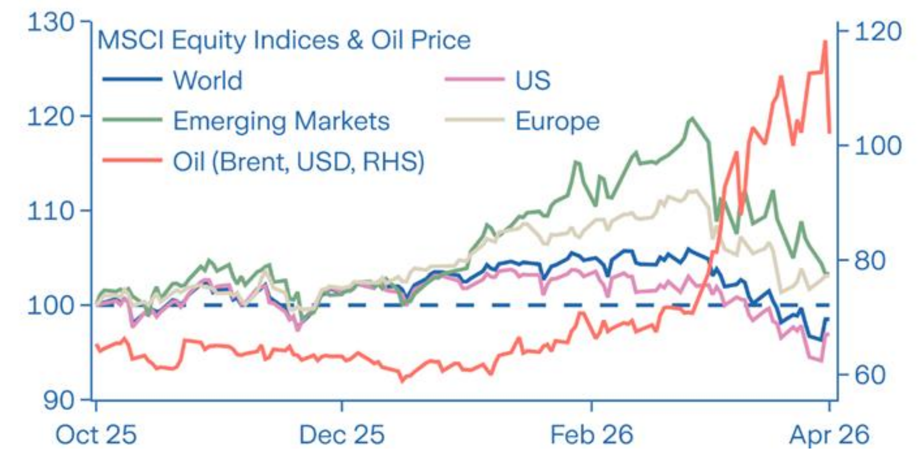
Monthly Investment Insights

1 April 2026

Markets slip on oil



Source: Bloomberg

Once again events in the Middle East have impacted financial markets and the global economy. Another war is in full swing, with the US and Israel taking on Iran with force. This is very different to the events of last June, when a focused and precise assault was made on Iran's nuclear capabilities, followed by a swift exit. The current war is lacking that clarity of purpose and has opened a Pandora's box in the region. The Iranian response has been resolute and sporadic in nature, with the aim of inflicting maximum economic damage. With the Strait of Hormuz still closed five weeks into the conflict, an economic toll is indeed being inflicted; 25% of the world's oil, 20% of natural gas and 30% of fertilizers are blocked from the market, and prices have spiked as uncertainty abounds.

The global economy entered this crisis on a solid footing, which has provided a cushion to the dislocations. Energy costs are a challenge, but they come from a low level at the start of the year and in real inflation-adjusted terms are not sufficient to derail growth. It is also notable that two of the three pillars of economic support remain. Fiscal stimulus and the tech-led capital spending boom continue apace. As for a supportive monetary policy tailwind, that has shifted course, though it has yet to turn into a headwind. On that front, the jump in energy prices is being interpreted by investors as more of an inflationary concern than a growth concern. Bond yields have moved up notably at the front end, and 10yr yields breached 5% in the UK and 3% in Germany while a more subdued move in the US saw Treasury yields hit 4.4%. Market pricing has also seen expectations of two rate cuts by the BoE turn to three rate hikes, with more hawkish pricing also evident for both the ECB and the Fed. This seems to be a little too aggressive. Provided oil prices do not rise further, or remain extended into the summer, both inflation and the growth impact should be manageable.

That noted, from a financial market perspective damage has certainly been done, with financial conditions tightening meaningfully. So far, the move lower in stocks has been orderly with many global indices not even reaching the -10% definition of a correction. Money continues to rotate across sectors and regions rather than leaving the asset class as fear of being whiplashed from a sudden policy shift is top of investors' minds. We still believe in equities in the longer term, but the current geopolitical environment is not the same as it was last year. Risks around the war are still rife and the lasting repercussions will require a rething on valuation levels. For now, risks still appear skewed to the downside.

Market Assessment

Key developments

- Geopolitical risk turns into reality as the US and Israel embark on war with Iran with retaliatory fire across the Gulf region
- Oil and gas prices spike higher, and other commodities such as fertilisers and certain industrial gasses surge
- Inflation fears lead to a markedly higher repricing of central bank policy rates

Zurich's view

The outbreak of war with Iran marks a dangerous and destructive development that has much deeper ramifications than prior US policy surprises and geopolitical interventions. Investors had grown accustomed over the past year to looking through US policy actions as they had a very limited impact on corporate profitability and financial market prospects. This time is different.

The surge in energy prices, higher input costs, and a meaningful tightening in financial conditions will impact global corporate earnings potential, albeit relatively modestly. It does, however, warrant a higher risk premium for risk assets—something we feel has further to go.

We currently favour cash over stocks, credit, and government bonds in the short term, with the latter vulnerable to a persistently high oil price. Although the situation in the Gulf is fluid and it's possible that we may see a deescalation sooner rather than later, damage has been done, and it will take time for sentiment to fully rebuild.

