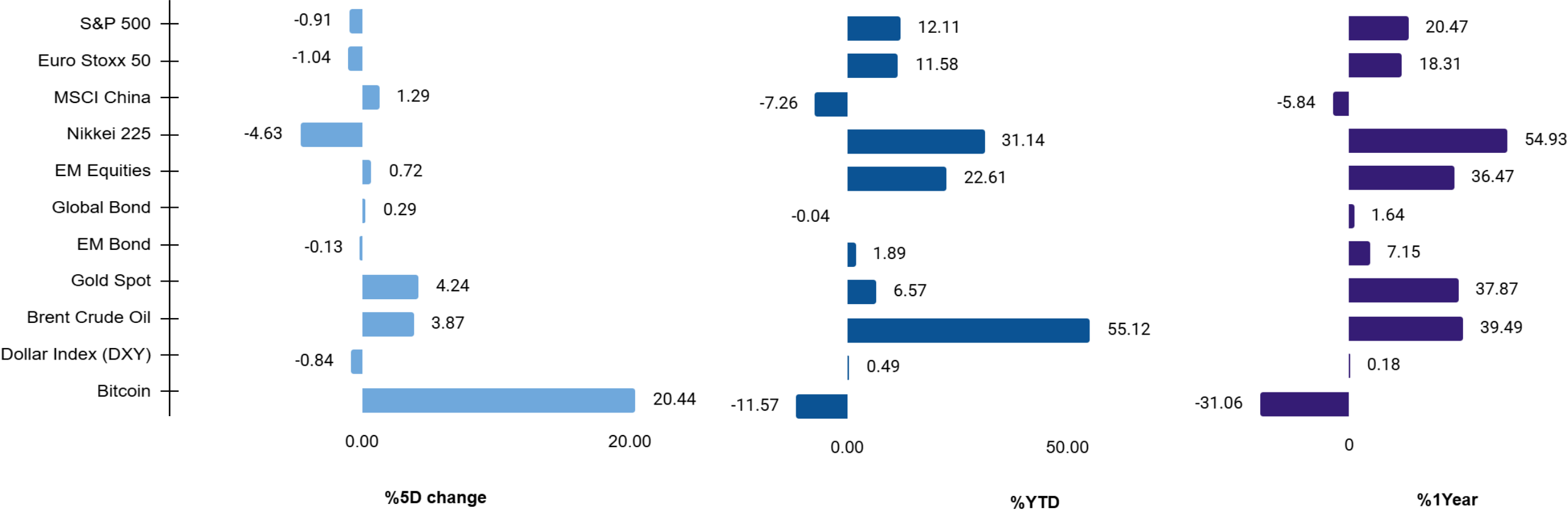


Weekly Market Recap

Turning Insights into Direction

Market Snapshot

24 August 2026



Note: EM Equities - MSCI Emerging Markets Index, Global Bond - Bloomberg Global-Aggregate Total Return Index , EM Bond - JPMorgan EMBI Global Diversified Index
Source: Bloomberg, as of 21 August 2026

