

Weekly Market Snapshot 2025: a year of uncertainties

Weekly Recap

- During the final FOMC meeting for 2025, the Fed decided to cut its rates by 0.25%.
- Jobless claims in the US rose last week by the most since the beginning of the year.
- After a delay due to the government shutdown, US unemployment rates for November showed a rise to 4.6% from 4.4% in September, the highest for the past 2 years.

Snapshot

2025 was a year of volatility filled with uncertainties and geopolitical risks. However, it has also been an unusual year in asset class terms, with all major asset classes registering positive annual returns.

On one hand, central banks have cut benchmark interest rates, with short-term interest rates falling. On the other hand, bond markets have been steady over 2025, led by corporate credit markets on the back of strong demand and positive fundamentals driving tightening credit spreads.

While the US dollar weakened 10% against other major currencies, the global stock markets recovered strongly since "Liberation Day" in April to register double-digit gains for the year across the board, led by Europe and emerging markets. Finally, commodities, represented the star of the year with gold increasing more than 50%.

In conclusion, we see good reasons for 2025's positive financial market momentum to persist into 2026 given an encouraging backdrop of buoyant liquidity, low interest rates and positive economic and earnings growth.

Market	16 December Level	% Chg 1 Wk	Return 1 Month	Trend 1 Year
Stocks				
S&P 500	6800	-0,6%	↗	↗
Euro STOXX 50	5718	-0,0%	↗	↗
FTSE 100	9685	+0,4%	↗	↗
Nikkei 225	49512	-2,2%	↘	↗
MSCI EM	1353	-2,2%	↘	↗
Bonds				
		Yield		
US 10Y	4,2	+0,1%	↗	↗
Gm 10Y	2,8	-0,7%	↘	↘
UK 10Y	4,5	+0,3%	↗	↗
Jp 10Y	2,0	+0,9%	↘	↘
IG Credit				
		Yield		
US	5,0	-0,8%	↗	↗
EU	3,2	-0,3%	↗	↗
UK	5,2	-0,2%	↗	↗
Alternatives				
Gold	4317	+2,1%	↗	↗
Copper	5,3	+0,7%	↗	↗
S&P Global Infra	3508	+0,7%	↘	↗
EU REITs	1579	+0,1%	↘	↗
BBG Hedge Fds	1791	-	↗	↗

SILVER HITTING ALL TIME HIGHS



Source: BNP Paribas, Bloomberg

Hiba Moullem
Investment
Strategist
BNP Paribas Wealth
Management



Edmund Shing, PhD
Global CIO
BNP Paribas Wealth
Management



BNP PARIBAS
WEALTH MANAGEMENT

The bank
for a changing
world

A year of contrasts

2025 was a year of volatility filled with uncertainties and geopolitical risks centered around a trend of deglobalization with the US imposing import tariffs on the rest of the world. The April announcement of supplementary US tariffs on so-called "Liberation Day" sent the markets into a shock, disrupting global trade and triggering widespread volatility in global financial markets. At its early April year low, the MSCI World index had fallen 12% from the start of the year due to this heightened uncertainty. However today this is only a distant memory. Surprisingly, global growth has remained robust despite geopolitical turmoil in the US and Middle East.

The year was also the year of "Artificial Intelligence" with major investments by companies to reinforce progress and development of this technology.

2025 has been an unusual year in asset class terms, with all major asset classes from stocks to bonds and from commodities to real estate all registering positive annual returns.

Inflation and Interest rates

Thanks to moderating inflation globally, central banks have cut benchmark interest rates, with short-term interest rates falling as low as zero in Switzerland and to 2% in the eurozone. Lower energy costs and cooling wage growth are the main triggers for cooling inflation, which should persist and thus allow central banks to maintain stable or lower rates into 2026.

Bond markets have been steady over 2025, led by corporate credit markets on the back of strong demand and positive fundamentals driving tightening credit spreads, particularly in the US.

POSITIVE RETURNS ACROSS ASSET CLASSES IN 2025

2025 Return %	Euro	USD
Stocks	6.7%	20.1%
Sov. Bonds	1.2%	7.9%
IG Credit	3.2%	8.0%
Commodities	8.7%	23.1%
REITS	8.7%	4.7%
Cash	1.8%	4.0%

Source: BNP Paribas, Bloomberg. As of 29 November 2025.

Note: Stocks = MSCI World index; Sov. bonds = Bloomberg Euro/US Sovereign bond indices, IG credit = Bloomberg EU/US investment-grade credit index; Commodities = Bloomberg equal-weight commodities ex-agriculture; REITs = Euro STOXX REIT/Dow Jones REIT index.



