



Article MARKET COMMENTARY

Weekly round-up: 3rd November – 7th November

Eric Louw recaps the past week's events and looks ahead to the next.

Author

Eric Louw

Senior Investment Manager

Duration: 4 Mins

Date: 07 Nov 2025

The Week that was

The first week of November 2025 was packed with developments that shaped global financial markets. From central bank decisions to political gridlock in Washington, and

from inflation trends to global conflicts, here's a clear and engaging summary of what happened and why it matters to everyday investors.

Central Banks: Holding Fire, But Rate Cuts Are on the Horizon

Bank of England (BoE)

The BoE kept interest rates at 4%, but the vote was split. Four of the nine committee members wanted a cut, reflecting growing concern about weak UK growth and falling inflation. Inflation in the UK is falling faster than expected, thanks to lower energy prices and easing wage pressures. However, growth remains weak, and the Chancellor has warned of "hard choices" ahead in the 26 November budget.

The Bank expects inflation to drop to 3% by early 2026, and possibly below 2% later in the year. Our global macro team agrees with the Bank that inflation will moderate, making room for the Bank to cut interest rates by 0.25% in December. This outcome is in line with consensus and is currently given a 70% probability by markets.

European Central Bank (ECB)

The ECB also held rates steady. Inflation is easing across the eurozone, and growth remains sluggish. Germany and France are facing political uncertainty, which could affect future policy decisions. The Bank may be forced to consider cuts in early 2026 if current trends continue.

US Government Shutdown: Delays, Disruptions, and a Glimmer of Hope

The US federal government entered its 38th day of shutdown this week, making it the longest in American history. The shutdown has furloughed over 750,000 workers, delayed food assistance for millions, and disrupted air travel due to staffing shortages.

One of the most important pieces of economic data, the monthly US jobs report, was not released due to the shutdown. This report helps investors and central banks understand how the economy is performing. Without it, decision-making becomes harder. In the meantime, private data suggests the US economy is slowing. Job growth is modest, and consumer spending is softening.

There are signs of movement. Bipartisan talks in the Senate are gaining traction, with proposals for a short-term funding deal and longer-term budget negotiations. However, political divisions remain deep, especially around healthcare subsidies and food aid.

The shutdown creates uncertainty, delays key data, and affects consumer confidence. A resolution could restore stability and support market sentiment.

Economic & Market Preview: 8–14 November 2025

As we move into mid-November, global markets are preparing for a week packed with important economic data and policy signals. From inflation figures in the US to GDP updates in the UK and Europe, these events could shape investor sentiment and influence central bank decisions in the weeks ahead.

UK: Growth and Jobs in the Spotlight

The UK will be front and centre this week, with several high-impact data releases:

Tuesday 11 November: The Office for National Statistics will publish labour market data, including the unemployment rate, average earnings, and claimant count change. These figures will offer insight into how the UK job market is holding up amid slowing growth and high interest rates.

Thursday 13 November: The UK will release preliminary

GDP figures for Q3, along with monthly GDP for September, business investment, and trade balance data. These numbers will help assess whether the UK economy is stagnating or showing signs of resilience.

If growth is weaker than expected, it could increase pressure on the Bank of England to cut interest rates sooner. Conversely, stronger data may support the Bank's cautious stance.

US: Inflation and Retail Sales Take Centre Stage

The US economic calendar is heavy with inflation and consumer data, although some releases may be delayed due to the ongoing government shutdown.

Thursday 13 November: The Bureau of Labor Statistics is scheduled to release Consumer Price Index (CPI) data for October. This includes both headline and core inflation figures. However, if the shutdown continues, this release may be postponed.

Friday 14 November: The US is expected to publish its Producer Price Index (PPI) and retail sales data. These reports will show how inflation is affecting businesses and consumers. Again, delays are possible depending on government operations.

Inflation data is crucial for the Federal Reserve's next steps. If inflation continues to ease, markets may price in further rate cuts. Retail sales will also indicate whether consumers are still spending or starting to pull back.

Europe: Sentiment and Industrial Production

In the eurozone, the focus will be on business confidence and output:

Tuesday 11 November: Germany's ZEW Economic

Sentiment Index will be released. This survey measures investor confidence in the German economy and often influences eurozone market sentiment.

Thursday 13 November: The eurozone will publish industrial production figures for September. This data will show how manufacturing is performing across the bloc.

Friday 14 November: The eurozone will release Q3 GDP (second estimate) and employment change figures. These updates will help confirm whether the region is avoiding recession or slipping into contraction.

Europe's economy has been fragile, and these indicators will guide expectations for future European Central Bank policy. Weak data could support calls for stimulus or rate cuts in early 2026.

Corporate Earnings: A Quieter Week

Compared to the previous week, corporate earnings will slow down. However, a few notable companies are scheduled to report. Cisco Systems, Walt Disney, and Applied Materials are among the US firms expected to release results. While not market-moving on their own, these earnings can offer clues about consumer demand, tech investment, and global supply chains.

This article is designed to provide you with information only. It is not designed to provide you with financial advice. Please seek financial advice if you are still unsure about your options. There may be a charge for this. Remember, tax treatment depends on your individual circumstances and may be subject to change in the future. And the value of investments can go down as well as up, and could be worth less than what was paid in. This information is based on our understanding in November 2025. Aberdeen is not responsible for the information, accuracy and views of external sources.

Risk warning

The value of your investments can go down as well as up and you may get back less than you paid in. Tax rules can always change in the future. Your own circumstances and where you live in the UK could have an impact on tax treatment.

Copyright © Aberdeen Group plc 2021-2025. All rights reserved.
Aberdeen Group plc is registered in Scotland (SC286832) at 1 George Street, Edinburgh, EH2 2LL