Weekly Market Report

November 2 to November 6, 2026

For educational and informational purposes only. Not financial advice.

OVERVIEW

Risk tone has tilted defensive in places, with geopolitical and policy headlines competing with growth narratives for attention. Data dependent policy, sticky inflation, and geopolitics/energy remain the narrative; cross asset dispersion is high (see performance table).

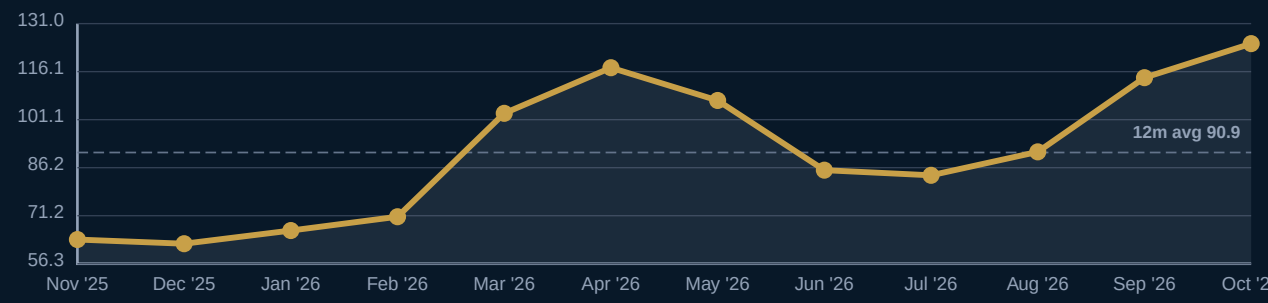
PERFORMANCE TABLE

Instrument	1M	6M	1Y	1Y %ile	5Y %ile
iShares IG Corp Bond (LQD)	-0.0%	-5.3%	-7.7%	8	7
S&P 500	-1.0%	+6.5%	+13.1%	78	94
Hang Seng Index (Hong Kong)	-3.0%	-7.0%	+2.4%	17	75
Nikkei 225 (Japan)	-3.0%	+7.8%	+14.4%	74	92
Bitcoin (BTC-USD)	-4.2%	+4.5%	-27.2%	61	74
Nasdaq 100	-5.0%	+6.1%	+15.4%	58	88
STOXX Europe 50	-5.0%	-2.2%	+2.5%	27	79
Gold (USD/oz)	-6.7%	-15.4%	-3.2%	3	70
CSI 300 (China)	-8.5%	-11.9%	-6.2%	0	65

Note: Rows ranked by one-month return (highest first); the 1M column is highlighted as the sort key. Same proxy ETFs, figures, and percentile methodology as the Research page performance table (1M/6M/1Y vs ~30/180/365 calendar days). Percentile ranking shows where current price level stands relative to historical price levels. ETF proxy closes in this batch: Oct 30, 2026 to Nov 1, 2026 (proxies may refresh on different sessions).

