

Global Monthly Outlook

December 2025 (covering November 2025)

Index	Nov (%)	YTD (%)
MSCI World	USD 0.3	20.6
S&P 500	USD 0.2	17.8
MSCI Europe	EUR 0.9	17.1
MSCI Asia Pac ex Japan	USD -2.9	26.8
Hong Kong Hang Seng	HKD -0.1	33.3
Hang Seng China Enterprises (H-shares)	HKD -0.4	29.2
Topix	JPY 1.4	24.2

Source: Thomson Reuters Datastream, total returns in local currency unless otherwise stated. Data as of November 30, 2025. YTD refers to year-to-date.

Global Outlook

US equities posted modest gains, recovering late as hopes of a December rate cut. US PMI improved slightly to 54.8 according to S&P Global, signaling continued growth.

European equities outperformed US, global, and emerging markets in November, aided by limited AI exposure.

Asia ex-Japan equities corrected this month, as China, Korea and Taiwan stock market fell. ASEAN market outperformed the overall Asia this month, with Singapore, Malaysia, Indonesia and Philippines returned positively.

United States

- US equities rose slightly in November. September labour data was mixed: 119,000 jobs were added, unemployment was up to 4.4%.
- Consumer confidence weakened further in November, falling to 88.7 from October's revised 95.5 - well below the anticipated 93.5.

Europe (including UK)

- European equity markets continue upward trend, outperforming US, Global and EM equities. In sectors terms, financials, healthcare and energy were the leaders, while technology communication services and industrials were the laggards.
- Inflation rose to 2.2%, above the European Central Bank's 2% target. The central bank is expected to keep rates at 2%.

Asia Pacific (ex Hong Kong ex China ex Japan)

- India outperformed the Asia market this month with positive gains. Information technology and energy sector led the rally this month. Optimism around an impending India-US trade agreement boosted sentiment.
- Taiwan and Korea market detracted this month, with information technology and industrials lagged this month. Taiwan softened as export orders and Industrial production missed expectations on weaker tech demand, though AI-related exports offer upside.

Hong Kong and Mainland China (H-shares)

- The China and Hong Kong markets corrected in November, with IT, consumer discretionary, and communication services lagging during the month.
- On the economic front, October high-frequency macro data softened. China Exports fell 1.1% year-on-year, while industrial production declined 0.4% month-on-month, despite continued strength in high-tech manufacturing.

Japan

- The yen weakened against the US dollar as inflation held firm year-on-year.
- Expectations for a Bank of Japan rate hike shifted to January, while a ¥21.3 trillion stimulus package offered limited support amid fiscal concerns.

Fixed Income

- US Treasuries rallied on hopes of a December rate cut, supported by dovish Fed comments. US economic data was mixed with the shutdown delayed non-farm payrolls report showing 119,000 jobs (vs 51,000 expectations) were added in September although the unemployment rate ticked up to 4.4%, its highest level in four years.
- With the tailwind of rallying government bonds, it was a positive month for corporate bond markets in the US and UK. Dollar investment grade was the strongest performer, returning 0.64% vs 0.13% for sterling IG.

Emerging Markets

- Emerging market equities were mixed. Latin America led gains, driven by Brazil's longest winning streak in decades and strong commodity prices.
- Mexico reached an all-time high, led by industrials, consumer goods, and financials, aided by a stronger peso and cooling inflation. A thaw in US-China trade relations and higher soybean prices added to supportive conditions across the region.

December 2025 (covering November 2025)

Important Information

This document is intended only for investors in Hong Kong for informational purposes only. This document is not an offering of a financial product and should not be distributed to retail clients who are resident in jurisdiction where its distribution is not authorized or is unlawful. Circulation, disclosure, or dissemination of all or any part of this document to any unauthorized person is prohibited.

This document may contain statements that are not purely historical in nature but are "forward-looking statements," which are based on certain assumptions of future events. Forward-looking statements are based on information available on the date hereof, and Invesco does not assume any duty to update any forward-looking statement. Actual events may differ from those assumed. There can be no assurance that forward-looking statements, including any projected returns, will materialize or that actual market conditions and/or performance results will not be materially different or worse than those presented.

All material presented is compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed. Investment involves risk. Please review all financial material carefully before investing. The opinions expressed are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco investment professionals. The distribution and offering of this document in certain jurisdictions may be restricted by law. Persons into whose possession this marketing material may come are required to inform themselves about and to comply with any relevant restrictions. This does not constitute an offer or solicitation by anyone in any jurisdiction in which such an offer is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

All data as of December 23, 2025, unless otherwise stated. This document is issued in:

Hong Kong

This document is issued in Hong Kong by Invesco Hong Kong Limited 景順投資管理有限公司, 45/F, Jardine House, 1 Connaught Place, Central, Hong Kong.

This document has not been reviewed by the Securities and Futures Commission.