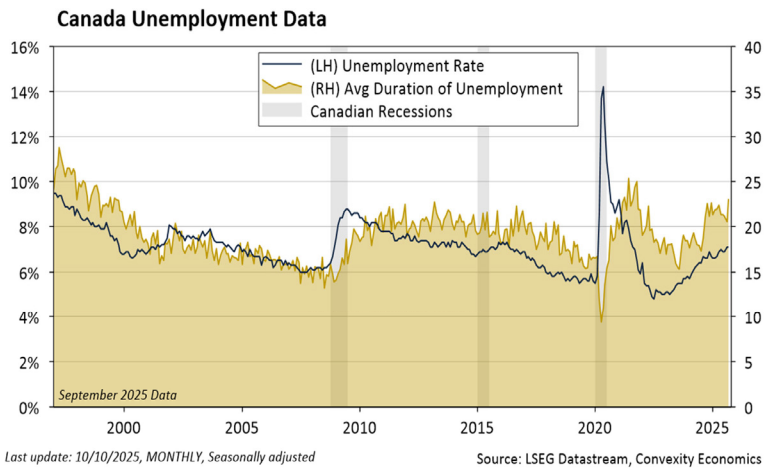
Financial Monitor

For the week ending October 10th, 2025

Chart of the Week: Canadian Employment Data

The Canadian Unemployment Rate remained unchanged at 7.1% in September, slightly below the expected rate of 7.2%. Despite coming in below expectations, the data suggests a slack labour market which would increase the likelihood the Bank of Canada will lower interest rates.

After two months of declining jobs, job growth rebounded in September, with the economy adding 60.4 thousand jobs. Full-time jobs increased by 106.1 thousand and part-time jobs declined by 45.6 thousand jobs.



The average duration of unemployment increased to 23.1 weeks, the longest since October 2021 (prior to 2021, the last time average unemployment duration was longer than 23 weeks was in August 1999).

Headlines

- After a strong start, all three major US stock indices finished down this week after the S&P 500 and NASDAQ Composite indices posted new record highs earlier in the week. The S&P/TX Composite Index followed a similar pattern
- Trade tensions rise between the US and China after President Trump threatened a "massive increase" in tariffs.
- The Canadian Unemployment Rate remained unchanged at 7.1% in September.
- Canada's goods trade deficit widened to -$6.3 billion in August.
- US Consumer Credit was flat in August, increasing at an annualized rate of 0.1%.

Equity Indexes	**Last**	**1W%**	**YTD %**
S&P 500	6,552.51	- 2.43	+ 11.41
S&P/TSX Composite	29,850.89	- 2.04	**+ 20.72**
Dow Jones	45,479.60	- 2.73	+ 6.90
NASDAQ	22,243.75	- 2.36	+ 15.19
FTSE 1000 (UK)	9,427.47	- 0.67	+ 15.35
CSI 300 (China)	4,616.83	- 0.51	+ 17.33
Sensex Index (India)	82,500.82	+ 1.59	+ 5.58
Bonds Yields	**Last**	**1W**	**YTD**
Canada 10 Year Bond	3.212%	+ 0.025	- 0.023
Canada 30 Year Bond	3.722%	+ 0.050	+ 0.383
US 10 Year Bond	4.148%	+ 0.027	- 0.425
US 30 Year Bond	4.733%	+ 0.020	- 0.053

Currency	**Last**	**1W**	**YTD**
US Dollar Index	98.94	1.25%	**-8.80%**
Currencies to the Loonie			
US Dollar	$0.714	- $0.003	+ $0.019
Euro	$0.615	$0.005	- $0.057
British Pound	$0.535	+ $0.003	- $0.021
Chinese Yuan	$5.094	- $0.008	+ $0.020
Bitcoin	$163,322	**- 4.44%**	+ 21.22%
Commodities	**Last**	**1W %**	**YTD%**
Gold *(USD/Troy Ounce)*	$4,006.37	+ 3.10	+ 52.69
ICE Brent Crude*(USD/bbl)*	$62.66	- 2.64	- 16.26
WTI Light *(USD/bbl)*	$58.80	- 3.11	- 18.19

