

US Stocks end higher following positive inflation news

In the US, equities closed the week on a mostly positive note after favourable inflation updates. The Nasdaq joined the S&P 500 index in record territory for the first time in over two years. The release of the PCE price index on Thursday, considered the Fed's preferred measure of inflation, showed a 2.8% increase for the 2 months ending in January, aligning with expectations. Despite core rises in the earlier CPI release surpassing expectations, the PCE report eased concerns which prompted a surge in stocks. The PCE data release also contributed to a dip on the 10-year treasury yield to its lowest level since the beginning of February. However, this encouraging inflation news had minimal impact on the Federal Reserve's stance on potential rate cuts. Last week also witnessed a dip in the consumer confidence index, breaking a three-month streak of increases. The report highlighted enduring uncertainty regarding the US economy, with consumers primarily preoccupied by concerns about overall inflation.

Across Europe, the major stock indices experienced a mixed week. Germany's DAX saw a 1.81% increase, contrasting with the FTSE 100's 0.31% decline. Government bond yields in the Eurozone generally rose as sticky inflation data lead investors to reevaluate potential rate cut magnitudes and timing. Contrary to the US, preliminary Eurozone CPI estimates were issued, indicating that in February both core and headline inflation exhibited slower than expected deceleration. Annual headline inflation eased to 2.6%, while core inflation slowed to 3.1%, surpassing the anticipated 2.9%.

Asian markets ended the week in positive territory with Japan's Nikkei index reaching above 40,000 for the first time, extending its streak of record highs. The benchmark index has surged by 19% so far this year, making it a top performer among major equity indexes globally. This surge is attributed to a combination of strong corporate earnings, a depreciating yen, and increased interest from foreign investors seeking alternatives to China's markets.

Fact of the Week

The S&P 500 has seen its strongest first two months of the year since 2019.

Our regular market information continues on the next page.

Snapshot



World Equities
Oil
Gold



Corporate Bonds
Sovereign Bonds
Copper

The week ahead

05 Mar	Eurozone PMI indices go to print.
07 Mar	ECB Interest rate decision.
08 Mar	US non-farm payrolls are released



	1 Week Return 26.02.24 to 04.03.24		Year to Date Return 31.12.23 to 04.03.24	
	Local Currency	Euro	Local Currency	Euro
World	0.9%	0.8%	6.3%	8.4%
U.S.	1.0%	0.9%	7.8%	9.9%
Europe	0.2%	0.2%	5.0%	5.0%
Ireland	-1.6%	-1.6%	12.4%	12.4%
U.K.	-0.1%	-0.5%	0.1%	1.3%
Japan	2.1%	2.2%	16.1%	11.1%
Hong Kong	-2.3%	-2.5%	-6.6%	-5.0%
Corporate Bonds	-0.1%	-0.1%	-1.2%	-1.2%
Sovereign Bonds	-0.3%	-0.3%	-2.3%	-2.3%

Equities

- Global stocks were up last week by 0.8% in euro terms and up 0.9% in local terms.
- Year-to-date global markets are up by 8.4% in euro terms and by 6.3% in local terms.
- The U.S market, the largest in the world, finished up 0.9% in euro and 1.0% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.2% last week. The German equivalent finished at 2.4%. The Irish 10-year bond yield finished at 2.8%.
- The Euro/U.S. Dollar exchange rate finished at 1.08, whilst Euro/GBP finished at 0.86.

Commodities

- Oil finished the week at \$80 per barrel and is up 13.7% year-to-date in euro terms.
- Gold finished the week at \$2,083 per troy ounce and is up 2.8% year-to-date in euro terms.
- Copper finished the week at \$8,416 per tonne.

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