

Markets on the rise, to new record highs

Equities enjoyed their third positive week in a row, as a number of U.S. indexes hit record highs once again. Technology, and growth stocks in general, outperformed the market to make up some of the relative ground lost so far in 2021. Apple and Microsoft saw notable gains whilst the energy sector lagged as oil prices fell early in the week. Within fixed income, the closely watched U.S. ten year treasury yield (which moves inversely to price) fell over the course of the week, despite rising on Friday following a strong rise in U.S. produce prices.

The Produce Price Index rose 1% in March, which was double the consensus estimate. This brought the twelve month figure to 4.2%, which is the largest in almost ten years and keeps concerns about inflation very much on the agenda. Commentators point to both a potential surge in demand combined with continuing global supply chain disruptions as the main cause of the jump. The latest Federal Reserve FOMC meeting minutes (released last Wednesday) did of course reference inflation a number of times, but the members appear to be focusing more on labour market conditions currently and are less concerned about inflation than others in the marketplace.

Global data pointed further to the continuing recovery in economic growth with the March manufacturing PMI rising to 55 from 53.9, with services moving from 52.8 to 54.7. However, it is worth noting the dispersion in data underneath the surface due to the continuing differences in restrictions and vaccine rollout programmes globally. Chinese services also continued to recover and showed its strongest reading so far in 2021. With much of the recent focus being on economic data, investors will shift back towards earnings this week as Q1 2021 reporting begins to gather pace.

Our regular market information continues on the next page.

Snapshot



World Equities
Corporate Bonds
Gold
Copper



Sovereign Bonds
Oil

The week ahead

13 Apr	U.S. inflation data for March goes to print
15 Apr	U.S. Retail Sales figures for March are published
16 Apr	Chinese GDP data for Q1 is released



	1 Week Return 05.04.21 to 12.04.21		Year to Date Return 01.01.21 to 12.04.21	
	Local Currency	Euro	Local Currency	Euro
World	1.3%	0.5%	8.6%	11.8%
U.S.	1.4%	0.6%	9.6%	12.8%
Europe	1.3%	1.3%	9.8%	9.8%
Ireland	1.0%	1.0%	10.5%	10.5%
U.K.	2.7%	0.7%	8.4%	12.1%
Japan	-1.2%	-1.4%	9.3%	5.9%
Hong Kong	1.1%	0.3%	9.4%	12.3%
Corporate Bonds	-0.1%	-0.1%	-0.8%	-0.8%
Sovereign Bonds	-0.6%	-0.6%	-3.6%	-3.6%

Equities

- Global stocks increased last week, and were up 0.5% in euro terms.
- Year-to-date global markets are up 11.8% in euro terms and 8.6% in local terms.
- The U.S market, the largest in the world, was up 0.6% in euro terms, and 1.4% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 1.66% last week, down from 1.70% a week earlier. The German equivalent was broadly flat on the week and finished at -0.32%. The Irish 10-year bond yield finished at 0.04%, to remain in positive territory.
- The Euro/U.S. Dollar exchange rate finished at 1.19, whilst Euro/GBP finished at 0.87.

Commodities

- Oil finished the week at \$59 per barrel and is up 25.7% year-to-date in euro terms.
- Gold finished the week at \$1,742 per troy ounce.
- Copper finished the week at \$8,935 per tonne.

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