Data as of: October 10, 2025 1:09 PM PT

Source: LSEG Datastream, Convexity Economics

North American Equity Markets

	Daily Changes						
Equity Indexes	**Monday**	**Tuesday**	**Wednesday**	**Thursday**	**Friday**	**1 Week %**	**YTD%**
S&P 500		0.58%	-0.28%	-2.71%		▼ 2.43%	▲ 11.41%
S&P/TSX Composite		0.50%	-0.76%	-1.38%		▼ 2.04%	▲ 20.72%
Dow Jones		-0.00%	-0.52%	-1.90%		▼ 2.73%	▲ 6.90%
NASDAQ		1.12%	-0.08%	-3.56%	0.18%	▼ 2.36%	▲ 15.19%
Russell 3000		0.64%	-0.32%	-2.72%	0.17%	▼ 2.35%	▲ 11.17%
S&P 600 Small Cap Index		0.86%	-1.09%	-3.18%	0.00%	▼ 4.94%	▼ 1.10%

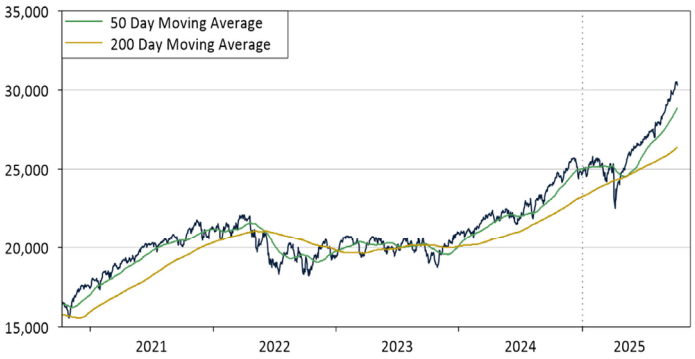
Data as of: October 10, 2025 1:09 PM PT *Source: LSEG Datastream, Convexity Economics*

All three major US stock indices finished down this week after the S&P 500 and NASDAQ Composite indices posted new record highs earlier in the week. Friday declines came as trade tensions between the US and China rose after President Trump threatened a "massive increase" in tariffs. The CSI 300 (China's major stock index) fell 1.97% Friday.

This renewed volatility with the CBOE Market Volatility Index (VIX) increasing 32% on the news.

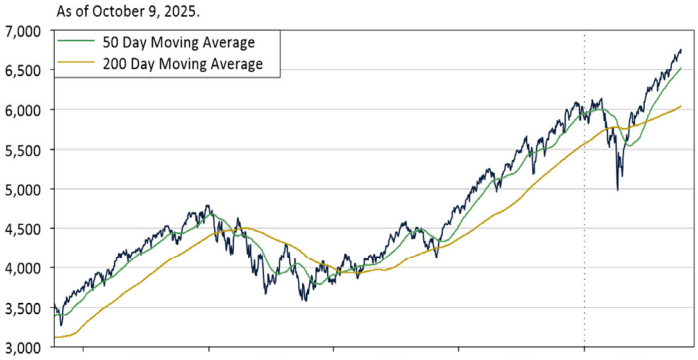
The 'data desert' resulting from the US government shutdown has left the market starved for data and poised to be overly sensitive to any available data or headlines (see above VIX spiking on tariff news). Most major US financial institutions are set to announce quarterly earnings next week and investors are hopeful these will provide some insight into the state of the US consumer.

S&P/TSX Composite Index



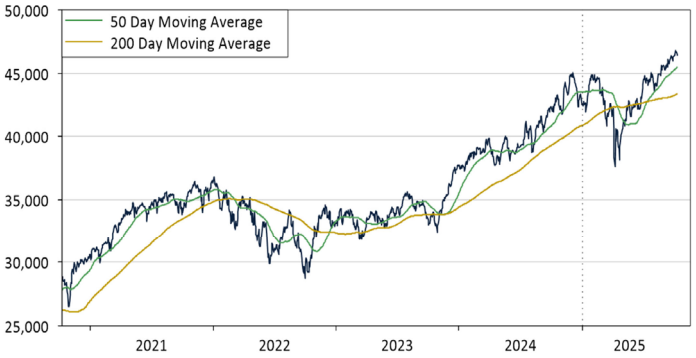
Source: LSEG Datastream, Convexity Economics

