

MARKET INSIGHTS

WEEKLY REVIEW

FOR THE WEEK ENDED ON 23 October 2026

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OVERVIEW

Global markets weakened as AI profitability concerns and Middle East tensions pressured U.S. and Asian equities. Brent crude surged toward \$ 116.72/bbl, reigniting inflation risks, while U.S. Treasury yields hovered near 5.0%, reinforcing risk-off sentiment.

MARKETS

US stocks declined last week, with the S&P 500 slipping 0.5% WoW and the Nasdaq 100 falling 0.8%, as Middle East tensions pushed oil prices higher. Technology and semiconductors led losses after Meta's heavier AI spending plans raised doubts over returns, while consumer staples rallied to a record as investors rotated toward defensives and treasuries.

In Asia: equities weakened, with the Nikkei 225 falling 4.0% WoW and the Hang Seng dropping 4.0%, while the KOSPI declined 2.1% and Shanghai fell 0.7%. AI valuation concerns and rising geopolitical risks weighed on sentiment, while investors shifted toward safer assets amid market volatility.

In Europe: equities declined, with the Euro Stoxx 50 falling 2.2% WoW and the FTSE 100 dropping 1.8%. Rising energy prices and persistent inflation concerns pressured markets, as investors assessed the potential impact of geopolitical tensions and elevated borrowing costs on economic growth.

In Bahrain: The All-Share Index dropped -0.8%, dragged by ALBH -4.40%, GFH -3.40%, and APMTB -2.80%, while SEEF +4.63%, TAKAFUL +4.08% Provided support.

Fixed Income: US 2Y yields fell 3bps to 4.68%, while 10Y yields declined 8bps to 5.00%. US 10Y breakeven inflation remained at 2.35%, UK 10Y yields fell 1bp to 5.36%, German 10Y yields declined 8bps to 3.35%, while EM 5Y spreads widened 9bps to 172bps.

News: Canada imposed retaliatory tariffs of 15%–50% on hundreds of US products, including steel, motorcycles, cosmetics, and cheese, escalating trade tensions after failed negotiations. The measures aim to pressure Washington to resume talks but risk higher costs, supply chain disruptions, and a 0.3% reduction in Canadian output relative to baseline forecasts.

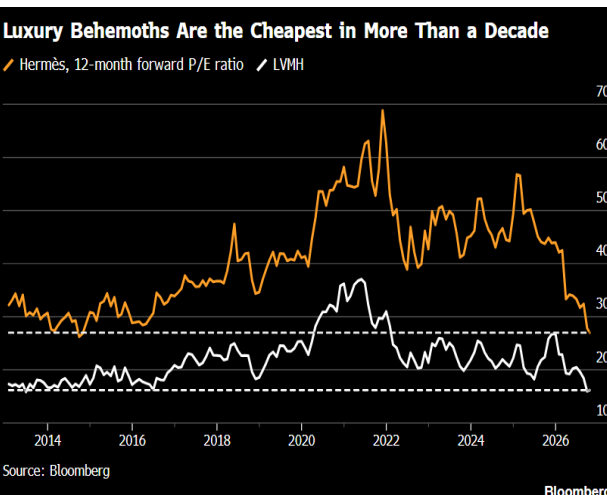
MARKET INDICES

G10		WoW	YtD
SPX	7,623.68 ▼	- 0.5% ▲	+ 11.4%
Nasdaq 100	28,957.53 ▼	- 0.8% ▲	+ 14.7%
Euro Stoxx 50	6,068.22 ▼	- 2.2% ▲	+ 4.8%
Nikkei 225	62,693.16 ▼	- 4.0% ▲	+ 24.5%
FTSE 100	10,690.36 ▼	- 1.8% ▲	+ 7.6%
GCC			
KSA	9,695.86 ▼	- 4.1% ▼	- 7.6%
ADX	9,588.41 ▼	- 2.2% ▼	- 4.0%
DFM	5,734.19 ▼	- 2.3% ▼	- 5.2%
BHR	1,851.61 ▼	- 0.8% ▼	- 10.4%
MSX 30	7,370.80 ▼	- 3.7% ▲	+ 25.6%
ASIA			
KOSPI	5,550.30 ▼	- 2.1% ▲	+ 31.7%
Shanghai	3,690.48 ▼	- 0.7% ▼	- 7.0%
Hang Seng	23,093.37 ▼	- 4.0% ▼	- 9.9%
LATAM			
BOVESPA	205,082.56 ▼	- 0.2% ▲	+ 27.3%
MERVAL	2,848,945.00 ▼	- 0.0% ▼	- 6.6%

