



Weekly Report



Global Equities



U.S. stocks closed higher on Friday, boosted by tech gains and hopes that President Trump might scale back his tariff plans

Review: U.S. stocks closed higher on Friday, boosted by tech gains and hopes that President Trump might scale back his tariff plans.

Outlook: As the uncertainty surrounding President Trump's multi-front trade war continues to present hard-to-quantify downside risks for U.S. equities, we are adopting a wait-and-see approach in the coming weeks, anticipating more relevant developments to emerge and provide a clearer outlook.



European stocks closed higher on Friday as earnings reports from the region were well-received despite ongoing trade uncertainty

Review: The MSCI Europe Index rose by 2.79% last week as earnings reports from the region were well-received despite ongoing trade uncertainty.

Outlook: A relatively stable inflation environment and ongoing growth risks may prompt the ECB to intensify monetary policy stimulus to support the region's economic stability. Consequently, we remain cautiously optimistic about European equities.



China equities rose last week

Review: The Shanghai Composite Index rose by 0.56% last week and the Shenzhen Composite Index rose by 1.84%. Chinese equities closed higher on Friday as investors weighed the trade outlook, with the U.S. softening its tariff rhetoric and China reportedly considering suspending tariffs.

Outlook: While policy support and a firm commitment to achieving growth targets could provide a stabilizing floor for market sentiment, the external geopolitical environment continues to pose substantial downside risks that are difficult to quantify. In light of these conflicting factors, we are adopting a wait-and-see approach in the coming weeks.



Hang Seng Index rose last week

Review: Hang Seng Index rose by 2.74% last week as investors weighed the trade outlook, with the U.S. softening its tariff rhetoric and China reportedly considering suspending tariffs.

Outlook: Hong Kong finds itself in the crossfire of the U.S.-China trade war. Meanwhile, its property and retail sectors continue to face pressure. Although policy support from China may provide some relief, it is likely to have a limited impact on Hong Kong's economy due to China's focus on its domestic economy.



Global Bonds



FTSE World Government Bond rose last week

Review: FTSE World Government Bond Index rose 0.29% last week.

Outlook: Global markets are reeling from President Trump's erratic tariff policies and the escalating U.S.-China trade war. Stocks have been volatile, and a concerning shift has emerged in the bond market. As global equities declined, U.S. Treasuries also sold off, triggering similar moves in government bonds across other regions. We expect this correlation to persist short term, before decoupling as trade policy clarity improves.



Both global high yield bond and EM bond rose last week

Review: The Bloomberg Barclays High Yield Bond Index recorded 1.32% gains, while Bloomberg Barclays EM USD Aggregate Total Return Index recorded 1.14% gains.

Outlook: Global markets are reeling from President Trump's erratic tariff policies and the escalating U.S.-China trade war. Stocks have been volatile, and a concerning shift has emerged in the bond market. As global equities declined, U.S. Treasuries also sold off, sparking declines across various bond segments. We expect this correlation to persist short term, before decoupling as trade policy clarity improves.



Weekly Report



Commodities



U.S. WTI crude fell 2.57% last week

Review: U.S. WTI fell 2.57% last week to US\$62.95/bbl, under pressure from market expectations of oversupply and uncertainty around tariff talks between the U.S. and China.

Outlook: Overall, the positive impact of OPEC+ restraint and recovering air travel are largely neutralized by headwinds such as robust U.S. production and trade-policy uncertainties, warranting a neutral near-term outlook on crude oil.



Gold prices fell 0.21% last week

Review: Spot gold fell 0.21% last week to US\$3,276.05/oz. While gold is considered an inflation hedge, higher interest rates lift the opportunity cost of holding zero-yield bullion. However, gold prices are expected to remain firm this quarter as investors seek refuge from a potential recession and heightened safe-haven demand driven by U.S. tariff threats.

Outlook: Gold can be used as a hedge against inflationary pressures and serve as a safe-haven asset amid investors grappled with uncertainty around the geopolitical tensions and global economic slowdown.



The Bloomberg commodity spot index fell last week

Review: The Bloomberg commodity spot index fell 0.28% last week, closing at 536.31.

Outlook: Inflation and geopolitical tensions continue to pose upside risks to commodity prices. Investors should remain cautious and closely monitor developments in the coming months.



