Weekly Market Update

Markets balanced resilient activity and strong technology investment against a renewed rise in sovereign yields and volatile energy prices. Diversification remained important as regional growth, inflation and policy risks continued to diverge.

US

Business surveys pointed to rapid expansion but also stronger input-cost pressures and supply bottlenecks, reinforcing concerns that inflation could remain persistent.

Treasury yields rose sharply as resilient data, hawkish Federal Reserve commentary and weak government debt auctions strengthened expectations of further policy tightening.

Large technology and semiconductor companies remained supported by enthusiasm for artificial intelligence, although delays to a major data-centre project highlighted financing, power and execution risks.

Improving prospects for US-Iran negotiations reduced some energy-supply fears late in the week, but oil-price volatility continued to influence inflation expectations and bond markets.

UK

September business surveys showed the private sector still expanding, although softer services activity and intensifying price pressures underlined the economy's difficult growth-inflation trade-off.

Consumer confidence weakened as households anticipated higher energy costs, while retail surveys indicated falling sales and a sharp reduction in orders placed with suppliers

Fiscal scrutiny remained elevated after international institutions called for stronger control of spending and debt, keeping gilt-market sensitivity to the October Budget firmly in focus.

Bank of England officials signalled that persistent energy costs could make rate rises more likely, even though evidence of broader second-round inflation effects remained limited.

Europe

German political uncertainty increased after poor state-election results for the governing CDU, although the immediate implications for federal policy and large listed companies appeared limited.

Germany's economy was expected to lose momentum in the third quarter as transport disruption, subdued consumption and weaker export support offset earlier resilience.

Euro-area policymakers warned that renewed oil and gas pressures could keep inflation above target for longer, sustaining the possibility of additional monetary tightening.

European equities were pulled between higher bond yields and changing energy prices, with growth-sensitive sectors under pressure while defensives and selected financials proved more resilient.

Global

The People's Bank of China kept its main lending rate unchanged, signalling continued reliance on targeted support rather than a broad new easing cycle.

The US-China summit produced few concrete outcomes beyond a two-month extension of the trade truce, leaving technology restrictions, rare-earth supplies and strategic competition unresolved.

China's exposure to disrupted Middle East energy flows remained a global concern, although alternative suppliers, inventories and domestic demand management continued to cushion the immediate impact.

Japanese equities retained support from corporate governance reform, domestic policy and investment linked to artificial intelligence and advanced manufacturing, despite pressure from higher global yields.

Performance

Asset Class/Region	Currency	Week ending 25 Sep 2026	Month to date	YTD 2026	12 Months
Developed Market Equities					
United States	USD	1.2%	0.8%	13.8%	18.2%
United Kingdom	GBP	0.2%	-1.1%	10.6%	20.2%
Continental Europe	EUR	0.8%	-1.8%	9.8%	18.0%
Japan	JPY	0.9%	-0.7%	22.6%	32.6%
Asia Pacific (ex Japan)	USD	1.2%	0.3%	25.3%	30.1%
Australia	AUD	-0.7%	-3.8%	2.3%	2.1%
Global	USD	0.9%	-0.1%	13.0%	18.0%
Emerging Markets Equities					
Emerging Europe	USD	-0.3%	-0.4%	26.9%	38.4%
Emerging Asia	USD	1.8%	1.5%	28.8%	34.4%
Emerging Latin America	USD	-1.1%	-0.1%	15.0%	26.0%
BRICs	USD	-0.9%	-3.8%	-9.5%	-11.2%
China	USD	-0.6%	-4.4%	-11.7%	-16.9%
MENA countries	USD	-1.0%	-2.7%	-0.2%	-3.5%
South Africa	USD	-2.3%	-5.8%	-0.9%	17.1%
India	USD	-0.7%	-4.5%	-16.1%	-12.9%
Global emerging markets	USD	1.3%	0.9%	25.2%	31.4%
Bonds					
US Treasuries	USD	-0.7%	-1.8%	-2.2%	-1.3%
US Treasuries (inflation protected)	USD	-0.8%	-2.2%	-1.8%	-1.6%
US Corporate (investment grade)	USD	-1.0%	-2.0%	-2.1%	-1.1%
US High Yield	USD	-0.9%	-1.9%	0.7%	2.2%
UK Gilts	GBP	-0.6%	-1.0%	-2.3%	1.1%
UK Corporate (investment grade)	GBP	-0.5%	-1.2%	-1.1%	1.8%
Euro Government Bonds	EUR	-0.5%	-2.0%	-3.1%	-2.4%
Euro Corporate (investment grade)	EUR	-0.3%	-1.6%	-1.4%	-1.0%
Euro High Yield	EUR	-0.5%	-1.5%	0.3%	0.9%
Global Government Bonds	USD	-0.6%	-1.7%	-2.3%	-2.1%
Global Bonds	USD	-0.8%	-2.2%	-2.7%	-1.7%
Global Convertible Bonds	USD	0.1%	-0.6%	13.4%	15.8%
Emerging Market Bonds	USD	-1.3%	-2.5%	-1.4%	1.5%

Performance

Asset Class/Region	Currency	Week ending 25 Sep 2026	Month to date	YTD 2026	12 Months
Property					
US Property Securities	USD	-0.8%	-4.3%	10.9%	10.5%
Australian Property Securities	AUD	-0.1%	-5.6%	-18.4%	-20.7%
Global Property Securities	USD	-0.8%	-4.2%	3.2%	4.7%
Currencies					
Euro	USD	-0.7%	-1.9%	-2.9%	-2.4%
UK Pound Sterling	USD	-1.0%	-2.3%	-1.6%	-0.7%
Japanese Yen	USD	-0.3%	1.6%	-0.3%	-4.7%
Australian Dollar	USD	-1.3%	-1.9%	5.4%	7.4%
South African Rand	USD	-0.3%	-1.3%	1.6%	7.0%
Swiss Franc	USD	-0.7%	-2.4%	-4.2%	-3.3%
Chinese Yuan	USD	-0.2%	0.1%	4.1%	6.3%
Commodities & Alternatives					
Commodities	USD	-0.8%	2.7%	45.5%	48.0%
Agricultural Commodities	USD	0.7%	-3.2%	17.8%	15.3%
Oil	USD	0.4%	15.3%	71.4%	50.3%
Gold	USD	-2.2%	-3.3%	-0.8%	14.8%

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

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