# Global Markets Bulletin

## April 2026 · Issue #2

## Three points worth noting in April

**1. Equities Erase War Losses and Hits Record High:**
S&P 500 and NASDAQ have surged to all-time highs on Wednesday, with the former climbing 0.8% to 7,023, topping its previous high in January 2026. The rally follows a two-week ceasefire extension between the US and Iran as mediators on both sides seek to negotiate a peace deal. Despite tensions remaining high with the US imposing a naval blockade on Iranian shipments, the prevailing view on Wall Street is that the conflict is likely to de-escalate.

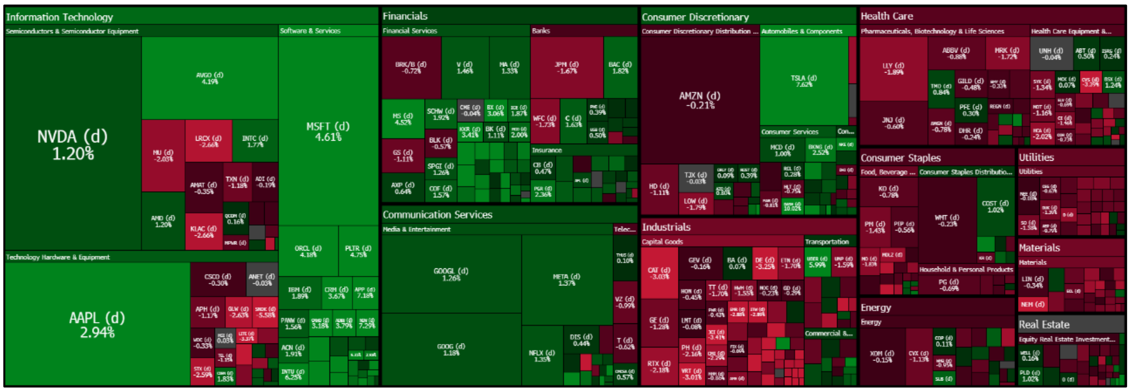



*Chart: S&P500 Index (Source: Bloomberg, as of Apr 26)*

**2. China's Record FX Purchases Signal High Trade and Market Volatility**
China's foreign exchange purchases surged to a record in March, with local banks selling $257.6 billion in foreign currencies, the highest since data began in 2010, amid Middle East-driven market turmoil. Cross-border payments also hit an all-time high of $855.9 billion, reflecting strong imports of high-tech goods like semiconductors and increased trade activity. However, foreign inflows into Chinese assets remained weak, with overseas holdings of Chinese bonds declining for an 11th straight month. Analysts noted exporters' dollar sales likely helped stabilize the yuan despite higher energy prices.

**3. Policy Divergence Across Asia:**
Asian central banks are reacting differently to the 50% surge in crude prices. Singapore's MAS became the first in Asia to tighten monetary policy (increasing the slope of its policy band) to combat imported inflation. Conversely, the Bank of Japan is mulling a sharp increase to its inflation outlook but rate-hike expectations for its April 28 meeting have cooled due to geopolitical uncertainty. India left policy rates unchanged despite a modest uptick in inflation.

## Broad Performance Recap by Asset Class

| Asset | Price / Level | Monthly Returns | YTD Returns |
|---|---|---|---|
| S&P 500 | 7,022.21 | +5.9% | +2.6% |
| NASDAQ Composite | 26,204.58 | +7.5% | +3.8% |
| Straits Times Index | 5,017.43 | +3.7% | +8.0% |
| Hang Seng | 26,148.50 | +2.7% | +2.1% |

| | | | |
|---|---|---|---|
| WTI May 2026 | 91.54 | -2.16% | +68.8% |
| Brent June 2026 | 95.15 | -0.96% | +59.2% |
| Gold ($/oz) | 4,844.20 | -4.30% | +11.6% |
| DXY (USD Index) | 98.03 | -1.85% | -0.22% |

