Market Wrap

JOBS • HOUSING • PRICES • MARKETS

WEEK ENDING OCTOBER 24, 2025

Market Recap

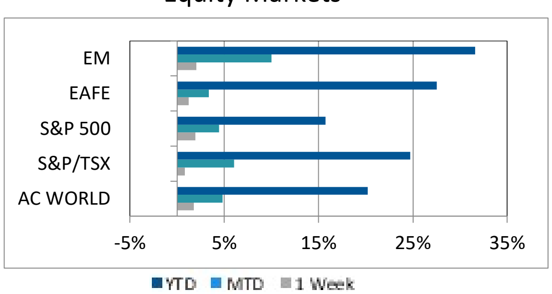
- Global equity markets extended their winning streak and breached fresh highs as cooler-than-estimated inflation data in the United States reinforced trader conviction on Federal Reserve rate cuts – while solid corporate earnings results also added to the optimistic mood in the market. The MSCI All Country World rose 1.8%. The S&P 500 gained 1.9%, with some important positive earnings surprises in key consumer and industrial companies - reinforcing the view that the US economy is soldiering ahead. Meanwhile, the S&P/TSX posted a modest (+0.8%) advance – underperforming its global peers on the back of the weekly slide in gold stocks (-7.0%) that represent close to 15% of the index. Elsewhere, the MSCI EAFE rose 1.2%, while the MSCI gauge of emerging market stocks led the global charge and jumped 2.0% following confirmation of an upcoming meeting between the US and China - easing concerns over trade.

- Fixed income markets generated modestly positive results last week. Treasuries barely budged with the yield curve steady throughout much of the week, with some good CPI news countered somewhat by the latest uptick in consumer inflation expectations. Of note, traders are gearing up for a quarter-point rate cut from the Federal Reserve at the October 29th gathering. Those expectations were solidified following September's softer-than-expected inflation results. A rate cut is now almost certain at 99% odds. Yields on 2-year notes that are closely tied to expectations on monetary policy closed the week below 3.5% for a second straight week , while 10-year yields were little changed around 4.0%. In Canada, government bond yields ended the week essentially where they started. While stronger-than-expected inflation results pushed yields higher through much of the week, a revival of trade tensions between Canada and the United States saw bond yields reverse course as the week came to a close. For the week, the Bloomberg US Aggregate Bond Index rose 0.2% - while the FTSE Canada Bond Universe gained 0.1%.

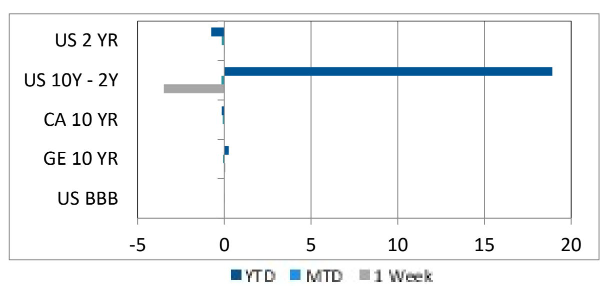
- In commodity markets, crude oil posted its biggest weekly gain since June after US sanctions on major Russian producers upended the market – raising the prospect for supply disruptions. Meanwhile, gold snapped its nineweek winning streak following a sharp correction as traders reassessed a rally that had pushed the precious metal into overheated territory. Investors were weighing improved prospects for US-China trade relations ahead of an upcoming meeting that is hoped to deescalate a simmering trade war. A deal would relieve some of the geopolitical tensions that have bolstered demand for have assets like gold.

- In currency markets, the US dollar (DXY) inched modestly higher in what was a slow week for the currency that remains at the mercy of a market that is lacking input from government data sources – while focus also remained on the October FOMC gathering. On the latter, the greenback barely budged following the weaker CPI results on Friday that cemented the case for a quarterpoint rate cut this month – particularly given the odds were already stacked in that direction. The greenback was stronger versus most of its G10 peers with the exception of the Canadian dollar that got some support from the weekly gain in crude oil prices.