Rates

Ticker		WoW	YtD
GT2	4.68% ▼	- 3 bps ▲	+ 121 bps
GT10	5.00% ▼	- 8 bps ▲	+ 83 bps
USGGBE10	2.35% ▲	+ 0 bps ▲	+ 11 bps
GUKG10	5.36% ▼	- 1 bps ▲	+ 88 bps
GDBR10	3.35% ▼	- 8 bps ▲	+ 50 bps
EM (5Y SPRD)	172.140 ▲	+ 9 bps ▲	+ 48 bps

Chart: Luxury behemoths are trading at their cheapest valuations in over a decade, with Hermès and LVMH shares down about 40% this year as an industry recovery failed to materialize. Weak Chinese demand, disappointing results and social unrest in France drove the slump, keeping investors reluctant to buy the dip.



Commodities were mixed overall, with metals and natural gas falling, oil surging sharply, and agriculture broadly declining.

Industrial Metals: Copper fell 1.0%, while aluminum gained 2.5%, nickel rose 3.6%, zinc advanced 1.1%, and lithium declined 2.5%. Copper faced pressure from rising LME inventories and tariff uncertainty. **Energy:** Crude rose 1.8% and Brent gained 6.2%, it's highest since April, while natural gas fell 15.3%. Houthi attacks on Saudi Arabia and fears of US-Iran hostilities drove the rally, although Hormuz flows have recovered to near pre-war levels, leaving futures vulnerable to a correction. European gas topped €90/MWh, it's highest since 2022, as record-low seasonal storage and disrupted LNG supplies left the region exposed. **Precious Metals:** Gold fell 4.1%, silver declined 5.4%, platinum lost 5.0%, and palladium dropped 6.2%. Gold slipped below \$4,000/oz to a more than three-month low as the global equity selloff forced investors to liquidate positions to meet liquidity needs. Lower Treasury yields and a slim chance of a Fed hike offered little support, with elevated oil prices sustaining inflation concerns. **Agriculture:** Chicago wheat fell 5.4%, corn declined 3.8%, and soybeans slipped 0.4%. Russia-Ukraine peace hopes, rising Russian exports and near-record production pushed wheat toward an eighth consecutive weekly decline, its longest losing streak since 1997, although lower Ukrainian winter-wheat planting poses longer-term upside risks.

FX market was mixed: FX market was mixed: The DXY was flat WoW at 101.81. EUR/USD fell 0.3% to 1.12, USD/CNY rose 0.2% to 6.67, while USD/JPY gained 0.7% to 156.87.

Cryptocurrencies: **Bitcoin fell 2.7% WoW to \$80,548, while Ether dropped 2.2% to \$2,346.** A brief rebound above \$83,000 faded as institutional demand remained weak, with U.S. spot Bitcoin ETFs recording \$228.6 million in outflows following \$681 million the previous week.

Crypto News: Italian authorities moved to arrest 30 people accused of running a mafia-linked underground bank that transferred €68 million abroad and laundered illicit funds through cryptocurrencies. Investigators uncovered over €110 million in fraudulent invoices, with funds routed through European banks and crypto exchanges. The operation spans Italy, Spain and Switzerland, highlighting crypto's use in organized crime, drug trafficking and investment scams.

