	**bp**	**bp**
ITRAX EUROPE 5Y	68,6	-1,9	-3,4
ITRAX EUROPE 10Y	108,7	-0,9	-2,9
ITRAX EUROPE SR FIN 5Y	85,2	-8,5	-8,3
ITRAX EUROPE SUB FIN 5	209,4	-11,4	-12,2
CDX USA 5Y	65,8	-1,6	-1,7
SOVEREIGN SPREADS	**Spread**	**bp**	**bp**
Spain / Germany 10y	108,8	1,9	-8,8
France / Germany 10y	48,7	3,8	0,9
Italy / Germany 10y	160,4	3,2	-0,4
Ireland / Germany 10y	38,4	3,5	4,5
Portugal / Germany 10y	346,6	-1,1	-9,3
BREAKEVENS	**Rate**	**bp**	**bp**
Germany Breakeven 10Y	1,27%	8,0	2,0
US Breakeven 10Y	2,05%	12,0	8,3
UK Breakeven 10Y	3,04%	3,6	2,5
HY & EM SPREADS	**Spread**	**bp**	**bp**
BarCap US Corp HY	386,0	-21,0	-23,0
JPM EM Sovereign spread	352,1	-16,3	-13,3
CS EM Corp Spread vs. BM	280,5	-0,9	-0,2

20/01/2017	LAST PRICE	CHANGE 1M	CHANGE YTD
IBEX-5 CDS 5Y		**bp**	**bp**
BBVA	120,0	-6,1	-3,4
Iberdrola	71,4	-2,8	-2,3
Repsol	113,7	-12,3	-11,7
Santander	109,8	-14,5	-11,0
Telefónica	110,8	-10,5	-8,3
BLUE CHIPS EUROPE		**bp**	**bp**
BASF	37,6	-2,4	-2,7
Daimler	59,8	3,5	4,3
E.ON	72,5	-0,9	-1,5
HSBC	68,8	-1,0	0,3
Nestle	29,5	-0,7	-0,8
Roche	33,0	-0,5	2,0
Royal Dutch Shell	n.a.	n.a.	-6,2
Siemens	37,2	-1,9	-1,9
Vodafone	85,1	-1,7	-1,6
BLUE CHIPS US		**bp**	**bp**
General Electric	38,5	1,3	0,4
Bank Of America	72,8	-3,1	-2,3
Coca-Cola	27,6	2,1	2,1
Chevron	85,0	-15,0	16,7
Mc Donald's	35,6	1,0	-0,1
Microsoft	34,4	0,1	2,2
Pfizer	41,7	-0,7	-0,9
Walt Disney	29,1	-0,2	-0,1

FX

20/01/2017	LAST PRICE	CHANGE 1M	CHANGE YTD
EURUSD	1,0658	2,5%	1,6%
EURCHF	1,0736	0,4%	0,1%
USDJPY	115,1600	-2,2%	-1,5%
GBPEUR	1,1548	-2,8%	-1,6%
AUDJPY	86,7790	-1,5%	3,0%

Commodities

20/01/2017	LAST PRICE	CHANGE 1M	CHANGE YTD
Gold (USD/oz)	1.201,7	6,1%	4,7%
Copper (USD/t)	5.739,5	4,4%	3,7%
Crude Brent (USD/bbl)	55,4	-1,1%	-2,5%
Corn (USD/bushel)	367,5	4,9%	4,4%
GSCI Commodity Index	395,0	0,7%	-0,8%

Carrer de l'Aigüeta, 3
AD500, Andorra la Vella
Principat d'Andorra
T (376) 88 43 40
www.morabanc.ad

David Azcona, CFA
CEO, Chief Investment Officer
david.azcona@morabanc.ad
T (376) 88 41 66

Aleksandra Tomala, CFA
Head of Research & Strategy
aleksandra.tomala@morabanc.ad
T (376) 88 43 49

Rubén Giménez
Macroeconomical Analysis
ruben.gimenez@morabanc.ad
T (376) 88 49 01

Miquel Soca, CEFA
FI Strategy
miquel.soca@morabanc.ad
T (376) 88 48 65

Xavier Torres, CEFA
Equity Strategy
xavier.torres@morabanc.ad
T (376) 88 43 46

Gorka Apodaca, CEFA
Technical Analysis
gorka.apodaca@morabanc.ad
T (376) 88 48 95

Tomás García-Purriños, CAIA
FX and Commodities
tomas.garcia@morabanc.ad
T (376) 88 49 34

Juan Hernando García-Cervigón, CAIA
Funds
juan.hernando@morabanc.ad
T (376) 88 49 04

Fernando de Frutos, PhD, CFA
Mora Wealth Management
Chief Investment Officer
fernando.defrutos@morawealth.com
T +41 44 256 8135

Josep Lluís Trabal de Yzaguirre
Press contact
josep.lluis.trabal@morabanc.ad
T (376) 88 41 46