

## Weekly Market Review

### Financial Headlines

#### United States

The S&P 500 and NASDAQ stock market indices both rose by over 20% in 2024, extending the bull run which began at the end of 2022. The exceptional gains far exceed those in Europe and China, driven by positive performances from mega cap tech stocks and falling interest rates. The Magnificent 7, the group of mega caps with the most significant market capitalisations in the US, gained on average 65% in 2024, with NVIDIA rising by 188% for the year. However, in terms of the S&P 500, the best performer last year was Palantir, the AI technology firm who have created Artificial Intelligence Platforms (AIP's) for the US military and the UK's NHS. The company, who were only listed on the S&P 500 back in September, have gained 364% in the last year, due to the company's investments in AI development.

#### Europe & UK

**In Europe**, manufacturing PMI's for December 2024 fell slightly compared to November, as manufacturing activity continues to contract across the Bloc. The HCOB Eurozone Manufacturing PMI was at 45.1 in December, compared to 45.2 in November but also below estimates of 45.3. New orders continued to decline, which resulted in manufacturers in countries such as Germany and France reducing their total workforce. However, manufacturers' confidence about the future did tick up in December.

**In the UK**, flash manufacturing PMI's for December showed a fourth straight monthly contraction in manufacturing activity, due to a combination of lower output and reduced orders for goods. The S&P Global Flash UK Manufacturing PMI fell to 47, down from 48 in November and the lowest since January of 2024.

#### Ireland

A record number of people were in employment in 2024 in Ireland, according to figures from the Central Statistics Office. In November, the unemployment rate remained at an historic low of 4.1%, with an unemployment rate of 4.3% for the first nine months of 2024, with over 96k jobs created during this time frame. In real terms, 2.78mn are now employed across the country. Elsewhere, Wind Energy Ireland has launched a new website, County Colours, which enables users to view comparisons of wind energy production and benefits in the 26 counties within the Republic.

#### Asia-Pacific

South Korea last week issued an arrest warrant for impeached president Yoon Suk Yeol, the first time ever an incumbent president has had an arrest warrant issued in the country's history. The warrant comes after Yoon attempted to impose martial law in South Korea at the beginning of December in an attempt to counter left wing opposition. The country's acting president, Han Duck-soo, who took over leadership of the country after Yoon was impeached, was himself impeached over Christmas due to his reluctance to fill three vacancies in the country's constitutional courts. The constitutional crisis comes at a potentially difficult time for South Korea, a country which could be adversely affected by potential tariffs from the US, particularly exports in the semiconductor and battery industries.

### Market Movers

Equity Indices	Value	Weekly Change	YTD Change
S&P 500	5,942.47	-0.48%	+1.03%
NASDAQ	19,621.68	-0.51%	+1.61%
EuroStoxx50	4,871.45	-0.21%	-0.50%
EuroStoxx600	508.19	+0.53%	+0.11%
FTSE 100	8,223.98	+1.35%	+0.62%
ISEQ	9,664.82	+0.15%	-0.95%

Interest Rate	Current Rate	Direction	Rate Change
FED	4.75%	—	0
ECB	3.65%	—	0
BOE	4.75%	—	0

Fixed Income	Yield	Weekly Change	YTD Change
US 10YR	4.601	-0.61%	+0.63%
US 2YR	4.281	-1.09%	+1.05%
German 10YR	2.4245	+1.46%	+2.65%
UK 10YR	4.5915	-0.75%	+0.56%
Irish 10YR	2.706	+1.46%	+3.12%

FX	Value	Weekly Change	YTD Change
EUR/USD	1.0308	-0.91%	-0.45%
EUR/GBP	0.8298	0.00%	+0.31%
GBP/USD	1.2420	-1.00%	-0.77%

