ZURICH

Markets decline due to virus concerns

Snapshot

Sovereign Bonds

Gold

World Equities

Corporate Bonds

Copper

Oil

Week Ahead

9 Mar U.S. consumer inflation expectations data released

10 Mar Chinese Consumer Price Index and Producer Price Index February data released

12 Mar Eurozone ECB Interest rate decision

The Federal Reserve's 'out of meeting' announcement on Tuesday of an emergency 0.5% rate cut did little to lift the market, as the number of confirmed COVID-19 cases continued to climb.

The closely watched February payrolls data released on Friday, surprised well to the upside, with employers adding 273,000 jobs. Although the report provided little confirmation of a slowdown this seems almost stale given the virus concerns.

European Central Bank (ECB) President Christine Lagarde said in a statement this week that the ECB is "ready to take appropriate and targeted measures" to address the economic impact of the coronavirus. Outside of the Federal Reserve, only two major developed market central banks implemented rate cuts this week. Both the Reserve Bank of Australia and the Bank of Canada cut their policy rates, by 25 and 50 bps, respectively. We expect further monetary and potentially fiscal action from Governments in the week ahead.

	1 Week Return 03.03.20 to 09.03.20		Year to Date Return 31.12.19 to 09.03.20	
	Local Currency	**Euro**	**Local Currency**	**Euro**
World	-2.9%	-4.4 %	-8.9%	-9.6%
U.S.	-3.8%	-5.9%	-7.8%	-9.1%
Europe	-2.6%	-2.6%	-10.4%	-10.4%
Ireland	-1.6%	-1.6%	-10.0%	-10.0%
U.K.	-2.9%	-2.2%	-14.5%	-16.5%
Japan	-3.1%	0.0%	-13.2%	-9.5%
Hong Kong	-0.3%	-2.4%	-6.6%	-7.8%
Corporate Bonds	-2.9%	-2.9%	-2.8%	-2.8%
Sovereign Bonds	0.2%	0.2%	4.3%	4.3%

Equities

- All major markets were down last week with global markets falling by -2.9% in local terms and -4.4% in euro terms.
- The influential U.S. market was down -3.8% in local terms and -5.9% in euro terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 0.5% last week. The German equivalent finished at -0.82%. The Irish 10 year bond yield finished at -0.18%
- The Euro/U.S. Dollar exchange rate finished at 1.14, whilst Euro/GBP finished at 0.87.

Commodities

- Oil continued to fall finishing at $32 per barrel.
- Gold increased to $1,667 per troy ounce.
- Copper decreased to $5,589 per tonne.

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