S&P 500 Index



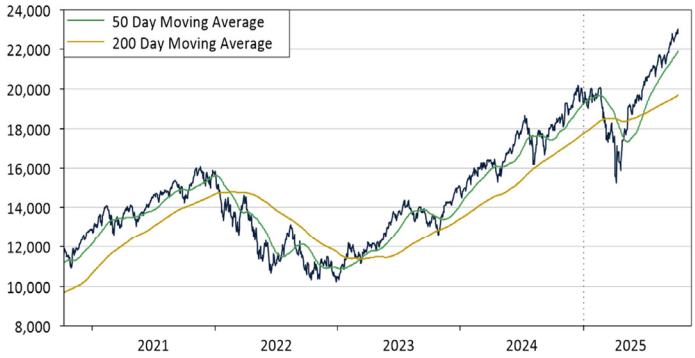
Source: LSEG Datastream, Convexity Economics

Dow Jones Industrial Average



Source: LSEG Datastream, Convexity Economics

NASDAQ Composite Index



Source: LSEG Datastream, Convexity Economics

Central Bank Rates

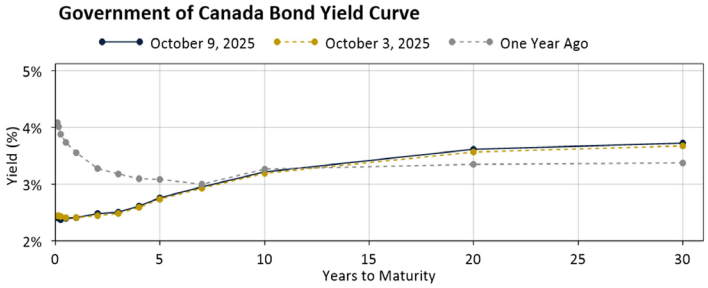
Current Key Interest Rates		Next Meeting	Last Decision	Last Meeting
Canada	2.75%	Oct 30, 2025	▼ 0.25	Sep 18, 2025
United States*	4.50%	Oct 29, 2025	▼ 0.25	Sep 17, 2025
Mexico	7.50%	Nov 6, 2025	▼ 0.25	Sep 25, 2025
European Union	2.15%	Oct 30, 2025	—	Jul 24, 2025
India	5.50%	Dec 5, 2025	—	Sep 30, 2025
China	3.00%	Oct 19, 2025	—	Sep 21, 2025
Japan	0.50%	Oct 30, 2025	—	Sep 18, 2025

**Upper Limit*

Data as of: October 10, 2025

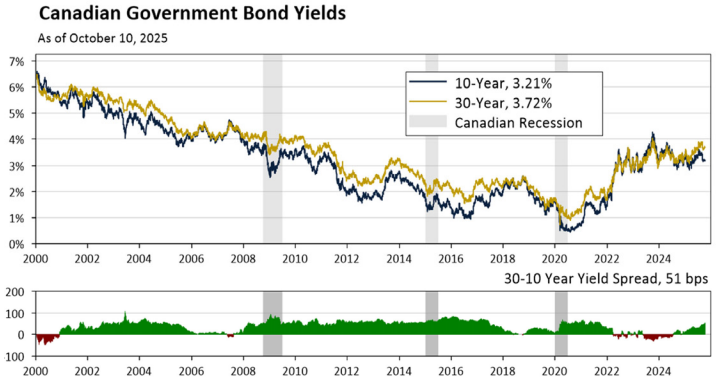
Source: LSEG Datastream, Convexity Economics

Government of Canada Bond Yields



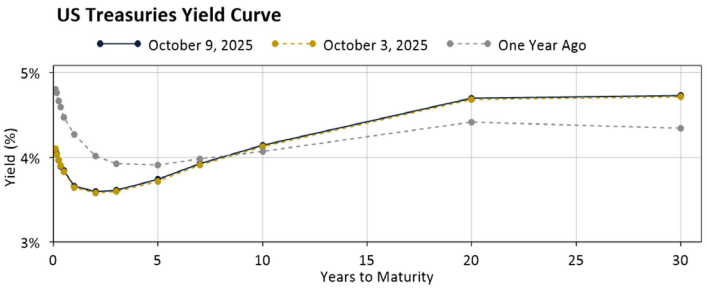
	1 M	2 M	3 M	6 M	1 Y	2 Y	3 Y	4 Y	5 Y	7 Y	10 Y	20 Y	30 Y
Last Week	2.44	2.44	2.43	2.41	2.41	2.45	2.49	2.61	2.74	2.93	3.19	3.57	3.67
Current	2.41	2.40	2.38	2.40	2.41	2.48	2.51	2.61	2.76	2.95	3.21	3.62	3.72

