SIB Standard Investment Bank | Mansa X Special Fund

22ND - 26TH JUNE 2026

GLOBAL MARKETS

WEEKLY MARKET BRIEF

Highlights.

U.S. equity markets delivered mixed performance during the week as continued weakness in large-cap technology and artificial intelligence (AI) stocks weighed on the Nasdaq Composite and the S&P 500. The S&P 500 declined 1.95% and the Nasdaq 100 retreating 4.24% for the week. In contrast, smaller companies and large-cap value-oriented stocks outperformed, with the Russell 2000 and the Dow Jones Industrial Average posting gains. Data coming in during the week showed that the annual headline PCE inflation accelerated to 4.1%, its highest level since April 2023, while core inflation edged up to 3.4%, the strongest reading since October 2023. Positively, despite higher inflation, consumer finances remained resilient. Both personal income and consumer spending rose 0.7% during May, exceeding economists' expectations. Spending gains were broad-based, led by financial services, insurance, healthcare, housing, utilities, and energy-related purchases. Further, preliminary June Purchasing Managers' Index (PMI) data from S&P Global indicated that U.S. business activity continued to improve for a third consecutive month. However, companies remained cautious about hiring. Employment declined for a second straight month as businesses focused on managing costs amid elevated input prices and economic uncertainty. Supply chain disruptions also became more pronounced, reflecting the combined effects of tariffs and ongoing Middle East tensions. Separately, the Bureau of Economic Analysis revised first-quarter U.S. GDP growth upward to an annualized 2.1% from 1.6%, primarily due to lower-than-previously estimated imports. Across the great Atlantic Pond, the pan-European Euro STOXX 600 Index finished the week lower by 1.31%. After beginning the week on a positive note, European markets weakened on Friday as investors sold technology shares amid concerns that AI-related stock valuations had become stretched. Among major markets, Germany, France, and Italy declined, while the UK's FTSE 100 posted gains. Notably, the European Central Bank's latest consumer survey showed that eurozone inflation expectations for the coming year declined to 3.5% in May, their lowest level in three months. Consumers also became slightly less pessimistic about the economic outlook, with expected economic contraction easing compared with April. Lower oil prices, which have retreated toward pre-conflict levels, also reduced expectations that the ECB would need to implement further interest rate increases. Further to this, the eurozone Composite PMI improved to 49.5 in June, the highest level since March and above market expectations. Separately, in the U.K., political uncertainty rose at the beginning of the week as UK Prime Minister Keir Starmer announced his resignation after months of political pressure, with Labour expected to select Andy Burnham as its new leader. Mr. Starmer indicated that he would remain in office until the new substantive leader is duly appointed. Economic data also weakened. The Confederation of British Industry reported a sharp decline in retail sales during June as higher prices and weak consumer confidence weighed on spending. Meanwhile in Asia, Japanese equities declined over the week as an early rally in AI-related technology shares reversed following a broad global sell-off in technology stocks. The Nikkei 225 and TOPIX both ended lower, while investors remained alert for possible government intervention as the yen weakened toward JPY 161 per U.S. dollar. Positively, reduced concerns over energy costs and inflation supported demand for Japanese government bonds, pushing the 10-year government bond yield slightly lower. Separately, Chinese equities weakened during the week as an early rally in AI and semiconductor stocks gave way to a broader regional technology sell-off. Mainland indexes posted modest declines, while Hong Kong's Hang Seng Index fell more sharply as large internet companies came under pressure.

Data highlights: CAD Inflation Rate YoY (May) rose by +40bps, from 2.8% to 3.2% +20bps stronger than the expected +20bps rise to 3%. CAD Core Inflation Rate YoY rose in line with expectations, +10bps, from 2.1% to 2.2%. USD PCE Price Index YoY (May) rose in line with expectations, +30bps, from 4.1% to 4.4%. USD Core PCE Price Index YoY (May) rose in line with expectations, +10bps, from 3.3% to 3.4%. AUD CPI (May) rose against an expected drop, +9.72bps, from 102.8 to 102.9, +39bps against the wrongly expected -29bps drop to 102.5. AUD Inflation Rate YoY fell by -20bps, from 4.2% to 4%, -40bps against the wrongly expected +20bps rise to 4.4%. AUD Unemployment (May) fell in line with expectations, -10bps, from 4.5% to 4.4%.

Week ahead: JPY Unemployment Rate (May), GBP GDP Growth Rate YoY (Q1) - Tuesday | EUR Inflation Rate YoY (Jun), EUR Core Inflation Rate YoY (Jun) - Wednesday | CHF Inflation Rate YoY (Jun), EUR Unemployment Rate (May) - Thursday

Global Markets Overview

Treasury yields: The yield on the US 10-year Treasury note declined to 4.37%, ending the week 8 basis points lower, after a broadly in-line PCE inflation report led investors to modestly pare expectations for further Federal Reserve rate hikes. Headline PCE inflation rose to 4.1%, while core PCE accelerated to 3.4%—its highest level since 2023 and still well above the Fed's 2% target—though both readings matched market forecasts. Investors also remained focused on developments in the Middle East, where oil prices continued to retreat despite renewed geopolitical tensions following an attack on a cargo vessel near Oman in the Strait of Hormuz. Even so, markets continue to price in three Fed rate hikes this year, with the probability of the first move in September standing at roughly 62%. In Japan, the 10-year government bond yield eased to 2.62%, extending a three-session decline despite evidence of mounting domestic inflation pressures. Tokyo's core inflation accelerated for the first time in eight months, reinforcing expectations that the Bank of Japan will continue normalizing monetary policy.