CHARTS OF THE WEEK

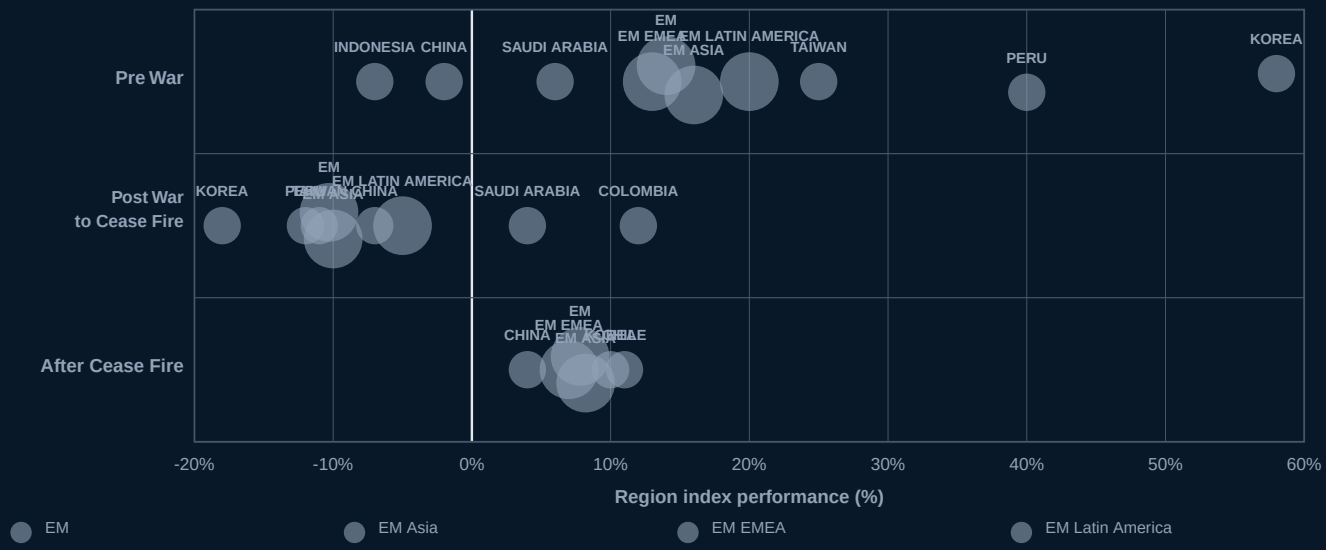
Brent crude (USD/bbl): trailing 12 months, monthly average spot (geopolitical risk channel)



Source: FRED API, series DCOILBRENTEU (U.S. EIA via Federal Reserve Bank of St. Louis); daily spot, averaged by calendar month. Last daily spot observation: Oct 27, 2026.

Monthly average Brent from FRED (EIA spot, DCOILBRENTEU) was range-bound in the mid-$60s through early 2026, then jumped in March to April as Gulf supply risk returned; the dashed line is the trailing 12-month mean ($90.9/bbl) and spot is near $123 on the latest FRED daily print. Energy and shipping equities tend to reprice first; duration and growth sleeves stay sensitive if the move feeds headline CPI.

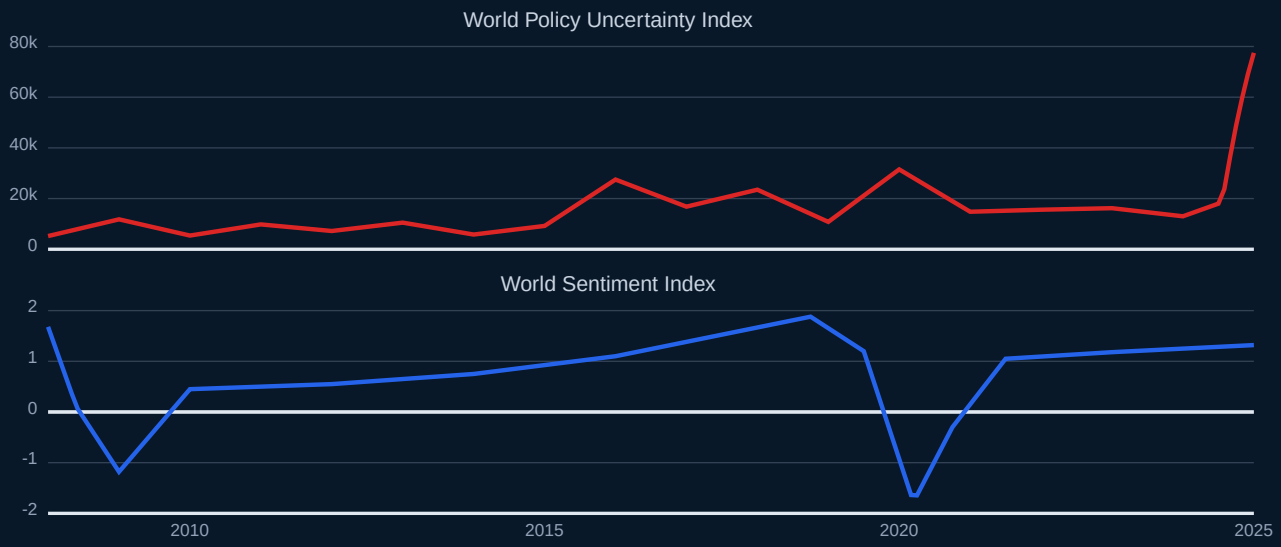
Emerging Markets Through the Middle East Conflict: Uneven Impact of the Energy Shock



