10 July 2026 – 17 July 2026

WEEKLY
MARKET INSIGHTS

THE WEEK'S BIG THEMES

ECONOMY

- **UNITED STATES – Inflation surprised on the downside,** with i/ headline CPI at 3,5% YoY in June, down from 4,2%, while core inflation eased to 2,6% from 2,9%. Lower energy prices drove the decline, alongside softer shelter inflation; and ii/ **producer prices also declined,** with headline PPI moderating to 5% YoY, while core PPI fell to 4,7%. The University of Michigan's preliminary consumer sentiment survey for July showed that **expectations for inflation in the year ahead fell to 4,2% from 4,6% in June**, while long-run expectations were unchanged at 3,3%. **Economic data also pointed to continued resilience in consumer spending**, with retail sales up. **Small business optimism has improved slightly,** supported by hiring intention and a pickup in capex plans.
- **EURO AREA – Annual inflation fell to 2,8% in June,** down from 3,2% in May, and core slipped to 2,4% from 2,6%. **industrial activity remained mixed, with industrial production lower,** led by consumer durables and intermediate goods.
- **EUROPE -** In the UK, **A. Burnham offically became leader** of the governing Labour Party. The **economy returned to growth in May**, expanding by 0,1% MoM compared to the 0,1% contraction in April**. Industrial production fell in May**, driven by a drop in mining and quarrying output.
- **JAPAN - Core machinery orders dropped by 12,4% MoM in May,** reflecting broad-based weakness in business investment. The **Reuters Tankan manufacturers' sentiment index was unchanged in July** at +13, with optimism supported by solid semiconductor demand, while **sentiment among non-manufacturers fell** to +25 from +32 in June, as cost pressures and geopolitical uncertainty weighed on confidence.
- **CHINA – Q2 GDP growth slowed to 4,3% YoY**, the weakest pace in more than three years. The **trade surplus widened to $125,6bn**, with exports surging 27% YoY in June, supported by higher semiconductor prices and strong overseas demand for data-processing equipment and automobiles, while import increased 36%. **Domestic demand remains weak**.
- **OF NOTE – The Bank of Korea raised its policy rate by 25bps to 2,75%** and maintained a hawkish **tone, while the Bank of Canada kept rate unchanged** at 2,25%. **Spain beat Argentina and won the 2026 World Cup**.

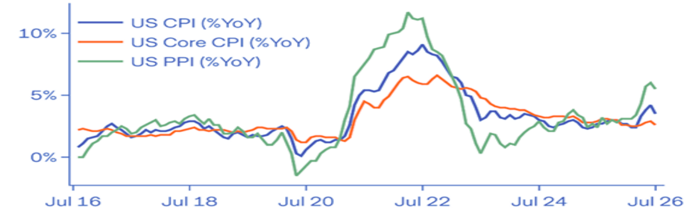
GEOPOLITICAL TENSION

- **Control of the Strait of Hormuz remains the main geopolitical concern**. The conflict has deteriorated further, with renewed airstrikes and a naval blockade. Pst Trump briefly proposed a 20% levy on all cargo transiting the strait before retreating under pressure from Gulf allies.
- **The conflict in Ukraine remained unresolved**.

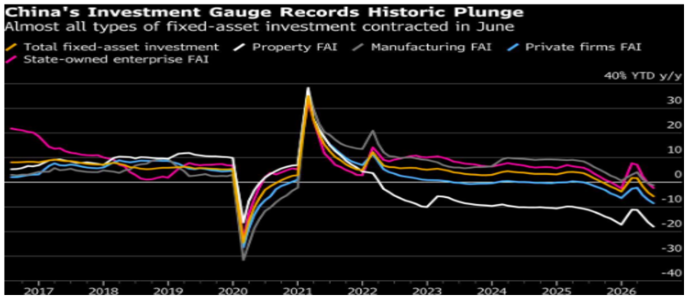
EARNINGS SEASON

- Results have been solid with **US banks beating analysts' estimates, alongside semiconductor companies such as ASML and TSMC**. Analysts expect earnings to rise 24% YoY.

