

Last Week at a Glance

Global equities and bonds posted modest gains last week after the Federal Reserve signaled policy easing remains on the table in 2025 despite increased economic uncertainty.

- The Fed held policy rates steady as expected at the 4.25%–4.50% range at last week’s meeting while projecting that 50 bps of cuts are still expected in 2025. This is despite the Fed also anticipating more moderate US economic growth and higher inflation in 2025. Overall, equity markets gained on expectations of further policy easing this year, while fixed income also rose as yields declined. The 10-year US Treasury yield ended the week 6 bps lower at 4.25%.
- The Bank of Japan and Bank of England last week also kept policy rates unchanged at 0.50% and 4.50%, respectively. Both central banks have signaled increased caution amid US tariffs uncertainty. Japanese equities rallied 3.4% last week amid expectations that further policy tightening by the BOJ will remain gradual, while the yen weakened modestly against the US dollar.
- In Germany, lawmakers passed a fiscal stimulus package that will allow for increased spending on defense and infrastructure, including the creation of a €500 billion infrastructure fund. However, performance of Euro Area equities was modest last week, given markets had priced in some of these measures and US tariffs uncertainty is weighing on sentiments.
- Gold continued to gain last week, with prices rising 0.9% to \$3015/ troy oz. Natural resources equities extended gains from their prior week and have returned 3.3% month-to-date, supported by expectations of further stimulus from China.

MARKET PERFORMANCE

As of March 23, 2025 • Local Currency • Percent (%)

Equities	Last Week	This Month	This Year
Global	0.8	-2.9	-0.5
Developed Markets	0.8	-3.5	-1.2
United States	0.6	-4.9	-3.6
Euro Area	0.3	0.0	11.0
United Kingdom	0.2	-1.2	7.0
Japan	3.4	4.2	0.1
Emerging Markets	1.1	2.8	5.2
Fixed Income			
US Aggregate	0.5	-0.2	2.6
US Treasuries	0.4	-0.1	2.6
US Corporate IG	0.6	-0.3	2.3
US Corporate HY	0.4	-0.5	1.5
Real Assets			
Global Equity REITs	0.2	-3.3	1.9
Global Natural Resources	2.4	3.3	7.8
Gold Bullion	0.9	5.7	14.8
Currencies			
EUR/USD	-0.6	3.9	4.4
GBP/USD	-0.2	2.4	3.0
USD/JPY	0.3	-1.1	-5.2