As of March 22, 2025, international stock markets have demonstrated notable resilience and growth, contrasting with the challenges faced by the U.S. market. Here's a summary of recent developments:

\*\*European Markets:\*\*

European stock markets are experiencing a surge, driven by expectations of fiscal stimulus and increased defense spending. Germany, in particular, has announced a €500 billion infrastructure and defense investment plan, fueling investor optimism. ([ft.com](https://www.ft.com/content/4594970a-443d-4810-a27b-7ae6083cacc9?utm\_source=openai))

\*\*Asian Markets:\*\*

China's stock market has rebounded significantly, bolstered by government stimulus measures and advancements in artificial intelligence (AI). The emergence of AI startups like DeepSeek has enhanced the outlook for Chinese tech stocks, attracting bullish options bets on ETFs such as the KraneShares CSI China Internet ETF (KWEB) and the iShares China Large-Cap ETF (FXI). ([reuters.com](https://www.reuters.com/markets/china-etfs-draw-bullish-options-bets-ai-play-eased-tariff-fears-2025-02-19/?utm\_source=openai))

\*\*Emerging Markets:\*\*

Poland's economy is among Europe's fastest-growing, with GDP expanding nearly 4% in recent quarters. The government's commitment to substantial investments in transportation and energy infrastructure, including plans for its first nuclear power plant by 2026, has positively impacted the stock market. ([etf.com](https://www.etf.com/sections/features/8-international-stock-etfs-outpacing-sp-500-2025?utm\_source=openai))

\*\*Investment Recommendations:\*\*

Given the positive performance of international markets, consider the following ETFs that have shown strong returns in 2025:

\*\*Select STOXX Europe Aerospace & Defense ETF (EUAD)\*\*

This ETF focuses on European aerospace and defense companies, benefiting from increased defense spending across Europe. It has surged 46% year-to-date. ([etf.com](https://www.etf.com/sections/features/8-international-stock-etfs-outpacing-sp-500-2025?utm\_source=openai))

\*\*Roundhill China Dragons ETF (DRAG)\*\*

Targeting leading Chinese technology firms, this ETF has gained approximately 37% year-to-date, reflecting investor confidence in China's tech sector recovery. ([etf.com](https://www.etf.com/sections/features/8-international-stock-etfs-outpacing-sp-500-2025?utm\_source=openai))

\*\*iShares MSCI Poland ETF (EPOL)\*\*

Offering exposure to a broad range of Polish companies, this ETF has risen 38% year-to-date, driven by robust economic growth and infrastructure investments in Poland. ([etf.com](https://www.etf.com/sections/features/8-international-stock-etfs-outpacing-sp-500-2025?utm\_source=openai))

\*\*First Trust Germany AlphaDEX Fund (FGM)\*\*

Focusing on German equities, this ETF has climbed 29% year-to-date, benefiting from Germany's substantial infrastructure and defense investment plans. ([etf.com](https://www.etf.com/sections/features/8-international-stock-etfs-outpacing-sp-500-2025?utm\_source=openai))

\*\*Global X Defense Tech ETF (SHLD)\*\*

This ETF invests in global defense technology companies and has gained 29% year-to-date, capitalizing on increased global defense spending. ([etf.com](https://www.etf.com/sections/features/8-international-stock-etfs-outpacing-sp-500-2025?utm\_source=openai))

These ETFs provide diversified exposure to international markets and sectors that are currently outperforming the U.S. market. However, it's essential to conduct thorough research and consider your individual investment goals and risk tolerance before making investment decisions.

As of March 22, 2025, the stock market has exhibited notable volatility. The S&P 500 recently ended a four-week losing streak with a modest 0.5% weekly gain, though it remains down 4.8% for the month. Technology stocks have shown mixed performance, with companies like Apple and Microsoft rebounding, while others like Nvidia and Micron Technology have declined. Market fluctuations are influenced by economic uncertainties, upcoming tariffs, and inflation rates that exceed the Federal Reserve's targets. ([apnews.com](https://apnews.com/article/4c7b6fd3ccd80ba81d76e813c278f803?utm\_source=openai))

In this context, Exchange-Traded Funds (ETFs) focusing on specific sectors and themes may offer promising opportunities for positive returns in 2025. Here are some ETFs to consider:

\*\*iShares Biotechnology ETF (IBB)\*\*

This ETF targets the biotechnology sector, which is poised for growth due to anticipated Federal Reserve interest rate cuts. Lower rates could reduce financing costs, enabling biotech firms to expand research and development budgets. ([etf.com](https://www.etf.com/sections/news/biotech-bitcoin-gold-etfs-among-2025-best-bets-ishares?utm\_source=openai))

\*\*iShares Bitcoin Trust (IBIT)\*\*

IBIT provides exposure to Bitcoin, which may benefit from declining real interest rates. As traditional investment yields decrease, non-interest-bearing assets like Bitcoin could become more attractive, potentially driving up their value. ([etf.com](https://www.etf.com/sections/news/biotech-bitcoin-gold-etfs-among-2025-best-bets-ishares?utm\_source=openai))

\*\*Global X Robotics and Artificial Intelligence ETF (BOTZ)\*\*

Focusing on companies in the robotics and AI sectors, BOTZ is well-positioned to capitalize on the ongoing investment in artificial intelligence technologies, which are experiencing significant growth. ([ainvest.com](https://www.ainvest.com/news/2-brilliant-etfs-buy-2025-tap-lifetime-investment-opportunities-2501-2/?utm\_source=openai))

\*\*SPDR S&P 500 ETF Trust (SPY)\*\*

As a broad market ETF tracking the S&P 500, SPY offers diversified exposure to the U.S. equity market. Despite recent volatility, it has historically provided solid returns and may benefit from economic recovery trends. ([futurefinancelab.com](https://futurefinancelab.com/the-top-performing-etfs-of-2024-key-trends-and-what-to-expect-in-2025/?utm\_source=openai))

\*\*iShares MSCI Emerging Markets ETF (EEM)\*\*

EEM provides exposure to emerging market equities, which have shown resilience and growth potential, particularly in regions like Asia and Latin America. ([futurefinancelab.com](https://futurefinancelab.com/the-top-performing-etfs-of-2024-key-trends-and-what-to-expect-in-2025/?utm\_source=openai))

Investing in these ETFs aligns with current market trends and economic forecasts, potentially positioning your portfolio for positive returns in 2025. However, it's essential to assess your individual risk tolerance and investment goals before making any investment decisions.