

MARKET INSIGHTS

WEEKLY REVIEW

FOR THE WEEK ENDED ON 18 September 2026

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OVERVIEW

Global markets were mixed last week, with U.S. and Japanese equities edging higher while European stocks declined. The Fed raised rates 25bps to 3.75%–4.00%, its first hike since 2023, and the 10-year Treasury yield climbed to 5% while crude held near \$100.30/bbl, keeping inflation concerns elevated and pressuring the broader market backdrop.

MARKETS

US stocks were mixed last week, with the S&P 500 slipping 0.1% WoW while the Nasdaq 100 rose 0.9%, despite a volatile session driven by roughly \$7 trillion in options expiring. The 10-year Treasury yield climbed 7 bps to 5% as oil hovered near \$100/barrel, reinforcing expectations of further Fed hikes and pressuring equities.

In Asia: equities were mixed, with the Nikkei 225 rising 1.6% WoW and Shanghai up 0.6%, while the KOSPI and Hang Seng each slipped 0.2%. Falling oil prices eased inflation pressure and semiconductor strength supported the region, though the yen weakened to ¥156.80/\$ after the BOJ hiked 25 bps.

In Europe: equities were mixed, with the Euro Stoxx 50 falling 1.4% WoW while the FTSE 100 edged up 0.1%. Sector rotation turned defensive as healthcare gained 2.9% and autos fell 3.3% on Volkswagen's cut to its operating-margin outlook. The Stoxx 600 slipped 0.6%, falling back below its 100-day moving average.

In Bahrain: The All-Share Index dropped -0.5%, dragged by BMMI -7.41%, KHALEEJI -2.82%, and ALBH -2.41%, while UGIC +8.70%, ZAINBH +3.48% Provided support.

Fixed Income: US 2Y rose 12bps to 4.75%, while the 10Y gained 3bps to 5.00%. US 10Y breakeven inflation fell 5bps to 2.32%, UK 10Y declined 5bps to 5.30%, German 10Y gained 1bp to 3.52%, while EM 5Y spreads widened 1bp to 140bps.

News: The Fed unanimously raised the federal funds target range 25bps to 3.75%–4.00%, its first hike since 2023, citing still-elevated inflation and the need for a more timely return to the 2% target. Updated projections showed 16 of 18 officials see at least one more 25bps hike this year, with four penciling in two. PCE inflation is now seen at 3.7% in 2026 and unemployment at 4.1% in both 2026 and 2027, down from 4.3%.

MARKET INDICES

G10		WoW	YtD
SPX	7,650.50	▼ -0.1%	▲ +11.8%
Nasdaq 100	29,644.17	▲ +0.9%	▲ +17.4%
Euro Stoxx 50	6,236.20	▼ -1.4%	▲ +7.7%
Nikkei 225	65,018.95	▲ +1.6%	▲ +29.2%
FTSE 100	10,659.13	▲ +0.1%	▲ +7.3%
GCC			
KSA	10,716.81	▼ -0.8%	▲ +2.2%
ADX	10,271.76	▲ +1.6%	▲ +2.8%
DFM	5,957.23	▲ +0.3%	▼ -1.5%
BHR	1,920.17	▼ -0.5%	▼ -7.1%
MSX 30	7,619.54	▼ -0.4%	▲ +29.9%
ASIA			
KOSPI	6,894.23	▼ -0.2%	▲ +63.6%
Shanghai	3,911.87	▲ +0.6%	▼ -1.4%
Hang Seng	24,750.78	▼ -0.2%	▼ -3.4%
LATAM			
BOVESPA	185,229.20	▼ -1.1%	▲ +15.0%
MERVAL	3,021,926.00	▼ -2.5%	▼ -1.0%

Rates

Ticker		WoW	YtD
GT2	4.75%	▲ +12 bps	▲ +127 bps
GT10	5.00%	▲ +3 bps	▲ +83 bps
USGGBE10	2.32%	▼ -5 bps	▲ +7 bps
GUKG10	5.30%	▼ -5 bps	▲ +82 bps
GDBR10	3.52%	▲ +1 bps	▲ +66 bps
EM (5Y SPRD)	139.860	▲ +1 bps	▲ +16 bps

Chart: The 10-year Treasury yield climbed to 5% as oil prices near \$100 fueled inflation concerns and bets on further Fed hikes, after US policymakers lifted rates this week for the first time since 2023. The rise pressured equities, with markets on edge over elevated yields, oil costs, and seasonal volatility risks.



