

## Domestic Irish News

### Consumer confidence falls, wholesale prices climb

The KBC Bank Irish consumer sentiment index fell from 57.7 in June to 53.7 during July. Concerns around the economic outlook and rising prices have weighed on Irish consumer sentiment. Meanwhile, Irish wholesale prices rose 6.2% year-on-year. This is down from a six-year high of 7.3% in May among a deceleration in foreign sales costs.

## Global Share Markets

### Global share markets gained over the week

Despite continually accelerating inflation and more central bank policy tightening, global stock markets gained 3.17% over the past week, according to the MSCI AC World Index. Some investors have attributed this to a suspicion that markets are nearing a bottom. Weak corporate earnings reports and expectations of poor upcoming tech company reports weighed on investor sentiment towards the end of the week.

## US Economy

### US housing market shows signs of slowing

US housing starts were at 1.559 million over June, falling 2% from the prior month and below investor expectations. At the same time, existing home sales fell 5.4% over June to their lowest level since June 2020 and well below market expectations. The rapid pace of mortgage rate increases is likely a major factor in this.

## UK Inflation

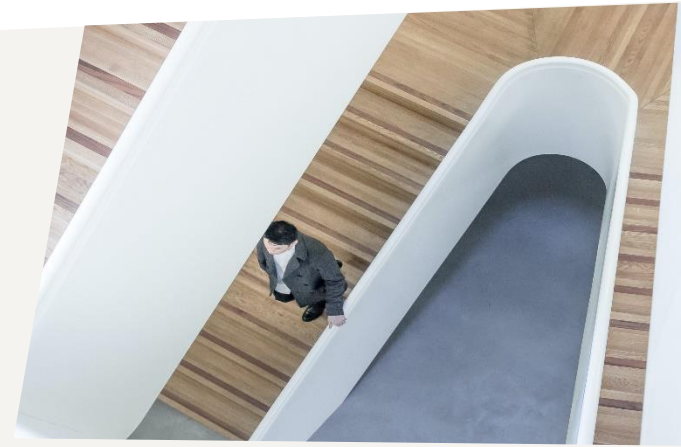
### UK inflation continues to accelerate

The UK's annual inflation rate rose from 9.1% in May to 9.4% during June. This is slightly above market expectations and represents the country's fastest rate of inflation since 1982. Motor fuels were the main driver of UK inflation over the period, with petrol prices posting their largest monthly increase since at least the 1990s. Food prices were also a major contributor.

## European Central Bank (ECB)

### ECB raises interest rates

Following its July meeting, the ECB announced that it would raise its three main interest rates by 0.50%, above market expectations, in an effort to control inflation rates. The bank's main refinancing rate is now 0.50%, its marginal lending facility is at 0.75% and the deposit rate is 0.00%. This is the ECB's first rate hike since 2011 and the bank has said that more interest rate tightening is likely at its next meetings.



“The most effective way to do it, is to do it.”

AMELIA EARHART

## The Story of the Week

### Norma Langdon is a 79-year-old world record powerlifter

Norma Langdon, from Michigan in the US, has a back squat of 188kg, a deadlift of 188kg and a bench press of 91kg at 79 years old. Norma didn't start powerlifting until she turned 65 but has since set the world record for all three main lifts in the 60-plus age category. Norma says that she didn't do any sports when she was younger and started the sport to lose some weight but has come to love the challenge.

# Index performances and market data

Equity & Bond Markets (%) in Local Currency	2016	2017	2018	2019	2020	2021	2022 YTD (22/07)
MSCI AC World (Gross TR)	11.7	9.5	-4.3	29.6	7.2	21.4	-14.3
ISEQ Overall Return	-2.7	9.5	-20.8	33.6	4.2	15.7	-20.6
Euro Stoxx 50 TR	4.7	10.0	-11.2	29.3	-2.6	24.1	-13.9
S&P 500 TR	15.3	7.0	0.4	33.9	8.6	28.7	-16.2
Nasdaq Composite	12.1	13.9	2.1	39.2	32.9	22.2	-24.0
Nikkei 225	8.8	10.3	-3.2	24.1	14.2	6.7	-2.0
MSCI Emerging Markets	14.9	21.0	-9.9	21.1	8.9	0.1	-13.2
Eurozone Government Bonds 1–5 yr	0.9	-0.2	0.0	1.1	0.6	-0.9	-3.3

Central Bank Rates (%)	2016	2017	2018	2019	2020	2021	2022 (22/07)
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	1.25
U.S. Federal Reserve	0.75	1.50	2.50	1.75	0.25	0.25	1.75

Sovereign 10yr Bond Yields (%)	2016	2017	2018	2019	2020	2021	2022 YTD (22/07)
U.S.	2.5	2.4	2.7	1.9	0.9	1.5	2.8
German	0.2	0.5	0.2	-0.2	-0.6	-0.2	1.0
UK	1.3	1.3	1.3	0.8	0.2	1.0	2.0
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	1.6
Italy	1.8	2.0	2.7	1.4	0.5	1.2	3.3
Greece	7.2	4.1	4.4	1.5	0.6	1.3	3.3
Portugal	3.8	1.9	1.7	0.4	0.0	0.0	2.2
Spain	1.3	1.5	1.4	0.5	0.0	0.6	2.3

Foreign Exchange Rates	2016	2017	2018	2019	2020	2021	2022 (22/07)
Euro/Dollar (€/\$)	1.05	1.20	1.14	1.12	1.22	1.14	1.02
Euro/Sterling (€/£)	0.85	0.89	0.90	0.85	0.90	0.84	0.85
Sterling/Dollar (£/\$)	1.24	1.35	1.27	1.32	1.37	1.35	1.20

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Sources: Factset / Bloomberg / Moneymate / MSCI

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