Equities continue upward trend

Global equities have rebounded since mid-June lows, mainly driven by weaker commodity prices, easing inflation concerns, and lower bond yields. Friday's payrolls report from the Labour Department indicated the unemployment rate fell to 3.5%, matching its February 2020 level. The robust job numbers seem to indicate that the Fed has significant room to raise interest rates; while the strength in the jobs market is good news for the economy, it is bad news for the Fed, as it suggests that more rate hikes are needed to ease inflation.

In other economic data, the latest US ISM manufacturing and services indices both came in above consensus, but fell to its lowest level in two years. The eurozone manufacturing sector contracted last month, with final data signalling the steepest decline in production since the initial COVID-19 lockdowns in 2020.

Core eurozone government bond yields ended broadly level. Yields fell early on due to a rise in tensions between the U.S. and China over Speaker of the House Nancy Pelosi's arrival in Taiwan. The Bank of England stepped up the pace of its monetary tightening, raising its policy rate 50 bps to 1.75% this week; the largest increase since 1995.

Our regular market information continues on the next page.

Snapshot

World Equities
Gold
Copper

Corporate Bonds
Sovereign Bonds
Oil

The week ahead	
10 Aug	US and Chinese CPI data to be released.
11 Aug	US initial PPI data to be reported.
12 Aug	UK reports preliminary Q2 GDP.

	1 Week Return 01.08.22 to 08.08.22		Year to Date Return 01.01.22 to 08.08.22	
	Local Currency	Euro	Local Currency	Euro
World	0.1%	1.2%	-14.0%	-3.8%
U.S.	0.9%	2.0%	-13.4%	-3.1%
Europe	-0.3%	-0.3%	-11.4%	-11.4%
Ireland	1.4%	1.4%	-21.9%	-21.9%
U.K.	0.4%	-0.4%	5.5%	5.1%
Japan	-0.6%	-2.1%	-1.8%	-6.5%
Hong Kong	0.0%	1.0%	-6.3%	4.1%
Corporate Bonds	-0.7%	-0.7%	-8.5%	-8.5%
Sovereign Bonds	-0.5%	-0.5%	-12.5%	-12.5%

Equities

- Global stocks were up last week by 1.2% in euro terms and 0.1% in local terms.
- Year-to-date global markets are down -3.8% in euro terms and -14.0% in local terms.
- The U.S market, the largest in the world, was up 2.0% in euro terms and 0.9% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 2.79% last week. The German equivalent finished at 0.89%. The Irish 10-year bond yield finished at 1.48%.
- The Euro/U.S. Dollar exchange rate finished at 1.02, whilst Euro/GBP finished at 0.84.

Commodities

- Oil finished the week at $89 per barrel and is up 32.4% year-to-date in euro terms.
- Gold finished the week at $1,777 per troy ounce and is up 8.2% year-to-date in euro terms.
- Copper finished the week at $7,863 per tonne.

Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or redisseminated 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)

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

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

ZURICH