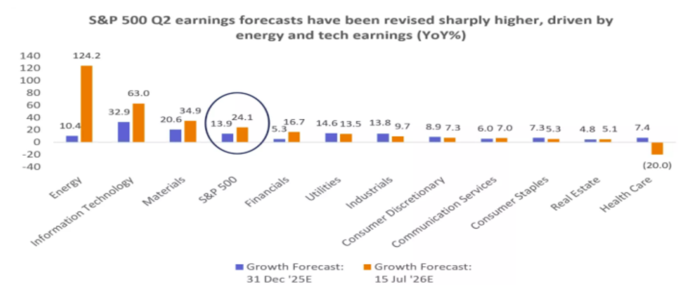
CHARTS OF THE WEEK



Source Zurich.com



Source Bloomberg



Source edwardjones, FactSet

ECONOMIC EVENTS TO WATCH

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
• Inflation rate (CA) • CB Leading index (US)	• Unemployment rate, Earnings (UK) • ECB Bank lending survey, ZEW (EA) • Redbook (US)	• Balance of trade (JP) • Inflation rate, PPI (UK) • Inflation rate, Retail sales (ZA) • MBA mortgage data, EIA data (US)	• ECB rate decision (EA) • Chicago Fed National Activity index, Jobless claims (US)	• PMI (AU, JP, EA, US) • Inflation rate (JP) • Retail sales (UK) • New home sales (US)

WEEKLY
MARKET INSIGHTS

MARKET'S REACTION

EQUITY

- As geopolitical tension remained a source of market volatility**, global equities delivered weak performance across regions**. The MSCI World index fell 1% over the week, while the MSCI Emerging Markets index declined 5,4%.
- **Major U.S. equity indices ended the week lower,** with weakness particularly evident in technology amid renewed uncertainty around the AI secular growth story, even as China's Moonshot unveiled a new AI model (Kimi K3) rivaling leading US offerings. Rotation continued, with more cyclical and defensive areas holding up better. The Nasdaq fared worst, declining 4,1%. The S&P 500 lost 1,6%, weighed down by large-cap tech and AI-linked shares. The small caps index fell 0,5%. The Semiconductor index (SOX) declined alomost 8% last week and is now down 20% from its June high, though still up 65% YtD. Notably, Space X fell more than 40% from its peak, and is now below its IPO price.
- **European equities were more resilient.** The Stoxx 600 ended the week broadly unchanged (+0,1%). Among major markets: Germany's Dax declined 0,9%, France's Cac 40 ended flat, and the UK's Footsie outperformed, gaining 1% thanks to its relatively low exposure to technology names..
- **Asian equity markets also delivered mixed results.** Bearish sentiment toward technology stocks and the situation in the Middle East weighed on Japan's tech-heavy Nikkei, which declined 6,4%. In China, the Hong Kong index gained 1,6%, supported by mainland buying and gains among large internet platforms, while the mainland China index declined 5,3%.

FIXED INCOME

- **Global sovereign bond yields were mixed.** It was a volatile week for U.S. Treasury yields, which ultimately ended lower across most maturities. The US 10-year ended at 4,55% (-1bp), and the 2-year tenor at 4,18% (-3bps). The US Fed Chair maintained a cautious tone in his remarks to Congress. The German Bund closed at 3,14% (+7bps). In Japan, the 10-year government bond fell to 2,70% from 2,78%, as peculation continued about the potential for Government Pension Investment Fund to shift toward domestic financial holdings, as called for by Finance Minister.
- **Corporate bonds delivered slightly negative return.** Despite equity markets volatility**, credit spreads widened modestly** across most segments. **Flows remained supportive**, with most segments attracting inflows and new issues receiving solid subscription demand, although investor appetite may be showing some fatigue around very large AI-related deals. EUR denominated credit slightly underperformed, and local-currency emerging market debt alsobunderperformed.

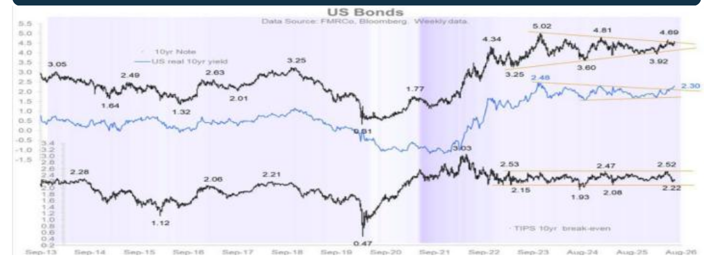
COMMODITIES

- **Oil prices surged as tensions in the Middle East escalated,** with WTI and Brent crude gaining 15,5% and 15,9%, respectively.
- **Gold prices declined** despite two softer-than-expected inflation prints, as inflation worries remained elevated and Fed commentary retained a hawkish tone**. Silver also fell 6,3%,** while copper was broadly unchanged (-0,2%).

