- Renewed U.S.-Iran strikes weighed on investor sentiment and led to a volatile session. Energy prices rose, with Brent oil and TTF gas around $90 and €70, respectively. Stock markets declined across the board and the USD weakened against a basket of major currencies, with the euro strengthening moderately above $1.16.
- Sovereign yields rose both in the U.S. and Europe. Euro area peripheral spreads were little changed while yields on 10-year Treasuries and Bunds reached their highest levels since early 2025 and late 2011, respectively. Market-implied odds of 25bp rate hikes by the Fed and the ECB in their September meetings rose to 65% and 99%, respectively.
- On the data front, China's official composite PMI remained below the 50-point threshold (49.5 in August). In Europe, Germany's headline HICP inflation rate accelerated to 2.9% yoy in August from 2.8% in July. Today, the focus will be on the euro area's aggregate HICP figures and the U.S. ISM surveys.

Interest Rates (%)	8/31	8/28	Daily Change (bp)	Weekly Change (bp)	YTD (bp)	YoY Change (bp)
Euro area						
ECB - Official Interest Rate (Depo)	**2.25**	2.25	0	0	25	25
€STR	**2.19**	2.19	0	0	26	27
Swap €STR (10Y)	**3.11**	3.07	4	8	42	63
3 months (Euribor)	**2.59**	2.57	2	6	57	53
12 months (Euribor)	**3.00**	2.98	2	1	76	88
Germany - 2-Year Bond	**2.94**	2.91	3	7	82	100
Germany - 10-Year Bond	**3.32**	3.28	4	7	47	60
France - 10-Year Bond	**4.18**	4.13	5	5	61	67
Spain - 10-Year Bond	**3.78**	3.73	5	7	49	45
Portugal - 10-Year Bond	**3.67**	3.63	4	7	52	49
Italy - 10-Year Bond	**4.15**	4.10	5	7	60	57
Risk premium - France (10Y)	**85**	85	1	-2	14	7
Risk premium - Spain (10Y)	**45**	45	0	0	2	-16
Risk premium - Portugal (10Y)	**35**	35	0	0	6	-11
Risk premium - Italy (10Y)	**83**	82	1	0	13	-3
US						
Fed - Lower Bound*	**3.50**	3.50	0	0	0	-75
Fed Funds Rate Future (Dec.-26)	**3.97**	3.97	0	9	91	101
3 months (SOFR)	**3.76**	3.76	0	0	11	-41
12 months (SOFR)	**4.03**	4.03	0	2	61	26
2-Year Bond	**4.34**	4.34	0	11	87	72
10-Year Bond	**4.75**	4.72	3	5	58	52

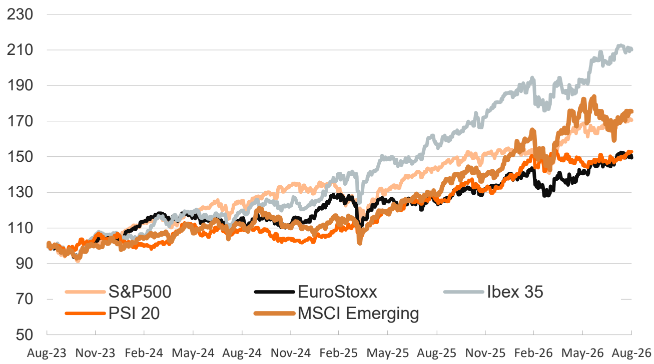
Stock Markets	8/31	8/28	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**13.16**	13.15	0.1	-0.8	26.0	54.3
Ibex 35	**19974**	20042	-0.3	-0.6	15.4	33.7
PSI 20	**9437**	9431	0.1	0.5	14.2	21.6
MIB	**52613**	52616	0.0	0.1	17.1	24.7
DAX	**26258**	26570	-1.2	0.6	7.2	9.9
CAC 40	**8335**	8401	-0.8	-1.4	2.3	8.2
Eurostoxx50	**6420**	6486	-1.0	-0.4	10.9	20.0
S&P 500	**7686**	7712	-0.3	0.4	12.3	19.0
Nasdaq	**26371**	26402	-0.1	1.5	13.5	22.9
Nikkei 225	**66312**	66406	-0.1	1.2	31.7	55.2
MSCI Emerging Index	**1719**	1722	-0.2	1.5	22.4	36.6
MSCI Emerging Asia	**974**	975	-0.1	1.9	25.6	40.5
MSCI Emerging Latin America	**3053**	3031	0.7	0.2	12.7	27.2
Shanghai	**3986**	3952	0.9	2.7	0.4	3.3
VIX Index	**14.92**	14.43	3.4	-5.9	-0.2	-2.9

