AUEB Students' Investment & Finance Club

Market Report – Volume 23, April 2026

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Our purpose

AUEB Students' Investment and Finance Club is a non-political and non-profit student initiative, and the first Finance Club amongst Greek Universities, founded in 2013.

It aims to promote the social dimension of Finance, demonstrate the potential positive impact of investments on society, train and inspire its members on different functions of Finance.

For this purpose, we plan and implement innovative activities which are mainly related to:

- Investments and Stock Markets
- Consulting
- The broad universe of finance through activities such as insight days, internships, workshops and involvement in research
- Building a strong network with other European finance clubs and maintain a strong alumni base

Last but not least, we emphasize on the cultural fit of our members, in order to ensure the Club's success, and for this purpose we have established a selection process. Thus, our members are well-rounded and highly motivated individuals with a genuine interest in Finance.

Organizational Structure

General Assembly	Management Board	Audit Committee

- The **General Assembly** consists of the members of the Club as well as honorary members. It is held annually and decides on any matter of the Club.

- The **Management Board** is consisted of 6 members of the Club with one year incumbency. It is elected by the Annual General Assembly and their role is the management of the Club and achieving the objectives of the Club.

- The **Audit Committee** is elected by the Annual General Assembly as well with one year incumbency. Their role is to supervise and monitor the financial management of the Club.

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Global Markets Summary

Foreign Exchange

In April, the "higher-for-longer" dollar rally faced a tactical retreat as geopolitical tensions in the Middle East stabilized, cooling the energy-driven inflation fears that had dominated the previous month. The US Dollar Index (DXY) corrected from its March peak, sliding back toward the 98.06 level as investors rotated into risk-on assets and adjusted to a more balanced Federal Reserve outlook. This softening of the greenback allowed EUR/USD to stage a modest recovery, rebounding from 1.1574 to approximately 1.1732, supported by signs of resilience in European manufacturing despite ongoing high input costs. Similarly, the British pound found a firm floor, with GBP/USD climbing to 1.3605 as the Bank of England hinted at a potential late-summer hike to combat sticky domestic services inflation. The Japanese yen remained the focal point of volatility; after the BoJ's March hawkishness failed to deter speculators, suspected currency intervention near the 162.00 mark pushed USD/JPY back down to settle near 156.58. By month's end, the global market shifted from a state of panic liquidity toward a more discerning evaluation of growth differentials, leaving the dollar structurally firm but no longer unchallenged as the primary driver of price action.

Fixed Income

In April, global fixed income markets remained under intense pressure as the "hawkish hold" narrative deepened, fueled by a worsening energy crisis and increasingly divided central bank committees. The US Treasury market saw the 10-year yield climb further to finish the month at 4.39% after the FOMC held rates steady at 3.50%–3.75%. While the pause was expected, Chair Jerome Powell's final meeting was marked by a surprise dissent for a rate cut and a warning that surging oil prices, with Brent crude eclipsing $120, posed a significant hurdle to disinflation. European sovereign debt also sold off, with Germany's 10-year Bund yield hitting a 15-year high of 3.15% before settling near 3.03% as the ECB maintained its policy stance but revealed internal debates over a potential June hike to counter Eurozone inflation, which climbed to 3.0%. The UK Gilt market experienced a sharp move as the 10-year yield breached the 5.00% psychological barrier, peaking at 5.09% following a split 8–1 Bank of England vote. The hold at 3.75% was undercut by Chief Economist Huw Pill's dissent for an immediate hike to 4.00% amid sticky services inflation. In Asia, Japan's 10-year JGB yield surged to a 29-year high of 2.50% after the Bank of Japan held rates at 0.75% but shocked markets with a massive upward revision of its FY2026 inflation forecast to 2.8% and a record three dissenting votes in favor of a hike. By the end of April, the global bond sell-off reflected a market no longer just fearing "higher-for-longer" rates, but actively pricing in a structural shift toward higher terminal levels across all major economies.

Commodities

April 2026 saw strong volatility across commodities, driven by escalating geopolitical tensions, particularly the intensification of the U.S.–Iran conflict and disruptions in the Strait of Hormuz, a critical global energy chokepoint. Gold posted a slight decline despite a weaker dollar, as higher real yields and the Federal Reserve's steady, higher-for-longer policy stance reduced demand for non-yielding assets, while continued ETF outflows confirmed softer investor interest and weaker safe-haven positioning. In contrast, oil prices surged above $100, reaching multi-year highs, as supply disruptions and heightened risk premiums stemming from Middle East instability fueled inflationary pressures and raised stagflation risks globally. Natural gas declined overall, as weaker Asian demand redirected LNG supply toward Europe, easing short-term price pressures; however, low EU storage levels, persistent import costs, and ongoing geopolitical uncertainty kept the market structurally fragile and highly sensitive to further shocks.

Equities

April 2026 was a strong month for global equity markets, with U.S. indices leading gains as investor sentiment improved and volatility declined. The S&P 500 rose 9.95%, the Nasdaq Composite surged 15.64%, while the Russell 2000 and Dow Jones Industrial Average also posted solid gains, reflecting broader participation across sectors and market caps. Declining energy prices and increased foreign inflows supported a more stable environment, while hedge funds reduced exposure to technology stocks without abandoning their overall overweight positioning, and retail activity highlighted strong risk appetite. In Europe, markets experienced mid-month volatility due to tensions in the Strait of Hormuz, which triggered an eight-day losing streak. However, the reopening of the route led to a recovery that pushed the STOXX Europe 600, DAX, and CAC 40 higher, supported by ETF inflows and gains in the technology sector, while energy and defense stocks saw profit-taking.The FTSE 100 showed resilience with modest gains, supported by energy and mining exposure. Meanwhile, the Athens General Index rose 5.23%, driven by energy and infrastructure stocks, despite weakness in banking and increased late-month volatility.

References: Investing.com, CNBC, Financial Times, Bloomberg,Reuters

Macro Overview

Monetary Policy

In April, global monetary policy remained in a state of high-alert paralysis as the persistent Middle East conflict forced central banks to prioritize inflation control over flagging growth momentum. The Federal Reserve held the federal funds rate steady at 3.50%–3.75% on April 29th, with Chair Powell describing inflation as "misbehaving" due to a surge in Brent crude. However, the emergence of four dissents within the FOMC highlighted a deepening internal divide over whether policy was restrictive enough. The Bank of England followed a similar script, maintaining the Bank Rate at 3.75% via an 8–1 vote, while acknowledging that CPI had climbed to 3.3% and warning that "second-round effects" might necessitate further tightening if wage growth failed to cool. Meanwhile, the European Central Bank held its main refinancing rate at 2.15% on April 30th, striking a cautious balance by noting that while the energy shock weighed on economic sentiment, the risk of unanchored inflation expectations precluded any immediate pivot toward easing. The Bank of Japan provided the month's most aggressive signal. Although it kept its short-term rate at 0.75% on April 28th, a significant 6–3 split and a sharp upward revision of inflation forecasts to 2.8% suggested that a move toward the neutral rate was becoming inevitable. Contrasting this hawkish shift, the People's Bank of China maintained its 3.0% one-year LPR on April 20th, opting for stability to support a 5% GDP expansion while remaining wary of the global energy-led price volatility. By the end of April, the global central banking community was firmly entrenched in a "wait-and-see" stance, tethered to the unpredictable trajectory of the energy crisis and its spillover into core services.

Growth & Inflation

The global economic rift widened in April as the 'energy tax' triggered by Middle East tensions shifted from a temporary shock to a structural burden, pushing many economies toward a stagflationary plateau. In the US, growth momentum showed signs of fatigue as the impact of sustained high rates finally began to dampen consumer discretion. While GDP remained in positive territory, April CPI data spiked to 3.3%, driven by the lag-effect of gasoline prices and persistent shelter costs. The UK's outlook darkened further as headline inflation climbed to 3.3%, effectively erasing the modest wage gains of early 2026 and leaving the economy teetering on the edge of a technical recession as retail sales slumped. This malaise was mirrored in the Eurozone, where harmonized inflation reached 3.0% and industrial sentiment hit a six-month low, as the region's heavy reliance on energy-intensive manufacturing made it particularly vulnerable to the sustained commodity price shock. In Asia, Japan faced a tightening vise of cost-push inflation, with April CPI YoY hitting 1.5% and fueling a significant cost-of-living crisis that overshadowed the BoJ's efforts to stabilize the yen. Conversely, China's growth remained largely insulated by aggressive fiscal stimulus and a pivot toward "new productive forces" in tech and green energy, though the rising cost of raw material imports began to compress industrial profits. Overall, April concluded with the global economy caught in a high-inflation, low-growth trap, as the supply-side shock of March proved more durable than the transitory hopes of earlier in the year.

References: Investing.com, CNBC, Financial Times, Bloomberg, The Washington Post, Reuters

Pair	30/4 Close	MoM	YtD
USD Index	98.06	-1.91%	-0.18%
EUR/USD	1.1732	1.55%	-0.08%
GBP/USD	1.3605	2.87%	0.96%
USD/JPY	156.58	-1.35%	-0.06%
USD/CHF	0.7814	-2.25%	-1.41%

References: Investing.com, CNBC, Financial Times, Bloomberg, The Washington Post, Reuters

EUR/USD

Montly Overview

The EUR/USD pair staged a notable recovery in April 2026, gaining approximately 1.55% over the month. After opening at 1.1553, the pair climbed to a monthly close of 1.1732, effectively reversing the bearish momentum seen in previous weeks. The primary catalyst for this shift was a significant de-escalation in Middle Eastern geopolitical tensions, specifically a two-week ceasefire in the US-Israel conflict with Iran announced on April 7. This breakthrough reduced the aggressive safe-haven demand for the US Dollar that had dominated March's trading sessions. However, the recovery was tempered by divergent central bank stances; while the ECB and Federal Reserve both held interest rates steady during their respective meetings, the underlying economic data continued to paint a complex picture of "sticky" global inflation largely driven by volatile energy costs.

