

Weekly Market Wrap

Week Ending 1st May 2026



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Executive Summary

Global markets closed the week ending 1st May 2026 with a cautiously constructive tone, driven by a confluence of strong Q1 corporate earnings, particularly from U.S. mega-cap technology and a partial oil price pullback following Iran's submission of a fresh peace proposal to Pakistani mediators. Equities posted modest weekly gains after April's sharp V-shaped recovery, with the S&P 500 recording its best monthly performance since November 2020 (+13.5%). Inflation remains elevated (core PCE ~3.2%, services >3.5%), leading the Federal Reserve to hold rates in April with a hawkish stance, marked by four dissenters and Jerome Powell's final press conference as Chair.

Key Themes

- **Earnings over geopolitics:** S&P 500 returned +13.5% in April; best month since November 2020 which was driven by Q1 EPS growth tracking >14%, the sixth consecutive quarter of double-digit earnings growth. Five Magnificent Seven companies reported: Alphabet and Amazon stood out on AI cloud monetisation; Meta fell on higher-than-expected capex guidance.
- **Fed: Hawkish hold, leadership transition:** The Federal Open Market Committee kept rates unchanged at 3.5%–3.75% in an 8–4 vote, showing the most disagreement since 1992, with several members pushing against an easing stance. Jerome Powell will remain on the Board, while Kevin Warsh's nomination has advanced. Markets now see almost no chance of rate cuts in 2026.
- **Oil: Volatile but elevated:** WTI ended the week at ~\$101.9/bbl and Brent at ~\$108/bbl. Iran submitted a fresh peace proposal on 1 May, causing an intraday drop of ~3%, but Trump signalled dissatisfaction. The May 1 War Powers Resolution deadline passed with the administration arguing the original ceasefire 'terminated' hostilities. Hormuz remains closed.
- **UAE exits OPEC:** The UAE formally left OPEC and OPEC+ effective 1 May. This was the most significant departure since Qatar in 2019, removing the cartel's third-largest producer. Abu Dhabi National Oil Company has production capacity of ~4.85 million barrels per day. Its exit raises concerns about weaker coordination within OPEC and is likely to increase long-term volatility in oil prices.
- **BoJ hawkish hold:** JPY strengthens: BoJ held at 0.75% in a 6-3 vote; three members called for an immediate hike to 1%. Inflation forecasts revised up sharply to 2.8% for FY2026. JPY strengthened ~1.5% WoW on suspected official intervention after breaching the 160/USD threshold.
- **Gold retreats despite persistent risk:** Gold fell 2.0% WoW to \$4,614/oz as rising US real yields compressed the non-yielding metal, a counterintuitive outcome in an elevated geopolitical environment that reflects the dominance of rate dynamics over safe-haven demand.

