19 June 2026 – 26 June 2026

WEEKLY
MARKET INSIGHTS

THE WEEK'S BIG THEMES

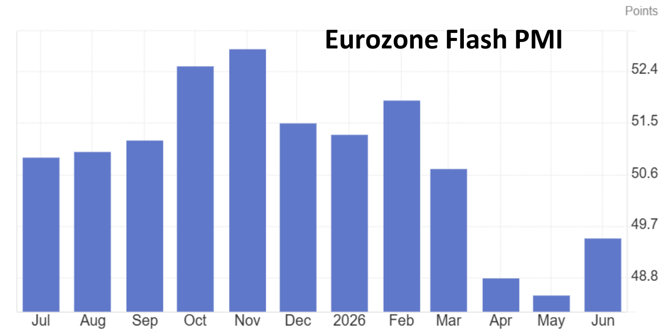
ECONOMY

- **US inflation remained sticky,** with the Fed's preferred inflation gauge, the Personal consumption expenditures (PCE), rising 4,1% YoY in May, its highest level since April 2023. Core PCE accelerated to 3,4%, the highest reading since October 2023. The absence of an upside inflation surprise nevertheless helped ease concerns that the Fed may need to tighten monetary policy more aggressively. **US consumers continued to show resilience**. Real consumer spending rose 2,1% YoY in May, while real disposable income increased for the first time since the beginning of the year. The University of Michigan's final survey pointed to an improvment in consumer sentiment, with the index rising to 49,5 from 44,8 in May. Long-term inflation expectations also moderated, easing to 3,3% from 3,9% a month ealier. **Economic activity also remained solid**, with Q1 GDP revised up to an annualized 2,1% from the prior estimate of 1,6%. Meanwhile, the Flash PMI surveys pointed to a third consecutive month of improving business activity in June, supported by both services and manufacturing sectors. However, employment softened for the second straight month, reflecting ongoing cost-control measures, while supply chain disruptions became more widerspread.
- **Economic data across the euro area remained mixed. T**he Flash Eurozone Composite PMI rose to 49,5 in June, its highest level since March. Although easing slightly in June, the manufacturing PMI remained in expansionary territors for a fifth consecutive month at 51,3. In contrast, Germany recorded a third consecutive month of deteriorating business conditions, with its composite PMI falling to 48. Accvording to the ECB's latest consumer expectations survey, inflation expectations for the next 12 months eased to 3,5% in May, their lowest level in three months, while respondents continued to expect the economy to contract by 1,7% over the coming year.
- In the UK, **Prime Minister K. Starmer announced his resignation,** paving the way for A. Burnham to become the country's seventh prime minister in ten years. Meanwhile, **retail sales felll sharply in June**, reflecting subdued consumer confidence.
- In Japan, **Tokyo consumer inflation – a closely watched leading indicator of nationwide price trends - rose 1,6% YoY in June,** from 1,3% in May**,** marking its first acceleration in eight months. The Bank of Japan continued to highlight upside risk to inflation. The government also announced a JPY 370tr ($2,3tr) fiscal package, aimed at strenghtening the country's long-term growth prospects .
- In China, **the People's Bank of Chins (PBoC) left its key policy rates unchanged for a thirteenth consecutive month,** in line with market expectations. Speaking at t the world forum in Davos, the Chinese Prime Minister reiterated the government's commitment to innovation-led growth.

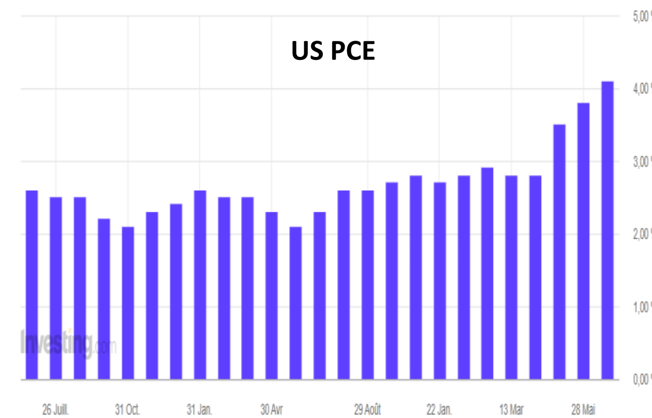
GEOPOLITICAL TENSION

- **Middle East tensions continued to ease**, although the situation remains fragile.
- **The war in Ukraine remained intense**

