

US stocks enter bull market

Last week saw US stocks officially enter bull market territory as a weighted index of the top 500 US companies reached 20% above October lows, with sentiment broadly higher as a result. The increase has broadly been driven by optimism surrounding Artificial Intelligence and economic strength in the US.

Despite this, trading was largely subdued with US equities returning 0.1% in euro terms while investors await this week's interest rate decision from the Federal Reserve. Expectations are that the Fed will defer raising rates in what would be the first pause to its rate hiking policy in over a year.

Last week had a relatively quiet economic calendar in the US, but did see the release of the Labor Department's Initial Jobless Claims report. Initial claims for unemployment benefits rose by 28,000 to 261,000 for the week ended June 3rd, the highest level since October 2021, whilst economist polls had suggested a 235,000 figure. Some investors viewed this indication as early signs of normalisation in the US labour market which has remained tight throughout previous months.

In the Eurozone, revised figures indicated that the 20-member bloc entered a mild recession in Q1 of 2023, with GDP contracting by 0.1%. Eurozone investors also await an interest rate decision this week from the European Central Bank. ECB President Christine Lagarde has signalled that despite lower inflation, interest rates are likely to continue to increase this month. In Japan investors continue to show a positive outlook. Last week, Japan saw GDP figures revised upwards in a boost to investor sentiment. Figures showed that the country's economy expanded by 2.7% in Q1 of 2023, up from an initial estimate of 1.6%.

Meanwhile in China, Friday saw the release of consumer price index figures. The figures displayed that inflation rose by 0.2% in May highlighting China's struggle for growth following its post pandemic reopening.

Our regular market information continues on the next page.

Snapshot



World Equities
Corporate Bonds
Gold
Copper



Sovereign Bonds
Oil

The week ahead

13 June	US Consumer Price Index is released.
14 June	Federal Reserve makes interest rate decision.
15 June	ECB makes interest rate decision.



	1 Week Return 06.06.23 to 12.06.23		Year to Date Return 31.12.22 to 12.06.23	
	Local Currency	Euro	Local Currency	Euro
World	0.6%	0.1%	11.9%	11.0%
U.S.	0.6%	0.1%	12.8%	11.9%
Europe	-0.2%	-0.2%	11.5%	11.5%
Ireland	-1.3%	-1.3%	20.2%	20.2%
U.K.	-0.4%	0.6%	3.1%	7.0%
Japan	0.2%	0.0%	20.3%	12.9%
Hong Kong	1.1%	0.6%	-5.0%	-6.2%
Corporate Bonds	0.2%	0.2%	1.3%	1.3%
Sovereign Bonds	-0.4%	-0.4%	2.7%	2.7%

Equities

- Global stocks were up slightly last week by 0.1% in euro terms and up 0.6% in local terms.
- Year-to-date global markets are up 11.0% in euro terms and 11.9% in local terms.
- The U.S. market, the largest in the world, finished at 0.1% in euro terms and 0.6% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 3.76% last week. The German equivalent finished at 2.39%. The Irish 10-year bond yield finished at 2.76%.
- The Euro/U.S. Dollar exchange rate finished at 1.07, whilst Euro/GBP finished at 0.87.

Commodities

- Oil finished the week at \$69 per barrel and is down -15.1% year-to-date in euro terms.
- Gold finished the week at \$1,965 per troy ounce and is up 7.0% year-to-date in euro terms.
- Copper finished the week at \$8,349 per tonne.

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