

Global share markets

Stocks continue year-to-date winning streak

Global share markets ended the week higher, according to the MSCI AC World Index, continuing their year-to-date run. Investors were encouraged by positive signs in economic data and earnings reports, and signals that the US Federal Reserve (Fed) is winding up its interest rate rises.

Eurozone economy

Positive surprises in GDP and inflation

Inflation in the eurozone cooled to a better-than-expected 8.5% in January, down from 9.2% in December, and the eurozone economy grew by 0.1% in the fourth quarter of 2022. The European Central Bank raised interest rates by 0.5%, taking the deposit rate to 2.5%, and expects to enact another 0.5% hike in March.

Big Tech earnings

Mixed earnings results for Big Tech

Facebook's parent, Meta Platforms, beat revenue expectations for the fourth quarter and gave a positive outlook for 2023. The stock jumped 23% on Thursday, its biggest daily gain in almost a decade, boosting technology indexes. Results for Apple, Alphabet and Amazon on Friday, however, were viewed as disappointing.

US Federal Reserve

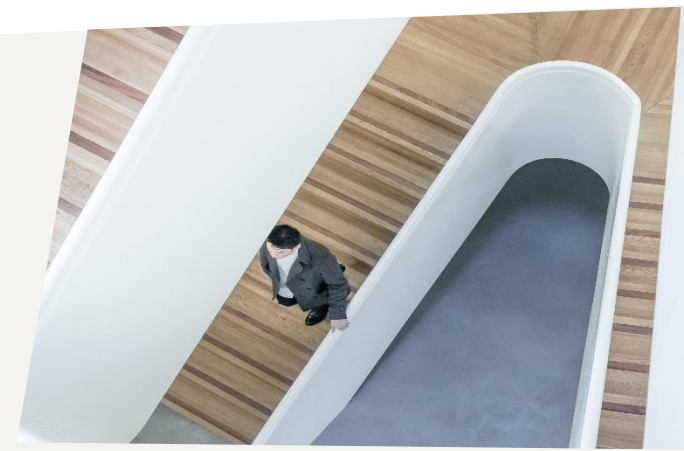
Markets optimistic on 0.25% rate rise

The Fed raised interest rates by 0.25%, on Wednesday, as expected, down from 0.5% in December and 0.75% at the three prior meetings. Markets reacted positively to Fed Chair Jerome Powell's comments that Labor Department's Employment Cost Index (ECI) was "abating a little" and that a disinflationary process was "at an early stage".

European markets

Stocks rise, bond yields fall

European share markets rose as investors gained optimism that the end of interest rate rises is in sight. The Bank of England suggested rates could peak at a lower level than expected by the market. European bond yields fell as investors weighed the possibility of rate cuts later in the year.



**"A designer knows he has achieved perfection when there is nothing left to take away."
– MICHAEL J. SAYLOR**

The Story of the Week

Pasadena overrun by peacocks

Hundreds of peacocks are being removed from Pasadena, California, after residents complained about noise early in the morning and damage caused to property.

The population of the birds increased during the Covid pandemic – experts report that this was due to a reduction in traffic making the city a safer home for peacocks. A total of 102 of the birds were counted.

People are being asked to volunteer to catch the peacocks so they can be moved to a new home in open spaces and farms nearby.

Index performances and market data

Equity & Bond Markets (%) in Local Currency	2017	2018	2019	2020	2021	2022	2023 YTD (03/02)
MSCI AC World (Gross TR)	9.5	-4.3	29.6	7.2	21.4	-15.6	8.0
ISEQ Overall Return	9.5	-20.8	33.6	4.2	15.7	-14.5	14.7
Euro Stoxx 50 TR	10.0	-11.2	29.3	-2.6	24.1	-8.8	12.4
S&P 500 TR	7.0	0.4	33.9	8.6	28.7	-18.1	7.9
Nasdaq Composite	13.9	2.1	39.2	32.9	22.2	-32.5	14.8
Nikkei 225	10.3	-3.2	24.1	14.2	6.7	-7.3	5.4
MSCI Emerging Markets	21.0	-9.9	21.1	8.9	0.1	-15.2	7.1
Eurozone Government Bonds 1–5 yr	-0.2	0.0	1.1	0.6	-0.9	-7.2	1.1

Central Bank Rates (%)	2017	2018	2019	2020	2021	2022	2023 (03/02)
ECB	0.00	0.00	0.00	0.00	0.00	2.5	2.5
Bank of England	0.25	0.75	0.75	0.10	0.25	3.5	3.5
U.S. Federal Reserve	1.50	2.50	1.75	0.25	0.25	4.5	4.5

Sovereign 10yr Bond Yields (%)	2017	2018	2019	2020	2021	2022	2023 YTD (03/02)
U.S.	2.4	2.7	1.9	0.9	1.5	3.9	3.5
German	0.5	0.2	-0.2	-0.6	-0.2	2.5	2.2
UK	1.3	1.3	0.8	0.2	1.0	3.7	3.1
Japan	0.0	0.0	0.0	0.0	0.1	0.4	0.5
Ireland	0.7	0.9	0.1	-0.3	-0.3	-0.3	2.6
Italy	2.0	2.7	1.4	0.5	1.2	4.6	4.1
Greece	4.1	4.4	1.5	0.6	1.3	4.6	4.0
Portugal	1.9	1.7	0.4	0.0	0.0	0.0	3.0
Spain	1.5	1.4	0.5	0.0	0.6	3.6	3.1

Foreign Exchange Rates	2017	2018	2019	2020	2021	2022	2023 (03/02)
Euro/Dollar (€/\$)	1.20	1.14	1.12	1.22	1.14	1.1	1.07
Euro/Sterling (€/£)	0.89	0.90	0.85	0.90	0.84	0.9	0.89
Sterling/Dollar (£/\$)	1.35	1.27	1.32	1.37	1.35	1.2	1.20

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Sources: Factset / Bloomberg / Moneymate / MSCI

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