Week Ending	S&P 500	NASDAQ	Dow Jones	Sensex	S&P BDC	Gold	Silver	Oil	Nat Gas	Crypto Index
02 Jan	(1.0%)	(1.7%)	(0.7%)	0.8%	0.1%	(4.4%)	(8.1%)	1.0%	(17.1%)	5.1%
09 Jan	1.6%	2.2%	2.3%	(2.5%)	0.0%	4.1%	9.7%	3.1%	(12.4%)	0.9%
16 Jan	(0.4%)	(0.9%)	(0.3%)	(0.0%)	1.1%	1.9%	12.9%	0.5%	(2.1%)	4.9%
23 Jan	(0.4%)	0.3%	(0.5%)	(2.4%)	(0.9%)	8.5%	14.5%	2.7%	70.0%	(8.7%)
30 Jan	0.3%	(0.2%)	(0.4%)	(1.0%)	(2.3%)	(1.9%)	(17.4%)	6.8%	(17.5%)	(7.9%)
06 Feb	(0.1%)	(1.9%)	2.5%	3.5%	(4.6%)	1.4%	(8.6%)	(2.5%)	(21.4%)	(19.4%)
13 Feb	(1.4%)	(1.4%)	(1.2%)	(1.1%)	(0.0%)	1.6%	(0.5%)	(1.0%)	(5.2%)	(1.5%)
20 Feb	1.1%	1.1%	0.3%	0.2%	(2.8%)	1.3%	9.3%	5.6%	(6.0%)	(1.6%)
27 Feb	(0.4%)	(0.2%)	(1.3%)	(1.8%)	(4.0%)	3.4%	10.8%	0.9%	(6.2%)	(3.4%)
06 Mar	(2.0%)	(1.3%)	(3.0%)	(2.9%)	1.3%	(2.0%)	(9.9%)	35.6%	11.4%	2.6%
13 Mar	(1.6%)	(1.1%)	(2.0%)	(5.5%)	(3.1%)	(2.9%)	(4.7%)	8.6%	(1.7%)	4.9%
20 Mar	(1.9%)	(2.0%)	(2.1%)	(0.0%)	1.0%	(10.5%)	(15.7%)	(0.4%)	(1.1%)	0.3%
27 Mar	(2.1%)	(3.2%)	(0.9%)	(1.3%)	(2.2%)	0.0%	2.7%	1.3%	-	(6.3%)
03 Apr	3.4%	3.9%	3.0%	(0.4%)	2.3%	4.1%	4.7%	11.9%	(9.5%)	1.1%
10 Apr	3.6%	4.5%	3.0%	5.8%	0.0%	1.6%	3.9%	(13.4%)	(5.4%)	8.0%
17 Apr	4.5%	6.2%	3.2%	1.2%	6.9%	1.7%	6.6%	(13.2%)	1.0%	6.9%
24 Apr	0.5%	2.4%	(0.4%)	(2.3%)	(4.0%)	(2.5%)	(6.4%)	12.6%	(5.6%)	(2.4%)
01 May	0.9%	1.5%	0.5%	0.3%	4.9%	(2.0%)	(0.5%)	8.0%	10.2%	(0.8%)
YTD Return	5.4%	9.9%	2.3%	(10.3%)	(6.8%)	6.5%	3.5%	77.8%	(23.2%)	(23.2%)

Asset Class Performance

Equity Market

Week ending >>>					
	24-Apr-26	1-May-26	YTD Returns	Growth for the month	Growth for the week
Equity Indices					
S&P 500 (USD)	7,165.1	7,230.1	5.4%	13.5%	0.9%
NASDAQ (USD)	27,303.7	27,710.4	9.9%	19.8%	1.5%
Dow Jones (USD)	49,230.7	49,499.3	2.3%	9.6%	0.5%
SENSEX (INR)	76,664.2	76,913.5	(10.3%)	4.5%	0.3%
Stoxx 600 (EUR)	610.7	611.6	2.6%	6.3%	0.1%
Nikkei (JPY)	59,716.2	59,513.1	18.2%	11.5%	(0.3%)
Hang Seng (HKD)	25,978.1	25,776.5	(2.1%)	3.3%	(0.8%)

• US Equities:

- The S&P 500 rose 0.9% WoW driven primarily by earnings momentum rather than any fundamental resolution of the geopolitical backdrop. NASDAQ gained 1.5% WoW and the Dow added 0.5%.
- The Q1 S&P 500 EPS growth is tracking >14%, the sixth consecutive quarter of double-digit growth. With 63% of companies having reported, results reflect a combination of fast revenue growth and historically high profit margins. Five of the Magnificent Seven companies reported: Alphabet beat on Google Cloud revenue (+63% YoY to \$20bn) and raised 2026 capex guidance to \$180–190bn; Amazon AWS grew 28% YoY — fastest since Q2 2022; Microsoft guided Azure at +40% for Q2. Meta fell ~6% after hours after raising capex to \$115–135bn without offering a clear return timeline.
- Sector divergence: Energy led WoW (+3.3%) as oil re-accelerated midweek. Communication Services gained 4.5% on Alphabet's results. Information Technology was flat (+0.1%) as Meta's capex surprise weighed.
- Business investment was the standout contributor. IT and software spending alone added ~1.5% to GDP growth, reflecting sustained AI capex. Core PCE at 3.2% in March moved further from the Fed's 2% target. Initial jobless claims fell to 189,000, one of the lowest readings on record, reducing urgency for Fed easing.

