17 July 2026 – 24 July 2026

WEEKLY
MARKET INSIGHTS

THE WEEK'S BIG THEMES

ECONOMY

- **UNITED STATES – The Composite PMI rose to an eight-month high** of 53,6 in July from 51,9, as stronger services activity offset softer manufacturing growth. Employment rose for the first time in three months and business expectations improved to an eight-month high. The report also flagged intensifying price and supply pressures. **Initial jobless claims fell** to 187K, the lowest level since 1969, well below the 215K expected. **New home sales remained sluggish,** as higher bond yields continue to weigh on housing (average 30-year fixed mortgage rate rose to 6,58%).
- **EURO AREA – The ECB kept its deposit rate unchanged at 2,25%** as expected, while the chief economist signalled September as the next key decision point. Markets are pricing roughly 48bps of additional hikes by year-end. **Eurozone PMIs showed a recovery in July,** with manufacturing rising to 52 from 51,4 in June and services returning to growth at 51,6 vs 49,4. **German consumer confidence softened**, reflecting weaker income expectations.
- **UK - Some encouraging data, with June CPI surprising to the downside** as headline inflation fell more than expected to 2,6%. **Services activity returned to growth**, with the PMI at 51,8 vs 48,8 previously, and **retail sales were robust,** rising 1%. The **unemployment rate remained at 4,9% in May**, with wage growth unchanged at 3,4% YoY.
- **JAPAN - The Cabinet approved the government's annual economic and fiscal policy blueprint,** which prioritises aggressive public and private investment in strategic growth areas to strenghten the economy. June inflation reinforced expectations for further BoJ tightening, with **nationwide core CPI at 1,6% YoY**, up from 1,4% in may.
- **CHINA** – Comments from rating agencies continued to highlight **a widening divergence between booming export industries and weak consumer demand**
- **OF NOTE –** The Bank of Indonesia kept rate unchanged at 5,75%. Recent developments in the Middle East are increasing the risk of a less accomodative central bank.

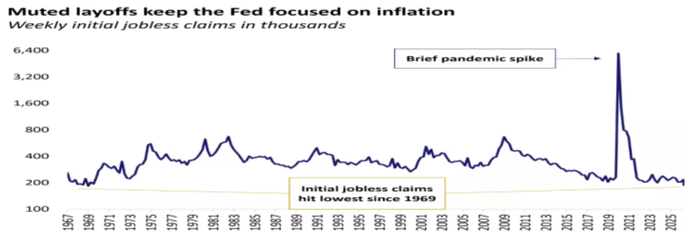
GEOPOLITICAL TENSION

- **The US-Iran conflict continued to escalate,** with Houthi rebels claiming missiles and drone strikes on Saudi Aramco facilities, raising fears of broader oil supply diaruptions.
- **The Trump administration reimposed tariffs on dozens of trading partners,** including the European Union, after earlier global duties expired, and **threatened a fresh 50% tariff on selected Canadian goods,** citing unfair treatment of American exports.

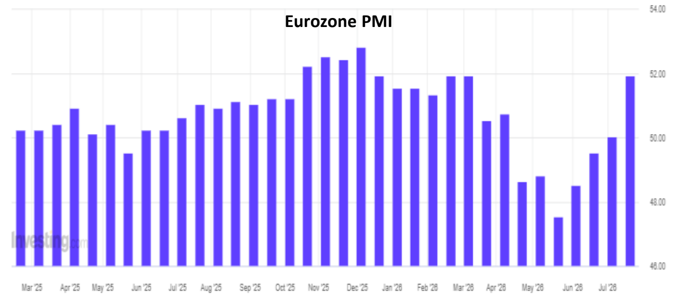
EARNINGS SEASON

- US earnings remained strong and early results have again exceeded forecasts. 27% of S&P 500 companies have reported actual results. Among them, 86% of S&P 500 companies have reported a positive EPS surprise and 80% of S&P 500 companies has reported a positive revenue surprise. (source: Factset)

