SIB Standard Investment Bank | Mansa X Special Fund

17TH - 21ST AUGUST 2026

GLOBAL MARKETS

WEEKLY MARKET BRIEF

Highlights.

U.S. equities ended the week lower as investors remained concerned about elevated Treasury yields, renewed tensions between the U.S. and Iran, higher oil prices, and weakness in semiconductor and artificial intelligence (AI) stocks. Mixed results from several retailers also contributed to a cautious market tone. The Dow Jones Industrial Average was the most resilient, declining 0.85% while the S&P 500 and Nasdaq 100 shed 1.43% and 2.45% respectively for the week. Longer-dated U.S. Treasury yields rose sharply early in the week, with the 30-year Treasury yield reaching its highest level since 2007. Concerns about the U.S. fiscal position, along with substantial government and corporate borrowing—including debt associated with AI-related investment—contributed to the pressure on bonds. Higher oil prices, driven by renewed U.S.-Iran tensions, added to worries about inflation. However, treasuries recovered on Wednesday after the Treasury Department announced plans to at least double the size of its long-term debt buyback program. Interestingly, much of that rebound faded later in the week as investors questioned whether the buybacks would be large enough to counter the forces pushing longer-term yields higher. Separately, minutes from the Federal Reserve's July meeting showed that policymakers generally expected inflation to ease later in the year. Nevertheless, officials emphasized that the inflation outlook remained highly uncertain and that risks were tilted toward higher inflation. On the data front, the latest economic data showed a significant acceleration in U.S. business activity during August. The S&P Global Flash Composite PMI rose to 56.0 from 54.5 in July, reaching its highest level since April 2022. Meanwhile, housing continued to show signs of weakness as high borrowing costs and elevated prices weighed on demand. Pending home sales fell 2.3% in July, reaching their lowest level since January. In Europe, equities also weakened, with the pan-European Euro STOXX 600 declining by 1.39% over the week. Investors were concerned by the global sell-off in government bonds, persistent inflation pressures, and uncertainty over whether the U.S. and Iran could reach a durable peace agreement. Positively, Eurozone business activity strengthened in August, with the flash composite PMI rising to 52.1 from 52.0 in July. New orders increased, while export demand returned to growth for the first time in roughly four and a half years, suggesting greater resilience in the region's economy. On a separate note, UK's labour market showed further signs of cooling. The number of employees on payrolls fell by 13,000 in July, marking the sixth consecutive monthly decline. The unemployment rate remained at 4.9% in June, slightly above the 4.8% expected. Moving along to Asia, Japanese equities retreated sharply as renewed Middle East tensions, higher oil prices, and rising bond yields triggered a broader move away from risk assets. The Nikkei 225 dropped 3.93%, while the TOPIX declined 3.10%. The yen remained around JPY 159 per U.S. dollar and continued to trade at historically weak levels. The 10-year Japanese government bond yield climbed to approximately 2.93% early in the week, its highest level in three decades. Expectations for further BoJ tightening and concerns over Japan's fiscal position, particularly following plans to reduce the consumption tax, contributed to the rise. Finally in China, Chinese equities produced mixed results, with Hong Kong-listed stocks outperforming mainland markets. Investors became increasingly concerned about weakening economic momentum after July data showed a broad slowdown. The Shanghai Composite fell 0.56%, while the CSI 300 declined 1.01%.

Data highlights: CAD Inflation Rate YoY (Jul) rose +20bps, from 2.8% to 3%, expectations were -10bps softer at 2.9%. CAD Core Inflation Rate YoY (Jul) rose +20bps, from 2.1% to 2.3%, against expectations for 2.2%. GBP Unemployment Rate YoY (Jul) stayed the same at 4.9%; analysts estimated a -10bps decrease to 4.8%. GBP Inflation Rate YoY (Jul) rose +30bps, from 2.6% to 2.9%, in line with consensus. GBP Core Inflation Rate YoY (Jul) stayed the same at 2.6%, against expectations for a -10bps decrease. EUR Inflation Rate YoY (Jul) rose +10bps, from 2.8% to 2.9%, in line with expectations. EUR Core Inflation Rate YoY (Jul) rose +10bps, from 2.4% to 2.5%, as expected. CNY Unemployment Rate (Jul) rose +20bps, from 5% to 5.2%, against consensus for a +10bps increase. JPY Inflation Rate YoY (Jul) rose +30bps, from 1.6% to 1.9%, expectations were -20bps softer at 1.7%. JPY Core Inflation Rate YoY (Jul) rose +20bps, from 1.6% to 1.8%, as expected. AUD Unemployment Rate (Jul) rose +10bps, from 4.4% to 4.5%, consensus was for the figure to remain the unchanged.