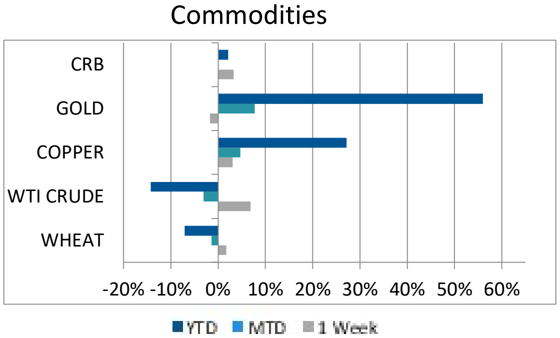
Equity Markets



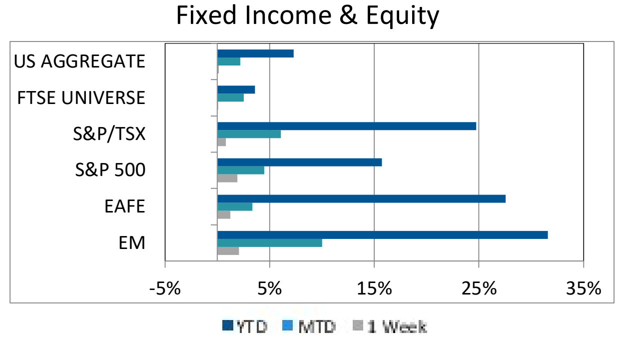
Bond Markets



Commodities



Fixed Income & Equity



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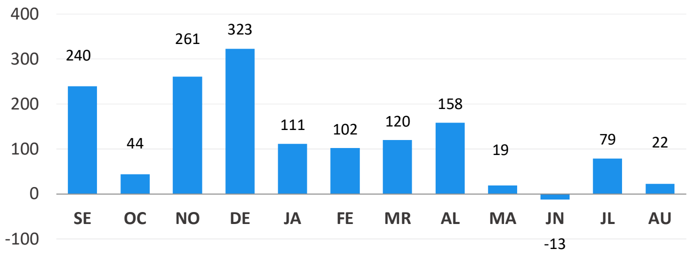
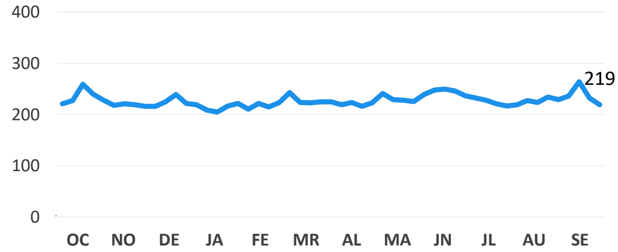
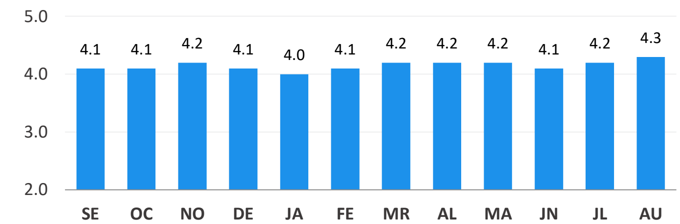
Job Creation (in thousands)*



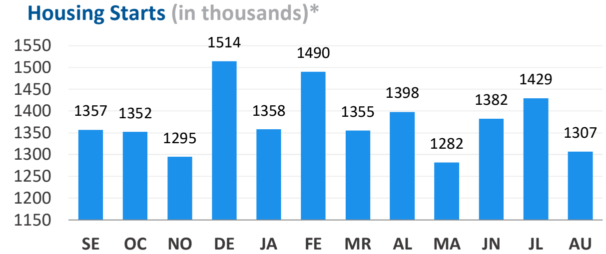
Initial Jobless Claims (in thousands)*



U.S. Unemployment Rate (%)



Housing Starts (in thousands)*



* U.S. Data

10-Year Government Bonds

	January 1, 2025	October 17, 2025	October 24, 2025
Canada	3.22%	3.09%	3.09%
United States	4.56%	4.01%	4.00%
Germany	2.38%	2.58%	2.63%
Japan	1.10%	1.63%	1.66%
United Kingdom	4.60%	4.53%	4.43%
France	3.24%	3.36%	3.43%
Australia	4.43%	4.10%	4.14%
Italy	3.54%	3.38%	3.42%

Commodities, Exchange Rates and Indicators

	January 1, 2025	October 17, 2025	October 24, 2025
Oil	73.13 $	57.54 $	61.50 $
Gold	2 657.90 $	4 251.82 $	4 113.05 $
CAD	0.6943 $	0.7133 $	0.7145 $
EURO	1.0265 $	1.1655 $	1.1627 $
		August	September
Inflation* Canada		2.60%	2.80%
Inflation* USA		3.10%	3.00%

* CORE-CPI YOY

Indices as of September 30, 2025

Index (%)	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
S&P/TSX Composite	5.40	12.50	22.10	28.63	21.35	16.73	11.85
S&P/TSX Small Cap	8.96	20.91	35.17	37.47	23.01	18.36	11.24
S&P 500 (USD)	3.64	8.11	19.94	17.56	24.91	16.45	15.29
S&P 500 (CAD)	5.04	10.26	15.97	21.12	25.46	17.42	15.73
Stoxx Europe 600 (CAD)	3.28	5.61	11.91	18.84	23.68	12.85	8.57
MSCI EAFE (CAD)	3.28	6.83	13.21	18.43	22.21	12.07	8.57
MSCI Emerging Markets (CAD)	8.59	12.82	19.79	20.84	18.71	7.89	8.39
MSCI World (CAD)	4.60	9.39	15.60	20.76	24.23	15.35	12.84

Sources: Bloomberg, Fiera Capital Corporation