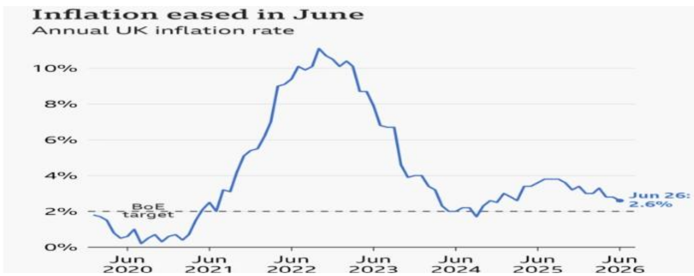
CHARTS OF THE WEEK



Source Edward Jones



Source Investing.com



Source bbc.com

ECONOMIC EVENTS TO WATCH

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
• Durable goods orders (US)	• Inventories, Consumer confidence, Housing prices (US)	• Fed rate decision, MBA Mortgage applications (US)	• BoE rate decision (UK) • Claims, Q2 GDP, PCE prices (US)	• BoJ rate decision (JP) • Eurozone CPI (EA) • Chicago PMI, Michigan consumer sentiment (US)

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MARKET'S REACTION

EQUITY

- **Global equities were mixed amid ongoing geopolitical and inflation concerns**. The MSCI World index fell 0,2% over the week, while the MSCI Emerging Markets index gained 1%.
- **Major U.S. equity indices ended the week lower,** as investors remained cautious about the profitability of AI investments. The Nasdaq fell 0,5%, while the S&P 500 and the Smal caps index declined 0,7%. Corporate earnings were the main focus, and tech weakness was driven by a post-earnings sell-off in Alphabet, despite strong results, including 82% YoY cloud revenue growth. However, heavy capex guidance and negative free cash flow in Q2 for the first time since its public début in 2004 weighed on the stock. Tesla also declined after reporting elevated capital spending and weaker cash flow.
- **European equities also declined.** The Stoxx 600 ended the week lower (-0,4%). Among major markets: Germany's Dax declined 0,3%, and France's Cac 40 ended 0,5% lower. The UK's Footsie outperformed (+0,4%), benefitting from a decent economic environment and a rotation away tech stocks..
- **Asian equity markets delivered positive results.** Japan's stocks advanced over the week with the Nikkei up 3,6%. In China, the Hong Kong index gained 2,8%, while the mainland China index ened the week flat, as state-sponsored support for technology shares helped reverse ealier market volatility.

FIXED INCOME

- **Global sovereign bond yield rose as inflation fears resurfaced,** fuelling expectations of central bank action. The US 10-year benchmark ended the week at 4,68%, while the German 10-year yield climbed to 3,17%, its highest level since 2011. The UK Gilt closed above 5%, although markets welcomed the appointmernt of the former Secretary of Defense as the new Chancellor. Expectations for Fed rate hikes also rose this week, with July priced at 31% versus 13% last week, and September fully priced in, up from 68%. The Japan 10-year yield ended the week at 2,80%, approaching levels last seen in the 1990s.
- **Corporate bonds delivered negative return.** While credit spreads widened, US credit underperformed its European peers, as did hard currency emerging debt. US Investment Grade underperformed, weighed down by the sell-off in Treasuries and its long-duration profile, combined with the larger weigh of hyperscalers in the index. Issuance in the US investment grade in July is on pace for a record month.

COMMODITIES

- **Oil prices surged in a context of escalation in the Middle East and further shipping disruptions in the Persian Gulf and Red Sea,** with WTI and Brent crude gaining 8,3% and 9,9%, respectively. The Brent crude price hit $100 again.
- **Precious metal also gained amid geopolitical risk,** with gold 1,4% higher and silver 4,7%.

CURRENCIES & CRYTO

- **The US Dollar Index gained 0,7% versus its currencies basket**. Renewed geopolitical tensions and concerns over Japan's fiscal outlook weighed on the Yen which reached a 40-year low at JPY 164.
- **Cryptocurrency markets posted positive returns,** with Bitcoin up 0,3%, Ethereum up 1%, and Ripple up 0,2%.

