

Last Quarter at a Glance

Global equities were flat in June but logged exceptional returns in 2Q—the best performance in more than six years. Fixed income performance was muted with dispersion across sectors, while commodity prices declined following the announcement of a temporary US-Iran ceasefire framework.

- Equity markets surged higher, buoyed by strong AI-related stock performance and cooling volatility as US-Iran tensions eased. MSCI ACWI returned 15.1%, marking its best quarter since 2020 and its third-best quarter of the past 20 years.
- Emerging markets led among regions, as Asia ex Japan gained 28%, with Korea and Taiwan benefiting the most from semiconductor and hardware exposure.
- Central banks remained cautious and mostly hawkish in 2Q: the Fed held rates steady but signaled a hawkish bias, the ECB resumed tightening with a rate hike, and the BOJ also raised rates as wage and price pressures persisted.
- The signing of an interim US-Iran ceasefire framework removed an immediate risk premium from energy markets. Brent crude oil, which had surpassed \$120 per barrel in April, stabilized and ended the quarter at \$71 per barrel. Shipping traffic through the Strait of Hormuz improved but remained well below pre-war levels.

Market Performance

As of June 30, 2026 • Local Currency • Percent (%)

Equities	June	2nd Quarter	YTD
Global	-0.1	15.1	12.2
Developed Markets	-0.1	14.0	10.4
United States	-0.9	15.2	9.9
Euro Area	4.2	15.3	12.5
United Kingdom	0.7	3.4	7.6
Japan	1.8	16.7	20.0
Emerging Markets	-0.1	24.1	26.7
Fixed Income			
US Aggregate	0.2	0.7	0.6
US Treasuries	0.3	0.3	0.3
US Corporate IG	0.2	1.4	0.9
US Corporate HY	0.3	2.5	2.0
Real Assets			
Global Equity REITs	0.1	8.7	11.4
Global Natural Resources	-8.7	-11.8	10.5
Gold Bullion	-11.8	-13.4	-7.0
Currencies			
EUR/USD	-2.0	-0.8	-2.7
GBP/USD	-1.5	0.6	-1.3
USD/JPY	2.1	2.2	3.7

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 July 01, 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 near-month gold futures contracts, as traded on the COMEX, to determine performance. Currency performance is based on Reuters data.