• Sensex:

- Sensex gained 0.3% WoW to 76,913.5 but remains down (10.3%) YTD; the weakest performer among tracked indices. The modest weekly gain masks ongoing structural headwinds.
- Sector divergence: BSE IT plunged (9.93%) WoW on weak management guidance, soft deal momentum, and AI-driven pricing pressure. The information technology sector saw a broad-based sell-off across most frontline stocks. BSE Power rose 3.69% and Capital Goods gained 1.28%, supported by domestic infrastructure capex. Pharma (+3.62%) and Healthcare (+2.99%) were the weekly sectoral standouts per Baroda BNP Paribas data.
- Oil and macro: Brent crossing \$124/bbl during the week amplified concerns over inflation and currency pressure. India's crude import bill for March 2026 fell ~5% YoY to ~\$11.7bn, as a sharp fall in import volumes from West Asia offset elevated global prices — a partial offset to the macro oil shock but insufficient to change the structural dynamic. India imports ~85% of its crude needs.

• Stoxx 600:

- Stoxx 600 was essentially flat WoW (+0.1% to 611.6), with most major European markets closed for International Workers' Day on Friday. Germany's DAX gained 0.68%, Italy's FTSE MIB rose 1.24%, while France's CAC 40 declined 0.53% and the UK's FTSE 100 was little changed (–0.04%).
- The ECB held its deposit rate at 2.0% on Thursday as expected, but in a significant hawkish shift, the governing council discussed 'at length and in depth' a potential rate hike. This marks a material change in tone for an institution that was in easing mode as recently as March 2026. The ECB acknowledged that risks to the eurozone economy had 'intensified' due to the Middle East conflict.
- Eurozone Economic Sentiment Indicator fell to 93.5 in April; its lowest since November 2020 with consumer confidence particularly weak. German CPI rose to 2.9% YoY in April (from 2.7%), driven by energy. Spain's

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unemployment rose to 10.83% in Q1 2026. UK retail sales (CBI measure) fell to -68 in April, its lowest since the survey's inception in 1983. BoE held at 3.75% but flagged that energy price prospects are 'highly uncertain'.

- **Nikkei:**

- Nikkei fell 0.3% WoW to 59,513.1, though it remains up 18.2% YTD and gained 11.5% in April — one of the strongest major market performances globally on a YTD basis. The modest weekly decline reflects JPY strength (USD/JPY fell 1.5% WoW) compressing export earnings expectations.
- BoJ — hawkish hold: At its April 27–28 meeting, the BoJ held rates at 0.75% in a 6-3 vote — a hawkish hold, with three board members calling for an immediate hike to 1%. The BoJ revised its FY2026 inflation forecast sharply upward to 2.8% (from 1.9% in January) while halving its growth forecast to 0.5%. Governor Ueda indicated the BoJ will continue to raise rates if economic and price projections are realised, underscoring the normalisation path remains intact. The 10-year JGB rose to 2.50% from 2.44%.
- JPY intervention: JPY staged a sharp rally during the week, strengthening from ~159.4 to ~157.0/USD, widely attributed to official intervention after the yen breached 160 — a historically observed trigger threshold. Finance Minister Katayama had explicitly signalled 'bold steps are nearing.' Although a stronger yen is negative for exporter margins (autos, electronics)

Credit Market

Week ending >>>					
	24-Apr-26	1-May-26	YTD Change (bps)	Change for the Month (bps)	Change for the Week (bps)
Credit					
US Bond Yield (%)	4.30	4.37	17.91	(5.80)	6.91
JGB yield (%)	2.43	2.52	45.40	23.40	9.10

Week ending >>>					
	24-Apr-26	1-May-26	YTD Returns	Growth for the month	Growth for the week
Credit					
S&P BDC Index	49.1	51.5	(6.8%)	10.2%	4.9%

