

Equities lower after volatile week of trading

Last week saw a choppy period for US equities as the tech-orientated and California-based Silicon Valley Bank went into receivership. Financials sector stocks suffered on Friday as the news was announced and markets became volatile. US Treasuries however performed well as a partial flight to safety took hold and investors also banked on a 50-basis point rate rise being announced by the Federal reserve this month.

The yield on the benchmark US 10 Year Government Bond fell by 36 basis points to 3.55% as a result, offering somewhat of a reprieve to fixed income markets after rising in recent weeks. This sentiment was further helped by the release of the February Jobs Report last week which despite indicating a still tight labour market, displayed that wage growth declined in the US in February. The report showed that the US added 311,000 jobs last month, above economists' expectations and that wage growth increased by 0.2%, lower than economists' expectations. While this paints a confounding picture of the US economy, the reduction in wage growth weakens the Fed's argument for a tighter monetary policy. Although the labour market remains tight, the consensus from investors is that the report transpired to be softer than feared.

Elsewhere eurozone stocks ended their 2023 winning spree and hit their lowest in seven weeks, dragged down by broader downturns in financials and US stocks, returning -2.2% for the week. Meanwhile the Bank of Japan's last policy meeting under outgoing Governor Haruhiko Kuroda left its ultra-loose monetary policy unchanged. The BoJ kept overnight interest rates at -0.1% and maintained its yield curve controls. The controversial policy is in focus for many investors recently as the BoJ remains isolated in comparison to its global central bank peers during global inflation. Japanese equities suffered as a result returning -0.5% in local terms.

Our regular market information continues on the next page.

Snapshot



Gold



World Equities
Corporate Bonds
Oil
Copper

The week ahead

14 Mar	US Inflation report is released.
15 Mar	US PPI and Retail sales reports go to print.
16 Mar	ECB makes interest rate decision.



	1 Week Return 06.03.23 to 13.03.23		Year to Date Return 30.12.22 to 13.03.23	
	Local Currency	Euro	Local Currency	Euro
World	-3.8%	-3.9%	2.4%	2.2%
U.S.	-4.7%	-4.8%	1.0%	0.8%
Europe	-2.2%	-2.2%	7.9%	7.9%
Ireland	-1.6%	-1.6%	18.9%	18.9%
U.K.	-2.1%	-1.6%	4.6%	5.1%
Japan	-0.5%	0.6%	7.4%	5.3%
Hong Kong	-4.7%	-4.8%	-4.2%	-4.8%
Corporate Bonds	1.5%	1.5%	1.0%	1.0%

Equities

- Global stocks were down last week by -3.9% in euro terms and down -3.8% in local terms.
- Year-to-date global markets were up 2.2% in euro terms and 2.4% in local terms.
- The U.S. market, the largest in the world, finished at -4.8% in euro terms and up -4.7% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 3.55% last week. The German equivalent finished at 2.29%. The Irish 10-year bond yield finished at 2.78%.
- The Euro/U.S. Dollar exchange rate finished at 1.07, whilst Euro/GBP finished at 0.88.

Commodities

- Oil finished the week at \$75 per barrel and is down -3.2% year-to-date in euro terms.
- Gold finished the week at \$1,886 per troy ounce and is up 2.3% year-to-date in euro terms.
- Copper finished the week at \$8847 per tonne.

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