AGC Arabian Gulf Capital

MARKET INSIGHTS

WEEKLY REVIEW

FOR THE WEEK ENDED ON 12 June 2026

WEEKLY MARKET INSIGHT

15 June 2026

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OVERVIEW

Markets advanced last week as optimism over a potential U.S.–Iran peace deal boosted risk sentiment and pushed oil prices below $85/bbl. Easing energy costs helped reduce inflation concerns, supporting equities and delaying expectations for further Federal Reserve tightening, while investors welcomed signs of improving geopolitical stability.

MARKETS

US stocks advanced last week, with the S&P 500 rising 0.6% WoW and the Nasdaq 100 gaining 2.3%, as optimism over a potential U.S.–Iran peace deal lowered oil prices and improved risk sentiment. Easing inflation concerns and expectations of delayed Fed tightening further supported equities.

In Asia: equities were mixed, with the Shanghai Composite edging up 0.1% WoW, while the Nikkei 225 fell 0.9%, the KOSPI declined 0.5%, and the Hang Seng slipped 1.0%. South Korean markets remained highly volatile as leveraged positioning in SK Hynix and Samsung Electronics amplified swings, underscoring the fragility of the region's AI-driven rally despite continued long-term optimism for the semiconductor sector.

In Europe: equities advanced, with the Stoxx 600 rising 1.7% WoW, the Euro Stoxx 50 gaining 2.1%, and the FTSE 100 up 1.0%, as lower oil prices eased inflation concerns and improved risk appetite. Strength in semiconductor, travel, and luxury stocks—supported by continued AI momentum and expectations of lower energy costs—helped lift markets closer to record highs.

In Bahrain: The All-Share Index +0.4% WoW, supported by BNH +7.14%, BMMI +1.89%, ZAINBH +1.75%, While SEEF -5.97%, KHALEEJI -4.00%, SALAM -1.40% lagged.

Fixed Income: Yields down: US 2Y flat at 4.06%, 10Y down to 4.46% bps, with 10Y breakeven on 2.32% -5bps. UK 10Y down to 4.84% -6bps, German 10Y -4 bps at 3.00%, while EM 5Y spreads at 143.870 -8bps.

News: SpaceX's record $75 billion IPO attracted more than $350 billion in investor demand, valuing the company at approximately $1.8 trillion. Retail investors submitted over $100 billion in orders, highlighting exceptional enthusiasm for the offering and setting the stage for potentially strong post-listing trading momentum.

MARKET INDICES

G10			WoW		YtD
SPX	7,431.46	▲	+ 0.6%	▲	+ 8.6%
Nasdaq 100	29,635.95	▲	+ 2.3%	▲	+ 17.4%
Euro Stoxx 50	6,187.63	▲	+ 2.1%	▲	+ 6.8%
Nikkei 225	66,020.04	▼	- 0.9%	▲	+ 31.1%
FTSE 100	10,471.72	▲	+ 1.0%	▲	+ 5.4%
GCC					
KSA	11,042.02	▲	+ 0.5%	▲	+ 5.3%
ADX	9,804.97	▲	+ 2.0%	▼	- 1.9%
DFM	5,954.04	▲	+ 3.2%	▼	- 1.5%
BHR	1,990.56	▲	+ 0.4%	▼	- 3.7%
MSX 30	7,652.17	▲	+ 1.8%	▲	+ 30.4%
ASIA					
KOSPI	8,123.62	▼	- 0.5%	▲	+ 92.8%
Shanghai	4,031.51	▲	+ 0.1%	▲	+ 1.6%
Hang Seng	24,718.10	▼	- 1.0%	▼	- 3.6%
LATAM					
BOVESPA	171,132.66	▲	+ 1.3%	▲	+ 6.2%
MERVAL	3,352,708.00	▲	+ 8.7%	▲	+ 9.9%

Rates

Ticker			WoW		YtD
GT2	4.06%	▲	+ bps	▲	+ 58 bps
GT10	4.46%	▼	- 1 bps	▲	+ 29 bps
USGGBE10	2.32%	▼	- 5 bps	▲	+ 7 bps
GUKG10	4.84%	▼	- 6 bps	▲	+ 36 bps
GDBR10	3.00%	▼	- 4 bps	▲	+ 15 bps
EM (5Y SPRD)	143.870	▼	- 8 bps	▲	+ 20 bps

Chart: *Oil prices have fallen below $85/bbl as optimism over a potential U.S.–Iran agreement raises expectations for the reopening of the Strait of Hormuz and improved global supply*. The decline reflects easing geopolitical risk premiums, lower inflation concerns, and growing confidence that energy markets could normalize if a formal deal is reached.

WEEKLY MARKET INSIGHT

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Commodities were mixed, with strength in select industrial metals offset by weaker energy prices and continued softness in precious metals, while agricultural markets remained broadly stable.