- **US Bond Yield:**

- The Federal Open Market Committee kept rates unchanged, pushing US 10Y yields up ~7 bps to 4.37% and reinforcing “higher for longer,” while internal disagreement widened (three against easing bias, one; pushing for a cut), indicating fading consensus on future rate cuts.
- The Core PCE rose 3.2% in March, moving further from the Fed's 2% target. Investment-grade corporate bonds generated slight negative returns for the week, though heavy new issuance early in the week was oversubscribed, indicating intact credit demand.
- The 2-year yield stands at ~3.89%, the 10-year at ~4.37%, with the 2–10 spread at ~49bps. The relatively flat curve reflects uncertainty about the rate path under incoming Chair Warsh, with markets neither pricing a near-term hike nor a cut. CME FedWatch data shows a small but non-zero probability of a hike by December 2026 re-entering the distribution for the first time since the conflict began.
- Warsh transition: Kevin Warsh's nomination advanced out of the Senate Banking Committee and is expected to receive full Senate confirmation before the June 16–17 FOMC meeting. Markets broadly expect near-term policy continuity but acknowledge that Warsh's historically hawkish views could accelerate the removal of the easing bias once energy-driven inflation data evolve.

- **JGB Yield:**

- Yield rises to multi-decade high: The JGB 10-year yield rose 9.1bps WoW to 2.52%, on the combination of the BoJ's hawkish hold, upward revision to inflation forecasts, and growing board pressure for an immediate rate hike. BlackRock and T. Rowe Price both maintain JGBs as underweight, citing rising term premium, heavy bond issuance, and structural normalisation.

- The BoJ faces a difficult transmission problem: supply-shock inflation from Hormuz-linked disruptions is pushing CPI higher while simultaneously compressing growth. Governor Ueda's guidance that the BoJ may look through supply-driven inflation is increasingly hard to maintain as core services CPI firms. The 6-3 vote for hold versus hike is the clearest signal yet that the next move is up, not down.

- **S&P BDC Index (Private Credit):**

- The S&P BDC Index gained 4.9% WoW to 51.5, its strongest weekly performance in several months, driven by the broader April risk-on rally. The index gained 10.2% for the month. However, it remains down (6.8%) YTD, reflecting the structural repricing of private credit risk premium during the oil shock period.
- The April recovery in BDCs tracks equity sentiment rather than a fundamental improvement in underlying credit quality. Floating rate instruments benefit from elevated base rates, but NAV pressure from mark-to-market on stressed positions and payment-in-kind (PIK) usage in weaker book names persists. Managers including Ares, Apollo, and BlackRock note widening dispersion: higher-quality borrowers continue to access capital at manageable spreads, while weaker issuers face tighter refinancing windows and higher reliance on PIK structures.
- Structural vulnerability: Liquidity mismatch between open-ended BDC structures and illiquid loan books remains a key risk. The YTD drawdown reflects a repricing of liquidity premium rather than realised credit losses, but could accelerate if energy-driven macro conditions deteriorate or if oil-exposed middle-market borrowers face covenant breaches.

Currencies

Week ending >>>					
Currency	24-Apr-26	1-May-26	YTD Returns	Growth for the month	Growth for the week
EUR/USD	1.1722	1.1721	0.0%	1.8%	(0.0%)
GBP/USD	1.3532	1.3583	0.9%	2.4%	0.4%
USD/INR	94.2550	94.2920	4.5%	(0.6%)	0.0%
CHF/USD	1.2740	1.2787	1.3%	2.2%	0.4%
USD/JPY	159.3800	157.0100	0.1%	(2.1%)	(1.5%)

