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Bonds are speaking; are stocks listening?

The market's eyes were fixed on the US non-farm payrolls report last week, which provided an important snapshot of the US labour market ahead of the Fed's September policy meeting. Non-farm payrolls rose by 22K August, missing consensus estimates of 75K, while the unemployment rate rose from 4.2% to 4.3%, its highest level in nearly four years. The data continued the recent slowdown in the labour market, and investors are now fully pricing in a September rate cut.

Meanwhile, the unemployment rate in the Eurozone hit an all-time low of 6.2%, matching expectations. Eurozone HICP inflation came in hotter than anticipated, climbing to 2.1% in August, ahead of forecasts of 2.0%. In the US, the non-manufacturing ISM survey printed at 52.0 for August, higher than 50.1 in July and ahead of expectations of 51.0. UK retail sales grew by 0.6% in July, exceeding forecasts of 0.2%. However, retail sales statistics for the first half of the year were revised down after the Office for National Statistics admitted to calculation errors.

The global sell-off in long-term bonds deepened as fiscal jitters persist. In the US, 30-year treasury yields rose above the 5.0% mark, while in Europe, yields on French offerings reached a 16-year high amid growing political unrest. 30-year UK gilt yields hit their highest level since 1998. Fiscal concerns pushed gold to another record high this year above $3,600/oz.

In corporate news, Google escaped the harsher penalties that were mooted in the ruling on its antitrust case. The search-engine company was not forced to sell Chrome and is allowed to continue paying distributors for default placement, chief among whom is Apple, which Google pays an estimated $20 billion annually in exchange for prime placement on iPhones. Google's stock surged 9% in response to the news, while Apple's share price also rose 4%.

Fact of the week

For the first time ever, US investors' margin loans have exceeded $1 trillion as leveraged positions in the stock market increase.

Our regular market information continues on the next page.

Snapshot

Up:
- World Equities
- Corporate Bonds
- Sovereign Bonds
- Copper
- Gold

Down:
- Oil

The week ahead	
10 Sep	US producer price index goes to print.
11 Sep	ECB rate decision is announced.
12 Sep	UK GDP growth for the three months to July is reported.

	1 Week Return 29.08.25 to 05.09.25		Year to Date Return 31.12.24 to 05.09.25	
	Local Currency	**Euro**	**Local Currency**	**Euro**
World	0.4%	0.1%	14.2%	0.7%
U.S.	0.4%	0.1%	11.0%	-2.0%
Europe	-0.1%	-0.1%	10.6%	10.6%
Ireland	0.5%	0.5%	17.0%	17.0%
U.K.	0.3%	0.1%	15.9%	10.4%
Japan	0.8%	0.4%	11.0%	4.7%
Hong Kong	-0.4%	-0.7%	29.8%	14.1%
Corporate Bonds	0.4%	0.4%	0.6%	0.6%
Sovereign Bonds	0.6%	0.6%	-0.9%	-0.9%

Warning: Past performance is not a reliable guide to future performance.
Warning: The value of your investment may go down as well as up.
Warning: Benefits may be affected by changes in currency exchange rates.
Warning: If you invest in this product, you may lose some or all of the money you invest.

Equities

- Global stocks finished up 0.1% in euro terms and up 0.4% in local terms last week.
- Year-to-date global markets are up by 0.7% in euro terms and up by 14.2% in local terms.
- The U.S. market, the largest in the world, finished slightly up at 0.1% in euro terms and up 0.4% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.1% last week. The German equivalent finished at 2.7%. The Irish 10-year bond yield finished at 2.9%.
- The Euro/U.S. Dollar exchange rate finished at 1.17, whilst Euro/GBP finished at 0.87.

Commodities

- Oil finished the week at $62 per barrel and is down -23.8% year-to-date in euro terms.
- Gold finished the week at $3,587 per troy ounce and is up 20.8% year-to-date in euro terms.
- Copper finished the week at $9,830 per tonne and is up 0.4% year-to-date in euro terms.

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