SIB Standard Investment Bank | Mansa X Special Fund

6TH - 10TH JULY 2026

GLOBAL MARKETS

WEEKLY MARKET BRIEF

Highlights.

U.S. equities ended the week with mixed results as renewed geopolitical tensions in the Middle East fuelled market volatility early in the week. However, a rebound in semiconductor and artificial intelligence (AI) stocks helped lift the Nasdaq Composite and S&P 500 by week's end. The Nasdaq gained 1.69%, while the S&P 500 rose 1.23%. In contrast, the Dow Jones Industrial Average slipped 0.48% and the small-cap Russell 2000 declined 0.61%. Growth stocks significantly outperformed value stocks throughout the week. Minutes from the Federal Reserve's June policy meeting showed that while a handful of officials favoured raising interest rates immediately, they ultimately agreed to keep rates unchanged. Policymakers remained divided over the appropriate path for monetary policy amid continued economic uncertainty, although most agreed to remove language suggesting a bias toward future rate cuts. Economic releases were relatively limited during the week. The Institute for Supply Management reported that its Services Purchasing Managers' Index (PMI) edged down to 54.0 in June from 54.5 in May, matching expectations while remaining firmly in expansion territory for a 24th consecutive month. Separately, labour market data showed initial jobless claims declined modestly to 215,000 during the week ending July 4 from a revised 217,000 the previous week. However, continuing unemployment claims increased by 8,000 to 1.814 million. Across the Atlantic, the pan-European Euro STOXX 600 Index declined 2.18% over the week. Renewed conflict between the U.S. and Iran remained the dominant market theme after the collapse of the ceasefire agreement, prompting investors to reassess inflation risks and the potential for additional European Central Bank (ECB) tightening. Germany's annual inflation rate slowed to 2.3% in June from 2.6% in May, confirming preliminary estimates and indicating continued moderation in price pressures. Meanwhile, Sweden's economy expanded 0.9% in May following 0.6% growth in April, marking a third consecutive month of expansion. On a separate note, UK political transition and housing market remained in focus. Labour Party lawmakers overwhelmingly backed Andy Burnham to succeed Keir Starmer as party leader, clearing the way for him to become prime minister later in July. Meanwhile, the UK's housing market remained subdued with the Royal Institution of Chartered Surveyors reporting that buyer inquiries and agreed home sales both stayed negative in June, although demand showed slight improvement compared with previous months. Moving along to Asia, Japanese equities declined over the week as renewed geopolitical uncertainty and higher oil prices weighed on investor sentiment. The Nikkei 225 fell 1.70%, while the broader TOPIX Index declined 0.70%. Japan's dependence on imported energy heightened concerns over rising oil prices, while investors also took profits in technology shares following recent strong gains. News late in the week that the U.S. and Iran would continue peace negotiations helped stabilize sentiment. On the macro front, Japan's latest economic data continued to point toward persistent inflation. The corporate goods price index, a measure of wholesale inflation, rose 7.1% year over year in June, exceeding expectations as higher fuel and nonferrous metal prices filtered through to businesses. Chinese equity markets diverged during the week. Mainland markets retreated despite a brief rally in AI and semiconductor companies linked to China's technology self-sufficiency initiatives. China's June inflation data continued to show a gap between consumer and producer prices. Consumer inflation slowed to 1.0% year over year from 1.2% in May. In contrast, producer prices rose 4.1% from a year earlier, matching expectations and reaching their fastest pace since mid-2022 with higher prices for metals, petroleum, coal, and other upstream commodities driving the increase. Attention now shifts to second-quarter GDP and June activity data, which should provide a clearer picture of China's overall economic momentum.

Data highlights: CAD Unemployment Rate (Jun) fell -10bps, from 6.6% to 6.5%, against the expectations for it to remain the same at 6.6%. USD Non-Farm Payrolls (Jun) fell from 129K to 57K, expectations were for a fall from 129K to 110K. CHF Unemployment Rate (Jun) fell -10bps, from 3% to 2.9%, against the wrong expectations for a +10bps increase to 3.1%. EUR PPI YoY (May) rose by +90bps, from 5% to 5.9%, +20bps more than the expected increase to 5.7%. CNY Inflation Rate YoY (Jun) fell -20bps, from 1.2% to 1%, more than the expected -10bps decrease to 1.1%. CNY PPI YoY (Jun) rose +20bps, from 3.9% to 4.1%, in line with expectations. JPY PPI YoY (Jun) fell -20bps, from 1.2% to 1%, double the expected -10bps decrease to 1.1%. NZD Interest Rate Decision rose +25bps, from 2.25% to 2.5%, in line with expectations.

Week ahead: USD CPI (Jun), USD Inflation Rate YoY (Jun), USD Core Inflation Rate YoY (Jun) - Tuesday | CNY GDP Growth Rate YoY (Q2), CNY Unemployment Rate (Jun), CAD Interest Rate Decision - Wednesday | EUR CPI (Jun) - Friday

Global Markets Overview

Treasury yields: The US 10-year Treasury yield rose 1.74% over the week to close at 4.56%, remaining elevated despite two straight sessions of declines as lower oil prices helped ease inflation concerns and temper fears of more aggressive monetary tightening. Sentiment improved after reports indicated that the US and Iran would continue peace negotiations despite renewed hostilities. Nevertheless, markets still expect at least one Federal Reserve rate hike this year. In Japan, the 10-year government bond yield fell sharply to 2.74%, pulling back from near three-decade highs after Finance Minister Satsuki Katayama said the government would encourage domestic pension funds to increase allocations to Japanese financial assets. The comments helped calm concerns that had pushed yields higher in recent weeks amid expectations of increased fiscal spending and persistent inflation pressures.

