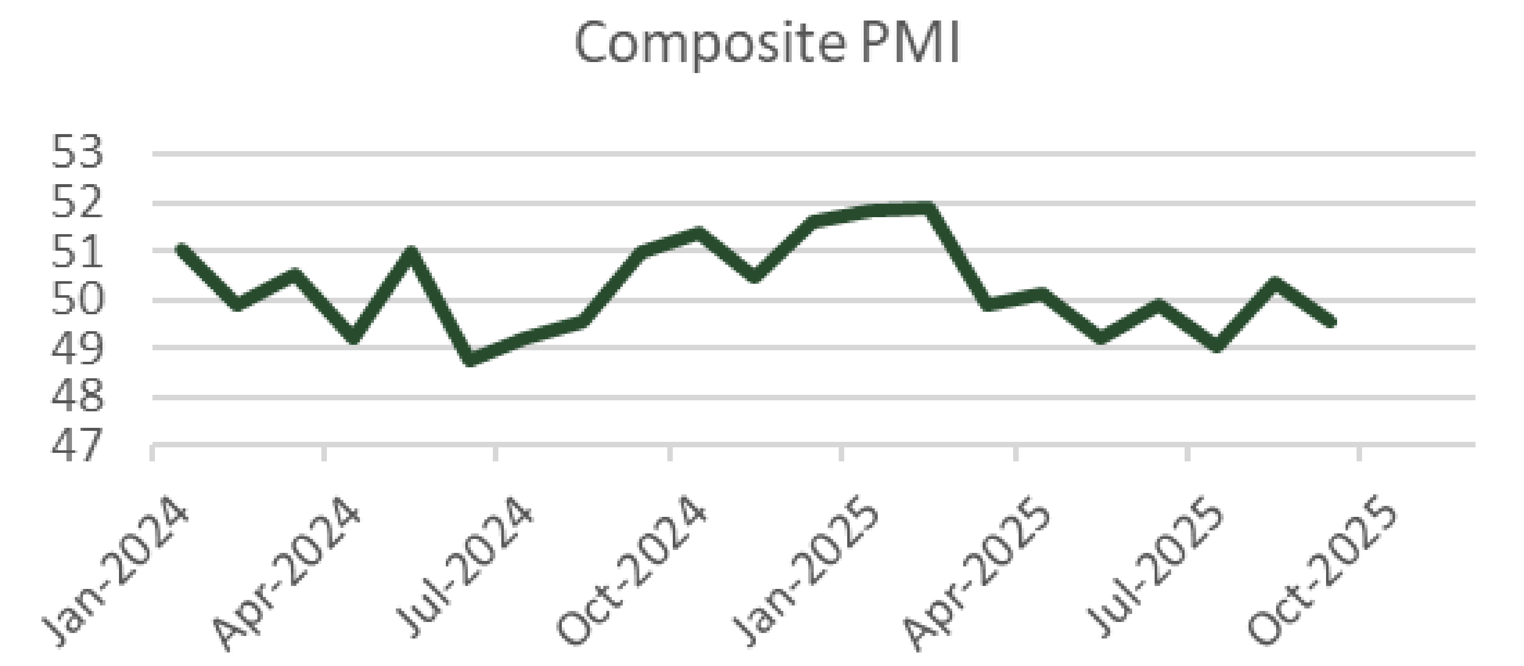
Investment Roundup

4 November 2025

RAFFLES
FAMILY OFFICE

As 2025 draws to a close, the message is clear: the era of synchronized tightening is over. Investors now face a more nuanced landscape—one defined by divergent central-bank paths, a softening dollar, and a gradual rotation toward safe-haven and income-generating assets.

