

# PERSPECTIVES

ECONOMIC AND ASSET CLASS OUTLOOK

MARCH 2026

MACROECONOMICS  
Fiscal dominance

FIXED INCOME  
No respite for yields

EQUITIES  
Strength broadening





## Letter to Investors



Christian Nolting  
Global CIO

# Investment discipline beats “drama”

We continue to believe that 2026 will be a dynamic and generally constructive year for investors.

Geopolitical risks (for example around Iran), further changes to US tariffs, and the impact of artificial intelligence (AI) obviously all have the potential to weigh on market sentiment. But the global macroeconomic environment remains supportive, despite lingering worries about inflation: growth remains solid in the US, Europe and other major economies.

Financial markets have also proved resilient so far in 2026: price movements have been observed more at an individual sector level than at an overall index level, and temporary setbacks have not developed into a sustained market correction.

We expect positive overall market trends to continue, albeit likely accompanied by periods of heightened volatility. We called our annual outlook for 2026 **“Investing in tomorrow – Opportunities and Risks”** and this title still captures the central point: there are risks, but there will also be tremendous opportunities in a rapidly changing global economy.

This report contains our latest macroeconomic and asset class forecasts for 2026. As these show, equity markets are predicted to eventually go higher in 2026. Expect equity rotations (as recently seen from growth to value stocks, from software to hardware companies, and to some extent from the US to emerging markets) to continue. But we would not see these as a reason to abandon market segments that are rotating out. Rather, such rotations are likely to offer opportunities to reduce existing concentration risks in portfolios and will open-up new areas for investment. In the corporate bond market, inflation, fiscal and other policy risks have not gone away and we would therefore continue to prefer high-quality securities to high-yield debt: although the latter will offer some interesting opportunities, they will be more exposed to changing earnings expectations. Gold may continue to represent a useful option for portfolio hedging.

As we said in our annual outlook, “discipline beats drama” for investment. This remains very much the case: effective portfolio diversification is essential and needs to be complemented by active risk management. Staying invested remains key. We are always available to discuss the most effective ways to invest in what promises to be an interesting and productive year ahead.

Christian Nolting  
Global CIO



# Macroeconomics: Fiscal dominance

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- Robust growth due to solid consumption and sizeable investments, also driven by fiscal policy.
  - While disinflation is on track, geopolitical tensions could slow the trajectory.
  - Accommodative monetary policies supporting economic stabilisation.
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In Q4 2025, **US** growth slowed to an annualised 1.4% QoQ, as Q3 data had been inflated by a tariff-driven drop in imports. The longest-ever government shutdown also weighed on activity in Q4, resulting in full-year GDP growth of 2.2%. Leading indicators and robust labour market data suggest an early-year acceleration. Looking ahead, tax relief for households and corporates, deregulation, AI-driven investments, and gradual monetary easing should support domestic demand. Stable sequential growth of around 2% should lead to 2026 full-year GDP growth of 2.3%. We expect CPI inflation to decline to an average of 2.6% over the year, driven by waning tariff effects and lower energy costs. Absent a material increase in unemployment – not our base case – the Fed is likely to maintain a cautious stance. We anticipate a further two cuts by the end of March 2027, reducing the Fed Funds rate to 3.00-3.25%.

**Eurozone** growth stabilised at 0.3% QoQ in Q4 2025, with full-year GDP rising 1.5%. This underscores the bloc's resilience despite headwinds from elevated US tariffs. Green shoots in industry, consumption and construction indicate early-year momentum. The extensive fiscal stimulus in Germany should stabilise growth in the euro area near its potential, averaging 1.3% in 2026, with geopolitical tensions and uncertain US trade policy remaining downside risks. We expect average CPI inflation of 2.0% in 2026, as easing goods price pressures should offset the impact of wage growth on services. Despite temporary undershooting inflation, a significant catalyst in either direction would be required to alter the ECB's view that it is in a 'good place'. We therefore expect the ECB to keep the deposit rate at 2.0% by end of March 2027.

After a dip in Q3, **Japan's** economy regained momentum in Q4 2025. Strengthened by recent electoral gains, the government is expected to advance its pro-growth agenda, focusing on boosting household disposable income and strategic investments. This should sustain robust economic activity, with GDP growth projected to average 0.9% in 2026. While inflation may initially remain below the target level, a Shunto wage settlement exceeding 5% would probably exert upward pressure on prices in the second half of the year. We anticipate that CPI inflation will average 1.8% in 2026, enabling the BoJ to reduce the level of accommodation. Consequently, we anticipate gradual policy normalisation, with two hikes over the next four quarters, to take the policy rate to 1.25% by the end of March 2027.