- **Currencies:**

- EUR/USD: Near-flat WoW (-0.0%) at 1.1721 after a +1.8% MoM gain for April. The ECB's hawkish pivot acknowledging active discussion of a rate hike — provides some medium-term support. However, Europe's energy import dependence and the Eurozone Economic Sentiment Indicator falling to 93.5 (lowest since November 2020) remain structural headwinds. Sustained EUR appreciation requires oil below ~\$90/bbl.
- GBP/USD: Gained 0.4% WoW to 1.3583 (+2.4% MoM). Supported by the BoE's hold at 3.75% and sticky UK CPI at 3.3% YoY — the BoE flagged it 'stands ready to act as necessary.' UK retail sales fell to a CBI measure of -68 in April, the lowest on record, reflecting the toll of elevated energy costs. GBP is one of the better-performing G10 currencies in April, benefiting from the UK's relative energy independence versus the continent.
- USD/INR: Essentially flat WoW at ₹94.29/USD. INR's April performance (-0.6% MoM) reflects ongoing FII outflows and elevated crude dependence. The rupee ended April 30 at ₹94.92/USD per Baroda BNP Paribas data. RBI's policy space remains constrained by oil-driven inflation — India imports ~85% of its crude needs, making the rupee directly sensitive to Hormuz-linked supply disruption.
- CHF/USD: Gained 0.4% WoW to 1.2787. Swiss franc maintains a partial safe-haven premium; YTD gain of +1.3% reflects lower domestic inflation (not requiring rate hikes) and geopolitical hedging demand.
- USD/JPY: Fell sharply (-1.5% WoW) from 159.38 to 157.01. Markets widely attributed the move to official MoF/BoJ intervention after JPY briefly breached 160 — a historically observed threshold that preceded intervention episodes in 2024. Finance Minister Katayama had explicitly signalled 'bold steps are nearing.' JPY's structural weakness from rate differentials and energy import costs remains intact, but intervention risk is now a live positioning factor.

Commodities

Commodities	Week ending >>>				
	24-Apr-26	1-May-26	YTD Returns	Growth for the month	Growth for the week
Gold (USD per troy ounce)	4,709.5	4,614.2	6.5%	2.7%	(2.0%)
Silver (USD per troy ounce)	75.7	75.4	3.5%	8.0%	(0.5%)
Oil (USD per barrel)	94.4	101.9	77.8%	2.3%	8.0%
Natural Gas (Henry Hub)	2.5	2.8	(23.2%)	(10.2%)	10.2%
Copper (US cents per pound)	602.7	593.2	4.2%	8.5%	(1.6%)
Aluminium (USD per metric tonne)	3,660.5	3,590.9	19.7%	6.8%	(1.9%)
Wheat (US cents per bushel)	608.3	624.5	23.3%	3.2%	2.7%
Sugar (US cents per pound)	13.9	15.0	2.4%	(5.1%)	7.3%

- **Oil:**

- WTI gained 8.0% WoW to \$101.9/bbl. The week was highly volatile. Thursday's Brent June contract briefly reached \$126.41 before settling at \$114.01 as the War Powers Resolution deadline created uncertainty. On Friday, Iran's peace proposal via Pakistan pushed WTI back to ~\$101.9 (-3% on the day).
- WTI remains up 77.8% YTD. The Strait of Hormuz is functionally closed, and Iran has linked reopening to lifting of US port blockades; a condition the Trump administration has not accepted. The administration argued on May 1 that the April 7 ceasefire had 'terminated' the hostilities under the War Powers Resolution, avoiding the need for Congressional reauthorisation. CENTCOM is reported to have prepared plans for a 'short and powerful' second wave of strikes.
- The UAE's formal exit from OPEC and OPEC+ effective May 1 removes the cartel's third-largest producer. ADNOC capacity near 4.85m bpd. While UAE output increases will be gradual, the departure weakens Saudi Arabia's ability to enforce collective supply discipline and raises the risk of a medium-term production divergence among remaining members, adding a structural volatility premium to forward oil pricing.

