



THE WEEK'S BIG THEMES

ECONOMY

- **US labor market remains resilient**, with job creation surprising to the upside in April: 115K vs 65K surveyed and March figures revised higher. Gains were led by health care, transportation, retail, and warehousing, marking the strongest two-month hiring period since 2024. The **unemployment rate remained unchanged at 4.3%**, though labor force participation fell to its lowest level since October 2021. At the same time, the **technology sector announced the largest share of planned layoffs**, with many companies pointing to AI-driven restructuring. Separately, **U.S. labor productivity growth slowed in the first quarter**, rising at an annualized pace of 0.8% compared with 1.6% in the previous quarter, while remaining up 2.9% from a year earlier. **Wages surprised to the downside** (0.2% vs 0.3%), dropping below 3% at a 3-month annualised rate.
- **Stronger US factory orders**, increasing 1.5% in March (0.3% gain in February), supported by a strong demand for electronic equipment. In contrast, **US consumer sentiment Survey** (University of Michigan index) fell sharply in early May (48.2), the weakest level ever recorded, with respondents pointed to rising gasoline costs and tariffs as a concern
- **Higher Eurozone producer price inflation**, up 3.4% MoM and 2.1% YoY, the biggest monthly increase since August 2022, mainly due to higher energy prices.
- **German factory orders surged**, jumping 5% in March, with gains widespread, led by stronger demand for electrical equipment, data-processing technology, and mechanical engineering products. In contrast, **Germany's construction sector weakened considerably in April**. The S&P Global Germany Construction PMI dropped to 42.1, marking its lowest reading since March 2025.
- **Japanese real wages adjusted from inflation increased 1% YoY in March**, marking a third straight monthly increase for the first time since 2021. Although the gain was weaker than expected, the trend suggests wage growth is beginning to outpace inflation, supporting the case for the Bank of Japan to continue gradually normalizing monetary policy
- **China's services sector grew faster than expected in April**, with both services and composite PMI readings improving from March levels. Stronger domestic demand, despite trade uncertainty and softer global demand, and increased new business activity supported the expansion, even as export orders weakened for a second straight month

GEOPOLITICAL TENSION

- **U.S.-Iran tensions escalated during the week** despite ongoing ceasefire efforts. Military exchanges in and around the Strait of Hormuz renewed concerns over regional stability
- **Fighting in Ukraine remained intense**, despite renewed diplomatic efforts and temporary ceasefire proposals linked to Russia's Victory Day commemorations

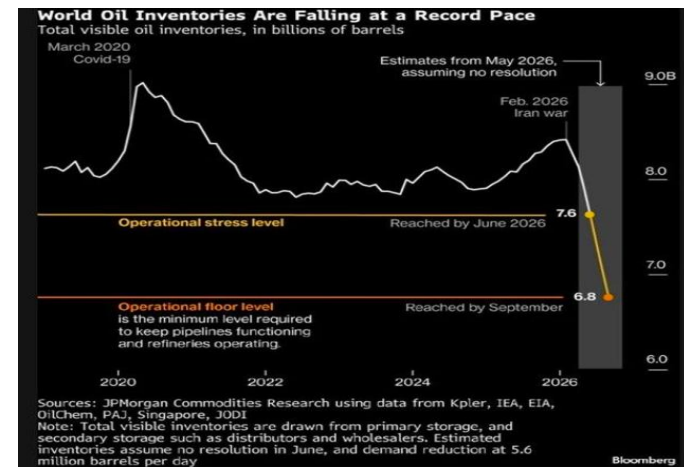
REPORTING SEASON

- Most S&P 500 companies had reported earnings, with the majority beating expectations by a wide margin. Technology stocks led gains on strong AI-related momentum, while energy and utilities lagged behind (source: FactSet)

