Last Month at a Glance

Global markets were volatile in July as fresh tensions in the Iran War lifted oil prices, raised inflation concerns, and pushed bond yields higher, while equity leadership rotated away from semiconductor-heavy markets.

— Renewed tensions in the Iran War kept energy markets in focus in July, as disruption around the Strait of Hormuz and related shipping routes drove a sharp rise in oil prices and briefly pushed Brent crude back above $100 per barrel. Although crude later pulled back, energy volatility reinforced a challenging macro backdrop.

— Government bond yields rose broadly in July despite major central banks holding rates steady, with the ten-year Treasury yield rising 27 bps as higher oil prices and a dovish Fed added to inflation concerns. Data showed underlying economic growth remained firm in the United States in 2Q, while euro area growth surprised positively.

— Equity leadership rotated toward energy and financials. Energy stocks rose as renewed tensions in Iran pushed oil prices higher, while financials benefited from higher rates and strong bank earnings amid elevated trading and capital markets activity. More broadly, the overall 2Q earnings season has been a strong one.

— Semiconductor shares declined broadly in July. The MSCI ACWI semiconductor industry fell 13.2% as investors grew concerned about the durability of AI-driven chip demand and Chinese lithography advances. Meanwhile, the MSCI Korea Index dropped 23.7% as its sell-off was further amplified by a highly concentrated index, investor leverage, and a domestic rate hike.

Market Performance

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

Equities	Last Month	This Year	Last Year
Global	-0.3	11.8	19.7
Developed Markets	-0.3	10.0	18.4
United States	-0.7	9.1	17.3
Euro Area	-0.6	11.8	23.8
United Kingdom	3.9	11.8	25.8
Japan	-1.0	18.8	24.3
Emerging Markets	-4.3	21.2	31.2
Fixed Income			
US Aggregate	-1.3	-0.7	7.3
US Treasuries	-1.1	-0.8	6.3
US Corporate IG	-1.7	-0.8	7.8
US Corporate HY	-0.2	1.7	8.6
Real Assets			
Global Equity REITs	2.4	14.1	2.6
Global Natural Resources	8.2	19.5	27.2
Gold Bullion	0.7	-6.4	64.5
Currencies			
EUR/USD	0.6	-2.0	13.4
GBP/USD	1.4	0.1	7.4
USD/JPY	-2.0	1.6	-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 August 01, 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.