

Weekly Market Update

Global markets navigated a complex web of political gridlock, modest economic resilience, and shifting trade dynamics, with China's growth surprising on the upside while the US and Europe grappled with fiscal and institutional strains.

US

US inflation surprise, September CPI softer than expected which sparked a rally on 24th October. The S&P, Nasdaq and Dow hit records as markets ramped up hopes for further Fed cuts.

Markets are pricing a sequence of rate cuts after the Fed's earlier first cut of the year; that outlook underpinned risk-on flows.

US-China trade tensions and fresh US trade investigations/possible tariff actions were a recurring theme mid-week, pressuring cyclical names at times.

Better-than-expected results from large tech names (Alphabet, Intel, etc.) and AI optimism helped lift equities even as some cyclical/industrial names felt trade-related pressure.

UK

Figures released on 24th October showed UK retail sales unexpectedly rose in September, boosted by tech (iPhone launch) and online gold purchases; this surprised economists and lifted sentiment.

September core inflation softened slightly, coming in at 3.5% year-on-year versus 3.6% in the prior month.

London's indices (FTSE 100) pushed to multi-month/record highs on the back of global risk appetite and strong bank earnings.

NatWest Bank reported a strong quarter (big profit beat/upgrade) and lifted guidance, a focal UK financial story that supported domestic financials.

Europe

Polls and surveys suggested most economists expect the ECB to hold rates (or keep policy tight) for an extended period. Markets broadly priced a steady euro-area policy stance.

European markets rallied with global equities on US data and positive earnings flows, euro-area indices reached gains as risk appetite rose.

Senior EU officials publicly lamented regulatory/structural obstacles to cross-border bank consolidation, a reminder of fragmentation that affects bank profitability.

IMF/other global agencies flagged a modest slowdown in global growth, but the euro area showed steady inflation near target, informing central-bank caution.

Global

China's Q3 data and related reporting (20th Oct onward) showed slowing growth (domestic demand weak) and elevated structural risks, policy makers signalled moves to boost consumption.

The property crisis persisted with fresh reports highlighted continuing distress in China commercial/residential real-estate with large, distressed sales and mounting losses for foreign investors.

In Japan a shift in political leadership (rise of Sanae Takaichi as party leader / new PM prospect) spurred investor bets on more expansionary fiscal/structural policy, equities rose, bonds sold off, yen weakened.

Volatile oil moves mid-week, prices fell earlier on oversupply/ glut concerns but spiked after US sanctions on major Russian producers (Rosneft, Lukoil) on 22-23 October, lifting energy sectors and generating supply-risk talk.

Performance

Asset Class/Region	Currency				
		Week ending 24 Oct 2025	Month to date	YTD 2025	12 Months
Developed Market Equities					
United States	USD	1.9%	1.6%	16.3%	18.0%
United Kingdom	GBP	3.1%	3.4%	21.4%	20.4%
Continental Europe	EUR	1.2%	3.2%	16.3%	13.1%
Japan	JPY	3.1%	4.2%	20.1%	27.2%
Asia Pacific (ex Japan)	USD	2.0%	3.0%	28.8%	22.5%
Australia	AUD	0.3%	1.9%	13.6%	13.6%
Global	USD	1.7%	1.5%	19.2%	19.5%
Emerging Markets Equities					
Emerging Europe	USD	3.2%	1.7%	45.9%	47.0%
Emerging Asia	USD	2.3%	3.9%	31.3%	24.8%
Emerging Latin America	USD	1.5%	-1.3%	41.2%	22.5%
BRICs	USD	2.8%	0.1%	25.0%	18.6%
China	USD	4.0%	-2.3%	38.3%	33.8%
MENA countries	USD	0.1%	1.2%	6.6%	10.1%
South Africa	USD	0.2%	2.6%	59.7%	41.1%
India	USD	0.5%	6.0%	7.5%	2.4%
Global emerging markets	USD	2.0%	3.3%	31.7%	25.0%
Bonds					
US Treasuries	USD	0.1%	1.1%	6.6%	5.3%
US Treasuries (inflation protected)	USD	0.3%	0.9%	7.7%	6.3%
US Corporate (investment grade)	USD	0.3%	1.2%	8.3%	7.3%
US High Yield	USD	0.4%	0.3%	7.4%	8.1%
UK Gilts	GBP	1.0%	2.5%	4.4%	2.3%
UK Corporate (investment grade)	GBP	0.9%	1.9%	6.1%	5.7%
Euro Government Bonds	EUR	-0.3%	0.8%	1.1%	1.1%
Euro Corporate (investment grade)	EUR	0.0%	0.6%	3.4%	3.8%
Euro High Yield	EUR	0.3%	-0.2%	4.4%	5.7%
Global Government Bonds	USD	-0.3%	0.1%	7.2%	4.6%
Global Bonds	USD	-0.1%	0.4%	8.7%	6.4%
Global Convertible Bonds	USD	1.2%	2.4%	24.1%	25.1%
Emerging Market Bonds	USD	0.7%	1.6%	11.2%	10.8%

▲ Performance

Asset Class/Region	Currency				
		Week ending 24 Oct 2025	Month to date	YTD 2025	12 Months
Property					
US Property Securities	USD	1.1%	1.3%	5.1%	-1.1%
Australian Property Securities	AUD	1.9%	4.3%	13.1%	7.5%
Global Property Securities	USD	1.3%	1.2%	13.0%	6.6%
Currencies					
Euro	USD	-0.4%	-1.1%	12.3%	7.5%
UK Pound Sterling	USD	-0.9%	-1.2%	6.2%	2.6%
Japanese Yen	USD	-1.6%	-3.3%	3.0%	-0.7%
Australian Dollar	USD	0.4%	-1.7%	5.2%	-1.9%
South African Rand	USD	0.7%	0.0%	9.4%	2.4%
Swiss Franc	USD	-0.5%	-0.2%	14.1%	8.8%
Chinese Yuan	USD	0.1%	0.0%	2.5%	0.0%
Commodities & Alternatives					
Commodities	USD	3.1%	1.4%	5.7%	6.2%
Agricultural Commodities	USD	0.5%	-0.1%	-5.1%	-4.7%
Oil	USD	7.6%	-1.6%	-11.7%	-11.3%
Gold	USD	-3.3%	6.9%	56.7%	50.5%

Source: Bloomberg Finance L.P. Past performance is not indicative of future returns.



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