

MARKET INSIGHTS

WEEKLY REVIEW

FOR THE WEEK ENDED ON 2 October 2026

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OVERVIEW

Global markets were mixed last week as weak U.S. jobs data reduced Fed tightening expectations, supporting technology stocks while European and Asian equities declined. Crude fell 1.4% to \$91.11/bbl, easing inflation pressure, although elevated Treasury yields and European inflation concerns continued to weigh on sentiment.

MARKETS

US stocks were mixed last week, with the S&P 500 falling 0.3% WoW while the Nasdaq 100 gained 0.7%, as weaker-than-expected September jobs data reduced expectations for near-term Fed tightening. Nonfarm payrolls rose just 29,000 and unemployment increased to 4.2%, supporting technology stocks, although elevated Treasury yields continued to pressure broader equities.

In Asia: equities mostly declined, with the Hang Seng falling 3.2% WoW, Shanghai down 2.8%, and the KOSPI losing 1.1%, while the Nikkei 225 gained 2.9%. China and Hong Kong were pressured by continued U.S.-China trade uncertainty, while Japan outperformed ahead of details on the government's \$2.3 trillion investment initiative.

In Europe: equities declined, with the Euro Stoxx 50 falling 1.0% WoW and the FTSE 100 dropping 2.2%, as rising yields and inflation concerns pressured valuations. Banks (-4.9%) and autos (-3.5%) led losses, while technology (+5.3%) outperformed on AI optimism.

In Bahrain: The All-Share Index dropped -0.1%, dragged by ESTERAD -8.19%, NHOTEL -6.67%, and GFH -4.23%, while SEEF +10.61%, BMMI +10% Provided support.

Fixed Income: US 2Y fell 6bps to 4.79%, while the 10Y gained 8bps to 5.24%. US 10Y breakeven inflation rose 2bps to 2.36%, German 10Y fell 14bps to 3.46%, while EM 5Y spreads widened 16bps to 167bps.

News: U.S. payrolls rose just 29,000 in September, well below the 90,000 expected, while July and August were revised down by a combined 60,000. Hiring was concentrated in healthcare (+17K), construction (+11K) and manufacturing (+9K), while financial-sector employment fell 7,000. The broad weakness across other major industries reinforces signs that U.S. hiring momentum is cooling, supporting expectations for a more cautious Fed. Unemployment rose to 4.2%, while labor-force participation increased to 61.8%.

MARKET INDICES

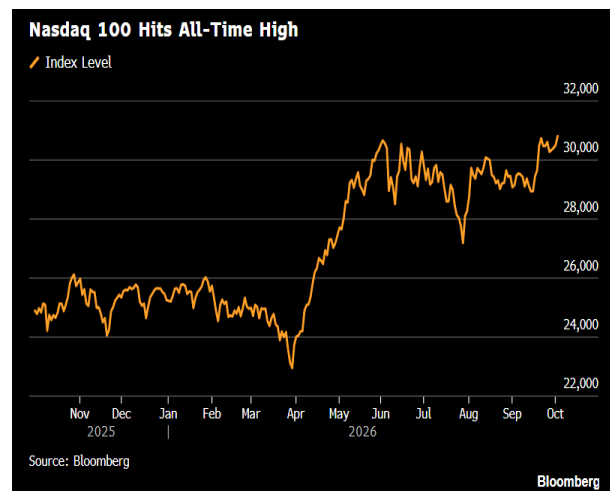
G10		WoW	YtD
SPX	7,722.72 ▼	-0.3% ▲	+12.8%
Nasdaq 100	30,807.93 ▲	+0.7% ▲	+22.0%
Euro Stoxx 50	6,238.50 ▼	-1.0% ▲	+7.7%
Nikkei 225	68,309.46 ▲	+2.9% ▲	+35.7%
FTSE 100	10,461.95 ▼	-2.2% ▲	+5.3%
GCC			
KSA	10,392.97 ▼	-1.9% ▼	-0.9%
ADX	9,973.01 ▼	-2.2% ▼	-0.2%
DFM	5,901.32 ▼	-1.3% ▼	-2.4%
BHR	1,904.50 ▼	-0.1% ▼	-7.8%
MSX 30	7,608.65 ▲	+0.9% ▲	+29.7%
ASIA			
KOSPI	7,003.74 ▼	-1.1% ▲	+66.2%
Shanghai	3,842.20 ▼	-2.8% ▼	-3.2%
Hang Seng	23,972.29 ▼	-3.2% ▼	-6.5%
LATAM			
BOVESPA	192,114.55 ▲	+4.7% ▲	+19.2%
MERVAL	2,767,663.00 ▼	-4.4% ▼	-9.3%

