Economic resilience amid shifting investor sentiment

US equities ended the week lower as a sell-off in major technology stocks weighed on indices. Disappointing earnings from Amazon, Intel and Alphabet triggered a rotation out of AI and tech names into more defensive sectors such as healthcare, while stronger demand for government bonds pushed yields lower. Investors' focus centred on the Federal Reserve, which left interest rates unchanged at 3.75%-4.00%. Markets now price in roughly a 75% probability of a rate hike in December. Economic growth remained resilient, with Q3 GDP expanding at an annualised rate of 3.4%, beating expectations. The report showed PCE inflation, the Fed's preferred measure, rose 3.6% year-on-year, reigniting debate about whether strong growth can persist without inflation.

In Europe, the ECB also held rates steady at 2.5%, although markets continue to assign high probability of a December hike as inflation concerns linger. A key announcement from the October meeting was that President Lagarde will step down in February 2027. Eurozone GDP grew 0.4% in Q3, slower than the previous quarter but still resilient given high energy costs and Europe's reliance on imports. France's economy contracted by 0.1% amid elevated borrowing costs and political uncertainty, while Eurozone unemployment remained unchanged at 6.5% in September.

The technology-led sell-off extended to Asia. AI-related concerns weighed on Japan's Nikkei 225 and South Korea's KOSPI, which fell 5.5% as semiconductor stocks, including Samsung and SK Hynix, declined. In Japan, the BoJ reported that underlying inflation had reached its 2% target and that policy would remain unchanged.



Fact of the week

The Nasdaq 100 fell 3.5% on Friday, capping its weakest month in over a year as investors assessed earnings results from some of the market's largest technology companies.

Our regular market information continues on the next page.

Snapshot



- World Equities
- Corporate Bonds
- Sovereign Bonds
- Oil



- Gold
- Copper

The week ahead	
04 Nov	US and Eurozone Composite PMI data for October is released.
05 Nov	The Bank of England meets for its latest rate decision.
06 Nov	US Non-Farm Payrolls for October is reported.

	1 Week Return 23.10.26 to 30.10.26		Year to Date Return 31.12.25 to 30.10.26	
	Local Currency	**Euro**	**Local Currency**	**Euro**
World	-0.2%	0.1%	10.9%	16.7%
U.S.	-0.6%	-0.2%	11.2%	17.0%
Europe	2.0%	2.0%	10.7%	10.7%
Ireland	1.9%	1.9%	13.1%	13.1%
U.K.	0.3%	0.8%	11.3%	16.6%
Japan	0.1%	0.0%	18.1%	23.7%
Hong Kong	2.9%	3.2%	6.8%	11.6%
Corporate Bonds	0.5%	0.5%	-2.9%	-2.9%
Sovereign Bonds	0.6%	0.6%	-3.6%	-3.6%

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 0.1% in euro terms and down -0.2% in local terms last week.
- Year-to-date global markets are up by 16.7% in euro terms and up by 10.9% in local terms.
- The U.S. market, the largest in the world, finished down -0.2% in euro terms and down -0.6% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.9% last week. The German equivalent finished at 3.3%. The Irish 10-year bond yield finished at 3.5%.
- The Euro/U.S. Dollar exchange rate finished at 1.12, whilst Euro/GBP finished at 0.83.

Commodities

- Oil finished the week at $104 per barrel and is up 90.9% year-to-date in euro terms.
- Gold finished the week at $3,875 per troy ounce and down -5.6% year-to-date in euro terms.
- Copper finished the week at $14,329 per tonne and is up 21.1% year-to-date in euro terms.

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