



Weekly Market Update

The final week of July was dominated by central bank decisions and key macroeconomic data, with investors focusing on the Federal Reserve, Bank of England and Bank of Japan alongside GDP, inflation and PMI releases. Markets were also influenced by easing Middle East tensions, which pushed oil prices lower and supported global equity sentiment. Attention remained firmly on inflation resilience, economic growth prospects and the outlook for interest rates into the second half of 2026, while corporate earnings, particularly from major technology companies, continued to shape market performance.

US

The Federal Reserve kept interest rates unchanged, with Chair Kevin Warsh maintaining a data-dependent stance and avoiding strong forward guidance.

Q2 GDP and Core PCE inflation data reinforced expectations that policy will remain restrictive until inflation shows further evidence of easing.

Investors closely monitored earnings from major technology companies, with AI investment remaining a key market driver.

Falling oil prices following reduced Middle East tensions improved market sentiment and supported equities while reducing inflation concerns.

UK

The Bank of England left interest rates unchanged as policymakers balanced moderating inflation against continued wage pressures.

UK financial markets focused on the Bank's updated economic outlook and voting split for clues on future policy.

Corporate earnings from major UK banks and large-cap companies were generally resilient.

Politically, attention centred on domestic leadership developments and ongoing economic policy priorities.

Europe

Preliminary Eurozone GDP data suggested modest economic expansion despite weak manufacturing conditions.

Flash inflation data remained close to target but continued to be monitored carefully by policymakers.

Germany released softer economic indicators, highlighting uneven growth across the region.

Lower energy prices provided some relief to consumers and businesses following the easing of Middle East tensions.

Global

China's July manufacturing PMI remained a key indicator of industrial momentum and domestic demand.

Markets awaited signals from China's Politburo regarding further fiscal and economic support.

Rising wages continued to support expectations that Japan's inflation environment is becoming more sustainable.

Middle East tensions eased temporarily, leading to a sharp decline in oil prices and improved global risk sentiment.



Performance

Asset Class/Region	Currency				
		Week ending 31 July 2026	Month to date	YTD 2026	12 Months
Developed Market Equities					
United States	USD	1.1%	-0.1%	9.9%	19.1%
United Kingdom	GBP	1.3%	3.9%	11.8%	23.6%
Continental Europe	EUR	0.6%	-0.1%	11.1%	21.3%
Japan	JPY	-0.2%	0.2%	18.8%	39.2%
Asia Pacific (ex Japan)	USD	2.5%	-2.3%	21.0%	34.5%
Australia	AUD	2.3%	2.3%	4.7%	6.0%
Global	USD	1.2%	0.5%	10.3%	20.4%
Emerging Markets Equities					
Emerging Europe	USD	2.8%	6.1%	21.3%	34.3%
Emerging Asia	USD	2.5%	-4.2%	22.8%	39.0%
Emerging Latin America	USD	2.0%	4.9%	15.9%	44.6%
BRICs	USD	3.7%	6.3%	-5.5%	0.7%
China	USD	3.9%	9.0%	-7.3%	-1.1%
MENA countries	USD	-0.8%	-1.3%	-1.0%	-3.8%
South Africa	USD	3.0%	-0.4%	-5.6%	28.8%
India	USD	3.6%	1.4%	-11.4%	-8.6%
Global emerging markets	USD	2.4%	-3.1%	20.0%	36.4%
Bonds					
US Treasuries	USD	-0.1%	-1.2%	-0.8%	1.9%
US Treasuries (inflation protected)	USD	0.1%	-0.8%	0.3%	2.5%
US Corporate (investment grade)	USD	0.0%	-1.5%	-0.6%	2.7%
US High Yield	USD	0.1%	-0.3%	1.6%	5.0%
UK Gilts	GBP	0.0%	-1.6%	-1.5%	1.3%
UK Corporate (investment grade)	GBP	0.1%	-1.3%	-0.4%	2.7%
Euro Government Bonds	EUR	0.0%	-1.7%	-0.5%	-0.2%
Euro Corporate (investment grade)	EUR	0.1%	-1.0%	0.4%	1.0%
Euro High Yield	EUR	0.0%	-0.3%	1.6%	2.7%
Global Government Bonds	USD	0.8%	-0.4%	-1.0%	0.5%
Global Bonds	USD	0.5%	-0.8%	-0.9%	1.8%
Global Convertible Bonds	USD	0.3%	-4.6%	12.6%	22.2%
Emerging Market Bonds	USD	-0.1%	-1.7%	0.3%	6.5%

▲ Performance

Asset Class/Region	Currency				
		Week ending 31 July 2026	Month to date	YTD 2026	12 Months
Property					
US Property Securities	USD	-3.0%	2.3%	19.5%	23.4%
Australian Property Securities	AUD	3.3%	-0.1%	-6.8%	-8.4%
Global Property Securities	USD	-0.9%	2.5%	10.8%	16.3%
Currencies					
Euro	USD	1.2%	0.9%	-1.9%	0.8%
UK Pound Sterling	USD	1.0%	1.6%	0.1%	1.8%
Japanese Yen	USD	2.8%	2.1%	-1.6%	-5.4%
Australian Dollar	USD	0.5%	1.6%	5.3%	9.2%
South African Rand	USD	1.6%	-0.9%	0.1%	9.9%
Swiss Franc	USD	1.1%	0.0%	-1.9%	0.4%
Chinese Yuan	USD	0.3%	0.5%	3.5%	6.6%
Commodities & Alternatives					
Commodities	USD	-2.6%	8.9%	32.0%	36.3%
Agricultural Commodities	USD	-2.5%	4.9%	11.7%	9.9%
Oil	USD	-6.9%	23.6%	48.1%	24.3%
Gold	USD	-0.6%	0.4%	-6.4%	22.7%

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





Global Matters Weekly

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