



Weekly Market Update

Markets grappled with rising bond yields, higher energy prices and renewed rate-hike expectations as geopolitical tensions intensified globally.

US

Markets focused on the Federal Reserve's September meeting after stronger-than-expected labour market data and persistent inflation concerns increased the possibility of another rate rise. Treasury yields and the US dollar remained volatile as investors reassessed policy expectations.

Political attention intensified ahead of November's midterm elections, with President Trump continuing to dominate the national agenda and shaping both economic and electoral debates.

Defence policy came under scrutiny following the resignation of Army Secretary Dan Driscoll, highlighting concerns around Pentagon leadership changes and military readiness amid tensions with Iran.

Investors monitored signs of slowing consumer activity alongside continued resilience in broader economic growth, with affordability and inflation remaining key voter concerns.

UK

The UK economy continued to show resilience, with recent data indicating stronger-than-expected second-quarter growth despite ongoing cost pressures on businesses and households.

Activity in the services sector expanded for a second consecutive month, while rising prices reinforced concerns that inflation pressures may persist.

Parliament returned from summer recess with Prime Minister Andy Burnham facing key decisions on energy policy, public finances, immigration and welfare reform.

Fiscal sustainability remained a major market theme as investors continued to monitor government borrowing, gilt yields and public spending plans.

Europe

Expectations grew that the European Central Bank would deliver another 25bp rate increase amid renewed energy-price pressures and inflation concerns.

European governments continued preparations for key Council meetings covering economic coordination, competitiveness, security and Ukraine-related issues.

The EU's Entry/Exit System implementation faced further delays, with several member states struggling to deploy border-control technology effectively.

Political attention centred on regional elections in Germany and wider debates around immigration, Ukraine support and the rise of populist parties.

Global

The BRICS summit in New Delhi moved into focus, with emerging-market leaders preparing discussions on trade, investment and geopolitical cooperation.

Beijing announced a major financial-sector support package, including approximately \$54bn of capital injections into state-owned banks and insurers to strengthen lending capacity and financial stability.

Markets continued to increase expectations of another Bank of Japan rate hike, supported by persistent inflation and yen weakness.

Ukraine remained a key international issue, with renewed diplomatic efforts involving both US and European stakeholders.



Performance

Asset Class/Region	Currency				
		Week ending 04 Sep 2026	Month to date	YTD 2026	12 Months
Developed Market Equities					
United States	USD	0.1%	0.4%	13.4%	19.7%
United Kingdom	GBP	0.2%	0.2%	12.1%	21.5%
Continental Europe	EUR	-1.0%	-0.1%	11.7%	20.6%
Japan	JPY	-1.0%	-1.3%	21.8%	36.3%
Asia Pacific (ex Japan)	USD	0.1%	0.2%	25.1%	37.0%
Australia	AUD	-0.4%	-0.2%	6.1%	5.5%
Global	USD	0.1%	0.4%	13.6%	20.5%
Emerging Markets Equities					
Emerging Europe	USD	1.1%	1.3%	29.2%	41.5%
Emerging Asia	USD	0.1%	0.2%	27.1%	42.2%
Emerging Latin America	USD	4.3%	3.5%	19.2%	37.1%
BRICs	USD	0.2%	0.1%	-5.9%	-2.8%
China	USD	-0.8%	-0.7%	-8.3%	-6.9%
MENA countries	USD	-1.4%	-0.5%	2.1%	1.6%
South Africa	USD	-0.5%	1.9%	7.2%	39.1%
India	USD	0.1%	0.0%	-12.1%	-8.8%
Global emerging markets	USD	0.3%	0.4%	24.6%	39.5%
Bonds					
US Treasuries	USD	-0.1%	-0.1%	-0.5%	0.8%
US Treasuries (inflation protected)	USD	0.0%	0.1%	0.6%	1.0%
US Corporate (investment grade)	USD	-0.3%	-0.2%	-0.3%	1.3%
US High Yield	USD	-0.2%	-0.1%	2.5%	4.6%
UK Gilts	GBP	0.1%	0.0%	-1.2%	2.5%
UK Corporate (investment grade)	GBP	0.0%	-0.1%	0.0%	3.8%
Euro Government Bonds	EUR	-0.3%	-0.1%	-1.2%	-0.5%
Euro Corporate (investment grade)	EUR	-0.3%	-0.1%	0.0%	0.7%
Euro High Yield	EUR	-0.3%	-0.3%	1.6%	2.8%
Global Government Bonds	USD	0.2%	0.4%	-0.3%	0.1%
Global Bonds	USD	0.0%	0.1%	-0.4%	0.9%
Global Convertible Bonds	USD	0.5%	0.8%	15.0%	22.0%
Emerging Market Bonds	USD	-0.2%	0.0%	1.1%	5.6%

▲ Performance

Asset Class/Region	Currency				
		Week ending 04 Sep 2026	Month to date	YTD 2026	12 Months
Property					
US Property Securities	USD	-1.2%	-0.5%	15.3%	14.7%
Australian Property Securities	AUD	0.0%	-0.2%	-13.7%	-16.0%
Global Property Securities	USD	-0.9%	0.1%	7.8%	9.7%
Currencies					
Euro	USD	0.3%	0.0%	-1.0%	-0.2%
UK Pound Sterling	USD	-0.1%	-0.2%	0.5%	0.7%
Japanese Yen	USD	2.7%	2.4%	0.5%	-4.7%
Australian Dollar	USD	0.7%	0.6%	8.1%	10.8%
South African Rand	USD	1.4%	1.0%	3.9%	11.6%
Swiss Franc	USD	0.0%	-0.1%	-2.0%	-0.3%
Chinese Yuan	USD	0.3%	0.1%	4.2%	6.4%
Commodities & Alternatives					
Commodities	USD	2.3%	1.4%	43.6%	48.8%
Agricultural Commodities	USD	-1.4%	-1.5%	19.9%	16.6%
Oil	USD	7.8%	6.4%	58.2%	43.7%
Gold	USD	-1.0%	0.1%	2.6%	24.9%

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





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For more information, please contact your adviser or alternatively contact:

Belvest Investment Services Limited
研富投資服務有限公司
9th Floor, Centre Mark II
305-313 Queen's Road Central
Sheung Wan, Hong Kong

Tel +852 2827 1199
Fax +852 2827 0270
belvest@bis.hk
www.bis.hk

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