CHARTS OF THE WEEK



Source Tradingeconomics.com



Source Investing.com

ECONOMIC EVENTS TO WATCH

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
• Retail sales (JP) • Economic sentiment, consumer confidence & inflation expectations (EA)	• Unemployment rate, Industrial production (JP) • GDP growth rate QoQ final (UK) • Consumer confidence (US)	• Tankan (JP) • Inflation (EA) • ADP, Construction spendings, ISM Manufacturing PMI (US)	• Unemployment rate (EA) • Nonfarm payroll, unemployment rate, average hourly earnings (US)	• Global composite PMI final (AU, RU, EA)

WEEKLY
MARKET INSIGHTS

MARKET'S REACTION

EQUITY

- **Overshadowing geopolitical developments, the technology sector came under renewed selling pressure this week, despite lower oil prices and yields, as investors rotated into other segments of the market.** Against this backdrop, the MSCI World index fell 1,4% over the week, while the MSCI World index declined 3,9%.
- **US equity markets ended the week mixed** as renewed concerns over the sustainability of the AI investment theme triggered a broad sell-off in technology stock. The Nasdaq composite fell 4,2% and S&P 500 declined 2%, while the small-cap index gained 1%. Micron delivered a strong set of results, beating expectations on earnings, margins, and guidance, while announcing 16 new long-term agreements, helping the stock reach a fresh all-time high. Rising memory chip prices continue to feed through to consumer, with Apple injcreasing Ipad and MacBook prices by at least $200 on selected model.
- **European equities proved more resilient,** with the Stoxx Europe 600 ending the week broadly unchanged. Performance diverged across markets: Germany's Dax fell 1,3%, France's Cac 40 lost 0,4%, while the UK Footsie gained 1,4%.
- **Asian equity markets also posted negative performances:** Japan's Nikkei declined 2,7%, weighed down by the global technology sell-off. Mainland Chinese equities lost 1,5%, while Hong Kong equities underperformed sharply (-5,2%), as weakness in large internet companies compounded the broader decline in technology shares across the region. South Korea's Kospi dropped 7,1%, reflecting its heavy concentration in semiconductor leader SK Hynix and Samsung Electronics. Local regulators were reportedly considering market stabilization measures, including possible restrictions on certain leveraged products.

FIXED INCOME

- **Global sovereign bond yields moved lower across the board.** US Treasury yields declined across most maturities as easing oil prices and in-line inflation data tempered expectations for further policy tigthening. The 10-year benchmark ended the week at 4,38%, down 8bps, and the 2-year yield fell 12bps to 4,07%. Following the hawkish repricing after the June FOMC meeting, markets partially reversed those expectations and are now pricing around 30bps of additional tightening. German 10-year yield declined13bps to 2,85%.
- **Corporate bonds delivered modest positive returns.** US investment grade credit index benefited from robust demand despite heavy primary issuance ($75bn in June). In contrast, US high yield bonds lagged as concerns over monetary policy, elevated AI equity valuations, heavy issuance, and broader risk-off backdrop weighed on the asset class. European credit outperformed US markets, while emerging market debt ended the week broadly unchanged.

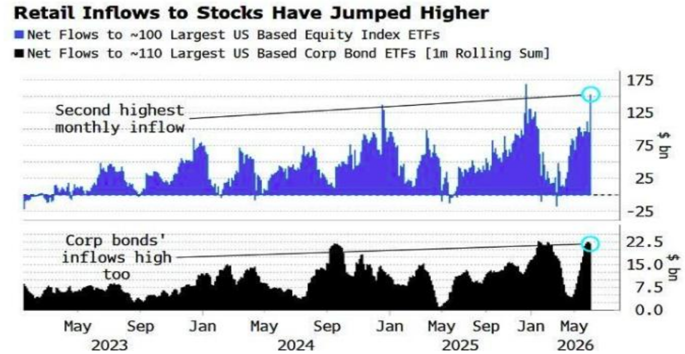
COMMODITIES

- **Oil prices retreated to pre-conflict levels:** WTI and Brent crude prices declined 9,6% and 9,8%, respectively, helped by Iraq saying it could consider leaving OPEC and join UEA, should the group continue to prevent it from increasing production.
- **Precious metals also remained under pressure.** Gold fell 3,4%, while silver extended its losing streak to seven consecutive weeks, dropping 10,6%.