Commodities were mixed, with precious metals rising while industrial metals fell. Energy was mixed as Brent slipped, while agriculture gained broadly.

Industrial Metals: Copper gained 2.2%, aluminum rose 0.6%, while nickel fell 1.5%, zinc declined 0.8%, and lithium dropped 2.4%. Copper posted its 11th weekly gain in 12 weeks as Chinese demand improved, with the Yangshan premium hitting \$124/ton, its highest since November 2022. US tariff-driven buying is adding a physical bottleneck, with ~100,000 tons of copper due into New Orleans over September and October. **Energy:** Crude rose 0.2% and natural gas gained 2.9%, while Brent fell 0.7%. The shutdown of Saudi Arabia's 7 million b/d East-West pipeline tightened Europe's physical market sharply, with Dated Brent briefly topping \$130/barrel and Aramco telling European refiners they would receive no contracted supplies next month. Ukraine's strike on Russia's Yaroslavl refinery added to diesel supply risks. **Precious Metals:** Gold rose 0.7%, silver gained 2.7%, platinum added 0.2%, and palladium edged up 0.1%. Falling oil prices eased inflation concerns after the Fed's first hike since 2023, pushing gold back above its 100-day average, though it remains nearly 20% below its January record. ETF inflows ran eight straight days, while Goldman cut its year-end target to \$4,650/oz from \$4,900. **Agriculture:** Wheat gained 1.0%, corn rose 3.4%, and soybeans advanced 1.8%. Black Sea disruptions have pushed Russia to reroute exports through the Baltics, where transit fees and inspections are tightening. With Russia supplying one in five tons of traded wheat, disruption could tighten supply.

FX market broadly down: The DXY rose 1.1% WoW to 100.22. EUR/USD fell 1.0% to 1.15, USD/CNY gained 0.1% to 6.70, while USD/JPY dropped 2.1% to 156.88.

Cryptocurrencies: **Bitcoin gained 5.8% WoW to \$80,302, while Ether rose 1.1% to \$2,575.** Bitcoin broke above \$81,000 intraweek even as 10-year Treasury yields hit 5% and the Fed delivered its first rate hike since 2023. The move suggests crypto buyers were willing to look past higher rates and oil near \$100/barrel.

Crypto News: The SEC is advancing a five-year exemption allowing regulated venues to trade certain tokenized US stocks, covering issuer-created and qualifying third-party shares provided investors retain dividends and voting rights. The move could enable 24/7 onchain equity trading, fractional ownership and faster settlement, though it is an exemption rather than legislation and could fragment liquidity across tokenized versions of the same stock.