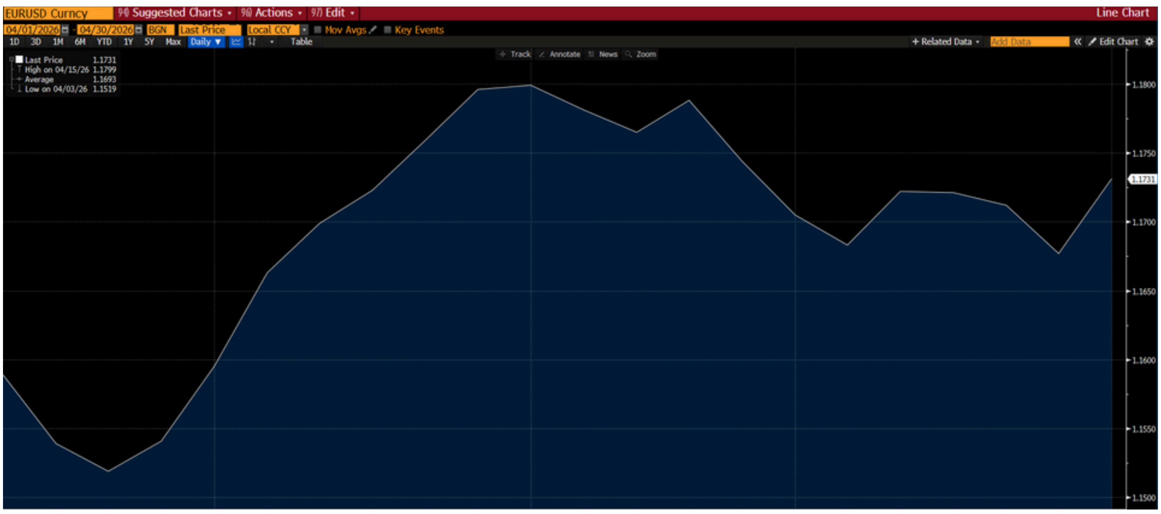
Weekly Breakdown

The month began with EUR/USD under pressure, hitting a monthly low of 1.1509 on April 6 as markets braced for a "final deadline" regarding the Strait of Hormuz. However, the tide turned sharply on April 7 when a ceasefire was announced. The shift in sentiment was accompanied by the US Nonfarm Payrolls (NFP) report, which showed a substantial gain of 178K, significantly exceeding the forecast of 57K and challenging the idea that the US labor market was cooling from its previous highs. This sparked a "risk-on" rally, lifting the pair from its lows to close the week near 1.1720 as the Euro found additional support from rising inflation expectations.

The pair extended its gains in the second week, rallying to 1.1808 by April 15. This move was accelerated by the release of US CPI data, which came in at 3.3%. While still elevated, the figures suggested that US inflation was beginning to plateau rather than accelerate further, allowing the Euro to gain ground. Despite the ceasefire, the "energy shock" from the prior month's infrastructure attacks began filtering into Eurozone data, with national prints in Germany and France confirming a sharp rise in the cost of living. The USD softened as Treasury yields fell, reflecting a market that was starting to price in a less aggressive Fed path.

Volatility subsided in the third week as the pair entered a consolidation phase, trading primarily between 1.1680 and 1.1780. Market participants moved to the sidelines ahead of the back-to-back central bank meetings. Diplomatic efforts in the Middle East continued, but the "peace dividend" for the Euro was offset by a resilient, albeit slowing, US economy. The Eurozone's final HICP (Inflation) reading confirmed the jump to 3.0%, which markets interpreted as a signal that the ECB would be forced to maintain a restrictive stance for a prolonged period, preventing a deeper correction in the pair.

The final week was defined by central bank decisions and growth data. On April 29, the Federal Reserve maintained the federal funds rate at 3.50%–3.75%, with Chair Powell noting that while inflation remained a concern, the central bank was mindful of the slowing growth outlook. This was confirmed the following day by US GDP data, which showed the economy expanded at just 2.0% in Q1. Meanwhile, the ECB held its benchmark deposit rate at 2.0%, but its acknowledgment of "intensified upside risks to inflation" allowed the EUR/USD to capture a final late-month bid. The pair ended April at 1.1732 as the cooling US growth data further weighed on the Greenback.



EUR/USD

References: Yahoo Finance, BBC, TradingView, Euronews

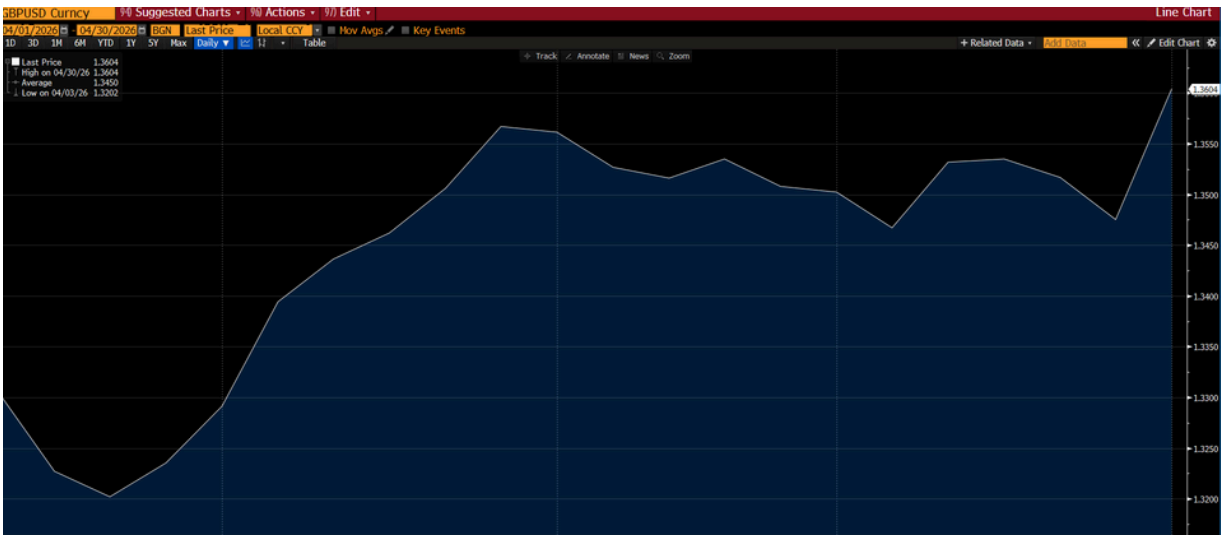
GBP/USD

Montly Overview

The GBP/USD pair experienced a volatile April, opening at 1.3228 and ultimately closing the month up 2.87% at 1.3605. Early in the month, surging US inflation was amplified by a stronger than expected CPI reading on 10 April, which sparked stagflation fears and delayed Federal Reserve cut expectations, eroding Dollar support. This weakness was compounded in the middle of the month when Middle East ceasefire rumors temporarily collapsed safe haven demand. Meanwhile, robust UK economic data dramatically shifted BoE policy pricing from cuts to hikes, driving the pair to a peak of 1.3613. The pair gave back some gains in the final stretch of the month, as escalating maritime tensions in the Strait of Hormuz broke the ceasefire narrative and dragged GBP/USD to 1.3533 on 24 April. The concluding 48 hours of the month featured pivotal consecutive central bank policy decisions. On 29 April, the FOMC maintained rates at 3.50-3.75 percent as Powell confirmed his extended tenure on the Board. On 30 April, a soft BoE rate hold initially pressured the Pound, but weak US growth data fueled a recovery that allowed the pair to close at 1.3605, securing its first decidedly positive month since January.

Weekly Breakdown

GBP/USD saw a quiet open near 1.3228 before a robust 3 April Non-Farm Payrolls release triggered a sharp rally in the Dollar. The US added 178K jobs vs 57K expected, the best print since December 2024, boosted by healthcare workers returning from a strike. GBP/USD fell to 1.3198 before closing flat at 1.3230, as Sterling found no domestic support with UK political risk elevated ahead of the 7 May local elections. Volatility spiked in the second week, where ISM Services prices-paid hit 70.7, the highest since Oct 2022, on Hormuz-driven fuel costs, while Core PCE rose at 3.2%. The centerpiece arrived with the 10 April CPI, which surged +0.9% MoM, the biggest single-month jump since June 2022, as gasoline spiked 21.2%, lifting annual CPI to 3.3% from 2.4%. Core CPI stayed contained at 2.6% YoY. This stagflation read eroded Dollar support, and GBP/USD recovered from 1.3234 to 1.3462 by week-end. The third week proved to be Sterling's best week of the year. US PPI missed sharply (0.5% MoM vs 1.1% exp), while UK retail sales beat at +1.7% YoY (exp. +1.6%). Mid-week ceasefire-talk reports from Islamabad sent oil below $100/bbl and triggered a 1%+ intraday surge in GBP/USD. UK February GDP then printed +0.5% MoM on 16 April, the strongest since January 2024, cementing a BoE hawkish repricing that sent the pair peaking at 1.3601 before settling at 1.3517. However, momentum shifted in the fourth week when Iran attacked three ships in the Strait of Hormuz and seized two, breaking ceasefire optimism and pulling GBP/USD down to 1.3454 on 24 April. Meanwhile, UK CPI landed in-line at 3.3% YoY, and UK retail sales beat at +0.7% MoM on petrol stockpiling. The pair saw a recovery toward 1.3538 into month-end as Iranian FM Araghchi returned to Islamabad and the BoE's Decision Maker Panel showed UK businesses now expect 4% CPI, cementing rate hike expectations. The month concluded with its most event-heavy 48 hours. The FOMC on 29 April held rates at 3.50–3.75% in a dramatic 8-4 split, the most dissents since October 1992. The Fed statement upgraded inflation from 'somewhat elevated' to 'elevated', and Powell confirmed he would stay on the Board of Governors past his 15 May chair expiry due to Trump's ongoing investigation into the Fed. The following day on 30 April, the BoE held rates at 3.75% in an 8-1 vote. Ultimately, Sterling dipped to 1.3455 before recovering to close the month at 1.3605 as weak US Q1 GDP data undercut the Dollar.



GBP/USD

References: Trading Economics, Yahoo Finance

USD/JPY

Montly Overview

April was an extremely volatile month for the USD/JPY pair, opening at 158.79 and trading upward for most of the period to peak at a 21-month high of 160.73 before a sharp late-month reversal. The widening macroeconomic divergence between the hawkish Federal Reserve and a cautious Bank of Japan (BoJ) was the primary driver for this upward price action. Japan's position as a net energy importer added to yen weakness due to the ongoing Middle East crisis driving import costs higher and causing Japan to face stagflationary pressure. The month concluded with a currency intervention by the Japanese government and the BoJ, during the illiquid Golden Week, which sparked a 3% pullback, leaving the pair to close April at 156.50.

