

Last Week at a Glance

Global equities posted modest declines last week amid heightened geopolitical tensions, while oil prices continued to rise.

- Markets started the week positive on hopes of a near-term resolution in the Israel-Iran war. However, equities reversed course throughout the week as tensions escalated, and US President Trump signaled potential US intervention in the conflict. Over the weekend, the US launched strikes on three of Iran's key nuclear sites, increasing near-term geopolitical uncertainty as investors wait to assess Iran's response.
- Brent oil prices rose 3.7% last week to \$78/bbl after climbing over 11% the prior week. Oil prices have seen heightened volatility on supply risk concerns amid ongoing military actions in the Middle East. While gold declined over the week, perhaps given a tentative rebound in the US dollar, the precious metal is still up MTD given escalating tensions.
- Fixed income posted modest gains on risk-off sentiments and softer US economic data, with the 10-year US Treasury yield declining by 3 bps over the week to 4.37%. US retail sales declined 0.9% M/M in May after surging earlier in the year on tariff front-running, while industrial production fell 0.2% M/M amid cooler demand.
- The Federal Reserve held rates steady at last week's policy meeting as expected, and the latest median policy rate forecast still indicates 50 bps of cuts in 2025. However, the Fed signaled continued policy uncertainty, and officials raised their inflation forecast for this year while lowering growth expectations. The BOE and BOJ similarly kept policy rates unchanged last week amid weakening growth outlooks and increased global trade and geopolitical uncertainty.

MARKET PERFORMANCE

As of June 22, 2025 • Local Currency • Percent (%)

Equities	Last Week	This Month	This Year
Global	-0.2	0.7	3.7
Developed Markets	-0.3	0.4	3.2
United States	-0.1	1.0	2.0
Euro Area	-1.0	-2.3	11.2
United Kingdom	-0.8	0.1	9.3
Japan	0.4	-1.5	-0.7
Emerging Markets	0.0	2.7	8.4
Fixed Income			
US Aggregate	0.3	0.5	2.9
US Treasuries	0.2	0.3	2.8
US Corporate IG	0.3	0.7	3.0
US Corporate HY	0.3	0.8	3.5
Real Assets			
Global Equity REITs	-0.1	-0.3	3.8
Global Natural Resources	0.0	6.5	7.3
Gold Bullion	-1.7	2.5	28.3
Currencies			
EUR/USD	-0.2	1.4	11.2
GBP/USD	-0.8	-0.2	7.5
USD/JPY	1.2	1.1	-7.2