**China's** economic slowdown continued in Q4 2025. However, robust momentum in H1 2025 enabled Beijing to meet its full-year growth target of 5%. Despite elevated US tariffs, exports are expected to continue driving growth going forward. Policy support for strategic industries and households should keep domestic demand afloat, even as the property sector remains a drag. While the risk of outright deflation has receded, price dynamics are set to remain subdued. Also due to targeted monetary easing, we forecast CPI inflation to average 0.8% and real GDP growth of 4.6% in 2026.



# Fixed Income: No respite for yields

- Deficits keeping the US long end elevated despite heavier T-bill reliance.
- Current Bund yields and Italian spreads around fair levels.
- IG steady despite AI disruption risks; HY somewhat fragile.

An expansionary fiscal stance with sustained deficits continues to support higher **US Treasury** yields. The recent reliance on funding using short-term bills, with additional emphasis potentially upcoming, has helped ease some of the pressure. Recent tariff developments following the US Supreme Court ruling increase deficit risks, which should keep the long end of the curve anchored around current levels despite heavier T-bill issuance (March 2027, 10-year yield target: 4.00%; 2-year yield target: 3.35%).

Our **German Bunds** view aligns with current market pricing given an unchanged macro backdrop – moderate growth, inflation at target, and balanced ECB communication. Elevated Bund issuance appears largely priced at current levels. A move toward joint EU issuance would pose upside risk to yields, though. (March 2027, 10-year yield target: 2.70%; 2-year yield target: 2.00%).

**Italy's 10Y-Bund** spread tightening looks broadly sustainable on improved sentiment and a stable backdrop (elections in 2027; 3% deficit planned for 2026). However, the end of the Recovery and Resilience Facility this year may induce volatility.

**Japanese government bonds** are at multi-decade highs with a steeper curve, driven by fiscal stimulus, planned consumption-tax cuts, and weak life-insurer demand. With expansionary policies and a strong lower-house mandate sustaining fiscal concerns, we expect 10-year yields to see upside pressure (March 2027, 10-year yield target: 2.40%)

USD and EUR **investment grade (IG)** bonds remain supported by solid fundamentals and firm demand despite

heavy supply and episodic policy/geopolitical/AI noise. We expect these factors to remain intact leading to contained spreads near current lows. EUR IG seems better supported – given its greater bank weight and rising defined-contribution pension demand – while strong issuance in EUR market by USD companies deepens liquidity rather than widening spreads.

**High yield (HY)** credit looks more fragile in the USD market. We tilt slightly defensive as stretched valuations and refinancing needs point to risk premia drifting wider, with HY expected to have more AI “losers” compared to IG, as smaller companies may struggle with disruption. There are also some strained individual high beta issuers in the EUR market – reinforcing a selective, higher-quality bias. We also remain cognizant of recent problems in the high yield segment of private credit and their potential to sour sentiment also in the publicly listed high yield market.

**EM sovereigns** and **Asia credit** remain resilient, supported by strong global diversification flows and improving corporate fundamentals. Credible fiscal and monetary policies – along with easing trends from the Fed and regional central banks – would support spreads to retain current tightness. Moreover, carry remains attractive across both markets.

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# Equities: Strength broadening

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- Equity indices resilient despite style rotations beneath the surface.
  - Globally, equities remain supported by strong earnings outlook.
  - Tech pullback, EM semis and Japan reforms offering selective upside.
- 

Equity markets started the year on a strong footing, with resilient headline performance even as notable rotations unfolded beneath the surface. Our view that “discipline beats drama” has held to date. Despite shifting narratives and pockets of volatility, we remain constructive on the earnings outlook for 2026, supported by solid economic growth and favourable financial conditions.

In the US, the Q4 earnings season again exceeded expectations, confirming that the earnings up-cycle remains intact. Results have broadened across sectors and the market has begun to reflect these dynamics. Since October, the average S&P 500 stock has outperformed the market-weighted index. Goods-producing sectors such as energy, materials and staples have led performance recently. Weakness in technology has been driven by concerns around higher AI spending and renewed discussions about disruption risks. This has created long-term buying opportunities in selective stocks. US Software companies are trading at valuations below consumer staples, which is unusual by historical standards. With strong earnings growth expected and valuations staying near current levels, we maintain our **S&P 500** target of 7,500 points.