Source: https://www.msci.com/indexes/markets-in-motion/visualizations/emerging-markets-through-the-middle-east-conflict-uneven-impact-of-the-energy-shock

MSCI EM indexes show wide pre-war dispersion, acute Asia-led weakness when crude and LNG routes were in focus, then a tighter positive band after the ceasefire. Country and terms-of-trade exposure dominated simple regional beta.

Despite record-high policy uncertainty, global sentiment remains relatively positive



Source: https://www.imf.org/en/blogs/articles/2025/11/10/even-as-global-uncertainty-surges-economic-sentiment-remains-positive

IMF text-based gauges show policy uncertainty spiking while sentiment stayed positive, matching staff messaging of a resilient but slowing global expansion. Elevated uncertainty argues for quality and careful cyclical timing rather than maximum risk.

Commentary: AVANTAS Research

TOP CATALYSTS

1. Editor's pick: November manufacturing then the labor gate

Post to late-Oct FOMC, this week's cluster (2 to 6 Nov GMT+8) is S&P/ISM manufacturing and prices, JOLTS, EU CPI flash, ADP, services PMIs, claims, and Friday's NFP/AHE. On our 1 Nov table, the long-bond proxy (+1.1% 1M) and LQD (flat) lead while Nasdaq (" 5.0% 1M), gold (" 6.7% 1M), and CSI (" 8.5% 1M) stay soft.

Market Impact:

Size for expansion-near-consensus with sticky survey prices and orderly labor cool; keep quality selective; long IG/30Y cautious; gold as the sticky-wage / hawkish-path hedge.

Further Reading:

• Avantas Research — November manufacturing outlook
• Avantas Research — Labor market expectations

2. Duration Leads; Nasdaq Soft Into PMI/NFP Week

Our 1 Nov table: long-bond proxy +1.1% 1M and LQD flat lead; S&P " 1.0% 1M; Hang Seng " 3.0% 1M; Nikkei " 3.0% 1M; Bitcoin " 4.2% 1M; Nasdaq " 5.0% 1M; STOXX " 5.0% 1M; Gold " 6.7% 1M; CSI " 8.5% 1M.

Market Impact:

Prefer selective quality over blanket Nasdaq duration beta; do not treat LQD repair as unlimited long IG; size bitcoin as liquidity beta versus gold.

Further Reading:

• Avantas Research — performance table
• Reuters — Markets

3. Trade Wages With Payrolls, Not NFP Alone

Consensus: JOLTS ~7.11M, ADP 68K (vs 90K), NFP 63K (vs 29K), AHE MoM 0.3% (vs 0.1%). Soft jobs with sticky wages sell path; cool wages reopen front-end relief.

Market Impact:

Front-end duration tactical only on cooperative AHE; trim equity duration on hot ISM prices or sticky wages; keep 30Y cautious into auctions.

Further Reading:

• Avantas Research — Labor market expectations
• BLS — Employment

MARKET THEMES

BY REGION

US economy & markets

United States: Fiscal trajectory and term premium occasionally interrupt the pure rates growth story; duration hedges and quality cash flows still anchor institutional lists.

Europe & Asia

Europe: Industrial and defence spending are structural themes, not only cyclical trades. Japan: cross holdings and buybacks still support per share metrics. Asia: supply chain relocation supports selective EM manufacturing.