Weekly Breakdown

USD/JPY initially traded under pressure due to ongoing Iran conflict, though a robust 3 April Non-Farm Payrolls release, showing 178K jobs added against 57K expected, provided early support for the dollar. Risk sentiment then sharply improved after the April 7 diplomatic breakthrough and temporary ceasefire, which revived the appeal of yen-funded carry trades and further weakened the currency. On April 10 the U.S. inflation report, which showed CPI jumping to 3.3% year-over-year heavily influenced by March's 21.2% spike in gasoline prices, caused an upward momentum while simultaneously leading markets to aggressively price out expectations for near-term Fed rate cuts. Downward pressure on the yen compounded around mid-April when BoJ Governor Kazuo Ueda delivered a dovish speech and cautious remarks during the IMF/G20 meetings. Citing Middle East uncertainty as grounds for delaying further rate hikes, Ueda left the currency highly vulnerable and markets responded by scaling back April rate-hike bets to just 5 basis points. To counter yen weakness, Finance Minister Katayama met U.S. Treasury Secretary Bessent on April 15, reaching an agreement to intensify dialogue on exchange rates. Despite the escalating verbal warnings and the intervention rhetoric of the Japanese authorities, the dollar remained resilient. On April 21 retail sales data from the U.S Census Bureau reported a 1.7% monthly surge, exceeding consensus expectations, indicating that the U.S consumer is capable of withstanding elevated borrowing costs and maintaining a wide U.S. - Japan yield spread. The final trading week brought a decisive breakout. On April 28 the BoJ board held rates at 0.75%, while the Fed maintained a hawkish hold on the 29th. As a result, USD/JPY surged through the 160.00 barrier to reach 160.73. Following this breach, Japanese authorities after having issued a final advisory on the last day of the month, strategically carried out a currency intervention during illiquid Golden Week, by buying yen and selling dollars. This maximized market impact and caused a sharp 3% intraday reversal, with the pair settling near 156.50.

USD/JPY

References: Reuters, Financial Times, Bloomberg, FXToday, DailyFX

USD/CHF

Montly Overview

The USD/CHF pair experienced a volatile consolidation in April 2026, retreating from its opening of 0.7995 to close near 0.7814. The primary driver was a shift from March's aggressive "flight-to-safety" demand toward a more balanced risk environment following a mid-month ceasefire. While the Federal Reserve held rates at 3.50%–3.75%, a divided FOMC and a cooling US GDP (2.0%) weighed on the Greenback. Meanwhile, the SNB maintained its 0% rate, utilizing FX interventions to manage a Swiss Franc supported by rising domestic inflation.

Weekly Breakdown

The month began with USD/CHF retreating from its March highs toward 0.7920. Despite a blockbuster US NFP report of 178K (shattering the 57K forecast), the April 7 ceasefire announcement in the Middle East effectively drained the "war premium" from the Greenback. This sudden shift in global sentiment encouraged a move away from aggressive safe-haven dollar liquidity, allowing the Swiss Franc to stabilize as regional tensions eased and investors recalibrated their risk exposure.

In the second week, the pair met stiff resistance near 0.7980 and failed to break higher. US CPI rose to 3.3% on surging energy costs, but the USD's rally was capped as Swiss domestic manufacturing data showed surprising resilience. This prompted investors to recognize that energy-driven inflation was a global phenomenon, thereby reducing the relative yield advantage of the Dollar and providing a firmer structural floor for the Franc against the Greenback.

Volatility subsided during the third week, with the pair oscillating within a tight range between 0.7790 and 0.7870. As diplomatic efforts continued to show progress, the "peace dividend" weighed on the Greenback's appeal. With the DXY struggling to hold the 100.00 psychological level, market participants moved to the sidelines, carefully balancing the threat of further SNB interventions against the anticipation of the Federal Reserve's upcoming policy meeting and potential shifts in rhetoric.

The final week saw the pair drop toward a close of 0.7814 following the Federal Reserve's rate hold. The policy decision was marked by four notable dissents, signaling significant internal division regarding the "higher-for-longer" path. This central bank uncertainty, coupled with a disappointing US GDP print of 2.0%, triggered consistent late-month selling pressure on the Dollar. The Swiss Franc maintained its defensive strength as the market questioned the sustainability of the US economic outperformance.

USD/CHF

References: Trading Economics, Yahoo Finance

Rates	30/4 Close	MoM	YtD
FED Funds Rate Target	3.50%-3.75%	No Change	No Change
ECB Main Refinancing Operations Rate	2.15%	No Change	No Change
ECB Deposit Facility Rate	2.00%	No Change	No Change
EURIBOR 1M	1.980 %	4.60%	1.38%
USA 3 Month Treasury	3.67%	-0.43%	1.58%
USA 10 Year Treasury Bill	4.390%	1.83%	4.67%
Germany 10 Year Bond	3.029%	0.73%	4.55%
UK 10 Year Gilt	5.030%	2.28%	10.92%
Greece 10 Year Bond	3.838%	-1.18%	10.29%

References: Reuters, Financial Times, Bloomberg, FXToday, DailyFX

Europe

During April, the 10-year Bund yield stood at approximately 2.99% at the start and closed the month at 3.03% on 30 April, a rise of roughly 4 basis points over the trailing four weeks, bringing yields to their highest level since 2011. The move was driven by a combination of persistent inflationary pressure and a hawkish reassessment of ECB policy, with markets moving to fully price in three 25bp rate hikes in 2026 amid the ongoing Middle East crisis. Germany's EU-harmonized CPI rose to 2.9% in April, the highest reading since January 2024 and well above the ECB's 2% target, reinforcing the case for further tightening. On the geopolitical front, stalled US–Iran negotiations and reports that President Trump had ordered preparations for a prolonged US naval blockade of the Strait of Hormuz drove Brent crude to a four-year high, sustaining energy-driven inflation expectations. Both the Fed and the ECB were widely expected to hold rates steady at their late-April meetings, though markets continued to price meaningful additional tightening from the ECB over the remainder of the year. At its 30 April meeting, the ECB Governing Council held the deposit facility rate at 2% in line with consensus, while President Lagarde noted in the press conference that the Council had "debated at length and in depth" a possible hike, a markedly more hawkish tone that left markets pricing the next move on the policy path as a tightening rather than an easing.

In France, the 10-year OAT opened April around 3.67%, near its lowest level since late November 2025, having benefited in February and March from the approval of France's 2026 budget and moved materially higher through the month as geopolitical tensions intensified and the ECB policy outlook shifted hawkish. By mid-April, the OAT yield had risen toward 3.68%, nearing multi-year highs reached in March, before easing briefly below that level on 15 April as investor optimism over potential US–Iran peace talks, with Pakistan offering to host further negotiations, provided temporary relief. That optimism proved short-lived. The Islamabad discussions collapsed, a US naval blockade of the Strait of Hormuz was announced, and the OAT retraced to 3.67% by 16 April. The key drivers of the move were consistent across the month, elevated energy prices feeding into eurozone inflation, an ECB that acknowledged higher energy costs had pushed the eurozone off its baseline economic trajectory, and a market pricing in three ECB rate hikes by year-end. ECB President Lagarde stopped short of signalling immediate rate action but the communication was firmly hawkish. Reinforcing that hawkish read at the front end of the month, France's 2 April auction cleared the benchmark 10-year OAT at 3.70%, materially higher than the 3.46% achieved at the prior tap and underscoring investors' demand for additional yield to absorb new supply against a backdrop of intensifying inflation and geopolitical risk premium.

