

Strong earnings see tech stocks rally

Last week ended in positive territory for equities as corporate earnings in the US surpassed expectations. Most notable perhaps, was American Chipmaker Nvidia, which following the release of strong figures, added \$277 Billion to its market capitalisation. The optimism surrounding Nvidia, and other companies connected with Artificial Intelligence lead a broad market rally towards the end of the week with US stocks closing the week up 1.1% in Euro terms. In terms of economic data, the holiday-shortened week saw a relatively light schedule, however the release of manufacturing and services PMIs saw an unexpected uptick in manufacturing activity. The figures, released by S&P Global on Thursday showed that manufacturing increased to 51.5 from a previous figure of 50.7, its highest level since 2022. Services activity declined slightly to 51.3, whilst both figures remain in expansionary territory (above the level of 50). Thursday also saw the release of Initial Jobless Claims figures from the Bureau of Labor Statistics. The report indicated a tight labour market, with weekly claims for unemployment coming in at 201,000, below the previous figure of 213,000 and below economists' consensus expectations of 217,000.

In Europe, figures confirmed that Germany's GDP (Gross Domestic Product) shrank by -0.3% in the final quarter of 2023. Preceding this, Germany revised its GDP forecast for 2024 downwards to 0.2% from a previous estimate of 1.3%. Last week also saw the release of Eurozone PMIs which displayed an uptick in services activity back into expansionary territory. Figures showed that Eurozone services now stand at 50.0, up from 48.4. The stronger than expected survey caused some investors to show concern for potential inflationary pressures with bond yields rising as a result. In the UK, PMI data also demonstrated an increase in demand, with the composite PMI figure which contains both services and manufacturing activity, rising to 53.3 from 52.9.

Fact of the Week

Japan's stock market, the Nikkei 225, passed its record closing level after 34 years on Thursday, reaching a record intraday high of 38,957 points.

Our regular market information continues on the next page.

Snapshot



World Equities
Corporate Bonds
Sovereign Bonds
Gold
Copper



Oil

The week ahead

27 Feb

US Consumer Confidence Survey goes to print.

29 Feb

US Core PCE Price Index is released.

01 Mar

Preliminary Eurozone CPI estimates are issued.



	1 Week Return 19.02.24 to 26.02.24		Year to Date Return 31.12.23 to 26.02.24	
	Local Currency	Euro	Local Currency	Euro
World	1.5%	1.0%	5.4%	7.6%
U.S.	1.6%	1.1%	6.7%	8.9%
Europe	1.4%	1.4%	4.8%	4.8%
Ireland	5.0%	5.0%	14.2%	14.2%
U.K.	0.2%	0.4%	0.3%	1.8%
Japan	1.4%	0.7%	13.7%	8.7%
Hong Kong	1.1%	6.1%	-4.4%	-2.6%
Corporate Bonds	0.4%	0.4%	-0.8%	-0.8%
Sovereign Bonds	0.4%	0.4%	-2.0%	-2.0%

Equities

- Global stocks were up last week by 1.0% in euro terms and up 1.5% in local terms.
- Year-to-date global markets are up by 7.6% in euro terms and by 5.4% in local terms.
- The U.S market, the largest in the world, finished up 1.1% in euro and -1.6% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.2% last week. The German equivalent finished at 2.4%. The Irish 10-year bond yield finished at 2.8%.
- The Euro/U.S. Dollar exchange rate finished at 1.08, whilst Euro/GBP finished at 0.85.

Commodities

- Oil finished the week at \$77 per barrel and is up 8.9% year-to-date in euro terms.
- Gold finished the week at \$2,035 per troy ounce and is up 0.7% year-to-date in euro terms.
- Copper finished the week at \$8,475 per tonne.

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