Bond Yields	Close	% W/W	% YTD
US 10Y	4.37	-1.90	4.84
Bund 10Y	2.85	-4.49	-0.14
Gilt 10Y	4.73	-2.29	5.63
Japan 10Y	2.62	-1.32	26.86

Equities: US equities ended the week on a softer note, with the S&P 500 declining 1.95% and the Nasdaq 100 retreating 4.24%, while the Dow Jones managed a modest 0.60% gain. Semiconductor stocks led the pullback as investors locked in profits following Thursday's rally, which had been driven by strong guidance from Micron. The Dow also traded more closely in line with its technology-heavy peers after Alphabet replaced Verizon in the index, although it remained near record highs. Broader market losses were partially cushioned by falling oil prices, as continued tanker traffic through the Strait of Hormuz improved the outlook for Middle Eastern energy supplies and eased concerns over inflation and the prospect of multiple Federal Reserve rate hikes. In Europe, Germany's DAX 40 extended its decline, falling 1.26% to 24,671, its lowest level in two weeks and snapping a brief two-day recovery. The downturn was driven largely by renewed weakness in semiconductor stocks, as global technology shares remained under pressure amid growing concerns over the escalating costs of AI infrastructure and broader uncertainty surrounding the sector's outlook.

Indices	Close	% W/W	% YTD
S&P 500	7354	-1.95	7.43
EU Stoxx 600	663	-1.31	8.21
FTSE 100	10508	1.40	5.81
Nikkei 225	69361	-2.65	37.79

Currencies: The US dollar advanced 0.50% over the week, despite the Dollar Index slipping for a second consecutive session to 101.36, as an in-line PCE inflation report prompted investors to modestly dial back expectations for further Federal Reserve rate hikes this year. The greenback's late-week weakness was most evident against the Euro and Swiss franc, though it remained underpinned by the Fed's increasingly hawkish stance earlier in the month. Fed Chair Kevin Warsh reiterated the central bank's commitment to restoring price stability, easing concerns that political pressure from President Trump could lead to premature rate cuts. The Swiss franc traded at $0.8097, ending the week 0.32% weaker against the US dollar despite benefiting from the dollar's late-week pullback. The currency had earlier rebounded from a one-year low of $0.81227 reached on June 24, as declining oil prices tempered expectations for aggressive Fed tightening. Within the month, the Swiss National Bank left its policy rate unchanged at 0% for a fourth consecutive meeting.

Currencies	Close	% W/W	% YTD
EURUSD	1.1384	-0.76	-3.08
GBPUSD	1.32	-0.24	-2.04
USDJPY	161.74	0.27	3.21
USD Index	101.36	0.50	3.09

Commodities: Crude oil extended its decline, falling 9.62% for the week to $69.23 per barrel, its lowest level since February 27, as traffic through the Strait of Hormuz accelerated and Persian Gulf exports recovered to around 75% of pre-war levels amid progress toward a US-Iran peace agreement. Supply expectations also increased as Saudi Arabia resumed tanker loadings at Ras Tanura, while other major Gulf producers moved to raise output despite logistical constraints. Meanwhile, Silver extended its sharp retreat, falling 8.86% on the week to $59.15 per ounce, pressured by a stronger US dollar and increasingly hawkish Federal Reserve expectations. Markets are now pricing in three Fed rate hikes this year. Unlike gold, silver has been further weighed down by concerns over global growth and risk appetite due to its significant industrial demand exposure.

Commodities	Close	% W/W	% YTD
Gold	4089	-1.61	-5.34
Copper	614.40	-3.78	8.13
WTI Crude	69.23	-9.62	20.57
Wheat	589.75	-3.95	8.06

Performance of Major Global Financial Assets

% Change.

	US 10Y	BUND 10Y	GILT 10Y	JAPAN 10Y	AUSSIE 10Y	ITALY 10Y	S&P 50C	NASDAQ	EU STOXX 5C	DAX INDEX	FTSE 10C	NIKKEI 225	HANG SENG	USD INDEX	EURUSD	GBPUSD	USDJPY	USDCNY	USDZAR	WTI CRUDE	GOLD	COPPER	COFFEE	WHEAT
W/W	-1.9	-4.5	-2.3	-1.3	-1.9	-3.0	-2.0	-4.2	-1.1	-1.3	1.4	-2.7	-5.2	0.5	-0.8	-0.2	0.3	0.5	0.1	-9.6	-1.6	-3.8	2.0	-3.9
MTD	-1.5	-3.0	-1.7	-1.7	-2.3	-1.8	-3.0	-4.0	2.8	-1.7	0.9	4.6	-10.0	2.4	-2.4	-1.9	1.6	0.5	1.5	-20.8	-9.9	-3.8	5.6	-5.4
YTD	4.8	-0.1	5.6	26.9	-0.5	1.0	7.4	15.3	7.4	0.7	5.8	37.8	-11.5	3.1	-3.1	-2.0	3.2	-2.7	-0.6	20.6	-5.3	8.1	-14.7	8.1
	GOV. BOND YIELDS						EQUITY INDICES							CURRENCIES						COMMODITIES				

KEY: *-100%* *+100%*

Data Sources: Bloomberg, Investing.com, Trading Economics, T. Rowe Price, Standard Investment Bank

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