

Equities move lower as markets struggle with inflation

Major US equity indexes ended the week lower last week. Within the S&P 500, the communication services sector was the worst performing sector. Shares of Netflix fell over 35% as the streaming giant reported disappointing quarterly results followed by a fall in the number of subscribers for the first time in a decade. Only the consumer staples sector gained ground. European equities fell amid ongoing concerns about the war in Ukraine and increased hawkishness among central bank policymakers.

Core eurozone bond yields (which move inversely to price) ended higher, as hawkish comments from policymakers at key central banks drove a broad sell-off in high-quality government bonds. In the UK, business activity grew at the slowest rate in three months in April while inflation continued to accelerate. UK financial markets indicated that there are expectations the Bank of England will likely raise its key interest rate by a quarter point to 1.0% in May.

In France, Emmanuel Macron defeated far-right candidate, Marine Le Pen, to win five more years as president. He becomes the first sitting president in twenty years to be re-elected. Macron's victory was welcomed by many European leaders, who had feared a far-right candidate offering a series of anti-EU policies.

Our regular market information continues on the next page.

Snapshot



World Equities
Corporate Bonds
Sovereign Bonds
Oil
Gold
Copper

The week ahead

26 Apr	US New Home Sales report for March.
28 Apr	Eurozone CPI data for March released.
29 Apr	UK retail sales data for March published.



	1 Week Return 18.04.22 to 25.04.22		Year to Date Return 01.01.22 to 25.04.2022	
	Local Currency	Euro	Local Currency	Euro
World	-2.4%	-2.2%	-10.4%	-5.4%
U.S.	-2.8%	-2.7%	-11.0%	-6.0%
Europe	-0.8%	-0.8%	-8.6%	-8.6%
Ireland	1.7%	1.7%	-17.7%	-17.7%
U.K.	-1.2%	-2.3%	5.3%	5.4%
Japan	1.4%	0.1%	-3.7%	-8.9%
Hong Kong	-1.3%	-1.1%	-4.9%	-0.2%
Corporate Bonds	-1.2%	-1.2%	-8.2%	-8.2%
Sovereign Bonds	-1.1%	-1.1%	-11.7%	-11.7%

Equities

- Global stocks were down last week by -2.2% in euro terms and -2.4% in local terms.
- Year-to-date global markets are down -5.4% in euro terms and -10.4% in local terms.
- The U.S market, the largest in the world, was down -2.7% in euro terms and -2.8% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 2.83% last week. The German equivalent finished at 0.90%. The Irish 10-year bond yield finished at 1.51%.
- The Euro/U.S. Dollar exchange rate finished at 1.07, whilst Euro/GBP finished at 0.84.

Commodities

- Oil finished the week at \$98 per barrel and is up 37.6% year-to-date in euro terms.
- Gold finished the week at \$1,910 per troy ounce and is up 10.8% year-to-date in euro terms.
- Copper finished the week at \$10,113 per tonne.

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