31 July 2026 – 07 August 2026

WEEKLY MARKET INSIGHTS

THE WEEK'S BIG THEMES

ECONOMY

- **UNITED STATES – US jobs market surprised to the downside,** with nonfarm payrolls falling by 23K jobs in July, well below consensus expectations of around 80K. Prior months were also revised down, and July marked the fourth consecutive month of slowing monthly gains. The unemployment rate edged down to 4,1% as labor force participation fell to a 50-year low. Wage growth remained contained at 0,1% MoM. **Business activity stayed resilient**, with the ISM manufacturing index rising to a five-year high. Services activity also remained in expansion, although the employment component slipped back into contraction territory and price pressures increased.
- **EURO AREA – Activity returned to expansion for the first time since March** according to the PMI data, with broad-based improvment pointing to a solid start to Q3. Inflationary pressures moderated, as both input costs and output prices rose more slowly over the month**. Business activity improved in France and Germany**, although services PMI for both contries remained in contraction territory. **Large rebound in German factory orders** driven by domestic demand and public support.
- **UNITED KINGDOM – PMIs data point to a modest rebound in activity in July**, with both services and manufacturing returning to expansion, helped by firmer demand and softer input-cost pressures. However, hiring in services remains weak, and firms continue to flag uncertainty over energy costs and the broader economic outlook.
- **JAPAN -** The **Cabinet moved forward with the government's consumption tax reduction plan**, prompting renewed concerns about fiscal sustainability, even as recent data show that gains in household income have yet to translate into stronger spending.
- **CHINA** –The RatingDog manufacturing index posted its sharpest drop on record, slipping to a four-month low as domestic orders and output slowed, even though export orders finally picked up. Services weakened more sharply, dragged by soft domestic demand, and business expectations for the year ahead fell to their lowest level since early 2020.

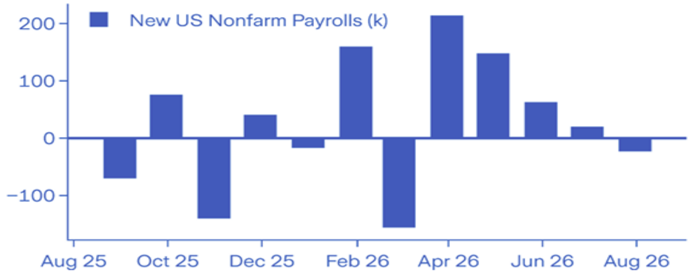
GEOPOLITICAL TENSION

- **Reports suggested progress toward an agreement to reopen the Strait of Hormuz:** Iran and Oman were reportedly closed to a shipping agreement, although Iran ruled out direct talks with the US, and refused to grant passage to US and Israeli vessels.
- **Trade tensions remained elevated**, with Trump signimng a 15% tariff on imported Chinese solar panels effective in December, while China stepped up countermeasures.

EARNINGS SEASON

- With roughly four-fifths of S&P 500 companies now having reported, the **US is on track for another robust Q2 earnings season**, with blended earnings growth at about 52% YoY. Technology remains the main contributor, while Energy, Financials, Industrials and Materials have also surprised positively. **In Europe, earnings growth is running at 26% YoY**, suppoprted by Energy, while ex-energy performance remains solid and consumer cyclicals continue to weigh on results.

CHARTS OF THE WEEK



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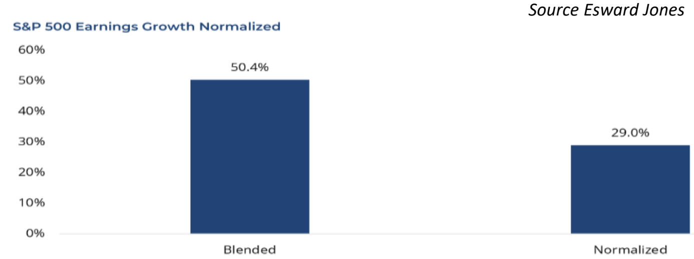

Source Clearstead

ECONOMIC EVENTS TO WATCH

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
• Manufacturing PMI (CN, AU, ID, JP)) • Manufacturing PMI (EA) • ISM manufacturing (US)	• Balance of trade, Jolt jobs, Factory orders (US) • Manufacturing PMI (CA)	• PMI Services (CN, AU) • PMI Services (EA) • ISM Services (US) • Policy rate (IN)	• Retail sales (EA) • Claims, Productivity, Labor costs (US) • Employment data (CA)	• Balance of trade (CN) • Inflation, PPI (MX) • Nonfarm payroll, unemployment rate, average weekly hours (US)