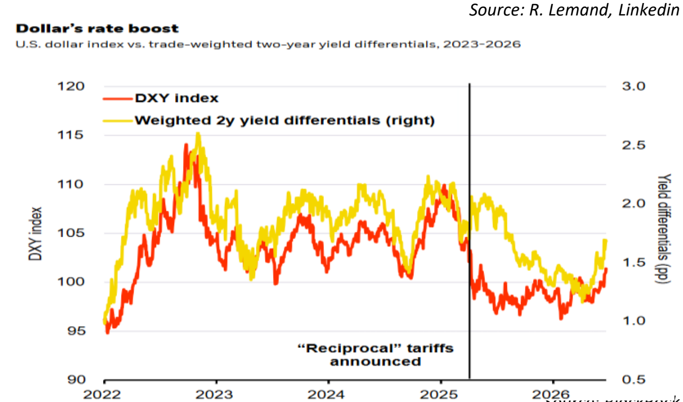
CURRENCIES & CRYTO

- **The US Dollar Index gained 0,5% against its currencies basket.** The Australian Dollar was the weakest performer among major currencies, falling 1,6%, as Iron ore - Australia's largest expot - slipped below US$100/tonne level.
- **Cryptocurrency markets also weakened:** Bitcoin declined 5,5%, while Ethereum and Ripple fell 7,9%.

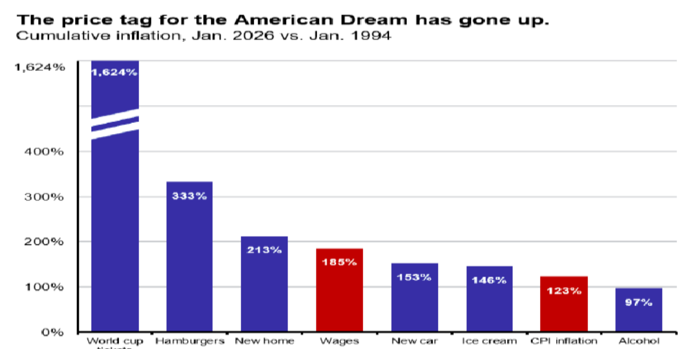
CHARTS OF THE WEEK



Source: R. Lemand, Linkedin



Source: BlackRock



Source: JPMorgan

WEEKLY MARKET INSIGHTS

19 June 2026 – 26 June 2026

WEEKLY MARKETS REVIEW (As of 26 June 2026)

EQUITY MARKETS

	WoW	MTD	YTD
MSCI World (USD)	-1.4%	-2.0%	+7.6%
MSCI Emerging (USD)	-3.9%	-1.8%	+23.2%
S&P 500 (USD)	-2.0%	-3.0%	+7.4%
NASDAQ 100 (USD)	-4.2%	-4.0%	+15.3%
RUSSELL 2000 (USD)	+1.0%	+3.1%	+21.3%
STOXX 600 (EUR)	+0.0%	+1.6%	+7.3%
DAX (EUR)	-1.3%	-1.7%	+0.7%
CAC 40 (EUR)	-0.4%	+2.5%	+2.9%
FTSE 100 (GBP)	+1.4%	+0.9%	+5.8%
NIKKEI (JPY)	-2.7%	+4.6%	+37.8%
CSI 300 (CNY)	-1.5%	-0.5%	+5.1%
BOVESPA (BRL)	+2.8%	-0.3%	+7.6%
HANG SENG (HKD)	-5.2%	-10.0%	-11.5%

FIXED INCOME MARKETS

	WoW	MTD	YTD
Global Aggregate USD (Hedged)	+0.6%	+0.6%	+1.2%
Global Aggregate EUR (Hedged)	+0.6%	+0.4%	+0.3%
US Investment Grade	+0.4%	+0.5%	+1.3%
US High Yield	-0.2%	-0.1%	+1.5%
EU Investment Grade	+0.6%	+0.4%	+1.3%
EU High Yield	+0.1%	+0.4%	+1.5%
EM Local Ccy. Gov (Unhedged)	-0.0%	-0.1%	+1.1%
EM Hard Ccy. Aggregate (Unhedged)	+0.1%	+0.3%	+2.1%

CRYPTO CURRENCY MARKETS

	WoW	MTD	YTD
Bitcoin	-5.5%	-18.2%	-31.4%
Ethereum	-7.9%	-21.6%	-46.9%
Ripple	-7.9%	-21.2%	-43.1%

COMMODITY MARKETS

	WoW	MTD	YTD
Gold	-3.4%	-10.6%	-5.7%
WTI Crude	-9.6%	-20.8%	+20.6%
Brent Crude	-9.8%	-21.8%	+18.3%
Silver	-10.6%	-21.7%	-15.6%
Natural Gas	-0.1%	-1.8%	-12.3%
Copper	-3.7%	-3.4%	+9.1%

CURRENCY MARKETS

	WoW	MTD	YTD
US Dollar Index (DXY)	+0.5%	+2.5%	+3.1%
EURUSD	-0.8%	-2.5%	-3.3%
GBPUSD	-0.1%	-1.9%	-2.1%
AUDUSD	-1.6%	-3.7%	+3.0%
USDCHF	+0.7%	+3.4%	+2.4%
USDJPY	+0.3%	+1.6%	+3.4%

Source: Yahoo Finance

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DISCLAIMER