

# MARKET INSIGHTS

# WEEKLY REVIEW

FOR THE WEEK ENDED ON 22 May 2026

Arabian Gulf Capital BSC (Closed) is licensed and regulated by the Central Bank of Bahrain (CBB) as a Bahraini Investment Firm (Category 1). Office Address: Office No. 3201, Building 01, Isa AlKabeer Avenue, Bahrain World Trade Center, Block 316, Manama, Kingdom of Bahrain. This communication is provided for informational purposes only and is not directed at retail investors. Certain products and services referenced may only be available to Expert and Accredited Investors in accordance with applicable CBB rules and regulations.

The fees and tariffs mentioned in this document are provided for informational purposes only and are subject to change at the discretion of Arabian Gulf Capital BSC (Closed). Additional charges such as VAT, duties, and other external fees may apply. Clients are advised to review the latest tariff schedule and consult with their relationship manager for any clarifications. This document does not constitute an offer, solicitation, or recommendation to transact in any securities or investment products. All investments carry risks, and past performance is not indicative of future results. Clients should consider their individual circumstances and seek independent advice before making investment decisions. For further details or inquiries, please contact Arabian Gulf Capital BSC (Closed) directly.

## OVERVIEW

Markets extended their rally last week, with the S&P 500 posting its eighth straight weekly gain—the longest streak since 2023—as optimism around a fragile U.S.–Iran ceasefire and crude falling below \$97/bbl supported sentiment despite persistent inflation and policy concerns.

## MARKETS

**US stocks gained last week, with the S&P 500 rising 0.9% WoW and the Nasdaq 100 up 1.2%**, as optimism around U.S.–Iran talks and resilient risk appetite supported equities despite hawkish Fed signals and persistent inflation concerns.

**In Asia:** equities were mixed, with the Nikkei 225 rising 3.1% WoW and the KOSPI gaining 4.7%, while Shanghai slipped 0.5% and the Hang Seng fell 1.4%. Sentiment remained supported by broadening AI-related demand across Asian technology sectors, even as slowing Japanese inflation reinforced expectations for a cautious Bank of Japan stance and investors rotated beyond traditional semiconductor leaders like TSMC.

**In Europe:** equities advanced strongly, with the Euro Stoxx 50 rising 3.3% WoW and the FTSE 100 gaining 2.7%, as easing Middle East tensions supported a broader risk-on rebound. Gains were led by technology, retail, and travel stocks, while lower bond yields and renewed M&A activity improved sentiment despite lingering concerns around weak growth and elevated oil prices.

**In Bahrain:** The All-Share Index -0.2% WoW, dragged by SEEF -6.80%, UGIC -2.94%, KFH -2.16%, While NHOTEL +3.70%, BBK +2.39%, NBB +0.40% provided support.

**Fixed Income:** Yields mixed: US 2Y up to 4.08% +6bps, 10Y up to 4.57% +9bps, with 10Y breakeven on 2.41% -10bps. UK 10Y down to 4.90% -27bps, German 10Y -13 bps at 3.04%, while EM 5Y spreads at 157.470 -2bps.

**News:** Uber is reportedly exploring a full takeover of Delivery Hero after building a near-20% stake, highlighting intensifying consolidation in the global food-delivery industry as companies seek greater scale and international reach to compete more effectively with rivals like DoorDash. The move also reinforces growing investor focus on strategic M&A and valuation opportunities across European technology platforms amid rising competitive pressures. Delivery Hero is one of the world's largest food-delivery platforms, operating across Europe, Asia, the Middle East, and Latin America.

