Last Week at a Glance

Equity markets declined last week following a renewed escalation in US-China tensions. US Treasuries advanced, and gold posted another strong week.

— Trade frictions intensified. China announced new export restrictions on rare-earth materials, and in response, President Trump threatened to retaliate, sparking a broad selloff on Friday that sharply impacted technology stocks. Trump later announced a 100% tariff on Chinese goods and new export controls on "critical software," set to take effect November 1.

— Japan stood out as the only major equity market to post a gain for the week. Investors welcomed Sanae Takaichi's victory in the Liberal Democratic Party's presidential race, positioning her as the potential next prime minister, though that path is still uncertain due to the loss of coalition support and lack of a parliamentary majority. The yen weakened on expectations of further fiscal stimulus and continued accommodative monetary policy.

— Gold extended its strong run, surpassing $4,000 per troy ounce. The rally has been fueled by persistent geopolitical and macroeconomic uncertainty, a weaker US dollar, and mounting political pressure on the Federal Reserve.

— The US government shutdown continued, restricting the flow of economic data releases. Investors focused on the Fed's September meeting minutes for insights on the US economic situation. The minutes indicated that most Fed officials supported further rate cuts this year, though some urged caution due to ongoing concerns about inflation.

Market performance

As of October 12, 2025 • Local Currency • Percent (%)

Equities	Last Week	This Month	This Year
Global	-1.7	-0.8	14.6
Developed Markets	-1.9	-1.2	13.3
United States	-2.4	-2.0	12.3
Euro Area	-1.8	0.2	18.0
United Kingdom	-0.6	1.0	18.6
Japan	2.8	2.8	16.6
Emerging Markets	-0.1	1.8	26.5
Fixed Income			
US Aggregate	0.3	0.6	6.7
US Treasuries	0.5	0.7	6.1
US Corporate IG	0.1	0.4	7.3
US Corporate HY	-0.7	-0.6	6.6
Real Assets			
Global Equity REITs	-2.7	-2.6	2.6
Global Natural Resources	-1.7	-1.2	16.6
Gold Bullion	3.3	4.5	52.6
Currencies			
EUR/USD	-1.4	-1.4	11.8
GBP/USD	-1.2	-1.2	6.2
USD/JPY	3.4	3.2	-3.0

Sources: Bloomberg Index Services Limited, MSCI Inc., and Thomson Reuters Datastream. MSCI data provided "as is" without any express or implied warranties.
Notes: This edition was prepared on October 12, 2025, and it reviews developments of the prior week. The equity data are total returns net of dividend taxes of MSCI indexes in local currency. Global natural resources equities are represented by the MSCI All Country World Commodity Producers Index. The fixed income data are total returns for Bloomberg indexes. Gold Bullion uses near-month gold futures contracts, as traded on the COMEX, to determine performance. Currency performance is based on Reuters data.