Central banks opt to wait-and-see

The week was dominated by forecasts and reactions to the monetary policy decisions of several of the world's foremost central banks. In the US, the Federal Reserve chose to leave rates unchanged, with Fed Chair Jerome Powell citing the "unusually elevated" level of uncertainty around the economic outlook. This was to be a common stance adopted by major central banks throughout the week. US equities initially rallied due to the lack of adverse surprises in the Fed's release but subsequently levelled off before finishing the week up above 1% in euro terms. US retail sales for February showed a rise of 0.2% for the month, higher than the decline of 1.2% in January, but lower than projections for an increase of 0.6%.

Even though the UK's economy has underperformed growth projections, the Bank of England voted to maintain its benchmark rate at 4.5%, with bankers referring to inflation concerns and unpredictability surrounding US tariffs. Of the nine voters, only one preferred a cut to interest rates, which was perceived as a hawkish signal. UK stocks ended the week 0.6% higher in euro terms.

The Bank of Japan opted to keep its policy rate at 0.5%, while it also pointed to heightened economic uncertainty amid the nebulous US tariff situation. Meanwhile, Japanese stocks posted a strong week, rising nearly 3.7% in euro terms.

Finally, the People's Bank of China also decided to keep both its 1-year and 5-year loan prime rate (LPR) steady last week. Caution regarding a potential trade war with the US, coupled with several better-than-expected economic indicators, made the need for easing interest rates less urgent. Retail sales in China rose 4.0% annually in the period January-February, the fastest growth since November. Industrial output over the same period beat expectations, rising 5.9% year on year. However, property investment in January-February fell 9.8% compared to the same period a year prior, signaling that China's beleaguered property market is continuing to slump.



Fact of the week

Last week, the Boston Celtics were acquired by a group led by private equity investors for $6.1 billion, the largest deal in sports history.

Our regular market information continues on the next page.

Snapshot



- World Equities
- Corporate Bonds
- Sovereign Bonds
- Gold
- Copper



- Oil

The week ahead	
24 Mar	US PMI data for March is released.
26 Mar	UK CPI data for February is reported.
28 Mar	US PCE price index for February goes to print.

	1 Week Return 14.03.25 to 21.03.25		Year to Date Return 31.12.24 to 21.03.25	
	Local Currency	**Euro**	**Local Currency**	**Euro**
World	0.7%	1.3%	-0.2%	-4.4%
U.S.	0.6%	1.2%	-3.6%	-7.6%
Europe	0.6%	0.6%	9.8%	9.8%
Ireland	-0.5%	-0.5%	16.5%	16.5%
U.K.	0.2%	0.6%	7.0%	5.6%
Japan	3.4%	3.7%	0.1%	1.2%
Hong Kong	-0.9%	-0.3%	6.6%	2.1%
Corporate Bonds	0.1%	0.1%	-1.0%	-1.0%
Sovereign Bonds	1.1%	1.1%	-2.7%	-2.7%

Warning: Past performance is not a reliable guide to future performance.
Warning: The value of your investment may go down as well as up.
Warning: Benefits may be affected by changes in currency exchange rates.
Warning: If you invest in this product, you may lose some or all of the money you invest.

Equities

- Global stocks finished at 1.3% in euro terms and 0.7% in local terms last week.
- Year-to-date global markets are down by -4.4% in euro terms and down by -0.2% in local terms.
- The U.S. market, the largest in the world, finished at 1.2% in euro terms and 0.6% local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.2% last week. The German equivalent finished at 2.8%. The Irish 10-year bond yield finished at 3.1%.
- The Euro/U.S. Dollar exchange rate finished at 1.08, whilst Euro/GBP finished at 0.84.

Commodities

- Oil finished the week at $68 per barrel and is down -8.9% year-to-date in euro terms.
- Gold finished the week at $3,022 per troy ounce and is up 10.2% year-to-date in euro terms.
- Copper finished the week at $9,814 per tonne.

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