Markets boosted by Cooler US Inflation

US Equities finished the week higher in the US as cooling inflation led to improved sentiment amongst investors. On Friday, JPMorgan Chase posted second-quarter profit and revenue that exceeded analysts' expectations thanks to an increase in investment banking fees. However, its share price fell moderately as the release was fully digested. Wells Fargo, which exceeded both revenue and earnings expectations, also saw a decline in its share price due to a 9% decline in net interest income, a key measure for what a bank makes on lending.

The week saw US headline inflation move lower. On Thursday, the US Bureau of Labor Statistics released Consumer Price Index (CPI) figures for June, which came in at 3.0%, below the previous month's figure of 3.3% and below market expectations of a 3.1% figure. On Friday, the Producer Price Index (PPI) was released, which measures the change in the price of goods sold by manufacturers. This came in slightly above expectations at 2.6%, versus a consensus forecast of 2.3%. The rise was largely attributed to services costs and came as somewhat of for a surprise for markets, following the previous session's CPI print.

In the UK, GDP figures came in double the forecasted pace, increasing by 0.4% in May. The rise was attributed to expansion in the services sector and a rebound in housebuilding. In the Eurozone, a relatively quiet week for economic releases left equities mostly flat. German CPI figures released on Thursday showed a 0.1% increase in June, in line with market expectations, whilst in France CPI also came in at 0.1%, in line with forecasts.

In Japan, equities continued their upward march, supported by a depreciated yen. The Japanese yen has reached multi-decade lows in recent weeks against the US dollar as the Bank of Japan ended its negative interest rate and yield curve control policies in March.

Fact of the Week

S&P 500 companies excluding the Magnificent 7 are expected to post their first growth quarter since the fourth quarter of 2022, according to Bank of America analysts.

Our regular market information continues on the next page.

Snapshot

World Equities

Corporate Bonds

Sovereign Bonds

Gold

Oil

Copper

The week ahead	
16 July	US Retail Sales figures go to print.
17 July	Eurozone CPI figures are released.
18 July	ECB interest rate decision.

	1 Week Return 05.07.24 to 12.07.24		Year to Date Return 31.12.23 to 12.07.24	
	Local Currency	Euro	Local Currency	Euro
World	1.3%	0.5%	15.5%	16.9%
U.S.	0.9%	0.1%	18.0%	19.4%
Europe	1.5%	1.5%	11.4%	11.4%
Ireland	3.6%	3.6%	24.7%	24.7%
U.K.	0.6%	1.3%	9.0%	12.4%
Japan	0.1%	1.4%	25.2%	13.3%
Hong Kong	5.3%	4.5%	-6.7%	-5.5%
Corporate Bonds	0.3%	0.3%	-0.8%	-0.8%
Sovereign Bonds	0.7%	0.7%	-1.8%	-1.8%

Equities

- Global stocks were up last week by 0.5% in euro terms and 1.3% in local terms.
- Year-to-date global markets are up by 16.9% in euro terms and by 15.5% in local terms.
- The U.S market, the largest in the world, finished at 0.1% in euro terms and 0.9% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.2% last week. The German equivalent finished at 2.5%. The Irish 10-year bond yield finished at 2.9%.
- The Euro/U.S. Dollar exchange rate finished at 1.09, whilst Euro/GBP finished at 0.84.

Commodities

- Oil finished the week at $82 per barrel and is up 16.1% year-to-date in euro terms.
- Gold finished the week at $2,411 per troy ounce and is up 18.3% year-to-date in euro terms.
- Copper finished the week at $9,727 per tonne.

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