

# Flat week for equities, despite best day since 2020

Stocks finished the week broadly flat, in yet another volatile week for markets. Eurozone markets saw returns of 5% on Wednesday as the S&P had its best day since 2020. However, markets paired gains towards the end of the week as the death toll in Ukraine continued to rise. Monetary policy came back into vogue with the ECB setting a hawkish tone by declaring they would wind down asset purchases at a faster pace than previously indicated. GDP growth projections were also cut, with inflation now expected above 5% for 2022, rising from a previous forecast of 3.2%. The market expectation of an ECB rate rise by the end of the year is increasing, with government bonds losing value as a result.

Sanctions on Russia continue to impact on commodity markets, as the number of companies pulling out of Russia continues to grow. Consumer giants Coca Cola and PepsiCo both announced they were suspending business in Russia whilst the 'big four' accountancy firms (which are not listed equities) also made similar declarations.

Economic data last week was broadly in line with expectations as US inflation (as measured by CPI) came in at 0.8% for the month of February which brought the 12 month figure to 7.9% - the highest since January 1982. Consumer sentiment in the US also fell as the war in Ukraine and rising inflation weighed. Monetary policy is likely to take centre stage for the week ahead, with the US Federal Reserve expected to raise interest rates by 0.25% on Wednesday, which would be the first rate rise since 2018. The Bank of England is also forecast to follow suit on Thursday with a 0.25% increase: its third in the current hiking cycle.

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

## Snapshot



- World Equities
- Corporate Bonds
- Sovereign Bonds
- Gold
- Oil
- Copper

## The week ahead

16 Mar	The Federal Reserve meets as rate rise forecast.
17 Mar	The Bank of England to announce another rate hike.
18 Mar	The Bank of Japan meets as US home sales go to print



	1 Week Return 07.03.22 to 14.03.22		Year to Date Return 01.01.22 to 14.03.2022	
	Local Currency	Euro	Local Currency	Euro
World	0.8%	-0.1%	-11.9%	-8.6%
U.S.	0.1%	-0.8%	-12.4%	-9.1%
Europe	3.9%	3.9%	-13.4%	-13.4%
Ireland	4.5%	4.5%	-19.0%	-19.0%
U.K.	3.0%	1.8%	-0.8%	-0.6%
Japan	0.3%	-1.9%	-10.5%	-8.7%
Hong Kong	1.9%	0.9%	-5.1%	-2.0%
Corporate Bonds	-1.1%	-1.1%	-5.4%	-5.4%
Sovereign Bonds	-3.4%	-3.4%	-5.2%	-5.2%

### Equities

- Global stocks were down last week by -0.1% in euro terms and up 0.8% in local terms.
- Year-to-date global markets are down -8.6% in euro terms and down -11.9% in local terms.
- The U.S market, the largest in the world, was down -0.8% in euro terms and up 0.1% in local terms.

### Fixed Income & FX

- The U.S. 10-year yield finished at 2.1% last week. The German equivalent finished at 0.3%. The Irish 10-year bond yield finished at 1.0% to remain in positive territory.
- The Euro/U.S. Dollar exchange rate finished at 1.10, whilst Euro/GBP finished at 0.84.

### Commodities

- Oil finished the week at \$106 per barrel and is up 46.8% year-to-date in euro terms.
- Gold finished the week at \$1,972 per troy ounce and is up 11.9% year-to-date in euro terms.
- Copper finished the week at \$10,151 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

