

# Inflation concerns dampen consumer confidence

In the US, the latest Consumer Price Index reading saw the year-over-year rate move above 6%, the highest in 30 years. This move pushed rate hike expectations forward a little further. Consumer confidence dipped as near-term inflation expectations increased to 4.9%.

With around three quarters of European companies having reported Q3 earnings so far, 61% of companies have beaten on sales, a historically elevated level, but also below the 12-year high of 67% seen in Q2. "Inflation" concerns was mentioned on average nearly three times on each Stoxx 600 earnings call in the Q3 reporting season, the highest level on record, with data going back to 2007. At a sector level, inflation mentions were highest among consumer staples, financials and materials, while supply-chain mentions were most frequent among industrials and tech companies. Banks, autos and insurance have seen the strongest EPS beats in Q3, while construction materials, travel & leisure and real estate have lagged behind. At a country level, Austria, Italy and France are leading on EPS beats, while Norway and Belgium are lagging. Among European styles, growth and value stocks are reporting the strongest beats, quality stocks the lowest.

Finally, new climate objectives set during COP26 may see investors reassess the green energy and clean technology opportunities, as well as the adaptability of traditional fossil-fuel giants, that could shape portfolios in the future.

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

## Snapshot



World Equities  
Gold  
Copper



Corporate Bonds  
Sovereign Bonds  
Oil

## The week ahead

16 Nov

October US retail sales figures expected to rise 0.7% MoM.

18 Nov

Japan CPI October data is released.

19 Nov

UK sales figures to be released for October.



	1 Week Return 08.11.21 to 15.11.21		Year to Date Return 01.01.21 to 15.11.21	
	Local Currency	Euro	Local Currency	Euro
World	-0.4%	0.9%	21.3%	29.7%
U.S.	-0.4%	0.9%	25.1%	33.7%
Europe	0.7%	0.7%	24.6%	24.6%
Ireland	0.4%	0.4%	14.8%	14.8%
U.K.	0.8%	0.8%	18.4%	24.1%
Japan	0.4%	1.0%	15.6%	12.0%
Hong Kong	-0.9%	0.3%	-0.1%	6.3%
Corporate Bonds	-0.2%	-0.2%	-1.0%	-1.0%
Sovereign Bonds	-0.5%	-0.5%	-3.3%	-3.3%

### Equities

- Global stocks were up last week by 0.9% in euro terms and down -0.4% in local terms.
- Year-to-date global markets are up 29.7% in euro terms and 21.3% in local terms.
- The U.S market, the largest in the world, was up 0.9% in euro terms and down -0.4% in local terms.

### Fixed Income & FX

- The U.S. 10-year yield finished at 1.55% last week. The German equivalent finished at -0.27%. The Irish 10-year bond yield finished at 0.15% to remain in positive territory.
- The Euro/U.S. Dollar exchange rate finished at 1.14, whilst Euro/GBP finished at 0.85.

### Commodities

- Oil finished the week at \$80 per barrel and is up 76.0% year-to-date in euro terms.
- Gold finished the week at \$1,863 per troy ounce and is up 4.7% year-to-date in euro terms.
- Copper finished the week at \$9,841 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](http://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](http://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