	Key developments	Zurich's view
Global	• The Middle East conflict is not expected to derail global growth, though this hinges on oil prices not rising materially further • Inflation will rebound; soft labour markets should limit wage growth and a broadening of price pressures • Central banks stay on hold as they adopt a wait-and-see approach, but rate hikes remain unlikely despite rising energy prices	Middle East developments will define the outlook for the global economy. While uncertainty is profound, current oil market pricing is consistent with a relatively short-lived crisis that does not escalate from here and Brent oil prices falling below USD 100 by mid-year. Should this path for oil prices be realised, we expect it to be manageable for the global economy and a recession to be avoided. That said, financial conditions have tightened significantly, led by a hawkish repricing of the monetary policy outlook, posing an additional headwind to growth. Moreover, inflation will rebound, with the first batch of March CPI data already confirming the pickup. Clearly, while we expect growth to be resilient with underlying inflation contained, geopolitics are unpredictable and stakes are high.
US	• Business surveys are signalling a slowdown in growth as global uncertainty weighs on the outlook • Treasury yields rise to the highest level since last summer • The expected impact of higher energy prices on corporate profitability is dragging the stock market down	March PMI surveys are signalling a combination of slower growth and rising inflation following the outbreak of the war in the Middle East. The mood among manufacturing companies was somewhat better, supported by the prospect of lower tariffs following the Supreme Court's decision. Treasury yields have risen to the highest level since last summer, triggered by the expected impact of higher energy costs on inflation and expectations that the Fed will turn more hawkish. Soaring energy prices are expected to have an impact on growth and profitability, weighing on the stock market. The S&P 500 had lost more than 7% from its peak, with further risks to the downside if the situation continues to escalate. Technology stocks still face headwinds, with the Magnificent 7 falling to the lowest level since early September.
UK	• Business surveys indicate a marked slowdown in growth in March • Input prices soar, triggered by the war in the Middle East • Equities suffer as higher energy prices will weigh on profitability	UK private sector firms have indicated a significant slowdown in business activity growth as the war in the Middle East is weighing on customer demand while input prices soar. The Composite PMI dropped to 51.0 in March from 53.7 the month before. Meanwhile, inflation rates are elevated even before the expected impact of higher energy prices comes to bear. 10yr gilt yields briefly jumped above 5% and continue to hover at the highest levels since 2008, exacerbating the fragile fiscal situation. UK equities faced substantial headwinds in March, in line with other European markets, as investors worry about the impact of substantially higher energy prices on growth and profitability. Smaller companies fared worse than their larger capitalised peers.
Eurozone	• Energy price increases are consistent with rising inflation and slowing activity • The market is pricing in three ECB hikes this year, which looks too aggressive • European equities are underperforming global peers given energy sensitivity	The Middle Eastern situation brings an unwelcome reintroduction of stagflationary risks to the Eurozone. We have raised our inflation forecasts and downgraded the GDP growth outlook. At current energy prices the situation looks manageable. Risks are clearly skewed to a deterioration of the outlook. Market inflation pricing is volatile but still suggests a normalisation in a year's time. The ECB is no longer in a good place and faces a tough choice. We think concerns around growth will temper the ECB's hawkish response. The more hikes are delivered, the worse the outlook will become. Bond yields have risen significantly, and sovereign credit spreads have widened, tightening financial conditions. This is an unwelcome combination at a time when capital investment needs are high.
Switzerland	• March data show a significant weakening in sentiment and growth momentum • Inflation will rebound on higher energy prices, but the impact is likely to be short-lived with underlying weakness persisting • The SNB leaves rates unchanged while strengthening its message around FX interventions to counter franc strength	As was widely expected, the SNB left rates unchanged in the March meeting while reiterating that its willingness to intervene in the FX market has increased given Middle East conflict. The inflation forecast for 2026 was raised from 0.3% to 0.5%, but tweaked lower for 2027. The growth outlook was subdued, at around 1% for 2026, which is significantly below trend. We broadly agree with this outlook. The impact of energy prices on inflation is set to be short-lived while economic activity will remain under pressure, amid higher energy costs, a fraught external environment, and downbeat sentiment. While market pricing is now consistent with one SNB rate hike this year, we do not expect any policy tightening and maintain our view that rates will be left unchanged for the remained of this year.

	Key developments	Zurich's view
Japan	• The BoJ holds rates steady at 0.75% in March, showing patience amid geopolitical uncertainty • Rising energy prices drive bond yields up and keep the yen under pressure as inflation risks rise • Equities corrected from recent highs after strong gains, tracking the global risk-off mood	While the BoJ kept policy rates unchanged in March, it reaffirmed that gradual normalisation remains on track as wage growth and underlying inflation continue to firm. Given Japan's high dependence on imported energy, any rise in prices could directly feed into domestic inflation, although government subsidies could delay the pass-through effects for the time being. The yen remains weak, reflecting inflation risks and perceptions that the BoJ is behind the curve. Following strong gains earlier, equities have corrected from recent highs amid the global risk-off mood. While we expect stock volatility to stay elevated depending on the outcome of the war with Iran, equities should remain relatively resilient as the weak yen supports corporate earnings and banks continue to benefit from the higher rate environment.
China	• Tech-led exports jump in January and February, with modest capex recovery, while domestic spending remains weak • Deflation persists, though downward pressure on CPI and PPI is easing slightly • The MSCI China is down notably YTD, driven by risk-off sentiment amid Middle East tensions	China's March NPC offered few surprises, maintaining its focus on 'productive forces' through continued investment in tech and manufacturing, but providing no new meaningful boost for consumption. The economy remains bifurcated: tech led exports surged nearly 22% YoY in January and February, with some encouraging signs of capex recovery, but domestic spending remains underwhelming. The MSCI China is down around 7% YTD. Aside from the impact of geopolitical events, equities have struggled to gain traction amid the absence of fresh stimulus signals. Even if the Iran conflict de-escalates, upside is likely capped. Margin pressures will continue to cloud earnings visibility, and without new policy support or a major tech catalyst, rallies are likely to remain patchy.
Australia	• Inflation remains stubbornly above the RBA's 2-3% target range • Domestic fuel shortages expose reliance on imports • A free-trade agreement is reached with the European Union	The RBA raised interest rates at their second consecutive meeting by 25bps to 4.1%. Whilst not directly a consequence of the recent higher oil prices, it is patently obvious that inflation has become entrenched, remaining above the RBA's 2-3% target range. The high inflation rate reflects a myriad of causes including the Federal Government's fiscal deficits and wage pressure, with the actual level of unemployment below the hypothetical long run non-accelerating rate of unemployment. A protracted Middle East war will only add to concerns around the pass-through to domestic inflation via transport costs and farming productivity. After a decade of negotiations, a free trade agreement has been reached between the European Union and Australia, reiterating a rules based, tariff-free operating model.
India	• Manufacturing PMI declines and input prices surge, signalling notable strain in domestic activity • CPI rises to 3.2% YoY, with inflation risks elevated due to fuel pass-through amid Middle East tensions • Government bonds and equities fall sharply, while the rupee depreciates on worsening terms of trade and foreign outflows	Domestic manufacturing momentum softened, particularly in energy-intensive sectors, amid gas supply disruptions and rising input costs. The March Flash PMI decelerated notably from 56.9 to 53.8. Inflation dynamics turned less benign, with CPI firming to 3.2% YoY and risks skewed upward from fuel price pass-through amid the Iran conflict. Trade deficits are poised to run deeper, given that India is a net oil importer. The rupee depreciated sharply, reflecting adverse terms of trade and large foreign outflows. Both government bonds and equities were on a steep downtrend, with the 10yr yield hardening toward 6.9% and the Nifty 50 down more than 10% from its peak, reflecting tighter liquidity and higher risk premia. Overall, macro stability persists, but risks are increasingly tilted toward external shocks.
LatAm	• Disinflation trends are disrupted in light of the Iran war • LatAm central banks turn more cautious as geopolitical risks increase • Brazilian equities outperform regional peers, supported by the economy's net oil-exporter profile	February CPI prints continued to support a benign disinflation narrative prior to the outbreak of the Middle East conflict, particularly in Chile and Brazil. The BCB cut the Selic rate by 25bps to 14.75%, marking the start of a cautious easing cycle. Chile kept its reference rate unchanged at 4.5%, underscoring a meeting-by-meeting approach. Banxico reduced the policy rate by 25bps to 6.75%, albeit with a more hawkish tone. Since the outbreak of the Iran war, LatAm markets have moved into a risk-off phase, broadly tracking the sell-off in global risk assets. Within the region, however, Brazilian equities have proven the most resilient, posting losses of roughly half those recorded in Mexico and Chile, with it's net oil exporter profile providing a defensive cushion against the broader market downturn.

