Weekly Market Update

The week's dominant theme across regions was geopolitical energy shock → inflation risk → market volatility, all reshaping expectations for monetary policy and growth globally.

US

Markets hit by geopolitical shock: US equities fell sharply early in the week as conflict in the Middle East and disruption to the Strait of Hormuz pushed energy prices higher.

Oil-driven inflation fears: The surge in oil prices triggered bond market warnings that inflation could re-accelerate, complicating the Federal Reserve's expected rate-cut path.

US military response to protect energy supply: President Donald Trump signalled that the US Navy could escort tankers through the Strait of Hormuz to keep oil flowing.

US-China diplomatic signalling: China emphasised that continued dialogue with the US is "vital" to avoid misunderstandings, stating Beijing is "positive and open" to hosting Trump later this month.

UK

Energy price spike raises economic concerns: The oil surge linked to the Middle East conflict raised fears of higher household and business energy costs in the UK.

Financial markets react to global volatility: UK equities and bonds moved in line with global markets as energy prices surged and investors moved to safer assets.

Economic data focus: Investors looked ahead to key UK macro releases (including GDP data) to assess growth momentum.

Political backdrop and fiscal scrutiny: Ongoing political pressure around economic management and upcoming fiscal decisions kept UK policy in focus.

Europe

European markets decline: European equities dropped amid uncertainty from the Middle East conflict and rising oil prices.

Energy security concerns intensify: Rising gas and oil prices revived fears of energy supply disruptions across Europe.

Inflation risks re-emerge: Higher energy costs threaten the progress made by the European Central Bank in reducing inflation.

Trade and geopolitical positioning: EU relations with global partners, including China, remained a strategic focus amid global tensions.

Global

Middle East conflict escalates: The Iran war intensified with attacks across the region, including strikes on energy infrastructure.

Major energy supply disruptions: Closure or disruption of the Strait of Hormuz threatens roughly 20% of global oil supply, triggering price spikes.

Energy shock risk for Asia: Higher oil prices from Middle East tensions threaten Asian importers, including China.

Energy price vulnerability: Japan, as a major energy importer, faces increased economic risk from oil and LNG disruptions in the Middle East.

Performance

Asset Class/Region	Currency	Week ending 06 Mar 2026	Month to date	YTD 2026	12 Months
Developed Market Equities					
United States	USD	-2.0%	-2.0%	-1.4%	18.5%
United Kingdom	GBP	-5.5%	-5.5%	4.5%	22.6%
Continental Europe	EUR	-5.8%	-5.8%	0.3%	7.7%
Japan	JPY	-5.6%	-5.6%	9.1%	38.4%
Asia Pacific (ex Japan)	USD	-6.2%	-6.2%	7.5%	32.8%
Australia	AUD	-3.3%	-3.3%	2.5%	12.9%
Global	USD	-3.3%	-3.3%	-0.4%	19.7%
Emerging Markets Equities					
Emerging Europe	USD	-8.3%	-8.3%	1.4%	31.8%
Emerging Asia	USD	-6.6%	-6.6%	7.4%	35.4%
Emerging Latin America	USD	-7.9%	-7.9%	10.3%	55.7%
BRICs	USD	-3.7%	-3.7%	-3.7%	7.8%
China	USD	-3.0%	-3.0%	-4.3%	3.9%
MENA countries	USD	-2.5%	-2.5%	0.9%	0.4%
South Africa	USD	-14.6%	-14.6%	1.4%	61.1%
India	USD	-3.9%	-3.9%	-8.4%	3.8%
Global emerging markets	USD	-6.9%	-6.9%	6.9%	35.4%
Bonds					
US Treasuries	USD	-1.0%	-1.0%	0.9%	4.7%
US Treasuries (inflation protected)	USD	-0.4%	-0.4%	1.2%	5.3%
US Corporate (investment grade)	USD	-0.9%	-0.9%	0.7%	6.2%
US High Yield	USD	-0.4%	-0.4%	0.2%	6.9%
UK Gilts	GBP	-2.5%	-2.5%	-0.3%	4.5%
UK Corporate (investment grade)	GBP	-2.1%	-2.1%	-0.6%	5.8%
Euro Government Bonds	EUR	-1.7%	-1.7%	0.4%	3.4%
Euro Corporate (investment grade)	EUR	-1.1%	-1.1%	0.2%	3.8%
Euro High Yield	EUR	-0.9%	-0.9%	0.1%	4.1%
Global Government Bonds	USD	-1.9%	-1.9%	0.2%	4.6%
Global Bonds	USD	-1.8%	-1.8%	0.2%	6.6%
Global Convertible Bonds	USD	-3.7%	-3.7%	3.3%	24.0%
Emerging Market Bonds	USD	-1.2%	-1.2%	0.2%	10.5%

Performance

Asset Class/Region	Currency	Week ending 06 Mar 2026	Month to date	YTD 2026	12 Months
Property					
US Property Securities	USD	-2.3%	-2.3%	8.6%	8.2%
Australian Property Securities	AUD	-4.6%	-4.6%	-10.8%	-4.3%
Global Property Securities	USD	-3.8%	-3.8%	6.6%	16.0%
Currencies					
Euro	USD	-1.9%	-1.9%	-1.2%	7.4%
UK Pound Sterling	USD	-0.5%	-0.5%	-0.5%	3.9%
Japanese Yen	USD	-1.1%	-1.1%	-0.6%	-6.3%
Australian Dollar	USD	-1.5%	-1.5%	5.1%	10.6%
South African Rand	USD	-4.4%	-4.4%	-0.3%	9.2%
Swiss Franc	USD	-1.1%	-1.1%	2.0%	13.8%
Chinese Yuan	USD	-0.5%	-0.5%	1.3%	5.0%
Commodities & Alternatives					
Commodities	USD	10.0%	10.0%	22.8%	28.3%
Agricultural Commodities	USD	2.6%	2.6%	5.7%	0.0%
Oil	USD	27.9%	27.9%	52.3%	33.4%
Gold	USD	-2.0%	-2.0%	19.7%	77.4%

Source: Bloomberg Finance L.P. Past performance is not indicative of future returns.

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