

Weekly Market Pulse



Week ending October 10, 2025

Market developments

Equities: Global equities exhibited a cautious tone as investors processed mixed economic signals and ongoing geopolitical tensions. U.S. markets saw volatility, with a slight decline in tech stocks overshadowing gains in consumer staples and energy sectors, while Japan's Nikkei soared, propelled by surprise leadership news favoring stimulus. European indices faced similar pressures, with concerns over inflation and central bank policies weighing on investor sentiment.

Fixed Income: The fixed income landscape was characterized by rising yields, as market participants anticipated potential interest rate hikes from central banks in response to persistent inflationary pressures. As the U.S. Government remains shut down and economic data is limited, treasury yields climbed, reflecting concerns over the Federal Reserve's tightening stance.

Commodities: Commodity markets experienced fluctuations, with oil prices falling this week due to supply concerns following geopolitical developments. Gold prices stabilized after recent volatility, as investors sought safe-haven assets amid economic uncertainties.

Performance (price return)

SECURITY	PRICE	WEEK	1 MONTH	3 MONTH	YTD
Equities (\$Local)					
S&P/TSX Composite	29,850.89	-2.04%	2.30%	10.22%	20.72%
S&P 500	6,552.51	-2.43%	0.31%	4.33%	11.41%
NASDAQ	22,204.43	-2.53%	1.45%	7.63%	14.98%
DAX	24,241.46	-0.56%	2.57%	-0.88%	21.76%
NIKKEI 225	48,088.80	5.07%	9.70%	21.29%	20.54%
Shanghai Composite	3,897.03	0.37%	2.22%	11.04%	16.27%
Fixed Income (Performance in %)					
Canada Aggregate Bond	241.10	-0.16%	0.08%	1.94%	2.44%
US Aggregate Bond	2326.76	-0.09%	-0.04%	2.60%	6.29%
Europe Aggregate Bond	247.36	0.35%	0.38%	0.95%	1.47%
US High Yield Bond	28.70	-0.37%	0.15%	2.14%	6.95%
Commodities (\$USD)					
Oil	58.86	-3.32%	-7.55%	-11.58%	-17.93%
Gold	4006.59	3.09%	10.05%	20.53%	52.66%
Copper	490.65	-3.96%	7.84%	-11.56%	21.86%
Currencies (\$USD)					
US Dollar Index	98.94	1.24%	1.18%	1.32%	-8.80%
Loonie	1.4002	-0.36%	-0.99%	-2.48%	2.73%
Euro	0.8613	-1.13%	-0.72%	-0.78%	12.14%
Yen	151.63	-2.74%	-2.75%	-3.54%	3.67%

Source: Bloomberg, as of October 10, 2025

Central Bank Interest Rates

Central Bank	Current Rate	December 2025 Expected Rate*
Bank of Canada	2.50%	2.34%
U.S. Federal Reserve	4.25%	3.62%
European Central Bank	2.00%	1.90%
Bank of England	4.00%	3.91%
Bank of Japan	0.50%	0.62%

Source: Bloomberg, as of October 10, 2025

*Expected rates are based on bond futures pricing

Macro developments

Canada – Steady Unemployment in Canada

Canada's unemployment rate remained at 7.1% in September, slightly better than the expected 7.2%. The number of unemployed rose to 1.61 million, while employment increased by 60,400, surpassing forecasts. Full-time jobs grew significantly, but part-time positions declined. The employment rate inched up to 60.6% and the labour force participation rate also saw a slight increase.

U.S. – No Releases

No notable releases due to government shutdown.

International – Eurozone Retail Sales Recovery, Producer Prices Rise in Japan

Eurozone retail sales saw a minor increase of 0.1% in August, recovering from a previous decline. This rise was driven by higher sales in food, drinks, tobacco and automotive fuel, despite a slight drop in non-food products. Among major economies, France and Spain experienced growth, while Germany and Italy saw declines. Year-on-year growth in retail trade slowed to 1.0%, the weakest since July 2024.

Japan's producer prices increased by 2.7% year-on-year in September, matching the previous month's rate and exceeding expectations. Most components saw rising costs, particularly non-ferrous metals and beverages. However, prices for chemicals, iron, steel and petroleum continued to decline. On a monthly basis, prices rose by 0.3%, surpassing the forecast and reversing a decline from August.

Quick look ahead

DATE	COUNTRY / REGION	EVENT		SURVEY	PRIOR
14-Oct-25	United Kingdom	ILO Unemployment Rate 3Mths	Aug	4.7	4.7
14-Oct-25	China	PPI YoY	Sep	(2.3)	(2.9)
14-Oct-25	China	CPI YoY	Sep	(0.2)	(0.4)
15-Oct-25	United States	CPI MoM	Sep	0.4	0.4
15-Oct-25	United States	Core CPI MoM	Sep	0.3	0.3
15-Oct-25	United States	CPI YoY	Sep	3.1	2.9
15-Oct-25	United States	Core CPI YoY	Sep	3.1	3.1
15-Oct-25	United States	CPI Index NSA	Sep	325.0	324.0
15-Oct-25	United States	Core CPI Index SA	Sep		329.8
16-Oct-25	United States	Retail Sales Advance MoM	Sep	0.4	0.6
16-Oct-25	United States	Retail Sales Ex Auto MoM	Sep	0.3	0.7

16-Oct-25	United States	Retail Sales Ex Auto and Gas	Sep	0.4	0.7
16-Oct-25	United States	PPI Final Demand MoM	Sep	0.3	(0.1)
16-Oct-25	United States	PPI Ex Food and Energy MoM	Sep	0.2	(0.1)
16-Oct-25	United States	PPI Final Demand YoY	Sep	2.7	2.6
16-Oct-25	United States	PPI Ex Food and Energy YoY	Sep		2.8
17-Oct-25	Eurozone Aggregate	CPI YoY	Sep F	2.2	2.2
17-Oct-25	Eurozone Aggregate	CPI MoM	Sep F	0.1	0.1
17-Oct-25	Eurozone Aggregate	CPI Core YoY	Sep F	2.3	2.3

F = Final

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