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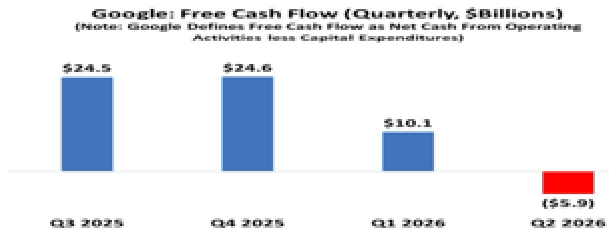
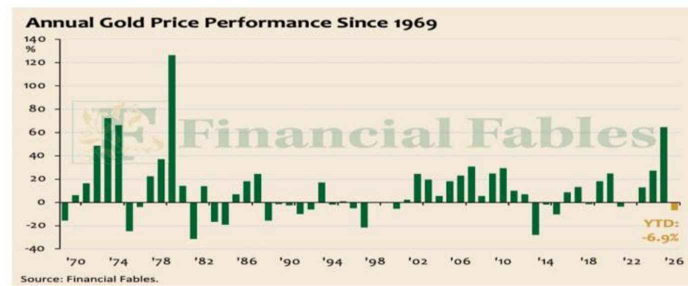


Source: C. Bilello

	2YR		10YR	
US	4.33	▲	4.68	▲
Germany	2.83	▲	3.17	▲
France	3.00	▲	3.97	▲
Italy	3.03	▲	4.00	▲
UK	4.41	▲	5.03	▲
Japan	1.51	▲	2.80	▲

Source: Amundi



Source: A. Drylen, LinkedIn

Source: Baloise Asset Management

WEEKLY MARKET INSIGHTS

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WEEKLY MARKETS REVIEW (As of 24 July 2026)

EQUITY MARKETS

	WoW	MTD	YTD
MSCI World (USD)	-0.2%	-0.7%	+8.2%
MSCI Emerging (USD)	+1.0%	-7.5%	+15.6%
S&P 500 (USD)	-0.7%	-1.1%	+8.3%
NASDAQ 100 (USD)	-0.5%	-7.4%	+11.0%
RUSSELL 2000 (USD)	-0.7%	-2.5%	+18.8%
STOXX 600 (EUR)	-0.4%	+0.5%	+8.7%
DAX (EUR)	-0.3%	+1.5%	+3.6%
CAC 40 (EUR)	-0.5%	+0.0%	+3.1%
FTSE 100 (GBP)	+0.4%	+2.7%	+8.6%
NIKKEI (JPY)	+3.6%	-7.3%	+29.0%
CSI 300 (CNY)	+0.0%	-9.0%	-2.2%
BOVESPA (BRL)	+1.7%	+1.9%	+8.8%
HANG SENG (HKD)	+2.6%	+10.2%	-1.7%

FIXED INCOME MARKETS

	WoW	MTD	YTD
Global Aggregate USD (Hedged)	-0.5%	-0.8%	+0.0%
Global Aggregate EUR (Hedged)	-0.4%	-1.0%	-0.8%
US Investment Grade	-1.2%	-2.0%	-1.1%
US High Yield	-0.5%	-0.4%	+1.3%
EU Investment Grade	-0.2%	-0.9%	+0.4%
EU High Yield	-0.4%	-0.6%	+1.1%
EM Local Ccy. Gov (Unhedged)	-0.2%	-0.4%	+0.7%
EM Hard Ccy. Aggregate (Unhedged)	-1.2%	-1.3%	+0.9%

CRYPTO CURRENCY MARKETS

	WoW	MTD	YTD
Bitcoin	+0.3%	+9.5%	-26.8%
Ethereum	+1.0%	+18.5%	-37.3%
Ripple	+0.2%	+5.1%	-40.7%

COMMODITY MARKETS

	WoW	MTD	YTD
Gold	+1.4%	+1.3%	-5.8%
WTI Crude	+8.3%	+18.9%	+43.9%
Brent Crude	+9.9%	+21.2%	+45.2%
Silver	+4.7%	-1.7%	-16.6%
Natural Gas	-1.4%	-15.5%	-24.9%
Copper	+1.6%	+2.4%	+12.6%

CURRENCY MARKETS

	WoW	MTD	YTD
US Dollar Index (DXY)	+0.7%	+0.3%	+3.3%
EURUSD	-0.6%	-0.2%	-3.0%
GBPUSD	-1.2%	+0.7%	-0.9%
AUDUSD	-0.5%	+1.6%	+4.4%
USDCHF	+1.1%	+1.1%	+3.1%
USDJPY	+0.9%	+1.0%	+4.6%

Source: Yahoo Finance

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