BNP PARIBAS
WEALTH MANAGEMENT

Currencies and US exceptionalism

The US dollar weakened 10% against other major currencies following Donald Trump's January inauguration, with lower US interest rates, tariff-induced economic uncertainty and elevated US deficit spending all undermining support for the greenback. Strongest of the G10 currencies have been the Swiss franc and the Swedish krona, which have appreciated 13% and 19% respectively against the US dollar since January 1.

Equities

Since the tariff-induced market correction in April, global stock markets have recovered strongly to register double-digit gains for the year across the board, led by Europe and emerging markets. In Europe, star performers have included Southern European markets such as Spain; Italy and Greece (+33% to +49% this year).

The Magnificent 7 have continued to make solid gains on the back of the AI theme, but technology sector momentum has spread from US to include Asian Technology, with impressive performance from Chinese and South Korean technology hardware and internet companies, +41% over the year in US dollar terms.

Commodities

The rise of tariffs, the reverse of globalisation and rising conflict have underlined the geopolitical importance of security of supply of critical minerals and energy security.

Precious metals have been the star asset class in 2025, with gold rising over 50% to a new all-time high and silver rallying to over USD 60 on strong industrial demand, central bank buying and a weaker US dollar.

Strategic industrial metals have also enjoyed impressive performance thanks to strong electrification-related demand and restricted supply due to largely to long-term underinvestment in new capacity.

The bank
for a changing
world

CONNECT WITH US



wealthmanagement.bnpparibas

DISCLAIMER

This marketing document is communicated by the Wealth Management Métier of BNP Paribas, a French Société Anonyme, Head Office 16 boulevard des Italiens, 75009 Paris, France, registered under number 662 042 449 RCS Paris, registered in France as a bank with the French Autorité de Contrôle Prudentiel et de résolution (ACPR) and regulated by the French Autorité des Marchés Financiers (AMF). As marketing material, it has not been prepared in accordance with legal and regulatory requirements aimed at ensuring the independence of investment research and is not subject to any prohibition on dealing ahead of its dissemination. It has not been submitted to the AMF or any other market authority.

This document is confidential and intended solely for the use of BNP Paribas SA, BNP Paribas Wealth Management SA or their affiliates ("BNP Paribas") and the persons to whom this document has been delivered. It may not be distributed, published, reproduced or disclosed by any recipient to any other person, nor may it be quoted or referred to in any document, without the prior consent of BNP Paribas.

This document is provided solely for information and shall not constitute an offer or solicitation in any state or jurisdiction in which such an offer or solicitation is not authorized, or to any person to whom it is unlawful to make such offer, solicitation or sale. It is not, and under no circumstances is it to be construed as, a prospectus.

Although the information provided herein may have been obtained from published or unpublished sources considered to be reliable and while all reasonable care has been taken in the preparation of this document, BNP Paribas does not make any representation or warranty, express or implied, as to its accuracy or completeness and does not accept responsibility for any inaccuracy, error or omission. BNP Paribas gives no warranty, guarantee or representation as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (either legal, regulatory, tax, financial, accounting or otherwise) of any product or transaction. Investors should not place undue reliance on any theoretical historical information regarding such theoretical historical performance. This document may contain or refer to past performance; past performance is no guarantee for future performance.

The information contained in this document has been drafted without prior knowledge of your personal circumstances, including your financial position, risk profile and investment objectives.

Prior to entering into a transaction each investor should fully understand the financial risks, including any market risk associated with the issuer, the merits and the suitability of investing in any product and consult with his or her own legal, tax, financial and accounting advisors before making his or her investment. Investors should be in a position to fully understand the features of the transaction and, in the absence of any provision to the contrary, be financially able to bear a loss of their investment and willing to accept such risk. Investors should always keep in mind that the value of investments and any income from them may go down as well as up and that past performance should not be seen as an indication of future performance. Any investment in a product described herein is subject to the prior reading and understanding of the legal documentation concerning the product, and in particular the one which describes in details the rights and obligations of investors as well as the risks inherent to an investment in the product. Save as otherwise expressly agreed in writing, BNP Paribas is not acting as financial adviser or fiduciary of the investor in any transaction. The information, opinions and projections expressed herein reflect the opinion of their author at the time of writing; they are not to be relied upon as authoritative or taken in substitution for the exercise of judgment by anyone, and are subject to change without notice. Neither BNP Paribas nor any BNP Paribas Group entity accepts any liability whatsoever for any consequences that may arise from the use of information, opinions or projections contained herein.

As distributor of the products described herein, BNP Paribas may receive distribution fees on which you can obtain more information upon specific request. BNP Paribas, their employees or administrators may hold positions in these products or have dealings with their issuers.

By accepting this document, you agree to be bound by the foregoing limitations.

© BNP Paribas (2025). All rights reserved.

Pictures from Getty Images.



BNP PARIBAS
WEALTH MANAGEMENT

The bank
for a changing
world