



# Weekly Report



## Global Equities



### U.S. stocks rose last week. Fed Chair Powell Hints at September Rate Cut

**Review:** The S&P 500 index rose 0.27% last week. Fed Chair Powell hinted at a possible September rate cut at the Jackson Hole Economic Symposium, emphasizing elevated labor market risks and that inflation, while high, is manageable due to tariffs.

**Outlook:** If future data further confirms a slowing labor market and easing inflation, market expectations for a rate cut will solidify, further boosting risk assets.



### European stocks rose last week. Lagarde Expects Eurozone Economic Slowdown

**Review:** The MSCI Europe Index rose 1.37%. Lagarde said the eurozone economy is likely to slow this quarter, and while the recent trade deal with the U.S. has reduced uncertainty, the outlook for global trade remains uncertain.

**Outlook:** If the ECB maintains its prudent policy and US-EU trade frictions ease, market risk appetite is expected to persist. However, if the agreement is not implemented as expected or earnings growth slows, European stock markets may see renewed volatility.



### Chinese stocks closed higher last week.

**Review:** The Shanghai Composite Index rose 3.49% last week. A-shares have recently continued their upward trend, supported by liquidity, with the Shanghai Composite Index reclaiming the 3,800-point mark after a decade.

**Outlook:** If Beijing continues to roll out pro-growth and market-boosting measures alongside ample liquidity, A-shares may sustain a structural rally.



### Hang Seng Index rose last week.

**Review:** The Hang Seng Index rose 0.27% last week. Hang Seng Indexes Company announced the results of its quarterly review, adding three constituent stocks to the Hang Seng Index: China Telecom, JD Logistics, and Pop Mart.

**Outlook:** If southbound capital inflows continue, liquidity and investment sentiment are expected to improve. Furthermore, the strength of A-shares is expected to drive continued gains in Hong Kong stocks. In the short term, the Hang Seng Index is expected to reach 27,000 points.



## Global Bonds



### FTSE World Government Bond rose last week

**Review:** FTSE World Government Bond Index rose 0.18% last week.

**Outlook:** If the Fed signals rate cuts in September, risk appetite may improve and bond markets remain attractive. However, stronger-than-expected inflation or rising fiscal pressures could push yields higher and introduce volatility.



### Global high yield bond and EM bond rose last week

**Review:** The Bloomberg Barclays High Yield Bond Index rose 0.13% last week, while Bloomberg Barclays EM USD Aggregate Total Return Index rose 0.14%.

**Outlook:** If the Federal Reserve expresses a dovish stance and global economic growth is weak, high-rated and high-yield bonds will still be attractive for investment. However, we need to be wary of the risk of a rebound in bond yields due to unexpected improvements in economic data or renewed expectations of interest rate hikes.



## Weekly Report



### Commodities



#### WTI crude rose last week

**Review:** WTI crude oil fell to \$63.66 per barrel, or 1.37% last week. A larger-than-expected draw in US crude oil inventories of approximately 6 million barrels, coupled with the slow pace of US-Russia peace talks and escalating geopolitical tensions, has fueled concerns about demand in the crude oil market, creating upward momentum.

**Outlook:** Oil prices are likely to remain supported as the US-Russia summit failed to reach a peace agreement. Furthermore, if the Federal Reserve continues to ease its monetary policy and the economy continues to recover, the oil market is expected to maintain its upward trend.



#### Gold price rose last week

**Review:** Spot gold rose to US\$3,371.86/oz last week, or 1.07%. Spot gold prices jumped at one point as market expectations for a September rate cut by the Federal Reserve grew.

**Outlook:** As the Federal Reserve releases dovish signals and strengthens expectations of rate cuts, gold prices are expected to continue to gain support. If the rate cut is implemented as scheduled in September, gold has the opportunity to rise to 3,500.



#### The Bloomberg commodity spot index rose last week

**Review:** The Bloomberg Commodity Spot Index rose to 538.76, or 1.25% last week.

**Outlook:** Trump's formal inauguration has added a high degree of uncertainty to the market, coupled with the increasingly prominent geopolitical risks around the world, these factors have jointly had an adverse impact on the demand for commodities.



