**Weekly Finance Roundup: Key Events Shaking the Markets (October 27-31, 2025)**

Welcome back to our weekly dive into the finance world. This past week, from October 27 to 31, 2025, was filled with pivotal developments as markets navigated earnings season, monetary policy signals, and ongoing economic pressures. With the U.S. government shutdown persisting and global trade tensions in focus, investors balanced optimism from tech highs against broader uncertainties. Let's unpack the major events and their implications for the road ahead.

**Federal Reserve Signals Caution on Future Rate Cuts**

A highlight was the Federal Reserve's policy update following its October 29 meeting, where Chair Jerome Powell indicated that another rate cut in December is "not a foregone conclusion—far from it." This came after the Fed trimmed its key rate, amid mixed economic signals clouded by the ongoing shutdown. Cooler-than-expected U.S. inflation data reinforced expectations of easing, but persistent pressures led to a hawkish tone.

Markets reacted with mixed closes, as stocks ended higher on some days but showed volatility. The CME FedWatch tool showed a 98.9% probability of a 25-basis-point cut in October, with high odds for December. However, emergency liquidity demands surged, with banks borrowing $50 billion from the Fed's repo window on October 31, signaling potential stress in the system. This underscores a shift toward caution, with higher borrowing costs possibly lingering.

**Tech and Aerospace Earnings: Milestones and Setbacks**

Earnings reports dominated, with tech giants pushing boundaries while others faced hurdles. Nvidia became the first company to hit a $5 trillion market cap, amid AI-driven gains. Qualcomm soared on new AI chips, and Broadcom benefited from OpenAI deals, contributing to record highs in major indexes on US-China trade optimism.

Boeing reported a significant loss, with a $4.9 billion charge tied to 777X delays, pushing first deliveries to 2027. Looking ahead, previews highlighted upcoming reports from Microsoft, Meta, Amazon, and Alphabet, expected to reveal AI investment trends. Euro area PMIs rose to 52.2 in October, boosting equities, while U.S. markets rose post-CPI release. These results affirm tech's momentum but highlight risks if growth falters.

**Global Trade and Geopolitical Ripples: Argentina's Election Boost**

International developments influenced markets, with US-China trade talks driving optimism and stock gains. Argentina's midterm elections delivered a landslide win for President Javier Milei's libertarian party, surging U.S.-listed Argentine stocks like Grupo Financiero Galicia (up over 30%).

Oil futures surged amid trade news, while U.S. inflation hit 3.0%—higher than expected—potentially impacting Fed decisions. In India, markets eyed IIP data, fiscal updates, and U.S. GDP/PCE figures. These events added layers of volatility, with positive trade sentiment offsetting inflation concerns.

**Government Shutdown Persists: Economic Data Delays and Sentiment Dips**

The U.S. federal shutdown, ongoing since October 1, continued into its fifth week, delaying key data and affecting programs like SNAP. Consumer sentiment hit a low of 53.6 in October, per the University of Michigan, reflecting worries over finances and inflation.

This impasse raised broader concerns, including pressure on regional banks and Northrop Grumman shares, which rose 28% YTD despite the disruption. Community efforts filled gaps, but calls for resolution intensified.

**Other Notable Developments**

* **Stock Market Moves**: Dow closed above 47,000 for the first time post-CPI, with gains in financials, utilities, and tech sectors.
* **Crypto and Sentiment**: Bitcoin discussions on X highlighted market unease, with predictions of grinds and potential pullbacks.
* **Global Outlook**: IMF's Financial Stability Report warned of elevated risks from asset valuations and nonbank institutions.

**Looking Ahead**

This week highlighted finance's global ties—policy shifts, earnings highs, and shutdown strains intertwined with trade hopes. The Fed's caution may cool rate-cut bets, while tech milestones and geopolitical wins offer upside. As November begins amid uncertainty, vigilance is essential. Stay tuned for updates