CHARTS OF THE WEEK



Source Bloomberg



Source Global Macro Trading, LinkedIn

ECONOMIC EVENTS TO WATCH

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
<ul style="list-style-type: none"> • Inflation Rate, PPI (CN) • Existing Home Sales (US) • Retail sales (TR) 	<ul style="list-style-type: none"> • Retail sales (UK) • Inflation, ZEW (DE) • ADP, Inflation, Treasury Budget (US) 	<ul style="list-style-type: none"> • Unemployment rate (KR) • Unemployment rate, Inflation (FR) • PPI (US) 	<ul style="list-style-type: none"> • Meeting Xi-Trump on 5/14-15 • GDP, Ind. Production (UK) • Business inventories, Claims, Retail Sales (US) 	<ul style="list-style-type: none"> • PPI (JP) • Ind. Production, Empire State Manuf., Capacity Utilization (US) • Business confidence (BR)

MARKET'S REACTION

EQUITY

- **Continuing strength in global technology and AI-related stocks drove global markets higher** (MSCI World: +1,5%, MSCI Emerging Markets: +5,3%).
- **US equity markets rallied**, pushed by strong corporate earnings. The S&P 500 and Nasdaq Composite both reached new record highs. Within the S&P 500, technology shares outperformed, supported by positive developments surrounding companies tied to AI infrastructure and adoption trends. In contrast, the energy and utilities sectors underperformed.
- **European equities closed the week slightly higher** in a context of renewed trade tensions after U.S. President Trump warned of significantly higher tariffs on European imports unless the EU eliminates duties on U.S. goods. The UK's FTSE 100 lagged broader European markets during the week. Trading activity was also shortened as the London Stock Exchange remained closed on May 4 for the Easter Monday holiday.
- **Japanese equity markets reopened after the Golden Week holiday with strong momentum**, with the Nikkei 225 climbing 5.38% to a record high, led by Technology and Semiconductor stocks.
- **Onshore Chinese equities advanced during the holiday-shortened week** as mainland markets reopened following the May 1–5 break. The CSI 300 Index rose X%.

FIXED INCOME

- **Broader slight decline in global bond yields.** The US 10-year benchmark closed the week at 4,36% (-3 pbs). Yields on US 30-year remained close to 5% threshold at 4,95%. European yields followed by sympathy, with the German 10-year benchmark ending the week at 3% (-3 bps). Comments from Bundesbank Pst J. Nagel suggested that the ECB remains inclined toward further policy tightening, unless there is clear and lasting evidence of improving inflation dynamics. The yield on the 10-year Japanese government bond declined slightly over the week, after recently reaching its highest level in nearly three decades at 2,50%.
- **Corporate bonds posted modest gains**, as spreads tightened slightly amid stabilizing government bonds yield. Local currency emerging debt outperformed, boosted by currency appreciation in a weakening USD environment plus carry from elevated real yields.

COMMODITIES

- While being volatile, **oil prices closed the week lower**, with both Brent and WTI down by circa 6,5%, mainly due to “easing” geopolitical tensions in the Middle East.
- **The metal complex was clearly risk-on over the week**, with gold up by 2% and silver up by 6%.
- **Copper edged up by 5%**, still supported by tight supply and structural demand even as prices became more sensitive to risk-off sentiment

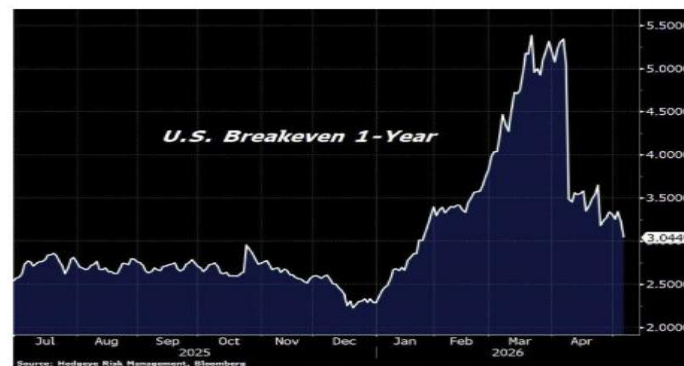
CURRENCIES & CRYPTO

- **The U.S. dollar index drifted down by 0.4% versus its currencies basket.** The yen experienced heightened volatility amid market speculation that Japanese authorities could intervene to support the currency during the Golden Week holiday period.
- **Crypto assets drifted up**, with the Bitcoin ending the week in positive territory (+2,6%) , as did the Ethereum and the Ripple (respectively +0,5% and +2,4%).

