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Equities dodge the Autumn fall

The US government shutdown after Republican and Democrats failed to agree on a spending bill on Tuesday. Non-essential public services have been temporarily suspended since then, and the September non-farm payrolls release has been delayed indefinitely.

However, markets so far seemed unfazed by the shutdown, and US equities recorded their best September in 15 years, defying its reputation as the worst month of the year for stock markets. It means that equities enter Q4 - which is historically the best period of the year - with strong momentum.

There was plenty of inflation data to report on in the Eurozone. The September reading for the annual HICP inflation rate in the euro area came in at 2.2%, up from 2% in August. This was driven by price increases across the major economies, such as in Germany and Italy, who recorded higher than anticipated annual rates rising to 2.4% (from 2.1%) and 1.8% (from 1.6%), respectively. In France, the inflation rate also rose to 1.1% but was below market forecasts of 1.3%, while in Spain, inflation reached its highest level in 15 months at 3%. However, ECB Chief Economist Philip Lane said Monday that the current inflation outlook in the euro area is “benign”.

In the UK, the Institute of Directors’ Economic Confidence Index (which ranges from -100 to 100) showed that confidence among UK senior business leaders in the economy shrunk to a reading of -75 in September from -61 in August, the lowest it has been since the survey was introduced in 2016. A similar sentiment was shared in the US, where the Conference Board's Consumer Confidence Index fell below forecasts of 96.0 to 94.2, a 5-month low.

The US manufacturing PMI report showed that activity in the sector contracted for the seventh straight month, following a two-month expansion which came after 26 consecutive months of contraction.

Fact of the week

Video game company Electronic Arts agreed a $55 billion deal to go private last week, marking the largest leveraged buyout in history.

Snapshot

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

- Oil

The week ahead	
06 Oct	Eurozone Construction PMI Indices are released.
07 Oct	Irish Government Budget for the 2026 fiscal year is presented.
10 Oct	US Nonfarm payrolls for September are published.

Our regular market information continues on the next page.

	1 Week Return 26.09.25 to 03.10.25		Year to Date Return 31.12.24 to 03.10.25	
	Local Currency	**Euro**	**Local Currency**	**Euro**
World	1.5%	1.1%	18.3%	4.3%
U.S.	1.0%	0.6%	15.1%	1.5%
Europe	3.0%	3.0%	15.4%	15.4%
Ireland	2.8%	2.8%	23.3%	23.3%
U.K.	2.3%	2.4%	19.4%	13.3%
Japan	-0.6%	0.3%	13.5%	6.7%
Hong Kong	2.3%	1.9%	32.2%	16.4%
Corporate Bonds	0.3%	0.3%	0.6%	0.6%
Sovereign Bonds	0.6%	0.6%	-0.6%	-0.6%

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 1.1% in euro terms and up 1.5% in local terms last week.
- Year-to-date global markets are up by 4.3% in euro terms and up by 18.3% in local terms.
- The U.S. market, the largest in the world, finished up at 0.6% in euro terms and up 1.0% 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 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 $61 per barrel and is down -25.1% year-to-date in euro terms.
- Gold finished the week at $3,887 per troy ounce and is up 30.6% year-to-date in euro terms.
- Copper finished the week at $10,690 per tonne and is up 8.9% year-to-date in euro terms.

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