## Notable Events: 9 April – 16 April 2026

**US Economy/Politics**

- **Energy Prices Drive Up March CPI Inflation:**
    - MoM CPI for March: 0.9% vs 1.0% (Consensus) vs 0.3% (LP)
    - YoY CPI for March: 3.3% vs 3.4% (Consensus) vs 2.4% (LP)
    - **Target Figures to Watch:** YoY CPI <2.5%
- **Strong Earnings Fuel Market Optimism:** Robust first-quarter results from major U.S. banks have boosted market confidence, underscoring economic resilience despite higher oil prices and geopolitical tensions. **Bank of America**'s profit rose 17% to $8.6 billion, while **Morgan Stanley** also beat expectations. JPMorgan and Wells Fargo executives highlight continued strength in consumer and corporate activity. Investors now await upcoming tech earnings from **Alphabet, Amazon, Apple, and Microsoft**, which could further sustain positive momentum in the market.

**EMEA Economy/Politics**

- **Sino-Spanish Relations:** Spain strengthened diplomatic ties with China during high-level meetings in Beijing, while signalling a more independent stance on US-aligned military activity related to the Iran conflict.
- **Corporate Earnings:** BP reported exceptional Q1 oil trading performance due to the war's price surges. Conversely, LVMH shares dropped after reporting falling sales at its biggest division due to the Middle East war crippling demand.

**APAC Economy/Politics**

- **China Positioning:** President Xi lamented a world order "crumbling into disarray" and vowed to play a constructive role in the Middle East. China warned of countermeasures if the US raises tariffs, while a Chinese-linked tanker (Rich Starry) tested the US blockade.
- **China Trade Data:** China's March export growth stumbled to just 2.5% YoY, but imports surged 28% (driven by a 50%+ jump in integrated circuits), shrinking the trade surplus to $51 billion.
- **Yuan Internationalisation:** The war spurred a new wave of "petroyuan" transactions as Iran accepts Chinese currency for safe Hormuz transit. China's Cross-Border Interbank Payment System (CIPS) network hit a single-day record of 1.22 trillion yuan.
- **Singapore Policy Tightening:** Q1 GDP grew 4.6% YoY. The Monetary Authority of Singapore tightened policy and raised its core inflation outlook to 1.5%–2.5%.

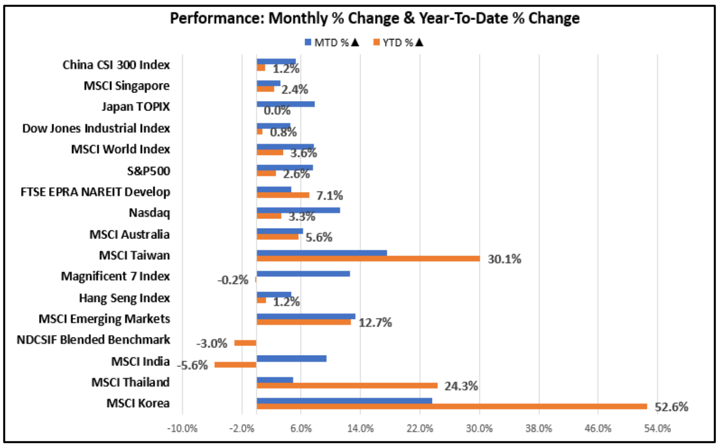
## Major Global Economic Calendar

| Date | Event |
|---|---|
| 13th April | Germany March CPI (YoY/MoM) |
| 14th April | Eurozone March CPI (YoY/MoM) |
| 14th April | US March PPI & Core PPI (MoM) |
| 15th April | China Q1 GDP (YoY) |
| 16th April | US March Crude Oil Imports |

| | |
|---|---|
| 28th April | BOJ Interest Rate Decision |
| 29th April | Federal Reserve Interest Rate Decision |
| 30th April | ECB & BOE Interest Rate Decision |

## Monthly Data Monitor

- **MSCI Korea** retains its commanding YTD lead at +52.6%
- **MSCI Taiwan** and **MSCI Thailand** have extended their YTD gains to **+30.1%** and **+24.3%** respectively, both meaningfully ahead of prior readings
- Monthly performance is robust across all indices
- The **Magnificent 7** continues to lag on a YTD basis, while the **Nasdaq** posts a modest YTD gain of +3.3%




## Fund Commentaries

### I. Private Credit

Blue Owl Capital shares surged about 17% over two days—their biggest jump since late 2022—closing at $9.92 on optimism about private credit stability. The rally followed reassuring comments from major U.S. bank executives and Treasury Secretary Scott Bessent, who downplayed systemic risks in the $1.8 trillion private credit market.

