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.

Figures are calculated using Total Returns Indices.

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