AGC Arabian Gulf Capital

MARKET INSIGHTS

WEEKLY REVIEW

FOR THE WEEK ENDED ON 19 June 2026

WEEKLY MARKET INSIGHT

22 June 2026

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OVERVIEW

Markets advanced last week as the U.S.–Iran peace deal reopened the Strait of Hormuz, easing inflation concerns and lifting risk sentiment. The Fed kept rates at 3.50%–3.75% but adopted a more hawkish tone, with policymakers signaling the possibility of a 2026 rate hike. Meanwhile, crude oil fell to $77.54/bbl, supporting equities and reinforcing expectations that lower energy costs could help moderate inflation.

MARKETS

US stocks advanced last week, with the S&P 500 rising 0.9% WoW and the Nasdaq 100 gaining 2.6%, as the U.S.–Iran peace deal eased inflation concerns and boosted risk appetite. Strong inflows into technology stocks and continued AI optimism further supported equities, while lower oil prices reinforced expectations for a more accommodative policy outlook.

In Asia: equities were mostly higher, with the KOSPI surging 11.4% WoW, the Nikkei 225 gaining 7.9%, and the Shanghai Composite rising 1.5%, while the Hang Seng fell 3.2%. South Korea led regional gains on strong semiconductor momentum and easing geopolitical risks, whereas Chinese equities remained under pressure as weak consumer demand and slowing internet-sector growth weighed on sentiment.

In Europe: equities were mixed, with the Euro Stoxx 50 rising 1.7% WoW while the FTSE 100 fell 1.0%. Falling oil prices and easing stagflation concerns supported banks and cyclical sectors, while attractive valuations and improving economic data continued to strengthen the case for European equities despite weakness in energy shares.

In Bahrain: The All-Share Index +2.0% WoW, supported by UGCI +15.15%, ALBH +7.78%, ZAINBH +4.31%, While ITHMR -13.89%, ESTERAD -2.38%, BCFC -0.85% lagged.

Fixed Income: Yields mixed: US 2Y up to 4.18%, 10Y down to 4.46% -1bps, with 10Y breakeven on 2.27% -5bps. UK 10Y flat at 4.84%, German 10Y -1 bps at 2.99%, while EM 5Y spreads at 139.962 -4bps.

News: AbbVie is nearing an $11 billion all-cash acquisition of Apogee Therapeutics, representing a roughly 60% premium to its last closing price. The deal would strengthen AbbVie's immunology pipeline with a promising atopic dermatitis treatment positioned to compete with blockbuster therapies, highlighting continued momentum in biotech M&A.