Rates

Ticker		WoW	YtD
GT2	4.79% ▼	-6 bps ▲	+132 bps
GT10	5.24% ▲	+8 bps ▲	+107 bps
USGGBE10	2.36% ▲	+2 bps ▲	+11 bps
GUKG10	5.37% ▲	+0 bps ▲	+89 bps
GDBR10	3.46% ▼	-14 bps ▲	+61 bps
EM (5Y SPRD)	167.370 ▲	+16 bps ▲	+43 bps

Chart: The Nasdaq 100 hit an all-time high as weaker U.S. jobs data reduced expectations for near-term Fed tightening.

September payrolls rose just 29,000 and unemployment increased to 4.2%, pushing the probability of an October rate hike below 25% and supporting risk appetite despite elevated Treasury yields.



Commodities broadly declined, with precious and industrial metals falling. Energy weakened, while agriculture also declined.

Industrial Metals: Copper fell 2.2%, aluminum declined 5.4%, nickel lost 4.5%, zinc dropped 5.5%, and lithium fell 6.5%. Lithium remained under particular pressure as concerns over battery overcapacity, weaker demand and improving supply pushed Chinese lithium carbonate prices sharply lower, although near-term supply deficits suggest fundamentals remain mixed. **Energy:** Crude fell 1.4%, Brent declined 2.0%, and natural gas dropped 5.0%. Improving Saudi export flows and planned G7 emergency reserve releases provided near-term supply relief, particularly for diesel markets facing refinery disruptions and limited alternatives. OPEC+ is expected to keep November quotas unchanged, while geopolitical disruptions and constrained refining capacity remain key upside risks for oil and diesel prices. **Precious Metals:** Gold fell 3.4%, silver declined 6.1%, platinum lost 4.5%, and palladium dropped 7.8%. Elevated Treasury yields pressured gold despite weaker U.S. jobs data reducing Fed hike expectations, highlighting the continued tension between a softer policy outlook and high yields. Silver faced additional pressure as expectations for industrial demand growth weakened. **Agriculture:** Wheat fell 2.9%, corn declined 5.8%, and soybeans lost 3.1%. Despite the weekly declines, global food-supply risks remain elevated, with Black Sea disruptions, extreme weather and El Niño supporting inflation concerns. Turkey and the UN are pursuing a Black Sea ceasefire, but uncertainty around grain shipments remains high.

FX market was mixed: The DXY rose 1.0% WoW to 101.93. EUR/USD fell 1.2% to 1.13, USD/CNY gained 0.1% to 6.71, while USD/JPY declined 0.4% to 157.85.

Cryptocurrencies: **Bitcoin gained 1.6% WoW to \$84,969, while Ether rose 0.7% to \$2,691.** Bitcoin briefly topped \$87,000 as spot ETF demand and softer U.S. jobs data supported risk appetite. Institutional inflows and favorable October seasonality remain supportive, although sustaining momentum toward \$90,000–\$100,000 remains the key test.

Crypto News: The Swiss National Bank warned that widespread stablecoin adoption could weaken monetary-policy transmission by shifting liquidity outside the traditional banking system. While current financial-stability risks remain limited due to low adoption, the SNB sees stablecoins as both a competitive threat to banks and a potential payment-efficiency tool, while continuing its wholesale CBDC project through at least 2028.

