

## Domestic Irish News

### Irish construction sector activity accelerates

According to the BNP Paribas Real Estate Construction Purchasing Managers' Index, the Irish construction sector reported its fastest pace of output growth since July 2020. The measure was reported at 58.4 during February, which is up from 56.1 in January and represents the 10<sup>th</sup> consecutive month of sector expansion.

## Global Share Markets

### Global share markets rose over the week

Despite the US Federal Reserve (Fed) performing its first interest rate hike since 2018, global stock markets gained 5.72% over the past week. Following stocks falling for consecutive weeks, markets benefited as investors looked for bargains off the back of the war in Ukraine. At the same time, positive signs from Russo-Ukrainian peace talks also lent support to global markets.

## Chinese Stock Markets

### Volatility in Chinese stock markets

Having fallen sharply at the start of the week due to fears of surging Covid-19 cases, reports that Russia had asked China for military support and a worsening economic outlook, Chinese stocks rebounded to end the week higher. Markets benefited as the Chinese government announced measures to support financial markets.

## Bank of England (BoE)

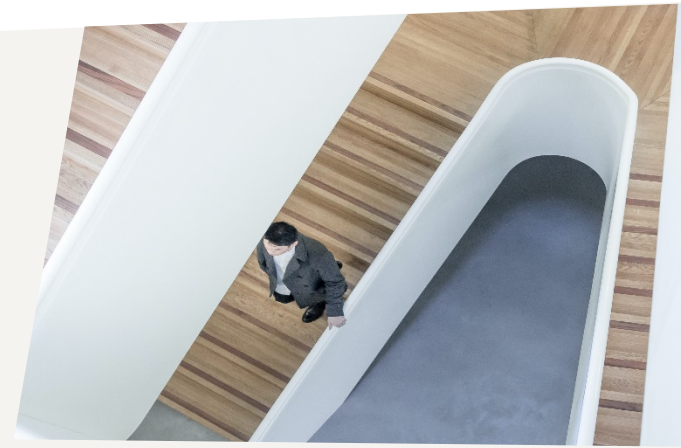
### BoE raises its key Bank Rate

The BoE's monetary policy committee voted to raise its key Bank Rate from 0.50% to 0.75%, in line with investor expectations. This hike takes the bank's main interest rate back to its pre-pandemic level. The BoE cited elevated inflation levels as the main justification for this, with the measure expected to rise to around 8% by the end of June.

## US Federal Reserve (Fed)

### Fed hikes rates

Following the March meeting of its Federal Open Markets Committee, and largely in response to persistently high inflation readings, the Fed announced that it would raise the target range for its federal funds rate from 0.00%-0.25% to 0.25%-0.50%. Along with this, Fed policymakers signalled that they will soon begin to reduce the bank's holdings of Treasury securities and mortgage-backed securities.



“The secret of getting ahead is getting started.”

MARK TWAIN

## The Story of the Week

### Beavers reintroduced to London

Following a 400 year absence, beavers have been reintroduced to London. Beavers were hunted to extinction in London for their fur, glands and meat. The animals, called Justin and Sigourney Beaver, were released into an enclosure in Forty Hall Farm in Enfield on Tuesday. The Beavers have been brought back to reduce flood risks and restore river habitats.

# Index performances and market data

Equity & Bond Markets (%) in Local Currency	2016	2017	2018	2019	2020	2021	2022 YTD (18/03)
MSCI AC World (Gross TR)	11.7	9.5	-4.3	29.6	7.2	21.4	-6.0
ISEQ Overall Return	-2.7	9.5	-20.8	33.6	4.2	15.7	-9.8
Euro Stoxx 50 TR	4.7	10.0	-11.2	29.3	-2.6	24.1	-8.9
S&P 500 TR	15.3	7.0	0.4	33.9	8.6	28.7	-6.1
Nasdaq Composite	12.1	13.9	2.1	39.2	32.9	22.2	-11.1
Nikkei 225	8.8	10.3	-3.2	24.1	14.2	6.7	-6.8
MSCI Emerging Markets	14.9	21.0	-9.9	21.1	8.9	0.1	-7.5
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 (18/03)
ECB	0.00	0.00	0.00	0.00	0.00	0.00	0
Bank of England	0.25	0.25	0.75	0.75	0.10	0.25	0.75
U.S. Federal Reserve	0.75	1.50	2.50	1.75	1.75	0.25	0.5

Sovereign 10yr Bond Yields (%)	2016	2017	2018	2019	2020	2021	2022 YTD (18/03)
U.S.	2.5	2.4	2.7	1.9	0.9	1.5	2.1
German	0.2	0.5	0.2	-0.2	-0.6	-0.2	0.4
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	1.2
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 (18/03)
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	1.32

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Sources: Factset / Bloomberg / Moneymate / MSCI

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