

# Markets remain flat as declines offset by positive indicators

Declines on the first three trading days of the week were largely offset by a rally on Thursday. An index of leading U.S. economic indicators recorded its strongest monthly gain since last July. The 1.6% April increase that was reported on Thursday by The Conference Board marked the second consecutive solid monthly gain for the index.

In the U.S., housing starts fell 9.5% to a still-strong 1.57-million unit pace in April, as material shortages weighed on activity. Supply constraints now appear to be holding back many parts of the economy as noted in the April 27-28 Federal Open Market Committee (FOMC) meeting. The minutes of this meeting garnered more attention than usual because of one sentence. Specifically, that "a number of participants suggested that if the economy continued to make rapid progress toward the Committee's goals, it might be appropriate at some point in upcoming meetings to begin discussing a plan for adjusting the pace of asset purchases."

While the global economy continues on a path to recovery, this week's international news was mixed. China's April retail sales and industrial output slowed more than forecast, and Japan's GDP fell in Q1. In contrast, the Eurozone services PMI rose to its highest level since 2018, and the U.K. May PMIs suggested a sturdy economic expansion.

Our regular market information continues on the next page.

## Snapshot



World Equities  
Sovereign Bonds  
Gold



Corporate Bonds  
Copper  
Oil

## The week ahead

25 May

U.S. consumer confidence index for May to be published.

26 May

EIA crude oil inventories for week ending 21 May. Stockpiles fell by 1.9 million barrels in the previous week.

27 May

U.S. President's FY2022 Budget announcement.



	1 Week Return 17.05.21 to 24.05.21		Year to Date Return 01.01.21 to 24.05.21	
	Local Currency	Euro	Local Currency	Euro
World	0.3%	0.0%	10.1%	10.6%
U.S.	0.0%	-0.3%	10.2%	10.6%
Europe	0.7%	0.7%	12.2%	12.2%
Ireland	1.4%	1.4%	8.0%	8.0%
U.K.	-0.2%	-0.2%	11.0%	15.4%
Japan	1.5%	1.3%	6.2%	1.1%
Hong Kong	0.5%	0.2%	10.7%	11.0%
Corporate Bonds	-0.1%	-0.1%	-1.7%	-1.7%
Sovereign Bonds	0.4%	0.4%	-5.7%	-5.7%

### Equities

- Global stocks were flat last week, at 0.0% in euro terms and 0.3% in local terms.
- Year-to-date global markets are up 10.6% in euro terms and 10.1% in local terms.
- The U.S. market, the largest in the world, was down -0.3% in euro terms and 0.0% local terms.

### Fixed Income & FX

- The U.S. 10-year yield finished at 1.62% last week, up from 1.61% a week earlier. The German equivalent finished at -0.13%. The Irish 10-year bond yield finished at 0.27%, to remain in positive territory.
- The Euro/U.S. Dollar exchange rate finished at 1.22, whilst Euro/GBP finished at 0.86.

### Commodities

- Oil finished the week at \$64 per barrel and is up 32.3% year-to-date in euro terms.
- Gold finished the week at \$1,883 per troy ounce and is down -0.6% year-to-date in euro terms.
- Copper finished the week at \$9,868 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](http://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