Source: LSEG Datastream, Convexity Economics



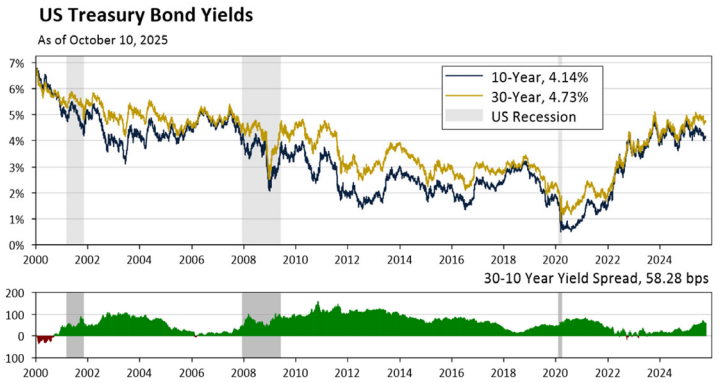
Source: LSEG Datastream, Convexity Economics

US Treasury Yields



	1 M	2 M	3 M	6 M	1 Y	2 Y	3 Y	4 Y	5 Y	7 Y	10 Y	20 Y	30 Y
Last Week	4.10	4.03	3.96	3.83	3.65	3.58	3.60	2.75	3.72	3.91	4.12	4.68	4.71
Current	4.09	4.04	3.96	3.84	3.66	3.60	3.61	2.75	3.74	3.92	4.14	4.69	4.73

Source: LSEG Datastream, Convexity Economics

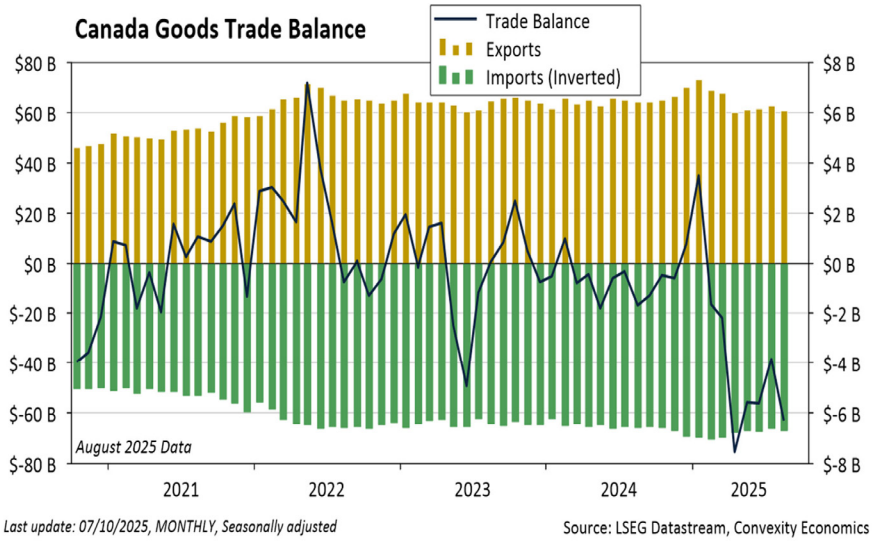


Source: LSEG Datastream, Convexity Economics

Economic Releases

Canada's goods trade deficit widened to -$6.3 billion in August, with imports increasing 0.9% and exports falling 3.0%.

While exports to the US decreased due to tariffs as expected, total exports to countries other than the US also declined 2.0% in August, largely due to lower exports of crude oil and nuclear fuel – this is indicative of a slowing global economy. This marked the third consecutive month of declining exports.



Last update: 07/10/2025, MONTHLY, Seasonally adjusted

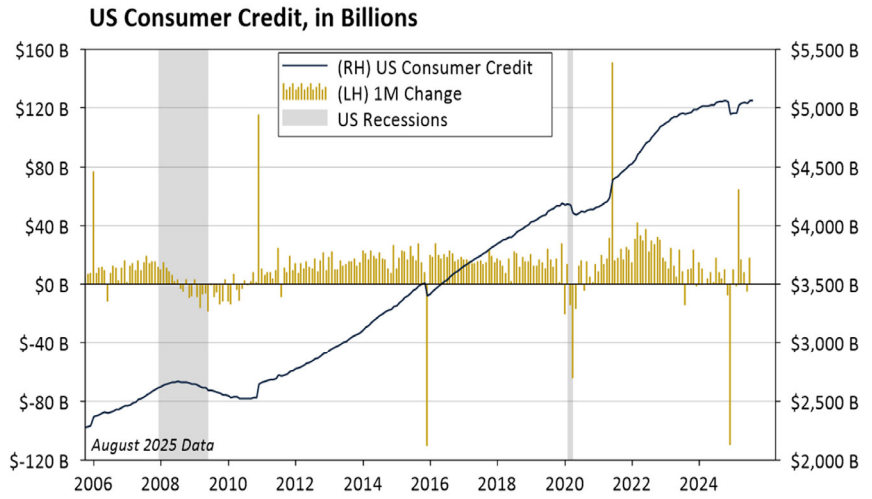
Source: LSEG Datastream, Convexity Economics

