

Last Week at a Glance

Geopolitics took center stage last week, with equities climbing and gold suffering its sharpest one-day drop in 13 years on hopes for easing US-China trade tensions. New US sanctions on Russia's top oil producers sent oil prices higher, while a soft US inflation report supported bonds and likely cemented expectations for a Fed rate cut this week.

- On the trade front, reports of an upcoming meeting between President Donald Trump and President Xi Jinping suggest possible progress on the China rare earths dispute. Meanwhile, Trump halted all trade talks with Canada, citing a Canadian ad critical of his tariffs plan.
- The United States imposed new sanctions on Russia's two largest oil companies as Ukraine peace talks stalled. China and India—the main buyers of Russian crude—signaled plans to temporarily freeze or reduce purchases to avoid secondary sanctions. Oil prices surged, with WTI crude up 6.8% for the week.
- US core CPI—delayed by the government shutdown—rose 3.0% year-over-year in September, slightly below consensus. UK core CPI (3.5%) was softer than expected, while Japan's matched forecasts at 2.9%.
- Flash PMI data showed broad improvement in business activity across most developed markets in October. In China, economic momentum slowed in 3Q, with real GDP growth easing to 4.8% year-over-year from 5.2% on weaker domestic demand.
- Initial signals from Chinese leadership indicated a continued focus on manufacturing and technological independence, with little sign of major new consumer stimulus.

Market Performance

As of October 26, 2025 • Local Currency • Percent (%)

Equities	Last Week	This Month	This Year
Global	1.9	2.1	18.0
Developed Markets	1.9	1.9	16.8
United States	1.9	1.6	16.4
Euro Area	1.4	2.6	20.9
United Kingdom	3.1	3.4	21.4
Japan	3.1	5.0	19.1
Emerging Markets	2.2	3.6	28.8
Fixed Income			
US Aggregate	0.2	1.2	7.4
US Treasuries	0.1	1.1	6.5
US Corporate IG	0.3	1.2	8.2
US Corporate HY	0.4	0.2	7.5
Real Assets			
Global Equity REITs	1.2	1.7	7.1
Global Natural Resources	1.2	1.1	19.3
Gold Bullion	-2.9	7.5	57.0
Currencies			
EUR/USD	-0.4	-1.1	12.3
GBP/USD	-0.7	-1.2	6.2
USD/JPY	1.6	3.4	-2.8

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 26, 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.