Valuation snapshot (MSCI Indices)

Current trailing valuations

	US	Europe ex UK	UK	Switzerland	Japan	APAC ex Japan	China	Brazil	Mexico
12m Trailing P/E	25.1	16.9	16.5	20.0	18.5	18.3	14.0	11.7	15.4
12m Trailing P/B	5.0	2.3	2.3	4.1	1.8	2.1	1.5	2.1	2.4
12m Trailing P/CF	20.1	9.0	8.6	12.5	11.4	11.2	6.6	8.5	9.5
Dividend Yield	1.2	3.0	3.2	2.9	2.0	2.2	2.2	5.4	4.3
ROE	18.8	12.5	12.6	21.5	9.5	11.8	10.6	16.8	16.4

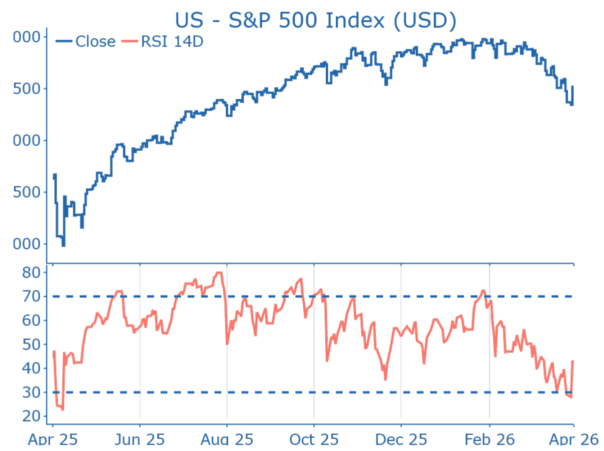
Current trailing valuations relative to MSCI world

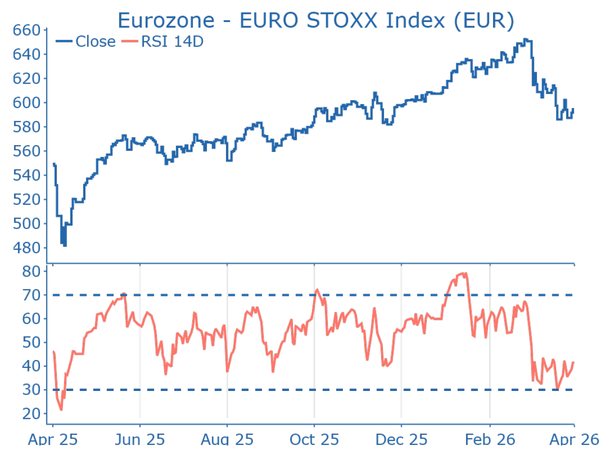
	US	Europe ex UK	UK	Switzerland	Japan	APAC ex Japan	China	Brazil	Mexico
12m Trailing P/E	2.88	-5.33	-5.78	-2.22	-3.82	-3.92	-8.24	-10.56	-6.84
12m Trailing P/B	1.38	-1.3	-1.32	0.48	-1.79	-1.51	-2.16	-1.51	-1.27
12m Trailing P/CF	4.42	-6.72	-7.05	-3.21	-4.24	-4.46	-9.11	-7.19	-6.2
Dividend Yield	-0.46	1.33	1.5	1.25	0.29	0.52	0.52	3.65	2.55
ROE	3.45	-2.9	-2.79	6.11	-5.81	-3.59	-4.72	1.47	1.09

