

Global Markets Bulletin

April 2026 · Issue #4

End-of-April Updates: 3 Key Takeaways

1. OPEC Fractures as Iran War Reshapes Energy Politics

The United Arab Emirates' shock exit from OPEC marks a critical inflection point for global energy markets and cartel cohesion at a moment of acute supply disruption. The decision, years in the making but accelerated by the two-month Iran conflict, reflects Abu Dhabi's frustration with OPEC+ production quotas and its desire to maximise output once the Strait of Hormuz reopens. The timing appears strategic and deliberate: with the market already starved of supply, the UAE's departure positions it to raise production from 3.4 million barrels per day to 5 million by 2027. However, the broader risk is acute with OPEC's remaining credibility resting entirely on Saudi Arabia and its dwindling coalition partners, precisely as negotiations to end the Iran war stall.



Photo Credit: Official OPEC Photo

2. BOJ Holds Rates in Rare Split Vote, Keeping Yen Near Intervention Levels

The Bank of Japan held its benchmark interest rate at 0.75%, but a highly unusual 6-3 split vote exposed intense internal pressure for a rate hike by June to combat inflation. Governor Kazuo Ueda cited the negative supply shock from the Middle East war, which forced the BOJ to halve its economic growth forecast to 0.5% while simultaneously raising its inflation outlook to 2.8%. This indecisive hold quickly battered the yen back toward the critical 160-per-dollar mark, keeping the threat of government currency intervention alive as the central bank struggles to balance inflation risks against Prime Minister Takaichi's preference for economic stimulus.



Chart: USD/JPY 2021-2026

3. Oil Hits Wartime Highs on Fresh Iran War Escalation Fears

Brent crude surged 7.1% to \$126/barrel on Wednesday, marking a four-year high, after reports that Trump will review new military options against Iran. The Strait of Hormuz remains effectively closed since late February. The IEA calls it history's biggest supply shock; Vitol estimates ~1 billion barrels of lost supply. US crude exports hit record 6M barrels/day as global buyers scramble for American barrels.

Broad Performance Recap by Asset Class

Asset	Price / Level	Monthly Returns	YTD Returns
S&P 500	7,135.95	+12.0%	+4.3%
NASDAQ Composite	24,673.24	+17.8%	+6.2%
Straits Times Index	4,896.1	-0.03%	+5.4%
Hang Seng Index	25,823.5	+3.5%	+0.6%
WTI June 2026	108.88	+12.2%	+47.7%
Brent June 2026	122.87	+12.1%	+51.0%
Gold (\$/oz)	4,580.4	+1.7%	+6.0%
DXY (USD Index)	98.58	-1.1%	+0.6%

Notable Events: 23 April – 30 April 2026

US Economy/Politics

- **Fed Holds Rates:** The Federal Reserve kept interest rates unchanged at 3.50%–3.75% in what marked the final policy announcement led by Jerome Powell, amid political drama surrounding Kevin Warsh’s appointment and the lack of a firm policy signal, given inflation concerns and a seemingly stable US labour market.
- **Better-than-expected Earnings Picture:** The S&P 500 is reporting double-digit Q1 2026 earnings growth, with 84% of reporting companies beating EPS estimates and aggregate EPS coming in 12.3% above estimates. Revenue has also held up well, with 81% of companies beating sales estimates and revenues 2.0% above estimates in aggregate.
- **Upcoming Company Earnings:** From Apr 30–May 7, the most anticipated reports are concentrated in Big Tech and mega-cap releases, especially **Meta, Amazon, and Apple** that dominate the calendar, alongside other notable names such as **Palantir, Vistra Energy, AMD, and KKR**.

EMEA Economy/Politics

- **Chile Holds Rates at 4.5%:** Chile’s central bank voted unanimously to keep its interest rate unchanged, in line with expectations, and warns that the Middle East war stands to have a greater-than-expected impact on global growth and inflation.
- **Eurozone Consumer Inflation Expectations Jumped in March:** ECB consumer survey reports prices soaring 4% over the next 12 months, up from 2.5% in February. The ECB is monitoring second-round inflation effects beyond items like gasoline which could trigger interest-rate hikes, though no change is anticipated at the next policy decision on the 30th.

APAC Economy/Politics

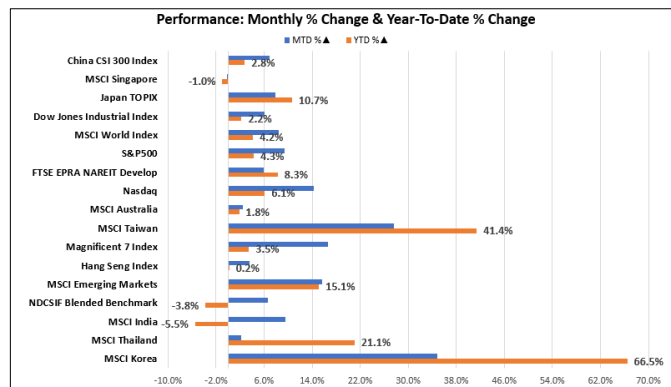
- **China Blocks Already Done \$2B Meta Deal Over Manus:** Beijing views AI as a strict national security issue. It is claiming jurisdictional control over AI teams and tech that originated in China, regardless of whether they reincorporate abroad or are acquired by foreign companies.
- **Chinese Economy Rebound:** China’s GDP expanded by 5% according to the official statistics in Q1 2026, up from 4.5% in Q4 2025, and beating the market consensus of 4.8%. Strong investment in infrastructure and manufacturing was the main driver of growth, while net exports and domestic consumption continue to lag.