Italian 10Y Bond Yield

References: Trading Economics, Investing.com, Bloomberg, Reuters

German 10Y Bond Yield

German 2Y Bond Yield

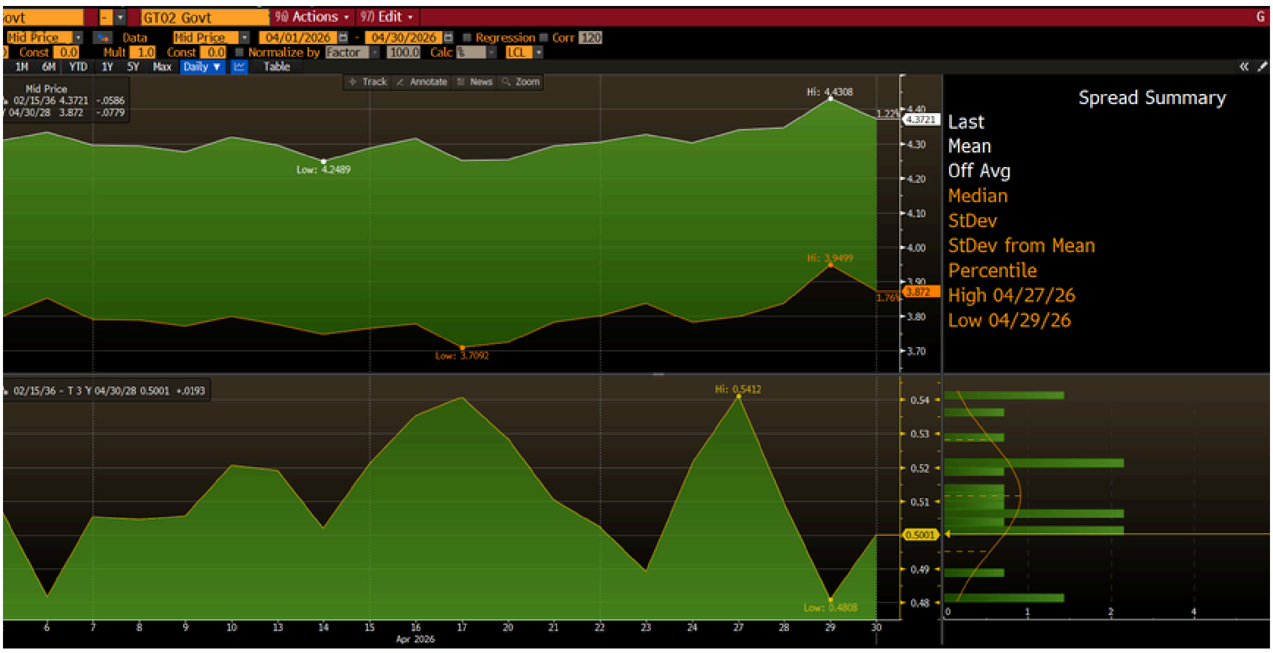
United Kingdom

UK government bonds remained under pronounced pressure throughout April 2026, with the 10- year gilt yield rising to 5.09%, nearing levels last observed during the 2008 financial crisis, while the 30-year benchmark yield traded close to highs last seen in the late 1990s. Although the upward move proved less acute than the dislocation recorded in March, persistent oil price volatility reinforced expectations of further monetary tightening. Coupled with ongoing political uncertainty and structural vulnerabilities within the gilt market, these dynamics continued to sustain UK borrowing costs at elevated levels relative to most Eurozone sovereign issuers, including Greece. The 10-year gilt began the month at 4.79%, initially supported by cautious optimism following indications from US President Donald Trump that Washington could withdraw from Iran "within two or three weeks". However, sentiment deteriorated sharply after renewed threats targeting critical energy infrastructure reignited geopolitical concerns. A temporary two-week ceasefire agreement announced on April 8, alongside the reopening of the Strait of Hormuz briefly eased market tensions and drove the 10-year yield to an intramonth low of 4.67% amid a sharp correction in energy prices. The relief proved short-lived, as renewed Israeli airstrikes in Lebanon and escalating tensions between Tehran and Washington culminated in a renewed blockade of the Strait, reviving fears of a prolonged energy-driven inflation shock. Against this backdrop, investors moderated expectations for aggressive Bank of England tightening, while Governor Andrew Bailey cautioned that it remained premature to fully assess the macroeconomic implications of the conflict, characterizing it as a significant external energy shock whose duration would prove critical for the inflation outlook. Domestic political uncertainty further weighed on gilts following controversy surrounding Peter Mandelson's appointment and allegations of interference in security vetting procedures, intensifying scrutiny of Prime Minister Keir Starmer ahead of the May 7 local elections. Macroeconomic data added to the challenging backdrop, with unemployment unexpectedly declining to 4.9%, while March headline inflation accelerated to 3.3% from 3.0%, largely reflecting higher fuel costs linked to Middle East tensions. Lloyds subsequently revised its UK outlook materially higher for inflation and lower for growth, forecasting 2026 CPI at 3.4%, GDP growth at 0.5%, and no BoE rate cuts this year. Meanwhile, structural pressures within the gilt market persisted, as the UK's average debt maturity declined to 13.4 years at the end of 2025 from 16.5 years in 2016, reflecting the continued retreat of defined benefit pension schemes from the long-dated gilt market and the gradual transfer of demand towards more price-sensitive investors, including hedge funds. The MPC ultimately left rates unchanged at 3.75% on April 30 by an 8-1 vote, although markets continued to price in nearly three 25bp hikes over 2026. The 10- year gilt closed the month at 5.03%, marking a monthly increase of 24bp, while the spread over German Bunds widened to 200bps from 165bps prior to the escalation in Middle East hostilities. Going forward, investor focus is expected to remain centered on inflation and labour market developments, particularly amid ongoing uncertainty surrounding Middle East tensions and global energy prices.

British 10 Year Gilt

USA

During April, U.S. Treasury yields were defined by extreme sensitivity to the shifting diplomatic and military landscape of the war with Iran. The 10-year yield opened the month at 4.31%, following a 37bps surge in March, as investors balanced resilient domestic economic data against the volatile prospects of a Middle East ceasefire. While yields fluctuated between a mid-month low of 4.25% and a late-month peak of 4.42%, the primary driver remained the status of the Strait of Hormuz and its subsequent impact on energy-fueled inflation.
The month began with tentative optimism as President Trump signaled the conflict could conclude within weeks. However, this sentiment soured as Iran denied ceasefire claims, and the US intensified rhetoric targeting Iranian infrastructure. By April 6, the 10-year yield rose to 4.36% as the Strait of Hormuz remained effectively shut, keeping oil prices near 2022 highs. A brief window of relief arrived on April 17, when a 10-day ceasefire between Israel and Lebanon and the temporary reopening of the Strait caused oil prices to tumble over 10%, dragging the 10-year yield down to a one-month low of 4.25%. This relief was short-lived; by April 20, the US Navy's seizure of an Iranian cargo vessel and the collapse of the second round of talks in Islamabad reinstated the risk premium on US debt.
Domestic data continued to print stronger than anticipated, providing a "higher-for-longer" floor for yields. The private sector added 62K jobs in March (ADP), nearly double the 40K forecast. Official Non-Farm Payrolls later revealed a massive 178K jobs added, tripling expectations, while the unemployment rate edged down to 4.3%. March CPI data confirmed fears of a supply shock, rising 0.9% (the largest monthly jump since June 2022) and pushing the annual rate to 3.3%. Core CPI rose more modestly to 2.6%, suggesting the full energy shock had not yet fully permeated underlying prices. Retail sales rose a stronger-than-expected 0.6% in February and continued to beat expectations in March, signaling that US consumption remained robust despite geopolitical headwinds.
The Federal Reserve maintained the fed funds rate in April, but the narrative shifted toward a more hawkish stance. While Chair Jerome Powell initially noted that long-term inflation expectations remained "well-contained," the April 29 FOMC meeting delivered a surprise: the decision was not unanimous, with three members dissenting against language suggesting future rate cuts. This hawkish tilt, combined with the Senate confirmation hearing of Kevin Warsh as the next Fed Chair, who called for a "regime shift" and a reduction in the Fed's balance sheet, pushed the 10-year yield to a monthly high of 4.42%.
By the end of April, the market had largely priced out the possibility of rate cuts for 2026, with some traders even pricing in a one-in-three chance of a rate hike by early 2027. The 10-year yield closed the month at 4.39%, reflecting a market braced for a prolonged naval blockade and an "inflationary spiral" fueled by $90+ oil prices and a resilient US labor market.



US 10 Year Bond Yield and 10Y-2Y Spread **References:** Reuters, Financial Times, Bloomberg, FXToday, DailyFX

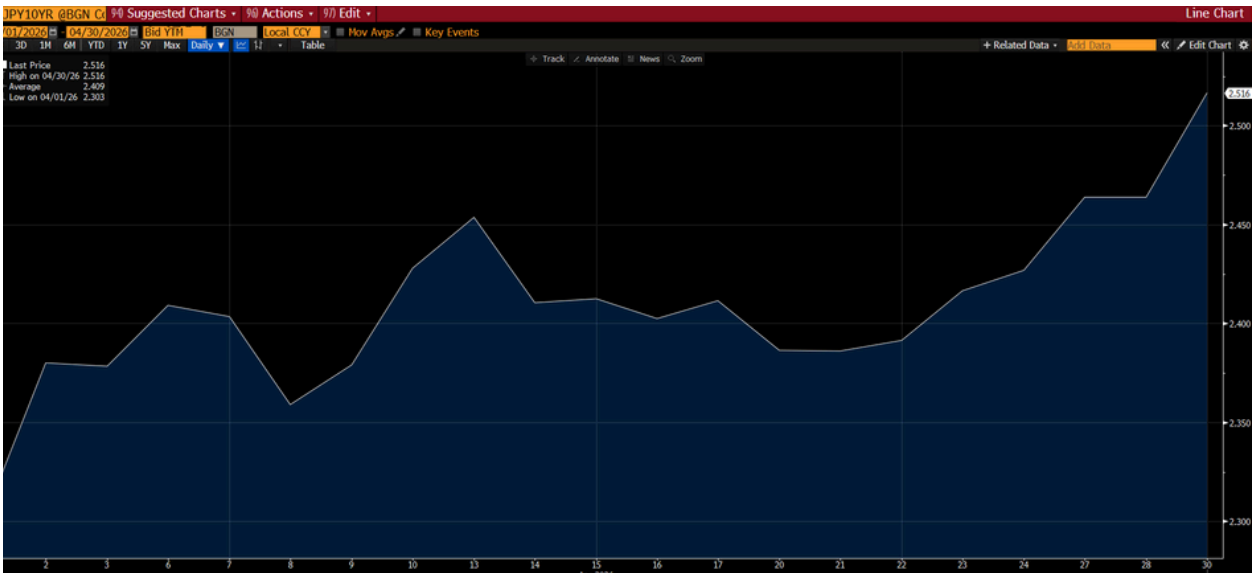
Asia

China

April saw Chinese bond prices rise, with yields falling across the curve as a sign of domestic slowdown. The 10-year yield began the month at 1.818% and fell to an eight-month low of 1.73% on April 22, ending April at 1.749%. This reflected stronger demand for government bonds, as investors became more concerned about the fragile state of China's economy. Specifically, CPI contracted 1.0% from the previous month, pointing to renewed deflationary pressures and reducing concerns about near term inflation risk, a supportive backdrop for fixed income markets. Retail sales growth also remained weak at 1.7% and unemployment reached a 13-month high, adding to the evidence that household demand was still under strain. Taken together, the likelihood that monetary conditions would remain loose increased, supporting bond prices. Although GDP was resilient, recording growth of 5.0% in Q1, the bond market appeared to focus more on consumption data and labor market weakness than on the headline growth figure. In this context, the People's Bank of China maintained an accommodative liquidity stance, with overnight rates near their lowest since 2023. The PBoC also left its Loan Prime Rates unchanged for the eleventh consecutive month on April 20, keeping the one- year LPR at 3.00% and five-year LPR at 3.50%. While the absence of a rate cut limited expectations of immediate easing, the loose liquidity environment continued to support bond prices. Additionally, heightened risk aversion increased demand for fixed income exposure due to volatility in energy prices caused by the Middle East conflict and tariff uncertainty, resulting in yields being pressured down. Notably, this month included a CNY 85 billion 30-year bond issuance, the largest since 2007, that despite the additional supply it created, did not push yields higher and was well absorbed by the market. This was evidenced by the 30-10 yield spread, remaining near two-month lows, suggesting that long-end demand stayed firm.

Japan

Japanese government bond yields rose over the month, with the 10-year opening April at 2.355% and closing at 2.517%, having touched a near three- decade high of 2.517% on April 30. Yields reflected rising inflationary pressures, as the CPI for March registered another monthly increase of 0.4%, resulting in an annual rate of 1.5%. Although government energy subsidies helped limit the overall index from climbing higher, elevated oil prices following the Middle East conflict continued to create upside risk to inflation. This inflation backdrop increased the compensation required for holding JGBs, especially as higher energy prices threatened to sustain price pressures. From the production side, manufacturing activity strengthened, with the PMI rising to 55.1, as firms increased production amid concerns over potential supply shortages. The stronger PMI also reduced the urgency for monetary support, giving the BoJ more room to maintain a cautious but less dovish stance. At its April 28 meeting, the Bank of Japan maintained its policy rate at 0.75%, despite internal dissent calling for an immediate hike to 1%. The central bank also revised its inflation forecast upward to 2.8% while cutting its FY2026 growth outlook to 0.5%. This highlighted the difficult policy balance between persistent inflation pressures and weaker growth prospects. Overall, yields are expected to remain under upward pressure regardless of the policy path ahead. A rate hike would directly weigh on bond prices, while inaction risks further yen depreciation, worsening imported inflation and requiring a higher inflation premium from investors.



