MONTHLY
MARKET INSIGHTS

Heritage wealth

THE MONTH'S BIG THEMES

ECONOMY:

- **A rapid repricing in rate expectations: t**he Iran war and elevated oil prices ended the global cutting cycle within one month. Hostage to energy prices, major central banks kept rates on hold and shifted from an easing bias to a defensive hold or reluctant hawkishness, trapped between sticky inflation and fragile growth.
- **US – Higher inflation but resilient growth:** Growth held at +2% annualized (Q1 GDP), rebounding from 0,5% in Q4 2025, supported by AI related investments. Inflation re-accelerated to 3,5% (Headline consumer prices: +3,3% YoY, Core PCE: 3,5% YoY), remaining well above the Fed's 2% target. While the labor market remained relatively tight (unemployment rate at 4,4%), conditions continued to cool and business optimism declined.
- **Eurozone – Stagflation trap:** the Iran-related energy shock pushed inflation to 3% (from 2,4% in February), while the services PMI fell to a 62-month low of 47,6. Although the unemployment rate stood at 6,2%, business surveys showed weakening hiring intentions. Confidence deteriorated sharply, with i/ consumer confidence at its lowest level since December 2022, ii/ economic sentiment hitting a 5-year low, and iii/ the composite PMI at its weakest level in 17-months.
- **UK – higher inflation and cooling labor market**: Energy-driven inflation hit 3,3%. Q1 2026 growth slowed to an estimated +0,4%, while full-year 2026 growth forecasts were revised down to 0,7% from 1,4% in 2025. With unemployment rate at 4,9% in the three months to February, the labor market is continued to loosen. Private sector wages growth slowed to 3,2% annualized over 3-months, the weakest pace since October 2020.
- **China – Weak domestic demand**: the country maintained 5% growth in Q1 2026, supported by strong exports and AI-related capital expenditures. Nevertheless, PMIs continued to point to weak domestic demand. The country exited deflation in March, but inflation remained close to zero percent. Unemployment edged higher, business sentiment weakened and the property sector drag persisted.
- **Japan – Stockpile illusion**: according to PMIs, the economy recorded its strongest factory growth in four years, at 55,1, driven largely by Iran war-related stockpiling. Core inflation remained below the Bank of Japan's 2% target at 1,5% .

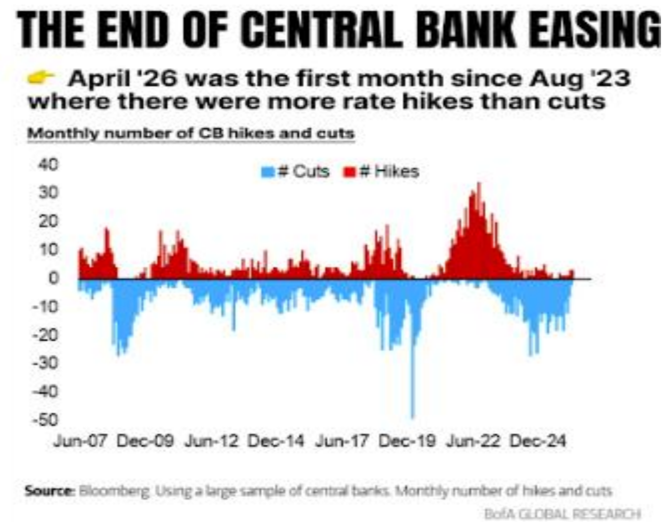
GEOPOLITICAL TENSION:

- **April was marked by diplomacy versus disruption,** with markets swinging daily on geopolitical headlines.
- **Iran rejected US demands to suspend its nuclear programme and reopen the Strait of Hormuz**. Pst Trump threatened at the beginning of April to resume bombing campaigns before later pausing the initiative. With Iran refusing direct talks, Pst Trump subsequently canceled envoys' planned trip to Islamabad.
- **China continued to push for a ceasefire** ahead of the Xi-Trump meeting scheduled for May 14-15. US Secretary Rubio urged China to pressure Iran regarding the Strait of Hormuz, while Russia hosted Iranian Foreign Minister Araghchi on April 27.
- Continued **Russia-Ukraine war escalation**

EARNINGS EXPECTATIONS:

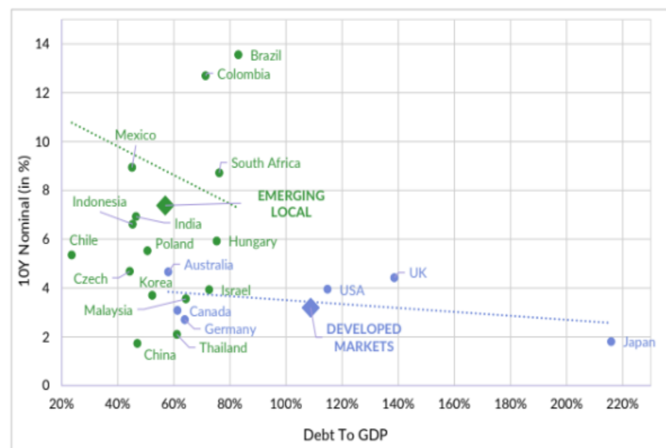
- **Outlooks have proven positive for banks and semiconductors**. Two-third of the index had reported at the end of the month, with analysts estimating EPS growth of 14,5% year-on-year..

CHARTS OF THE MONTH



Source: I. Ramirez Moreno, LinkedIn

Chart 2: Nominal yield and debt as a percentage of GDP between emerging and developed countries



Source: Igama Asset Management, LinkedIn

MONTHLY
MARKET INSIGHTS

MARKET'S REACTION

EQUITY

- **Global markets rebounded** following a fragile ceasefire between the US and Iran. Renewed confidence in April pushed markets higher, mainly driven by a **rotation back into artificial intelligence stocks**.
- **Emerging Markets outperformed Developed Markets** during the month, driven largely by strong gains in Taiwan (+26,2%) and South Korea (+38,2%), linked to the AI semiconductor supply chain. The MSCI Worl edged up by 10,3% and the MSCI Emerging markets posted a stellar return of 14,8% .
- In the US, **the S&P 500 (+10,4%) and Nasdaq (15,6%) reached all-time highs**, driven by a strong earnings season. The semiconductor index ended the month with a return close to +40%. Growth stocks outperformed value ones. Small caps posted solid returns (Russell 2000: +12,2%).
- **European indices lagged their US peers**. With the ongoing energy supply disruption weighing harder on the European economies, the Stoxx 600 returned 4,8%. Some disparities among the countries, with the German DAX (+7,1%) outperforming its French peer (+3,8%). The UK Footsie was the laggard, with a return of only 2%, the index being by nature more defensive and less growth and tech stocks oriented.
- **Asian indices recovered strongly** in April, with the Japanese Nikkei increasing by 16,1% and mainland China by 8%.

FIXED INCOME

- **Rising yields over the month caused by renewed inflation concerns in a context of higher oil prices weighed on sovereign bonds.** Market participants repriced the monetary policy's path with rate cuts being pushed out and replaced by further tightening in some cases. While US Treasuries proved more resilient, Japanese government bonds were the worst performer. UK Gilt also declined while European government bonds were more mixed with peripheral countries outperforming core countries. Local currency emerging debt largely outperformed thanks to a lower US Dollar.
- **Robust earnings and broader risk-on sentiment drove credit spreads tighter**. Hard currency emerging corporate debt outperformed, supported by higher carry and a stable US Dollar. High beta outperformed quality bonds.

COMMODITIES

- **Oil prices were extremely volatile in April (40% intra-month),** reaching their highest levels since the Iran war began, with Brent crude spiking above $125 per barrel. With the **Brent's war premium collapsing**, the spread in between the Brent and the WTI narrowed, driving Brent down (-3,7%) and WTI up (+3,6%).
- **Precious metals ended the month down (Gold: -0,7%, Silver: -1,5%),** with rates/inflation narrative dominating the safe-haven trade.

CURRENCIES & CRYPTO

- The **US Dollar fell 2% versus its currencies basket,** as the Iran premium came off.
- **Cryptocurrency markets rallied** (Bitcoin: 11,8%, Ethereum: 7,2%, Ripple: 2%), supported by large ETF inflows, with institutional demand overriding geopolitical and inflation headwinds