European equities started the year strongly, supported by renewed inflows and an improved macro backdrop. For the first time in three years, Europe is on track to deliver meaningful earnings growth, supported by solid GDP momentum, lower interest rates and increased fiscal spending. Earnings in the autos sector are recovering from a low base, and financials and industrials are adding to

growth. As most of the valuation re-rating has already occurred, earnings will likely guide performance from here. We raise our target for the **STOXX Europe 600** to 685 points.

The Japanese equity market is a clear outperformer. Investors welcomed the LDP’s electoral supermajority, which enables Prime Minister Takaichi to advance her agenda of fiscal stimulus, national security investments and pro-growth reforms. Corporate Japan’s earnings momentum remains robust, with strong double-digit earnings growth expected over the coming years. Valuations – while historically elevated – are moderate versus global peers and remain supported by improving returns on equity (RoE) and ongoing corporate governance reforms. We project meaningful upside for the **MSCI Japan** and raise our target to 2,570 points.

Emerging Market (EM) equities have performed quite well, benefitting from the ongoing AI trade. This is largely due to semiconductors’ dominance of the IT sector, where Korean manufacturers are experiencing a super-cycle that supports strong earnings growth. Additional tailwinds stem from diversification flows, a weaker USD, higher metals prices and the prospect of rate cuts by many EM central banks in 2026. These factors suggest further upside for EM equities, particularly in markets linked to the semiconductor and AI capex cycle. We therefore increase our **MSCI Emerging Markets** target to 1,710 points.

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# Commodities: Mixed opportunities

- The case for gold remains compelling.
- Oil markets well supplied but potential for short-term disruptions.
- Copper supply deficit to persist.

Following a cumulative price increase of around 65% in 2025, **gold** extended its rally into the start of the year, reaching a record high of USD5,595 per ounce before undergoing a sharp correction. This setback appears largely technical in nature, reflecting elevated short positioning in derivatives markets and tactical profit-taking rather than a deterioration in fundamentals. From a strategic perspective, the case for gold remains compelling. Persistent geopolitical and trade uncertainties, ongoing diversification away from USD-denominated, non-commodity assets, and rising concerns over the sustainability of rapidly expanding public debt worldwide continue to underpin demand. In addition, both central bank purchases and ETF inflows are expected to remain structurally supportive. Against this backdrop, gold should retain further upside potential. Even if our target of USD5400/oz should be reached before March 2027, we would retain gold positions as even further upside seems possible.

Tensions regarding the situation in the Middle East have raised the risk premium in **oil**, and any escalation could trigger further short-term spikes. A prolonged disruption remains unlikely, however. Beyond these geopolitical risks, the market is well supplied, with OPEC+ yet to unwind its remaining roughly 3 mbbbl/d of cuts. We expect the current surplus to narrow over the next year as supply growth slows, especially in the North Sea, and demand growth gradually rises (March 2027 Brent target: USD66/bbl).

China's **copper** demand remains soft, but macro and AI-linked investors remain active. Elevated supply risks and fast-growing data-centre demand keep real-asset interest firm. With mine supply barely growing and demand from grids, data centres and energy storage accelerating, the market is set to tighten. In the near term, watch for potential outflows from US to global markets if Section 232 tariffs are not imposed by June 2026 (March 2027 Copper target: USD 13,750/t).

## Alternative investments for portfolio diversification

Wealthy and retail client participation in **alternative investments** is expected to increase, particularly for private market investments, supported by legislative encouragement and structures which start to blur the differences between public and private markets.

**Private equity** picked up in H2 2025 and is likely to continue expanding in 2026 with a greater focus on the

mid-market segment. **Private credit** assets under management are also expected to expand, with asset-backed financing's share growing further.

A widening **infrastructure** gap will continue to require both private and public capital. Many infrastructure projects will reflect escalating AI demand but government-led initiatives will also have a major role in Europe.



# Currencies: US dollar weakness not recently sustained

- Future USD headwinds from asset diversification still relevant.
- Upside potential for the EUR due to brighter economic outlook.
- JPY supported by BoJ, CNY to appreciate further against USD.

