

Last Week at a Glance

Global equities sold off late last week amid rising bond yields and inflation concerns tied to the ongoing closure of the Strait of Hormuz.

- While equity returns were largely flat for the week, this masks a sell-off on Friday, triggered in part by comments from President Trump suggesting no progress in US-Iran negotiations. This followed a lackluster US-China summit which, while cordial, did not result in any meaningful announcements.
- Even before the Iran comments, bond yields were under pressure after US headline CPI hit 3.8% YOY in April, while produce prices hit 6.0%. US ten-year Treasury yields ended the week at 4.6% while 30-year Treasuries hit 5.1%. Similar inflation surprises were seen in Europe and Japan in recent weeks, pushing global bond yields to multi-decade highs in several markets.
- The price of oil rebounded 3% to \$109 a barrel, helping drive NREs higher for the week. However, REITs were hurt by rising bond yields, and gold was hit by both higher yields and a stronger US dollar, as well as import curbs in India, the world's second largest consumer of gold.
- The US dollar strengthened across the board, with the DXY index up 1.4%, amid rising oil prices and risk-off sentiment. Yet, the British pound fared worse than others, given political turmoil in the United Kingdom.

Market Performance

As of May 17, 2026 • Local Currency • Percent (%)

Equities	Last Week	This Month	This Year
Global	-0.1	2.4	9.1
Developed Markets	0.1	2.1	7.7
United States	0.2	2.7	8.2
Euro Area	-0.9	0.2	4.0
United Kingdom	-0.1	-1.6	4.6
Japan	0.4	3.4	14.3
Emerging Markets	-1.5	4.7	21.1
Fixed Income			
US Aggregate	-1.1	-0.8	-0.7
US Treasuries	-1.1	-0.8	-1.0
US Corporate IG	-1.0	-0.5	-0.6
US Corporate HY	-0.5	-0.3	0.9
Real Assets			
Global Equity REITs	-2.0	-2.3	9.3
Global Natural Resources	2.1	0.6	23.6
Gold Bullion	-3.3	-1.4	5.3
Currencies			
EUR/USD	-1.2	-0.9	-1.0
GBP/USD	-2.1	-1.8	-0.8
USD/JPY	1.3	1.2	1.2

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

Notes: This edition was prepared on May 17, 2026, and it reviews developments of the prior week. 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 near-month gold futures contracts, as traded on the COMEX, to determine performance. Currency performance is based on Reuters data.