

Domestic Irish News

Irish inflation climbs

The Irish Central Statistics office reported an annual inflation rate of 5.6% for February. Up from 5% during January, this is the highest level of Irish inflation in more than 20 years. Transport and fuel costs remain the biggest contributors to inflation, with diesel prices rising 32.5% and petrol prices climbing 30.3% over the month. At the same time, airfares rose 42.3%.

Global Share Markets

Global share markets continue their fall

Global equities fell 2.32% over the past week, according to the MSCI AC World Index. The war in Ukraine continues to weigh heavily on investor sentiment, with little progress seen in Russia-Ukraine negotiations so far. At the same time, inflation-related concerns remain, and the war is expected to drive fossil fuel and other commodities prices higher over the coming months as Russian supplies are cut off.

Individual Stocks

Amazon announces stock split

On Wednesday, tech giant Amazon announced that it would perform a 20-1 stock split and repurchase \$10 billion of its shares. Some investors believe this is an effort to boost the company's stock price in response to heavy operating costs and staff retention issues. This is Amazon's fourth ever stock split, with the last in 1999.

European Central Bank

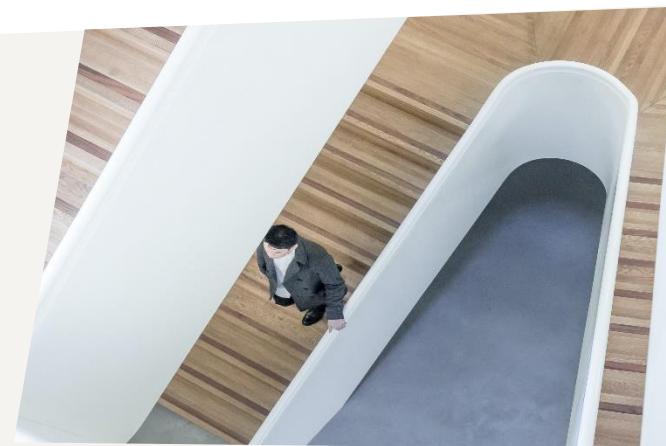
ECB leaves rates unchanged

Following its March meeting, the ECB announced that it would leave its main refinancing rate at 0%. However, the bank said that it would speed up the pace of its ongoing asset purchase programme if inflation remains persistently high. In this case, the bank may end its ongoing asset purchase programme during the third quarter, rather than the fourth.

US Economy

US inflation continues to climb

The US reported an annual inflation rate of 7.9% for February, which is up from 7.5% in January. Despite being a more than 40-year high, this is in line with investor expectations. Energy costs remain the biggest contributor to inflation, and gasoline prices climbed 38% over February; shelter and food prices also contributed. Due to the war in Ukraine, US inflation is expected to rise further next month.



“Intelligence is the ability to adapt to change.”

STEPHEN HAWKING

The Story of the Week

Floating solar panels become tourist attraction

South Korea, a country that is still heavily reliant on coal, has built floating solar panels to power homes. The flowers are built in the shape of plumb blossoms and are made up from more than 92,000 solar panels. Because the country has little available space on land, the panels have been deployed on a reservoir. The entire project currently generates around 41.5 megawatts and has become a tourist destination.

Index performances and market data

Equity & Bond Markets (%) in Local Currency	2016	2017	2018	2019	2020	2021	2022 YTD (11/03)
MSCI AC World (Gross TR)	11.7	9.5	-4.3	29.6	7.2	21.4	-11.1
ISEQ Overall Return	-2.7	9.5	-20.8	33.6	4.2	15.7	-15.6
Euro Stoxx 50 TR	4.7	10.0	-11.2	29.3	-2.6	24.1	-14.0
S&P 500 TR	15.3	7.0	0.4	33.9	8.6	28.7	-11.5
Nasdaq Composite	12.1	13.9	2.1	39.2	32.9	22.2	-17.8
Nikkei 225	8.8	10.3	-3.2	24.1	14.2	6.7	-12.6
MSCI Emerging Markets	14.9	21.0	-9.9	21.1	8.9	0.1	-10.1
Eurozone Government Bonds 1–5 yr	0.9	-0.2	0.0	1.1	0.6	-0.9	-1.2

Central Bank Rates (%)	2016	2017	2018	2019	2020	2021	2022 (11/03)
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 (11/03)
U.S.	2.5	2.4	2.7	1.9	0.9	1.5	2.0
German	0.2	0.5	0.2	-0.2	-0.6	-0.2	0.3
UK	1.3	1.3	1.3	0.8	0.2	1.0	1.5
Japan	0.0	0.0	0.0	0.0	0.0	0.1	0.2
Ireland	0.8	0.7	0.9	0.1	-0.3	-0.3	0.9
Italy	1.8	2.0	2.7	1.4	0.5	1.2	1.9
Greece	7.2	4.1	4.4	1.5	0.6	1.3	2.6
Portugal	3.8	1.9	1.7	0.4	0.0	0.0	1.1
Spain	1.3	1.5	1.4	0.5	0.0	0.6	1.3

Foreign Exchange Rates	2016	2017	2018	2019	2020	2021	2022 (11/03)
Euro/Dollar (€/\$)	1.05	1.20	1.14	1.12	1.22	1.14	1.10
Euro/Sterling (€/£)	0.85	0.89	0.90	0.85	0.90	0.84	0.84
Sterling/Dollar (£/\$)	1.24	1.35	1.27	1.32	1.37	1.35	1.31

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Sources: Factset / Bloomberg / Moneymate / MSCI

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