Imports from countries other than the US rose 4.2% to a record high $29.2 billion in August. The decline in exports, combined with the increase in imports contributed to a widening of the trade deficit with countries other than US, reaching a record -$12.8 billion in August.

Service exports fell 0.2% while imports of services remained unchanged. The services trade balance came in at surplus of $0.3 billion for August, resulting in an overall trade deficit of $6.0 billion in August.

One of the few data releases still being produced in the US is the US Consumer Credit Report, released this week. Consumer credit was flat in August, increasing a modest 0.1% at an annualized rate. Revolving debt which primarily covers credit card debt, decreased 5.5%, while non-revolving debt ticked up 2.0%.

US consumption has been led by top income earners, while consumption from the broader population has weakened. With many consumers reluctant to take on credit card debt, or keen to reduce it, consumption is apt to be dependent on those with high disposable income.



Last update: 07/10/2025, MONTHLY, Current prices, seasonally adjusted

Source: LSEG Datastream, Convexity Economics

The Bureau of Labor Statistics announced they would bring some furloughed workers back in order to release the Consumer Price Index (CPI) report. The CPI report was originally scheduled for October 15th, but it is unclear whether this will be the case. It has been reported that the release will likely come before the next Federal Open Market Committee (FOMC) meeting on October 28th, giving the FOMC some key data for their rate decision. There has not been any mention of releasing the September jobs report (originally scheduled for October 3rd) prior to the meeting.

Equity Indexes	Last	1W%	YTD %
S&P 500	6,552.51	- 2.43	+ 11.41
S&P/TSX Composite	29,850.89	- 2.04	+ 20.72
Dow Jones	45,479.60	- 2.73	+ 6.90
NASDAQ	22,243.75	- 2.36	+ 15.19
FTSE 1000 (UK)	9,427.47	- 0.67	+ 15.35
CSI 300 (China)	4,616.83	- 0.51	+ 17.33
Sensex Index (India)	82,500.82	+ 1.59	+ 5.58
Bovespa Index (Brazil)	140,807	- 2.35	+ 17.06
Merval Index (Argentina)	1,924,930	+ 6.64	- 24.02
Russell 3000	3,731.90	- 2.35	+ 11.17
S&P 600 Small Cap Index	1,392.72	- 4.94	- 1.10
VIX Volatility Index	**21.80**	**+ 30.93**	**+ 25.65**
Bonds Yields	**Last**	**1W**	**YTD**
Govt of Canada 5 Year	2.761%	+ 0.023	- 0.207
Govt of Canada 10 Year	3.212%	+ 0.025	- 0.023
Govt of Canada 30 Year	3.722%	+ 0.050	+ 0.383
US Treasury 5 Year	3.741%	+ 0.026	- 0.637
US Treasury 10 Year	4.148%	+ 0.027	- 0.425
US Treasury 30 Year	4.733%	+ 0.020	- 0.053
Currency	**Last**	**1W**	**YTD**
US Dolar Index	98.94	+ 1.25%	-8.80%
Bitcoin (USD)	$163,322	+ 33.28%	+ 74.33%
Currencies to the Loonie			
US Dollar	$0.714	- 0.003	+ 0.019
Euro	$0.615	+ 0.005	- 0.057
British Pound	$0.535	+ 0.003	- 0.021
Japanese Yen	$108.980	+ 3.500	- 0.630
Chinese Yuan	$5.094	+ 4.898	+ 4.897
Aussie Dollar	$1.101	+ 0.180	+ 0.211
GDP	**YoY %**	**Change**	**Quarter**
Canada	+ 1.21	- 1.05	*Q2*
United States	+ 2.08	+ 0.06	*Q2*
Mexico	+ 1.18	+ 0.52	*Q2*
Euro Zone**	+ 1.28	- 0.10	*Q2*
China**	+ 5.24	- 0.18	*Q2*
Japan	+ 1.70	+ 0.06	*Q2*
India	+ 7.81	+ 0.43	*Q2*
Inflation	**YoY %**	**Change**	**Month**
Canada	+ 1.86	+ 0.12	*Aug*
United States	+ 2.94	+ 0.21	*Aug*
Mexico	+ 3.76	+ 0.19	*Sep*
Euro Zone**	+ 2.25	+ 0.16	*Sep*
China**	- 0.99	- 0.50	*Aug*
Japan**	+ 2.75	- 0.29	*Aug*
India	+ 2.07	+ 0.47	*Aug*