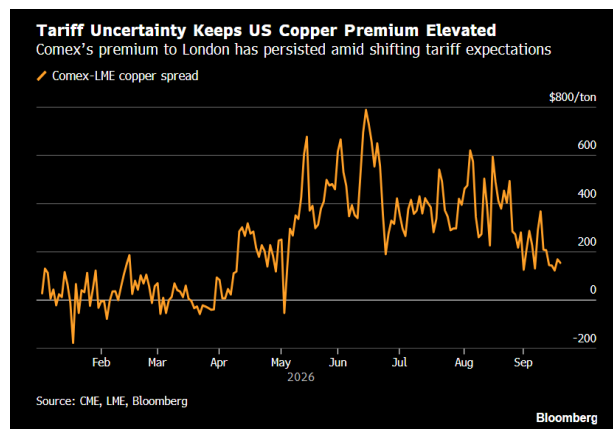
Commodities

Precious Metals		WoW		YtD
Gold	4,378.63 ▲	+ 0.7%	▲	+ 1.4%
Silver	66.26 ▲	+ 2.7%	▼	- 7.5%
Platinum	1,802.40 ▲	+ 0.2%	▼	- 12.5%
Palladium	1,303.57 ▲	+ 0.1%	▼	- 19.5%
Industrial Metals				
Copper	661.50 ▲	+ 2.2%	▲	+ 13.3%
Aluminum	3,297.79 ▲	+ 0.6%	▲	+ 10.7%
Nickel	16,069.97 ▼	- 1.5%	▼	- 2.9%
Zinc	4,006.67 ▼	- 0.8%	▲	+ 29.5%
Lithium	17,679.55 ▼	- 2.4%	▲	+ 57.6%
Energy				
Crude Oil	100.30 ▲	+ 0.2%	▲	+ 76.1%
Brent	103.87 ▼	- 0.7%	▲	+ 72.6%
Natural Gas	2.91 ▲	+ 2.9%	▼	- 22.6%
Agriculture				
Wheat	714.25 ▲	+ 1.0%	▲	+ 26.5%
Corn	527.50 ▲	+ 3.4%	▲	+ 14.5%
Soybeans	1,303.50 ▲	+ 1.8%	▲	+ 22.5%

FX & Crypto

FX & Crypto		WoW		YtD
DXY	100.22 ▲	+ 1.1%	▲	+ 1.9%
EUR/USD	1.15 ▼	- 1.0%	▼	- 2.2%
USD/CNY	6.70 ▲	+ 0.1%	▼	- 4.2%
USD/JPY	156.88 ▼	- 2.1%	▲	+ 0.1%
BTC	80,302.42 ▲	+ 5.8%	▼	- 8.4%
ETH	2,575.19 ▲	+ 1.1%	▼	- 13.4%

Chart: The US copper premium over London has persisted amid shifting tariff expectations, narrowing to \$169/ton from \$789 at this year's height as doubts grow over whether Trump will extend levies to refined copper. The tariff-driven rush has lifted global copper prices about 50% since February last year, leaving New Orleans warehouses largely full.



ECONOMIC CALENDAR

21 September 2026

AGC
Arabian Gulf Capital

Key Events Ahead. The week ahead will focus on global flash PMIs and US activity data, with S&P Global manufacturing and services prints across the US, Eurozone, Germany and the UK offering the first read on September momentum. Investors will also watch US durable goods orders, jobless claims, new home sales, Michigan inflation expectations, and 2-, 5- and 7-year Treasury auctions. Globally, attention turns to China's loan prime rate decision, German Ifo and GfK confidence surveys, and multiple speeches from ECB President Lagarde and FOMC member Williams. Japanese holidays early in the week may thin regional liquidity.

