28 April 2025

Handelsbanken
Wealth & Asset Management

WEEKLY BULLETIN

Investors take a tea break from tariff woes

Key takeaways

Trade tensions continued to rumble away in the background last week, but financial markets shifted their attention to corporate news.

Respite for global share prices after a painful patch

There was reprieve for global stock markets last week after a period of intense volatility. The UK stock market, measured by the FTSE 100, enjoyed its longest streak of good performance since 2019 (rising for ten days straight). European stock markets – which have come into relative favour amid tariff-based turmoil – experienced modest gains too. Across the Atlantic Ocean, the embattled US stock market also delivered a better run, boosted by strong performances from some of the giants of the technology sector.

Tech giants were the stars of the show

Good revenue results and substantial investments in AI technologies by Google's holding company Alphabet and chip firm Nvidia met with share price rises: welcome news on the heels of a difficult few months for tech investors. Another giant of the US stock market – Tesla – also enjoyed a rebound in its share price, despite declining revenue and a drop in the volume of electric vehicles delivered in the opening months of 2025. Investors were heartened to hear that CEO Elon Musk would take a step back from his role in the US government, refocusing his attentions on the business.

Are they even talking? Mixed messages from Presidents Xi and Trump

US and Chinese leaders are struggling to agree on whether or not tariff negotiations are in progress at all. Over the weekend, President Trump claimed that trade talks with China were progressing, indicating that President Xi had reached out to the White House. However, Chinese authorities then stated emphatically that no consultations or negotiations were taking place. On the back of repeated tariff escalations between these two economic heavyweights, such uncertainty around the basic facts will do little to encourage hopes for resolution. However, this has been a very changeable situation from the outset, and the picture could alter again very quickly from here.

Business activity is slowing… will central banks react?

The tariff wars have created decision-making paralysis for a range of businesses around the world. Last week, survey data from major advanced economies like the US, Europe and the UK suggested slowing activity across the private sector. While this is of course unwelcome news, it could also give central banks more room to manoeuvre, such as through further interest rate cuts.

Market moves

Both stock and bond markets performed better last week, with market volatility calming somewhat after weeks of upheaval. While tariff wars remain a concern, the market focus took a time out, shifting instead to issues like company earnings news.

Oil prices continued to decline, responding to both an increase in production by OPEC (adding to the available supply of oil) and projections for a lower demand for energy ahead.

What to look out for this week

'Corporate earnings season' will continue in the US, with large companies like Apple, Microsoft and Amazon sharing their latest financial results.

European inflation and growth data could influence the course of action for interest rate changes from the European Central Bank.

The latest US jobs report – covering April – will also help the US central bank decide if it should make any changes to interest rates soon.

If you have questions about financial markets, or our investment services, please contact the Marketing team:

marketing.hwam@handelsbanken.co.uk

Important Information

Handelsbanken Wealth & Asset Management Limited is authorised and regulated by the Financial Conduct Authority (FCA) in the conduct of investment and protection business, and is a wholly-owned subsidiary of Handelsbanken plc. For further information on our investment services go to wealthandasset.handelsbanken.co.uk/important-information. Tax advice which does not contain any investment element is not regulated by the FCA. Professional advice should be taken before any course of action is pursued.

- Find out more about our services by contacting us on 01892 701803 or visiting our website: wealthandasset.handelsbanken.co.uk
- Read about how our investment services are regulated, and other important information: wealthandasset.handelsbanken.co.uk/important-information
- Learn more about wealth and investment concepts in our Learning Zone: wealthandasset.handelsbanken.co.uk/learning-zone/
- Understand more about the language and terminology used in the financial services industry and our own publications through our Glossary of Terms: wealthandasset.handelsbanken.co.uk/glossary-of-terms/

All commentary and data is valid, to the best of our knowledge, at the time of publication. This document is not intended to be a definitive analysis of financial or other markets and does not constitute any recommendation to buy, sell or otherwise trade in any of the investments mentioned. The value of any investment and income from it is not guaranteed and can fall as well as rise, so your capital is at risk.

We manage our investment strategies in accordance with pre-defined risk objectives, which vary depending on the strategy's risk profile.

Portfolios may include individual investments in structured products, foreign currencies and funds (including funds not regulated by the FCA) which may individually have a relatively high risk profile. The portfolios may specifically include hedge funds, property funds, private equity funds and other funds which may have limited liquidity. Changes in exchange rates between currencies can cause investments of income to go down or up.

This document has been issued by Handelsbanken Wealth & Asset Management Limited. For Handelsbanken Multi Asset Funds, the Authorised Corporate Director is Handelsbanken ACD Limited, which is a wholly-owned subsidiary of Handelsbanken Wealth & Asset Management, and is authorised and regulated by the Financial Conduct Authority (FCA). The Registrar and Depositary is The Bank of New York Mellon (International) Limited, which is authorised by the Prudential Regulation Authority and regulated by the FCA. The Investment Manager is Handelsbanken Wealth & Asset Management Limited, which is authorised and regulated by the FCA.

Before investing in a Handelsbanken Multi Asset Fund you should read the Key Investor Information Document (KIID) as it contains important information regarding the fund including charges and specific risk warnings. The Prospectus, Key Investor Information Document, current prices and latest report and accounts are available from the following website: wealthandasset.handelsbanken.co.uk/fund-information/fund-information/, or you can request these from Handelsbanken Wealth & Asset Management Limited or Handelsbanken ACD Limited: 77 Mount Ephraim, Tunbridge Wells, Kent, TN4 8BS or by telephone on +44 01892 701803.

Registered Head Office: No.1 Kingsway, London WC2B 6AN. Registered in England No: 4132340 wealthandasset.handelsbanken.co.uk