

Markets optimistic into the new year

As 2023 drew in to a close, most major indices were in positive territory following a holiday shortened week. As expected, trading volumes were subdued in what is traditionally a quiet week for markets. US stocks posted gains in what is now their 9th straight week of positive returns. Throughout 2023 the technology-heavy Nasdaq saw the strongest performance returning over 50% in euro terms for the year. Wednesday saw the final US Treasury Auction of the year, which showed strong participation from investors. Yields dropped significantly as a result, however following this, the yield on government bonds rose gradually throughout the week due to suggestions of a moderate economic slowdown. The benchmark 10 Year US Treasury Yield finished the week at 3.94%, which remains to be far lower than what was observed throughout the second half of 2023 (bond yields move inversely to prices). In what is the first week back to work after the Christmas period for many, investors await further US economic data this week to gauge sentiment.

In Europe, optimism around the potential for lower interest rates continued to push markets higher. European equities remained in positive territory last week, although gains were marginal in a subdued period for trading. Friday saw Spain release preliminary December inflation figures, the first Eurozone economy to do so as investors await aggregate Eurozone preliminary inflation this Friday. Spain’s figures showed a slowdown in consumer price rises to from 3.2% to 3.1% in December. This came despite expectations of a 3.4% figure. Much of the decline in numbers has been attributed the fall in fuel prices. Inflation remains to be a key item of interest for many investors as central banks begin to signal that interest rate rises may come to an end.

Our regular market information continues on the next page.

Snapshot



World Equities
Oil
Gold
Copper



Corporate Bonds

The week ahead

03 Jan	Federal Reserve Open Market Committee Meeting minutes go to print.
04 Jan	Global Purchasing Managers Indexes are released.
05 Jan	US Non-Farm Payrolls are issued.



	1 Week Return 26.12.23 to 02.01.24		Year to Date Return 31.12.23 to 02.01.24	
	Local Currency	Euro	Local Currency	Euro
World	0.2%	0.1%	0.0%	0.0%
U.S.	-0.1%	-0.3%	0.0%	0.0%
Europe	0.3%	0.3%	0.0%	0.0%
Ireland	-0.6%	-0.6%	0.0%	0.0%
U.K.	0.5%	0.7%	0.0%	0.0%
Japan	1.2%	2.1%	0.0%	0.0%
Hong Kong	2.6%	2.5%	0.0%	0.0%
Corporate Bonds	-0.5%	-0.5%	-0.4%	-0.4%

Equities

- Global stocks were up last week 0.1% in euro terms and 0.2% in local terms.
- The U.S market, the largest in the world, finished at -0.3% in euro and -0.1% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 3.94% last week. The German equivalent finished at 2.09%. The Irish 10-year bond yield finished at 2.43%.
- The Euro/U.S. Dollar exchange rate finished at 1.10, whilst Euro/GBP finished at 0.87.

Commodities

- Oil finished the week at \$73 per barrel and is up 2.6% year-to-date in euro terms.
- Gold finished the week at \$2,076 per troy ounce and is up 0.9% year-to-date in euro terms.
- Copper finished the week at \$8,464 per tonne.

Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced, or disseminated 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 01/21

