

One big beautiful finale

The One Big Beautiful Bill Act (OBBBA) was officially signed into law on Friday following a dramatic week in US politics. The US senate passed a revised version of the OBBBA on Tuesday by a vote of 51-50, with Vice President JD Vance casting the tie-breaking vote. The US House of Representatives then won a race against the clock to approve the bill in time to meet US President Trump's self-imposed deadline of 4th July.

Treasury yields ticked higher, and the dollar initially weakened as the market priced in their fiscal concerns relating to the bill. The euro extended to a 10-day rally against the greenback, briefly pushing the EUR/USD pair above the 1.18 level for the first time since September 2021. However, the dollar strengthened on Friday after the latest US non-farm payrolls report showed an increase of 147,000 jobs in June, beating expectations of 110,000. In addition, the unemployment rate fell from 4.2% to 4.1%, having been projected to rise to 4.3%.

US equity markets were elevated last week by positive developments on the trade front. Stocks opened strong on Monday after Canada withdrew their planned digital services tax in order to resume trade talks with the US. Meanwhile, there were reports that the EU will accept a 10% tariff on their exports to the US in exchange for exemptions to key sectors. On Wednesday, Trump announced that the tariff on Vietnamese exports would be 20%, considerably lower than the 46% levy that was due to go into effect in the coming days.

Elsewhere, flash estimates for Eurozone HICP inflation showed a rise to 2.0% in June, up from 1.9% in May and in line with expectations. There were also positive signs for the Japanese economy after data showed household spending grew in May by the largest rate since August 2022. The China Caixin PMI unexpectedly rose to from 48.3 to 50.4 in June, marking a return to growth territory.



Fact of the week

Wall Street analysts have issued their most “buy” ratings since 2022, with 56.4% of ratings being bullish.

Snapshot



- World Equities
- Corporate Bonds
- Sovereign Bonds



- Gold
- Copper
- Oil

The week ahead

08 July	The Reserve Bank of Australia announces its rate decision.
10 July	US initial jobless claims go to print.
11 July	UK GDP data is reported.

Our regular market information continues on the next page.



	1 Week Return 27.06.25 to 04.07.25		Year to Date Return 31.12.24 to 04.07.25	
	Local Currency	Euro	Local Currency	Euro
World	1.3%	0.8%	10.4%	-2.9%
U.S.	1.8%	1.2%	7.4%	-5.6%
Europe	-0.4%	-0.4%	9.5%	9.5%
Ireland	-0.7%	-0.7%	17.9%	17.9%
U.K.	0.4%	-0.7%	9.9%	5.2%
Japan	-0.6%	-0.9%	1.5%	-2.9%
Hong Kong	-0.3%	-0.8%	22.8%	6.9%
Corporate Bonds	0.4%	0.4%	0.7%	0.7%
Sovereign Bonds	0.3%	0.3%	0.0%	0.0%

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 0.8% in euro terms and up 1.3% in local terms last week.
- Year-to-date global markets are down by -2.9% in euro terms and up by 10.4% in local terms.
- The U.S. market, the largest in the world, finished up 1.2% in euro terms and up 1.8% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.3% 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 1.18, whilst Euro/GBP finished at 0.86.

Commodities

- Oil finished the week at \$67 per barrel and is down -17.9% year-to-date in euro terms.
- Gold finished the week at \$3,337 per troy ounce and is up 11.8% year-to-date in euro terms.
- Copper finished the week at \$9,960 per tonne and is up 1.2% year-to-date in euro terms.

Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced, or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing, or creating any MSCI expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability, and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com)

Source ICE Data Indices, LLC ("ICE DATA"), is used with permission. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD-PARTY SUPPLIERS DISCLAIM ANY AND ALL WARRANTIES AND REPRESENTATIONS, EXPRESS AND/OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, INCLUDING THE INDICES, INDEX DATA AND ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM. NEITHER ICE DATA, ITS AFFILIATES NOR THEIR RESPECTIVE THIRD-PARTY PROVIDERS SHALL BE SUBJECT TO ANY DAMAGES OR LIABILITY WITH RESPECT TO THE ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDICES OR THE INDEX DATA OR ANY COMPONENT THEREOF, AND THE INDICES AND INDEX DATA AND ALL COMPONENTS THEREOF ARE PROVIDED ON AN "AS IS" BASIS AND YOUR USE IS AT YOUR OWN RISK. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD-PARTY SUPPLIERS DO NOT SPONSOR, ENDORSE, OR RECOMMEND ZURICH LIFE ASSURANCE PLC, OR ANY OF ITS PRODUCTS OR SERVICES. Figures are calculated using Total Returns Indices.

Zurich Life Assurance plc

Zurich House, Frascati Road, Blackrock, Co. Dublin, A94 X9Y3, Ireland.
Telephone: 01 283 1301 Fax: 01 283 1578 Website: www.zurich.ie

Zurich Life Assurance plc is regulated by the Central Bank of Ireland.