Japanese 10Y Bond

References: Reuters, Yahoo Finance, CNBC

Commodity	30/04 Close	MoM	YtD
Bloomberg Commodity Index	USD 140.51	4.42%	28.31%
Gold Continuous Cont	USD 4,629.60	-1.46%	6.67%
Crude WTI Continuous Cont	USD 105.07	3.29%	83.02%
Crude Brent Continuous Cont	USD 110.40	6.53%	81.40%
Natural Gas TTF Continuous	EUR 46.013	-3.35%	61.56%

References: Reuters, Financial Times, Bloomberg, FXToday, DailyFX

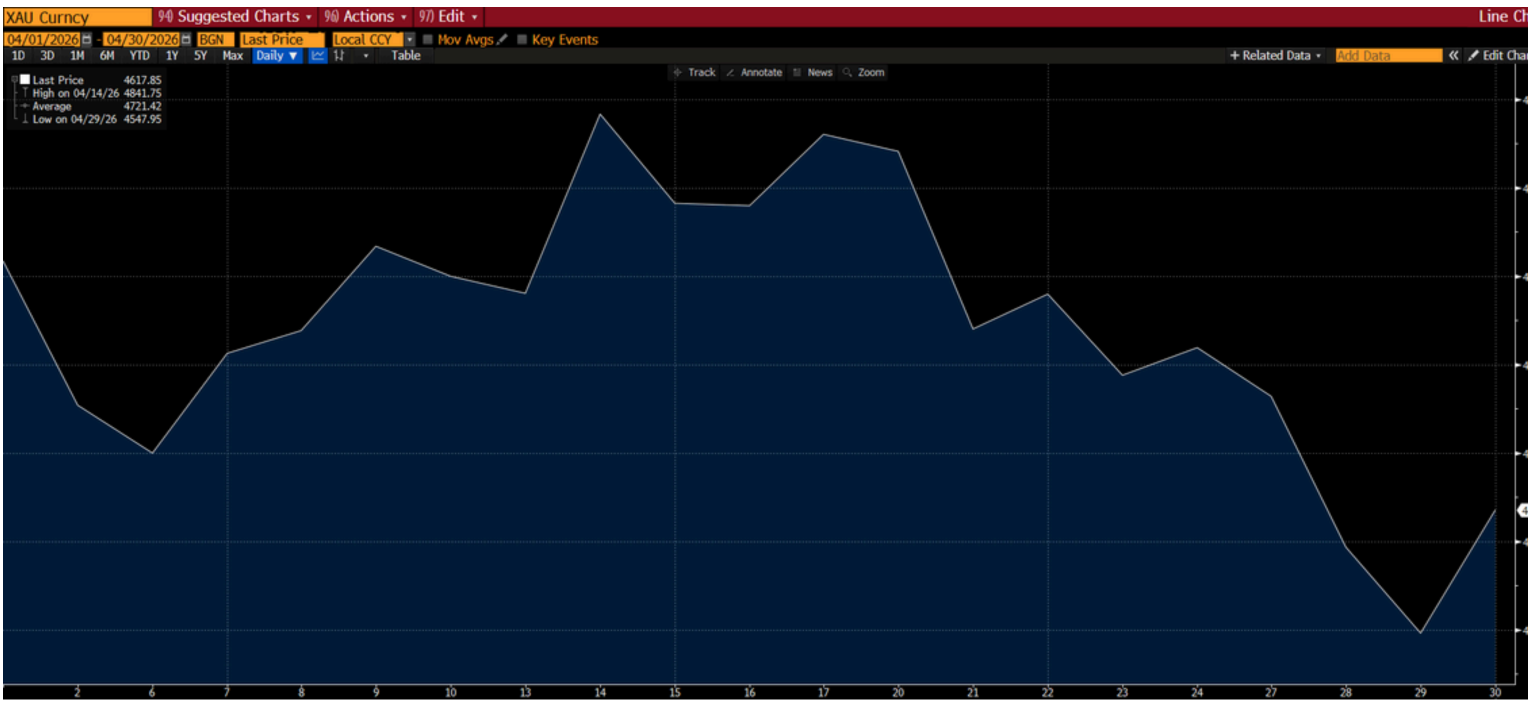
Gold (1M Future Contract)

Monthly Overview

In April 2026, gold saw a technical correction, trading between $4,540.20 and $4,917.70 to close down 0.69% after February's highs. Despite initial gains, intense volatility and late-month selling pressure confirmed by candlestick patterns prevailed. Key drivers included the Middle East ceasefire and the U.S. seizure of the Strait of Hormuz, alongside an unusual positive correlation where oil topped $100 while indices and metals also rose. Although the DXY fell 1.77%, gold declined as rising real yields (signaling economic slowdown) and the FOMC's decision to hold rates steady due to war-driven inflation dampened demand. Consequently, GLD and IAU ETFs saw liquidations, though the PBoC continued physical gold purchases. Technically, gold has been facing a downtrend, trading below both the 50-day and 100-day EMAs, however, in recent days, it has been trading close to the 50-day EMA, suggesting that a break above this level could trigger a bullish reversal.

Weekly Breakdown

In April 2026, gold exhibited high volatility and a corrective trend, opening the first week at $4,698.40 and closing at $4,679.70 with a high of $4,825.70, influenced by NFP data (178K) and a 4.3% unemployment rate. During the second week, the metal opened at $4,675.00 and closed at $4,787.40 (+2.30%, high of $4,888.00), as YoY inflation at +3.3% and QoQ GDP at 0.5% lower than estimates confirmed that the Fed would not cut rates (FedWatch probability near zero), while the ECB held rates steady and a US-Iran ceasefire was agreed; simultaneously, gold saw a corrective rebound from the previous month's 10.85% drop caused by the Middle East crisis, when capital had rotated into the US 10Y (+9.37%). In the third week, it traded between $4,626.00–$4,917.70, closing at $4,879.60 (+1.93%), as the US seizure of the Strait of Hormuz failed to alarm markets, while diplomatic peace talks and the policy stance of future Fed Chair Kevin Warsh directed investors toward equities and risk assets (S&P 500 +4.54%). The fourth week saw a range of $4,672.20–$4,854.80, closing at $4,740.90 (-2.84%) in a corrective move following three bullish weeks, as the extended ceasefire and rising bond yields bolstered risk-on sentiment at gold's expense. During the final week, gold traded between $4,540.20–$4,745.80, ending the month at $4,661.40 (-1.68%), as the Fed kept rates at 3.50%–3.75% for the third consecutive time, prompting investors to price in a potential hike over a cut and seek assets with more certain yields. Technically, COMEX open interest rose to 260.06k from the previous month's lows, yet gold failed to breach the psychological resistance of $4,950–$5,000, leading to downward pressure, notably the monthly support (~$4,550) formed higher than the previous month's support on the daily interval, foreshadowing a potential bullish move.



Gold

Crude Oil (WTI & Brent Crude 1M Future Contract)

Monthly OverviewIn

April 2026, global energy markets were significantly transformed by an intense supply squeeze, pushing Brent crude to a wartime peak above $110 per barrel and lifting WTI past the $105 threshold at the end of the month. The month's trajectory was predominantly driven by the escalating U.S.-Iran military confrontation and the ensuing commercial gridlock within the Strait of Hormuz, which severely choked global transit routes. While mid-month diplomatic negotiations in Islamabad offered a breathing spell that pulled benchmarks marginally lower, this relief evaporated as maritime attacks intensified and the IEA verified an unprecedented 10.1 million barrel-per-day loss. Compounding the regional instability, the UAE's unexpected departure from OPEC fractured traditional cartel dynamics, incentivizing nations like China to secure vital energy flows through aggressive spot purchases of Russian ESPO crude. The resulting inflationary ripple effect —evidenced by surging petrochemical costs, record Saudi light premiums, and a 0.9% monthly jump in the U.S. CPI— completely eclipsed previous expectations of a softer economic landing. Consequently, this relentless pricing pressure deteriorated market psychology across broader asset classes. It forced the Federal Reserve into a highly contentious policy hold (marked by four dissenting votes), while simultaneously pushing European and Asian economies, such as France and Japan, into immediate stagflationary risks.

Weekly Breakdown

During the first trading week of April, Crude Oil prices surged as the closure of the Strait of Hormuz caused a historic supply disruption of 15 million barrels per day. This physical market paralysis, combined with global stagflation warnings, pushed Brent to $109.27 and WTI to $112.95, triggering a rare price inversion and record Saudi hikes. In the second week, prices briefly dipped below $95 following reports of diplomatic talks in Islamabad. However, the IEA confirmed a record disruption of 10.1 million bpd for March, maintaining a firm floor under prices. Market volatility remained high as the U.S. expanded its naval blockade, sending U.S. diesel prices to a record $5.52 per gallon. By the third week, Brent reached $98.48 as peace talks in Islamabad stalled, keeping heavy geopolitical risk premiums embedded in the market. The IEA highlighted the severity of the crisis, noting a cumulative global supply loss of 500 million barrels since the conflict began. In the final week of April, prices spiked violently again, with Brent surging to $109.93. This rally was fueled by President Trump's commitment to continue the blockade until a nuclear deal is reached, alongside the UAE's sudden departure from OPEC. This shift fundamentally altered the regional landscape, allowing China to position itself as a key partner for remaining Gulf producers.

Crude Oil

Natural Gas - Dutch TTF

Monthly Overview

Dutch TTF natural gas opened April at EUR 47.606/MWh on April 1, hit a monthly high of EUR 53.241/MWh on April 7, and closed the month at EUR 46.03/MWh on April 29, down 7.4% from March’s close of EUR 50.638/MWh.[1] The monthly low of EUR 38.400/MWh was struck intraday on April 17. Three forces defined the month: the Strait of Hormuz closure and severe damage to Qatar’s Ras Laffan gas infrastructure, a sharp bout of Chinese and wider Asian LNG demand destruction that freed cargoes for Europe, and a worsening eurozone macro backdrop that lifted inflation while weakening growth. The EU ended the month with storage at 31.75% full versus 38.42% a year earlier, while the European Commission said the region had spent an extra EUR 27 billion on energy imports since the conflict began in late February.

Weekly Breakdown

TTF opened the month at EUR 47.606/MWh and rose above EUR 50/MWh by April 2 as the market focused on the Hormuz closure and strikes at Ras Laffan. S&P Global maintained its 2026 TTF assumption at USD 18/mmBtu, despite elevated early April prices. The benchmark hit a monthly high of EUR 53.241/MWh on April 7 due to blockade fears, but dropped to EUR 43.576/MWh by April 10 following ceasefire news and QatarEnergy's efforts to resume production. Despite this, EU storage remained critically low at 28.8% entering the injection season. A weaker phase followed, with TTF falling to EUR 38.787 by April 17 after Iran claimed the Strait of Hormuz was open. This correction was aided by weak spring demand and China cutting April LNG purchases by 1.3 million tonnes. However, prices recovered to EUR 44.882/MWh by April 24 as peace talks stalled. Bernstein warned that Europe was losing the bidding war for U.S. LNG to Asia, suggesting a further 40–50% price increase might be needed to compete. Technip Energies also delayed revenue expectations due to regional disruptions, while QatarEnergy's record sulphur prices signaled heavy physical damage. By April 27, TTF eased to EUR 43.75/MWh on news of a potential Iranian compromise, but rebounded as negotiations failed. The benchmark traded around EUR 45.26/MWh before closing the month at EUR 46.876/MWh. While one tanker successfully crossed Hormuz, analysts remained cautious about normal transit. Economically, Eurozone growth slowed to 0.1% with 3.0% inflation. While BASF secured long-term U.S. LNG supplies to bypass spot markets, ING warned that a wider Asian premium could make the 2026/27 storage refill season extremely difficult.