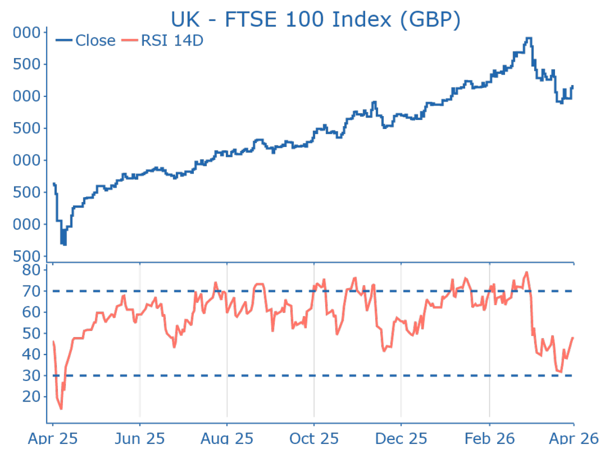
Source: Bloomberg

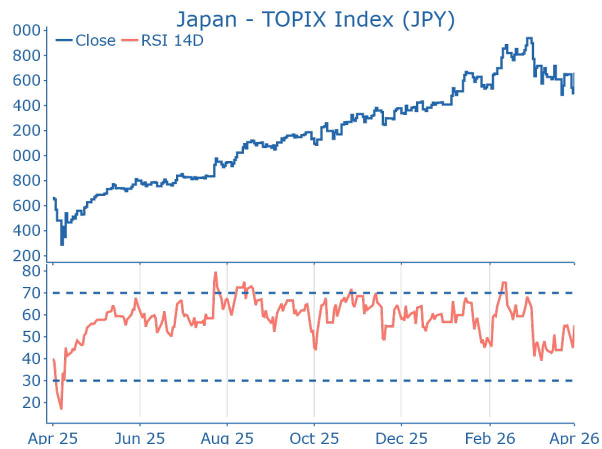
Overbought / Oversold*

* Overbought / Oversold = 14D RSI is above 70 / below 30



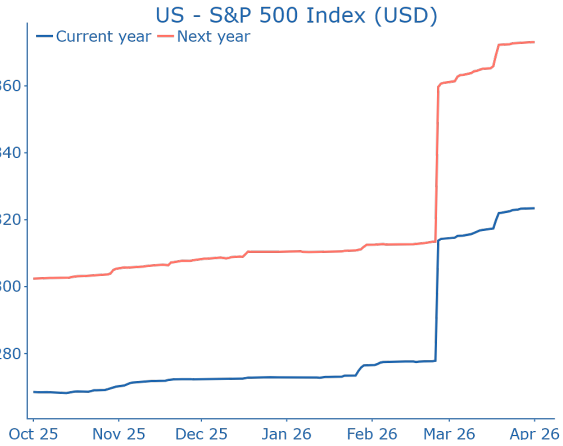


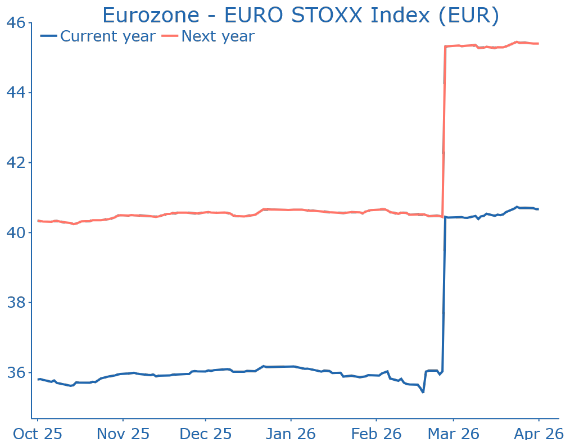


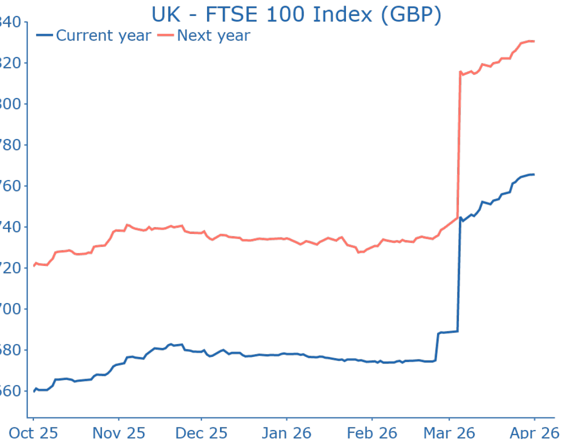


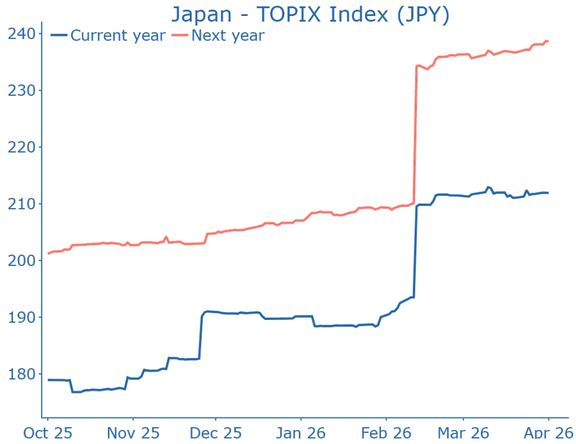
Source: Bloomberg

Earnings estimates - Full fiscal year



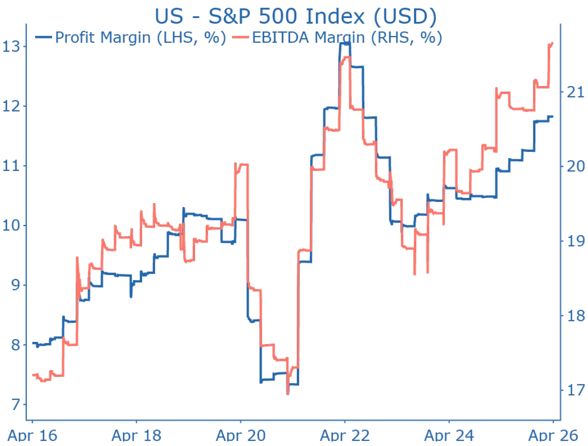


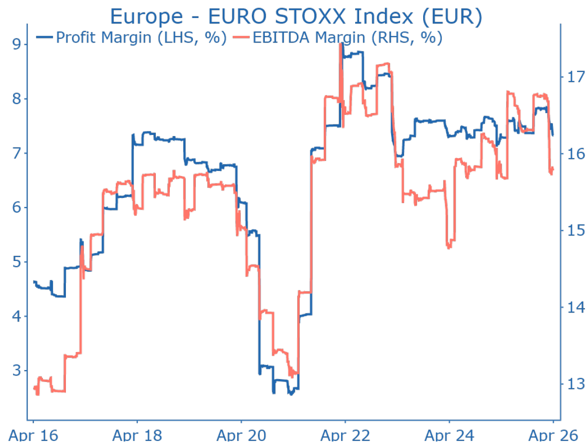


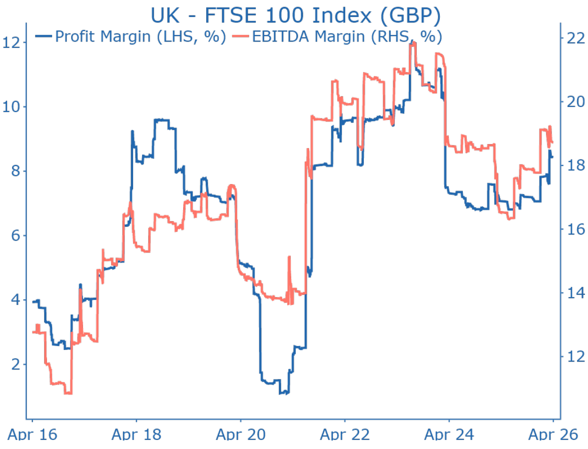