CURRENCIES & CRYTO

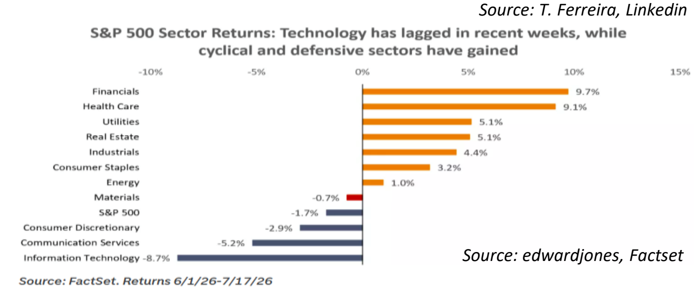
- **The US Dollar Index was little changed** overt the week, down 0,2%.
- **Cryptocurrency markets were mixed,** with Bitcoin and Ripple lower, 0,4% and 1,4% respectively, while Ethereum outperformed, gaining 2,5%..

CHARTS OF THE WEEK

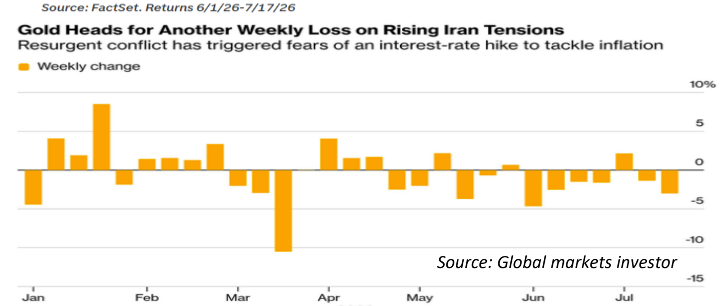


Source: M. Achkasov, Linkedin

Source: T. Ferreira, Linkedin



Source: edwardjones, Factset



Source: Global markets investor

WEEKLY MARKET INSIGHTS

10 July 2026 – 17 July 2026

WEEKLY MARKETS REVIEW (As of 17 July 2026)

EQUITY MARKETS

	WoW	MTD	YTD
MSCI World (USD)	-1.0%	-0.0%	+8.9%
MSCI Emerging (USD)	-5.4%	-7.3%	+15.9%
S&P 500 (USD)	-1.6%	-0.6%	+8.9%
NASDAQ 100 (USD)	-4.1%	-5.6%	+13.2%
RUSSELL 2000 (USD)	-0.5%	-2.1%	+19.4%
STOXX 600 (EUR)	+0.1%	-0.0%	+8.2%
DAX (EUR)	-0.9%	-0.7%	+1.4%
CAC 40 (EUR)	-0.0%	-0.8%	+2.3%
FTSE 100 (GBP)	+1.0%	+1.0%	+6.7%
NIKKEI (JPY)	-6.4%	-8.5%	+27.4%
CSI 300 (CNY)	-5.3%	-9.0%	-2.2%
BOVESPA (BRL)	-2.3%	+1.0%	+7.8%
HANG SENG (HKD)	+1.6%	+7.3%	-4.2%

FIXED INCOME MARKETS

	WoW	MTD	YTD
Global Aggregate USD (Hedged)	+0.0%	-0.4%	+0.5%
Global Aggregate EUR (Hedged)	-0.1%	-0.7%	-0.5%
US Investment Grade	+0.1%	-1.0%	-0.2%
US High Yield	-0.1%	+0.1%	+1.8%
EU Investment Grade	-0.5%	-0.9%	+0.4%
EU High Yield	-0.3%	-0.3%	+1.4%
EM Local Ccy. Gov (Unhedged)	-0.9%	-0.3%	+0.7%
EM Hard Ccy. Aggregate (Unhedged)	-0.2%	-0.5%	+1.7%

CRYPTO CURRENCY MARKETS

	WoW	MTD	YTD
Bitcoin	-0.4%	+9.1%	-27.0%
Ethereum	+2.5%	+17.3%	-38.0%
Ripple	-1.4%	+4.8%	-40.8%

COMMODITY MARKETS

	WoW	MTD	YTD
Gold	-2.2%	-0.3%	-7.2%
WTI Crude	+15.5%	+18.7%	+43.7%
Brent Crude	+15.9%	+20.8%	+44.8%
Silver	-6.3%	-5.8%	-20.1%
Natural Gas	-1.0%	-11.1%	-21.0%
Copper	-0.2%	+0.4%	+10.5%

CURRENCY MARKETS

	WoW	MTD	YTD
US Dollar Index (DXY)	-0.2%	-0.4%	+2.5%
EURUSD	+0.1%	+0.2%	-2.6%
GBPUSD	+0.5%	+1.7%	+0.1%
AUDUSD	+0.8%	+1.7%	+4.5%
USDCHF	+0.2%	+0.1%	+2.1%
USDJPY	+0.0%	+0.3%	+3.8%

Source: Yahoo Finance

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