Natural Gas

Index	30/4 Close	MoM	YtD
S&P 500	7,209.01	9.95%	4,48%
NASDAQ 100	27,452.12	15.64%	8.91%
DJIA	49,652.14	7.02%	3.21%
FTSE 100	10,378.82	2.00%	+4.51%
DAX	24,292.38	4.14%	-0.85%
CAC 40	8,114.84	1.37%	-0.15%
STOXX 600	611.28	3.82%	3.20%
ATHEX GD	2,188.68	5.23%	2.64%
HANG SENG	25,776.53	1.65%	0.23%
NIKKEI 225	59,284.92	14.10%	16.22%

References: Investing.com, CNBC, Financial Times, Bloomberg, The Washington Post, Reuters

American Market - Indices

Monthly Overview

U.S. equities recorded a notable strengthening in April, with all major indices delivering broad-based positive returns. The S&P 500 rose by +9.95%, the Nasdaq by +15.64%, the Russell 2000 by +11.44%, and the Dow Jones by +7.02%, reflecting a gradual improvement in investor sentiment and a more stable geopolitical backdrop. The decline in energy prices and the reduction in volatility contributed to a more orderly trading environment, while the market exhibited a meaningful broadening in sector and market-cap participation. Foreign inflows increased significantly, as international portfolios expanded their exposure to U.S. assets following the restoration of stability across markets. Hedge funds executed one of the sharpest reductions in U.S. Information Technology exposure since July 2024, driven by broad profit-taking across mega-cap and AI linked names that had significantly outperformed year to date. Despite the trimming, aggregate gross exposure to U.S. tech remained elevated at 20.6%, a level higher than roughly 92% of historical observations, indicating that managers reduced risk without abandoning their structural overweight. Repo financing reached a record $3.4 trillion, reflecting increased leverage deployment across long/short strategies and strong demand for liquidity. Retail participation also increased meaningfully, with trading volumes in the 3x leveraged long semiconductor ETF (SOXL) exceeding 99% of all observations over the past five years. The surge in leveraged semiconductor flows underscored the strength of the month's risk appetite and added to the constructive tone across equity markets.

Weekly Overview

U.S. equities opened April with modest gains, as the S&P 500 +0.11%, Nasdaq +0.70%, Dow Jones +0.22%, and Russell 2000 +0.70% advanced on improving macro sentiment. Markets reacted positively to the ISM Manufacturing Index returning to expansion for the first time since 2022, signaling renewed momentum in U.S. industrial activity. In the second week, equities accelerated sharply, with the S&P 500 up 3.56%, the Nasdaq up 4.68%, the Dow up 3.04%, and the Russell 2000 up 3.97%. The rally was supported by a softer-than-expected core CPI print and strong Q1 results from major U.S. banks, which highlighted resilient credit quality and solid consumer spending. The third week delivered the strongest performance of the month, with the Nasdaq surging 6.87%, the Russell 2000 gaining 5.56%, the S&P 500 rising 4.54%, and the Dow advancing 3.19%. Mega-cap technology earnings significantly exceeded expectations, with cloud and AI-related revenue growth driving a sharp upward revision in capital expenditure plans across the sector. In the fourth week, markets stabilized, with the S&P 500 up 0.80%, the Nasdaq up 1.50%, the Russell 2000 up 0.36%, while the Dow slipped 0.44%. The Fed's Beige Book pointed to persistent wage pressures in services, while a rally in crude oil to monthly highs revived concerns about inflation persistence. In the final week of April, equities posted only modest gains, with the S&P 500 up 0.64%, the Dow 0.89%, the Russell 2000 0.85%, and the Nasdaq 0.22%. Market sentiment was supported by improving corporate guidance across industrial and consumer sectors, which helped broaden participation beyond mega-cap technology. Overall, April marked a constructive month for U.S. equities, with strong earnings momentum in technology, easing inflation signals early in the month, and a gradual improvement in macro visibility supporting a shift toward risk-on positioning.

References: Investing.com, CNBC, Financial Times, Bloomberg, The Washington Post, Reuters

American Market – Indices

INDU Index

SPX Index

NDX Index

European Market - Indices

Monthly Overview

The optimism that April started with, was tested at the mid of the month as great volatility appeared, with a sharp drop and a quick recovery. The downward trend was caused by the naval blockade and the rising tensions in the Strait of Hormuz leading to an eight-day losing streak that pushed the indexes to their lowest points of the month. However the reopening of the Strait of Hormuz was a major turning point and a strong move by investors into safer stocks allowed the markets to bounce back by the end of the month. As a result, the STOXX 600 closed at 611.28, which is 3.82% higher than its April 1st opening of 596. Similarly, Germany's DAX and France's CAC 40 rose by 4.14% and 1.37% from their starting prices. The total increase of the market was driven by a total monthly inflow of $12 billion into European Equity ETFs. The technology sector had the biggest gains, with €586.50 million in new money flowing in, while the Banking sector stayed strong by keeping the $1.2 billion it gained at the start of the month. On the other hand, Energy and Defense, which were popular during the height of the crisis, saw investors selling off to lock in their profits once things settled down. This resulted in €252.19 million leaving the Energy sector by the end of the month, and Defense stocks saw a price drop of about 9% as the outflows kept rising.

Weekly Overview

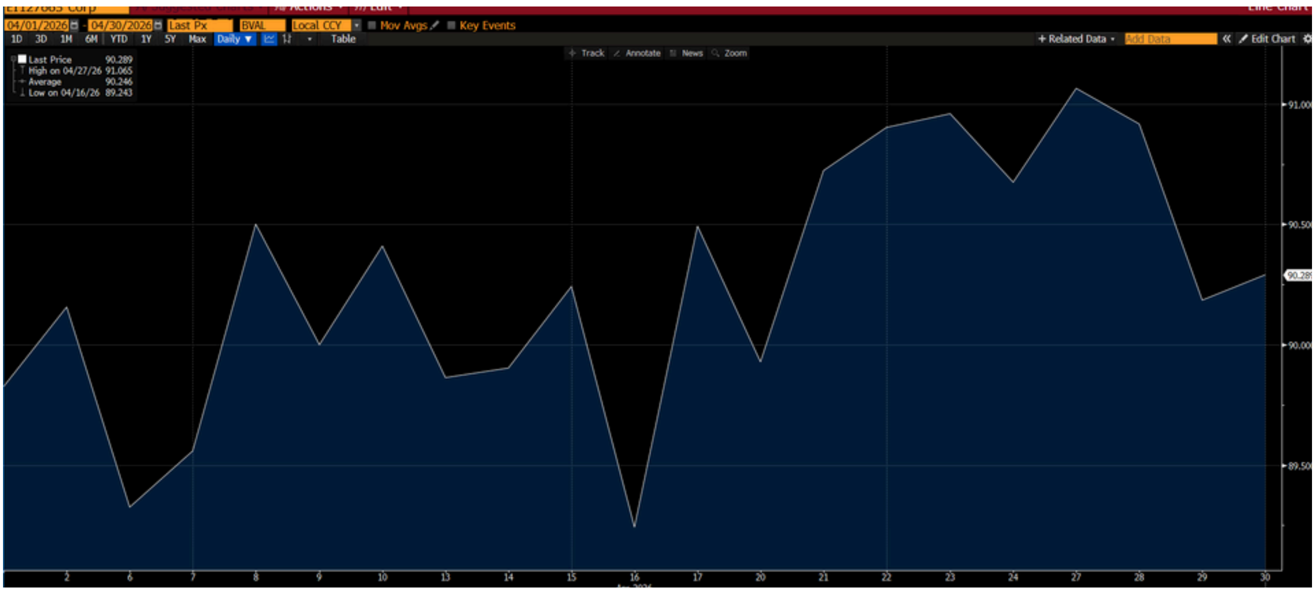
European equities had a strong open in April recouping a significant portion of March's losses, with STOXX 600 recording its strongest daily performance of the year (+2.49%) on April 1st. Net inflows of $1.2bn flowed into ETFs, concentrated in the banking via EXV 1 and industrial sectors, as investors abandoned their cash positions and rotated into cyclical sectors to capitalize on the relief rally. By the end of the week STOXX 600 was up 3.9% outperforming US markets amid rising volatility. Building on that momentum, week two transitioned into a breakout phase. The DAX 40 initially extended its gains to 23,180 and hitting a week high of 24,080, the CAC 40 breached 8,200 and the STOXX 600 surpassed 612. This acceleration was underpinned by €289 million in combined inflows to the industrial and material sectors (via EXV6) which, alongside a violent short squeeze triggered by the reduced tension in the Strait of Hormuz, drove a +2.1% sector rally as investors found a fundamental justification to increase their exposure to European equities. In the third week the rise continued and peaked with an explosion at Friday 17th as the DAX 40 rose 2.27% to close at 24,702, the CAC 40 reached 8,425 and STOXX 600 approached again the February all time high closing at 626 as the market returned to risk-on sentiment. All these were driven by broad market repositioning where uncertainty was overcome as 586 millions flowed into technology (EXV3) and a combined 290 millions in materials (EXV6) and industry (EXV5) that was reallocated from energy outflows of 252 millions (EXV11) because of the official reopening of the Strait of Hormuz. The following week of April was characterized by a correctional retreat as the monthly target got hit and the gains had to be locked in. Indexes were gradually losing, STOXX 600 closed at 610 and DAX 40 at 24,128 with 118 millions flowing out of energy (EXV11) representing a strategic cool-off, waiting for the shipping lanes to be fully cleared and insured for regular trade.