Major Global Economic Calendar

Date	Event
30 th April	ECB & BOE Interest Rate Decision
5 th May	RBA Interest Rate Decision; US JOLTs Job Openings
8 th May	US Nonfarm Payrolls
12 th May	US Inflation Rate
13 th May	US PPI
14 th May	UK Q1 2026 GDP

Monthly Data Monitor

- **MSCI Korea** retains its commanding YTD lead at +66.5%, closely followed by **MSCI Taiwan** at +41.4%
- **MSCI India** is trailing in their YTD gains at **-5.5%**
- Monthly performance is robust across all indices
- The **Magnificent 7** has seen recovery on a YTD basis, while the **Nasdaq** posts a robust YTD gain of +6.1%



Fund Commentaries

I. Private Credit

The fund finance market has surged past \$1 trillion, as dealmaking slowdowns and PE exit backlogs force managers to tap alternative funding. Yet this expansion has outpaced banking system capacity, conceding its lender role to insurers and private credit funds themselves. Redemption pressures are mounting (\$15B+ from unlisted BDCs in recent quarters), with valuations depressed: listed BDCs down 7.8% YTD despite recent recovery, trading at 86% of book value versus five-year average of 98%. Software exposure remains roughly 20% of BDC portfolios is still a focal point, with portfolio markdowns and refinancing risks concentrated in 2028+ maturities.

Regulatory concern is still escalating. The BOE flagged a potential "leverage layer cake" and information asymmetry that could trigger a private credit crunch if confidence erodes and are stress-testing the \$1.8 trillion market across 40+ firms. Meanwhile, JPMorgan is now deploying tens of billions organically through its commercial banking sourcing, signalling institutions view the current dislocation as an acquisitional opportunity.

II. Real Estate

The US market is K-shaped and durable. Sellers outnumber buyers 43% (record), yet pending sales fell 1.1% MoM (March) with cancellations at 13.4%—pandemic-era levels. High-end segments (SF +9.6% pending YoY, Greenwich multimillion-dollar homes +15% over ask) anchor on cash wealth;

mass-market tiers (Texas, Florida) contract sharply (bottom-5% pending down 3.7% YoY). Active listings declined 2.7% YoY; sub-4% mortgage lock-in and spring seasonality weakness signal structural rebalancing, not recovery. Drivers: mortgage rate volatility (Iran conflict), employment anxiety suppressing move-up buyers, geopolitical uncertainty.

III. Infrastructure

Canadian Prime Minister Mark Carney launched the C\$25 billion Canada Strong Fund, the nation's first sovereign wealth fund, designed to co-invest commercially with the private sector in large-scale domestic infrastructure and export projects. Geared toward attracting C\$500 billion in private capital over five years to offset trade pressures from US tariffs, the fund will also allow retail investor participation with built-in downside protection. However, economists warn its success hinges on strict independent governance to avoid political bias and note that since Canada currently runs a current account deficit, the fund needs to generate new wealth rather than just cannibalize existing national savings.

Chart of the Week

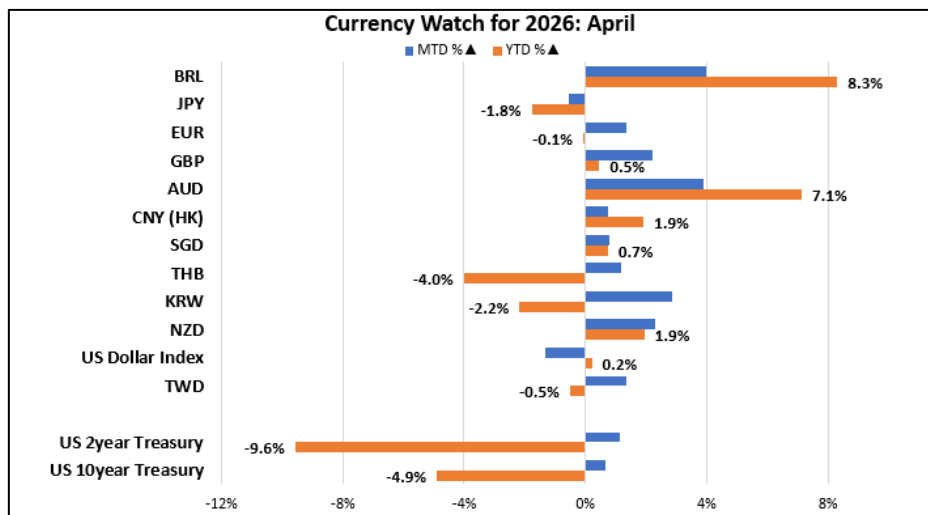


Chart: Currency Watch for April 2026