

# Markets subdued in holiday shortened week

Last week saw a subdued session for equities in a week shortened by the Thanksgiving holiday in the US. Despite smaller trading volumes, stocks ended the period in positive territory as economic data signalled that US business demand continues to cool, aiding sentiment that the Fed’s battle for lower inflation has made meaningful progress.

On Tuesday, the minutes from the Federal Reserve Open Market Committee’s November meeting were released. The minutes indicated that recently policymakers have had little appetite for raising interest rates further. The minutes highlighted a focus on labour market cooling and a commitment to monitoring information in this area. Fed officials noted that higher rates were still on the table “if incoming information indicated that progress towards the committee’s inflation objective was insufficient”. Since July of this year the Fed has opted to keep rates steady in the range of 5.25% - 5.5%. Many market participants have speculated as to when the Fed may begin to cut rates, whilst Chairman Jerome Powell has insisted that this is currently not an objective of the Fed.

Friday saw the release of US PMI (purchasing managers index) data for both the services and manufacturing sectors. The figures showed that manufacturing in the US has fallen into contractionary territory at 49.4 down from 50.0 (figures below 50 represent contraction) whereas services have expanded modestly to 50.8 from 50.6.

In the Eurozone, the flash composite PMI, which combines manufacturing and services activities indicated that the 20-member currency union is set to contract in Q4. Figures released on Thursday showed a modest improvement, coming in at a figure of 47.1 up from October’s figure of 46.5, a three year low. Despite the increase, the numbers remain firmly in contractionary territory. Bond yields in the Eurozone rose throughout the week as inferences from the European Central Bank suggested policymakers continue to show a preference for tight monetary policy.

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

## Snapshot



World Equities  
Gold  
Copper



Corporate Bonds  
Sovereign Bonds  
Oil

## The week ahead

28 Nov	US CB Consumer Confidence is released.
30 Nov	US Core PCE figures go to print.
01 Dec	US Manufacturing PMIs are issued.



	1 Week Return 20.11.23 to 27.11.23		Year to Date Return 31.12.22 to 27.11.23	
	Local Currency	Euro	Local Currency	Euro
World	0.4%	0.4%	17.6%	14.8%
U.S.	0.3%	0.3%	20.4%	17.5%
Europe	0.8%	0.8%	12.7%	12.7%
Ireland	0.2%	0.2%	13.0%	13.0%
U.K.	0.1%	1.1%	4.2%	6.6%
Japan	0.7%	-0.1%	30.2%	12.1%
Hong Kong	-1.3%	-1.3%	-15.6%	-17.5%
Corporate Bonds	-0.1%	-0.1%	1.4%	1.4%
Sovereign Bonds	-0.3%	-0.3%	1.6%	1.6%

### Equities

- Global stocks were up last week at 0.4% in both euro and local terms.
- Year-to-date global markets are up 14.8% in euro terms and 17.6% in local terms.
- The U.S market, the largest in the world, finished at 0.3% in both euro and local terms.

### Fixed Income & FX

- The U.S. 10-year yield finished at 4.48% last week. The German equivalent finished at 2.63%. The Irish 10-year bond yield finished at 3.02%.
- The Euro/U.S. Dollar exchange rate finished at 1.09, whilst Euro/GBP finished at 0.87.

### Commodities

- Oil finished the week at \$75 per barrel and is down -8.7% year-to-date in euro terms.
- Gold finished the week at \$2,013 per troy ounce and is up 8.0% year-to-date in euro terms.
- Copper finished the week at \$8,330 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