Canadian Sectors	Last	1W%	YTD %
Energy	282.53	- 1.74	+ 5.76
Industrials	474.19	- 1.83	+ 3.44
Consumer Staples	1,156.27	- 0.27	+ 8.84
Financials	565.40	- 1.98	+ 17.84
Communication Services	157.43	+ 1.14	+ 14.38
Real Estate	331.24	- 3.35	+ 5.30
Materials	665.63	- 1.77	+ 75.99
Consumer Discretionary	345.29	- 3.83	+ 15.69
Health Care	21.71	- 4.11	- 15.62
Information Tech	331.36	- 1.27	+ 17.58
Utilities	360.91	+ 1.52	+ 17.69
S&P/TSX Composite	29,850.89	- 2.04	+ 20.72
US Sectors	**Last**	**1W%**	**YTD %**
Energy	653.02	- 3.98	- 0.28
Industrials	1,268.86	- 2.91	+ 13.73
Consumer Staples	869.22	+ 0.60	+ 1.82
Financials	867.78	- 2.97	+ 7.87
Communication Services	408.39	- 2.20	+ 19.53
Real Estate	255.48	- 3.30	- 0.17
Materials	553.55	- 3.08	+ 4.49
Consumer Discretionary	1,839.12	- 3.33	+ 0.43
Health Care	1,657.00	- 1.86	+ 3.26
Information Tech	5,517.86	- 2.53	+ 19.71
Utilities	457.90	+ 1.42	+ 18.95
S&P 500	6,552.51	- 2.43	+ 11.41
Commodities	**Last**	**1W %**	**YTD %**
Baltic Dry index	1,923.00	+ 1.16	+ 92.88
Bloomberg Industrial Metals Index	149.20	- 1.55	+ 6.33
Gold	$4,006.37	+ 3.10	+ 52.69
Silver	$50.03	+ 4.29	+ 73.27
Copper	$4.90	- 3.29	+ 21.87
Oil (ICE Brent Crude)	$62.66	- 2.57	- 16.26
Oil (WTI Light)	$58.80	- 3.03	- 18.16
Natural Gas	$3.14	- 5.45	- 13.45
Corn	$413.50	- 1.43	- 9.77
Wheat	$498.75	- 3.11	- 9.44
Cocoa	$5,880.00	- 5.05	- 45.82
Coffee	$357.20	- 3.91	+ 13.07

Data as of: *October 10, 2025 1:09 PM PT*

Source: LSEG Datastream, Convexity Economics

What We Believe You Should Know

The views and opinions in this report are our own and we have prepared all of the information. These views and opinions could be incorrect, and while we believe we have sourced the information in the report from reliable sources, we cannot warrant their accuracy. The content of this report should not be considered investment advice as it may not be suitable for your personal circumstances, and is not a solicitation to buy or sell securities. We encourage you to speak to an investment professional before making any investment related decisions. This report may also discuss topics that overlap with tax-related matters. We are not tax advisors and we recommend that you seek independent advice from a professional advisor on tax-related matters.

© 2025 Lighthouse Wealth Management. All Rights Reserved.

What We Believe You Need To Know

This information has been prepared by Stephen Gaskin who is a Senior Wealth Advisor for iA Private Wealth Inc. and does not necessarily reflect the opinion of iA Private Wealth. The information contained in this newsletter, text, comes from sources we believe reliable, but we cannot guarantee its accuracy or reliability. The opinions expressed are based on an analysis and interpretation dating from the date of publication and are subject to change without notice. Furthermore, they do not constitute an offer or solicitation to buy or sell any of the securities mentioned. The information contained herein may not apply to all types of investors.

iA Private Wealth Inc. is a member of the Canadian Investor Protection Fund and the Canadian Investment Regulatory Organization. iA Private Wealth is a trademark and a business name under which iA Private Wealth Inc. operates.