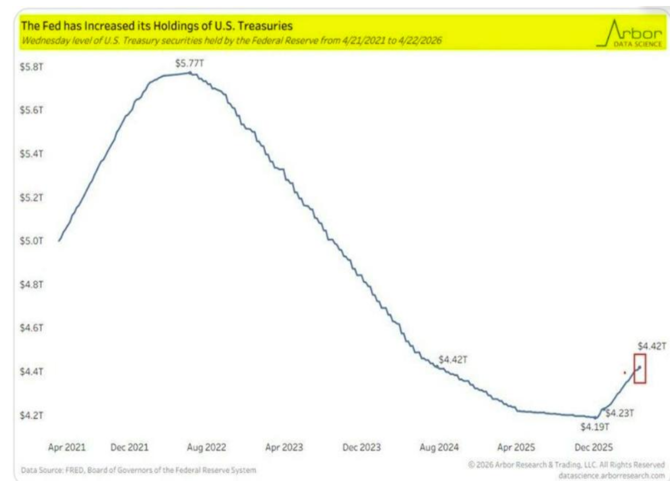
CHARTS OF THE MONTH

Exhibit 5: Index returns for April 2026

Index	GBP	USD	JPY	EUR	LOC
Equities (MSCI)					
MSCI World Index	6.4	9.6	8.0	7.7	8.9
MSCI USA	7.2	10.5	8.8	8.5	10.5
MSCI Europe ex-UK	4.7	7.9	6.3	6.0	5.7
MSCI United Kingdom	2.1	5.2	3.6	3.3	2.2
MSCI Japan	5.9	9.2	7.5	7.2	7.5
MSCI AC Asia ex-JP	12.9	16.3	14.6	14.2	15.2
MSCI EM Latin America	0.1	3.2	1.6	1.4	-0.4
MSCI EM (Emerging Markets)	11.3	14.7	13.0	12.7	13.3
Bonds					
Bloomberg Global Aggregate	-1.7	1.2	-0.3	-0.6	
Bloomberg US Aggregate	-2.8	0.1	-1.4	-1.7	0.1
Bloomberg Japan Aggregate	-2.1	0.9	-0.7	-0.9	-0.7
Bloomberg UK Aggregate	-0.7	2.3	0.8	0.5	-0.7
Bloomberg Euro Aggregate	-0.7	2.3	0.7	0.5	0.5
Currencies					
Sterling		3.0	1.5	1.3	
US dollar	-3.0		-1.5	-1.8	
Yen	-1.5	1.5		-0.3	
Euro	-1.3	1.8	0.3		

Source: Bloomberg, LSEG Datastream, MSCI, J.P. Morgan Asset Management. Past performance is not a reliable indicator of current and future results. Data as of 30 April 2026.

Source: JP Morgan Asset Management



Source: Syz, LinkedIn

MONTHLY MARKET INSIGHTS

April 2026

MONTHLY MARKETS REVIEW (As of February 2026, 27th)

EQUITY MARKETS

	MTD	YTD
MSCI World (USD)	+10.3%	+4.7%
MSCI Emerging (USD)	+14.8%	+15.5%
S&P 500 (USD)	+10.4%	+5.3%
NASDAQ 100 (USD)	+15.6%	+8.7%
RUSSELL 2000 (USD)	+12.2%	+12.8%
STOXX 600 (EUR)	+4.8%	+3.1%
DAX (EUR)	+7.1%	-0.8%
CAC 40 (EUR)	+3.8%	-0.4%
FTSE 100 (GBP)	+2.0%	+4.5%
NIKKEI (JPY)	+16.1%	+17.8%
CSI 300 (CNY)	+8.0%	+3.8%
BOVESPA (BRL)	-0.1%	+16.3%
HANG SENG (HKD)	+4.0%	+0.6%

FIXED INCOME MARKETS

	MTD	YTD
Global Aggregate USD (Hedged)	+0.6%	+0.1%
Global Aggregate EUR (Hedged)	+0.2%	-0.5%
US Investment Grade	+0.3%	-0.1%
US High Yield	+1.5%	+1.2%
EU Investment Grade	+1.0%	-0.1%
EU High Yield	+2.2%	+0.1%
EM Local Ccy. Gov (Unhedged)	+2.8%	+0.0%
EM Hard Ccy. Aggregate (Unhedged)	+3.1%	+0.6%

CRYPTO CURRENCY MARKETS

	MTD	YTD
Bitcoin	+11.8%	-12.8%
Ethereum	+7.2%	-24.0%
Ripple	+2.0%	-25.7%

COMMODITY MARKETS

	MTD	YTD
Gold	-0.7%	+6.7%
WTI Crude	+3.6%	+83.0%
Brent Crude	-3.7%	+87.4%
Silver	-1.5%	+4.8%
Natural Gas	-4.1%	-24.9%
Copper	+6.1%	+5.3%

CURRENCY MARKETS

	MTD	YTD
US Dollar Index (DXY)	-1.9%	-0.2%
EURUSD	+2.0%	-0.5%
GBPUSD	+2.4%	+0.2%
AUDUSD	+4.2%	+6.5%
USDCHF	-1.2%	-0.1%
USDJPY	+0.2%	+2.4%

Source: Yahoofinance.com

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