WEEKLY
MARKET INSIGHTS

THE WEEK'S BIG THEMES

ECONOMY

- **UNITED STATES – The labor market remained resilient,** with job openings rising 4,52% MoM and October payrolls increasing by 165K, well above th 70K expected. The unemployment rate fell to 4,1%. **Although markets had largely anticipated a Democratic victory, its scale came as a surprise**, with the party securing control of both chambers of Congress from January. Despite elevated PMI and ISM readings, **manufacturing sentiment was mixed,** while confidence in the services sector weakened. **Consumer sentiment strengthened substantially**, with the University of Michigan index climbing to 51 from 48, supported by more optimistic views on household finances and the economic outlook.
- **EURO AREA – Headline inflation accelerated to 4% YoY**, reflecting higher energy costs, while core inflation held steady at 2.5%. **Economic momentum softened**, with retail sales falling 0.7% in September and the composite PMI easing to 51.
- **UNITED KINGDOM – The BoE raised its policy rate to 4,0%** for the first time since 2023 amid persistent energy-driven inflation. It also signalled that further tightening might be needed to contain price pressures**. Economic activity continued to expand**, with the final manufacturing and services PMI readings exceeding expectations.
- **JAPAN – Average nominal earnings rose 4.6% YoY in September**, exceeding the 3.8% forecast and recording one of the strongest increases since 1997. **Inflation-adjusted wages grew 2.2%**, above the 1.3% expected and up from August's revised 1.6%. **BoJ meeting minutes indicated scope for further rate increases**, while the stronger wage figures reinforced expectations of additional tightening. The central bank regards sustained pay growth as essential to maintaining stable inflation.
- **CHINA – October's business surveys highlighted uneven economic momentum**. The official manufacturing and non-manufacturing PMIs both fell below the 50-point threshold, signalling contraction. By contrast, RatingDog's privately compiled surveys continued to indicate expansion, albeit at a slower pace. The **PBoC also reinforced support through targeted measures to bolster equity markets and maintain accommodative liquidity conditions**, rather than introducing a broad-based stimulus package.

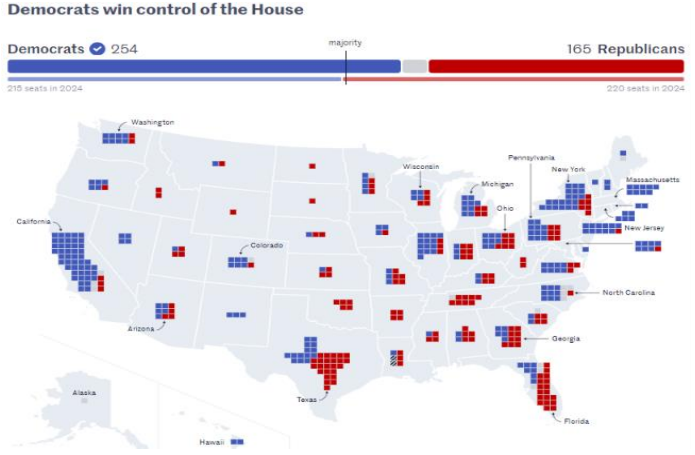
GEOPOLITICAL TENSION

- **Middle-East –** Continued attacks on tankers in the Strait of Hormuz threatened shipping and energy supplies.
- **Ukraine-Russia –** Diplomatic efforts to end the war resumed, but fighting continued and Russia intensified attacks on Ukraine's energy infrastructure.

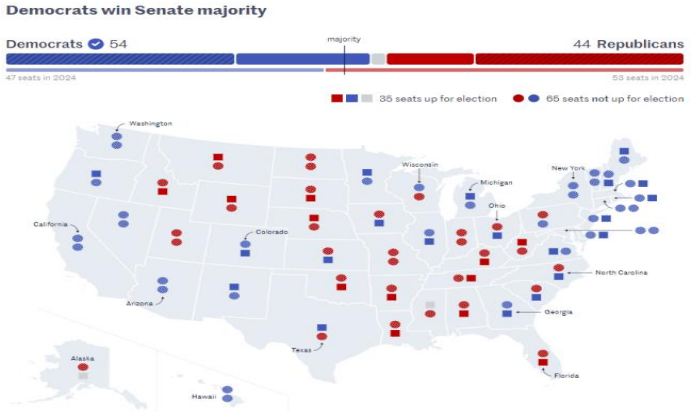
EARNINGS SEASON

- With approximately 88% of S&P 500 companies having reported results, around 84% of those reporting had exceeded earnings expectations. The blended year-on-year earnings growth rate stood at 31.4%.