### Currencies



#### US Dollar Index fell last week

**Review:** The U.S. Dollar Index fell 0.14% last week. Powell signaled possible September rate cuts at Jackson Hole, fueling dovish bets.

**Outlook:** With the Fed tilting dovish, the dollar index is expected to stay under pressure, potentially testing the 97 level in the near term.



#### CNY/USD rose last week

**Review:** CNY/USD rose 0.24% last week. Benefiting from domestic stable growth policy signals and the weakening of the US dollar, the RMB exchange rate has been supported and overseas funds' interest in RMB assets has rebounded.

**Outlook:** Backed by policy support and steady inflows, the yuan is likely to extend its gains, with a near-term target toward 7.15.

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## ★ Major market indexes

Index Name	Price	Return (Weekly)	Return (Monthly)	Return (Annual)	Return (YTD)	Return (3Y)	Return (5Y)	Return (10Y)
Hang Seng Composite	25339.14	0.27	1.76	46.69	28.79	29.38	1.37	18.38
Hang Seng China Enterprise	9079.93	0.45	1.06	48.69	26.85	35.02	-10.15	-4.56
Shanghai Composite	3825.76	3.49	7.40	35.21	15.15	18.89	14.40	29.03
Shenzen Composite	2393.22	4.02	10.14	60.93	23.84	12.48	6.28	36.83
Dow Jones Industrial	44785.50	1.53	1.63	10.82	7.26	37.07	61.54	191.27
S&P 500	6370.17	0.27	1.23	14.77	9.95	54.01	87.79	246.27
NASDAQ COMPOSITE	21100.31	-0.58	1.84	20.24	11.32	70.08	87.47	377.01
FTSE 100	9309.20	2.00	2.20	11.93	14.05	25.50	54.18	53.28
DAX	24293.34	0.02	0.60	30.75	22.37	83.57	86.52	140.55
NIKKEI 225	42633.29	-1.72	3.21	11.53	7.25	50.24	83.66	139.42

Source: Bloomberg 2025/8/22

## ★ Economic data

Country	Event	Previous	Forecast	Actual	Expectation
US	Initial Jobless Claims (Aug 16)	224K	225K	235K	Above
US	Manufacturing PMI (August)	49.8	49.7	53.3	Above
Euro	CPI YoY (July)	2.0%	2.0%	2.0%	On Par
Euro	Trade Balance (June)	16.2B	14.5B	7.0B	Below
China	1-Year Loan Prime Rate (August)	3.50%	3.50%	3.50%	On Par
China	5-Year Loan Prime Rate (August)	3.00%	3.00%	3.00%	On Par

Source: Bloomberg 2025/8/22

## ★ Bond/Forex

Bond Instrument	Price	Change(%)	Yield(%)
US Treasury 30Y	98.02	0.78	4.88
US Treasury 10Y	99.96	0.62	4.25
US Treasury 5Y	100.51	0.42	3.76
US Treasury 2Y	100.33	0.17	3.70
US Tbill 3M	4.09	-0.18	4.19
China Govt Bond 10Y	99.04	-0.25	1.78
Japan Govt Bond 10Y	99.01	-0.42	1.62
German Bund 10Y	98.95	0.62	2.72
UK Gilt 10Y	98.26	0.12	4.73

Source: Bloomberg 2025/8/22

Currency	Price	Return (Weekly)	Return (Monthly)	Return (YTD)
USD/HKD	7.82	-0.14	-0.52	0.52
HKD/CNH	0.92	-0.40	0.25	-3.07
USD/CNH	7.17	-0.53	-0.26	-2.57
USD/JPY	146.94	-0.50	-0.37	-6.39
USD/CAD	1.38	0.13	0.86	-3.91
GBP/USD	1.35	0.17	0.66	8.08
AUD/USD	0.65	0.20	-0.94	5.11
EUR/USD	1.17	0.49	-0.20	13.17

Source: Bloomberg 2025/8/22

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