Bond Yields	Close	% W/W	% YTD
US 10Y	4.56	1.74	9.46
Bund 10Y	3.07	4.43	7.36
Gilt 10Y	4.87	1.88	8.77
Japan 10Y	2.74	-1.54	32.77

Equities: US equities finished the week on a positive note ahead of the earnings season, led by strength in technology and semiconductor stocks. The S&P 500 gained 1.23% and the Nasdaq 100 rose 1.69%, while the Dow Jones slipped 0.48%. Investor attention centered on SK Hynix, whose American depositary receipts surged 12.8% above their offer price after completing the largest-ever US listing by a foreign company, raising $26.5 billion. Semiconductor performance was mixed, with Nvidia advancing 8.28% and AMD climbing 7.74%, while Intel fell 8.73%. Financials also benefited from easing energy prices, which helped reduce concerns about further Fed tightening, with JPMorgan and Bank of America gaining 0.6% and 1.6%, respectively. In Europe, Germany's DAX 40 ended at 25,067 after a volatile session, underperforming regional peers and extending its weekly decline to 2.76%. Technology shares remained under pressure, while ongoing Middle East tensions kept investors cautious. Weakness in technology and industrial stocks offset gains in telecommunications and banking shares, leaving the index lower for the week.

Indices	Close	% W/W	% YTD
S&P 500	7575	1.23	10.66
EU Stoxx 600	666	-2.18	8.73
FTSE 100	10497	-1.70	5.70
Nikkei 225	68558	-1.70	36.19

Currencies: The US Dollar Index ended the week little changed at 100.95 as markets weighed the increasingly fragile situation in the Middle East. While oil prices retreated from earlier highs after reports that the US and Iran would continue peace negotiations, renewed military exchanges between the two countries underscored the risk of further escalation and cast doubt on the durability of the previous truce. The geopolitical uncertainty revived concerns over energy-driven inflation, reinforcing expectations that the Federal Reserve may need to tighten policy further. Markets currently assign a 62% probability of a September rate hike, up from 58% a week earlier, although below the roughly 70% peak reached during the week. The euro fell to $1.1416, remaining under pressure despite rebounding from its one-year low in June, as investors increasingly price in additional European Central Bank rate hikes. Following its first rate increase since 2023 in June, the ECB is now expected to deliver two further hikes over the next year, with the next move potentially coming in September as policymakers respond to inflation risks linked to higher energy prices.

Currencies	Close	% W/W	% YTD
EURUSD	1.1416	-0.18	-2.81
GBPUSD	1.3404	0.40	-0.53
USDJPY	161.68	0.21	3.17
USD Index	100.95	0.09	2.67

Commodities: Energy markets remained supported by ongoing geopolitical tensions, with crude oil overcoming late-week weakness to post a solid weekly gain. WTI crude settled at $71.41 per barrel, up 3.96% on the week, as the conflict between the US and Iran continued to fuel concerns over global energy supplies. Sentiment improved on reports that both sides would continue technical and peace negotiations despite renewed military exchanges and lingering uncertainty surrounding the ceasefire. However, significant disruptions to shipping through the Strait of Hormuz—which handles roughly 20% of global oil and gas trade—kept a geopolitical risk premium firmly embedded in prices. Silver, by contrast, came under renewed pressure, slipping below $60 per ounce and ending the week down 4.08%. The decline was driven by rising oil prices and escalating US-Iran tensions, which reinforced expectations that the Federal Reserve may need to keep interest rates higher for longer.

Commodities	Close	% W/W	% YTD
Gold	4120	-1.36	-4.62
Copper	623.35	1.95	9.71
WTI Crude	71.41	3.96	24.36
Wheat	640.25	6.75	17.32

Performance of Major Global Financial Assets

% Change.

GOV. BOND YIELDS

	US 10Y	BUND 10Y	GILT 10Y	JAPAN 10Y	AUSSIE 10Y	ITALY 10Y
W/W	1.7	4.4	1.9	-1.5	0.8	2.6
MTD	2.1	7.2	2.4	2.2	2.4	4.7
YTD	9.5	7.4	8.8	32.8	2.0	7.1

EQUITY INDICES

	S&P 500	NASDAQ	EU STOXX 50	DAX INDEX	FTSE 100	NIKKEI 225	HANG SENG
W/W	1.2	1.7	-2.2	-2.8	-1.7	-1.7	3.5
MTD	1.0	-1.5	-0.9	0.3	0.0	-2.1	5.7
YTD	10.7	18.1	8.3	2.4	5.7	36.2	-5.7

CURRENCIES

	USD INDEX	EURUSD	GBPUSD	USDJPY	USDCNY	USDZAR
W/W	0.1	-0.2	0.4	0.2	-0.1	0.5
MTD	-0.2	-0.1	1.1	-0.5	-0.2	-0.4
YTD	2.7	-2.8	-0.5	3.2	-3.0	-1.5

COMMODITIES

	WTI CRUDE	GOLD	COPPER	COFFEE	WHEAT
W/W	4.0	-1.4	1.9	11.0	6.8
MTD	2.7	2.8	0.7	12.8	8.7
YTD	24.4	-4.6	9.7	4.4	17.3

KEY: -100% +100%

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

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