



Weekly Report



Global Equities



U.S. stocks closed lower on Friday as investors awaited clarity on tariffs ahead of U.S.-China trade talks in Geneva

Review: U.S. stocks closed higher on Friday as investors awaited clarity on tariffs ahead of U.S.-China trade talks in Geneva.

Outlook: The U.S. and China agreed to lower their triple-digit tariffs for 90 days in a diplomatic breakthrough immediately sent stocks soaring, even as questions linger over hopes for a lasting settlement. We are adopting a wait-and-see approach in the coming weeks, anticipating further developments to clarify the outlook.



European stocks closed higher on Friday after the U.K. and U.S. confirmed a trade agreement and as investors looked ahead to U.S.-China trade negotiations

Review: The MSCI Europe Index rose by 0.23% last week after the U.K. and U.S. confirmed a trade agreement and as investors looked ahead to U.S.-China trade negotiations.

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 1.92% last week and the Shenzhen Composite Index rose by 2.87%. Chinese equities closed higher on Friday after Beijing confirmed upcoming trade talks with the U.S. in Geneva.

Outlook: The U.S. and China agreed to lower their triple-digit tariffs for 90 days in a diplomatic breakthrough immediately sent stocks soaring, even as questions linger over hopes for a lasting settlement. We are adopting a wait-and-see approach in the coming weeks, anticipating further developments to clarify the outlook.



Hang Seng Index rose last week

Review: Hang Seng Index rose by 1.61% last week after Beijing confirmed upcoming trade talks with the U.S. in Geneva.

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 fell last week

Review: FTSE World Government Bond Index fell 0.59% last week.

Outlook: The U.S. and China agreed to lower their triple-digit tariffs for 90 days, a diplomatic breakthrough that sent Treasury yields and major government bond yields sharply higher on hopes of avoiding a recession, despite lingering uncertainty over a long-term resolution. We are taking a wait-and-see approach in the coming weeks as we await further developments to provide greater clarity on the outlook.



Both global high yield bond and EM bond rose last week

Review: The Bloomberg Barclays High Yield Bond Index recorded 0.18% gains, while Bloomberg Barclays EM USD Aggregate Total Return Index recorded 0.14% gains.

Outlook: The U.S. and China agreed to lower their triple-digit tariffs for 90 days, a diplomatic breakthrough that drove Treasury yields higher, boosting demand for high-yield bonds amid a renewed risk-on sentiment. We are adopting a wait-and-see approach in the coming weeks, anticipating further developments to provide greater clarity on the outlook.



Weekly Report



Commodities



U.S. WTI crude rose 4.68% last week

Review: U.S. WTI rose 4.68% last week to US\$61.84/bbl, buoyed by hopes of a breakthrough in looming trade talks between the U.S. and China, the world's two largest oil consumers.

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 rose 2.61% last week

Review: Spot gold rose 2.61% last week to US\$3,235.96/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 rose last week

Review: The Bloomberg commodity spot index rose 1.32% last week, closing at 537.17.

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 0.31% last week

Review: The US Dollar Spot Index rose 0.31% last week as investors awaited clarity on tariffs ahead of U.S.-China trade talks in Geneva.

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 2.24% against the USD last week as investors awaited clarity on tariffs ahead of U.S.-China trade talks in Geneva.

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	23145.62	1.61	10.67	21.09	15.38	16.32	-4.28	-16.56
Hang Seng China Enterprise	8406.59	0.95	7.76	24.33	15.32	23.50	-14.53	-40.54
Shanghai Composite	3371.86	1.92	4.13	7.11	0.60	9.32	16.35	-24.07
Shenzen Composite	1998.29	2.87	6.19	13.10	2.09	3.46	9.62	-18.76
Dow Jones Industrial	42410.10	-0.16	5.46	7.55	-0.32	31.72	82.42	128.30
S&P 500	5844.19	-0.47	8.97	11.93	-0.64	45.24	107.24	169.63
NASDAQ COMPOSITE	18708.34	-0.27	11.86	14.16	-3.12	58.48	111.08	260.29
FTSE 100	8604.98	-0.48	8.05	2.26	5.29	16.00	45.75	23.38
DAX	23566.54	1.79	15.67	25.74	18.37	68.00	123.54	104.83
NIKKEI 225	38250.63	1.83	13.89	0.19	-4.12	44.74	88.73	91.10

Source: Bloomberg 2025/5/9

Economic data

Country	Event	Previous	Forecast	Actual	Expectation
Switzerland	Unemployment Rate (April)	2.9%	2.9%	2.8%	Below
Eurozone	PPI YoY (March)	3.0%	2.5%	1.9%	Below
Thailand	CPI YoY (April)	0.84%	-0.10%	-0.22%	Below
Vietnam	CPI YoY (April)	3.13%	3.20%	3.12%	Below
Malaysia	Industrial Production YoY (March)	1.5%	2.1%	3.2%	Above
Mexico	CPI YoY (April)	3.80%	3.90%	3.93%	Above

Source: Bloomberg 2025/5/9

Bond/Forex

Bond Instrument	Price	Change(%)	Yield (%)
US Treasury 30Y	97 5/9	0.05	4.91
US Treasury 10Y	98 7/32	-0.58	4.47
US Treasury 5Y	98 69/73	-0.29	4.11
US Treasury 2Y	99 33/65	-0.05	4.01
US Tbill 3M	4.28	0.24	4.39
China Govt Bond 10Y	99.53	0.00	1.66
Japan Govt Bond 10Y	99.62	-0.89	1.44
German Bund 10Y	99.47	-0.20	2.56
UK Gilt 10Y	99.47	-0.37	4.57

Source: Bloomberg 2025/5/9

Currency	Price	Return (Weekly)	Return (Monthly)	Return (YTD)
USD/HKD	7.79	0.52	0.48	0.32
HKD/CNH	0.92	-0.86	-2.21	-2.38
USD/CNH	7.20	-0.34	-1.72	-2.08
USD/JPY	148.46	3.75	3.31	-5.99
USD/CAD	1.40	1.36	0.67	-2.90
GBP/USD	1.32	-1.29	0.03	5.42
AUD/USD	0.64	-1.56	1.06	3.35
EUR/USD	1.11	-2.24	-2.08	7.35

Source: Bloomberg 2025/5/9

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