

March 2, 2026

Weekly Investment Insights



MARKET SNAPSHOT

Global stocks fell and oil and gas prices spiked on Monday as tensions in the Middle East escalated. On Saturday, the US and Israel launched coordinated air strikes against Iran, targeting ballistic missile sites, naval assets, Revolutionary Guard facilities and air defense systems. Iran's Supreme Leader Ayatollah Ali Khamenei was killed along with dozens of senior officials. Tehran retaliated broadly across the Middle East, directing a wave of missiles at Israel and US military bases, and threatening critical infrastructure to the global energy market. Activity in the Strait of Hormuz, through which a fifth of the world's oil and gas flows, has slowed to a near halt following the strikes, disrupting energy supply.

Brent crude, the international benchmark for oil prices, rose 13% to above \$80 per barrel, while European gas prices increased by 24%. Gold briefly traded above \$5400/Oz and global stock markets fell as investors sought out safe havens amid heightened uncertainty. The US dollar strengthened against a basket of currencies, including the euro and the British pound, in another sign that investors were seeking safety. In the stock market, European airline and banking stocks decreased, while energy, shipping and defence stocks rose. Futures pricing implies that US markets will open in the red, with investors having fresh reasons to trim their equity positions amid rich valuations.

As of now, the spectrum of possible outcomes is broad, ranging from diplomatic negotiations to a prolonged regional conflict.

	Friday Close	5 Day Percentage Change	MTD Percentage Change	YTD Percentage Change
S&P 500	6878,88	-0,44	0,00	0,49
Nasdaq Composite	22668,21	-0,95	0,00	-2,47
EuroStoxx 50	6138,41	-1,61	-2,01	3,86
CAC40	8580,75	-0,62	-1,59	3,62
DAX	25284,26	-0,53	-1,68	1,50
CSI 300	4710,647	1,46	0,38	2,13
US 10 Year Yield (%)	3,9375	-1,52	0,82	-4,73
Germany 10 Year Yield (%)	2,643	-1,81	0,72	-6,76
Gold Spot (\$/Oz)	5278,93	3,26	2,25	24,96

