SIB Standard Investment Bank | Mansa X Special Fund

10TH - 14TH AUGUST 2026

GLOBAL MARKETS

WEEKLY MARKET BRIEF

Highlights.

U.S. equity markets ended the week mixed as investors balanced softer inflation data and reduced expectations for further Federal Reserve tightening against higher oil prices, uncertainty surrounding the Strait of Hormuz, and weaker consumer indicators. The S&P 500 gained 0.36%, ending around 0.2% below its record high, while the Nasdaq 100 advanced 1.09%. Conversely, the Dow ended the week on a lower note, down 0.56% for the week. Inflation was one of the week's main market drivers. The Bureau of Labor Statistics reported that consumer prices increased 0.1% in July, bringing annual inflation to 3.4%. Both figures were in line with expectations. July marked the second consecutive month in which both headline and core inflation eased on an annual basis. Each measure declined by 0.1 percentage point from June. In addition to this, producer inflation provided further evidence of moderating price pressures. Core producer prices increased 0.2% in July, below expectations of 0.3% and down from June's revised 0.4% increase. The softer inflation figures led markets to reduce expectations for an imminent Fed rate increase. By Friday, futures markets were pricing in roughly a 32% probability of a September rate hike, down from approximately 52% earlier in the week. Consumer data was less encouraging. U.S. retail sales declined 0.6% in July, significantly missing expectations for a 0.1% increase and reversing June's 0.2% gain. The decline was the largest monthly drop since May 2025. Meanwhile, consumers' expectations for inflation over the coming year increased slightly to 4.3%. That remained considerably above the 3.4% level recorded before the Iran conflict began. Across the big Atlantic pond, European stocks ended the week marginally higher, with the pan European Euro STOXX 600 up 0.36%, as Investors weighed relatively resilient economic data and solid corporate earnings against continuing geopolitical risks related to the U.S.-Iran conflict, uncertainty surrounding the Strait of Hormuz, and higher energy prices. Sector performance shifted throughout the week as investors responded to movements in energy prices. Energy and other economically sensitive companies benefited at times from higher oil prices and improving risk appetite, while defensive sectors generally lagged early in the period. The Sentix investor confidence index moved back into positive territory in August and recorded its fourth consecutive monthly improvement, suggesting that businesses and investors remained relatively optimistic despite high energy prices and geopolitical tensions. Separately, in the UK, Bank of England Chief Economist Huw Pill argued that stronger-than-expected UK GDP data strengthened the case for maintaining sufficiently restrictive monetary policy to bring inflation back to target. Over in Asia, Japanese equities surged, with the Nikkei 225 rising 4.74% and the broader TOPIX increasing 3.00%. Technology stocks, particularly memory-chip companies, were major contributors as strong earnings reinforced optimism around the semiconductor cycle. The weaker yen also benefited Japan's export-oriented companies. The currency declined to around JPY 159 per U.S. dollar from approximately JPY 157.9 the previous week despite recent government intervention. At the same time, speculation intensified that the Bank of Japan could raise interest rates relatively soon. Finally, Chinese equities fluctuated during the week but ultimately finished lower, with Hong Kong stocks underperforming mainland markets. The Shanghai Composite declined modestly, while the CSI 300 also fell. Chinese authorities continued efforts to stabilize the housing market by easing purchasing restrictions in Beijing.

Data highlights: USD Inflation Rate YoY (Jul) fell -10bps, from 3.5% to 3.4%, in line with expectations. USD Core Inflation Rate YoY (Jul) fell -10bps, from 2.6% to 2.5%, in line with consensus. USD PPI YoY (Jul) fell -70bps, from 5.5% to 4.7%, expectations were for a smaller decrease, from 5.5% to 4.9%. USD Core PPI YoY (Jul) fell -70bps, from 4.7% to 4.2%, in line with expectations. GBP GDP Growth Rate YoY (Q2) rose by +30bps, from 0.9% to 1.2%, expectations were +10bps softer, assuming only a +20bps increase, from 0.9% to 1.1%. CHF GDP Growth Rate QoQ (Q2) rose +110bps, from 0.4% to 1.5%, consensus wrongly pencilled in a +10bps increase, from 0.4% to 0.5%. EUR GDP Growth Rate YoY (Q2) rose +50bps, from 0.5% to 1%, in line with expectations. JPY PPI YoY (Jul). AUD RBA Interest Rate Decision remained the same at 4.35%, in line with expectations.