Commodities & credit

Commodities: Base metals track China activity; precious metals track financial conditions. Credit: IG versus HY is partly a growth confidence split.

Cross asset read

Cross asset: liquidity and volatility are often more binding than valuation ratios in hand offs between regimes.

MARKET OUTLOOK

Near term outlook (3 to 6 months):

November data week is the near-term hinge: Mon S&P Global / ISM manufacturing PMI and prices (ISM cons. 54.7 / prices 77.2); Tue JOLTS (cons. 7.110M); Wed EU CPI flash (4.0% cons.), ADP (68K cons.), and services PMIs; Thu claims (197K cons.); Fri Oct NFP (63K cons.), unemployment (4.2%), and AHE MoM (0.3% cons.). Our 1 Nov table still shows the long-bond proxy (+1.1% 1M) and LQD (flat 1M) leading after the washout; S&P (" 1.0% 1M) holds better than Nasdaq (" 5.0% 1M), Bitcoin (" 4.2% 1M), STOXX (" 5.0% 1M), Gold (" 6.7% 1M), and CSI (" 8.5% 1M).

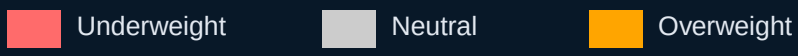
Medium term outlook (6 to 12 months):

Manufacturing growth versus sticky survey prices, then JOLTS/NFP/AHE, verify late-Oct FOMC path language. Expansion-near-consensus with orderly labor cool supports quality selectivity; hot ISM prices or sticky AHE sell OIS and equity duration. Keep fiscal-path caution on long IG and 30Y; gold (" 6.7% 1M, " 3.2% 1Y) remains the strategic hawkish/sticky-wage hedge.

Long term outlook (12+ months):

AI capex ROI and breadth, credit versus equity duration selection into easing, fiscal supply and term premium, and selective Asia/Europe allocation remain multi-year themes. Separate Fed-path duration from fiscal-path duration, and liquidity beta (bitcoin) from inflation hedges (gold), when correlations stay unstable into the autumn policy window.

Asset Class Views



Asset	View	Commentary
US Equities	Neutral	Neutral. Nasdaq " 5.0% 1M after hot Sep CPI/PPI; S&P " 1.0% 1M holds better, stock-pick Mag 7 ROI into ISM/NFP week; avoid blanket cut-cycle beta on soft ADP alone.
International Equities	Underweight	Underweight. STOXX " 5.0% 1M, Hang Seng " 3.0% 1M, CSI " 8.5% 1M, Nikkei " 3.0% 1M, prefer stock-picking over blanket Europe or China beta.
Fixed Income	Neutral	Neutral. Long-bond proxy +1.1% 1M and LQD flat 1M repaired after the washout, still avoid long IG as Fed-proxy duration into term premium, sticky ISM prices, and AHE risk.
Commodities	Overweight	Overweight. Strategic hedge tilt. Gold " 6.7% 1M / " 3.2% 1Y, keep as hawkish-path and sticky-wage hedge into PMI/NFP week; oil remains the inflation spoiler.
Cryptocurrency	Neutral	Neutral. Bitcoin " 4.2% 1M / " 27.2% 1Y, size as liquidity beta, not a substitute for gold into Fed-path or sticky-wage risk.

Source: AVANTAS Research Analysis

LATEST AVANTAS RESEARCH ARTICLES

1. November Manufacturing Outlook: ISM, Prices, and the Growth Dial

Into Monday's S&P/ISM manufacturing cluster (ISM cons. 54.7; prices 77.2) and Wednesday's services PMIs, we map three growth-inflation scenarios for the first full post to late-Oct FOMC data week beside JOLTS/NFP.

Read article: https://www.avantasresearch.com/research-article.html?article=nov-manufacturing-outlook-ism-pmi-2026

2. Labor Market Expectations: JOLTS, ADP, and the Nov NFP Gate

JOLTS (cons. 7.110M), ADP (68K vs 90K), claims (~197K), and Oct NFP (cons. 63K) with AHE MoM 0.3% verify late-Oct path language, trade wages with payrolls, not NFP alone.