Source: Bloomberg, BIL as of March 2

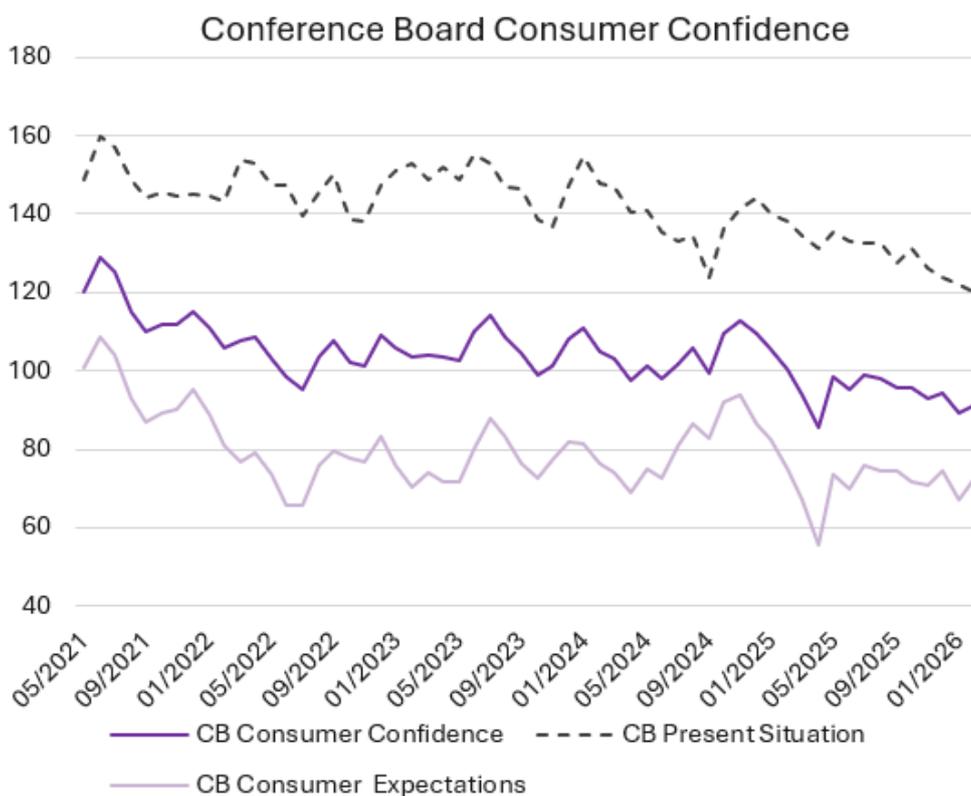
MACRO SNAPSHOT

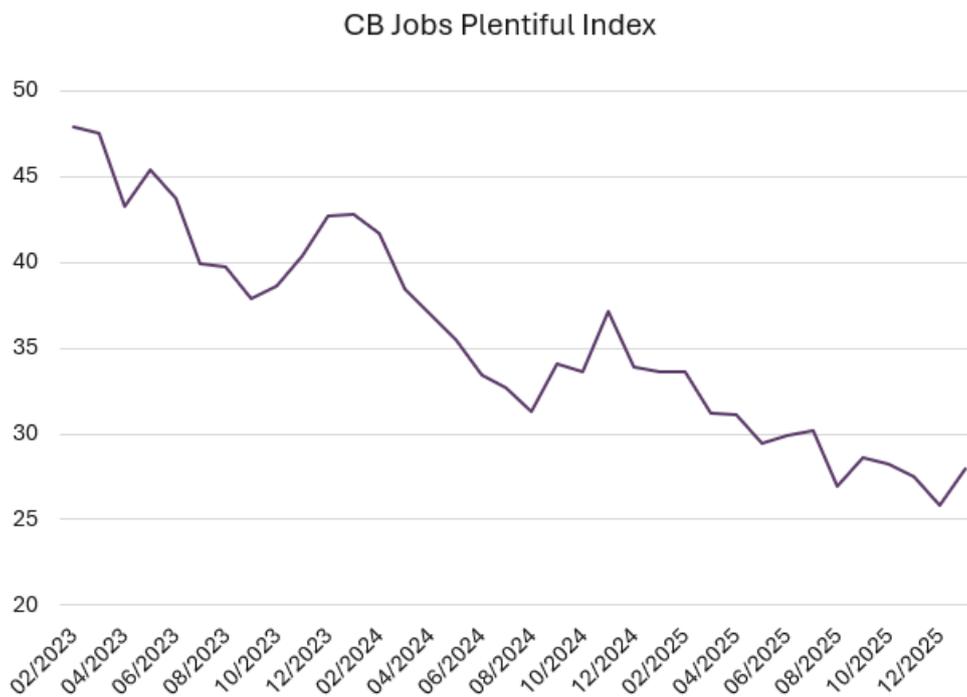
US consumer confidence improves in February

The Conference Board consumer confidence index rose by more than expected to 91.2 in February, from 89 the month prior, but concerns about the labour market remain prominent. The share of consumers viewing jobs as “hard to get” rose to a five-year high.

The improvement in confidence was mostly recorded by respondents identifying as Republican and Independent. Inflation continues to be top of mind for consumers, with President Trump under increased scrutiny for his implementation of sweeping tariffs that have raised prices.

In line with other data points hinting at stabilisation in the job market, perceptions of the labour market improved slightly, but remain depressed overall.





Source: Bloomberg, BIL

Germany's Ifo Index signals stabilisation in the business climate

After a month of grey weather, the European continent shifted gears into spring-like temperatures, as a Heat Dome expanded over the heart of Europe in the final days of February. Germany's business environment also appeared to be warming up, with the Ifo Business Climate Index rising to 88.6, up from 87.6. While still subdued, the uptick marks a cautiously encouraging signal for Europe's largest economy.

According to Ifo President Clemens Fuest, firmer domestic demand and the government's fiscal measures are beginning to support economic activity. However, he cautioned that elevated trade uncertainty continues to burden export-oriented industries, a key pillar of the German economy.