Week ahead: CNY Unemployment Rate (Jul), CAD Inflation Rate YoY (Jul), CAD Core Inflation Rate YoY (Jul) - Monday | CAD Inflation Rate YoY (Jul) - Tuesday | GBP Inflation Rate YoY (Jul), GBP Core Inflation Rate YoY (Jul), EUR Inflation Rate YoY (Jul), EUR Core Inflation Rate YoY (Jul) - Wednesday | AUD Unemployment Rate (Jul) - Thursday | JPY Inflation Rate YoY (Jul) - Friday

Global Markets Overview

Treasury yields: The 10-year US Treasury yield climbed to 4.69%, approaching the 19-month high of 4.75% reached earlier in the week, as investors renewed their selling of longer-dated government bonds. The move reflected persistent concerns over the inflation outlook, with University of Michigan year-ahead inflation expectations rising in August, marking the fifth consecutive month above 4%. These elevated expectations reinforced concerns that the Federal Reserve could be underestimating the persistence of inflationary pressures, particularly as the Middle East conflict continues to drive energy prices higher. Japan's 10-year government bond yield also climbed to 2.89%, its highest level in more than a month, as investors increasingly assessed the possibility of a Bank of Japan rate hike in September. A growing number of policymakers have called for a stronger monetary response to persistent inflationary pressures, while elevated producer prices continue to reinforce the case for further tightening.

Bond Yields	Close	% W/W	% YTD
US 10Y	4.69	1.01	12.60
Bund 10Y	3.20	2.30	12.22
Gilt 10Y	5.04	2.36	12.46
Japan 10Y	2.89	3.10	39.98

Equities: US equity markets finished modestly higher as investors balanced resilient corporate performance against mounting signs of a slowing US economy. The S&P 500 gained 0.36%, ending around 0.2% below its record high, while the Nasdaq 100 advanced 1.09%. Meanwhile, the University of Michigan's preliminary August consumer sentiment index fell to 51, below expectations of 55, while retail sales declined in July by the most in more than a year. Together with weaker employment data and softer inflation readings, the figures pointed to a gradual cooling in economic activity. A sustained slowdown in consumer spending could eventually weigh on corporate earnings and equity valuations. Meanwhile, European equities were broadly flat as weakness in technology and pharmaceutical stocks offset gains across financials. The STOXX Europe 50 gained 0.24% to 6,540, while the broader STOXX Europe 600 advanced 0.28% to 689. ASML climbed 5.92%, extending its strong weekly advance as investors continued to assess the sustainability of AI infrastructure spending by hyperscalers, with Anthropic and OpenAI also expected to pursue IPOs this year.

Indices	Close	% W/W	% YTD
S&P 500	7786	0.36	13.74
EU Stoxx 600	689	0.28	12.46
FTSE 100	10750	-1.38	8.24
Nikkei 225	68714	4.74	36.50

Currencies: The US Dollar Index edged higher to 99.67, although the latest economic data continued to limit expectations for a Federal Reserve rate hike. The US retail sales control group unexpectedly declined in July, challenging the perception of strong consumer resilience, although seasonal distortions remain a consideration when interpreting the figure. The data followed softer producer and consumer inflation, reducing the urgency for the Fed to tighten policy at its September meeting. Against this backdrop, the dollar remained close to its recent lows, with the DXY also affected by coordinated foreign exchange intervention by the US Treasury and Japanese authorities aimed at supporting the yen. Separately, the Swiss franc traded near $0.8133 after weakening to almost a one-year low, as investors continued to assess the implications of Middle East tensions for Swiss growth, inflation and monetary policy.