Week ahead: USD GDP Growth Rate QoQ (Q2), USD Core PCE Price Index YoY (Jul), AUD Inflation Rate YoY (Jul) - Wednesday | CAD GDP Growth Rate QoQ (Q2), JPY Unemployment Rate (Jul) - Friday

Global Markets Overview

Treasury yields: The yield on the 10-year US Treasury note edged higher to 4.73% for the week, testing the 20-month highs reached earlier as persistent inflation concerns and elevated long-term borrowing needs continued to pressure the bond market. The move more than reversed the decline triggered by the Treasury Department's announcement that it would at least double its long-maturity bond buybacks to $4 billion next quarter, part of broader efforts to ease pressure on longer-dated yields. However, long-end yields remain elevated amid heavy debt issuance linked to AI investment and rising federal deficit spending. Further pressure came from Fed Chair Kevin Warsh's indication that raising interest rates may not be his preferred response to higher inflation, increasing the importance of his upcoming Jackson Hole remarks for clues on the Fed's policy direction. In Europe, Germany's 10-year Bund yield remained near 3.26%, its highest level since March 2011, as the diplomatic deadlock over the Strait of Hormuz kept oil prices elevated and reinforced inflation concerns.

Bond Yields	Close	% W/W	% YTD
US 10Y	4.73	0.89	13.60
Bund 10Y	3.26	1.69	14.12
Gilt 10Y	5.06	0.46	12.97
Japan 10Y	2.89	-0.14	39.79

Equities: US equity markets closed lower for the week, although a stronger-than-expected economic reading helped equities recover some ground in the final session. The S&P 500 fell 1.43%, while the Nasdaq 100 declined 2.45% and the Dow lost 0.85%. Markets rebounded on Friday after data showed US business activity expanded at its fastest pace in more than four years, providing reassurance about the underlying strength of the economy. However, investor sentiment remained constrained by the recent surge in long-term Treasury yields, driven by renewed concerns over inflation, fiscal pressures and elevated government borrowing. Within the technology sector, chipmakers remained volatile, with Nvidia falling 4.64%, Micron declining 0.5% and Intel retreating 12.13%. European equities also ended the week lower, although heavyweight banks and luxury stocks helped limit losses in Friday's session. The Euro STOXX 50 declined 1.18% to 6,462, while the STOXX Europe 600 fell 1.39% to 679.

Indices	Close	% W/W	% YTD
S&P 500	7674	-1.43	12.11
EU Stoxx 600	679	-1.39	10.91
FTSE 100	10817	0.62	8.91
Nikkei 225	66016	-3.93	31.14

Currencies: The dollar index traded at 98.80, recording a weekly decline of 0.87%, as heightened volatility in the US bond market weakened demand for the greenback. The US Treasury's announcement of larger debt buybacks initially pushed long-term Treasury yields lower and pressured the dollar, although yields subsequently rebounded as investors questioned whether the measures would provide more than temporary relief. The market reaction highlighted growing concerns over elevated US government debt and borrowing requirements, reducing the dollar's appeal despite its traditional safe-haven status. The Japanese yen was little changed at 158.95 per dollar after a volatile week, with accelerating Japanese inflation strengthening expectations that the Bank of Japan could raise interest rates as early as September. BOJ Governor Kazuo Ueda has indicated that policymakers could accelerate the pace of monetary normalization if economic and inflation conditions warrant it.

Currencies	Close	% W/W	% YTD
EURUSD	1.1679	0.94	-0.57
GBPUSD	1.3644	0.78	1.25
USDJPY	158.95	-0.23	1.43
USD Index	98.80	-0.87	0.49

Commodities: Crude oil traded at $87.06 per barrel as markets weighed conflicting signals over the possibility of an end to the US-Iran conflict. Iranian President Masoud Pezeshkian indicated that Tehran would prefer to conclude the war from a position of strength, describing the existing memorandum with Washington as a victory for Iran. The comments provided some relief following Treasury Secretary Scott Bessent's warning that the US would impose its toughest-ever sanctions on Tehran and intensify economic pressure on the Iranian regime. Against this backdrop, oil prices remained elevated, rising more than 5% for the second consecutive week. Meanwhile, gold climbed to $4,603 an ounce on Friday, its highest level since mid-May, extending its weekly gain to 5.18%. The rally was supported by renewed concerns over US fiscal sustainability after the Treasury unexpectedly increased its planned purchases of longer-dated government debt, pushing Treasury yields and the dollar lower. The move raised questions about Washington's ability to manage rising borrowing costs and strengthened demand for gold as an alternative store of value.

Commodities	Close	% W/W	% YTD
Gold	4603	5.18	6.57
Copper	658.70	-0.39	15.93
WTI Crude	87.06	5.66	51.62
Wheat	699.25	1.41	23.82

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
	GOV. BOND YIELDS						EQUITY INDICES							CURRENCIES						COMMODITIES				
W/W	0.9	1.7	0.5	-0.1	1.0	2.5	-1.4	-2.5	-1.2	-1.1	0.6	-3.9	3.6	-0.9	0.9	0.8	-0.2	-0.3	-1.1	5.7	5.2	-0.4	2.7	1.4
MTD	0.0	1.6	0.2	3.0	2.6	1.6	2.5	3.7	1.6	2.0	-0.5	2.6	0.5	-1.1	1.3	1.2	1.0	-0.5	-3.1	2.8	13.8	1.9	2.5	6.3
YTD	13.6	14.1	13.0	39.8	6.7	15.0	12.1	16.1	11.6	6.7	8.9	31.1	1.5	0.5	-0.6	1.3	1.4	-3.8	-3.3	51.6	6.6	15.9	2.6	23.8

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

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

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