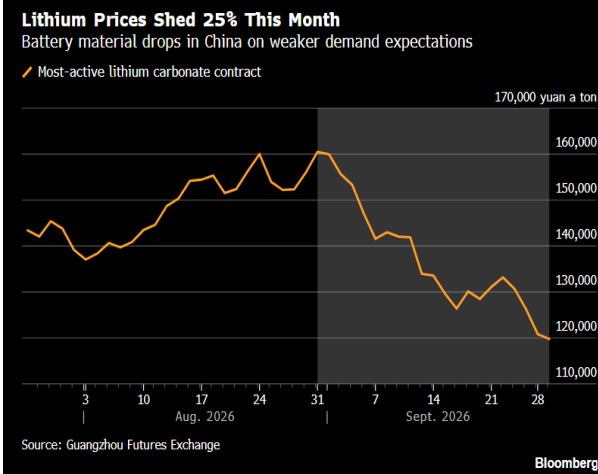
Commodities

Precious Metals		WoW	YtD
Gold	4,141.19 ▼	- 3.4% ▼	- 4.1%
Silver	60.36 ▼	- 6.1% ▼	- 15.8%
Platinum	1,701.53 ▼	- 4.5% ▼	- 17.4%
Palladium	1,171.14 ▼	- 7.8% ▼	- 27.7%
Industrial Metals			
Copper	654.90 ▼	- 2.2% ▲	+ 10.8%
Aluminum	3,098.22 ▼	- 5.4% ▲	+ 4.0%
Nickel	15,470.39 ▼	- 4.5% ▼	- 6.5%
Zinc	3,763.45 ▼	- 5.5% ▲	+ 21.7%
Lithium	16,500.00 ▼	- 6.5% ▲	+ 47.1%
Energy			
Crude Oil	91.11 ▼	- 1.4% ▲	+ 60.1%
Brent	102.25 ▼	- 2.0% ▲	+ 69.8%
Natural Gas	3.04 ▼	- 5.0% ▼	- 24.0%
Agriculture			
Wheat	683.00 ▼	- 2.9% ▲	+ 20.9%
Corn	497.75 ▼	- 5.8% ▲	+ 8.1%
Soybeans	1,278.25 ▼	- 3.1% ▲	+ 20.1%

FX & Crypto

FX & Crypto		WoW	YtD
DXY	101.93 ▲	+ 1.0% ▲	+ 3.7%
EUR/USD	1.13 ▼	- 1.2% ▼	- 4.2%
USD/CNY	6.71 ▲	+ 0.1% ▼	- 4.0%
USD/JPY	157.85 ▼	- 0.4% ▲	+ 0.7%
BTC	84,969.45 ▲	+ 1.6% ▼	- 3.0%
ETH	2,691.48 ▲	+ 0.7% ▼	- 9.4%

Chart: Chinese lithium prices plunged 25% in September, falling below 120,000 yuan/ton from over 160,000 yuan at the start of the month. Weaker battery-demand expectations, excess capacity and higher-than-expected inventories pressured prices, although projected supply deficits through year-end could provide some support.



ECONOMIC CALENDAR

5 October 2026

AGC
Arabian Gulf Capital

Key Events Ahead. The week ahead will focus on U.S. services activity and FOMC meeting minutes, alongside jobless claims and Treasury auctions. Investors will also watch Michigan consumer sentiment and inflation expectations, trade data and crude inventories. Globally, attention turns to German factory orders and industrial production, UK housing data and Japan's household spending, while China's National Day holidays continue through midweek.

