

Last Month at a Glance

Global equities rallied in October, driven by supportive central bank policy, strong corporate earnings, and positive risk sentiment. Japan led gains among major markets, while yields on most ten-year sovereign bonds declined. Gold briefly surpassed \$4,000 per troy ounce before ending the month just below that level.

- Key central banks either kept policy rates stable or lowered them in October. Of note, the Fed cut its rate by 25 bps. Chair Powell signaled caution about further cuts in 2025, especially amid limited official data due to the federal government shutdown. Still, futures indicate the market expects 3 to 4 additional Fed cuts by the end of 2026.
- Forecasts for Q3 US corporate earnings growth rose by 2.8 percentage points in October to 10.7% as more companies reported results. Financials, information technology, and consumer discretionary sectors drove the increase. This supported a 50-bp rise in estimated 2025 global earnings growth to 8.6%.
- The US and China finalized a limited trade agreement that suspended China's newly announced export controls on rare earths and lowered US tariffs on Chinese imports, among other provisions. Earlier in October, concerns over relations had fueled some increased market volatility.
- Sanae Takaichi became Japan's new prime minister in October, supporting a surge in Japanese equities. Investors anticipated fiscal stimulus and a more accommodative policy stance, which also led to a weaker yen.

Market Performance

As of November 1, 2025 • Local Currency • Percent (%)

Equities	This Month	This Year	Last Year
Global	2.8	18.8	20.2
Developed Markets	2.6	17.5	21.0
United States	2.4	17.3	24.6
Euro Area	2.4	20.6	9.4
United Kingdom	4.2	22.4	9.5
Japan	7.9	22.3	20.7
Emerging Markets	4.6	30.0	13.1
Fixed Income			
US Aggregate	0.6	6.8	1.3
US Treasuries	0.6	6.0	0.6
US Corporate IG	0.4	7.3	2.1
US Corporate HY	0.2	7.4	8.2
Real Assets			
Global Equity REITs	-1.6	3.6	3.1
Global Natural Resources	1.5	19.7	-1.8
Gold Bullion	3.8	51.6	27.1
Currencies			
EUR/USD	-1.8	11.5	-6.3
GBP/USD	-2.4	4.9	-1.8
USD/JPY	4.3	-2.0	11.5

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 November 1, 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.