Weekly Market Directions

Amundi Investment Solutions

Trust must be earned

"We are in a regime of higher yields for longer across the globe. Bond volatility is likely to stay higher than in the past decade, but yields are becoming increasingly attractive."

Monica Defend
Head of Amundi Investment Institute

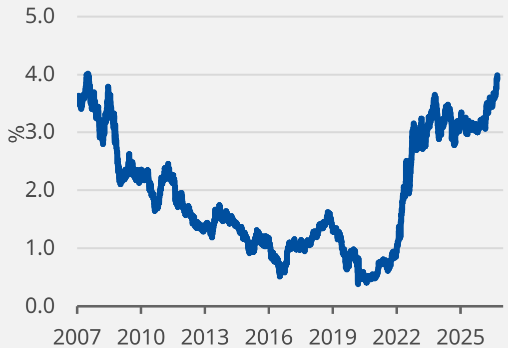
Global yields surge

In US markets, after the 10- and 30- year yields, the 5-year maturity also moved above the of 5% threshold, the highest level in two decades.

The move is global. German bonds also rose, with the 10-year reaching 3.6%, its highest level since 2009, while the Japanese 10-year climbed above 3%.

Interest rate levels are becoming increasingly attractive, creating opportunities to add portfolio income through a diversified and dynamic approach.

Global yields surge again



Source: Amundi Investment Institute, Bloomberg as at 24 September 2026. *Data on Bloomberg Global Aggregate Treasuries Index.

Bond yields moved higher again, pushing the average yield on global government debt* close to 4%, the highest level since 2007. The latest move was driven by strong US activity indicators (PMIs), in both manufacturing and services, which confirmed the resilience of the US economy, as recently highlighted by Fed Chair Warsh. Higher oil prices, with Brent rising above $105 a barrel, and a weaker US debt auction have also added pressure. Markets also continue to factor in a more hawkish Fed and heavy government and corporate borrowing.

Taken together, these factors are consistent with the view that the investment cycle and elevated funding needs are keeping yields structurally high, while Fed repricing and oil uncertainty are better explaining the recent moves, with inflation expectations well anchored over the long term.

Key dates

30 Sep	China PMI, JP Industrial Production, US ADP Employment Report and PCE Price Index
1 Oct	Japan Tankan, EZ Manufacturing PMI, US ISM Manufacturing
2 Oct	Japan CPI, EZ CPI, US Non-Farm Payrolls and Durable Goods Orders

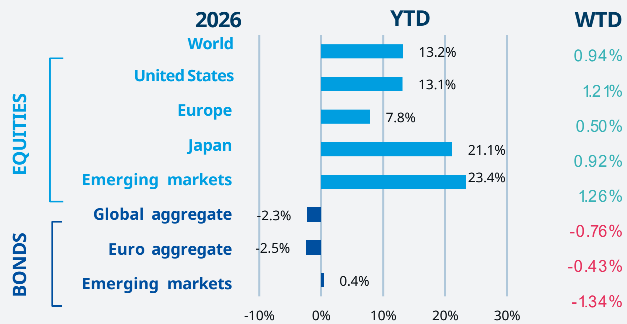
Amundi Investment Solutions

This week at a glance

Global equities were supported by news of successful AI product launches and strong business sentiment indicators. In the fixed income markets, long-term yields rose to their highest levels in a decade. Pressure on bonds intensified as energy prices surged and business sentiment data beat expectations. Brent Oil prices rose during the week before falling at the end on prospects of a US-Iran agreement. Gold fell amid high real yields and a firmer US dollar.

Equity and bond markets

Asset class performances, year-to-date and week-to-date



Source: Bloomberg, data as of 25 September 2026. Please refer to the last page for additional information on the indices.

