

Last Week at a Glance

Equity markets were mixed last week despite US macro data coming in above expectations and recent Chinese stimulus announcements, which boosted sentiment for local assets.

- Friday's nonfarm payroll release showed the US economy created 254,000 jobs in September, exceeding even the most bullish forecasts. The unemployment rate ticked down to 4.1% and hourly wages rose 4.0% YOY—the best since March.
- Robust labor market data added to the positive message from Thursday's US Services ISM release (54.9), which also blew past expectations and was the highest print since early 2023.
- Given stronger economic data, interest rate markets sold off and repriced the scale of expected Fed easing. Futures markets now expect just 25 bps of cuts at the November meeting, and the yield on the ten-year US Treasury rose back near 4%.
- Most global equity markets struggled as hopes for central bank easing were scaled back. Japanese equities struggled as markets questioned whether new Prime Minister Ishiba would continue with the market-friendly reforms of his predecessor.
- Chinese equity markets were closed for the Golden Week holiday, but offshore markets shrugged off weak PMI data and focused instead on recent stimulus announcements. The Hang Seng China Enterprises Index (Hong Kong) rose over 3% on Friday and over 12% for the week.
- Oil markets rose amid escalating tensions in the Middle East. After an Iranian ballistic missile attack, some analysts speculated whether Israeli retaliation could include attacks on Iranian oil production facilities.

MARKET PERFORMANCE

As of October 06, 2024 • Local Currency • Percent (%)

Equities	Last Week	This Month	This Year
Global	0.0	0.1	18.8
Developed Markets	-0.1	-0.1	18.7
United States	0.3	-0.1	21.2
Euro Area	-2.2	-1.0	10.6
United Kingdom	-0.3	0.6	10.4
Japan	-2.0	1.9	16.2
Emerging Markets	1.0	1.4	20.0
Fixed Income			
US Aggregate	-1.2	-1.0	3.4
US Treasuries	-1.3	-1.1	2.7
US Corporate IG	-1.0	-0.9	4.4
US Corporate HY	-0.1	-0.2	7.8
Real Assets			
Global Equity REITs	-1.6	-2.2	10.3
Global Natural Resources	4.0	3.6	8.4
Gold Bullion	0.7	1.2	29.1
Currencies			
EUR/USD	-1.9	-1.7	-0.7
GBP/USD	-2.2	-2.2	2.9
USD/JPY	3.9	3.8	5.3