- **Gold:**

- Gold fell 2.0% WoW to \$4,614.2/oz despite an elevated geopolitical backdrop; a move explained by the primary driver of rising US real yields rather than reduced safe-haven demand. The hawkish FOMC outcome pushed the 10-year nominal yield to 4.37% (+~7bps WoW), directly compressing the non-yielding metal's appeal as real rates moved higher.
- YTD pattern: Gold's (10.3%) drawdown from January's peak (~\$5,595/oz) illustrates its behaviour through this conflict: sharp sell-off in February-March as oil-driven inflation repriced real yields higher, partial recovery in April on ceasefire risk appetite, now renewed pressure as rates reassert dominance over safe-haven narratives. YTD gain of +6.5% maintains gold ahead of most traditional fixed income.

- **Silver:**

- Modest decline: Silver fell 0.5% WoW to \$75.4/oz, tracking gold's weakness but with a smaller decline, reflecting its dual role as precious and industrial metal. The 8.0% MoM gain for April captures the industrial demand recovery that accompanied the broader risk-on sentiment. Copper's (1.6%) WoW decline provides a mixed industrial demand signal.

- **Natural Gas:**

- Divergence from oil: Natural gas rose 10.2% WoW to \$2.8/MMBtu but remains down (23.2%) YTD. Henry Hub pricing is driven by domestic US supply-demand dynamics (strong storage builds, healthy production) rather than Hormuz LNG risk, which predominantly affects Asian spot LNG prices and European TTF. The week's bounce likely reflects positioning ahead of summer cooling demand rather than any supply-side catalyst.

- **Copper & Aluminum:**

- Industrial demand signals: Copper fell 1.6% WoW to 593.2 cents/lb after a strong April (+8.5% MoM), as demand destruction concerns from oil-driven inflation and China's Labor Day holiday closure weighed on sentiment. YTD gain of 4.2% reflects intact structural demand from AI data centre buildout, energy transition, and grid infrastructure. Aluminium fell 1.9% WoW to \$3,590.9/metric tonne as spot oil retreated from Thursday's highs, easing the energy-intensive production cost dynamic.

- **Wheat & Sugar:**

- Agricultural commodities firm: Wheat gained 2.7% WoW to 624.5 cents/bushel (up 23.3% YTD), supported by tight supply signals from key export regions and the direct link between Hormuz disruption affecting chemicals and fertiliser feedstocks and agricultural input costs. Sugar surged 7.3% WoW to 15.0 cents/lb, reversing the prior month's (5.1%) decline on Brazil ethanol dynamics and Asian demand signals.

Cryptocurrency

	Week ending >>>				
	24-Apr-26	1-May-26	YTD Returns	Growth for the month	Growth for the week
Crypto					
Bloomberg Crypto Index	2,078.5	2,062.6	(23.2%)	13.0%	(0.8%)
Bitcoin (USD)	77,746.4	77,870.6	(14.5%)	18.0%	0.2%
Ripple	1.4	1.4	(33.9%)	4.5%	(3.9%)
Solana	86.9	83.5	(37.7%)	0.9%	(3.9%)

- **Cryptocurrency:**

- The Bloomberg Crypto Index declined 0.8% WoW to 2,062.6 and remains down 23.2% YTD, with April's recovery stalling after the UAE's OPEC exit triggered a broader risk-off move, reinforcing crypto's sensitivity to liquidity and macro sentiment. Bitcoin rose 0.2% WoW to \$77,870.6 but saw sharp intraweek volatility, with gains reversing post-announcement, indicating lack of sustained momentum despite strong April inflows and expanding institutional participation. The asset remains range-bound between \$74,000 and \$82,000, constrained by elevated real yields and delayed Fed easing expectations. Altcoins underperformed, with Ripple (XRP) and Solana both down 3.9% WoW, reflecting continued weakness in higher-beta segments during risk-off conditions.