Sentiment improved across several major sectors:

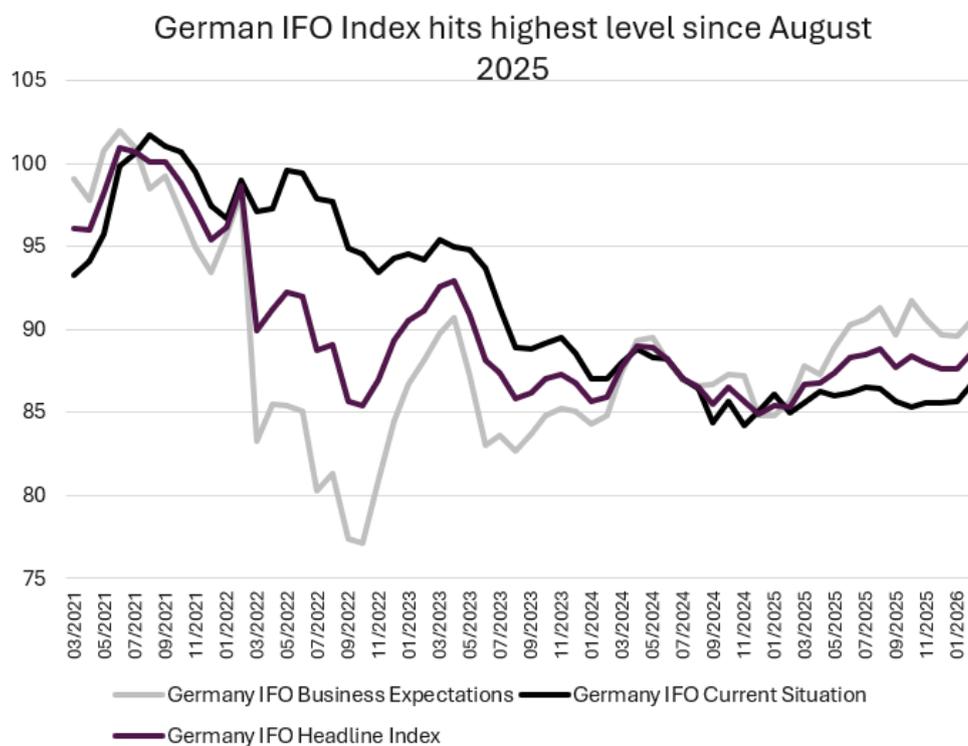
- **Manufacturing:** Climbed to -11.3 from -12.3, reflecting better expectations in industry.
- **Services:** Rebounded into positive territory (0.1 vs. -2.6), driven largely by improved outlooks in the logistics sector.
- **Construction:** Also saw an uplift (-11.5 vs. -14.3), though activity remains weak by historical standards.

Overall, Germany appears to be moving toward modest economic growth in 2026, supported

by improving industrial expectations and better consumption prospects. A gradually improving labour market should bolster real household income, providing an additional cushion to domestic demand.

However, the rebound remains fragile, and structural challenges continue to weigh on business confidence.

Despite a fiscal policy boost, which is expected to become more apparent in the second half of the year, the Bundesbank expects only limited impact on Germany's potential output. It stressed that broader structural reforms will be required to sustainably strengthen long-term growth capacity.



Source: IFO, Bloomberg, BIL

UK consumer confidence falls as labour market weakness weighs on confidence

The GfK Consumer Confidence Index fell from -16 to -19 in February, reversing the previous two months' gains, as concerns about the labour market dampened households' outlooks. Indeed, the unemployment rate climbed to a post-pandemic high of 5.2% in the three months to December, youth unemployment increased, and wage growth weakened.

The overall decline in consumer confidence was largely driven by deteriorating views of personal finances, which is seen as an indicator of future consumer spending. Consumers'

perception of whether it is a good time to make major purchases also weakened.

However, falling inflation and further interest rate cuts by the Bank of England are expected to boost consumer spending over the year as consumers become more confident about their spending power.

Calendar for the week ahead

Monday – Switzerland Retail Sales (January), Manufacturing PMI (February). Eurozone, US & UK Manufacturing PMI (Final, February). Italy Full Year GDP Growth (2025). US ISM Manufacturing PMI (February).

Tuesday – Japan Unemployment Rate (January). **Eurozone Inflation Rate** (Flash, February).

Wednesday – China NBS Manufacturing PMI (February). Switzerland Inflation Rate (February). Eurozone, US & UK Services PMI (Final, February). **Eurozone Unemployment Rate** (January). US ISM Services PMI (February), Fed Beige Book.

Thursday – Switzerland Unemployment Rate (February). Eurozone Retail Sales (January). **US Challenger Job Cuts** (February), Jobless Claims.

Friday – Germany Factory Orders (January). **US Non Farm Payrolls** (February), **Retail Sales** (January), **Unemployment Rate** (February).

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