**USD:** Prior to the recent geopolitical developments the USD had been on the defensive. The EUR, by contrast, had benefited from capital inflows into European equity and bond markets, supported by improved political stability in France and stronger German industrial orders driven by the government's special fund. Despite a renewed rise in core PCE inflation to 3.0%, markets continue to price in two Fed rate cuts, which would narrow the interest rate differential with the euro area. While some ECB officials have raised concerns about excessive EUR strength, the ECB also aims to further strengthen the EUR's role as a global reserve currency. Further diversification away from USD assets supports moderate upside potential for the EUR/USD towards 1.20 by end-March 2027.

**GBP:** Following the sell-off in long-dated UK Gilts in autumn 2025, which also weighed on sterling, market conditions have stabilised. Near-term political uncertainty related to the upcoming regional elections remains a headwind for GBP. However, this is broadly offset by moderate economic momentum, a still restrictive policy rate of 3.75%, and declining inflation, resulting in firmer real rates. Even the 50bps of rate cuts currently priced by markets do not materially undermine this supportive backdrop. Given diversification flows, we expect the GBP to appreciate modestly towards GBP/USD1.42 by end-March 2027.

**JPY:** Resilient domestic demand, proposed tax cuts, and strategic government investment should underpin Japan's growth. Although near-term inflation is easing due to base effects and government subsidies, the substantial spring

wage hikes should stabilise inflation near the BoJ's target, paving the way for gradual monetary policy normalisation. Higher Japanese government bond (JGB) yields, a weak JPY, and diversified equity markets continue to attract foreign investors, while Japanese investor repatriation remains limited. Should discussions around the Government Pension Investment Fund lead to even modest reallocation toward JGBs, the JPY would probably strengthen. Combined with a narrowing US-Japan interest rate gap as the BoJ hikes, we expect moderate JPY appreciation. We forecast USD/JPY at 145 at the end of March 2027.

**CNY:** The CNY has continued its structural appreciation against the USD in 2026, extending the uptrend that began in April 2025, and has recently strengthened to around USD/CNY 6.88, the strongest level for the CNY since April 2023. This move is consistent with China's explicit policy objective to further internationalise the renminbi, strengthening its role both as a global reserve currency and as a medium for cross border payments. However, subdued domestic private demand and ongoing strains in the property sector continue to weigh on China's economic recovery, reinforcing the case for additional fiscal stimulus. We expect the CNY to appreciate gradually to USD/CNY6.80 by end-March 2027.



## Appendix

# Macroeconomic forecasts

	2026	2027	Consensus 2026 (BBG <sup>1</sup> )
<b>GDP growth rate (%)</b>			
US <sup>2</sup>	2.3	2.0	2.4
Eurozone	1.3	1.3	1.2
Germany	1.2	1.3	1.0
France	1.0	1.2	1.0
Italy	1.0	1.0	0.8
Spain	2.6	2.0	2.3
Japan	0.9	0.8	0.8
China	4.6	4.4	4.6
World	3.3	3.2	3.1
<b>Consumer price inflation (%)</b>			
US	2.6	2.3	2.7
Eurozone	2.0	2.0	1.8
Germany	2.1	2.1	2.0
Japan	1.8	2.0	1.9
China	0.8	0.8	0.7
<b>Unemployment rate (%)</b>			
US	4.6	4.5	4.5
Eurozone	6.2	6.1	6.3
Germany	6.2	6.0	6.2
Japan	2.5	2.3	2.5
China <sup>3</sup>	5.1	5.0	5.1
<b>Fiscal balance (% of GDP)</b>			
US	-6.6	-6.6	-6.3
Eurozone	-3.4	-3.4	-3.4
Germany	-3.6	-3.8	-3.5
Japan	-2.0	-2.5	-3.0
China <sup>4</sup>	-8.5	-8.4	-5.8

<sup>1</sup> Bloomberg consensus.

<sup>2</sup> For the US, GDP growth Q4/Q4 % is 2.0% in 2026 and 1.9% in 2027.

<sup>3</sup> Urban unemployment rate (end of period), not comparable to consensus data.

<sup>4</sup> China fiscal deficit refers to IMF general public sector deficit. It is not comparable with the consensus.