Industrial Metals: Copper rose 2.6%, zinc gained 1.7%, and lithium advanced 2.5%, while aluminum fell 2.6% and nickel declined 4.2%, as optimism over a potential U.S.–Iran peace agreement improved global growth sentiment. Copper continued to benefit from structural demand tied to AI infrastructure, electrification, and renewable energy investment, supporting its long-term outlook. **Energy:** Crude fell 6.3%, Brent declined 6.2%, and natural gas slipped 3.4%, as fuel shipments through the Strait of Hormuz recovered and diplomatic progress between the U.S. and Iran eased supply fears. While exports from Gulf producers have rebounded meaningfully, flows remain below pre-war levels, leaving energy markets sensitive to any disruption in negotiations or regional stability. **Precious Metals:** Gold fell 2.5% and platinum dropped 3.4%, while silver edged up 0.3% and palladium gained 4.9%, as easing geopolitical tensions reduced safe-haven demand. Although gold stabilized near $4,220/oz, improving risk appetite and fading conflict concerns continued to limit upside potential. **Agriculture:** Wheat rose 0.8%, while corn fell 1.1% and soybeans slipped 0.7%, as falling fertilizer prices and ample global grain supplies continued to ease food inflation concerns. Meanwhile, improving crop conditions in France and the normalization of fertilizer markets following reduced Middle East tensions have strengthened expectations for stable harvests, although elevated energy costs remain a medium-term risk to farm profitability.

FX market mixed: As the DXY -0.3% WoW to 99.75. EUR/USD up +0.4% to 1.16, USD/CNY up +0.4%, and USD/JPY flat 0.6% at 160.24.

Cryptocurrencies: ***Bitcoin rose 3.6% WoW to $64,374, while Ether fell 2.5% to $1,662***, as investors cautiously returned after Bitcoin's rebound from below $60,000. However, persistent ETF outflows and weak institutional demand suggest sentiment remains fragile.

Crypto News: Japan's three largest banks—MUFG, Mizuho, and Sumitomo Mitsui—plan to launch a yen-backed stablecoin by March 2027, backed by cash and Japanese government bonds. The initiative marks the country's largest institutional push into digital assets and could significantly expand stablecoin adoption and settlement volumes in Japan's regulated financial system.

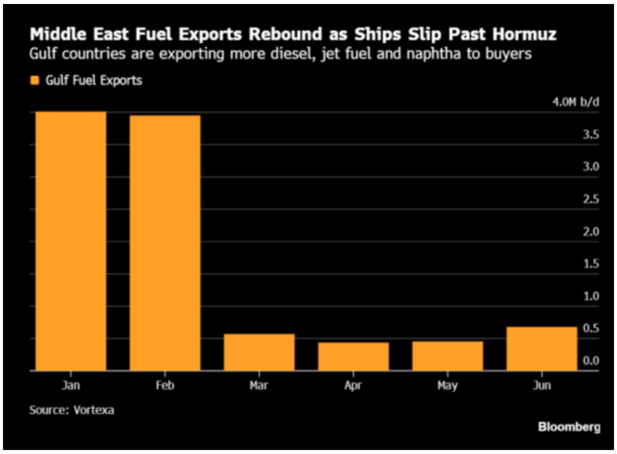
Commodities

Precious Metals			WoW		YtD
Gold	4,219.33	▼	- 2.5%	▼	- 2.3%
Silver	68.02	▲	+ 0.3%	▼	- 5.1%
Platinum	1,720.74	▼	- 3.4%	▼	- 16.5%
Palladium	1,285.47	▲	+ 4.9%	▼	- 20.7%
Industrial Metals					
Copper	644.50	▲	+ 2.6%	▲	+ 11.3%
Aluminum	3,533.01	▼	- 2.6%	▲	+ 18.6%
Nickel	17,617.37	▼	- 4.2%	▲	+ 6.5%
Zinc	3,571.74	▲	+ 1.7%	▲	+ 15.5%
Lithium	20,927.27	▲	+ 2.5%	▲	+ 86.5%
Energy					
Crude Oil	84.88	▼	- 6.3%	▲	+ 48.8%
Brent	87.33	▼	- 6.2%	▲	+ 45.1%
Natural Gas	3.12	▼	- 3.4%	▼	- 15.0%
Agriculture					
Wheat	584.50	▲	+ 0.8%	▲	+ 10.0%
Corn	412.75	▼	- 1.1%	▼	- 9.2%
Soybeans	1,113.50	▼	- 0.7%	▲	+ 3.7%

FX & Crypto

FX & Crypto			WoW		YtD
DXY	99.75	▼	- 0.3%	▲	+ 1.4%
EUR/USD	1.16	▲	+ 0.4%	▼	- 1.5%
USD/CNY	6.76	▲	+ 0.4%	▼	- 3.2%
USD/JPY	160.24	▲	+ 0.0%	▲	+ 8.1%
BTC	64,373.62	▲	+ 3.6%	▼	- 26.6%
ETH	1,661.99	▼	- 2.5%	▼	- 44.1%

Chart: ***Fuel exports through the Strait of Hormuz have rebounded by roughly 50% from April–May levels as more tankers resume transit***, helping ease supply shortages and cap oil prices. However, shipments remain well below pre-war volumes, highlighting that regional energy flows are recovering but still vulnerable to renewed geopolitical disruptions.



