

S&P 500 breaks string of declines

The US stock market, which makes up two thirds of the global stock market, was up 4.3% in euro terms this week with the large-cap S&P 500 breaking a string of seven consecutive weekly declines. Every sector in the S&P 500 advanced appearing to reflect optimism that inflationary pressures may be moderating. European equities also rose to the highest level in three weeks as confidence grew that inflation may be peaking and as central banks signaled that interest rate increases are likely to be gradual.

The minutes from the May meeting of the Federal Open Market Committee were released this week; the major takeaway from the minutes is that a second consecutive 50 bps hike in June looks increasingly likely. Initial data from the S&P Global Flash U.S. PMI receded to 57.5 in May, down from 59.2 in April (PMI readings greater than 50 indicate an expansion in activity.) Final global PMI and ISM releases for May will be eagerly awaited in the coming week providing an important steer to investor sentiment. The first week of June also brings US labour market report on Friday, a key economic indicator.

Core eurozone bond yields fluctuated on mixed reports but ended slighter higher this week. Yields initially ticked up after European Central Bank (ECB) President Christine Lagarde advocated a gradual approach to monetary tightening. Yields retreated somewhat as the Eurozone PMIs reported a mild decline, suggesting a modest loss of momentum.

Our regular market information continues on the next page.

Snapshot



World Equities
Corporate Bonds
Oil
Gold
Copper



Sovereign Bonds

The week ahead

31 May

Eurozone Consumer Price Index data is published

1 June

ISM Manufacturing and Services data for May is released

3 June

US Non Farm Payroll report for May is published



	1 Week Return 23.05.22 to 30.05.22		Year to Date Return 01.01.22 to 30.05.22	
	Local Currency	Euro	Local Currency	Euro
World	3.7%	3.3%	-12.6%	-7.2%
U.S.	4.7%	4.3%	-13.6%	-8.2%
Europe	2.1%	2.1%	-10.0%	-10.0%
Ireland	2.8%	2.8%	-18.0%	-18.0%
U.K.	0.8%	0.8%	6.8%	5.6%
Japan	-0.3%	-0.3%	-4.7%	-8.4%
Hong Kong	1.3%	0.9%	-4.5%	0.8%
Corporate Bonds	0.3%	0.3%	-9.0%	-9.0%
Sovereign Bonds	-0.2%	-0.2%	-13.2%	-13.2%

Equities

- Global stocks were up last week by 3.3% in euro terms and 3.7% in local terms.
- Year-to-date global markets are down -7.2% in euro terms and -12.6% in local terms.
- The U.S market, the largest in the world, was up 4.3% in euro terms and 4.7% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 2.74% last week. The German equivalent finished at 1.04%. The Irish 10-year bond yield finished at 1.63%.
- The Euro/U.S. Dollar exchange rate finished at 1.08, whilst Euro/GBP finished at 0.85.

Commodities

- Oil finished the week at \$115 per barrel and is up 62.5% year-to-date in euro terms.
- Gold finished the week at \$1,858 per troy ounce and is up 7.3% year-to-date in euro terms.
- Copper finished the week at \$9454 per tonne.

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Zurich Life Assurance plc

Zurich House, Frascati Road, Blackrock, Co. Dublin, Ireland.

Telephone: 01 283 1301 Fax: 01 283 1578 Website: www.zurich.ie

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