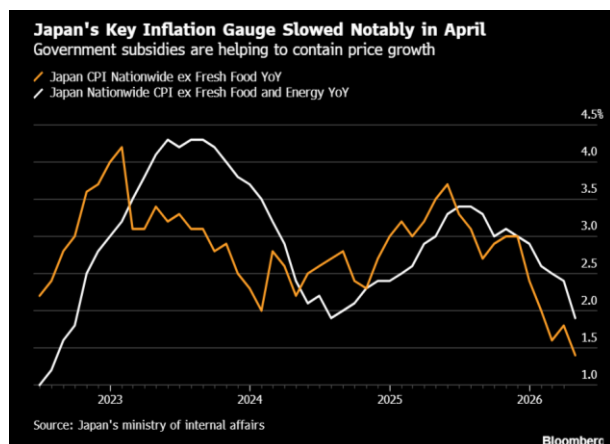
## MARKET INDICES

G10		WoW	YtD
SPX	7,473.47 ▲	+0.9% ▲	+9.2%
Nasdaq 100	29,481.64 ▲	+1.2% ▲	+16.8%
Euro Stoxx 50	6,019.45 ▲	+3.3% ▲	+3.9%
Nikkei 225	63,339.07 ▲	+3.1% ▲	+25.8%
FTSE 100	10,466.26 ▲	+2.7% ▲	+5.4%
GCC			
KSA	11,027.54 ▲	+0.3% ▲	+5.1%
ADX	9,658.20 ▼	-0.2% ▼	-3.3%
DFM	5,692.82 ▼	-0.3% ▼	-5.9%
BHR	1,929.85 ▼	-0.2% ▼	-6.6%
MSX 30	7,692.04 ▼	-3.0% ▲	+31.1%
ASIA			
KOSPI	7,847.71 ▲	+4.7% ▲	+86.2%
Shanghai	4,112.90 ▼	-0.5% ▲	+3.6%
Hang Seng	25,606.03 ▼	-1.4% ▼	-0.1%
LATAM			
BOVESPA	176,209.61 ▼	-0.6% ▲	+9.4%
MERVAL	2,846,220.00 ▲	+5.1% ▼	-6.7%

## Rates

Ticker		WoW	YtD
GT2	4.08% ▲	+6 bps ▲	+61 bps
GT10	4.57% ▲	+9 bps ▲	+40 bps
USGGBE10	2.41% ▼	-10 bps ▲	+16 bps
GUKG10	4.90% ▼	-27 bps ▲	+42 bps
GDBR10	3.04% ▼	-13 bps ▲	+19 bps
EM (5Y SPRD)	157.470 ▼	-2 bps ▲	+33 bps

**Chart: Japan's core inflation slowed to a four-year low in April**, with softer food and services inflation reinforcing expectations for a more cautious Bank of Japan policy stance going forward. The decline highlights how government subsidies and easing price pressures are complicating the case for near-term rate hikes despite persistent long-term inflation risks.



**Commodities were mixed**, with rising U.S. yields pressuring precious metals, while optimism around U.S.–Iran peace talks weighed on oil prices while industrial metals and agriculture remained firm.

**Industrial Metals:** Copper rose 1.4%, aluminum gained 1.8%, and zinc added 2.6%, while lithium slipped 1.0%, as tightening physical copper availability and large LME withdrawals highlighted growing geopolitical distortions in global metals flows and supply chains. **Energy:** Crude fell 8.4%, Brent declined 5.2%, and natural gas slipped 1.8%, as incremental progress in U.S.–Iran peace talks and cautious resumption of limited LNG shipments through Hormuz eased immediate supply fears. However, Gulf states continue pushing for diplomatic solutions as fragile energy flows and ongoing disruptions across Hormuz keep markets vulnerable to renewed volatility and supply shocks.

**Precious Metals:** Gold fell 0.7%, silver slipped 0.6%, platinum dropped 2.8%, and palladium declined 4.4%, as rising real yields, a stronger dollar, and hawkish Fed repricing continued to pressure bullion despite lingering geopolitical risks and structural demand support.

**Agriculture:** Wheat rose 1.7%, corn gained 1.6%, and soybeans advanced 1.7%, as fertilizer disruptions tied to constrained Gulf nitrogen exports continued to push input costs higher and increase adoption of alternative biofertilizer solutions. At the same time, China’s pledge to purchase at least \$17 billion annually in U.S. agricultural products through 2028 supported expectations for firmer global crop demand and sustained food inflation pressures.

**FX market was mixed:** The DXY flat WoW on 99.24. EUR/USD down -0.2% to 1.16, USD/CNY up +0.2%, and USD/JPY down -0.3% to 159.18.

**Cryptocurrencies:** Bitcoin fell 0.3% WoW to \$76,715, while Ether declined -3.2% to \$2,068, as treasuries rising due to inflation concerns from increasing energy prices.

**Crypto News:** The SEC is slowing efforts to allow tokenized trading of U.S. equities on blockchain platforms, highlighting regulatory concerns around shareholder rights, ownership transparency, and compliance risks tied to decentralized markets. Regulators are also wary that offshore tokenized shares could weaken oversight of traditional capital markets. The debate reflects growing tension between modernizing financial infrastructure through blockchain technology and maintaining oversight of securities markets. Meanwhile, Blockchain.com confidentially filed for an IPO, reflecting a broader push by crypto firms to formalize operations and re-enter public markets despite ongoing volatility and valuation pressures.