ECONOMIC CALENDAR

15 June 2026

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Key Events Ahead. The week ahead will be dominated by central bank decisions, inflation, and consumer demand. In the U.S., investors will closely watch the Federal Reserve rate decision, retail sales, housing data, and regional manufacturing surveys for signals on economic momentum and the interest rate outlook. Globally, attention will focus on the Bank of Japan and Bank of England policy meetings, UK and Eurozone inflation data, and China's industrial production and unemployment figures. Overall, markets are likely to remain highly sensitive to policy guidance and macroeconomic releases as investors reassess the path for global growth and interest rates.

	Day	Time	Region	Event	Forecast (cons.)	Previous	Market relevance
15-Jun-26	Monday	12:00	EU	Trade Balance (Apr)	7.8B	7.8B	Medium
15-Jun-26	Monday	12:00	EU	Industrial Production (MoM) (Apr)	0.2%	0.2%	Medium
15-Jun-26	Monday	15:30	US	NY Empire State Manufacturing Index (Jun)	13.20	19.60	Medium
15-Jun-26	Monday	16:15	US	Industrial Production (YoY) (May)	-	1.35%	Medium
15-Jun-26	Monday	16:15	US	Industrial Production (MoM) (May)	0.3%	0.7%	Medium
16-Jun-26	Tuesday	05:00	CN	Industrial Production (YoY) (May)	4.3%	4.1%	Medium
16-Jun-26	Tuesday	05:00	CN	Chinese Industrial Production YTD (YoY) (May)	-	5.6%	Medium
16-Jun-26	Tuesday	05:00	CN	Chinese Unemployment Rate (May)	5.2%	5.2%	Medium
16-Jun-26	Tuesday	06:00	JP	BoJ Interest Rate Decision	1.00%	0.75%	High
16-Jun-26	Tuesday	12:00	EU	Wages in euro zone (YoY) (Q1)	-	3.0%	Medium
16-Jun-26	Tuesday	12:00	EU	ZEW Economic Sentiment (Jun)	-7.6	-9.1	Medium
16-Jun-26	Tuesday	12:00	DE	German ZEW Economic Sentiment (Jun)	-5.5	-10.2	Medium
16-Jun-26	Tuesday	15:30	US	Import Price Index (MoM) (May)	0.9%	1.9%	Medium
16-Jun-26	Tuesday	15:30	US	Export Price Index (MoM) (May)	-	3.3%	Medium
16-Jun-26	Tuesday	15:30	US	Housing Starts (May)	1.420M	1.465M	Medium
16-Jun-26	Tuesday	15:30	US	Housing Starts (MoM) (May)	-	-2.8%	Medium
16-Jun-26	Tuesday	15:30	US	Building Permits (May)	1.420M	1.423M	Medium
17-Jun-26	Wednesday	02:50	JP	Trade Balance (May)	(-564.6B)	299.3B	Medium
17-Jun-26	Wednesday	09:00	UK	CPI (YoY) (May)	3.0%	2.8%	High
17-Jun-26	Wednesday	09:00	UK	CPI (MoM) (May)	-	0.7%	Medium
17-Jun-26	Wednesday	09:00	UK	PPI Input (MoM) (May)	0.5%	2.4%	Medium
17-Jun-26	Wednesday	12:00	EU	CPI (YoY) (May)	3.2%	3.2%	High
17-Jun-26	Wednesday	12:00	EU	Core CPI (YoY) (May)	2.5%	2.5%	Medium
17-Jun-26	Wednesday	12:00	EU	CPI (MoM) (May)	0.1%	1.0%	Medium
17-Jun-26	Wednesday	15:30	US	Retail Sales (MoM) (May)	0.5%	0.5%	High
17-Jun-26	Wednesday	15:30	US	Core Retail Sales (MoM) (May)	0.5%	0.7%	High
17-Jun-26	Wednesday	21:00	US	Fed Interest Rate Decision	3.75%	3.75%	High
18-Jun-26	Thursday	09:00	UK	Unemployment Rate (Apr)	5.0%	5.0%	Medium
18-Jun-26	Thursday	14:00	UK	BoE Interest Rate Decision (Jun)	3.75%	3.75%	High
18-Jun-26	Thursday	15:30	US	Philadelphia Fed Manufacturing Index (Jun)	11.4	-0.4	High
19-Jun-26	Friday	ALL DAY	CN	China - Dragon Boat Festival Holiday	-	-	Medium
19-Jun-26	Friday	ALL DAY	US	United States - Juneteenth Holiday	-	-	High
19-Jun-26	Friday	02:30	JP	National Core CPI (YoY) (May)	1.4%	1.4%	Medium
19-Jun-26	Friday	09:00	DE	German PPI (MoM) (May)	0.8%	1.2%	Medium
19-Jun-26	Friday	09:00	UK	Retail Sales (YoY) (May)	-	0.0%	Medium
19-Jun-26	Friday	09:00	UK	Retail Sales (MoM) (May)	0.5%	-1.3%	Medium
19-Jun-26	Friday	09:00	UK	Core Retail Sales (YoY) (May)	-	1.1%	Medium
19-Jun-26	Friday	09:00	UK	Core Retail Sales (MoM) (May)	-	-0.4%	Medium

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