

# Stocks hold up amidst bank sector uncertainty

Last week saw the Federal Reserve move forward with a quarter-point (0.25%) interest rate rise, despite speculation that recent instability in the banking sector would cause the Fed to pull back on its current policy trajectory. The March meeting of the FOMC (Federal Open Market Committee) did however signal that an aggressive rate rising policy was likely to end soon. Fed Chair, Jay Powell, reiterated his assurances to depositors that their savings remained safe despite the banking sector uncertainty. Investors remain cautious towards the banking sector but appeared to show a positive sentiment towards equities, with only the Financials and Consumer Discretionary sectors having a negative week in the US. In the world's largest market, equities finished the week up 0.1% in euro terms. Conversely, bond markets have seen higher volatility. The resultant uncertainty of future interest rates has seen volatility in US bond prices and wild swings in yields. The benchmark US 10 Year Treasury yield finished the week at 3.42%.

In Europe, the March Purchasing Managers Index indicated an expansion of economic activity within the Eurozone. The survey, released on Friday, which measures both manufacturing and service activity, displayed the highest results in over 10 months. The March figure came in at 54.1, above economists' expectations of 51.9. Despite the positive sentiment, the report did indicate some uncertainty about the Banking Sector amongst Europe's purchasing managers. Eurozone stocks ended the week up 0.2%, with many investors hoping the worst of the Banking sector turmoil has ended following the rushed rescue of Credit Suisse the previous week.

The best performing major market last week was Hong Kong, returning 3.2% in Euro terms. Much of the performance occurred following the US FOMC's Thursday meeting, where members discussed the pausing their aggressive rate rising policy. Asia Pacific equities have been heavily reliant on the reopening of China in recent weeks, however poorer Chinese economic indicators and a separation of US-China economic relations has seen growth in the region be slower than expected.

**Our regular market information continues on the next page.**

## Snapshot



World Equities  
Corporate Bonds  
Sovereign Bonds  
Copper



Gold  
Oil

## The week ahead

28 Mar	US CB Consumer Confidence report is released.
30 Mar	US GDP figure for Q4 goes to print.
31 Mar	US Core PCE Price Index is issued.



	1 Week Return 20.03.23 to 27.03.23		Year to Date Return 30.12.22 to 27.03.23	
	Local Currency	Euro	Local Currency	Euro
World	0.6%	0.2%	3.8%	3.0%
U.S.	0.5%	0.1%	3.9%	3.0%
Europe	0.2%	0.2%	5.4%	5.4%
Ireland	-2.2%	-2.2%	13.8%	13.8%
U.K.	0.2%	-0.4%	0.2%	1.0%
Japan	1.3%	1.7%	3.4%	3.6%
Hong Kong	3.7%	3.2%	-2.8%	-4.2%
Corporate Bonds	0.4%	0.4%	0.8%	0.8%
Sovereign Bonds	0.1%	0.1%	4.4%	4.4%

### Equities

- Global stocks were up last week by 0.2% in euro terms and 0.6% in local terms.
- Year-to-date global markets were up 3.0% in euro terms and 3.8% in local terms.
- The U.S market, the largest in the world, finished at 0.1% in euro terms and 0.5% in local terms.

### Fixed Income & FX

- The U.S. 10-year yield finished at 3.42% last week. The German equivalent finished at 2.19%. The Irish 10-year bond yield finished at 2.61%.
- The Euro/U.S. Dollar exchange rate finished at 1.08, whilst Euro/GBP finished at 0.88.

### Commodities

- Oil finished the week at \$70 per barrel and is down -10.9% year-to-date in euro terms.
- Gold finished the week at \$1,970 per troy ounce and is up 5.9% year-to-date in euro terms.
- Copper finished the week at \$8,912 per tonne.

Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced, or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing, or creating any MSCI expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability, and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com)

Source ICE Data Indices, LLC ("ICE DATA"), is used with permission. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD-PARTY SUPPLIERS DISCLAIM ANY AND ALL WARRANTIES AND REPRESENTATIONS, EXPRESS AND/OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, INCLUDING THE INDICES, INDEX DATA AND ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM. NEITHER ICE DATA, ITS AFFILIATES NOR THEIR RESPECTIVE THIRD-PARTY PROVIDERS SHALL BE SUBJECT TO ANY DAMAGES OR LIABILITY WITH RESPECT TO THE ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDICES OR THE INDEX DATA OR ANY COMPONENT THEREOF, AND THE INDICES AND INDEX DATA AND ALL COMPONENTS THEREOF ARE PROVIDED ON AN "AS IS" BASIS AND YOUR USE IS AT YOUR OWN RISK. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD-PARTY SUPPLIERS DO NOT SPONSOR, ENDORSE, OR RECOMMEND ZURICH LIFE ASSURANCE PLC, OR ANY OF ITS PRODUCTS OR SERVICES.

Figures are calculated using Total Returns Indices.

Warning: Past performance is not a reliable guide to future performance.  
Warning: The value of your investment may go down as well as up.  
Warning: Benefits may be affected by changes in currency exchange rates.  
Warning: If you invest in this product you may lose some or all of the money you invest.

### Zurich Life Assurance plc

Zurich House, Frascati Road, Blackrock, Co. Dublin, Ireland.

Telephone: 01 283 1301 Fax: 01 283 1578 Website: www.zurich.ie

Zurich Life Assurance plc is regulated by the Central Bank of Ireland.

Intended for distribution within the Republic of Ireland.

GR: 5685 Print Ref: ZL ISA 5685 0121

