

## MONDAY MORNING RECAP - April 28, 2025

### Last Week

Dow Jones Industrial Average (DJIA)	40,113.50	+971.27	+2.48%
S&P 500 Index	5,525.21	+242.51	+4.59%
NASDAQ Composite Index	17,382.94	+1,096.49	+6.73%
U.S. 10 yr. Treasury Note Yield	4.29%	-5 Basis Points	
Gold (\$ per troy oz.)	\$3,282.40	-\$26.30	-0.79%
WTI Oil (\$ per barrel)	\$63.02	-\$0.99	-1.55%

### Market Summary

**Global Equities:** US equities rose last week on the back of President Trump adopting a more conciliatory tone towards China, which led to confidence in the markets rebounding. The S&P 500 exited correction territory on Thursday after making big gains over three consecutive days, ending the week up 4.59%. Elsewhere, European and Chinese equities also posted solid rises amidst the risk-on sentiment, with the STOXX 600 and the Hang Seng gaining 3.10% and 2.74%, respectively over the week.

**Commodities:** Oil prices fell last week due to concerns about oversupply, with several OPEC+ members suggesting the group should increase oil output for a second consecutive month in June and Kazakhstan stating that it intended to exceed OPEC+ production limits. WTI and Brent Crude ended the week at \$63.02 and \$66.87/bbl, respectively. Gold hit a new all-time high above \$3,500/troy oz. early in the week before falling back amid the prospect of improved relations between the US and China. It ultimately ended the week down at \$3,282.40/troy oz.

**Fixed Income:** US Treasury yields fell last week as investors digested the latest tariff developments and a range of macroeconomic data. The 2-Year and 10-Year US Treasury yields ended the week down at 3.75% and 4.29%, respectively, despite FOMC members cautioning against early policy rate cuts due to tariffs. Similarly in Europe, German Bund yields fell marginally, with the 10-Year German Bund yield ending the week at 2.47%.

**FX:** Despite sinking to a three-year low on Tuesday, the US dollar was slightly stronger against a basket of currencies last week, benefitting from the market's cautious optimism about tariffs and hawkish comments from Federal Reserve members. The US dollar index rose by 0.24% over the week. Most currencies fell marginally relative to the dollar as a result, with the euro ending the week at \$1.14.

## **Economic Summary**

**Politics:** US-China trade remained in the spotlight last week. President Trump softened his stance on China, saying the tariffs imposed on Chinese imports so far would “come down substantially.” Later in the week, President Trump eased concerns about Fed independence as he stated that he had no intention on removing Fed Chair Jerome Powell, despite criticizing policy rates.

**Activity:** US manufacturing data was mixed last week, with some evidence that the sector is holding up better than anticipated. The US Manufacturing PMI rose from 50.2 in March to 50.7 – well above consensus expectations of 49.0. Conversely, the Services PMI fell more than expected, down from 54.4 to 51.4. Outside the US, the Euro area flash composite PMI fell to 50.1 in April, slightly below consensus expectations. Services activity fell to 49.7, whereas the manufacturing index edged up to 48.7 despite trade headwinds. Meanwhile, UK retail sales expanded by 0.4% month-on-month in March, above expectations, following a downward revision of the February numbers.

**Monetary Policy:** Federal Reserve member Beth Hammack stated that the Fed is unlikely to cut interest rates in May. ECB President Christine Lagarde expressed her belief that the Eurozone economy is heading in the right direction, which was seen as an indication that there may be no more ECB rate cuts for the time being. In China, the PBOC kept its 1- and 5- year loan prime rates unchanged for the sixth consecutive month. However, the market still anticipates further stimulus in the coming months due to concerns toward the impact of trade war.

**Housing:** Housing data in the US was mixed last week, with new home sales jumping by 7.4% month-over-month in March. Conversely, existing home sales were down by -5.9%, dropping to their slowest pace since 2009.



## **Key Economic Releases**

**Monday, April 28:**

No economic releases

**Tuesday, April 29:**

US JOLTS Job Openings (Prior 7.568M)

**Wednesday, April 30:**

Euro area GDP QoQ (Prior 0.2%)

US GDP QoQ (Cons: 0.4%, Prior: 2.4%)

US Core PCE MoM (Cons: 0.1%, Prior: 0.4%)

**Thursday, May 1:**

BoJ Meeting

**Friday, May 2:**

Euro area CPI YoY (Prior: 2.2%)

Euro area Unempl. (Cons: 6.1%, Prior: 6.1%)

US Nonfarm Payrolls (Cons: 130K, Prior: 228K)

US Unemp, Rate (Cons: 4.2%, Prior: 4.2%)

Source: Goldman Sachs Asset Management: "Market Monitor", 4/25/2025

"Correction territory" refers to a period where a stock market index has declined by at least -10% from the market's recent peak. "Hawkish" refers to a preference for tighter monetary conditions and higher interest rates, primarily to combat inflation. "OPEC+" refers to the Organization of the Petroleum Exporting Countries. "WTI" refers to West Texas Intermediate crude oil, a common US benchmark for oil prices. "Brent" refers to a global benchmark for oil prices worldwide. "Bbl" refers to barrel. "Oz" refers to ounce. "FOMC" refers to Federal Open Market Committee. "Fed" refers to Federal Reserve. "PMI" refers to Purchasing Managers' Index. "ECB" refers to European Central Bank. "PBOC" refers to People's Bank of China. "BoE" refers to Bank of England. "bps" refers to basis points.

### **Disclosure Statement**

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