

Monthly Commentary 6th of June 2025

Global equity markets extended their recovery during May, building upon the rebound from April's lows. The improvement was primarily driven by a combination of enhanced consumer confidence and a de-escalation in trade-related tensions. Notably, progress in trade negotiations between the United States and the European Union, alongside the postponement of scheduled tariff increases, helped alleviate fears of a global economic downturn and supported broad-based advances in risk assets.

The S&P 500 Index recorded a robust gain of 6.15%, outperforming most international benchmarks. European equities also posted strong results, with the Eurostoxx 50 Index rising 4%. The FTSE 100 Index underperformed relative to other major markets, increasing 3.2%.

Global bond markets experienced modest declines, as reflected by a 0.4% decrease in the Bloomberg Global Aggregate Index. The downturn was primarily attributed to mounting fiscal concerns in the United States.

Gold prices declined by 0.8%, as the improved risk environment diminished demand for traditional safe-haven assets. Oil prices rebounded, rising 4.43%. This recovery followed initial weakness in late April and early May and was supported by OPEC's agreement to further scale back production cuts, despite ongoing volatility linked to global trade dynamics.

The US Dollar, as measured by the DXY Index, remained unchanged for the month but has depreciated by 8.44% year-to-date. Bitcoin delivered a significant monthly return of 10.84%, continuing its upward trend amid sustained investor interest.



Warning on fraud and scams

With so many fraudsters after your money, it makes sense to have some simple rules in mind. This week, Interactive Brokers sent us an email which we pass on to you.

Dear Client,

Protect yourself – be scam aware!

REMEMBER: If it is too good to be true, it probably is! When in doubt, apply the scam test:

- S – seems too good to be true
- C – contacted out of the blue
- A – asked for personal details
- M – money is requested

Anyone can be the target of financial fraud and scams. Your best defense is to stay informed, alert and secure.

The Elgin Analysts' Team

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