Last Month at a Glance

Renewed concerns about AI spending and rising oil prices weighed on global equities. Technology and communication services sectors suffered sharp losses, while bonds provided a relative safe haven. European political and fiscal risks pressured the euro and widened sovereign yield spreads.

- Tech earnings and higher AI spending plans sharpened concerns about future returns. IT and communication services fell 8% and 13%, respectively. Semiconductor weakness contributed to emerging markets' 7.4% decline. US equities fell 1.0%.
- Middle East attacks on energy infrastructure and shipping pushed Brent towards $117 per barrel, renewing inflation concerns. Refining and transport bottlenecks continue to compound the shock. The energy sector gained 11% on the month.
- Treasuries provided a relative safe haven during the technology sell-off, with gains also supported by reduced expectations for further Fed tightening. Ten-year Treasury yields fell around 31 bps; US Treasuries returned 2.4%. The Fed and ECB both held rates, while keeping further rate hikes in play.
- The euro fell 1.7% against the dollar as French political unrest and budget concerns combined with Europe's exposure to higher energy costs. France's ten-year bong yield premium over Germany briefly moved above 175 bps before easing slightly later in the month. Euro area equities declined 1.6%.

Market Performance

As of October 31, 2026 • Local Currency • Percent (%)

Equities	Last Month	This Year	Last Year
Global	-1.6	11.8	19.7
Developed Markets	-0.8	11.5	18.4
United States	-1.0	11.2	17.3
Euro Area	-1.6	9.0	23.8
United Kingdom	1.5	11.3	25.8
Japan	-4.0	18.1	24.3
Emerging Markets	-7.4	13.8	31.2
Fixed Income			
US Aggregate	2.4	-0.5	7.3
US Treasuries	2.4	-0.5	6.3
US Corporate IG	2.2	-1.0	7.8
US Corporate HY	0.3	0.4	8.6
Real Assets			
Global Equity REITs	4.9	10.1	2.6
Global Natural Resources	3.8	29.4	27.2
Gold Bullion	-6.5	-10.2	64.5
Currencies			
EUR/USD	-1.7	-5.0	13.4
GBP/USD	0.8	-0.4	7.4
USD/JPY	0.2	0.5	-0.3

Sources: Bloomberg Index Services Limited, ICE Benchmark Administration, MSCI Inc., and Thomson Reuters Datastream. MSCI data provided "as is" without any express or implied warranties.
Notes: This edition was prepared on October 31, 2026, 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.

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