

# 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.

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