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WEEKLY
MARKET INSIGHTS

MARKET'S REACTION

EQUITY

- **Global equities advanced as geopolitic developments remained supportive**. The MSCI World index gained 4%, reaching a new record high, while the MSCI Emerging Markets index rose 2,5%.
- **Major U.S. equity indices also advanced during the week**, setting new highs. US equities outperformed as the AI-trade resumed, with favorable corporate earnings and renewed enthousisam around AI, along with optimism about the potential reopening of the Strait of Hormuz, supporting investors sentiment. The S&P 500 gained 3,6% while the technology-heavy Nasdaq climbed 5,1%, as semiconductors led the rally. The small caps index rose 3,5%.
- **European equities also advanced,** supported by resilient corporate earnings and firmer risk appetite. The Stoxx 600 ended the week up 1,7%. Among major markets, Germany's Dax gained 2,7%, France's Cac 40 rose 2,4%, and the UK's Footsie increased 0,3%.
- **Asian equity markets were mixed.** Japanese stocks advanced over the week, with the Nikkei up 1,9%. Chinese equities diverged, with mainland index flat over the week, supported by tech and semiconductors, while Hong Kong markets fell 0,8% amid weakness in financials after reports that Chinese tax authorities werelevying taxes on offshore insurance policies.

FIXED INCOME

- **Global sovereign bond yields declined**. Falling oil prices and the softer US jobs report helped Treasuriy yields drift lower across most maturities, with expectations of a September Fed rate hike falling to 42%. The US 10-year ended the week at 4,65%, down from 4,74% a week earlier. Europe followed, with the German 10-year falling 7bps to 3,13%, while the 10-year Gilt declined by 13bps to 4,92%. Japan's 10-year yield was broadly unchanged at 2,79%.
- **Corporate bonds delivered slightly positive returns.** Lower sovereign yields and a risk-on environment supported credit markets, with spreads tightening across the board. Hard-currency emerging debt outperformed US peers, while local-currency emerging debt benefited from a weaker US Dollar. The first week of August saw Alphabet issue a USD 25bn jumbo deal, which was well received thanks to a decent concession at issuance.

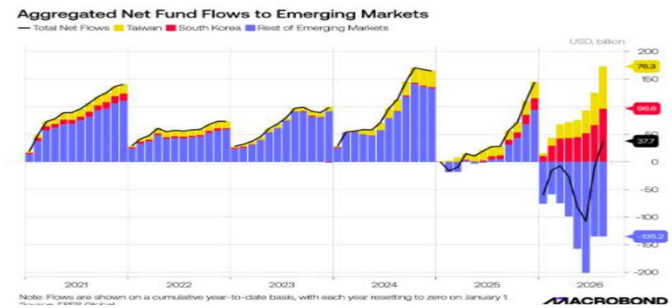
COMMODITIES

- **Oil prices declined on expectations of increased traffic through the Strait of Hormuz**. WTI and Brent fell 7,7% and 7,3%, respectively.
- **Precious metals advanced as markets scaled back expectations of further US rate hikes**. Gold gained 7,2% while silver rose 10%.

CURRENCIES & CRYTO

- **The US Dollar weakened again versus its currencies basket,** down 0,2%. The yen gave back some of the gains following last week's currency interventions.
- **Cryptocurrency markets were mixed,** with Bitcoin up 3,3%, Ethereum up 2,8%, and Ripple down 3,7%.