CHARTS OF THE WEEK



Source: Bloomberg



Source: Syz, Bloomberg



Source: Syz, Zerohedge.com



WEEKLY MARKET INSIGHTS

01 May 2026 – 08 May 2026

WEEKLY MARKETS REVIEW (As of 08 May 2026)

EQUITY MARKETS

	WoW	MTD	YTD
MSCI World (USD)	+1.5%	+2.5%	+7.3%
MSCI Emerging (USD)	+5.3%	+6.9%	+23.5%
S&P 500 (USD)	+2.3%	+2.6%	+8.1%
NASDAQ 100 (USD)	+5.5%	+6.5%	+15.8%
RUSSELL 2000 (USD)	+1.7%	+2.2%	+15.3%
STOXX 600 (EUR)	+0.1%	+0.1%	+3.3%
DAX (EUR)	+0.2%	+0.2%	-0.6%
CAC 40 (EUR)	-0.0%	-0.0%	-0.5%
FTSE 100 (GBP)	-1.3%	-1.4%	+3.0%
NIKKEI (JPY)	+5.4%	+5.8%	+24.6%
CSI 300 (CNY)	+1.3%	+1.3%	+5.2%
BOVESPA (BRL)	-1.7%	-1.7%	+14.3%
HANG SENG (HKD)	+2.4%	+2.4%	+3.0%

FIXED INCOME MARKETS

	WoW	MTD	YTD
Global Aggregate USD (Hedged)	+0.2%	+0.3%	+0.4%
Global Aggregate EUR (Hedged)	+0.3%	+0.3%	-0.2%
US Investment Grade	+0.6%	+0.7%	+0.6%
US High Yield	+0.1%	+0.2%	+1.4%
EU Investment Grade	+0.2%	+0.2%	+0.2%
EU High Yield	+0.4%	+0.5%	+0.6%
EM Local Ccy. Gov (Unhedged)	+0.7%	+1.5%	+1.5%
EM Hard Ccy. Aggregate (Unhedged)	+0.4%	+0.8%	+1.3%

CRYPTO CURRENCY MARKETS

	WoW	MTD	YTD
Bitcoin	+2.6%	+5.1%	-8.4%
Ethereum	+0.5%	+2.2%	-22.2%
Ripple	+2.4%	+3.7%	-22.9%

COMMODITY MARKETS

	WoW	MTD	YTD
Gold	+2.0%	+2.3%	+9.1%
WTI Crude	-6.4%	-9.2%	+66.2%
Brent Crude	-6.4%	-11.2%	+66.5%
Silver	+5.9%	+9.3%	+14.6%
Natural Gas	-0.8%	-0.4%	-25.2%
Copper	+5.3%	+5.5%	+11.0%

CURRENCY MARKETS

	WoW	MTD	YTD
US Dollar Index (DXY)	-0.4%	-0.2%	-0.4%
EURUSD	+0.0%	+0.4%	-0.1%
GBPUSD	-0.3%	+0.5%	+0.7%
AUDUSD	+0.1%	+1.1%	+7.6%
USDCHF	-0.2%	-1.3%	-1.5%
USDJPY	-0.1%	-2.1%	+0.3%

Source: Bloomberg

GET IN TOUCH



- E53, Avenue De La Cannelle, Ebene, Mauritius
- heritagewealth.mu
- +(230) 408 4130
- info@heritagewealth.mu

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