Investor sentiment also improved after Pimco bought a full $400 million bond issue from a Blue Owl business development company, the first such unsecured debt deal in over a month. A subsequent $750 million issue from a Goldman Sachs BDC reinforced market confidence. Blue Owl outpaced peers like Ares, Apollo, and KKR, aided by broader "risk-on" market momentum and easing geopolitical tensions with Iran.

### II. Real Estate

The global real estate sector is showing remarkable resilience, up 7.0% year-to-date and outperforming global equities by 6.0%. The rally is heavily polarised by sector: Data Centres (+18.4%) and Self-Storage (+14.3%) are the top performers, while Office (-6.1%) and Residential (+0.4%) continue to lag. Regionally, Hong Kong (+30.0%) and Japan (+21.8%) are leading the pack. However, analysts warn that the sector remains highly sensitive to stagflation; oil-driven inflation risks tied to the Middle East could quickly lift bond yields and funding costs, necessitating strict asset selectivity.

**North American REITs:** The US housing market is facing renewed pressure as mortgage rates climbed from early March through early April. Existing home sales fell 3.6% in March to a nine-month low annualized pace of 3.98 million units. While the median sale price still edged up 1.4% year-over-year to $408,800, rising inventories and deteriorating buyer conditions are expected to keep home-price appreciation constrained in the year ahead. Within CRE, physical retail remains strong with national vacancy rates at near-historical lows of 5.6%, while Data Centers and Cell Towers remain the most concentrated sectors (55.9% top-five tenant exposure).

**Singapore Housing:** Singapore's private home price growth is expected to ease to 3% in 2026, with Q1 prices rising a modest 0.3% as buyers turned more selective amid the macroeconomic uncertainty of the Iran war. Despite this slowdown, the downside is heavily protected. Unsold private residential inventory fell to 15,007 units in Q4 2025, the lowest level since Q1 2022. Furthermore, domestic interest rates are dropping (the 3-month SORA declined to 1.07%), and soaring rents (up 54% since Q4 2019) continue to bolster housing's appeal as an inflation hedge.

## Chart of the Week

Taiwan's stock market overtook the UK's in value, reaching **$4.14 trillion** versus **$4.09 trillion**, driven by a rally in tech shares and optimism over easing Middle East tensions. The **Taiex Index** hit a record high as **TSMC** surged on strong AI-related demand, cementing Taiwan's role as an AI hardware leader. While the UK's economy remains larger, its **FTSE 100** has lagged—up less than 4% this month versus Taiwan's 16%—amid inflation and rate concerns, though analysts still view UK stocks as a defensive, commodity-linked hedge.

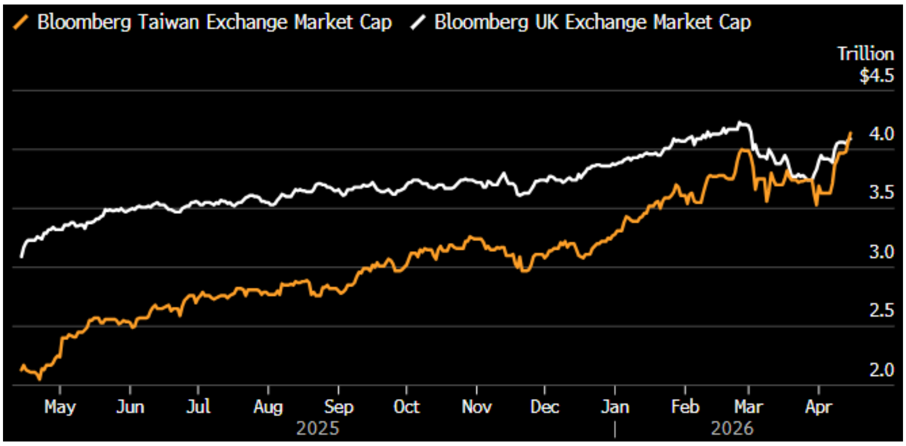



*Chart: Taiwan vs UK Market Cap (Source: Bloomberg, as of Apr 26)*