

The week after the week before

Following an election week packed full of record highs, last week was a sobering one for US equities. All three major indexes, the S&P 500, the Nasdaq, and the Dow Jones, finished in the red. This came off the back of economic data that weakened the dovish case for further rate cuts. The October CPI came in at 2.6%, while the October PPI (the Fed's preferred measure of inflation) was recorded at 2.4%, both figures up from their September readings of 2.4% and 1.9%, respectively. This indicates that the Fed's progress against inflation has lost momentum; the final mile of the journey proving to be the most difficult. On Thursday, Jerome Powell insisted that the Fed does not need to be "in a hurry" to lower rates, a comment that prompted 10-year US treasury yields to finish an eventful week of inflation data higher.

In the UK, the unemployment rate rose to 4.3% in Q3, surpassing consensus estimates of 4.1% and the rate of 4.0% in Q2. Chancellor Rachel Reeves expressed she was "not satisfied" with current economic growth after GDP inched up by 0.1% in Q3. 10-year gilt yields jumped in response to the economic data, while the FTSE 100 slumped to a three-month low.

In Europe, the number of employed persons increased by 0.2% in the euro area in Q3 of 2024, compared with the previous quarter. The German ZEW Economic Sentiment Index fell to 7.4 in November from 13.1 in October. Experts cited fears over Trump's tariffs and stalled reforms in Germany's coalition government for the decrease. EUR/USD registered a fresh YTD low under the \$1.05 mark.

Finally, within commodities, gold experienced its worst week in over three years, with analysts pointing to a reduced appeal amid a higher risk appetite in the market following the US election.

Fact of the Week

Last Monday marked the first time the S&P 500 finished the day above the 6,000-point milestone.

Our regular market information continues on the next page.

Snapshot



Corporate Bonds
Sovereign Bonds



World Equities
Oil
Gold
Copper

The week ahead

20 Nov	UK inflation data is released.
21 Nov	Japan inflation data published.
22 Nov	US, UK, and German PMI data goes to print.



	1 Week Return 08.11.24 to 15.11.24		Year to Date Return 31.12.23 to 15.11.24	
	Local Currency	Euro	Local Currency	Euro
World	-2.1%	-0.1%	18.6%	24.4%
U.S.	-2.0%	0.0%	24.2%	30.2%
Europe	-0.7%	-0.7%	6.2%	6.2%
Ireland	-1.4%	-1.4%	20.5%	20.5%
U.K.	0.0%	-0.4%	7.8%	11.9%
Japan	-1.2%	-0.8%	17.4%	12.0%
Hong Kong	-5.8%	-4.0%	0.0%	5.2%
Corporate Bonds	0.3%	0.3%	1.2%	1.2%
Sovereign Bonds	0.7%	0.7%	1.1%	1.1%

Equities

- Global stocks were down last week finishing at -0.1% in euro terms and -2.1% in local terms.
- Year-to-date global markets are up by 24.4% in euro terms and by 18.6% in local terms.
- The U.S market, the largest in the world, finished at 0.0% in euro terms and -2.0% local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.4% last week. The German equivalent finished at 2.4%. The Irish 10-year bond yield finished at 2.7%.
- The Euro/U.S. Dollar exchange rate finished at 1.05, whilst Euro/GBP finished at 0.84.

Commodities

- Oil finished the week at \$67 per barrel and is down -2.0% year-to-date in euro terms.
- Gold finished the week at \$2,563 per troy ounce and is up 30.1% year-to-date in euro terms.
- Copper finished the week at \$8,882 per tonne.

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