

Last Week at a Glance

Global equities fell as concerns about AI spending, higher oil prices, and French political uncertainty rattled markets. Demand for sovereign bonds strengthened, pushing the US ten-year yield back toward 5%, even as Brent crude reached a five-month high of \$117 per barrel.

- Positive 3Q earnings did little to ease concerns about the sustainability of AI investment. Investors remained focused on elevated capex after Meta announced plans to issue equity to fund spending commitments, which it raised by \$125 billion this quarter.
- Oil prices surged following deadly attacks on Saudi civilian infrastructure by Iran-backed Houthis, alongside reports that the US had instructed some diplomats to leave the region and was considering military action against Iran.
- Most sovereign bond markets rallied despite higher oil prices. France was an exception. Political uncertainty and social unrest pushed its ten-year yield above 5% and widened the spread over German bonds to 170 bps, the highest since the 2011 European sovereign debt crisis.
- Preliminary October PMI data from S&P Global pointed to a modest slowdown in US business activity from September's strong pace. Euro area activity softened more sharply, driven by a contraction in France, while UK activity exceeded expectations. Businesses reported cost pressures, and UK inflation rose slightly more than expected in September, reaching 3.5%.

Market Performance

As of October 25, 2026 • Local Currency • Percent (%)

Equities	Last Week	This Month	This Year
Global	-0.9	-1.4	12.0
Developed Markets	-0.7	-0.6	11.8
United States	-0.4	-0.4	11.9
Euro Area	-2.0	-3.0	7.5
United Kingdom	-1.7	1.2	10.9
Japan	-2.5	-4.1	18.0
Emerging Markets	-2.5	-7.2	14.2
Fixed Income			
US Aggregate	0.5	1.9	-1.1
US Treasuries	0.6	1.8	-1.0
US Corporate IG	0.3	1.7	-1.5
US Corporate HY	-0.1	-0.2	-0.1
Real Assets			
Global Equity REITs	0.8	3.2	8.3
Global Natural Resources	-1.6	3.6	29.2
Gold Bullion	-4.0	-4.0	-7.7
Currencies			
EUR/USD	-0.4	-1.4	-4.6
GBP/USD	0.2	0.8	-0.5
USD/JPY	-0.7	-0.2	0.0

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 25, 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.