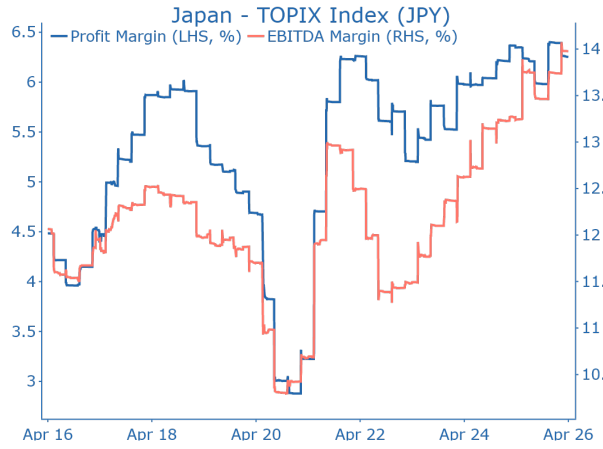
Source: Bloomberg

Historical margins



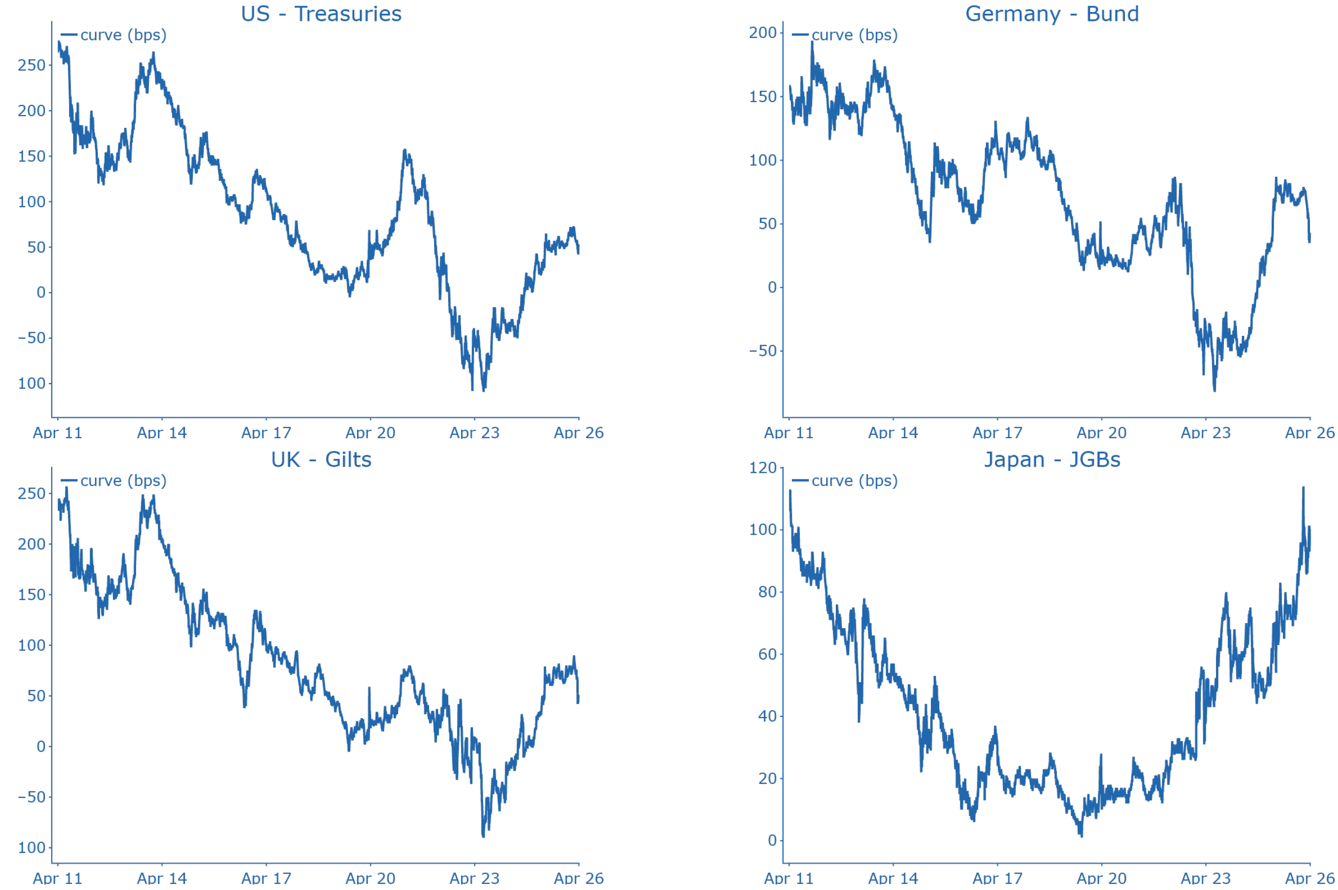






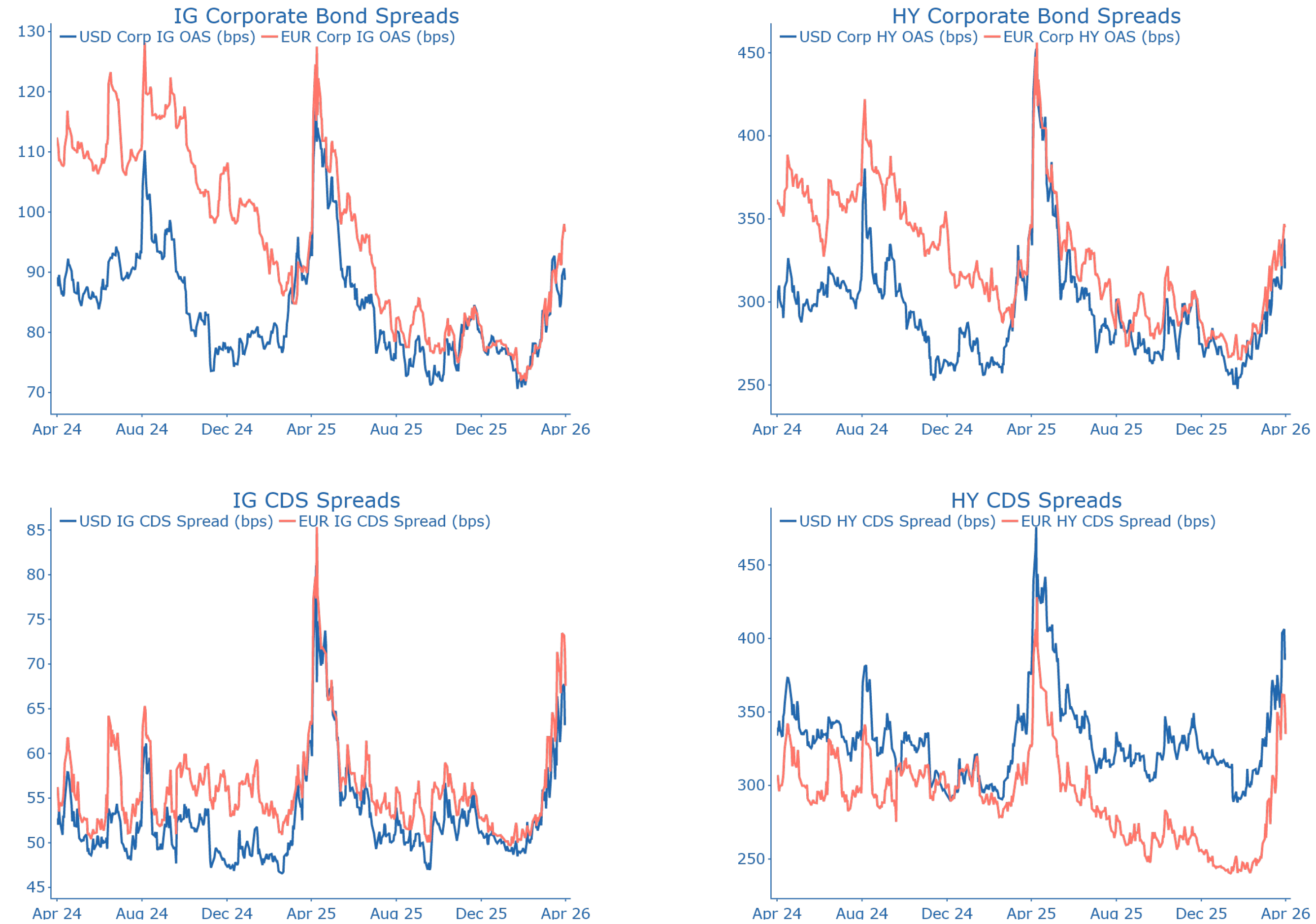
Source: Bloomberg

Yield Curve Steepness (10yr - 2yr)



Source: Bloomberg

Credit Markets (US & Europe)



Source: Bloomberg

Economic Data

US	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	Trend*
ISM Manufacturing (Index)	48.6	49.0	48.4	48.9	48.9	48.8	48.0	47.9	52.6	52.4	-	up
ISM Non-Manufacturing (Index)	50.2	50.8	50.5	51.9	50.3	52.0	52.4	53.8	53.8	56.1	-	up
Durable Goods (% MoM)	16.5	-9.4	-2.8	3.0	0.6	-2.1	5.4	-0.9	0.0	-	-	down
Consumer Confidence (Index)	98.4	95.2	98.7	97.8	95.6	95.5	92.9	94.2	89.0	91.0	91.8	down
Retail Sales (% MoM)	3.4	4.4	4.1	5.0	4.1	3.2	3.2	2.4	3.2	-	-	up
Unemployment Rate (%)	4.3	4.1	4.3	4.3	4.4	-	4.5	4.4	4.3	4.4	-	down
Avg Hourly Earnings YoY (% YoY)	4.1	4.1	4.1	4.0	3.8	4.0	4.0	3.8	3.7	3.7	-	down
Change in Payrolls (000, MoM)	13.0	-20.0	64.0	-70.0	76.0	-140.0	41.0	-17.0	126.0	-92.0	-	up
PCE (% YoY)	2.78	2.81	2.86	2.91	2.83	2.76	2.83	3.01	3.06	-	-	up
GDP (%, QoQ, Annualized)	-	3.8	-	-	4.4	-	-	0.7	-	-	-	down