CHARTS OF THE WEEK



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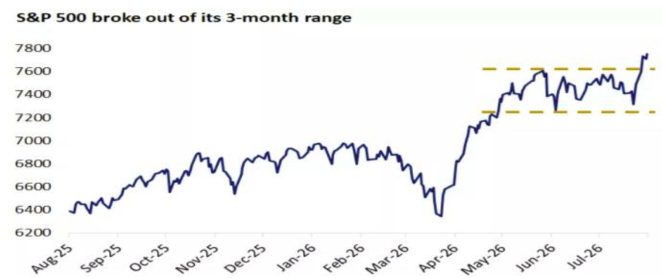
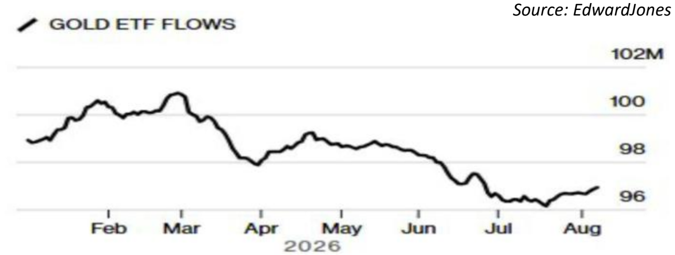
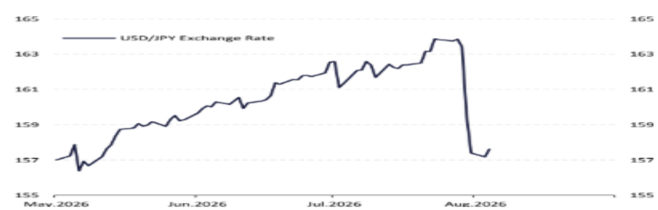


Source: EdwardJones



Source: F. Monkam, Linkedin



Source: Altitude Invetsment

WEEKLY MARKET INSIGHTS

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WEEKLY MARKETS REVIEW (As of 07 August 2026)

EQUITY MARKETS

	WoW	MTD	YTD
MSCI World (USD)	+4.0%	+4.0%	+13.4%
MSCI Emerging (USD)	+2.5%	+2.5%	+20.3%
S&P 500 (USD)	+3.6%	+3.6%	+13.3%
NASDAQ 100 (USD)	+5.1%	+5.1%	+17.7%
RUSSELL 2000 (USD)	+3.5%	+3.5%	+22.3%
STOXX 600 (EUR)	+1.7%	+1.7%	+11.4%
DAX (EUR)	+2.7%	+2.7%	+7.5%
CAC 40 (EUR)	+2.4%	+2.4%	+6.9%
FTSE 100 (GBP)	+0.3%	+0.3%	+9.8%
NIKKEI (JPY)	+1.9%	+1.9%	+30.3%
CSI 300 (CNY)	+0.0%	+0.0%	-2.2%
BOVESPA (BRL)	-3.1%	-3.1%	+7.1%
HANG SENG (HKD)	-0.8%	-0.8%	+0.1%

FIXED INCOME MARKETS

	WoW	MTD	YTD
Global Aggregate USD (Hedged)	+0.5%	+0.5%	+0.3%
Global Aggregate EUR (Hedged)	+0.6%	+0.6%	-0.6%
US Investment Grade	+0.7%	+0.7%	-0.7%
US High Yield	+0.6%	+0.6%	+2.2%
EU Investment Grade	+0.4%	+0.4%	+0.7%
EU High Yield	+0.4%	+0.4%	+1.7%
EM Local Ccy. Gov (Unhedged)	+1.7%	+1.7%	+2.8%
EM Hard Ccy. Aggregate (Unhedged)	+1.2%	+1.2%	+1.6%

CRYPTO CURRENCY MARKETS

	WoW	MTD	YTD
Bitcoin	+3.3%	+3.3%	-25.9%
Ethereum	+2.8%	+2.8%	-35.5%
Ripple	-3.7%	-3.7%	-44.5%

COMMODITY MARKETS

	WoW	MTD	YTD
Gold	+7.2%	+7.2%	+0.3%
WTI Crude	-7.7%	-7.7%	+36.2%
Brent Crude	-7.3%	-7.3%	+37.3%
Silver	+10.0%	+10.0%	-9.7%
Natural Gas	-3.1%	-3.1%	-27.8%
Copper	+2.1%	+2.1%	+16.7%

CURRENCY MARKETS

	WoW	MTD	YTD
US Dollar Index (DXY)	-0.2%	-0.2%	+1.3%
EURUSD	+0.0%	+0.0%	-1.9%
GBPUSD	-0.0%	-0.0%	-0.1%
AUDUSD	+0.1%	+0.1%	+5.0%
USDCHF	+0.8%	+0.8%	+2.6%
USDJPY	-1.1%	-1.1%	+1.3%

Source: Yahoo Finance

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