Equities end the week flat after recovery

In the US, major stock indexes ended the week broadly flat after a volatile period caused by growing fears of a potential recession. Concerns lessened on Thursday as technology and other large-cap stocks improved due to strong quarterly earnings. Additionally, weekly jobless claims were lower than anticipated, dropping by 17,000 for the week, which helped alleviate worries triggered by the previous Friday's July jobs report. Following the release of this data, US stocks rose, and benchmark Treasury yields climbed back above 4%.

Data released on Friday indicated that inflation in Germany, as measured by the Harmonized Index of Consumer Prices (HICP), increased by 2.6% year-on-year in July, aligning with market expectations for the eurozone's largest economy. Following this data release, the EUR/GBP traded in negative territory for the third consecutive day on Friday. Last week, the Bank of England (BoE) reduced its benchmark interest rate to 5.00% from a 16-year high of 5.25%. The UK hinted that the central bank would adopt a cautious approach in its policy normalization process moving forward.

In China, concerns about deflation diminished this week as consumer prices increased. China's consumer prices (CPI) rose by a higher-than-anticipated 0.5% in July, reaching a five-month peak, compared to the 0.2% rise in June. Core CPI, which excludes the volatile costs of food and energy, saw a year-on-year increase of 0.4% in July, down from 0.6% in June. This data offered some much-needed positive news for the world's second-largest economy.

Fact of the Week

According to a study from the Centre for Law and Economics of Sport, the Paris 2024 Olympics may generate as much as $12 billion in long-term economic impact.

Our regular market information continues on the next page.

Snapshot



Corporate Bonds

World Equities

Oil

Gold



Sovereign Bonds

Copper

The week ahead	
13 Aug	UK unemployment data is released.
14 Aug	US CPI figures go to print.
15 Aug	US Retail Sales figures are published.



	1 Week Return 02.08.24 to 09.08.24		Year to Date Return 31.12.23 to 09.08.24	
	Local Currency	Euro	Local Currency	Euro
World	0.0%	0.0%	9.8%	11.0%
U.S.	0.0%	0.0%	12.3%	13.5%
Europe	0.5%	0.5%	5.5%	5.5%
Ireland	0.2%	0.2%	22.4%	22.4%
U.K.	0.2%	-0.2%	8.4%	9.7%
Japan	-2.2%	-2.2%	6.5%	3.6%
Hong Kong	2.0%	2.1%	-9.7%	-8.6%
Corporate Bonds	0.5%	0.5%	0.3%	0.3%
Sovereign Bonds	-0.2%	-0.2%	0.4%	0.4%

Equities

- Global stocks were flat last week finishing at 0.0% in euro terms and local terms.
- Year-to-date global markets are up by 11.0% in euro terms and by 9.8% in local terms.
- The U.S market, the largest in the world, finished at 0.0% in euro terms and local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 3.9% last week. The German equivalent finished at 2.2%. The Irish 10-year bond yield finished at 2.6%.
- The Euro/U.S. Dollar exchange rate finished at 1.09, whilst Euro/GBP finished at 0.86.

Commodities

- Oil finished the week at $77 per barrel and is up 8.4% year-to-date in euro terms.
- Gold finished the week at $2,431 per troy ounce and is up 19.2% year-to-date in euro terms.
- Copper finished the week at $8,747 per tonne.

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