## Equities

**In the US**, equity markets retreated last Monday, with the S&P 500 and NASDAQ both down over 1%. Trading activity was relatively quiet due to the ongoing holiday period, however that did not stop a 5% decline in Boeing shares, after a 737-800 aircraft crashed in South Korea. The declines would continue on Tuesday, albeit more muted, with the S&P 500 down 0.4% while the NASDAQ fell just 0.1%, resulting in a cautious end to 2024 trading. NVIDIA and Tesla shares led declines as investors took their gains before beginning 2025. Despite the muted tone, both the S&P 500 and NASDAQ finished 2024 up over 20% for the second year in a row, bolstered by the likes of NVIDIA, Palantir and Broadcom and lower interest rates. After the New Year's Day holiday, markets reopened last Thursday for the first trading day of 2025. Thursday was a positive day for equities, with the S&P 500 and NASDAQ both rising over 0.6%, with NVIDIA gaining 2% to start 2025 on the right footing. Tesla shares did fall 6% due to the announcement of the first annual decline in overall deliveries since 2021. In economics, initial jobless claims fell to a eight month low, down to 211,000 and far below expectations of 222,000, reinforcing the Federal Reserve's projections for fewer interest rate cuts through 2025. For the week, the S&P 500 and NASDAQ both closed lower, down -0.48% and -0.51% respectively.

**In Europe**, markets began the final days of 2024 with a negative Monday session. The Eurostoxx50 fell nearly 1%, while the broader STOXX600 fell 0.5%. Markets were relatively muted in terms of trading volume, however most sectors across the continent closed lower. Inflation data for Spain was also released last Monday, with the annual rate rising to 2.8% in December, above estimates of 2.6%. In the UK, the FTSE 100 fell 0.4% last Monday, tracking the losses seen in both Europe and the US. On Tuesday, in a shortened holiday session, European indices closed higher with the Eurostoxx50 rising 0.55% and the STOXX600 climbing 0.4%. For 2024, the Eurostoxx50 rose over 8% while the STOXX600 rose over 5.5%, far behind equity markets in the US. In the UK, the FTSE100 closed higher on Tuesday, and posted its best yearly gain since 2021 of over 5%. After the New Year's Day holiday, European and UK equity markets rose to start 2025. The Eurostoxx50 gained 0.1%, the STOXX600 rose 0.6% while the FTSE 100 gained over 1% to hit a three week high. For the week, the Eurostoxx50 closed lower, down by -0.21% while the STOXX600 and FTSE 100 closed higher, up +0.53% and +1.35% respectively.

## Bonds

Global bond yields fell marginally last week, however remain at elevated levels. In the US, the 10yr yield fell slightly to 4.60%, having reached an eight month high at the end of December. With inflation forecasts increasing and only two rate cuts expected in 2025, bond yields could continue to stay elevated in 2025. In the UK, the 10yr Gilt fell slightly last week to 4.59%, having recently reached its highest level since 2023 due to the current monetary and fiscal outlook for the UK in 2025.

## Commodities

Crude oil prices rose last week to their highest level in two months, due to increased optimism from China regarding economic growth. The People's Bank of China also stated last week it planned to cut interest rates in 2025 from the current level of 1.5% "at an appropriate time" in 2025. Brent crude closed at \$76.51, while WTI closed at \$73.96. In metals, Gold prices rose last week to \$2,638, aided by geopolitical uncertainty and forecasted growth in Central Bank purchases of Gold in 2025.

## Key Events

- 07/01/2025 - EU flash Inflation Rate
- 10/01/2025 - US Non Farm Payrolls



## Data Insight of the Week

Seaspray Private is delighted to announce the final release in our Financial Insights 2024 Series – Shift in the Global stock market landscape. This insight is available now to watch and listen to from our website, Spotify, iTunes and YouTube, which you can view by clicking the link below.

<https://www.youtube.com/watch?v=b-AdEhzn1Xg>



SEASPRAY PRIVATE  
Creating Investment Solutions



FINANCIAL  
INSIGHTS