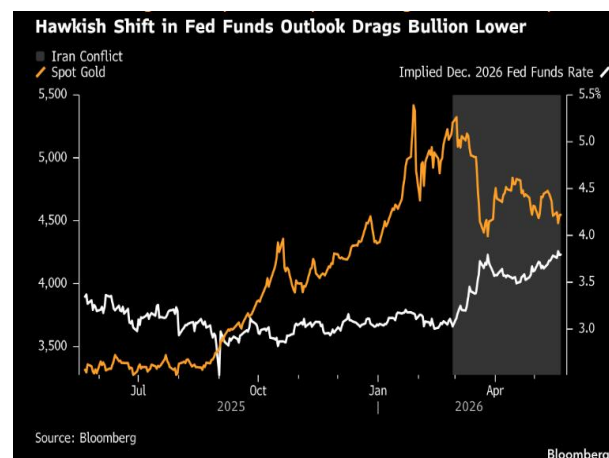
## Commodities

Precious Metals		WoW	YtD
Gold	4,509.40 ▼	-0.7% ▲	+4.4%
Silver	75.54 ▼	-0.6% ▲	+5.4%
Platinum	1,927.67 ▼	-2.8% ▼	-6.4%
Palladium	1,352.51 ▼	-4.4% ▼	-16.5%
Industrial Metals			
Copper	634.20 ▲	+1.4% ▲	+10.5%
Aluminum	3,692.42 ▲	+1.8% ▲	+24.0%
Nickel	18,779.63 ▲	+2.6% ▲	+13.5%
Zinc	3,544.17 ▲	+0.8% ▲	+14.6%
Lithium	22,147.50 ▼	-1.0% ▲	+97.4%
Energy			
Crude Oil	96.60 ▼	-8.4% ▲	+89.0%
Brent	103.54 ▼	-5.2% ▲	+71.9%
Natural Gas	2.91 ▼	-1.8% ▼	-15.3%
Agriculture			
Wheat	646.25 ▲	+1.7% ▲	+21.6%
Corn	463.25 ▲	+1.6% ▲	+1.9%
Soybeans	1,196.50 ▲	+1.7% ▲	+11.4%

## FX & Crypto

FX & Crypto		WoW	YtD
DXY	99.24 ▼	-0.0% ▲	+0.9%
EUR/USD	1.16 ▼	-0.2% ▼	-1.2%
USD/CNY	6.80 ▲	+0.2% ▼	-2.7%
USD/JPY	159.18 ▼	-0.3% ▲	+8.1%
BTC	76,715.09 ▼	-0.3% ▼	-12.5%
ETH	2,068.45 ▼	-3.2% ▼	-30.4%

**Chart: Gold and broader precious metals remain under pressure as a stronger U.S. dollar and rising rate expectations drive yields higher**, reducing bullion’s appeal as a hedge. The move highlights how hawkish Fed repricing and resilient growth expectations are outweighing geopolitical support for precious metals.



# ECONOMIC CALENDAR

25 May 2026

**AGC**  
Arabian Gulf Capital

**Key Events Ahead.** The week is shaped by a mix of holiday-thinned liquidity early on and a dense cluster of high-impact macro data in the middle, with the US taking center stage through GDP, Core PCE inflation, durable goods, jobless claims, and housing data that together will heavily influence growth and rate expectations. Japan and Germany provide key supporting signals on inflation, growth, and labor conditions, while the ECB press conference adds a policy anchor for Europe. By the end of the week, attention shifts to manufacturing and trade indicators such as Chicago PMI and US goods trade balance, rounding out a globally synchronized data flow that primarily feeds into the narrative of whether US growth is holding up while inflation continues to normalize gradually.