Currencies	Close	% W/W	% YTD
EURUSD	1.157	0.10	-1.50
GBPUSD	1.3538	0.35	0.47
USDJPY	159.32	0.99	1.67
USD Index	99.67	0.13	1.37

Commodities: Crude oil climbed above $82 per barrel, extending its advance to more than 5% for the week, as the US intensified economic pressure on Iran to reopen the Strait of Hormuz. US Treasury Secretary Scott Bessent said Washington would introduce unprecedented economic measures while maintaining its naval blockade of Iranian ports, with further announcements expected the following week. Adding to supply concerns, the International Energy Agency warned of a deeper global oil deficit and projected that the supply shortfall in 2026 could be the widest in five years. In the Red Sea, Iran-backed Houthi militants also targeted Saudi Arabia's Jazan refinery, adding another layer of geopolitical risk to regional energy flows. Silver rebounded to around $65 per ounce before settling at $64.60, recording a 1.77% weekly gain as softer-than- expected US inflation data reduced concerns that the energy shock associated with the Iran conflict was generating a sustained acceleration in domestic prices.

Commodities	Close	% W/W	% YTD
Gold	4376	0.80	1.32
Copper	661.30	0.33	16.39
WTI Crude	82.40	5.40	43.50
Wheat	689.50	4.75	22.09

Performance of Major Global Financial Assets

% Change.

	US 10Y	BUND 10Y	GILT 10Y	JAPAN 10Y	AUSSIE 10Y	ITALY 10Y	S&P 500	NASDAQ	EU STOXX 50	DAX INDEX	FTSE 100	NIKKEI 225	HANG SENG	USD INDEX	EURUSD	GBPUSD	USDJPY	USDCNY	USDZAR	WTI CRUDE	GOLD	COPPER	COFFEE	WHEAT
W/W	1.0	2.3	2.4	3.1	-0.1	2.2	0.4	1.1	0.2	0.5	-1.4	4.7	-2.1	0.1	0.1	0.3	1.0	0.0	0.3	5.4	0.8	0.3	-0.5	4.7
MTD	-0.9	-0.1	-0.3	3.1	1.6	-0.9	4.0	6.3	2.9	3.2	-1.1	6.8	-3.0	-0.2	0.4	0.4	1.2	-0.2	-2.0	-2.7	8.2	2.3	-0.1	4.9
YTD	12.6	12.2	12.5	40.0	5.6	12.2	13.7	19.0	12.9	8.0	8.2	36.5	-2.0	1.4	-1.5	0.5	1.7	-3.5	-2.2	43.5	1.3	16.4	-0.1	22.1
	GOV. BOND YIELDS						EQUITY INDICES							CURRENCIES						COMMODITIES				

KEY: -100% +100%

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

THIS REPORT WAS COMPILED BY DAN MURAGE, PORTFOLIO ANALYST - GLOBAL MARKETS, AT STANDARD INVESTMENT BANK

Disclosure and Disclaimer

Analyst Certification Disclosure: The research analyst or analysts responsible for the content of this research report certify that: (1) the views expressed and attributed to the research analyst or analysts in the research report accurately reflect their personal opinion(s) about the subject securities and issuers and/or other subject matter as appropriate; and, (2) no part of his or her compensation was, is or will be directly or indirectly related to the specific recommendations or views contained in this research report.

Global Disclaimer: Standard Investment Bank (SIB) and/or its affiliates makes no representation or warranty of any kind, express, implied or statutory regarding this document or any information contained or referred to in the document. The information in this document is provided for information purposes only. It does not constitute any offer, recommendation or solicitation to any person to enter into any transaction or adopt any hedging, trading or investment strategy, nor does it constitute any prediction of likely future movements in rates or prices, or represent that any such future movements will not exceed those shown in any illustration. Past performance is not indicative of comparable future results and no representation or warranty is made regarding future performance. While we endeavour to update on a reasonable basis the information and opinions contained herein, there may be regulatory, compliance or other reasons that prevent us from doing so. Accordingly, information may be available to us which is not reflected in this material, and we may have acted upon or used the information prior to or immediately following its publication.

SIB Standard Investment Bank

Regulated by the Capital Markets Authority

Headquarters

JKUAT Towers (Formerly ICEA Building),
16th Floor , Kenyatta Avenue, Nairobi, Kenya.

Telephone: +254 20 227 7000, +254 20 227 7100

Email: clientservices@sib.co.ke