ZURICH

The Shutdown is Over, the Uncertainty Isn't

US stocks slipped on Thursday and finished the week flat on Friday, even though they recovered part of the earlier decline. Investors continued to evaluate high valuations, and growing caution around AI-related spending prompted a rotation away from many of the growth stocks that have been driving the market this year. Midweek brought some relief from Washington as the longest federal government shutdown in US history officially ended. President Donald Trump signed a funding bill on Wednesday night that keeps the government operating through 30th January. While resolving the shutdown removed a big source of uncertainty, stocks still fell sharply the next day as investors questioned how quickly federal operations and broader economic activity would return to normal. Adding to the cautious tone, several Federal Reserve officials delivered hawkish remarks, pushing down expectations for a potential rate cut at the Fed's December meeting.

Across Europe, major stock markets managed to finish the week higher, helped along by the news that the US government had reopened. However, more subdued sentiment around artificial intelligence limited the upside. Economic data for the third quarter of 2025 painted a familiar picture for the region. Seasonally adjusted GDP grew 0.2% in the eurozone and 0.3% across the EU compared with the previous quarter, evidence that while the economy continues to expand, momentum remains soft and the low-growth pattern across Europe persists. Labour market figures told a similar story. Employment in the euro area increased by 0.1%, and by 0.2% in the EU overall. Although job markets remain relatively tight by historical standards, unemployment rates in both regions barely budged. This suggests that hiring conditions are not strengthening in any significant way, reflecting the broader challenges of slow economic growth.

Chinese equities declined this week as new economic data signalled slower growth in China. In October, industrial production rose by 4.9% year-on-year, falling short of expectations. Retail sales grew by 2.9%, marking the fifth straight month of decelerating growth. Despite these softer numbers for October, there are positive developments ahead, the US and China have agreed to a one-year trade truce, and since late September, Beijing has launched a RMB 1 trillion stimulus package to boost capital spending. These actions suggest that economic conditions could improve in the coming months.

Snapshot

Up:

- World Equities
- Copper
- Gold

Down:

- Corporate Bonds
- Sovereign Bonds
- Oil

The week ahead

19 Nov	Eurozone CPI data goes to print.
20 Nov	US nonfarm payrolls and unemployment data is released.
21 Nov	Eurozone PMI indices are published.

Fact of the week

Last week, the US Treasury minted their last batch of pennies. The one cent coins have been discontinued, given each one costs four cents to make.

Our regular market information continues on the next page.

	1 Week Return 07.11.25 to 14.11.25		Year to Date Return 31.12.24 to 14.11.25	
	Local Currency	**Euro**	**Local Currency**	**Euro**
World	0.5%	0.1%	18.6%	5.7%
U.S.	0.0%	-0.3%	15.4%	2.9%
Europe	2.4%	2.4%	16.4%	16.4%
Ireland	3.3%	3.3%	30.0%	30.0%
U.K.	0.2%	-0.2%	22.7%	14.8%
Japan	1.9%	0.7%	23.1%	11.7%
Hong Kong	1.8%	1.5%	39.3%	24.1%
Corporate Bonds	-0.1%	-0.1%	0.6%	0.6%
Sovereign Bonds	-0.1%	-0.1%	0.1%	0.1%

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 0.1% in euro terms and up 0.5% in local terms last week.
- Year-to-date global markets are up by 5.7% in euro terms and up by 18.6% in local terms.
- The U.S. market, the largest in the world, finished down at -0.3% in euro terms and at 0.0% 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 2.9%.
- The Euro/U.S. Dollar exchange rate finished at 1.16, whilst Euro/GBP finished at 0.88.

Commodities

- Oil finished the week at $60 per barrel and is down -25.4% year-to-date in euro terms.
- Gold finished the week at $4,084 per troy ounce and is up 38.6% year-to-date in euro terms.
- Copper finished the week at $10,856 per tonne and is up 11.8% year-to-date in euro terms.

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