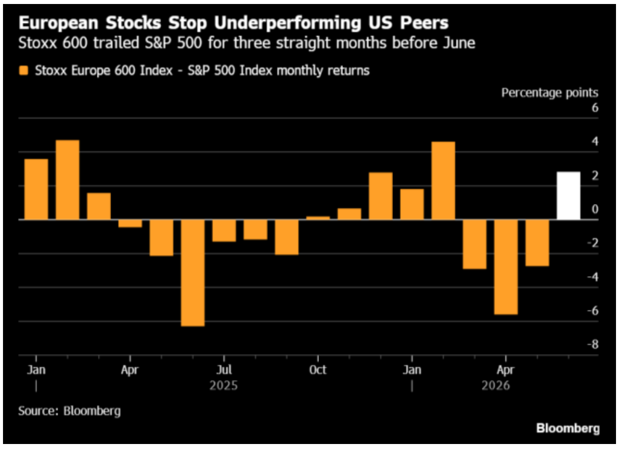
MARKET INDICES

G10			WoW		YtD
SPX	7,500.58	▲	+ 0.9%	▲	+ 9.6%
Nasdaq 100	30,406.19	▲	+ 2.6%	▲	+ 20.4%
Euro Stoxx 50	6,293.13	▲	+ 1.7%	▲	+ 8.7%
Nikkei 225	71,250.06	▲	+ 7.9%	▲	+ 41.5%
FTSE 100	10,363.27	▼	- 1.0%	▲	+ 4.3%
GCC					
KSA	11,121.13	▲	+ 0.7%	▲	+ 6.0%
ADX	10,016.82	▲	+ 2.2%	▲	+ 0.2%
DFM	6,163.50	▲	+ 3.5%	▲	+ 1.9%
BHR	2,030.37	▲	+ 2.0%	▼	- 1.8%
MSX 30	7,582.24	▼	- 0.9%	▲	+ 29.2%
ASIA					
KOSPI	9,052.42	▲	+ 11.4%	▲	+ 114.8%
Shanghai	4,090.48	▲	+ 1.5%	▲	+ 3.1%
Hang Seng	23,924.81	▼	- 3.2%	▼	- 6.7%
LATAM					
BOVESPA	168,333.61	▼	- 1.6%	▲	+ 4.6%
MERVAL	3,291,321.50	▼	- 1.8%	▲	+ 7.8%

Rates

Ticker			WoW		YtD
GT2	4.18%	▲	+ 12 bps	▲	+ 70 bps
GT10	4.46%	▼	- 1 bps	▲	+ 29 bps
USGGBE10	2.27%	▼	- 5 bps	▲	+ 2 bps
GUKG10	4.84%	▲	+ bps	▲	+ 36 bps
GDBR10	2.99%	▼	- 1 bps	▲	+ 13 bps
EM (5Y SPRD)	139.962	▼	- 4 bps	▲	+ 16 bps

Chart: ***European stocks have resumed outperforming U.S. peers*** as easing Middle East tensions and the reopening of the Strait of Hormuz pushed oil prices lower, reducing stagflation risks. The shift reflects improving confidence in Europe's cyclical sectors, attractive valuations, and expectations that lower energy costs will support regional growth and corporate earnings.



WEEKLY MARKET INSIGHT

22 June 2026

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Commodities were mixed, with lower energy and metals prices partly offset by gains across agricultural markets.

Industrial Metals: Copper fell 1.7%, aluminum declined 3.4%, nickel slipped 1.0%, zinc eased 0.4%, and lithium dropped 1.7%, as the reopening of the Strait of Hormuz and the U.S.–Iran peace deal reduced geopolitical risk premiums. Markets also awaited President Trump's decision on refined copper tariffs, though long-term demand from AI and electrification remains supportive. **Energy:** Crude fell 8.6%, Brent declined 7.7%, while natural gas rose 2.5%, as the reopening of the Strait of Hormuz and expectations of recovering Gulf exports eased supply concerns. Although producers are preparing to ramp up shipments, tanker traffic remains cautious amid lingering security risks and uncertainty over the durability of the U.S.–Iran agreement, leaving markets vulnerable to renewed disruptions. **Precious Metals:** Gold fell 1.5%, silver declined 4.6%, platinum dropped 3.1%, and palladium slipped 1.8%, as the Fed's hawkish stance strengthened the U.S. dollar and pushed real yields higher. Continued ETF outflows and fading safe-haven demand weighed on bullion, although long-term support from central bank diversification and reserve reallocation remains intact. **Agriculture:** Wheat rose 3.6%, corn gained 1.2%, and soybeans added 0.8%, supported by concerns over adverse weather in Western Europe as an intensifying heatwave threatens crop conditions. Meanwhile, the EU's approval of a new framework for gene-edited crops could improve long-term agricultural resilience and productivity by accelerating the adoption of climate- and disease-resistant varieties.

FX market mixed: As the DXY +1.1% WoW to 100.85. EUR/USD down -0.8% to 1.15, USD/CNY up +0.1%, and USD/JPY up +0.7% to 161.30.

Cryptocurrencies: ***Bitcoin fell 1.8% WoW to $63,200, while Ether rose 2.3% to $1,700.*** Despite softer prices, improving on-chain activity and continued accumulation by long-term holders suggest underlying network fundamentals remain resilient.

Crypto News: Solana has become the first public blockchain to receive an official Moody's credit rating, marking a significant step toward institutional adoption. The move provides investors with a familiar framework for assessing blockchain risk and could accelerate the integration of traditional credit analysis into digital asset markets, strengthening its appeal to institutional investors.

