

Déjà vu

It was a week that felt all too familiar as another French prime minister resigned (before subsequently returning) and US stocks fell sharply following another tariff announcement. Sébastien Lecornu became the fifth French prime minister to resign in two years on Monday, causing French stocks to sink and bond yields to rise. However, just days after accepting the resignation, French President Emmanuel Macron reappointed Lecornu as prime minister and tasked him with forming a new government.

On Friday, the day after the six-month anniversary of 'Liberation Day', US stocks pulled back sharply after US President Trump threatened an additional 100% tariff on Chinese imports. Trump accused Beijing of "becoming very hostile" after it tightened its export controls on rare-earth metals. US equities took a tumble, particularly in the more growth-oriented and cyclical sectors. This came as the US government shutdown entered its third week.

There were further geopolitical developments across the globe. In the Middle East, a US-brokered ceasefire was agreed upon between Israel and Hamas, prompting oil prices to fall. Japan was thrust into political disarray after its decades-old ruling coalition collapsed late last week. This came following the election of Sanae Takaichi as head of the ruling Liberal Democratic Party (LDP), which set the stage for her to become Japan's first-ever female prime minister. Japanese stocks initially rallied on Monday in response to Takaichi's election due to expectations for more accommodative policymaking and greater investment but gave back gains on Friday amid the political turmoil.

Uncertainty given the precariousness of global geopolitical situations helped gold achieve another positive week. The yellow metal surpassed the \$4,000/oz mark for the first time ever, just over six months after first hitting \$3,000/oz.

In economic news, the University of Michigan's Consumer Sentiment Index showed that consumer confidence in the US decreased marginally in October, with the index falling from 55.1 to 55.0, beating forecasts of 54.2. Meanwhile, German industrial output declined by -4.3% in August compared to July, the largest monthly decrease in over three years, and well below estimates of -1%.



Fact of the week

For the first time in US history, net interest on public debt rose beyond \$1 trillion in FY 2025. For every \$5 the US government collected this fiscal year, \$1 was used to pay interest.

Our regular market information continues on the next page.

Snapshot



- Corporate Bonds
- Sovereign Bonds
- Copper
- Gold



- World Equities
- Oil

The week ahead

14 Oct	UK unemployment rate for August is reported.
15 Oct	US CPI data for September is released.
16 Oct	US retail sales for September are published.



	1 Week Return 03.10.25 to 10.10.25		Year to Date Return 31.12.24 to 10.10.25	
	Local Currency	Euro	Local Currency	Euro
World	-2.3%	-0.9%	15.6%	3.4%
U.S.	-2.4%	-1.1%	12.3%	0.5%
Europe	-1.2%	-1.2%	14.0%	14.0%
Ireland	-1.5%	-1.5%	21.5%	21.5%
U.K.	-0.6%	-0.5%	18.6%	12.7%
Japan	2.8%	0.8%	16.6%	7.5%
Hong Kong	0.0%	1.4%	32.3%	18.0%
Corporate Bonds	0.0%	0.0%	0.6%	0.6%
Sovereign Bonds	0.6%	0.6%	0.0%	0.0%

Warning: Past performance is not a reliable guide to future performance.
Warning: The value of your investment may go down as well as up.
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Equities

- Global stocks finished down -0.9% in euro terms and down -2.3% in local terms last week.
- Year-to-date global markets are up by 3.4% in euro terms and up by 15.6% in local terms.
- The U.S. market, the largest in the world, finished down at -1.1% in euro terms and down -2.4% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.0% last week. The German equivalent finished at 2.6%. The Irish 10-year bond yield finished at 2.9%.
- The Euro/U.S. Dollar exchange rate finished at 1.16, whilst Euro/GBP finished at 0.87.

Commodities

- Oil finished the week at \$59 per barrel and is down -26.8% year-to-date in euro terms.
- Gold finished the week at \$4,018 per troy ounce and is up 36.4% year-to-date in euro terms.
- Copper finished the week at \$10,487 per tonne and is up 8.0% year-to-date in euro terms.