

Markets subdued in holiday shortened week

Last week saw a subdued session for equities in a week shortened by the Thanksgiving holiday in the US. Despite smaller trading volumes, stocks ended the period in positive territory as economic data signalled that US business demand continues to cool, aiding sentiment that the Fed's battle for lower inflation has made meaningful progress.

On Tuesday, the minutes from the Federal Reserve Open Market Committee's November meeting were released. The minutes indicated that recently policymakers have had little appetite for raising interest rates further. The minutes highlighted a focus on labour market cooling and a commitment to monitoring information in this area. Fed officials noted that higher rates were still on the table "if incoming information indicated that progress towards the committee's inflation objective was insufficient". Since July of this year the Fed has opted to keep rates steady in the range of 5.25% - 5.5%. Many market participants have speculated as to when the Fed may begin to cut rates, whilst Chairman Jerome Powell has insisted that this is currently not an objective of the Fed.

Friday saw the release of US PMI (purchasing managers index) data for both the services and manufacturing sectors. The figures showed that manufacturing in the US has fallen into contractionary territory at 49.4 down from 50.0 (figures below 50 represent contraction) whereas services have expanded modestly to 50.8 from 50.6.

In the Eurozone, the flash composite PMI, which combines manufacturing and services activities indicated that the 20-member currency union is set to contract in Q4. Figures released on Thursday showed a modest improvement, coming in at a figure of 47.1 up from October's figure of 46.5, a three year low. Despite the increase, the numbers remain firmly in contractionary territory. Bond yields in the Eurozone rose throughout the week as inferences from the European Central Bank suggested policymakers continue to show a preference for tight monetary policy.

Our regular market information continues on the next page.

Snapshot



World Equities
Gold
Copper



Corporate Bonds
Sovereign Bonds
Oil

The week ahead

28 Nov	US CB Consumer Confidence is released.
30 Nov	US Core PCE figures go to print.
01 Dec	US Manufacturing PMIs are issued.



	1 Week Return 20.11.23 to 27.11.23		Year to Date Return 31.12.22 to 27.11.23	
	Local Currency	Euro	Local Currency	Euro
World	0.4%	0.4%	17.6%	14.8%
U.S.	0.3%	0.3%	20.4%	17.5%
Europe	0.8%	0.8%	12.7%	12.7%
Ireland	0.2%	0.2%	13.0%	13.0%
U.K.	0.1%	1.1%	4.2%	6.6%
Japan	0.7%	-0.1%	30.2%	12.1%
Hong Kong	-1.3%	-1.3%	-15.6%	-17.5%
Corporate Bonds	-0.1%	-0.1%	1.4%	1.4%
Sovereign Bonds	-0.3%	-0.3%	1.6%	1.6%

Equities

- Global stocks were up last week at 0.4% in both euro and local terms.
- Year-to-date global markets are up 14.8% in euro terms and 17.6% in local terms.
- The U.S market, the largest in the world, finished at 0.3% in both euro and local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.48% last week. The German equivalent finished at 2.63%. The Irish 10-year bond yield finished at 3.02%.
- The Euro/U.S. Dollar exchange rate finished at 1.09, whilst Euro/GBP finished at 0.87.

Commodities

- Oil finished the week at \$75 per barrel and is down -8.7% year-to-date in euro terms.
- Gold finished the week at \$2,013 per troy ounce and is up 8.0% year-to-date in euro terms.
- Copper finished the week at \$8,330 per tonne.

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