	Day	Time	Region	Event	Forecast (cons.)	Previous	Market relevance
05-Oct-26	Monday	All Day	CN	China - National Day	-	-	Medium
05-Oct-26	Monday	03:30	JP	S&P Global Services PMI (Sep)	51.6	51.6	Medium
05-Oct-26	Monday	10:55	DE	HCOB Germany Services PMI (Sep)	52.9	52.9	Medium
05-Oct-26	Monday	11:00	EU	HCOB Eurozone Services PMI (Sep)	53	53	Medium
05-Oct-26	Monday	11:30	UK	S&P Global Services PMI (Sep)	51.7	51.7	Medium
05-Oct-26	Monday	16:45	US	S&P Global Services PMI (Sep)	58.7	58.7	High
05-Oct-26	Monday	17:00	US	ISM Non-Manufacturing Prices (Sep)	-	72.6	High
05-Oct-26	Monday	17:00	US	ISM Non-Manufacturing PMI (Sep)	55.7	55.4	High
06-Oct-26	Tuesday	All Day	CN	China - National Day	-	-	Medium
06-Oct-26	Tuesday	06:35	JP	10-Year JGB Auction	-	2.995%	Medium
06-Oct-26	Tuesday	09:00	DE	German Factory Orders (MoM) (Aug)	-1.0%	2.5%	Medium
06-Oct-26	Tuesday	11:30	UK	S&P Global Construction PMI (Sep)	45	44.3	Medium
06-Oct-26	Tuesday	15:30	US	Trade Balance (Aug)	(-95.20B)	(-88.60B)	Medium
06-Oct-26	Tuesday	15:30	US	Exports (Aug)	-	310.70B	Medium
06-Oct-26	Tuesday	15:30	US	Imports (Aug)	-	399.30B	Medium
06-Oct-26	Tuesday	20:00	US	3-Year Note Auction	-	4.474%	Medium
07-Oct-26	Wednesday	All Day	CN	China - National Day	-	-	Medium
07-Oct-26	Wednesday	09:00	UK	Lloyds House Price Index (MoM) (Sep)	0.2%	-0.2%	Medium
07-Oct-26	Wednesday	09:00	DE	German Industrial Production (MoM) (Aug)	1.4%	-1.1%	Medium
07-Oct-26	Wednesday	12:00	UK	Mortgage Rate (GBP) (Sep)	-	6.58%	Medium
07-Oct-26	Wednesday	17:30	US	Crude Oil Inventories	-	0.922M	High
07-Oct-26	Wednesday	20:00	US	10-Year Note Auction	-	4.834%	High
07-Oct-26	Wednesday	21:00	US	FOMC Meeting Minutes	-	-	High
07-Oct-26	Wednesday	22:00	US	Consumer Credit (Aug)	15.40B	18.06B	Medium
08-Oct-26	Thursday	02:01	UK	RICS House Price Balance (Sep)	-30.0%	-28.0%	Medium
08-Oct-26	Thursday	02:50	JP	Adjusted Current Account (Aug)	2.10T	252.31T	Medium
08-Oct-26	Thursday	09:00	DE	German Trade Balance (Aug)	18.9B	21.3B	Medium
08-Oct-26	Thursday	15:30	US	Initial Jobless Claims	200K	197K	High
08-Oct-26	Thursday	20:00	US	30-Year Bond Auction	-	5.308%	High
09-Oct-26	Friday	02:30	JP	Household Spending (YoY) (Aug)	-3.5%	-3.6%	Medium
09-Oct-26	Friday	17:00	US	Michigan Consumer Expectations (Oct)	-	46.3	Medium
09-Oct-26	Friday	17:00	US	Michigan 1-Year Inflation Expectations (Oct)	-	4.6%	Medium
09-Oct-26	Friday	17:00	US	Michigan 5-Year Inflation Expectations (Oct)	-	3.4%	Medium
09-Oct-26	Friday	17:00	US	Michigan Consumer Sentiment (Oct)	47.6	48.1	Medium
09-Oct-26	Friday	20:00	US	U.S. Baker Hughes Oil Rig Count	-	456	Medium
09-Oct-26	Friday	22:30	US	U.S. Baker Hughes Total Rig Count	-	598	Medium
09-Oct-26	Friday	22:30	US	CFTC S&P 500 speculative net positions	-	(-142.5K)	Medium
09-Oct-26	Friday	22:30	US	CFTC Nasdaq 100 speculative net positions	-	51.2K	Medium
09-Oct-26	Friday	22:30	US	CFTC Gold speculative net positions	-	218.6K	Medium
09-Oct-26	Friday	22:30	US	CFTC Crude Oil speculative net positions	-	109.5K	Medium
09-Oct-26	Friday	22:30	UK	CFTC GBP speculative net positions	-	(-91.1K)	Medium
09-Oct-26	Friday	22:30	JP	CFTC JPY speculative net positions	-	55.4K	Medium
09-Oct-26	Friday	22:30	EU	CFTC EUR speculative net positions	-	(-63.3K)	Medium

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