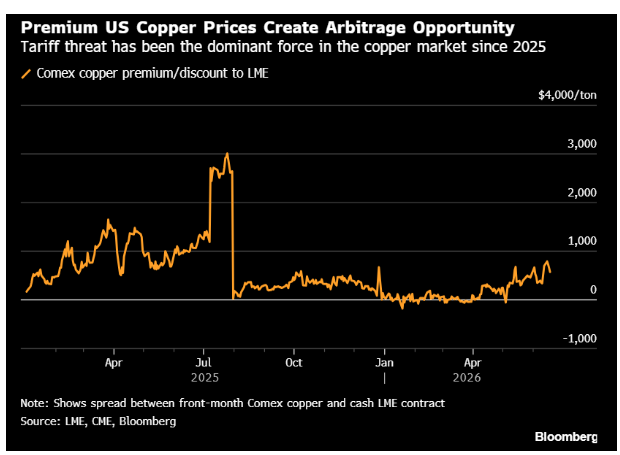
Commodities

Precious Metals			WoW		YtD
Gold	4,155.71	▼	- 1.5%	▼	- 3.8%
Silver	64.90	▼	- 4.6%	▼	- 9.4%
Platinum	1,667.63	▼	- 3.1%	▼	- 19.1%
Palladium	1,262.24	▼	- 1.8%	▼	- 22.1%
Industrial Metals					
Copper	633.70	▼	- 1.7%	▲	+ 11.5%
Aluminum	3,412.43	▼	- 3.4%	▲	+ 14.6%
Nickel	17,437.03	▼	- 1.0%	▲	+ 5.4%
Zinc	3,557.37	▼	- 0.4%	▲	+ 15.0%
Lithium	20,575.00	▼	- 1.7%	▲	+ 83.4%
Energy					
Crude Oil	77.54	▼	- 8.6%	▲	+ 35.0%
Brent	80.57	▼	- 7.7%	▲	+ 32.4%
Natural Gas	3.20	▲	+ 2.5%	▼	- 13.2%
Agriculture					
Wheat	605.45	▲	+ 3.6%	▲	+ 19.4%
Corn	417.50	▲	+ 1.2%	▼	- 5.2%
Soybeans	1,122.45	▲	+ 0.8%	▲	+ 8.9%

FX & Crypto

FX & Crypto			WoW		YtD
DXY	100.85	▲	+ 1.1%	▲	+ 2.6%
EUR/USD	1.15	▼	- 0.8%	▼	- 2.3%
USD/CNY	6.77	▲	+ 0.1%	▼	- 3.2%
USD/JPY	161.30	▲	+ 0.7%	▲	+ 2.9%
BTC	63,200.01	▼	- 1.8%	▼	- 27.9%
ETH	1,700.48	▲	+ 2.3%	▼	- 42.9%

Chart: ***The premium of U.S. copper prices over global benchmarks has created a powerful arbitrage opportunity***, as traders rush metal into the U.S. ahead of a potential 15% import tariff. The widening price gap highlights how tariff expectations—not underlying demand—have become the dominant driver of copper trade flows and inventories since 2025.



ECONOMIC CALENDAR

22 June 2026

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Key Events Ahead. The week ahead will be dominated by growth, inflation, and business activity data. In the U.S., investors will closely watch Q1 GDP, the Core PCE inflation report, durable goods orders, jobless claims, new home sales, and PMI releases for fresh clues on economic momentum. Globally, attention will focus on PMI releases across Europe, the UK, Japan, and China, as well as German Ifo business sentiment and China's Loan Prime Rates. Overall, markets are likely to remain highly sensitive to incoming data as investors reassess the outlook for inflation, growth, and interest rates.