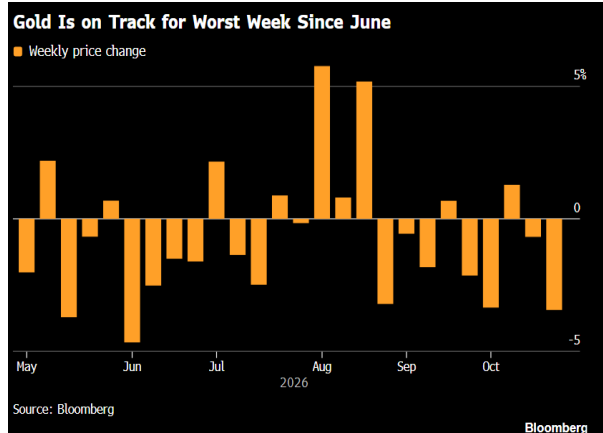
Commodities

Precious Metals		WoW		YtD
Gold	3,996.10 ▼	- 4.1% ▼	- 7.5%	
Silver	53.89 ▼	- 5.4% ▼	- 24.8%	
Platinum	1,553.31 ▼	- 5.0% ▼	- 24.6%	
Palladium	1,047.11 ▼	- 6.2% ▼	- 35.4%	
Industrial Metals				
Copper	650.75 ▼	- 1.0% ▲	+ 10.1%	
Aluminum	3,079.75 ▲	+ 2.5% ▲	+ 3.4%	
Nickel	15,719.15 ▲	+ 3.6% ▼	- 5.0%	
Zinc	3,771.37 ▲	+ 1.1% ▲	+ 21.9%	
Lithium	14,920.91 ▼	- 2.5% ▲	+ 33.0%	
Energy				
Crude Oil	103.27 ▲	+ 1.8% ▲	+ 81.4%	
Brent	116.72 ▲	+ 6.2% ▲	+ 93.8%	
Natural Gas	2.64 ▼	- 15.3% ▼	- 33.9%	
Agriculture				
Wheat	625.00 ▼	- 5.4% ▲	+ 10.7%	
Corn	456.00 ▼	- 3.8% ▼	- 1.0%	
Soybeans	1,256.50 ▼	- 0.4% ▲	+ 18.0%	

FX & Crypto

FX & Crypto		WoW		YtD
DXY	101.81 ▼	- 0.0% ▲	+ 3.5%	
EUR/USD	1.12 ▼	- 0.3% ▼	- 4.6%	
USD/CNY	6.67 ▲	+ 0.2% ▼	- 4.5%	
USD/JPY	156.87 ▲	+ 0.7% ▲	+ 0.1%	
BTC	80,547.70 ▼	- 2.7% ▼	- 8.1%	
ETH	2,346.29 ▼	- 2.2% ▼	- 21.1%	

Chart: Gold is on track for its worst week since June, dipping below \$4,000 to its lowest in more than three months as a stock rout fueled volatility. Investors sold bullion to raise liquidity amid the AI-driven selloff, while oil above \$113/bbl kept inflation concerns alive, outweighing support from lower yields.



ECONOMIC CALENDAR

26 October 2026

AGC
Arabian Gulf Capital

Key Events Ahead: The week will focus on the Fed's rate decision and FOMC statement, alongside U.S. GDP, PCE inflation, jobless claims, consumer confidence and new home sales. Investors will also watch the ECB's decision, Germany's GDP and inflation, and the UK's Autumn Forecast Statement. Globally, attention turns to the BoJ's decision, Tokyo inflation and industrial production.