Eurozone	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	Trend*
PMI Manufacturing (Index)	49.4	49.5	49.8	50.7	49.8	50.0	49.6	48.8	49.5	50.8	51.4	up
PMI Services (Index)	49.7	50.5	51.0	50.5	51.3	53.0	53.6	52.4	51.6	51.9	50.1	down
IFO Business Climate (Index)	87.4	88.3	88.5	88.8	87.6	88.4	88.0	87.6	87.6	88.4	86.4	down
Industrial Production (% YoY)	2.9	0.8	2.1	1.3	1.3	2.0	2.2	2.2	-1.1	-	-	down
Indeed 3m average wage growth (% YoY)	2.74	2.57	2.45	2.38	2.59	2.52	2.47	2.31	2.33	2.37	-	down
Unemployment Rate (%)	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.2	6.1	-	-	down
Euro-Area Credit Impulse (%, SA)	3.11	2.55	1.98	1.5	1.19	1.59	1.73	1.68	-	-	-	down
EUR HICP 5y5y Inflation Swaps	2.06	2.14	2.13	2.11	2.09	2.06	2.06	2.07	2.14	2.08	2.13	up
CPI (% YoY)	1.9	2.0	2.0	2.0	2.2	2.1	2.1	2.0	1.7	1.9	2.5	down
Core CPI (% YoY)	2.3	2.3	2.3	2.3	2.4	2.4	2.4	2.3	2.2	2.4	2.3	down
GDP (% QoQ)	-	0.1	-	-	0.3	-	-	0.2	-	-	-	down

UK	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	Trend*
PMI Manufacturing (Index)	46.4	47.7	48.0	47.0	46.2	49.7	50.2	50.6	51.8	51.7	51.4	up
PMI Services (Index)	50.9	52.8	51.8	54.2	50.8	52.3	51.3	51.4	54.0	53.9	51.2	up
Consumer Confidence (Index)	-20.0	-18.0	-19.0	-17.0	-19.0	-17.0	-19.0	-17.0	-16.0	-19.0	-21.0	down
Unemployment Rate (%)	4.7	4.7	4.7	4.8	5.0	5.1	5.1	5.2	5.2	-	-	up
CPI (% YoY)	3.4	3.6	3.8	3.8	3.8	3.6	3.2	3.4	3.0	3.0	-	down
House Prices (% YoY)	3.5	2.1	2.4	2.1	2.2	2.4	1.8	0.6	1.0	1.0	2.2	down
Mortgage Approvals (SA, Thousands)	63.26	64.29	65.06	64.62	65.59	64.66	64.5	61.45	60.25	62.58	-	down
GDP (% YoY)	-	1.4	-	-	1.3	-	-	1.0	-	-	-	down

Switzerland	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	Trend*
KOF Leading Indicator (Index)	97.6	95.4	100.8	97.3	97.9	101.4	101.6	103.6	103.3	103.8	96.1	down
PMI Manufacturing (Index)	42.4	48.7	49.5	48.2	46.1	48.1	49.6	46.4	48.8	47.4	-	up
Real Retail Sales (% YoY)	0.0	4.3	1.0	-0.1	2.2	2.1	1.7	2.8	-1.1	-	-	down
Trade Balance (Billion, CHF)	3.99	5.7	4.46	3.77	3.97	4.12	3.76	1.05	3.75	4.2	-	up
CPI (% YoY)	-0.1	0.1	0.2	0.2	0.2	0.1	0.0	0.1	0.1	0.1	-	up

Japan	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	Trend*
PMI Manufacturing (Index)	49.4	50.1	49.0	49.7	48.5	48.2	48.7	50.0	51.5	53.0	51.6	up
Machinery Orders (% YoY)	4.4	7.6	4.9	1.6	11.6	12.5	-6.4	16.8	13.7	-	-	up
Industrial Production (% YoY)	-2.9	3.4	-1.5	-3.3	2.2	0.1	-4.2	0.9	0.7	0.3	-	up
ECO Watchers Survey (Index)	44.8	45.1	45.5	46.3	46.6	48.5	48.0	48.5	45.4	48.2	-	down
Jobs to Applicants Ratio (Index)	1.23	1.22	1.22	1.21	1.2	1.19	1.19	1.2	1.18	1.19	-	down
Labour Cash Earnings (% YoY)	1.4	3.1	3.4	1.3	2.1	2.5	1.7	2.4	3.0	-	-	up
Retail Sales (% YoY)	-7.0	-7.8	-6.2	2.6	1.4	4.3	0.9	-1.1	2.3	1.6	-	up
Exports (% YoY)	-1.8	-0.5	-2.8	-0.1	4.1	3.6	6.1	5.1	16.8	4.0	-	up
Money Supply M2 (% YoY)	0.6	0.8	1.0	1.3	1.5	1.6	1.7	1.7	1.6	1.7	-	down
CPI Ex Food & Energy (% YoY)	1.6	1.6	1.6	1.6	1.3	1.6	1.6	1.5	1.3	1.4	-	down