Government bond yields

2- and 10-year government bond yields, and 1-week changes

	2YR		10YR	
US	4.85	▲	5.16	▲
Germany	3.27	▼	3.60	▲
France	3.56	▲	4.69	▲
Italy	3.51	▲	4.51	▲
UK	4.84	▼	5.37	▲
Japan	1.92	▲	3.07	▲

Source: Bloomberg, data as of 25 September 2026. Please refer to the last page for additional information on the indices. The trend shown refers to 1-week changes. Please refer to the last page for additional information.

Commodities, FX and short-term rates, levels and weekly changes

Gold *USD/oz*	Crude Oil *USD/barrel*	EUR/USD	USD/JPY	GBP/USD	USD/RMB	Euribor 3M	T-Bill 3M
4284.81	92.41	1.14	157.28	1.32	6.71	2.61	4.17
-2.14%	-7.9%	-0.83%	+0.25%	-1.1%	+0.3%		

Source: Bloomberg, data as of 25 September 2026. Please refer to the last page for additional information on the indices.

Amundi Investment Institute Macro Focus

Americas

Strong US business activity surveys

A closely watched US PMI survey, covering both manufacturing and services, rose to its highest level since mid-2021 in September and came in well above expectations. Manufacturing led the improvement, while hiring picked up at the fastest pace in more than four years both in service and manufacturing. The reading points to an economy that is still holding up well despite higher borrowing costs, and it contributed to the rise in bond yields.

Europe

Euro Area business activity stronger than expected

The Euro Area business survey beat expectations in September. The composite reading rose to 53.1, suggesting the economy is holding up better than expected. The sectoral breakdown showed strength in services, while the manufacturing figure remain unchanged. Input costs and output prices re-accelerated. The European Central Bank's chief economist warned that higher oil and gas prices could keep inflation elevated for longer.

Asia

Bank Indonesia on hold

The Indonesian central bank left policy rates unchanged at the September meeting. The statement focused mainly on measures that have been implemented and expanded to support stability in the Indonesian rupiah, which remains an important driver of future inflation. Despite the Fed's hikes, Bank Indonesia is expected to continue using all available tools to support currency stability before resuming rate hikes, following its most recent mini-cycle of 100 bps between May and June.

NOTES

Page 2

Equity and bond markets (chart)

Source: Bloomberg. Markets are represented by the following indices: World Equities = MSCI AC World Index (USD), United States = S&P 500 (USD), Europe = Europe Stoxx 600 (EUR), Japan = TOPIX (YEN), Emerging Markets = MSCI Emerging (USD), Global Aggregate = Bloomberg Global Aggregate USD Euro Aggregate = Bloomberg Euro Aggregate (EUR), Emerging = JPM EMBI Global Diversified (USD).

All indices are calculated on spot prices and are gross of fees and taxation.

Government bond yields (table), Commodities, FX and short-term rates.

Source: Bloomberg, data as of **25 September 2026.** The chart shows the price of gold.

Diversification does not guarantee a profit or protect against a loss.

GLOSSARY

ADP Employment report: Independent report on private employment
BoE: Bank of England
BoJ: Bank of Japan
CPI: Consumer Price Index
ECB: European Central Bank
EZ: Euro Area
FED: Federal Reserve
GDP: Gross Domestic Product
ISM: Sentiment index of enterprises
MoM: Month-on-Month
YoY: Year-on- Year
PMI: Purchasing Manager's Index are sentiment indicators of enterprises
PPI: Producer Price Index
PCE: Personal Consumption Expenditure
Tankan: Sentiment index of enterprises
US: United States of America
UK: United Kingdom
YTD: Year to date
WTD: Week to date

IMPORTANT INFORMATION

Date of first use: 25 September 2026.

Document ID: 5961793
The content of this document is approved by Amundi Asset Management, a French société par actions simplifiée, a portfolio management company approved by the "Autorité des marchés financiers" or "AMF" under the number GP 04000036 whose registered office is located 91-93 boulevard Pasteur, 75015 Paris – France, under the Paris trade register number 437 574 452 RCS - www.amundi.com

Photo credit: ©iStock/Getty Images Plus

MSCI Disclaimer available here