

Domestic Irish News

Irish consumer confidence falls

The KBC Bank consumer sentiment index for Ireland fell from 67 during March to 57.7 for April. This is the measure's lowest level since October of 2020. Inflation, especially a surge in energy costs and climbing food prices, is causing a sharp reduction in household disposable incomes. Because of this, consumers have reduced their spending plans.

Global Share Markets

Global equities fell over the week

Despite decent corporate earnings reports, global share markets fell 2.69% over the past week, according to the MSCI AC World Index. Inflation, and the expectation of central bank policy decisions in response, weighed on investor sentiment. Following a speech by the Fed chair, investors now expect that the central bank will raise interest rates by 0.50% during May.

Chinese Economy

China's economy expands by more than expected

China reported a better-than-expected economic growth of 4.8% over the first quarter of 2022. However, severe Covid-19 lockdowns, the war in Ukraine, and a downturn in the Chinese property sector are expected to have weighed on economic growth reports for the second quarter of 2022.

UK Economy

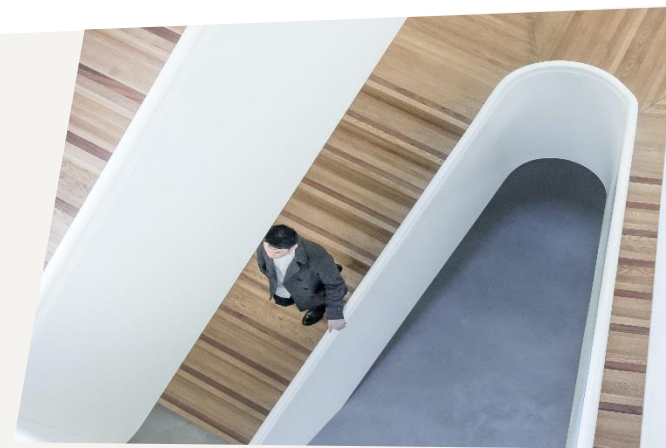
UK expected to have slowest growth out of G7

According to an International Monetary Fund (IMF) forecast, the UK will have the slowest economic growth out of all G7 economies over 2023. The US, Japan, Germany, France, Italy and Canada are expected to outperform the UK as the economy is hindered by the ongoing cost of living crisis and new tax increases. The IMF expects the UK's economy to grow 1.2% in 2023.

US Federal Reserve (Fed)

Jerome Powell signals 0.50% rate hike

In a speech as part of an IMF panel, Fed chair Jerome Powell announced that the central bank is committed to taming inflation. Powell signalled that the Fed may increase the target range for its federal funds rate by 0.50% during its May meeting. Several other Fed policy makers have also signalled that the bank is open to larger interest rate hikes in order to control inflation.



“Whenever you find yourself on the side of the majority, it is time to pause and reflect.”

MARK TWAIN

The Story of the Week

Dog emerges after 12 days in a badger sett

Near Birmingham, in the UK, a dog has survived being trapped in a badger sett for 12 days. Victoria Hogan, the dog's owner, set up camp near the sett in the hopes that her dog, Freda, would emerge. Twelve days later, Freda was found by students at the side of a road. Although she was malnourished, dehydrated and had some injuries, she has made a full recovery and is back at home with her owner.

Index performances and market data

Equity & Bond Markets (%) in Local Currency	2016	2017	2018	2019	2020	2021	2022 YTD (22/04)
MSCI AC World (Gross TR)	11.7	9.5	-4.3	29.6	7.2	21.4	-8.9
ISEQ Overall Return	-2.7	9.5	-20.8	33.6	4.2	15.7	-11.8
Euro Stoxx 50 TR	4.7	10.0	-11.2	29.3	-2.6	24.1	-10.1
S&P 500 TR	15.3	7.0	0.4	33.9	8.6	28.7	-10.0
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	-5.0
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	-2.9

Central Bank Rates (%)	2016	2017	2018	2019	2020	2021	2022 (22/04)
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	0.75
U.S. Federal Reserve	0.75	1.50	2.50	1.75	1.75	0.25	0.50

Sovereign 10yr Bond Yields (%)	2016	2017	2018	2019	2020	2021	2022 YTD (22/04)
U.S.	2.5	2.4	2.7	1.9	0.9	1.5	2.9
German	0.2	0.5	0.2	-0.2	-0.6	-0.2	0.9
UK	1.3	1.3	1.3	0.8	0.2	1.0	1.9
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	1.5
Italy	1.8	2.0	2.7	1.4	0.5	1.2	2.6
Greece	7.2	4.1	4.4	1.5	0.6	1.3	3.0
Portugal	3.8	1.9	1.7	0.4	0.0	0.0	2.0
Spain	1.3	1.5	1.4	0.5	0.0	0.6	1.9

Foreign Exchange Rates	2016	2017	2018	2019	2020	2021	2022 (22/04)
Euro/Dollar (€/\$)	1.05	1.20	1.14	1.12	1.22	1.14	1.08
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	1.28

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Sources: Factset / Bloomberg / Moneymate / MSCI

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