China	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	Trend*
NBS PMI Manufacturing (Index)	49.5	49.7	49.3	49.4	49.8	49.0	49.2	50.1	49.3	49.0	50.4	up
NBS PMI Non Manufacturing (Index)	50.3	50.5	50.1	50.3	50.0	50.1	49.5	50.2	49.4	49.5	50.1	down
Industrial Production (% YoY)	5.8	6.8	5.7	5.2	6.5	4.9	4.8	5.2	-	-	-	down
Retail Sales (% YoY)	6.4	4.8	3.7	3.4	3.0	2.9	1.3	0.9	-	-	-	down
Exports (% YoY)	4.6	5.8	7.1	4.3	8.2	-1.2	5.9	6.6	10.0	39.6	-	up
CPI (% YoY)	1.9	1.9	0.4	-0.9	0.2	1.7	1.1	-0.9	1.8	-0.2	-	up
PPI (% YoY)	-3.3	-3.6	-3.6	-2.9	-2.3	-2.1	-2.2	-1.9	-1.4	-0.9	-	up
RRR (%)	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	down
GDP (% YoY)	-	5.2	-	-	4.8	-	-	4.5	-	-	-	down

* Trend = Mean last 3m - Mean previous 3m

Source: Bloomberg

Economic Data

India	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	Trend*
PMI Manufacturing (Index)	57.6	58.4	59.1	59.3	57.7	59.2	56.6	55.0	55.4	56.9	53.8	down
PMI Services (Index)	58.8	60.4	60.5	62.9	60.9	58.9	59.8	58.0	58.5	58.1	57.2	down
Industrial Production (% YoY)	1.9	1.5	4.3	4.1	4.6	0.5	7.2	8.0	5.1	5.2	-	down
CPI (% YoY)	3.03	2.31	1.62	2.01	1.41	0.04	0.49	1.17	2.74	3.21	-	up
GDP (% YoY)	-	6.7	-	-	8.4	-	-	7.8	-	-	-	down

Australia	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Trend*
Westpac Leading Indicator	97.17	97.22	97.19	97.24	97.15	97.15	97.22	97.2	97.3	97.25	-	up
Retail Sales (% YoY)	3.7	4.6	4.9	5.0	4.7	5.0	5.5	5.9	5.0	4.6	-	down
Unemployment Rate (%)	4.1	4.1	4.3	4.3	4.3	4.5	4.3	4.3	4.1	4.1	4.3	down
Housing Prices (% YoY)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	down
CPI (% MoM)	2.4	2.1	1.9	3.0	3.2	3.6	3.8	3.4	3.8	3.8	3.7	up

Brazil	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Trend*
CPI (% YoY)	5.53	5.32	5.35	5.23	5.13	5.17	4.68	4.46	4.26	4.44	3.81	down
Industrial Production (% YoY)	-0.5	3.4	-1.3	0.3	-0.7	2.0	-0.5	-1.4	-0.1	0.2	-	up
Retail Sales (% YoY)	5.4	1.9	0.5	1.3	0.4	0.9	1.0	1.5	2.4	2.8	-	up
Trade Balance (Millions, USD)	7663.93	7059.75	5856.56	6997.27	5974.63	3141.19	6684.97	5760.56	9324.87	3815.85	4207.91	up
Budget Balance (Billions, BRL)	-55.54	-125.88	-108.11	-175.58	-91.52	-102.18	-81.52	-101.64	-115.5	40.06	-100.59	up

Chile	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Trend*
Economic Activity Index (% YoY)	3.14	3.45	3.3	1.84	0.26	2.7	2.15	1.18	1.67	-0.09	-	down
CPI (% YoY)	4.52	4.44	4.12	4.25	4.03	4.4	3.44	3.44	3.45	2.78	2.37	down
Retail Sales (% YoY)	3.07	5.18	6.04	5.69	5.24	6.47	8.31	5.82	4.43	3.58	5.4	down
Industrial Production (% YoY)	3.96	4.75	3.41	1.09	-1.84	1.53	-0.46	-0.9	-1.8	-1.55	-1.26	down
Unemployment (%)	8.8	8.9	8.9	8.7	8.6	8.5	8.4	8.4	8.0	8.3	8.3	down

Mexico	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Trend*
PMI (Index)	45.42	47.3	47.51	45.33	45.61	45.97	47.06	45.94	46.57	46.69	47.19	up
CPI (% YoY)	3.93	4.42	4.32	3.51	3.57	3.76	3.57	3.8	3.69	3.79	4.02	up
Retail Sales (% YoY)	-1.5	2.6	3.2	2.4	2.4	3.3	3.4	4.4	4.3	5.0	-	up
Industrial Production (% YoY)	-2.32	0.57	0.74	-1.64	-3.08	-0.73	-1.17	-2.08	1.32	-2.97	-	up
Remittances (Millions, USD)	4761.2	5360.1	5199.2	5329.9	5578.2	5216.8	5634.8	5124.9	5308.8	4594.1	-	down

* Trend = Mean last 3m - Mean previous 3m

Source: Bloomberg

Spread Snapshot (Generic Government Yield 10yr, bps)

Spread over US Treasuries (bps)

Country	Apr-2026	1M ago	3M ago	12M ago
UK	65	29	31	46
Germany	-132	-129	-131	-148
Switzerland	-390	-372	-384	-365
Japan	-196	-181	-210	-266
China	-244	-212	-231	-235
India	276	272	241	241
Australia	64	71	57	24
South Korea	-38	-49	-78	-138
Malaysia	-63	-43	-66	-39
Indonesia	249	248	190	283
Thailand	-203	-222	-252	-220
Philippines	266	198	190	202
Brazil	974	961	956	1077
Mexico	503	472	495	512
Chile	136	132	122	168
Colombia	856	947	845	797
Peru	273	191	161	252

Spread over German Bund (bps)

Country	Apr-2026	1M ago	3M ago	12M ago
France	68	57	70	71
Netherlands	13	6	11	22
Belgium	58	50	49	56
Austria	33	28	25	39
Irland	31	26	16	30
Italy	83	62	69	110
Spain	47	41	43	62
Portugal	42	35	29	51

Source: Bloomberg

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