ZURICH

Trump takes a jab at pharma

Global equities posted marginal gains in EUR terms last week. This was despite a few market jitters in the US after Fed Chair Jerome Powell's comments that "by many measures…equity prices are fairly highly valued", which prevented major indices from setting their fourth record in a row on Tuesday.
US President Trump announced 100% tariffs on branded pharmaceutical products on Thursday. However, the reaction from many of the biggest pharma stocks in the US and Europe was muted, after Trump said that companies which have built, or are currently building, plants in the US would be exempt from the levies. EU officials also believe drug exports will be protected from the 100% tariff after already agreeing a 15% rate with the US president months ago.

Sticking with the US, the PCE price index showed consumer prices rose by 2.7% in the 12 months to August, up from 2.6% in July. Weekly jobless claims data also showed that the number of Americans filing new applications for unemployment benefits fell from 232,000 to 218,000 having been expected to rise to 235,000. The US gross domestic product rose by 3.8% annually in Q2 in the Commerce Department's final estimate, much higher than the 3% growth rate that was initially reported.

In the euro area, the flash consumer confidence indicator climbed to -14.9, beating forecasts of -15.2. The Eurozone composite PMI reading increased from 51 to 51.2 in September, representing a 16-month high for business activity growth. This was despite weakness in France and was supported by a particularly strong showing in the services sector as manufacturing activity fell. The UK composite PMI fell more than anticipated to 51 from a one year high of 53.5 in August. The US reading also missed expectations, falling to 53.6 in September from 54.6 in the month previous.

Snapshot

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

Down:
- Oil

The week ahead	
30 Sep	US consumer confidence data for August is reported.
01 Oct	Eurozone CPI inflation data goes to print.
03 Oct	US non-farm payrolls report for September is released.

Fact of the week

The S&P 500 and gold both set a new record high in the same trading session on Monday. This has happened six times so far in 2025 and occurred ten times in 2024. In the 50 years from 1973 to 2023, it didn't happen once.

Our regular market information continues on the next page.

	1 Week Return 19.09.25 to 26.09.25		Year to Date Return 31.12.24 to 26.09.25	
	Local Currency	**Euro**	**Local Currency**	**Euro**
World	-0.4%	0.2%	16.5%	3.2%
U.S.	-0.3%	0.2%	13.9%	0.9%
Europe	-0.1%	-0.1%	12.0%	12.0%
Ireland	3.0%	3.0%	20.0%	20.0%
U.K.	0.8%	0.8%	16.7%	10.6%
Japan	1.2%	0.7%	14.2%	6.3%
Hong Kong	-2.0%	-1.5%	29.2%	14.2%
Corporate Bonds	0.0%	0.0%	0.3%	0.3%
Sovereign Bonds	0.0%	0.0%	-1.1%	-1.1%

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 0.2% in euro terms and down -0.4% in local terms last week.
- Year-to-date global markets are up by 3.2% in euro terms and up by 16.5% in local terms.
- The U.S. market, the largest in the world, finished up at 0.2% in euro terms and down -0.3% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.2% last week. The German equivalent finished at 2.7%. The Irish 10-year bond yield finished at 3.0%.
- The Euro/U.S. Dollar exchange rate finished at 1.17, whilst Euro/GBP finished at 0.87.

Commodities

- Oil finished the week at $66 per barrel and is down -18.9% year-to-date in euro terms.
- Gold finished the week at $3,760 per troy ounce and is up 26.8% year-to-date in euro terms.
- Copper finished the week at $10,143 per tonne and is up 3.7% year-to-date in euro terms.

Zurich Life Assurance plc
Zurich House, Frascati Road, Blackrock, Co. Dublin, A94 X9Y3, Ireland.
Telephone: 01 283 1301 Fax: 01 283 1578 Website: www.zurich.ie