References: Investing.com, CNBC, Financial Times, Bloomberg, The Washington Post, Reuters

European Market – Indices

DAX Index

SXXP Index



CAC Index

United Kingdom-Indices

Monthly Overview

April was defined by the volatile aftermath of the March energy supply shock. Despite the volatility, the FTSE 100 demonstrated relative resilience by ending up 2% for the month. Market dynamics were governed by two competing forces. We saw an initial relief rally sparked by news of a conditional US-Iran ceasefire however, conditions quickly deteriorated as that agreement began to unravel. With the US maintaining its naval blockade of Iranian ports, crude oil prices surged to new four-year highs. Ultimately, what saved the index from a steeper drop was its composition, the FTSE 100's energy, mining, and defense sectors provided structural support, counteracting part of the decline in stocks tied to the national economy.

Weekly Overview

During the first week of the month, the FTSE 100 snapped back hard from late-March turbulence, climbing roughly 2.57% from an opening of 10,174.94 to close at 10,436.29 on Thursday April 2. The rally was supported by easing oil prices and optimism around potential US–Iran de-escalation . Mining, travel and housebuilding names did the lifting, while energy heavyweights handed back part of their March outperformance as oil pulled lower. The following week, Pakistan brokered a two-week US–Iran truce late on April 7, and the index ripped 2.49% on April 8 to close at 10,608.88 — its single strongest session of the year. Antofagasta, Fresnillo, Rolls-Royce, easyJet and IAG all printed near double-digit moves intraday, while BP and Shell slid 7–8% as Brent dropped back under $94. By Friday April 10 the index sat 1.57% higher at 10,600.53. The third week opened on the back foot. Centcom rolled out its naval blockade of Iranian ports on April 13 and briefly knocked sentiment. An Israel-Lebanon ten-day cessation of hostilities took effect on April 16, and a busy UK earnings slate gave traders fresh material. Tesco set the tone for retail, while the Big Five UK banks moved into focus ahead of a combined Q1 pre-tax profit haul of close to £16 billion. The FTSE 100 added 0.63% to 10,667.63, putting February's record around 10,910 back in sight. The fourth week broke the rally. The index gave up 2.70% to close at 10,379.08 on April 24, erasing most of the gains in a few sessions. Brent pushed back above $100 as Iran tightened its grip on the Strait of Hormuz and refused to reopen the waterway until Washington pulled its blockade. Travel, retail and financials all came under pressure. During the final stretch, a six-session losing streak snapped on April 28 when BP's Q1 profit came in at $3.3 billion, more than double the year-ago figure, sending energy higher: BP +3.1%, Shell +2.3%, Tullow +12%. Lloyds delivered a 33% jump in Q1 earnings on stronger lending income, Standard Chartered printed a record, Rolls-Royce ran close to 8% on a solid outlook, and Unilever added 2% on stronger emerging-market sales. The FTSE 100 closed April at 10,378.82, up 2% but the headline number masked a busy month underneath.a busy month underneath.

References: Investing.com, CNBC, Financial Times, Bloomberg, The Washington Post, Reuters

UKX Index

MCX Index

Asian Markets-Indices

Monthly Overview

April 2026 marked a powerful rebound for Asian equity markets, driven by the U.S.–Iran ceasefire on April 8, which reopened the Strait of Hormuz and reversed the prior energy shock. The collapse in oil prices restored risk appetite and triggered a broad rally across the region. South Korea led the surge, with the KOSPI jumping 31%, as lower energy costs eased pressure on its import-heavy economy, while the iShares MSCI South Korea ETF (EWY) reached new highs supported by strong fundamentals and export growth. In Japan, the Nikkei 225 hit a record high, with yen appreciation boosting returns for unhedged positions and allowing the iShares MSCI Japan ETF (EWJ) to outperform the WisdomTree Japan Hedged Equity Fund (DXJ). China saw more moderate gains, as the iShares China Large-Cap ETF (FXI) outperformed the Xtrackers Harvest CSI 300 China A-Shares ETF (ASHR), reflecting continued divergence between offshore and domestic markets.Toward the end of the month, renewed geopolitical uncertainty reintroduced volatility, highlighting the fragility of the recovery. Overall, April confirmed the high sensitivity of Asian markets to energy dynamics, with South Korea acting as the highest-beta market, while China maintained relative stability due to policy support.

Weekly Overview

April 2026 was one of the most event-driven months for Asian equities in recent years, dominated almost entirely by geopolitical developments surrounding the Strait of Hormuz. Markets swung sharply between risk-off and relief phases, as oil prices and sentiment reacted directly to war headlines and ceasefire developments. The month began with heavy volatility, as escalating conflict and Houthi involvement triggered sharp sell-offs, particularly in energy-sensitive economies like South Korea and Japan. However, early diplomatic signals quickly reversed sentiment, leading to one of the strongest single-day rallies in years. The pivotal moment came on April 8, when a ceasefire announcement caused oil prices to collapse sharply, triggering a synchronized rally across all major Asian markets. This marked the turning point of the month, with equities shifting from crisis pricing to recovery mode. South Korea emerged as the top performer, with the KOSPI surging around 31% for the month, nearly reversing March's losses. The rally was fueled by falling energy costs, strong export data, and heavy institutional inflows. Japan also delivered exceptional performance, with the Nikkei 225 surpassing 60,000 for the first time, supported by improving industrial activity, export growth, and stronger domestic fundamentals. China participated in the rally but with more moderate gains, as the CSI 300 and offshore markets showed resilience but lagged higher-beta peers. This reflected China's role as a more defensive allocation. Throughout mid-April, markets began to balance geopolitics with fundamentals, as strong GDP data, corporate earnings, and AI-related investments supported valuations across the region. However, volatility persisted, with markets reacting quickly to any signs of ceasefire instability, tanker seizures, or renewed tensions. Intraday swings became common even as indices approached record highs. Late in the month, both Korea and Japan reached historic peaks, reflecting strong momentum and sustained inflows. At the same time, profit-taking and renewed oil price pressures introduced caution into the market. Currency dynamics also played a role, as yen strength shifted performance in favor of unhedged Japanese equity exposure, highlighting the importance of FX positioning. Australia underperformed relative to the region, as higher energy costs and structural exposure to commodities limited its upside during the rally. Overall, April demonstrated that Asian equity performance is highly sensitive to energy markets and geopolitical developments, with the Strait of Hormuz acting as the primary driver of short-term direction. The month ended with strong gains across most indices, but also with lingering uncertainty, as unresolved tensions and rising oil prices posed risks heading into May.

References: Investing.com, CNBC, Financial Times, Bloomberg, The Washington Post, Reuters

NKY Index

HSI Index

AUEB Students' Investment & Finance Club

Greek Market

Macroeconomic Environment

The Greek economy in April 2026 maintained its structural resilience, though the lingering effects of March's geopolitical shock continued to influence price stability and labor dynamics. The manufacturing sector remained a bright spot, although momentum softened slightly, with the S&P Global Greece Manufacturing PMI easing to 52.4 in April from 54.5 in March. While still comfortably above the 50 threshold—indicating continued expansion—the decline suggests that Greek factories experienced some moderation in growth following the stronger performance seen in the previous month. This resilience was supported by a steady flow of new orders and a continued increase in production requirements, even as the sector began to absorb the impact of earlier energy supply disruptions.

Inflationary pressures, however, remained a primary concern. Following the surge in energy costs, headline inflation climbed further to 3.9% in March (up from 2.7% in February). This acceleration was almost entirely energy-led, as global volatility kept fuel and electricity prices elevated. In contrast, core inflation showed signs of cooling, decelerating to 3.1%. This divergence suggests that while the "cost-push" shock from energy is hitting consumers, underlying domestic demand-side pressures are beginning to ease, providing a slightly more optimistic medium-term outlook for the ECB's disinflationary path.

The labor market faced a slight seasonal setback as the unemployment rate rose to 9.0% in March , up from the revised 8.6% in February. This 9-month high was largely attributed to shifts in the service sector and a temporary cooling in hiring as businesses assessed the impact of higher input costs. Despite this uptick, the total number of employed persons remained stable at over 4.4 million, reflecting a far more robust employment landscape than seen in previous years.

Fiscal performance continued to be the standout feature of the Greek macroeconomic story. Provisional data for the first quarter of 2026 revealed a massive state budget primary surplus of €4.37 billion, significantly exceeding the target of €2.73 billion. This €1.6 billion overperformance was driven by exceptionally strong tax revenues and strategic inflows from the Public Investment Program, as well as revenue from major concessions like the Egnatia Odos motorway. With the debt-to-GDP ratio now on a firm trajectory to fall to 137.6% by 2026, Greece continues to lead the Eurozone in fiscal consolidation, solidifying its position as a stable destination for international capital despite the volatile regional environment.

Greek Sovereign Bonds

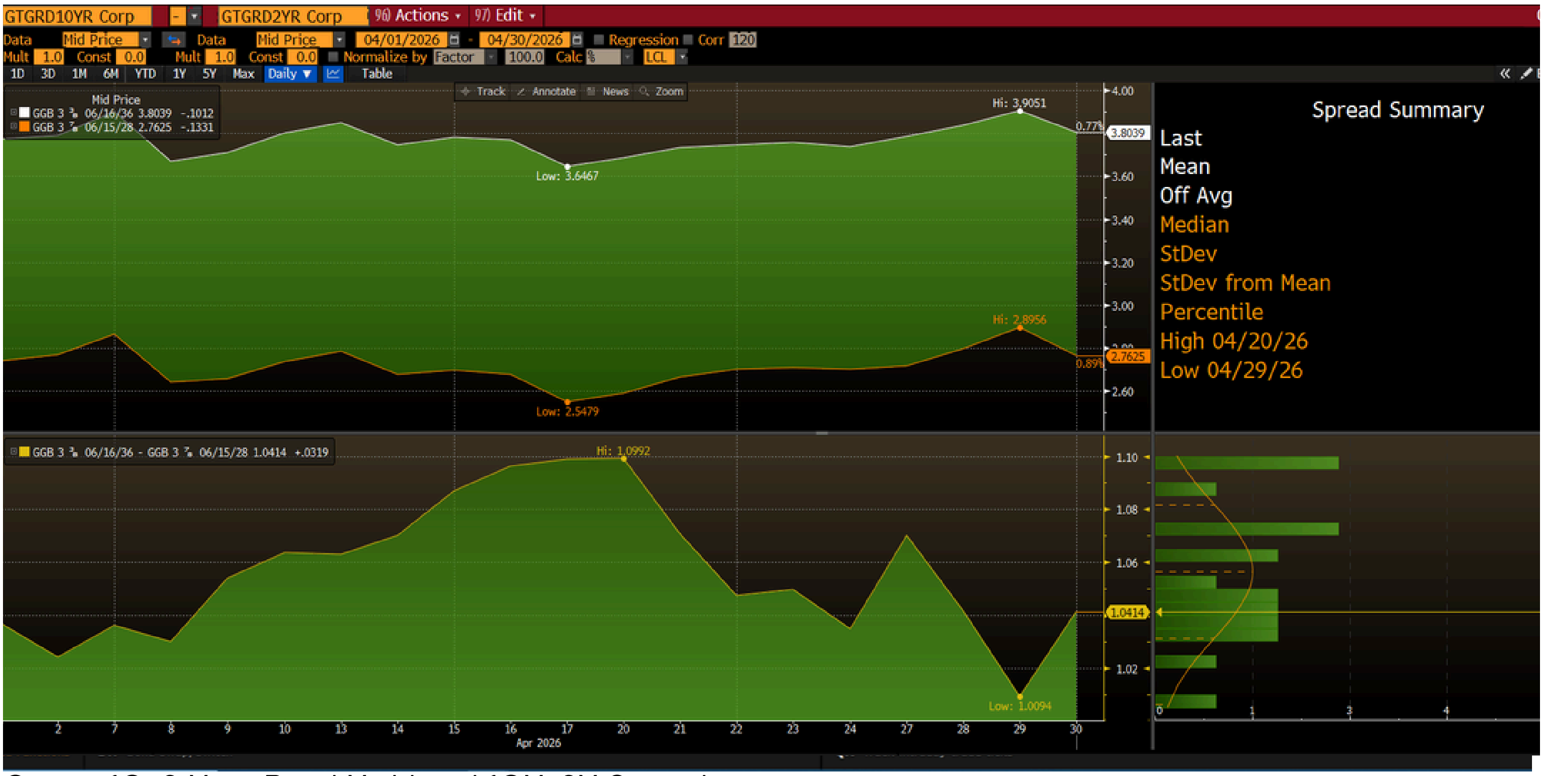
The Greek sovereign bond market entered a period of cautious stabilization and partial recovery in April 2026, as the aggressive yield expansion seen in March began to lose momentum. Following a volatile first quarter, the benchmark 10-year yield opened the month at 3.78%, hiked to 3.91% by April 8, and spent the subsequent weeks trending lower, benefiting from a "peace dividend" as geopolitical tensions in the Middle East transitioned toward a fragile ceasefire.

