Stocks down for fifth consecutive week

Equity markets were under pressure once more, as stubborn inflation and interest rate fears continued to weigh on sentiment. US markets saw their largest daily gain this year on Wednesday, which was followed by the largest daily decline this year on Thursday as the Fed move, and subsequent commentary mid-week was fully digested. The FOMC raised interest rated by 0.50% to the 0.75%-1.0% range, in a move that was fully expected. Whilst the prospect of a future 0.75% increase appears to have been taken off the table for now, given recent economic data a 0.50% hike is also expected at the next meeting.

This was reinforced by Friday's non-farm payrolls data, which saw the US economy add 428,000 jobs. A figure that was slightly ahead of consensus forecast and demonstrated the enduring tightness of the US jobs market. ' The unemployment rate remained steady at 3.6% while the participation rate was slightly lower at 62.2%. The US ten-year treasury broke through the 3% level for the first time since late 2018, as the yield curve continued its recent steepening trend. US earnings continue to come in this week, and the resilience of profit margins in the face of higher input costs will remain a key focus at an individual sector and stock level.

The Bank of England also raised rates as expected, moving 0.25% higher to bring the key Bank Rate to 1.0%. It was, however, a split decision with three of the nine committee members voting in favour of a 0.50% move, which indicates there may be more to come over the summer. The Reserve Bank of Australia also moved higher by 0.25% to now sit at 0.35%. Within the EU, diplomats continue to discuss a possible embargo on Russian oil which saw the fossil fuel move higher and sitting comfortably above the key $100 per barrel rate.

Our regular market information continues on the next page.

Snapshot

Oil
Gold

World Equities
Corporate Bonds
Sovereign Bonds
Copper

The week ahead

11 May	US & Chinese inflation for April goes to print.
12 May	UK GDP for Q1 2022 is published.
13 May	The latest Eurozone industrial production data is released.

	1 Week Return 02.05.22 to 09.05.22		Year to Date Return 01.01.22 to 09.05.2022	
	Local Currency	Euro	Local Currency	Euro
World	-1.2%	-1.7%	-14.0%	-7.6%
U.S.	-1.1%	-1.6%	-14.3%	-7.9%
Europe	-2.6%	-2.6%	-13.0%	-13.0%
Ireland	-3.7%	-3.7%	-20.5%	-20.5%
U.K.	-1.9%	-3.8%	3.8%	1.7%
Japan	1.0%	0.3%	-3.3%	-8.3%
Hong Kong	-2.4%	-3.0%	-8.4%	-2.2%
Corporate Bonds	-1.2%	-1.2%	-9.6%	-9.6%
Sovereign Bonds	-2.3%	-2.3%	-14.3%	-14.3%

Equities

- Global stocks were down last week by -1.7% in euro terms and -1.2% in local terms.
- Year-to-date global markets are down -7.6% in euro terms and -14.0% in local terms.
- The U.S market, the largest in the world, was down -1.6% in euro terms and -1.1% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 3.14% last week. The German equivalent finished at 1.13%. The Irish 10-year bond yield finished at 1.82%.
- The Euro/U.S. Dollar exchange rate finished at 1.05, whilst Euro/GBP finished at 0.86.

Commodities

- Oil finished the week at $108 per barrel and is up 56.5% year-to-date in euro terms.
- Gold finished the week at $1,870 per troy ounce and is up 10.7% year-to-date in euro terms.
- Copper finished the week at $9,411 per tonne.

Figures are calculated using Total Returns Indices.

Warning: Past performance is not a reliable guide to future performance.
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