

Weekly Market Update

The dominant financial theme was a sharp escalation in global trade tensions driven by new US tariffs, which disrupted global supply chains, weakened trade outlooks, and reshaped relative competitiveness between major economies.

US

The US Supreme Court struck down key Trump tariff measures, ruling emergency powers (IEEPA), did not authorise sweeping tariffs, triggering global trade and legal uncertainty.

Trump quickly imposed a replacement temporary 15% global tariff under different legislation, escalating trade tensions and raising the effective US tariff rate significantly.

Markets reacted strongly to tariff legal rulings, with equities rising and the dollar weakening as investors recalibrated trade expectations.

The US significantly increased military deployments in the Middle East amid rising tensions and potential preparations for military action against Iran with Trump told advisers if diplomacy or a limited US strike fails to push Iran to scrap its nuclear program, he will consider a bigger attack.

UK

UK exporters face major uncertainty from US tariff hikes, which threaten tens of thousands of firms not covered by preferential bilateral trade agreements.

The UK government is negotiating with the US to preserve favourable trade terms and limit damage to British businesses.

The UK refused to allow the United States to use British military bases for potential strikes against Iran, highlighting divisions among Western allies and UK reluctance to escalate militarily.

Labour faces rising internal instability as policy reversals, declining support, and upcoming by-election risks intensify political pressure on Prime Minister Keir Starmer and increase speculation about potential leadership challenges.

Europe

EU lawmakers called to delay ratification of the EU-US trade deal amid uncertainty caused by US tariff policy shifts.

ECB kept interest rates steady amid low inflation and economic stabilisation, with inflation expected to remain below target in 2026.

The European Commission is considering changes to WTO trade rules to address rising Chinese exports and protect European industries.

Eurozone growth improved modestly due to manufacturing recovery, boosting regional economic momentum.

Global

China is approaching renewed US trade tensions cautiously while positioning diplomatically to preserve trade stability and stands to benefit from revised US tariffs that reduce its relative tariff disadvantage versus key US allies. China reopens on the 24th after being closed for Lunar New Year for over a week.

The IMF and other global institutions have urged China to shift towards domestic consumption to support more sustainable, balanced long-term economic growth.

Japan is planning substantial investment in US energy and critical minerals, strengthening strategic economic ties and improving supply chain security between the two countries.

Ukraine has achieved notable battlefield gains against Russian forces, recapturing more than 200 square kilometres of occupied territory in one of its most significant advances in over two years, signalling renewed operational momentum.

Performance

Asset Class/Region	Currency				
		Week ending 20 Feb 2026	Month to date	YTD 2026	12 Months
Developed Market Equities					
United States	USD	1.1%	-0.4%	1.1%	14.0%
United Kingdom	GBP	2.6%	5.0%	8.2%	28.0%
Continental Europe	EUR	2.2%	3.2%	6.2%	15.5%
Japan	JPY	-0.3%	6.8%	11.7%	42.7%
Asia Pacific (ex Japan)	USD	1.1%	3.0%	11.2%	37.9%
Australia	AUD	2.0%	2.6%	4.4%	12.7%
Global	USD	1.0%	0.7%	2.9%	18.5%
Emerging Markets Equities					
Emerging Europe	USD	-0.9%	-2.0%	10.1%	50.8%
Emerging Asia	USD	0.9%	2.8%	11.3%	40.8%
Emerging Latin America	USD	2.1%	4.6%	20.6%	62.8%
BRICs	USD	-0.2%	-1.7%	0.8%	15.9%
China	USD	-1.0%	-5.0%	-0.6%	15.5%
MENA countries	USD	-2.0%	-0.7%	5.6%	1.9%
South Africa	USD	1.8%	2.6%	11.1%	76.5%
India	USD	0.1%	2.0%	-3.0%	7.5%
Global emerging markets	USD	0.8%	2.6%	11.7%	41.4%
Bonds					
US Treasuries	USD	-0.1%	1.2%	1.2%	6.5%
US Treasuries (inflation protected)	USD	-0.1%	0.8%	1.1%	6.0%
US Corporate (investment grade)	USD	0.0%	1.0%	1.4%	8.0%
US High Yield	USD	0.2%	0.4%	0.9%	7.7%
UK Gilts	GBP	0.5%	1.4%	1.3%	6.0%
UK Corporate (investment grade)	GBP	0.4%	0.9%	1.1%	7.3%
Euro Government Bonds	EUR	0.2%	0.9%	1.6%	2.6%
Euro Corporate (investment grade)	EUR	0.0%	0.4%	1.2%	3.7%
Euro High Yield	EUR	0.3%	0.3%	1.0%	4.7%
Global Government Bonds	USD	-0.2%	0.7%	1.6%	7.0%
Global Bonds	USD	-0.2%	0.6%	1.6%	9.2%
Global Convertible Bonds	USD	0.4%	1.3%	6.9%	25.7%
Emerging Market Bonds	USD	0.1%	1.4%	1.4%	12.8%

Performance

Asset Class/Region	Currency				
		Week ending 20 Feb 2026	Month to date	YTD 2026	12 Months
Property					
US Property Securities	USD	0.3%	6.8%	10.0%	8.2%
Australian Property Securities	AUD	-0.4%	-2.3%	-4.9%	-2.2%
Global Property Securities	USD	0.4%	5.7%	9.8%	18.6%
Currencies					
Euro	USD	-0.8%	-0.8%	0.4%	12.3%
UK Pound Sterling	USD	-1.2%	-1.6%	0.3%	6.6%
Japanese Yen	USD	-1.4%	-0.4%	1.2%	-3.6%
Australian Dollar	USD	0.0%	1.5%	6.1%	10.6%
South African Rand	USD	-0.7%	0.5%	3.2%	14.3%
Swiss Franc	USD	-1.0%	-0.4%	2.3%	15.9%
Chinese Yuan	USD	0.0%	0.7%	1.2%	4.9%
Commodities & Alternatives					
Commodities	USD	2.7%	-0.2%	9.7%	9.4%
Agricultural Commodities	USD	0.9%	1.0%	2.2%	-8.5%
Oil	USD	5.9%	1.5%	17.9%	-6.2%
Gold	USD	1.3%	4.4%	18.2%	73.7%

* Data as at 13 February 2026. Source: Bloomberg Finance L.P. Past performance is not indicative of future returns.



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