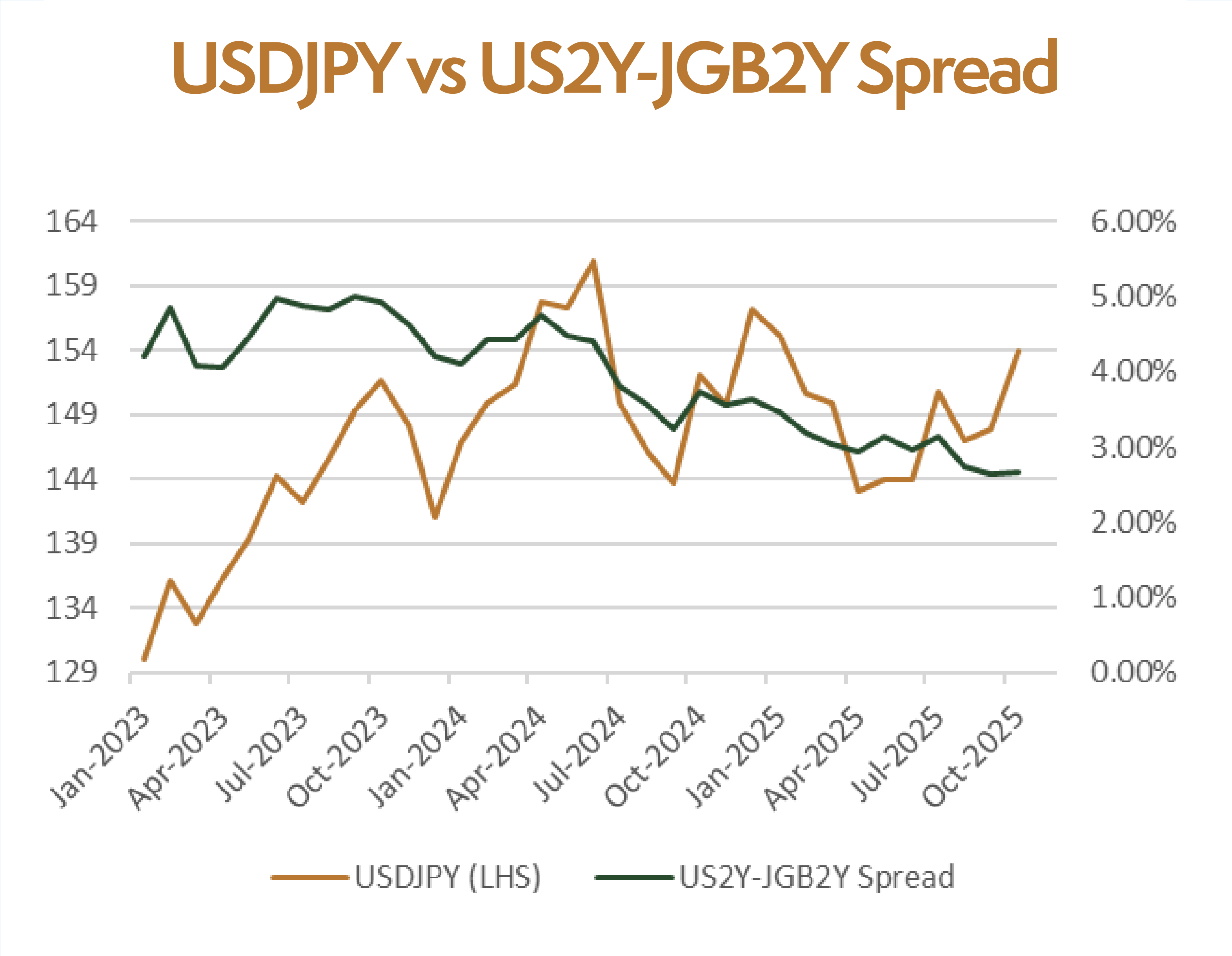
Fed Hinting Moderation in Growth



Source: Bloomberg L.P., as of 31 October, 2025

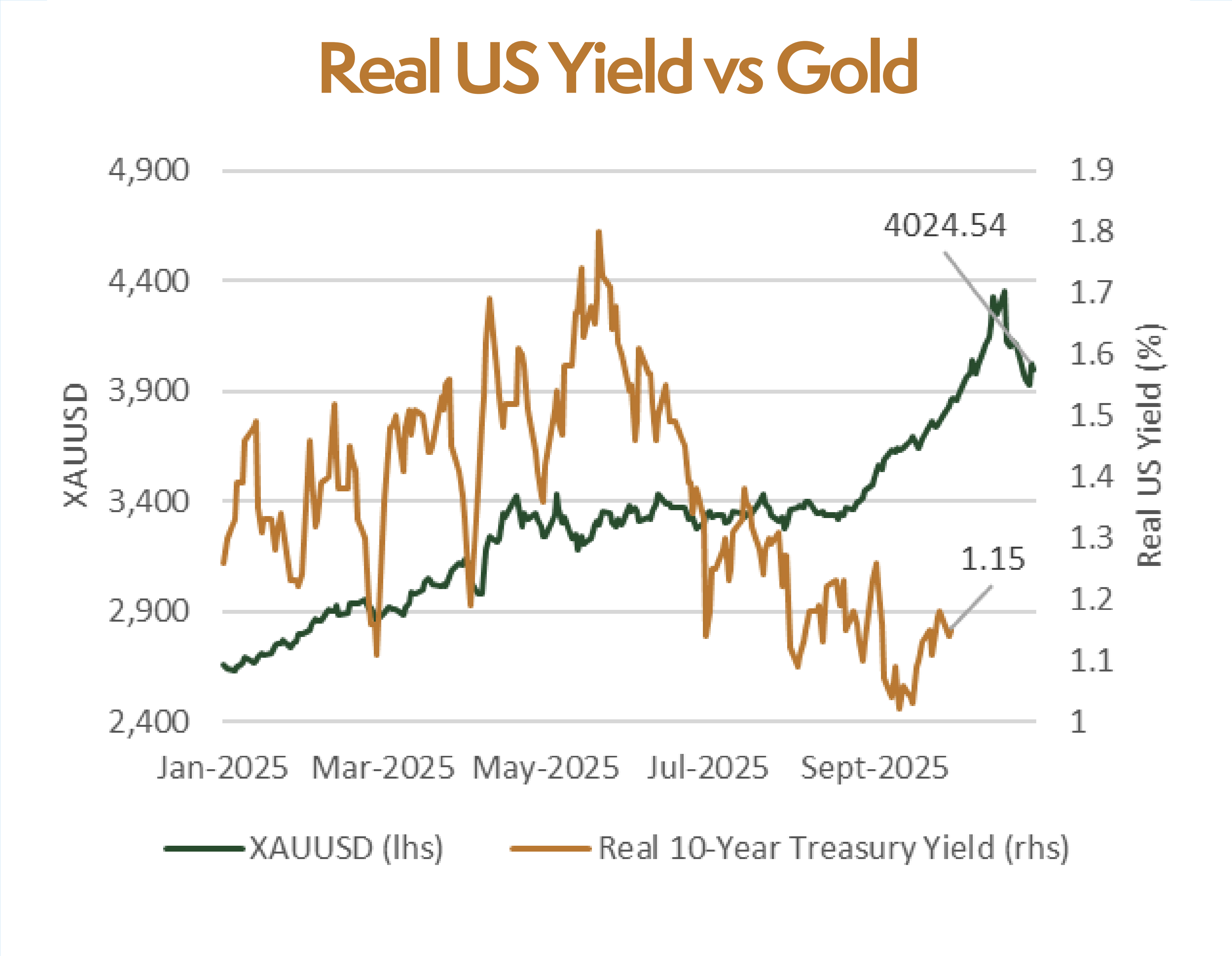
The final weeks of 2025 are unfolding under the shadow of renewed policy divergence. The U.S. Federal Reserve has executed its first consecutive rate cuts since 2020, citing concerns over softening labor growth and waning demand. Markets now price the Fed funds rate near 3.25% by end-2026, a full half-point lower than two months ago.

The shift shows a notable pivot in policy focus from curbing inflation to preserving employment and growth. The Composite PMI, hovering below 50, confirms a broad-based slowdown across services and manufacturing. For investors, this backdrop reinforces the case for long-duration exposure, with the yield curve's convexity offering asymmetric upside.



Source: Bloomberg L.P., as of 31 October, 2025

In contrast, the Bank of Japan remains cautious. Despite a narrowing UST–JGB yield gap, the USDJPY continues to trade above 150, underscoring the market's reluctance to unwind dollar positions. This dislocation suggests potential yen appreciation as U.S. yields decline.



Source: Bloomberg L.P., as of 31 October, 2025

Meanwhile, gold remains supported by falling real yields and ongoing geopolitical hedging. The recent consolidation around the $3,900–$4,000 range offers tactical opportunities, especially via yield-enhancing structures. ●