Updates in AI sector & Capital Markets over the week

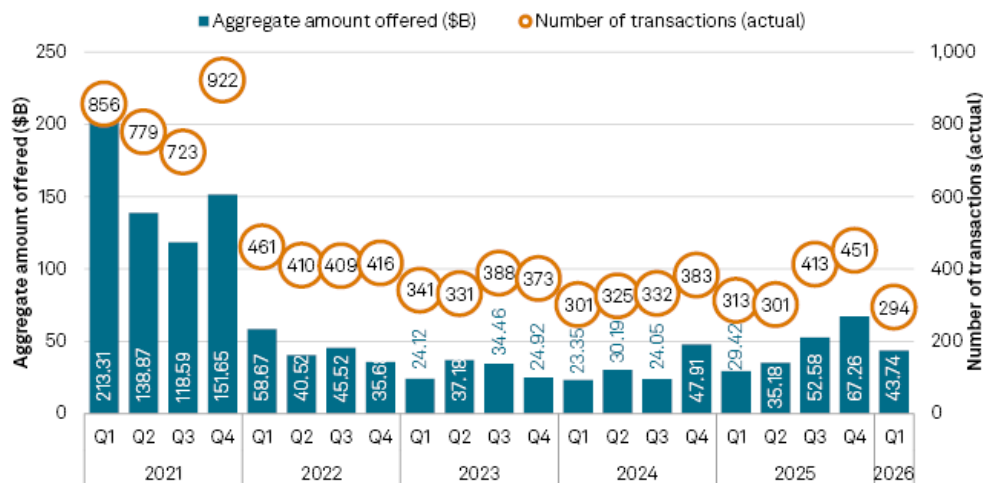
- **SpaceX IPO — Largest in Market History Moves Closer:** SpaceX is advancing IPO discussions, with market expectations on a potential Starlink spin-off rather than a full listing, at an implied valuation of ~\$1.5–2.0tn and a \$50–75bn raise, which would make it the largest IPO on record. Investor interest is anchored in Starlink's scalable, subscription-based revenue model and global satellite footprint, while the broader group's launch dominance and Starship optionality reinforce long-term growth. Its role as a meaningful buyer of compute and network infrastructure also ties it into the ongoing AI capex cycle, positioning it at the intersection of connectivity and AI infrastructure.
- **OpenAI — Revenue and User Growth Miss Raises Structural Questions:** OpenAI missed internal revenue and user growth targets, raising concerns around monetisation and its ability to fund large-scale compute commitments. This triggered a broad sell-off across AI-linked equities and highlights increasing sensitivity of the ecosystem to demand execution rather than just capex expansion.
- **Anthropic — \$900bn Valuation, Compute Expansion, Enterprise Momentum:** Anthropic is targeting a ~\$850–900bn valuation, supported by rapid revenue growth, large compute partnerships with major tech firms, and rising enterprise adoption. Its shift toward consumption-based pricing and committed revenue structures signals increasing confidence in demand durability and competitive positioning.

Geopolitical News & Outlook for the upcoming week

- **US-Iran: War Powers Deadline Passes — Talks Stall:** The May 1 War Powers deadline passed with the administration citing the April 7 ceasefire as sufficient, avoiding reauthorisation. Iran's new proposal triggered a brief oil pullback, but talks remain stalled and the Strait of Hormuz stays effectively closed. Near-term direction hinges on de-escalation versus renewed strikes, with oil sensitive to either outcome.
- **UAE Exits OPEC — Structural Shift in Oil Market Governance:** The UAE's exit from OPEC removes a key producer and reflects a shift toward volume maximisation over price support, weakening cartel cohesion. While near-term supply changes are gradual, the move raises structural risks of policy divergence and higher oil price volatility.
- **Fed Leadership Transition — Warsh Incoming:** Kevin Warsh is set to succeed Jerome Powell, with markets expecting near-term policy continuity but a potentially more hawkish bias over time. Focus remains on incoming labour and services data, with payrolls expected to show a meaningful slowdown.

Chart of the week

Global IPO activity since 2021



US IPO activity diverges from global slowdown:

Global IPO volumes fell to pandemic-era lows in Q1 2026 (294 offerings, \$43.7bn; -35% QoQ) amid Middle East conflict and growth concerns.

In contrast, US issuance increased (80 offerings, +36% QoQ), signaling a selective recovery, while GCC markets saw a sharp collapse and Gulf bank issuance stalled. European banks remained a relative bright spot, with strong debt issuance despite geopolitical spillovers.

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