**Source:** Deutsche Bank AG, Bloomberg Finance L.P.; Data as of February 26, 2026.



## Appendix

# Asset class forecasts for March 2027

### Sovereign bond yields (%)

United States (2-Year US Treasury)	3.35
United States (10-Year US Treasury)	4.00
United States (30-Year US Treasury)	4.75
Germany (2-Year German Bund)	2.00
Germany (10-Year German Bund)	2.70
Germany (30-Year German Bund)	3.40
United Kingdom (10-Year UK Government)	4.20
Japan (2-Year Japan Government)	1.50
Japan (10-Year Japan Government)	2.40

### Benchmark rates (%)

United States (federal funds rate)	3.00-3.25
Eurozone (deposit rate)	2.00
United Kingdom (repo rate)	3.25
Japan (policy rate)	1.25
China (1-year lending rate)	2.80

### Currencies

EUR vs. USD	1.20
USD vs. JPY	145
EUR vs. JPY	174
EUR vs. CHF	0.92
EUR vs. GBP	0.85
GBP vs. USD	1.42
USD vs. CNY	6.80

### Equity indices

United States (S&P 500)	7,500
Germany (DAX)	27,800
Eurozone (EURO STOXX 50)	6,650
Europe (STOXX Europe 600)	685
Japan (MSCI Japan)	2,570
Switzerland (SMI)	14,950
United Kingdom (FTSE 100)	11,450
Emerging Markets (MSCI EM)	1,710
Asia ex. Japan (MSCI Asia ex Japan)	1,110

### Commodities (USD)

Gold (oz)	5,400
Crude Oil (Brent Spot, bbl)	66
Copper (t)	13,750
EU Carbon Allowances (Carbon Spot, t)	90

### Corporate & EM bond spreads (bps)

EUR IG Corp	65
EUR HY	280
USD IG Corp	85
USD HY	325
Asia Credit	130
EM Sovereign	225

**Source:** Deutsche Bank AG;  
Data as of February 26, 2026.

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## Appendix

# Historical performance

	02.03.2021– 02.03.2022	02.03.2022– 02.03.2023	02.03.2023– 02.03.2024	02.03.2024– 02.03.2025	02.03.2025– 02.03.2026
<b>Performance</b>					
S&P 500	14.9%	-7.7%	31.1%	17.5%	17.0%
STOXX Europe 600	10.9%	6.4%	11.8%	15.7%	17.5%
MSCI EM	-12.0%	-13.3%	7.8%	10.2%	50.8%
EURO STOXX 50	5.3%	10.8%	13.6%	15.4%	20.1%
SMI	12.9%	-3.3%	6.2%	16.8%	11.2%
DAX	-0.3%	9.5%	15.7%	27.2%	12.1%
FTSE 100	16.4%	11.2%	0.4%	18.9%	28.1%
MSCI Japan	0.1%	9.3%	42.0%	0.3%	49.7%
MSCI Asia ex Japan	-16.4%	-12.9%	5.6%	13.3%	50.8%
2-Year US Treasury	-1.7%	-2.5%	4.4%	5.2%	4.6%
10-Year US Treasury	-1.8%	-15.0%	2.6%	4.1%	6.7%
30-Year US Treasury	1.8%	-29.5%	-1.9%	1.6%	2.0%
2-Year German Bund	-0.7%	-4.5%	2.6%	3.4%	1.8%
10-Year German Bund	-2.8%	-20.2%	5.7%	2.8%	1.1%
30-Year German Bund	-3.2%	-48.1%	5.6%	-2.3%	-8.8%
10-Year UK Government	-3.5%	-18.4%	2.8%	1.4%	7.2%
2-Year Japan Government	-0.2%	0.0%	-0.2%	-0.5%	0.4%
10-Year Japan Government	0.5%	-0.2%	-0.4%	-4.0%	-4.1%
EUR vs. USD	-8.0%	-4.7%	2.3%	-4.3%	13.9%
USD vs. JPY	-0.4%	12.8%	12.3%	-3.9%	18.0%
EUR vs. JPY	-4.3%	7.0%	-3.5%	-3.7%	6.2%
EUR vs. CHF	8.1%	2.3%	4.2%	2.2%	3.3%
EUR vs. GBP	8.3%	18.4%	9.8%	0.3%	3.6%
GBP vs. USD	-3.9%	-10.9%	5.9%	-0.6%	7.2%
USD vs. CNY	-2.3%	9.4%	4.1%	1.2%	-5.8%
Gold (oz)	-11.1%	-4.3%	12.9%	37.5%	84.3%
Crude Oil (Brent Spot. bbl)	85.1%	-29.4%	3.6%	-13.5%	-4.3%
Copper (t)	10.6%	-12.4%	-5.7%	11.0%	42.4%

**Source:** Deutsche Bank AG, Bloomberg Finance L.P., LSEG Datastream; Data as of March 2, 2026.

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## Glossary

The **Bank of Japan (BoJ)** is the central bank of Japan.