CHARTS OF THE WEEK



Source Le Monde



Source Le Monde

ECONOMIC EVENTS TO WATCH

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
• Wholesale inventories, NY Fed Consumer survey (US)	• Balance of trade, Exports & Imports (CN) • Ecofin meeting (EU) • ADP, Inflation (US)	• Tankan (JP) • MBA Mortgage (US) • OPEC Monthly report	• PPI (JP) • GDP growth, Industrial production (UK) • Jobless claims (US)	• GDP, Employment (EA) • PPI (US)

WEEKLY
MARKET INSIGHTS

MARKET'S REACTION

EQUITY

- **Global equities fell sharply following the Democratic midterm sweep**, as investors worried that tighter regulation could slow AI data-centre expansion, leaving technology and semiconductor stocks particularly vulnerable. The MSCI World index declined 1,9%, while the MSCI Emerging Markets index lost 2,1%.
- **US equities extended their losses** after the Democrats secured control of both chambers of Congress. The Nasdaq fell 4,9%, the S&P 500 declined 2,7% and small-cap stocks lost 2,1%. Technology and semiconductor shares led the sell-off before recovering some ground by Friday, as concerns over tighter technology regulation weighed on growth expectations. Funding concerns also intensified after Oracle announced $ 20bn in debt and equity financing and Amazon disclosed a $80bn supplier financing facility, highlighting the substantial capital required to sustain the AI investment boom.
- **European equities outperformed,** with the STOXX Europe 600 gaining 0,2%. The region's lower exposure to AI-related technology stocks helped cushion the impact os the US sell-off. France's CAC 40 rose 2.1%, Germany's DAX was unchanged, and the UK's FTSE 100 fell 0,5%.
- **Asian equities delivered mixed returns,** with technology-heavy markets suffering particularly significant losses. Japan's Nikkei fell 9,3%, while South Korea's Kospi dropped 12%. In China, the Shanghai and CSI indices rose 1.4% and 1.7%, respectively, while Hong Kong equities gained 5.1%. Taiwan recorded its second-largest weekly net foreign-investor outflow on record.

FIXED INCOME

- **Sovereign bond yields declined amid falling oil prices and the equity sell-off**. The US 10-year Treasury yield fell 7 basis points to 4.86%, while its German counterpart also declined 7 basis points, ending the week at 3.25%. The UK 10-year gilt yield dropped approximately 15 basis points to 5.15%, and the Japanese 10-year government bond yield fell 15 basis points to 2.63%
- **Credit spreads widened**, although lower government bond yields supported returns. Euro-denominated corporate bonds and emerging-market debt outperformed US dollar-denominated credit. One week after S&P revised Meta's rating outlook to negative, the company issued USD 15 billion of bonds, followed by its first euro-denominated offering of EUR 9 billion. Both transactions attracted strong demand, with the euro deal generating a record order book for a corporate bond offering in Europe.

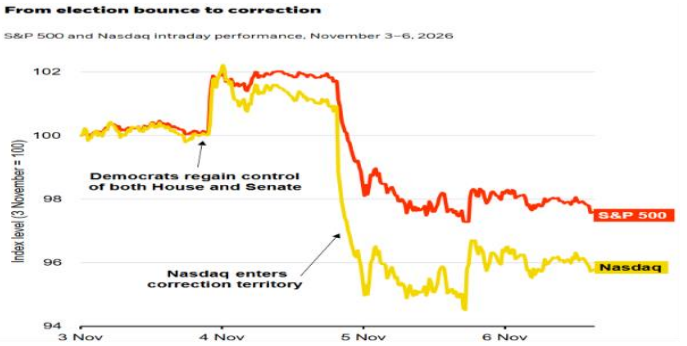
COMMODITIES

- **Oil prices fell sharply as the geopolitical risk premium eased**. Brent crude dropped 16.4%, its steepest weekly decline since 2020, amid hopes of de-escalation involving Iran and a recovery in Middle Eastern oil exports. WTI crude declined 12.8%.
- **Precious metals posted strong gains.** Gold rose 4,5% as energy prices and US 10-year yields declined. Silver gained 5,5%.

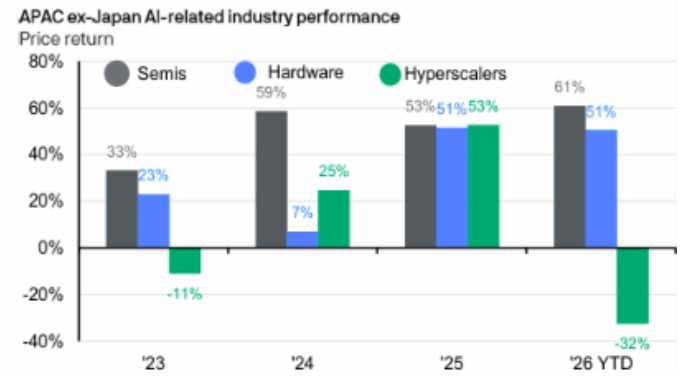
CURRENCIES & CRYTO

- The **US dollar strengthened by 0.4%,** supported by safe-haven demand and resilient US labour-market data. The euro slipped 0.4% despite a narrowing of the spread between French and German 10-year government bond yields. The Australian dollar fell 1.4%, even as the Reserve Bank of Australia raised its policy rate to 4.85%
- **Cryptocurrencies extended their losses** as concerns over tighter US regulation and the fallout from Binance's reported $6.3bn security breach weighed on risk appetite. Bitcoin declined 1.9%, while Ethereum and Ripple fell 0.3% and 6.1%, respectively.

