Tariffs, tankers, and tech

Trade policy made an unwelcome return to market narrative this week, reviving a theme many investors had hoped were a thing of the past. Trump imposed a 50% additional tariff on a wide range of Canadian goods, prompting new questions about the future direction of US trade policy. The move has fuelled speculation over whether the administration may seek alternative avenues to pursue its trade agenda following the Supreme Court's February ruling against tariffs implemented last year. As tensions in the Middle East continue to escalate, Brent crude prices have rebounded above $100 per barrel, with risks intensifying across three critical energy transit routes, the Strait of Hormuz, Bab el-Mandeb, and the Black Sea. For now, markets are pricing in logistical risk rather than lost supply, but prolonged disruption could tighten an already fragile energy market.

Following a strong start to earnings season from the major banks, the spotlight shifted to Big Tech last week. Artificial Intelligence (AI) spending concerns appeared to overshadow impressive earnings reports as market's responded poorly to upward revisions to spending plans from Alphabet and Intel, while Tesla's negative cash flow figures reinforced concerns over perceived excessive spending.

The European Central Bank (ECB) left its key interest rates unchanged at last week's July meeting, following a 25bp increase in June. Despite heightened volatility in the Middle East over the past month, energy prices came roughly in line with its June forecast. The return of oil prices to over $100 per barrel has largely reignited fears of policy tightening with markets pricing in a rate hike by September of this year.

Global Purchasing Managers' Index (PMI) data was broadly positive this month reflecting a renewed rise in services business activity and manufacturing. Eurozone business activity returned to growth in July for the first time in four months, rising from 50.0 in June to 51.9 in July. The UK also returned to growth at 52.1, up from 49.3. US PMI hit an eight-month high at 53.9 for this month, however this acceleration was driven by services, while manufacturing growth slowed sharply as price pressures and cost inflation continued to intensify.

Fact of the week

Since its IPO, SpaceX has underperformed more than 90% of US IPOs with a market cap of $1 billion or more since July 2009.

Our regular market information continues on the next page.

Snapshot

Up:
- World Equities
- Gold
- Oil
- Copper

Down:
- Corporate Bonds
- Sovereign Bonds

The week ahead	
29 July	Fed interest rate decision and FOMC statement.
30 July	US and Eurozone GDP releases.
31 July	BoJ rate decision.

	1 Week Return 17.07.26 to 24.07.26		Year to Date Return 31.12.25 to 24.07.26	
	Local Currency	**Euro**	**Local Currency**	**Euro**
World	-0.4%	0.2%	8.9%	12.4%
U.S.	-0.7%	-0.1%	8.7%	12.2%
Europe	0.3%	0.3%	10.5%	10.5%
Ireland	1.7%	1.7%	4.9%	4.9%
U.K.	1.4%	1.0%	10.4%	12.9%
Japan	2.5%	2.3%	19.2%	17.7%
Hong Kong	2.3%	2.8%	8.3%	11.0%
Corporate Bonds	-0.2%	-0.2%	-1.3%	-1.3%
Sovereign Bonds	-0.4%	-0.4%	-0.8%	-0.8%

Warning: Past performance is not a reliable guide to future performance.
Warning: The value of your investment may go down as well as up.
Warning: Benefits may be affected by changes in currency exchange rates.
Warning: If you invest in this product, you may lose some or all of the money you invest.

Equities

- Global stocks finished up by 0.2% in euro terms and down -0.4% in local terms last week.
- Year-to-date global markets are up by 12.4% in euro terms and up by 8.9% in local terms.
- The U.S. market, the largest in the world, finished down -0.1% in euro terms and down -0.7% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.7% last week. The German equivalent finished at 3.2%. The Irish 10-year bond yield finished at 3.3%.
- The Euro/U.S. Dollar exchange rate finished at 1.14, whilst Euro/GBP finished at 0.85.

Commodities

- Oil finished the week at $89 per barrel and is up 60.7% year-to-date in euro terms.
- Gold finished the week at $4,053 per troy ounce and down -3.1% year-to-date in euro terms.
- Copper finished the week at $13,654 per tonne and is up 13.3% year-to-date in euro terms.

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