

## Last Quarter at a Glance

**Global equities declined in first quarter as early gains reversed sharply in March following the outbreak of the Iran war and the associated energy shock. US equities underperformed other major regions and were the main driver of aggregate weakness, while core fixed income was roughly flat.**

- The outbreak of the Iran war marked the key inflection point in Q1. Oil prices rose sharply, and the resulting energy shock worsened the outlook for inflation and global growth while reducing confidence in near-term policy easing. That combination created a more difficult backdrop for risk assets.
- US equities fell the most among major regions over the quarter, with weakness concentrated in large-cap growth. Non-US developed and emerging markets outperformed in Q1 overall, though they sold off sharply in March amid a broader flight to quality and greater exposure to the energy shock as net importers.
- Government bond returns were roughly flat over the quarter, as the energy shock raised inflation concerns, tempered expectations for near-term policy easing, and kept yields from falling meaningfully despite weaker risk sentiment.
- The dollar and gold sent mixed signals. The dollar gained on relative policy expectations and a more defensive backdrop, while gold still finished the quarter higher overall. Gold's March selloff reflected higher yields, a stronger dollar, and profit-taking as the oil shock intensified inflation concerns.

### Market Performance

As of March 31, 2026 • Local Currency • Percent (%)

Equities	March	1st Quarter	2025
Global	-6.3	-1.2	19.7
Developed Markets	-5.7	-1.9	18.4
United States	-4.9	-3.8	17.3
Euro Area	-8.4	-0.1	23.8
United Kingdom	-5.9	6.7	25.8
Japan	-10.8	7.2	24.3
Emerging Markets	-10.5	4.7	31.2
<b>Fixed Income</b>			
US Aggregate	-1.8	0.0	7.3
US Treasuries	-1.7	-0.1	6.3
US Corporate IG	-2.0	-0.3	7.8
US Corporate HY	-1.2	-0.1	8.6
<b>Real Assets</b>			
Global Equity REITs	-6.7	4.6	2.6
Global Natural Resources	1.5	24.6	27.2
Gold Bullion	-12.0	8.0	64.7
<b>Currencies</b>			
EUR/USD	-2.4	-1.6	13.4
GBP/USD	-1.9	-1.5	7.4
USD/JPY	1.9	1.7	-0.3

Sources: Bloomberg Index Services Limited, ICE Benchmark Administration, MSCI Inc., and Thomson Reuters Datastream. MSCI data provided "as is" without any express or implied warranties.

Notes: This edition was prepared on April 05, 2026, and it reviews developments of the prior quarter. The equity data are total returns net of dividend taxes of MSCI indexes in local currency. Global natural resources equities are represented by the MSCI All Country World Commodity Producers Index. The fixed income data are total returns for Bloomberg indexes. Gold Bullion uses the LBMA gold price. Currency performance is based on Reuters data.