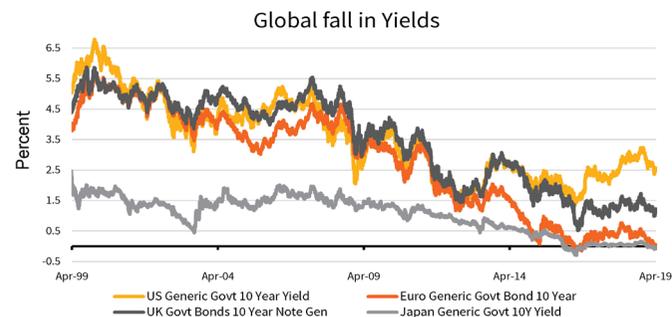


GRAPH OF THE WEEK: 10 year performance in Government bond yields
Our graph of the week shows Government bond yields across the developed world have fallen from 2018 highs with EU generic 10 year yields turning negative once again.



Source: BlackBee, Bloomberg, April 2019

ECB to keep the key interest rates unchanged

Overall, the ECB's monetary policy has remained, and will likely continue to be, accommodative as long as necessary in order to get to the inflation target of 2%.

In order to achieve that the ECB has said:

There are no plans for rate hikes this year;

- It will continue reinvest into all maturing securities bought under Quantitative Easing;
- TLTRO III (targeted longer-term refinancing operations) introduced last month, should encourage banks to lend.

At last week's press conference the ECB remained optimistic amid strong employment and wage growth, but also highlighted the following reasons for the slow down in economic growth momentum: protectionism, trade disputes (the most recent threat comes from Donald Trump who wants to impose €11bn in tariffs on EU) and softening emerging markets.

Real GDP in the Euro zone in 1Q 2019 was +0.2% quarter on quarter, versus +0.1% in 4Q 2018. Headline inflation was 1.4% in March versus 1.5% in February.

Despite the prolonged Brexit process, the consensus is that the EU combined economy is so large that the UK drag may be insignificant overall.

Source: BlackBee, Bloomberg, ECB Press Conference <https://www.ecb.europa.eu/press/pr/date/2019/html/ecb.mp190410~3df2ed8a4c.en.html>, April 2019

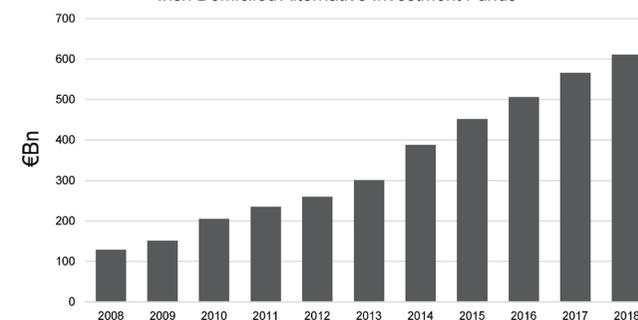
Finance Ministers say global growth will 'firm up'

According to this weekend's Financial Times, Finance ministers and central bank governors finished the spring meetings of the IMF in a more positive mood, saying that global growth was likely to "firm up" in coming months.

Mario Draghi, president of the European Central Bank, said the risks had not disappeared, but stressed that the threat of a disorderly Brexit had waned and the Chinese stimulus of its economy appeared to be having an effect. He said the eurozone economy was also showing "remarkable resilience" with jobs being created, a strong service sector and incomes and wages rising "almost everywhere, not just in core [eurozone] countries".

Investment in Alternatives has increased by 373% in 10 years as investors search for yield

Irish Domiciled Alternative Investment Funds



Source: Central Bank of Ireland, IrishFunds "Why Ireland", December 2018

At a glance:

- US Core CPI figures came in 2% lower than expected, at 2.1%*.
- As reported in The Financial Times, the founders of KKR, a leader in the private equity industry, have declared Japan their "highest priority" in the world outside the US, as Japanese conglomerates like Hitachi, Toshiba and Panasonic jettison non-core subsidiaries thus creating potential opportunities for private equity.
- Saudi Arabia's Aramco's \$12bn debt sale was oversubscribed with \$100bn in orders, highlighting the over-demand for yield. This, along with strong shale production, a move to alternatives and Russia questioning if further oil production cuts are worthwhile, could push oil prices down*.

*Figures quoted from Bloomberg, April 2019

Source: BlackBee, Bloomberg, April 2019

Markets	Previous Close	1 Week Change	1 Month Change	YTD Change
S&P 500 Index	2,888	0.3%	3.8%	16.2%
Dow Jones Indus. Avg	26,143	-0.9%	1.9%	13.4%
Nasdaq Composite Index	7,947	0.7%	5.2%	20.7%
Euro Stoxx 50 Pr	3,435	-0.2%	4.0%	15.0%
ISEQ Index	6,336	0.3%	3.5%	16.1%
FTSE 100 Index	7,418	0.2%	4.0%	10.2%
DAX Index	11,935	-0.4%	3.4%	13.0%
CAC 40 Index	5,486	0.4%	4.2%	17.2%
Nikkei 225	21,711	-0.1%	2.8%	8.5%
Hang Seng Index	29,910	-0.1%	4.9%	17.3%
Shanghai Se Composite	3,189	-1.8%	5.3%	27.9%

12 Month Dividend Yield	Previous Close	1 Week Change	1 Month Change	YTD Change
S&P 500 Index	1.91%	-0.00	-0.06	-0.26
Euro Stoxx 50 Pr	3.51%	0.01	-0.13	-0.46
US Generic Govt 10 Year Yield	2.50%	-0.02	-0.14	-0.22
German Government Bonds 10 Yr	-0.01%	-0.00	-0.08	-0.25

Currencies	Previous Close	1 Week Change	1 Month Change	YTD Change
Euro/US Dollar	1.1253	0.0032	0.0008	-0.0191
Euro/Swiss Franc	1.1292	0.0070	-0.0073	0.0033
Euro/British Pound	0.8621	0.0039	0.0070	-0.0391
US Dollar/Japan Yen	111.66	-	0.4500	1.3900
US Dollar/China Yuan	6.7160	-0.0010	-0.0105	-0.1625

Commodities	Previous Close	1 Week Change	1 Month Change	YTD Change
Oil-WTI	64	2.4%	12.0%	40.3%
Oil-Brent	71	2.1%	6.4%	35.7%
Silver	15	-1.2%	-2.2%	-2.7%
Gold	1,293	0.0%	-0.1%	0.9%
Iron Ore Fut Sep19	649	3.6%	15.3%	38.5%
Copper	6,408	-0.7%	0.0%	6.9%
Aluminium	1,860	-1.8%	0.7%	0.8%

Source: Bloomberg, BlackBee, April 2019