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Don’t tweet back in anger

The Governing Council of the ECB issued its eighth rate cut in a year last week, bringing the main deposit rate down to 2.0%. The move was largely expected, especially following news on Tuesday that Eurozone inflation had fallen to 1.9% in May, below the central bank’s 2% target. ECB President Christine Lagarde indicated that the central bank’s easing cycle may be coming to an end, saying rates are currently in a “good position”. Investors were also more optimistic after the EU trade chief said negotiations with the U.S. were “advancing in the right direction”, leading European equities to finish the week in positive territory.

On Thursday, US President Trump and Chinese President Xi Jinping had a direct phone call which by all accounts resulted in a constructive conversation on trade, among other topics. Trump went on to reveal the Chinese president agreed to restart the flow of critical rare earth minerals into the US, further signs of thaw in a long-frozen relationship. However, Trump had fresh tensions within his own circle, as his alliance with Elon Musk reached a boiling point on Thursday. The two exchanged blows on social media and the market wiped roughly $150 billion from Tesla’s valuation – its largest ever 1-day drop.

It was revealed on Wednesday that US services sector activity contracted in April, as the ISM Services Index fell below 50.0 for only the fourth time in the last five years. Bond yields fell in response as investors priced in sooner rate cuts than previously anticipated. However, US job openings unexpectedly rose in April and reports on Friday also showed non-farm payrolls grew by 139,000 in May, topping forecasts of 130,000, as the unemployment rate held firm at 4.2%. All of which suggests that the US labour market is remaining resilient to economic worries, causing treasury yields to rally and end the week higher.

Elsewhere, the price of oil rose significantly due to increased concerns of global supply disruptions.



Fact of the week

On Friday, the S&P 500 closed above 6,000 for the first time since February.

Our regular market information continues on the next page.

Snapshot



- World Equities
- Gold
- Copper



- Corporate Bonds
- Sovereign Bonds
- Oil

The week ahead	
11 June	US CPI data for May is reported.
12 June	UK GDP data for April is announced
13 June	US consumer confidence index goes to print.



	1 Week Return 30.05.25 to 06.06.25		Year to Date Return 31.12.24 to 06.06.25	
	Local Currency	**Euro**	**Local Currency**	**Euro**
World	1.4%	1.0%	6.4%	-3.3%
U.S.	1.6%	1.3%	2.6%	-6.7%
Europe	1.1%	1.1%	12.0%	12.0%
Ireland	1.9%	1.9%	21.9%	21.9%
U.K.	0.8%	0.7%	10.0%	8.1%
Japan	-1.4%	-2.1%	-0.5%	-1.9%
Hong Kong	2.1%	1.7%	17.6%	5.9%
Corporate Bonds	-0.1%	-0.1%	0.8%	0.8%
Sovereign Bonds	-0.3%	-0.3%	-0.1%	-0.1%

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 up 1.0% in euro terms and up 1.4% in local terms last week.
- Year-to-date global markets are down by -3.3% in euro terms and up by 6.4% in local terms.
- The U.S. market, the largest in the world, finished up 1.3% in euro terms and up 1.6% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.5% last week. The German equivalent finished at 2.6%. The Irish 10-year bond yield finished at 2.9%.
- The Euro/U.S. Dollar exchange rate finished at 1.14, whilst Euro/GBP finished at 0.84.

Commodities

- Oil finished the week at $65 per barrel and is down -18.2% year-to-date in euro terms.
- Gold finished the week at $3,310 per troy ounce and is up 14.6% year-to-date in euro terms.
- Copper finished the week at $9,763 per tonne and is up 2.5% year-to-date in euro terms.

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