Stocks end the week up despite tight jobs market

A three-week losing streak came to an end for US stocks last week as US equities returned euro investors 1.7% despite economic indicators suggesting a persistently tight labour market. On Thursday, the US Labor Department released the closely watched Initial Jobless Claims report which revealed applications for unemployment benefits decreased by 2,000 to a seasonally adjusted 190,000 last week. The report indicates that despite news of layoffs in large US corporations, the labour market continues to show resilience, fuelling speculation that interest rates may have to stay higher for longer than previously expected. Although higher levels of employment are traditionally viewed as positive for an economy, in recent weeks investors have interpreted strong levels of employment as evidence for the Federal Reserve to implement tighter monetary policy. Investors found some reprieve on Thursday from these concerns when Atlanta Fed President Ralph Bostic struck a more dovish tone in his remarks in relation to future policy.

European stocks saw a choppy week for investors as conflicting economic indicators guided sentiment. Early in the week hot inflation reports for both France and Spain in the month of February saw Eurozone stocks slide. Inflation in France rose to 7.2% from 7.0%, above expectations of 7.0%. Inflation in Spain meanwhile accelerated to 6.1% up from 5.9% the previous month and far above economists' expectations of a 5.5% figure. Despite high inflation the outlook for the Eurozone economy finished the week positive. The S&P Global Composite Purchasing Managers' Index (PMI) displayed an expansion in economic activity in the region over the month of February in the services industry, leading many investors to forecast the 20-country Bloc to avoid a recession.

In Asia, Hong Kong equities returned 3.0% in euro terms. Much of these gains were brought on by the resurgence of economic growth in China. As has been discussed for some time the reopening of China and loosening of Zero-Covid measures is beginning to show results for investors. China's Manufacturing PMI displayed the largest expansion in over a decade last week. All eyes will be set on China's National People's Congress next week where President Xi Jinping will set a new growth target for the country.

Our regular market information continues on the next page.

Snapshot

World Equities

Oil

Gold

Copper

Corporate Bonds

Soverign Bonds

The week ahead

08 Mar	US Bureau of Labor Statistics releases JOLTS Job Openings report.
09 Mar	Bank of Japan issues Monetary Policy Statement.
10 Mar	US Non-Farm Payrolls report is released.

	1 Week Return 27.02.23 to 06.03.23		Year to Date Return 30.12.22 to 06.03.23	
	Local Currency	Euro	Local Currency	Euro
World	1.4%	1.4%	6.2%	7.0%
U.S.	1.7%	1.7%	6.0%	6.7%
Europe	0.6%	0.6%	10.2%	10.2%
Ireland	3.0%	3.0%	19.3%	19.3%
U.K.	0.3%	-0.1%	7.2%	7.5%
Japan	1.4%	1.3%	6.9%	4.2%
Hong Kong	3.0%	3.0%	-0.1%	0.0%
Corporate Bonds	-0.4%	-0.4%	-0.3%	-0.3%
Soverign Bonds	-1.6%	-1.6%	-1.0%	-1.0%

Equities

- Global stocks were up last week by 1.4% in euro terms and down 1.4% In local terms.
- Year-to-date global markets were up 7.0% in euro terms and 6.2% in local terms.
- The U.S market, the largest in the world, finished at 1.7% in euro terms and up 1.7% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 3.91% last week. The German equivalent finished at 2.65%. The Irish 10-year bond yield finished at 3.58%.
- The Euro/U.S. Dollar exchange rate finished at 1.06, whilst Euro/GBP finished at 0.89.

Commodities

- Oil finished the week at $79 per barrel and is up 1.6% year-to-date in euro terms.
- Gold finished the week at $1,852 per troy ounce and is up 0.8% year-to-date in euro terms.
- Copper finished the week at $8955 per tonne.

Figures are calculated using Total Returns Indices.

Warning: Past performance is not a reliable guide to future performance.
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Warning: Benefits may be affected by changes in currency exchange rates.
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