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Rates on the rise

US equities ended the week mixed as the Federal Reserve raised interest rates by 25 basis points to the 3.75%-4%, range its first hike since 2023. The unanimous decision came with a notably hawkish outlook, with updated projections expecting at least one further increase this year. The Fed also raised its 2026 headline inflation forecast to 3.7%, while nudging its growth outlook higher to 2.3%. Equity markets reacted with volatility, initially falling before recovering somewhat by Friday.

Bond markets reflected the shifting rate expectations. The 10-year Treasury yield briefly reached 5.02%, its highest level since 2007, before easing to 4.94% on Thursday and climbing again into Friday. Higher yields limited gains in rate-sensitive equity sectors, while technology remained the stronger area of the US market. Semiconductor shares also recovered from a midweek sell-off linked to calls from Anthropic and OpenAI for a slower pace of AI development.

Overseas, energy markets remained a key focus. Brent crude settled above $100 a barrel as Middle East supply disruptions continued, including the closure of Saudi Arabia’s East-West pipeline following drone damage. European equities ended lower, with autos and telecoms among the weakest performers. The Bank of England kept rates unchanged while continuing to flag persistent inflation risks.

Japan provided a brighter spot. The Bank of Japan raised rates by 25 basis points to 1.25%, contributing to a weaker yen, which approached 157 per dollar. This supported exporters and helped Japanese equities rally strongly throughout the week.

Snapshot

- World Equities
- Oil
- Gold
- Copper

- Corporate Bonds
- Sovereign Bonds

The week ahead	
23 Sep	US & Eurozone PMI data is released.
24 Sep	Japanese PMI data goes to print.
25 Sep	US Consumer sentiment and inflation expectations data is published.

Fact of the week

The Bank of Japan raised its benchmark interest rate by 25 basis points to 1.25% on Friday, bringing borrowing costs to their highest level in 31 years.

Our regular market information continues on the next page.

	1 Week Return 11.09.26 to 18.09.26		Year to Date Return 31.12.25 to 18.09.26	
	Local Currency	**Euro**	**Local Currency**	**Euro**
World	-0.5%	0.9%	11.9%	14.7%
U.S.	-0.1%	1.3%	12.3%	15.1%
Europe	-0.8%	-0.8%	8.9%	8.9%
Ireland	-1.4%	-1.4%	14.1%	14.1%
U.K.	0.1%	0.2%	10.4%	12.3%
Japan	1.3%	0.1%	21.4%	23.8%
Hong Kong	0.1%	1.4%	7.8%	9.6%
Corporate Bonds	-1.0%	-1.0%	-3.4%	-3.4%
Sovereign Bonds	-0.3%	-0.3%	-3.8%	-3.8%

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 0.9% in euro terms and down -0.5% in local terms last week.
- Year-to-date global markets are up by 14.7% in euro terms and up by 11.9% in local terms.
- The U.S. market, the largest in the world, finished up 1.3% in euro terms and down -0.1% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 5.0% last week. The German equivalent finished at 3.5%. The Irish 10-year bond yield finished at 3.6%.
- The Euro/U.S. Dollar exchange rate finished at 1.15, whilst Euro/GBP finished at 0.86.

Commodities

- Oil finished the week at $100 per barrel and is up 78.6% year-to-date in euro terms.
- Gold finished the week at $4,379 per troy ounce and up 3.7% year-to-date in euro terms.
- Copper finished the week at $14,543 per tonne and is up 19.4% year-to-date in euro terms.

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