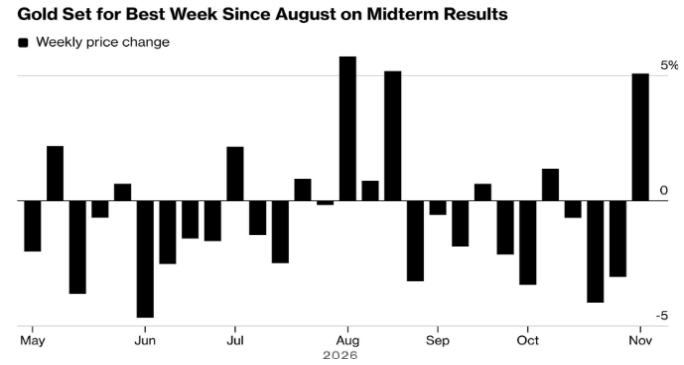
CHARTS OF THE WEEK



Source: Blackrock



Source: JPMorgan



Source Global Markets Investor

WEEKLY MARKET INSIGHTS

30 October 2026 –06 November2026

WEEKLY MARKETS REVIEW (As of 06 November 2026)

EQUITY MARKETS

	WoW	MTD	YTD
MSCI World (USD)	-1.9%	-0.5%	+9.8%
MSCI Emerging (USD)	-2.1%	-0.3%	+11.7%
S&P 500 (USD)	-2.7%	-0.4%	+10.3%
NASDAQ 100 (USD)	-4.9%	-1.7%	+10.5%
RUSSELL 2000 (USD)	-2.1%	+1.0%	+14.5%
STOXX 600 (EUR)	+0.2%	+1.5%	+10.8%
DAX (EUR)	+0.0%	+1.7%	+7.3%
CAC 40 (EUR)	+2.1%	+3.3%	+1.0%
FTSE 100 (GBP)	-0.5%	+0.5%	+8.6%
NIKKEI (JPY)	-9.3%	-7.1%	+16.8%
SSE (CNY)	+1.4%	+1.7%	-7.8%
BOVESPA (BRL)	+0.3%	+2.6%	+6.9%
HANG SENG (HKD)	+5.1%	+5.0%	-4.6%

FIXED INCOME MARKETS

	WoW	MTD	YTD
Global Aggregate USD (Hedged)	+0.7%	+0.6%	+0.5%
Global Aggregate EUR (Hedged)	+0.6%	+0.6%	-0.8%
US Investment Grade	+0.2%	+0.4%	-1.6%
US High Yield	-0.3%	+0.1%	+0.5%
EU Investment Grade	+0.3%	+0.5%	+0.1%
EU High Yield	+0.6%	+1.1%	+0.6%
EM Local Ccy. Gov (Unhedged)	+0.7%	+1.2%	+0.5%
EM Hard Ccy. Aggregate (Unhedged)	+0.4%	+0.4%	-0.1%

CRYPTO CURRENCY MARKETS

	WoW	MTD	YTD
Bitcoin	-1.9%	-2.6%	-14.0%
Ethereum	-0.3%	-4.9%	-28.2%
Ripple	-6.1%	-12.6%	-40.4%

COMMODITY MARKETS

	WoW	MTD	YTD
Gold	+4.5%	+5.5%	-5.2%
WTI Crude	-12.8%	-16.6%	+51.3%
Brent Crude	-16.4%	-21.3%	+52.1%
Silver	+5.5%	+7.1%	-25.1%
Natural Gas	+3.5%	+11.0%	-12.7%
Copper	-3.7%	-2.0%	+12.4%

CURRENCY MARKETS

	WoW	MTD	YTD
US Dollar Index (DXY)	+0.4%	-0.2%	+3.4%
EURUSD	+0.4%	-0.3%	-5.1%
GBPUSD	+0.6%	-0.1%	-0.8%
AUDUSD	-1.4%	-2.3%	+2.5%
USDCHF	-1.0%	-0.5%	+3.5%
USDJPY	-0.2%	+0.3%	+1.2%

Source: Yahoo Finance

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