FEATURE

WEEKLY MARKET REVIEW

22 September 2025

The week in seven charts

Read more on page 2 - Image iStock/amriphoto

Global stock market cap chases $150 trillion mark

The market déjà vu is real: after 164 trading days, the S&P 500 is up 10%—exactly the same gain seen at this point in Trump's first term. Each week, the Syz investment team takes you through the last seven days in seven charts.

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Syz PRIVATE BANKING

Chart #1

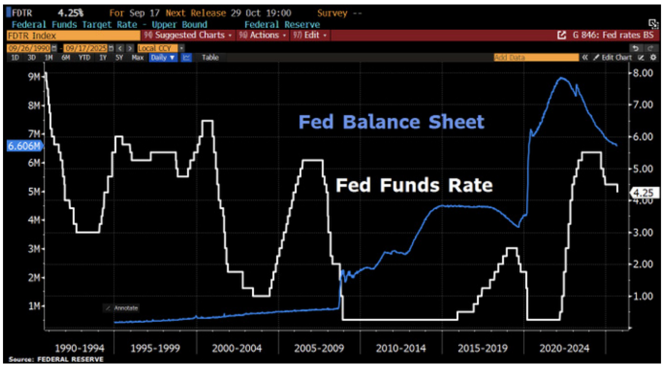
Fed's 'risk management cut' sparks confusion amid mixed signals

The Fed delivered its first rate cut since the end of last year, lowering its benchmark rate from 4.25-4.50% to 4.00-4.25%. Surprisingly, the decision passed with broad consensus, with only new Fed governor Miran, a nominee of President Trump, dissenting in favour of a larger, half-point cut.

The Fed's latest projections show a median forecast of 2 additional cuts this year. However, Fed chair Powell stressed that 'this is not a committee plan', explaining that 'one should see this as 10 committee members expecting 2 or more rate cuts this year, but 9 members expecting fewer than 2 cuts – or even, in fact, no cut'.

The updated economic projections led to some confusion: median inflation expectations for 2026 and 2027 were revised higher, while unemployment forecasts for the next two years were lowered. Ordinarily, that would suggest fewer rate cuts. Yet the new FOMC outlook shows more cuts ahead. Powell described the move as a 'risk management cut', citing new data that points to a higher risk of a faster-than-expected weakening in the labour market.

We stick to our baseline view of at most one additional rate cut this year, while acknowledging a significantly increased risk of seeing 2 cuts by the end of 2025.



Source: Bloomberg

Chart #2

Global stock market cap nears $150 trillion

Global stocks have gained more than $80 trillion in value since the pandemic bottom—a period when, in early 2020, there appeared to be no clear floor for the economy. At the current pace, that number could top $100 trillion before the end of the year.

Source: David Ingles, Bloomberg

Chart #3

For the stock market, Trump 2.0 is back in line with Trump 1.0

This seemed inconceivable back in early April. Yet the S&P 500 is now up by the exact same amount in President Trump's second term as it was at the same stage in his first. After 164 trading days in each term, the index stands 10% higher.

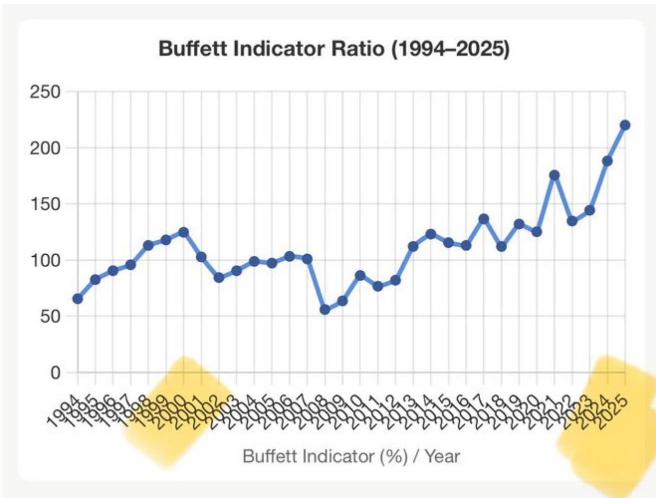
Source: Bespoke

Chart #4

The Warren Buffet valuation indicator hit record level

The Buffett Indicator has entered the exosphere, making the 2000 dot-com bubble look undervalued in comparison.

The Buffett Indicator, which tracks the ratio of total US stock market valuation to GDP, stood at 219% on 30 June 2025. That is around 2.2 standard deviations above the historical average, suggesting that the US stock market is strongly overvalued.



Source: The Great Martis

Chart #5

On average, the US stock market rises when the Fed cuts rates

This chart shows how the S&P 500 has performed in the past after the Fed started cutting rates.

S&P 500 Returns
AFTER RATE CUTS

Year of first rate cut	3 months after first rate cut	6 months after first rate cut	1 year after first rate cut
1973	-10.2%	-6.2%	-36.0%
1974	-14.7%	-15.3%	7.5%
1980	15.0%	28.9%	30.3%
1981	-11.0%	-7.9%	-17.8%
1982	-4.8%	17.4%	36.5%
1984	-1.2%	7.2%	10.5%
1987	0.1%	1.7%	7.5%
1989	7.4%	7.5%	11.9%
1995	5.1%	8.0%	13.4%
1998	17.2%	26.5%	27.3%
2001	-16.3%	-12.4%	-14.9%
2007	-4.4%	-11.8%	-7.2%
2019	3.8%	13.3%	14.5%
Average	-1.1%	4.4%	4.9%

Source: PinPoint Macro Analytics

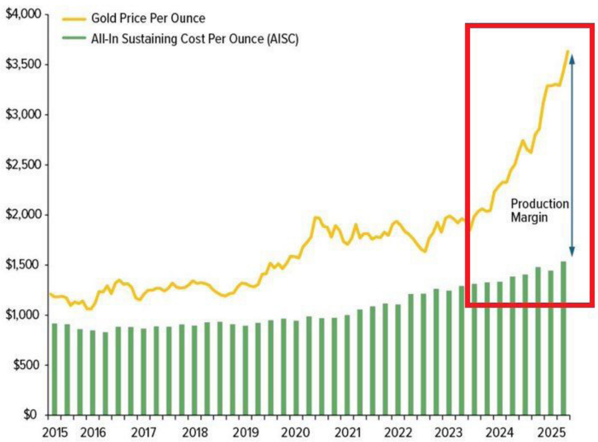
Source: Evan @StockMKTNewz, Visual Capitalist

Chart #6

Gold miners are making record profits

Production margins have reached an all-time high, with gold prices surging while costs rise at a much slower pace. Miners are now earning more per ounce than ever in the past decade. Meanwhile, the gold miners ETF, $GDX, has skyrocketed 103% year-to-date.

Gold Miners' Production Margin at an All-Time High
10-Year Period



Source: Global Markets Investor

Chart #7

October is historically a very strong month for bitcoin

'Uptober' is right around the corner... Since 2012, October has been by far Bitcoin's best performing month, with a win rate of 82% and an average return of +18.4%.

Source: Trend Spider

Welcome to Syzerland®

For further information

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