The 10-year yield retreated toward 3.70% through mid-April, a downward trend that was ultimately solidified by the ECB's decision to hold rates steady at 2.0% on April 30th. While the central bank remained vigilant regarding energy-led inflation, its relatively balanced tone provided a much-needed ceiling for peripheral yields. Secondary market liquidity improved significantly during the second and third weeks, with the spread against the German 10-year Bund narrowing as risk appetite returned to the Eurozone. Investors were particularly encouraged by Greece's stellar fiscal performance, specifically the announcement of a €4.37 billion Q1 primary surplus, which reinforced the "scarcity value" of Greek debt.

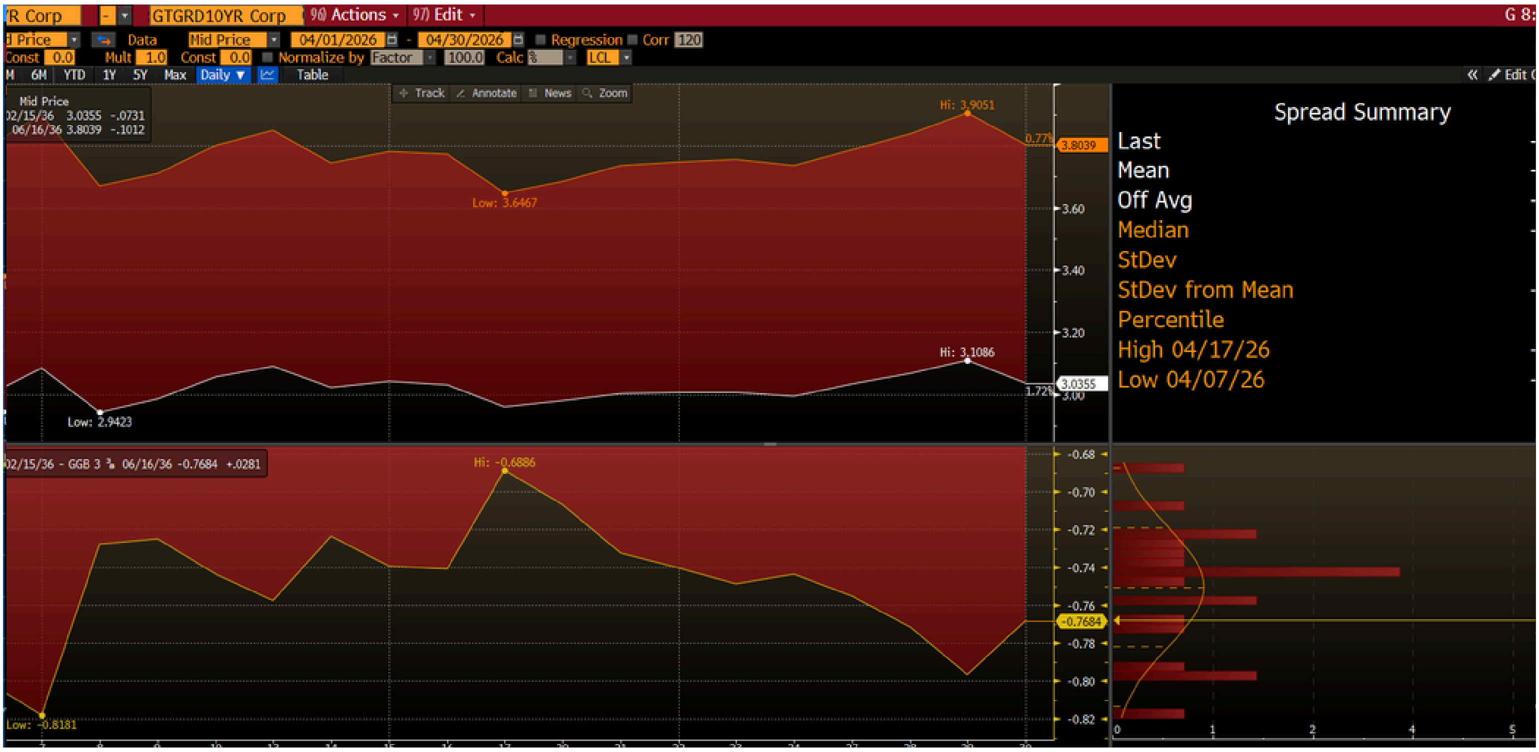
The final week of April saw a consolidation of these gains. Despite a record four dissents at the Federal Reserve's meeting, which initially signaled global policy uncertainty, the disappointing US GDP print (2.0%) cooled the "higher-for-longer" narrative that had plagued March. Greek yields responded by settling near 3.84% by month-end, representing a net decrease of approximately 1.18% from the March peak.

Ultimately, April was characterized by a successful defense of Greece's investment-grade status. The market successfully absorbed the supply pressures of the month, and the PDMA's strategic management of its €39 billion cash buffer ensured that Greek sovereign credit remained a top performer in the Mediterranean, decoupling from the broader sell-off that had defined the previous month.

References: Investing.com, CNBC, Financial Times, Bloomberg, The Washington Post, Reuters



Greece 10-2 Year Bond Yield and 10Y-2Y Spread



German-Greek10Y Yield Spread

References: Bloomberg

Athens General Index

Montly Overview

In April 2026, the Athens General Index recorded a solid monthly gain of +5,23%, closing at 2,188.68 points. The index performed strongly in the first half of the month, climbing to intra-month highs near 2,309 points. Rising oil price combined with positive corporate earnings and strong momentum in energy and Infrastructure stocks such as Motor Oil, HELLENiQ ENERGY and GEK Terna. The banking sector lagged the broader market and showed relative weakness particularly in the second half of the month. Profit-taking intensified later in April, resulting in higher volatility and a weekly decline of -1.41% in the final sessions. However the index still closed the month with a clearly positive performance.

Weekly Overview

Greek equity markets saw a recovery in the first week of April, as the easing of the Hormuz blockade and a temporary ceasefire provided a much-needed reprieve from the March energy shock. The ATG rebounded 3.29%, reclaiming psychological ground as institutional outflows slowed and the "risk-off" flight to the US Dollar stabilized. The Banking Index (DTR) spearheaded the recovery, advancing 6.67% as liquidity concerns eased and local lenders benefited from a stabilized interest rate outlook. While energy stocks remained volatile, the broader industrial and retail sectors showed signs of life following the stabilization of regional supply chains. In the second week, the Athens Stock Exchange (ATHEX) faced a tactical correction as investors recalibrated positions following the early-month surge. The General Index posted a marginal decline of 1.46%, largely tracking a brief dip in global sentiment as the ECB acknowledged an "adverse scenario" for the Eurozone economy. The Banking Index (DTR) showed resilience with a modest gain, while the Energy & Utilities sector saw a 3.35% contraction, reflecting the sharp drop in TTF gas prices from their April 7 peaks. Low-beta defensive stocks, which had outperformed during the March crisis, lagged behind as capital began rotating back into cyclical growth names. Towards the end of the month, ATHEX displayed notable resilience despite a deepening diplomatic impasse in the Middle East. The ATG recovered from its mid-month lows, closing at 2,132.85 pts, successfully moving back toward its 50-day moving average. The FTSE Large Cap Index rose 1.82%, supported by a strong performance in heavyweights like METLEN Energy & Metals, which regained 2.45% after clearing its financial reporting delays and benefiting from the market's focus on tight summer supply. The Banking Index (DTR) closed the month on a positive note, though gains were capped by the ECB's cautious tone on inflation, which accelerated to 3.0% in April.

ASE Index

Our emblem, a symbol of the creation and the deeper mentality of our club.

In the center, there is the legendary mermaid, the Medusa's head, which had the ability to turn into stone whoever dared to look it in the eyes. It's undoubtedly an Ancient Greek element. The choice of the mermaid is a kind of allegorical gate. Looking Medusa is like looking into yourself in the eyes and putting the greatest effort to overcome your biggest fears. You can either step back or proceed forward in a way that will make you considerably stronger.

At the bottom, the phrase «esse est percipi» is written. The deeper meaning of this expression is that the perception of something, is what really establishes the foundations of its existence. It consists of an element of the philosophy of "plasticity" that describes the world, or in other words it is a basis that highlights the fundamental importance of the power of ideas and analytical thinking in its creation, by providing many different alternative dimensions and perspectives.

Last but not least, the background is dominated by the exciting wheel of luck (rota fortunae). As it is lyrically mentioned in the poem collection Carmina Burana of the 13th century, "Fortune rota volvitur; descendo minoratus; alter in altum tollitur; nimis exaltatus; rex sedet in vertice; caveat ruinam!"