A **basis point (bp)** is a unit of measure used to describe percentage change, where one basis point equals one hundredth of a percentage point (0.01%); 100 basis points equal 1 percentage point.

**Brent** is a grade of crude oil used as a benchmark in oil pricing.

**Bunds** are longer-term bonds issued by the German government.

**CHF** is the currency code for the Swiss franc.

**CNY** is the currency code for the Chinese yuan.

The **consumer price index (CPI)** measures the price of a basket of products and services that is based on the typical consumption of a private household.

The **DAX** is a blue-chip stock-market index consisting of the 40 major German companies trading on the Frankfurt Stock Exchange; other DAX indices include a wider range of firms.

An **emerging market (EM)** is a country that has some characteristics of a developed market in terms of market efficiency, liquidity and other factors, but does not meet all developed market criteria.

**Exchange Traded Funds (ETFs)** are investment funds traded on stock exchanges.

**EUR** is the currency code for the euro, the currency of the Eurozone.

The **European Central Bank (ECB)** is the central bank for the Eurozone.

The **EuroStoxx 50 Index** tracks the performance of blue-chip stocks in the Eurozone and includes the super-sector leaders in terms of market capitalization.

The **Eurozone** is formed of 21 European Union member states that have adopted the euro as their common currency and sole legal tender.

The **Fed funds rate** is the interest rate at which depository institutions lend overnight to other depository institutions.

The **Federal Reserve (Fed)** is the central bank of the United States. Its **Federal Open Market Committee (FOMC)** meets to determine interest rate policy.

The **FTSE 100 Index** tracks the performance of the 100 major companies trading on the London Stock Exchange.

**GBP** is the currency code for the British pound/sterling.

**Gilts** are bonds that are issued by the British Government.

**Gross domestic product (GDP)** is the monetary value of all the finished goods and services produced within a country's borders in a specific time period.

The **global financial crisis (GFC)** refers to the 2007–2008 financial crisis that resulted in a recession in several major economies and was caused by an asset bubble in the US mortgage market.

**High yield (HY)** bonds are higher-yielding bonds with a lower credit rating than investment-grade corporate bonds, Treasury bonds and municipal bonds.

The **ISM** indicators, published by the Institute for Supply Management, measure the economic activity and health of US manufacturing and services sectors.

An **investment grade (IG)** rating by a rating agency such as Standard & Poor's indicates that a bond is seen as having a relatively low risk of default.

**JPY** is the currency code for the Japanese yen, the Japanese currency.

The **Liberal Democratic Party (LDP)** is a major conservative and nationalist political party in Japan.



## Glossary

The **MSCI Asia ex Japan Index** captures large- and mid-cap representation across 2 of 3 developed-market countries (excluding Japan) and 8 emerging-market countries in Asia.

The **MSCI Australia Index** is designed to measure the performance of the large and mid cap segments of the Australia market.

The **MSCIEM Index** captures large and mid cap representation across 23 emerging markets countries.

The **MSCI Japan Index** measures the performance of around 323 large and mid-cap stocks drawn accounting for about 85% of Japanese market capitalization.

The **Organization of the Petroleum Exporting Countries (OPEC)** is an international organization with the mandate to “coordinate and unify the petroleum policies” of its 12 members. The so-called “**OPEC+**” brings in Russia and other producers.

**Personal Consumption Expenditure (PCE)** is a price index for goods and services, particularly relevant in the context of US GDP.

**Return on equity (ROE)** measures company’s financial performance by dividing net income by shareholders’ equity.

**Risk premia** refer to the return in excess of the risk-free rate of return that an investment is expected to yield. It is a form of compensation for investors who tolerate the extra risk.

The **S&P 500 Index** includes 500 leading US companies capturing approximately 80% coverage of available US market capitalization.

**Section 232** (Trade Expansion Act of 1962) authorises the US President to investigate the effects of imports on US national security.

The **Stoxx Europe 600** includes 600 companies across 18 European Union countries.

The **Swiss Market Index (SMI)** includes 20 large and mid-cap stocks.

**Treasuries** are bonds issued by the US government.

**US** is the United States.

**USD** is the currency code for the US dollar.



## Important note

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