Date	Day	Time	Region	Event	Forecast (cons.)	Previous	Market relevance
25-May-26	Monday	All Day	UK	United Kingdom - Spring Bank Holiday	-	-	High
25-May-26	Monday	All Day	US	United States - Memorial Day	-	-	High
26-May-26	Tuesday	08:00	JP	BoJ Core CPI (YoY)	1.70%	2.5%	Medium
26-May-26	Tuesday	16:00	US	S&P/CS HPI Composite - 20 n.s.a. (MoM) (Mar)	-	0.4%	Medium
26-May-26	Tuesday	16:00	US	S&P/CS HPI Composite - 20 n.s.a. (YoY) (Mar)	1.0%	0.9%	Medium
26-May-26	Tuesday	17:00	US	CB Consumer Confidence (May)	91.9	92.8	High
27-May-26	Wednesday	15:00	US	ADP Employment Change Weekly	-	42.25K	Medium
27-May-26	Wednesday	20:00	EU	ECB Press Conference	-	-	High
28-May-26	Thursday	15:30	US	GDP (QoQ) (Q1)	2.0%	2.0%	High
28-May-26	Thursday	15:30	US	Core PCE Price Index (MoM) (Apr)	-	0.3%	High
28-May-26	Thursday	15:30	US	Core PCE Price Index (YoY) (Apr)	-	3.20%	High
28-May-26	Thursday	15:30	US	Durable Goods Orders (MoM) (Apr)	3.3%	0.8%	High
28-May-26	Thursday	15:30	US	Initial Jobless Claims	209K	209K	High
28-May-26	Thursday	15:30	US	PCE Price index (YoY) (Apr)	-	3.5%	Medium
28-May-26	Thursday	15:30	US	PCE price index (MoM) (Apr)	-	0.7%	Medium
28-May-26	Thursday	15:30	US	Core PCE Prices (Q1)	4.3%	4.3%	Medium
28-May-26	Thursday	15:30	US	GDP Price Index (QoQ) (Q1)	3.6%	3.6%	Medium
28-May-26	Thursday	15:30	US	Personal Spending (MoM) (Apr)	0.5%	0.9%	Medium
28-May-26	Thursday	15:30	US	Core Durable Goods Orders (MoM) (Apr)	0.5%	0.9%	Medium
28-May-26	Thursday	15:30	US	Continuing Jobless Claims	-	1,782K	Medium
28-May-26	Thursday	17:00	US	New Home Sales (Apr)	661K	682K	High
28-May-26	Thursday	17:00	US	New Home Sales (MoM) (Apr)	-	7.4%	Medium
28-May-26	Thursday	18:30	US	Atlanta Fed GDPNow (Q2)	4.3%	4.3%	Medium
29-May-26	Friday	02:30	JP	Tokyo Core CPI (YoY) (May)	1.5%	1.5%	Medium
29-May-26	Friday	02:50	JP	Industrial Production (MoM) (Apr)	-1.0%	-0.4%	Medium
29-May-26	Friday	10:55	DE	German Unemployment Rate (May)	6.4%	6.4%	Medium
29-May-26	Friday	10:55	DE	German Unemployment Change (May)	11K	20K	Medium
29-May-26	Friday	15:00	DE	German CPI (MoM) (May)	-	0.6%	High
29-May-26	Friday	15:00	DE	German CPI (YoY) (May)	2.8%	2.9%	High
29-May-26	Friday	15:30	US	Retail Inventories Ex Auto (Apr)	-	0.4%	Medium
29-May-26	Friday	15:30	US	Goods Trade Balance (Apr)	(88.60B)	(87.45B)	Medium
29-May-26	Friday	16:45	US	Chicago PMI (May)	51.3	49.2	High

# Disclaimer

*Data source: Public company filings, Bloomberg, market data providers, and publicly available information as of the date of publication. This material is provided for informational purposes only and does not constitute independent investment research, investment advice, or a recommendation to buy or sell any financial instruments. Investments in financial securities are subject to market risk, sector risk, liquidity risk, and issuer-specific risks which may result in partial or total loss of invested capital. Financial metrics and valuation information are provided solely for informational purposes and should not be interpreted as investment recommendations or valuation opinions.*

Arabian Gulf Capital BSC (Closed) is licensed and regulated by the Central Bank of Bahrain (CBB) as a Bahraini Investment Firm (Category 1). This communication is intended solely for Professional Clients (Expert and Accredited Investors). Office Address: Office No. 3201, Building 01, Isa AlKabeer Avenue, Bahrain World Trade Center, Block 316, Manama, Kingdom of Bahrain. The fees and tariffs mentioned in this document are provided for informational purposes only and are subject to change at the discretion of Arabian Gulf Capital BSC (Closed). Additional charges such as VAT, duties, and other external fees may apply. Clients are advised to review the latest tariff schedule and consult with their relationship manager for any clarifications. This document does not constitute an offer, solicitation, or recommendation to transact in any securities or investment products. All investments carry risks, and past performance is not indicative of future results. Clients should consider their individual circumstances and seek independent advice before making investment decisions. For further details or inquiries, please contact Arabian Gulf Capital BSC (Closed) directly.