	Day	Time	Region	Event	Forecast (cons.)	Previous	Market relevance
21-Sep-26	Monday	All Day	JP	Japan - Respect for the Aged Day Holiday	-	-	Medium
21-Sep-26	Monday	04:00	CN	China Loan Prime Rate 5Y (Sep)	3.5%	3.5%	Medium
21-Sep-26	Monday	04:15	CN	PBoC Loan Prime Rate	3.0%	3.0%	Medium
21-Sep-26	Monday	18:00	EU	ECB President Lagarde Speaks	-	-	Medium
22-Sep-26	Tuesday	All Day	JP	Japan - Holiday	-	-	Medium
22-Sep-26	Tuesday	11:30	DE	German Buba President Nagel Speaks	-	-	Medium
22-Sep-26	Tuesday	14:00	EU	ECB President Lagarde Speaks	-	-	Medium
22-Sep-26	Tuesday	15:15	US	ADP Employment Change Weekly	-	16.30K	Medium
22-Sep-26	Tuesday	17:05	US	FOMC Member Williams Speaks	-	-	Medium
22-Sep-26	Tuesday	20:00	US	2-Year Note Auction	-	4.315%	Medium
23-Sep-26	Wednesday	All Day	JP	Japan - Autumn Equinox Holiday	-	-	Medium
23-Sep-26	Wednesday	10:30	DE	HCOB Germany Manufacturing PMI (Sep)	54	54.3	Medium
23-Sep-26	Wednesday	10:30	DE	HCOB Germany Services PMI (Sep)	49.9	49.7	Medium
23-Sep-26	Wednesday	11:00	EU	HCOB Eurozone Services PMI (Sep)	51.4	51.6	Medium
23-Sep-26	Wednesday	11:00	EU	HCOB Eurozone Manufacturing PMI (Sep)	52.6	52.7	Medium
23-Sep-26	Wednesday	11:30	UK	S&P Global Services PMI (Sep)	52	52.5	Medium
23-Sep-26	Wednesday	11:30	UK	S&P Global Manufacturing PMI (Sep)	51.4	51.7	Medium
23-Sep-26	Wednesday	16:45	US	S&P Global Manufacturing PMI (Sep)	53.4	53.9	High
23-Sep-26	Wednesday	16:45	US	S&P Global Services PMI (Sep)	56	56.5	High
23-Sep-26	Wednesday	17:30	US	Crude Oil Inventories	-	(-0.640M)	High
23-Sep-26	Wednesday	20:00	US	5-Year Note Auction	-	4.393%	Medium
24-Sep-26	Thursday	03:30	JP	S&P Global Services PMI (Sep)	-	52.5	Medium
24-Sep-26	Thursday	11:00	DE	German Ifo Business Climate Index (Sep)	89	88.8	Medium
24-Sep-26	Thursday	11:00	EU	ECB Economic Bulletin	-	-	Medium
24-Sep-26	Thursday	11:10	US	FOMC Member Williams Speaks	-	-	Medium
24-Sep-26	Thursday	15:30	US	Initial Jobless Claims	201K	196K	High
24-Sep-26	Thursday	15:30	US	Current Account (Q2)	(-259B)	(-226.8B)	Medium
24-Sep-26	Thursday	15:30	US	Building Permits (Aug)	1.394M	1.433M	Medium
24-Sep-26	Thursday	17:00	US	New Home Sales (Aug)	619K	607K	High
24-Sep-26	Thursday	17:00	US	New Home Sales (MoM) (Aug)	-	-10.5%	Medium
24-Sep-26	Thursday	20:00	US	7-Year Note Auction	-	4.512%	Medium
25-Sep-26	Friday	All Day	CN	China - Mid-Autumn Festival Holiday	-	-	Medium
25-Sep-26	Friday	09:00	DE	GfK German Consumer Climate (Oct)	-27.1	-26.6	Medium
25-Sep-26	Friday	12:15	US	FOMC Member Williams Speaks	-	-	Medium
25-Sep-26	Friday	15:30	US	Durable Goods Orders (MoM) (Aug)	-0.3%	1.1%	High
25-Sep-26	Friday	15:30	US	Core Durable Goods Orders (MoM) (Aug)	0.5%	0.4%	High
25-Sep-26	Friday	17:00	US	Michigan Consumer Expectations (Sep)	45.8	45.8	Medium
25-Sep-26	Friday	17:00	US	Michigan 1-Year Inflation Expectations (Sep)	4.6%	4.6%	Medium
25-Sep-26	Friday	17:00	US	Michigan Consumer Sentiment (Sep)	47.8	47.8	Medium
25-Sep-26	Friday	17:00	US	Michigan 5-Year Inflation Expectations (Sep)	3.4%	3.4%	Medium
25-Sep-26	Friday	20:00	US	U.S. Baker Hughes Oil Rig Count	-	452	Medium
25-Sep-26	Friday	22:30	US	CFTC S&P 500 speculative net positions	-	(-100.5K)	Medium
25-Sep-26	Friday	22:30	US	CFTC Nasdaq 100 speculative net positions	-	33.7K	Medium
25-Sep-26	Friday	22:30	US	CFTC Gold speculative net positions	-	230.3K	Medium
25-Sep-26	Friday	22:30	US	CFTC Crude Oil speculative net positions	-	135.9K	Medium

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