

## Last Week at a Glance

Global equities and fixed income declined last week as robust US economic data and a hawkish Fed led to a rise in bond yields.

- US October headline and core CPI were in line with consensus expectations at 2.6% YOY and 3.3% YOY, respectively. However, US retail sales for the month rose more than expected to 2.8% YOY, while September data was also revised higher, indicating continued consumer strength.
- Amid still resilient US economic data, Fed Chair Powell signaled the Fed was not in a rush to cut rates. As a result, futures pricing now suggest only a 50% chance that the Fed will cut rates at the next December policy meeting and expect only three rate cuts in 2025. In response, ten-year US treasury yields rose 15 bps over the week to 4.45%.
- The rise in yields weighed on equity and fixed income markets over the week. Rates-sensitive segments such as US small caps (-3.0%) were hit harder. Global semiconductor stocks (-5.6%) also sold off as weaker revenue guidance from Applied Materials raised concerns over chips demand.
- Emerging markets equities underperformed developed markets last week, driven by weakness in China (-5.9%). Economic data from China remains mixed. October retail sales surprised to the upside, but industrial output missed expectations and housing market data continued to weaken, albeit at a slower pace.
- The US dollar broadly strengthened against other major developed markets currencies over the week. A stronger dollar and higher yields placed pressure on gold, which declined 4.2% last week.

### MARKET PERFORMANCE

As of November 17, 2024 • Local Currency • Percent (%)

Equities	Last Week	This Month	This Year
Global	-1.9	1.9	19.6
Developed Markets	-1.6	2.4	20.4
United States	-2.0	3.1	24.2
Euro Area	-0.3	-0.4	7.5
United Kingdom	0.0	-0.4	7.8
Japan	-1.2	0.7	17.4
Emerging Markets	-3.8	-2.2	12.4
<b>Fixed Income</b>			
US Aggregate	-0.8	-0.5	1.3
US Treasuries	-0.7	-0.7	0.7
US Corporate IG	-1.1	-0.4	2.4
US Corporate HY	-0.4	0.4	7.9
<b>Real Assets</b>			
Global Equity REITs	-1.4	-0.5	8.1
Global Natural Resources	-1.7	0.0	3.6
Gold Bullion	-4.2	-6.1	24.6
<b>Currencies</b>			
EUR/USD	-2.0	-3.0	-4.6
GBP/USD	-2.4	-1.8	-0.9
USD/JPY	1.7	1.7	9.9