	Day	Time	Region	Event	Forecast (cons.)	Previous	Market relevance
22-Jun-26	Monday	04:00	CN	China Loan Prime Rate 5Y (Jun)	3.5%	3.5%	Medium
22-Jun-26	Monday	04:15	CN	PBoC Loan Prime Rate	3.0%	3.0%	Medium
23-Jun-26	Tuesday	03:30	JP	S&P Global Services PMI (Jun)	-	50.0	Medium
23-Jun-26	Tuesday	08:00	JP	BoJ Core CPI (YoY)	1.5%	2.8%	Medium
23-Jun-26	Tuesday	10:30	DE	HCOB Germany Manufacturing PMI (Jun)	50.2	50.1	Medium
23-Jun-26	Tuesday	10:30	DE	HCOB Germany Services PMI (Jun)	49	48.1	Medium
23-Jun-26	Tuesday	11:00	EU	HCOB Eurozone Services PMI (Jun)	48.6	47.7	Medium
23-Jun-26	Tuesday	11:00	EU	HCOB Eurozone Manufacturing PMI (Jun)	51.6	51.6	Medium
23-Jun-26	Tuesday	11:00	EU	HCOB Eurozone Composite PMI (Jun)	-	48.5	Medium
23-Jun-26	Tuesday	11:30	UK	S&P Global Services PMI (Jun)	50	49.3	Medium
23-Jun-26	Tuesday	11:30	UK	S&P Global Manufacturing PMI (Jun)	53.5	53.9	Medium
23-Jun-26	Tuesday	11:30	UK	S&P Global Composite PMI (Jun)	-	49.7	Medium
23-Jun-26	Tuesday	16:45	US	S&P Global Services PMI (Jun)	51	50.7	High
23-Jun-26	Tuesday	16:45	US	S&P Global Manufacturing PMI (Jun)	54.6	55.1	High
23-Jun-26	Tuesday	16:45	US	S&P Global Composite PMI (Jun)	-	51.5	Medium
24-Jun-26	Wednesday	11:00	DE	German Business Expectations (Jun)	85	83.8	Medium
24-Jun-26	Wednesday	11:00	DE	German Current Assessment (Jun)	86	86.1	Medium
24-Jun-26	Wednesday	11:00	DE	German Ifo Business Climate Index (Jun)	85.6	84.9	Medium
24-Jun-26	Wednesday	15:30	US	Current Account (Q1)	(-219.0B)	(-190.7B)	Medium
24-Jun-26	Wednesday	17:00	US	New Home Sales (May)	637K	622K	High
24-Jun-26	Wednesday	17:00	US	New Home Sales (MoM) (May)	-	-6.2%	Medium
25-Jun-26	Thursday	09:00	DE	GfK German Consumer Climate (Jul)	-27.6	-29.8	Medium
25-Jun-26	Thursday	15:30	US	GDP (QoQ) (Q1)	1.6%	1.6%	High
25-Jun-26	Thursday	15:30	US	Core PCE Price Index (YoY) (May)	-	3.3%	High
25-Jun-26	Thursday	15:30	US	Core PCE Price Index (MoM) (May)	0.3%	0.2%	High
25-Jun-26	Thursday	15:30	US	Durable Goods Orders (MoM) (May)	-4.7%	8.0%	High
25-Jun-26	Thursday	15:30	US	Initial Jobless Claims	226K	226K	High
25-Jun-26	Thursday	15:30	US	PCE Price index (YoY) (May)	-	3.8%	Medium
25-Jun-26	Thursday	15:30	US	PCE price index (MoM) (May)	-	0.4%	Medium
25-Jun-26	Thursday	15:30	US	Personal Spending (MoM) (May)	0.6%	0.5%	Medium
25-Jun-26	Thursday	15:30	US	Core PCE Prices (Q1)	4.40%	4.40%	Medium
25-Jun-26	Thursday	15:30	US	GDP Price Index (QoQ) (Q1)	3.5%	3.5%	Medium
25-Jun-26	Thursday	15:30	US	Core Durable Goods Orders (MoM) (May)	-	1.1%	Medium
25-Jun-26	Thursday	17:00	US	Atlanta Fed GDPNow (Q2)	3.0%	3.0%	Medium
26-Jun-26	Friday	02:30	JP	Tokyo Core CPI (YoY) (Jun)	1.6%	1.3%	Medium
26-Jun-26	Friday	15:30	US	Retail Inventories Ex Auto (May)	-	0.6%	Medium
26-Jun-26	Friday	15:30	US	Goods Trade Balance (May)	(-85.40B)	(-85.30B)	Medium
26-Jun-26	Friday	17:00	US	Michigan 1-Year Inflation Expectations (Jun)	4.6%	4.8%	Medium

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