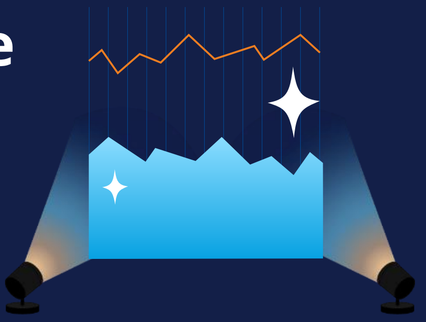
Global Investment Views / October 2025

Amundi Investment Solutions

Trust must be earned

The Fed's employment mandate takes centre stage

Global equities continue to reach new highs, driven by optimism around artificial intelligence (AI) and the Fed's initial monetary easing. We see a decelerating US growth environment, but the central bank remain committed to supporting the economy. Considering this backdrop, we believe a well-diversified* and mildly positive risk stance may be appropriate.



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Marketing Communication

Benefit from income potential in credit

Rate cuts by central banks will likely enhance the appeal of corporate credit returns. We continue to favour quality credit (low debt, strong cashflows) in the EU. In addition, a trade deal with the US should also boost sentiment in EU credit.

A pinch of salt on AI-euphoria

The US equity market has been propelled by optimism around AI and tech, making the tech sector expensive. Therefore, we prefer other sectors such as US value, and regions including Japan, the UK, and Europe.

The shift towards multipolarity boosts EM

EMs that are adapting to changing global supply chains and the AI story will benefit from the ongoing geopolitical realignment. A weaker USD creates a favourable environment for EM. We selectively like bonds in Latin America and equities in emerging Europe.

Explore yield curves globally

We believe US growth should slow this year, and the country will likely see inflation pressures in the near term. As a result, we are positive on inflation-linked bonds. Elsewhere, we like EU-peripheral debt and UK government bonds.

Stay balanced overall and positive on gold

Despite some growth concerns in the US and Europe for the remainder of the year, risk assets are reaching new highs. In our view, this is not the time to increase risk, but to tilt towards quality segments in equities and credit. We believe, commodities like gold may offer protections in times of geopolitical tensions.

Glossary

1. **Bond:** is a fixed-income investment that represents a loan made by an investor to a borrower, usually corporate or governmental
2. **Yield curve steepening:** increase in the difference of yields between long term and short term bonds.
3. **Equity:** is the remaining value of an asset or investment after considering or paying any debt owed; the term is also used to refer to capital used for funding or a brand's value
4. **ECB:** European Central Bank
5. **EU:** European Union
6. **Credit:** is a contractual agreement in which a borrower receives a sum of money or something else of value and commits to repaying the lender later, typically with interest
7. **EM:** Emerging Market

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