

When the chips are down

News at the beginning of the week was dominated by more US economic data, while the latter half delivered interest rate decisions from three of the world's largest economies. There were also fresh developments in the Artificial Intelligence (AI) race as reports emerged that Amazon is considering a \$10 billion investment in OpenAI that would include an agreement for the ChatGPT developer to use Amazon's chips. Nvidia initially fell nearly -4% on the potential loss of chip business but made a full recovery by the end of the week, finishing up over +3%. In keeping with the recent scepticism around AI spending, Amazon's stock price initially fell too.

Economists were treated to a double US non-farm payrolls release on Tuesday as November data was reported along with the delayed October figures. Non-farm payrolls fell by 105,000 in October as 162,000 federal employees left their jobs amid the government shutdown. However, 64,000 jobs were added in November, higher than the 50,000 expected. The unemployment rate rose to 4.6% in November from 4.4% in September. The first US CPI report since before the shutdown showed that prices rose at a 2.7% annualised rate in November, down from 3% in September and considerably lower than the 3.1% anticipated. US retail sales in October were unchanged from September, missing projections for 0.1% growth.

In Europe, Germany's parliament signed off on major defence projects that will result in purchases worth nearly €50 billion, while the European Union (EU) approved a €90 billion loan to Ukraine after failing to agree on a plan to use frozen Russian assets. As widely anticipated, the European Central Bank (ECB) decided to hold its main interest rate steady at 2% on Thursday. Meanwhile, the Bank of England cut its policy rate from 4% to 3.75% after inflation unexpectedly tumbled from 3.6% in October to 3.2% in November.

Elsewhere, the Bank of Japan hiked its policy rate from 0.5% to 0.75%, the highest it's been in 30 years. Japan's 10-year government bond yield rose above 2% for the first time since 1999.



Fact of the week

Last week, Elon Musk became the first person to reach an estimated net worth above \$600 billion. Just four days later, he became the first person to reach an estimated net worth above \$700 billion. Nobody else has ever breached \$500 billion.

Our regular market information continues on the next page.

Snapshot



- World Equities
- Corporate Bonds
- Copper
- Gold



- Sovereign Bonds
- Oil

The week ahead

23 Dec	US Q3 GDP data is reported.
24 Dec	US weekly initial jobless claims data is released.
25 Dec	Christmas Day – Multiple global markets close.



	1 Week Return 12.12.25 to 19.12.25		Year to Date Return 31.12.24 to 19.12.25	
	Local Currency	Euro	Local Currency	Euro
World	0.2%	0.4%	20.6%	6.7%
U.S.	0.1%	0.4%	17.1%	3.6%
Europe	1.2%	1.2%	18.6%	18.6%
Ireland	2.3%	2.3%	38.8%	38.8%
U.K.	2.6%	2.9%	25.2%	18.2%
Japan	-1.5%	-2.3%	23.2%	8.7%
Hong Kong	0.8%	1.1%	36.9%	20.8%
Corporate Bonds	0.0%	0.0%	-0.4%	-0.4%
Sovereign Bonds	-0.2%	-0.2%	-1.1%	-1.1%

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 0.4% in euro terms and up 0.2% in local terms last week.
- Year-to-date global markets are up by 6.7% in euro terms and up by 20.6% in local terms.
- The U.S. market, the largest in the world, finished up at 0.4% in euro terms and up at 0.1% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.1% last week. The German equivalent finished at 2.9%. The Irish 10-year bond yield finished at 3.1%.
- The Euro/U.S. Dollar exchange rate finished at 1.17, whilst Euro/GBP finished at 0.88.

Commodities

- Oil finished the week at \$57 per barrel and is down -30.1% year-to-date in euro terms.
- Gold finished the week at \$4,339 per troy ounce and is up 46.2% year-to-date in euro terms.
- Copper finished the week at \$11,886 per tonne and is up 21.5% year-to-date in euro terms.

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