

## Domestic Irish News

### Irish economy contracts

According to the Irish central Statistics Office, Ireland's economy contracted by 5.4% over the fourth quarter of 2021. This is the largest economic contraction Ireland has ever reported. Investors had expected the economy to post a slight economic expansion over the period, so this marks a significant under performance. Over 2021, Ireland's economy expanded by 13.5%.

## Global Share Markets

### Global share markets were down over the week

According to the MSCI AC World Index, global equities fell by 2.68% over the past week. Russia's war in Ukraine continues to drive investor concerns, with significant uncertainty around how it will impact the world economy over the coming months. Western sanctions on Russia have contributed to fears of further fossil fuel price inflation in Europe and supply shortages across the broader commodities market.

## War in Ukraine

### Russian financial markets in turmoil

Russia's war in Ukraine, and the sanctions imposed in response, have caused the ruble to fall to a record low against the US dollar and thrown Russian financial markets into turmoil. The Moscow Stock Exchange has been suspended for five consecutive days as the Central Bank of Russia attempts to avoid the collapse of Russian share prices.

## Eurozone Economy

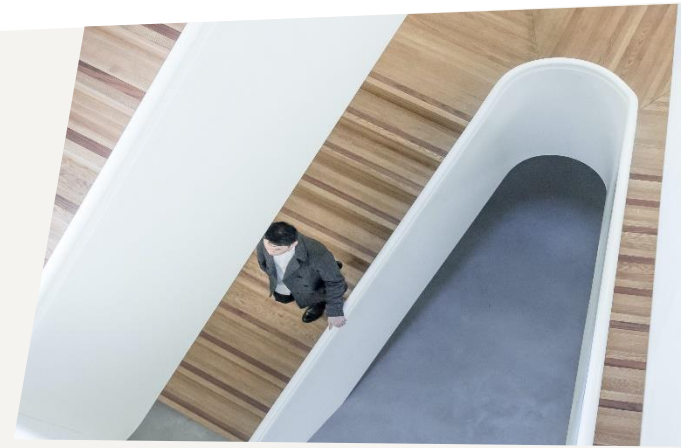
### Annual eurozone inflation climbs

According to flash estimates, the annual eurozone inflation rate climbed to a new record high of 5.8% during February. Coming from 5.1% in January, this is above market expectations. Energy prices remain the biggest contributor to inflation within the eurozone; with severe sanctions placed on Russia (the EU's biggest fossil fuel supplier), this is likely to continue.

## US Federal Reserve (Fed)

### Fed rate hike signalled for March

At a congressional testimony on Wednesday, Fed chair, Jerome Powell, announced that the healing US economy no longer needs low interest rates. Powell announced that the Fed would begin to increase interest rates at its March meeting in an attempt to control inflation. Although Powell suggested the Fed will pursue a 0.25% rate hike, he reiterated that the bank could be more aggressive.



**“Success is a science; if you have the conditions, you get the result.”**

**OSCAR WILDE**

## The Story of the Week

### Fish saved from extinction

The Zoogoneticus Tequila, or Tequila Fish, was reported to be extinct in 1998. But the fish, which was believed to only survive in captivity, has been reintroduced into a river in Western Mexico. Led by Michoacan University, the process to reintroduce the fish began in 2014. There are now an estimated 1,500-2,000 wild Tequila Fish.

# Index performances and market data

Equity & Bond Markets (%) in Local Currency	2016	2017	2018	2019	2020	2021	2022 YTD (04/03)
MSCI AC World (Gross TR)	11.7	9.5	-4.3	29.6	7.2	21.4	-9.2
ISEQ Overall Return	-2.7	9.5	-20.8	33.6	4.2	15.7	-18.7
Euro Stoxx 50 TR	4.7	10.0	-11.2	29.3	-2.6	24.1	-17.0
S&P 500 TR	15.3	7.0	0.4	33.9	8.6	28.7	-8.9
Nasdaq Composite	12.1	13.9	2.1	39.2	32.9	22.2	-14.8
Nikkei 225	8.8	10.3	-3.2	24.1	14.2	6.7	-9.7
MSCI Emerging Markets	14.9	21.0	-9.9	21.1	8.9	0.1	-5.7
Eurozone Government Bonds 1–5 yr	0.9	-0.2	0.0	1.1	0.6	-0.9	-0.2

Central Bank Rates (%)	2016	2017	2018	2019	2020	2021	2022 (04/03)
ECB	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bank of England	0.25	0.25	0.75	0.75	0.10	0.25	0.50
U.S. Federal Reserve	0.75	1.50	2.50	1.75	1.75	0.25	0.25

Sovereign 10yr Bond Yields (%)	2016	2017	2018	2019	2020	2021	2022 YTD (04/03)
U.S.	2.5	2.4	2.7	1.9	0.9	1.5	1.7
German	0.2	0.5	0.2	-0.2	-0.6	-0.2	-0.1
UK	1.3	1.3	1.3	0.8	0.2	1.0	1.2
Japan	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Ireland	0.8	0.7	0.9	0.1	-0.3	-0.3	0.6
Italy	1.8	2.0	2.7	1.4	0.5	1.2	1.6
Greece	7.2	4.1	4.4	1.5	0.6	1.3	2.4
Portugal	3.8	1.9	1.7	0.4	0.0	0.0	0.8
Spain	1.3	1.5	1.4	0.5	0.0	0.6	1.0

Foreign Exchange Rates	2016	2017	2018	2019	2020	2021	2022 (04/03)
Euro/Dollar (€/\$)	1.05	1.20	1.14	1.12	1.22	1.14	1.09
Euro/Sterling (€/£)	0.85	0.89	0.90	0.85	0.90	0.84	0.83
Sterling/Dollar (£/\$)	1.24	1.35	1.27	1.32	1.37	1.35	1.32

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Sources: Factset / Bloomberg / Moneymate / MSCI

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