	Day	Time	Region	Event	Forecast (cons.)	Previous	Market relevance
26-Oct-26	Monday	12:00	DE	German Business Expectations (Oct)	-	90.4%	Medium
26-Oct-26	Monday	20:00	US	2-Year Note Auction	-	4.8%	Medium
26-Oct-26	Monday	12:00	DE	German Ifo Business Climate Index (Oct)	-	89.9%	Medium
27-Oct-26	Tuesday	08:00	JP	BoJ Core CPI (YoY)	-	2.3%	Medium
27-Oct-26	Tuesday	15:15	US	Building Permits (Sep)	1.400M	1.430M	Medium
27-Oct-26	Tuesday	15:15	US	ADP Employment Change Weekly	-	18.50K	Medium
27-Oct-26	Monday	15:30	US	Durable Goods Orders (MoM) (Sep)	0.6%	(- 0.1%)	High
27-Oct-26	Monday	16:00	US	S&P/CS HPI Composite - 20 n.s.a. (YoY) (Aug)	2.7%	2.5%	Medium
27-Oct-26	Monday	17:00	US	CB Consumer Confidence (Oct)	80.5	81.9	High
27-Oct-26	Tuesday	17:00	US	New Home Sales (Sep)	649K	684K	High
27-Oct-26	Tuesday	18:30	US	Atlanta Fed GDPNow (Q3)	3.5%	3.5%	Medium
27-Oct-26	Tuesday	20:00	US	5-Year Note Auction	-	5.03%	Medium
27-Oct-26	Tuesday	23:30	US	API Weekly Crude Oil Stock	-	(- 4.930M)	Medium
28-Oct-26	Wednesday	13:30	DE	German 10-Year Bund Auction	-	3.58	Medium
28-Oct-26	Wednesday	15:30	UK	Autumn Forecast Statement	-	-	High
28-Oct-26	Wednesday	15:30	US	Goods Trade Balance (Sep)	(-130.80B)	(-132.07B)	Medium
28-Oct-26	Wednesday	17:30	US	Crude Oil Inventories	(-0.300M)	(-3.060)	High
28-Oct-26	Wednesday	21:00	US	Fed Interest Rate Decision	4.0%	4.0%	High
28-Oct-26	Wednesday	21:00	US	FOMC Statement	-	-	High
29-Oct-26	Thursday	15:30	US	Core PCE Price Index (MoM) (Sep)	0.3%	0.2%	High
29-Oct-26	Thursday	15:30	US	Core PCE Price Index (YoY) (Sep)	3.1%	3.0%	High
29-Oct-26	Thursday	15:30	US	GDP (QoQ) (Q3)	3.2%	2.2%	High
29-Oct-26	Thursday	15:30	US	Initial Jobless Claims	198K	194K	High
29-Oct-26	Thursday	15:30	US	PCE price index (MoM) (Sep)	0.5%	0.3%	Medium
29-Oct-26	Thursday	15:30	US	GDP Price Index (QoQ) (Q3)	3.50%	6.10%	Medium
29-Oct-26	Thursday	16:15	EU	Deposit Facility Rate (Oct)	2.50%	2.50%	High
29-Oct-26	Thursday	16:15	EU	ECB Interest Rate Decision (Oct)	2.65%	2.65%	High
29-Oct-26	Thursday	16:15	EU	ECB Marginal Lending Facility	-	2.9%	Medium
29-Oct-26	Thursday	16:45	EU	ECB Press Conference	-	-	High
29-Oct-26	Thursday	20:00	US	7-Year Note Auction	-	5.1%	Medium
29-Oct-26	Thursday	23:30	US	Fed's Balance Sheet	-	5.09%	Medium
30-Oct-26	Friday	02:30	JP	Tokyo Core CPI (YoY) (Oct)	3.400%	2.700%	Medium
30-Oct-26	Friday	02:50	JP	Industrial Production (MoM) (Sep)	1.30%	(-2.4%)	Medium
30-Oct-26	Friday	05:30	JP	BoJ Monetary Policy Statement	-	-	Medium
30-Oct-26	Friday	06:00	JP	BoJ Interest Rate Decision	1.3%	1.3%	High
30-Oct-26	Friday	06:00	JP	BoJ Outlook Report (YoY)	-	-	Medium
30-Oct-26	Friday	10:00	UK	Nationwide HPI (MoM) (Oct)	(-0.2%)	(-0.2%)	Medium
30-Oct-26	Friday	11:55	DE	German Unemployment Change (Oct)	5K	12K	Medium
30-Oct-26	Friday	12:00	DE	German GDP (QoQ) (Q3)	0.1%	0.3%	High
30-Oct-26	Friday	12:00	DE	German GDP (YoY) (Q3)	-	1.0%	Medium
30-Oct-26	Friday	13:00	EU	GDP (YoY) (Q3)	1.10%	1.20%	Medium
30-Oct-26	Friday	13:00	EU	GDP (QoQ) (Q3)	0.20%	0.60%	Medium
30-Oct-26	Friday	16:00	DE	German CPI (MoM) (Oct)	0.10%	0.60%	High
30-Oct-26	Friday	16:00	DE	German CPI (YoY) (Oct)	-	3.30%	Medium
30-Oct-26	Friday	16:45	US	Chicago PMI (Oct)	54.8	58.8	High
30-Oct-26	Friday	20:00	US	U.S. Baker Hughes Total Rig Count	-	603	Medium
30-Oct-26	Friday	22:30	US	CFTC S&P 500 speculative net positions	-	(-142.7K)	Medium
30-Oct-26	Friday	22:30	US	CFTC Nasdaq 100 speculative net positions	-	50.7K	Medium

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