Currencies



USD rose 0.09% last week

Review: The US Dollar Spot Index rose 0.09% last week, on track for its first weekly gain since mid-March, after China granted tariff exemptions on some U.S. imports, fueling hopes that the trade war between the world's two largest economies may be easing.

Outlook: Looking ahead to the second quarter of 2025, the US Dollar Spot Index may come under moderate downward pressure, driven by a potentially more accommodative Fed and a slowdown in U.S. economic growth.



EUR fell against the USD last week

Review: The EUR fell 1.44% against the USD last week, as the dollar regained some footing after China granted tariff exemptions on certain U.S. imports, boosting hopes that the trade war between the world's two largest economies may be easing.

Outlook: A relatively stable inflation environment and ongoing growth risks may prompt the ECB to step up monetary policy stimulus to support economic stability in the region. However, in the near term, we expect the EUR to remain rangebound until there is greater clarity on U.S. trade policy.

Weekly Report

Major market indexes

Index Name	Price	Return (Weekly)	Return (Monthly)	Return (Annual)	Return (YTD)	Return (3Y)	Return (5Y)	Return (10Y)
Hang Seng Composite	21920.37	2.74	-6.43	24.19	9.27	8.11	-10.81	-22.72
Hang Seng China Enterprise	8047.70	2.32	-6.49	28.36	10.40	16.32	-19.39	-45.09
Shanghai Composite	3290.47	0.56	-1.82	6.53	-1.83	10.59	17.10	-26.39
Shenzen Composite	1900.11	1.84	-6.22	9.93	-2.93	5.07	9.67	-13.26
Dow Jones Industrial	40113.50	2.48	-3.54	4.90	-5.71	18.27	66.44	121.50
S&P 500	5525.21	4.59	-1.00	8.34	-6.06	28.87	92.96	161.27
NASDAQ COMPOSITE	17382.94	6.73	0.35	9.14	-9.98	35.05	101.95	243.85
FTSE 100	8415.25	1.69	-2.81	3.38	2.96	12.07	41.23	19.70
DAX	22242.45	4.89	-0.98	22.47	11.72	59.10	106.03	88.31
NIKKEI 225	35898.38	2.81	-3.29	-5.37	-10.02	33.71	81.57	78.00

Source: Bloomberg 2025/4/25

Economic data

Country	Event	Previous	Forecast	Actual	Expectation
Hong Kong	Unemployment Rate - SA (March)	3.2%	3.2%	3.2%	On Par
Hong Kong	Composite CPI YoY (March)	1.4%	1.5%	1.4%	Below
Malaysia	CPI YoY (March)	1.5%	1.6%	1.4%	Below
Singapore	CPI YoY (March)	0.9%	1.1%	0.9%	Below
Singapore	Industrial Production YoY (March)	-1.3%	8.1%	5.8%	Below
Mexico	Retail Sales YoY (February)	2.7%	-0.1%	-1.1%	Below

Source: Bloomberg 2025/4/25

Bond/Forex

Bond Instrument	Price	Change(%)	Yield (%)
US Treasury 30Y	98 72/95	1.64	4.70
US Treasury 10Y	103 5/64	0.77	4.24
US Treasury 5Y	100 1/15	0.34	3.86
US Treasury 2Y	100	0.10	3.75
US Tbill 3M	4.20	-0.65	4.30
China Govt Bond 10Y	99.58	-0.12	1.66
Japan Govt Bond 10Y	100.54	-0.40	1.34
German Bund 10Y	100.45	0.07	2.45
UK Gilt 10Y	99.97	0.80	4.50

Source: Bloomberg 2025/4/25

Currency	Price	Return (Weekly)	Return (Monthly)	Return (YTD)
USD/HKD	7.76	-0.02	-0.27	-0.14
HKD/CNH	0.94	0.06	0.65	-0.40
USD/CNH	7.29	0.05	0.37	-0.55
USD/JPY	143.67	2.04	-4.07	-8.56
USD/CAD	1.39	0.27	-3.02	-3.50
GBP/USD	1.33	-0.70	2.67	6.14
AUD/USD	0.64	-0.55	1.48	3.10
EUR/USD	1.14	-1.44	4.81	9.61

Source: Bloomberg 2025/4/25

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