The big questions for investors this week

What will the ECB serve up? When will the US energy industry recover?

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YESTERDAY by: FT reporters

How much further has the tech stocks rally got?

It is the part of the stock market that simply refuses to lie down. Despite declines earlier in August, US technology stocks were still the best performing sector on the S&P 500 last month. The news of the timetable for the launch of the latest iPhone stirred more interest in Apple shares.

Although the S&P 500 info technology index ended Friday — the first day of trading in September — it has now advanced by more than a fifth this year, outpacing healthcare and utilities.

With the year marked by bouts of concern over the US economy, the sector has been a beneficiary of investors' willingness to pay up for companies with earnings growth. Forecasts suggest that tech will continue to deliver on that front, albeit at a slower pace than at the start of the year. According to Factset, the sector's earnings are expected to rise by 9.1 per cent this quarter from the same period last year. They rose just over 15 per cent in the second quarter. The possibility of a tax plan from the Trump administration that includes incentives to repatriate overseas earnings would also be a boon for cash-rich tech companies.

However, as the middle weeks of August showed, the sector will remain vulnerable to money managers and other investors looking to crystallise gains and rotate into parts of the market that have fared less well.

“Tech will serve as one of the areas where folks will take profits because it has done so well,” said Michael Arone, chief investment strategist at State Street Global Advisors “If we have some volatility, it would not surprise me if one of the first areas investors look to take profits will be tech.” ***Nicole Bullock***

What will the European Central Bank serve up?

The European Central Bank offers up the first major policy meeting of September, and the focus on Thursday’s gathering will be intense.

Since Mario Draghi, the ECB president, earlier this year declared victory over the threat of deflation, investors have expected the Frankfurt-based bank to lay out a calendar for further tapering a bond-buying programme that it began in 2015. Officials in the spring already trimmed purchases from €80bn a month to €60bn.

With eurozone economic data improving, investors have focused on the possibility that the ECB governing council detail either at this week’s meeting or of that in October to further cut purchases.

Any ECB decision will be complicated by the appreciation of the euro this year, which is likely to put downward pressure on inflation.

Andrew Cates, a research analyst at Nomura, said that as a result he did not now expect Mr Draghi to announce tapering in September, but instead to delay until October.

“We believe that [the euro’s] strength is jangling a few nerves among some ECB policymakers,” he said. “We think the asset purchase programme will now be wound down over the first nine months of next year, not six as we were previously forecasting.” ***Kate Allen***

How quickly can the US oil and gas industry recover?

The centre of attention for global energy markets will remain in Texas, where the devastating storm has cost lives, displaced tens of thousands and wrought billions of dollars worth of damage.

For energy markets, the key questions will be how quickly the refining capacity that was knocked out by the storm returns and, then how rapidly the pipelines that have also been closed or interrupted, can move the gasoline to the key consuming areas on the east coast.

Although operations at oil refineries have begun to be restored, the average retail price of petrol in the US touched $2.59 a gallon over the weekend, 10 per cent higher than the week before Harvey hit and its strongest level in two years.

Economists at Barclays estimate that the fallout of the storm could cut US gross domestic product by between 1 and 1.5 percentage points in third quarter given the “high value-added energy sector” that the Gulf Coast is home to.