

Stocks post gains in mixed week

US stocks ended the week up 0.2% in euro terms as Q3 earnings season kicked off. Large banks such as JP Morgan Chase, Wells Fargo and Citigroup all surprised to the upside upon release of their quarterly earnings reports. The ongoing unrest in the Middle East which has seen sustained violence, has led to a great deal of uncertainty for global leaders. Energy and defence sectors have outperformed based on the geopolitical risk associated with these developments. Oil prices for example have now risen 8.9% since the beginning of October. Last week also saw important data releases in the US, such as the highly anticipated Consumer Price Index (CPI). On Thursday, somewhat higher than expected figures were released, with headline CPI rising 3.7% year on year, despite consensus expectations of a 3.6% figure. Core CPI, which strips out the volatile food and energy sectors, rose 4.1%, largely in line with expectations and its slowest pace in 2 years.

Markets appeared to take the news in their stride, particularly as the week saw somewhat dovish signalling from the Federal Reserve. Minutes released last week from the Fed's September meeting, show a more cautious tone amongst FOMC members in terms of raising rates again. The meeting displayed a shift toward taking the wider economy into consideration and the effect further rate rises may have. Despite this however, the Fed remains steadfast in its commitment to a 2% inflation target.

In Europe stocks were up 1.3% for the week after a poor September. European risk assets were helped along by the Fed's dovish comments and the prospect of further stimulus measures in China. News of the Chinese government raising their budget deficit sent positive sentiment through markets as the country continues to grapple with low growth. China is Europe's largest trading partner along with the world's largest manufacturing economy.

Our regular market information continues on the next page.

Snapshot



World Equities
Corporate Bonds
Gold
Oil



Copper

The week ahead

| | |
|--------|--|
| 17 Oct | Chinese GDP figures are released. |
| 18 Oct | Eurozone CPI figures go to print. |
| 19 Oct | US Initial Jobless Claims are published. |



| | 1 Week Return 09.10.23 to 16.10.23 | | Year to Date Return 31.12.22 to 16.10.23 | |
|-----------------|---------------------------------------|------|---|--------|
| | Local Currency | Euro | Local Currency | Euro |
| World | 0.1% | 0.5% | 11.5% | 13.3% |
| U.S. | -0.2% | 0.2% | 14.2% | 16.0% |
| Europe | 1.3% | 1.3% | 9.0% | 9.0% |
| Ireland | 1.3% | 1.3% | 16.0% | 16.0% |
| U.K. | 1.6% | 1.4% | 5.4% | 8.0% |
| Japan | 2.4% | 2.0% | 25.5% | 12.4% |
| Hong Kong | 0.8% | 1.3% | -16.6% | -15.5% |
| Corporate Bonds | 0.1% | 0.1% | -0.1% | -0.1% |

Equities

- Global stocks were up last week by 0.5% in euro terms and up slightly by 0.1% in local terms.
- Year-to-date global markets are up 13.3% in euro terms and 11.5% in local terms.
- The U.S. market, the largest in the world, finished up 0.2% in euro terms and -0.2% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.67% last week. The German equivalent finished at 2.77%. The Irish 10-year bond yield finished at 3.22%
- The Euro/U.S. Dollar exchange rate finished at 1.05, whilst Euro/GBP finished at 0.87.

Commodities

- Oil finished the week at \$87 per barrel and is up 10.7% year-to-date in euro terms.
- Gold finished the week at \$1,912 per troy ounce and is up 6.5% year-to-date in euro terms.
- Copper finished the week at \$7,876 per tonne.

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