Read article: https://www.avantasresearch.com/research-article.html?article=labor-market-expectations-nov-jolts-nfp-2026

3. Into 27 to 28 Oct FOMC: Final Positioning After Hot CPI/PPI

Path under an energy spoiler after Sep CPI/PPI, keep as the policy frame beside this week's manufacturing and labor notes.

Read article: https://www.avantasresearch.com/research-article.html?article=oct-fomc-final-positioning-after-hot-cpi-2026

ECONOMIC CALENDAR

Key releases for 2 to 6 Nov 2026 (GMT+8): Mon S&P Global manufacturing PMI (Oct; 56.0 cons./prior) and ISM manufacturing PMI/prices (54.7 / 77.2 cons.; 54.5 / 77.9 prior); Tue S&P Global manufacturing PMI (56.0 / 55.9) and JOLTS job openings (Sep; 7.110M / 7.079M); Wed euro-area CPI YoY Oct P (4.0% / 3.8%), ADP (68K / 90K), S&P Global services PMI (57.9), ISM non-manufacturing prices/PMI (74.0 cons. / 54.8 vs 54.9), and crude oil inventories (" 1.892M cons.); Thu initial claims (197K / 194K); Fri Oct nonfarm payrolls (63K / 29K), unemployment (4.2%), and average hourly earnings MoM (0.3% / 0.1%). All times GMT+8; figures indicative.

Date	Time (GMT+8)	Event	Country	Forecast	Previous	Impact
Mon 2nd	22:45	S&P Global Manufacturing PMI (Oct)	US	56.0	56.0	High
Mon 2nd	23:00	ISM Manufacturing PMI (Oct)	US	54.7	54.5	High
Mon 2nd	23:00	ISM Manufacturing Prices (Oct)	US	77.2	77.9	High
Tue 3rd	22:45	S&P Global Manufacturing PMI (Oct)	US	56.0	55.9	High

Date	Time (GMT+8)	Event	Country	Forecast	Previous	Impact
Tue 3rd	23:00	JOLTS Job Openings (Sep)	US	7.110M	7.079M	High
Wed 4th	18:00	CPI (YoY) (Oct) Preliminary	EU	4.0%	3.8%	High
Wed 4th	21:15	ADP Nonfarm Employment Change (Oct)	US	68K	90K	High
Wed 4th	22:45	S&P Global Services PMI (Oct)	US	57.9	57.9	High
Wed 4th	23:00	ISM Non-Manufacturing Prices (Oct)	US	74.0	-	High
Wed 4th	23:00	ISM Non-Manufacturing PMI (Oct)	US	54.8	54.9	High
Wed 4th	23:30	Crude Oil Inventories	US	-1.892M	-	High
Thu 5th	21:30	Initial Jobless Claims	US	197K	194K	High
Fri 6th	21:30	Nonfarm Payrolls (Oct)	US	63K	29K	High
Fri 6th	21:30	Unemployment Rate (Oct)	US	4.2%	4.2%	High
Fri 6th	21:30	Average Hourly Earnings (MoM) (Oct)	US	0.3%	0.1%	High

NEXT WEEK EXPECTATIONS

Focus: 2 to 6 Nov 2026 (GMT+8). Mon: S&P/ISM manufacturing and prices; Tue: JOLTS; Wed: EU CPI flash, ADP, services PMIs, and oil inventories; Thu: claims; Fri: NFP, unemployment, and AHE. Manufacturing growth versus sticky survey prices, then the labor/wage package, verify late-Oct FOMC path language, soft jobs with hot AHE (0.3% cons.) is the hawkish mix; cool wages with soft payrolls reopen front-end relief. All times GMT+8; figures indicative.