	Commentary
US Equities	The S&P 500 declined 0.91% during the week as rising Treasury yields increased pressure on equity valuations despite another strong earnings season. Around 85% of reporting S&P 500 companies had exceeded earnings expectations, supporting underlying investor confidence, but higher borrowing costs increasingly weighed on technology and other long-duration sectors. Fund flows remained positive even as the index weakened late in the week. The move suggests earnings resilience is still supportive, but valuation sensitivity has increased as bond-market volatility and financing costs become more prominent.
China Equities	MSCI China gained 1.29% during the week despite persistent concerns over domestic demand and the property sector. The PBOC kept its benchmark loan prime rates unchanged for a fifteenth consecutive month, reinforcing expectations that policymakers will rely more heavily on fiscal implementation than additional rate cuts. At the same time, investor interest in robotics and strategic technology remained strong. The weekly advance suggests selective confidence in policy-supported technology sectors, even though weak household credit demand and the prolonged property downturn continue to constrain a broader recovery.
Emerging Markets	EM Equities advanced 0.72% during the week, extending their YTD gain to 22.61%. Performance remained relatively resilient despite higher global bond yields, supported by a weaker U.S. dollar and continued investor interest in emerging-market equity funds. China contributed positively, while weakness in Japan and other technology-heavy markets highlighted substantial regional dispersion. The weekly gain suggests emerging markets continue to benefit from selective capital inflows and currency relief, although country-level performance remains highly dependent on domestic policy, commodity exposure, and technology-sector composition.
Bonds (Global / EM)	Global Bond gained 0.29%, while EM Bond declined 0.13% during the week. Long-dated U.S. Treasury yields remained elevated as investors focused on persistent inflation, government borrowing needs, and doubts over whether Treasury buybacks could meaningfully stabilize the market. Bond funds nevertheless attracted significant inflows, reflecting continued demand for income and defensive positioning. The divergence suggests high-quality global fixed income benefited from selective demand, while emerging-market debt remained more exposed to rising global borrowing costs and renewed energy-related inflation pressure.
Gold	Gold rose 4.24% during the week, extending its one-year gain to 37.87%. The rally was supported by a weaker U.S. dollar, increased demand for macro-policy hedges, and renewed concerns over U.S. debt and long-term monetary credibility. Gold also broke above key technical levels during the week, reinforcing momentum-based buying. Investor flows into precious-metal funds remained strong. The advance reflects a combination of defensive demand, currency diversification, and renewed interest in scarce assets as uncertainty around fiscal policy and interest rates increased.
Crude Oil	Brent crude gained 3.87% during the week, bringing its YTD increase to 55.12%. Prices rose as stalled U.S.–Iran negotiations and plans for tougher U.S. sanctions renewed concern over supply disruptions around the Strait of Hormuz. Brent approached a one-month high near the end of the week as investors priced in the possibility of tighter Iranian crude availability. The advance indicates that geopolitical risk remains firmly embedded in the oil market, with diplomacy and sanctions continuing to dominate short-term pricing alongside underlying supply conditions.



Fundamental Equity | Quantamental Investment | Structured Credit

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Key Driver of the Week

24 August 2026

- Rising long-term yields challenged equity valuations:** Global bond yields remained elevated as investors questioned U.S. fiscal sustainability, inflation persistence, and the effectiveness of Treasury buybacks in calming the long end. The transmission occurred through higher discount rates and rising financing costs, particularly for technology and AI-related investment. The macro significance is that bond-market stress is increasingly becoming a direct constraint on equity valuations rather than merely a reflection of stronger economic growth
- U.S. fiscal and currency concerns revived demand for scarce assets:** U.S. Treasury intervention in long-dated bonds temporarily eased market stress but also intensified questions around debt sustainability and confidence in the dollar. DXY fell 0.84%, while Gold gained 4.24% and Bitcoin surged 20.44% during the week.
- Iran tensions kept the energy-inflation channel active:** Escalating U.S. sanctions rhetoric and stalled negotiations with Iran raised concern over future crude supply and continued disruption around the Strait of Hormuz. Brent crude gained 3.87%, while higher energy prices added to inflation concerns already reflected in global bond yields.



Highlight of the Week

Bitcoin surged nearly 20%, driven by the U.S. Treasury's decision to expand its bond buyback program, which improved market liquidity conditions. The rally was further supported by growing expectations of clearer U.S. crypto regulations, while a wave of short covering and short squeezes helped accelerate the price increase.

What We Are Watching

Date	Event / Indicator	Last vs Consensus	Impact Summary
26-Aug-26	U.S. Core PCE Price Index m/m	Last:0.1% Cons:0.2%	Lower-than-expected core inflation would support expectations for Fed easing, positive for equities and bonds, while potentially weighing on the USD.
26-Aug-26	U.S. Prelim GDP q/q	Last:1.5% Cons:1.5%	GDP growth in line with expectations would reinforce a soft-landing narrative, supporting risk assets while limiting major market reactions
28-Aug-26	Fed Chairman Warsh Speaks	N/A	Markets will monitor for signals on the Fed's policy outlook. Any hawkish comments could pressure equities and bonds, while dovish remarks may support risk sentiment.
28-Aug-26	U.S. Prelim Benchmark Payrolls Revision	Last:-911k Cons:N/A	A large downward payroll revision suggests the labor market may have been weaker than previously reported, reinforcing expectations for monetary easing and supporting bonds.