RISK WATCHLIST

- ISM manufacturing prices (2 Nov): consensus 77.2 still extreme, hot prices with soft PMI is stagflation-lite for path pricing.
- Labor gate (3 to 6 Nov): JOLTS, ADP (68K cons.), claims, and NFP/AHE (0.3% MoM cons.), soft jobs with sticky wages sell OIS even if payrolls miss.
- Mag 7 / guidance: Nasdaq (" 5.0% 1M) already reset, guide residuals overlapping hawkish surveys are the joint left tail.
- Fiscal / term premium: LQD flat and the 10Y proxy (+1.1% 1M) repaired, still avoid unlimited long IG as the Fed put.
- Cross asset: duration leads while Nasdaq, STOXX (" 5.0% 1M), gold (" 6.7% 1M), and CSI (" 8.5% 1M) stay soft, EU CPI flash (4.0% cons.) is the Wednesday cross-check.

SECTOR PERFORMANCE

United States (S&P 500 sector proxies, SPDR Sector ETFs)

Rows are ranked by one month total return (highest first). Energy leads on firm crude and geopolitical risk premium; utilities and staples draw defensive flows while policy rates stay volatile. Technology, communication services, and broad growth trade weak on duration and earnings expectations, and financials reflect tighter credit and spread noise.

Sector	Ticker	1-Month	6-Month	1-Year
Energy	XLE	+1.7%	+18.4%	+28.0%
Cons. Staples	XLP	+0.8%	+1.1%	+4.2%
Utilities	XLU	+0.6%	+8.9%	+5.2%
Real Estate	XLRE	-0.2%	-1.4%	+0.4%
Materials	XLB	-0.8%	+3.2%	+8.4%
Industrials	XLI	-1.3%	+4.2%	+12.3%
Health Care	XLV	-1.7%	-2.1%	+2.5%
Communication	XLC	-1.9%	+12.3%	+23.1%
Financials	XLF	-2.5%	+5.2%	+3.3%
Cons. Discretionary	XLY	-2.9%	-3.1%	+10.5%
Technology	XLK	-3.6%	-6.4%	+23.8%

Source: SPDR ETF fact sheets / last closes; returns are indicative. Not all sectors listed.

Europe (STOXX Europe 600 sectors)

Ranked by one month return (highest first). Energy and banks outperform on commodity income and yield support; materials lag on industrial and China linked demand worries. Defensives such as utilities and staples help anchor the tape while technology and cyclicals show wide cross country dispersion.

Sector	1-Month	6-Month*	1-Year
Energy	+2.4%	+4.1%	+1.1%
Utilities	+1.2%	+5.4%	+2.8%
Cons. Staples	-0.1%	+1.8%	+3.1%
Healthcare	-1.9%	+2.3%	+6.4%
Industrials	-2.1%	+3.5%	+8.9%
Banks	-6.8%	+11.4%	+18.2%
Technology	-7.6%	-1.2%	+5.6%
Materials	-12.9%	-8.2%	-4.3%

*Source: STOXX Europe 600 sector indices (indicative). *6-Month column per provider convention.*

Asia Pacific (MSCI AC Asia Pacific sectors)

Ranked by one month return (highest first). Energy and export oriented industrials benefit from commodity moves and regional manufacturing; information technology and communication services remain structural outperformers over longer horizons but face intermittent profit taking. Financials track credit and policy, while real estate and materials stay sensitive to property and China activity headlines.

Sector	1-Month	6-Month*	1-Year
Energy	+1.9%	+12.6%	+10.8%
Industrials	-0.9%	+7.4%	+16.2%
Financials	-1.1%	+8.9%	+14.6%
Real Estate	-1.5%	-3.2%	-0.8%
Materials	-2.3%	-1.4%	+5.7%
Communication Services	-2.4%	+10.2%	+25.3%
Consumer Discretionary	-3.8%	+4.3%	+21.1%
Information Tech	-4.2%	+15.3%	+38.4%

*Source: MSCI AC Asia Pacific sector indices (indicative). *6-Month column per provider convention.*

Sources: Reuters; Montanaro Asset Management; AVANTAS Research.
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