Currencies & Cryptocurrencies	8/31	8/28	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1.162**	1.159	0.3	-0.4	-1.1	-0.6
EUR/GBP	**0.86**	0.86	0.2	0.2	-1.6	-0.9
EUR/CHF	**0.94**	0.94	0.2	0.3	0.9	0.4
USD/JPY	**159.74**	160.09	-0.2	0.4	1.9	8.6
USD/CNY	**6.72**	6.73	-0.2	0.0	-3.8	-5.8
BTC/USD	**78853.76**	77405.48	1.9	-0.1	-10.0	-26.9

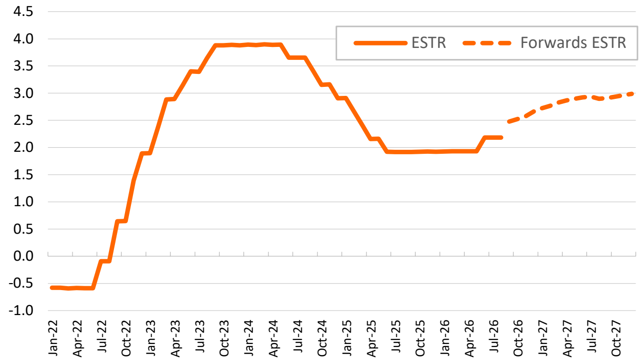
Commodities	8/31	8/28	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**141.4**	140.2	0.8	1.4	28.9	37.5
Brent (US$/barrel)	**90.5**	89.3	1.3	-1.8	48.7	32.8
TTF Natural Gas-1M Future (€/MWh)	**69.8**	67.0	4.2	2.2	147.9	120.8
TTF Natural Gas-Dec.-26 Future (€/MWh)	**69.2**	66.3	4.4	1.6	149.5	116.7
Gold (US$/ounce)	**4437.4**	4455.1	-0.4	-4.6	2.7	28.7

* To ensure the best comparability between USD and EUR policy rates, we are now displaying the lower bound of the Federal Funds Target Rate and the ECB'S Deposit Facility Rate, respectively

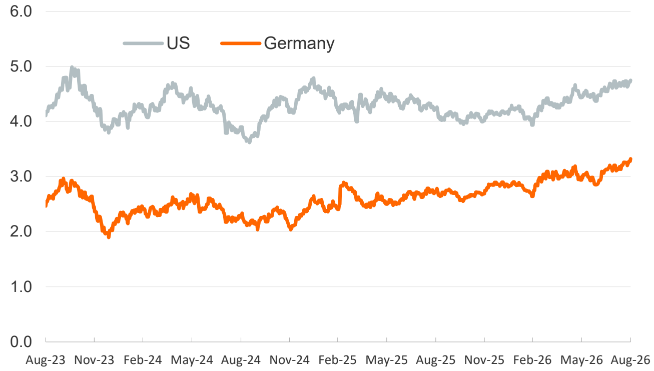
Main advanced stock markets
Index (100=Three years ago)



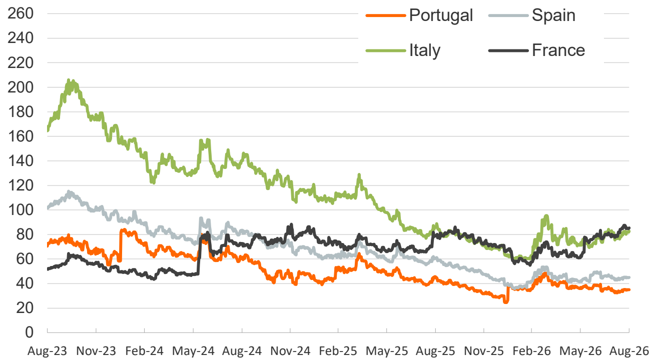
€STR: historical data and forwards
(%)



Yield on 10-year public debt: U.S. and Germany
(%)

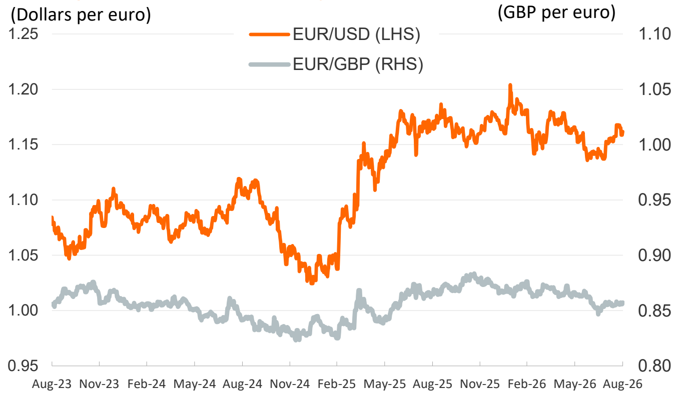


Risk Premium on 10-year debt: France, Italy, Spain and Portugal
(basis points)

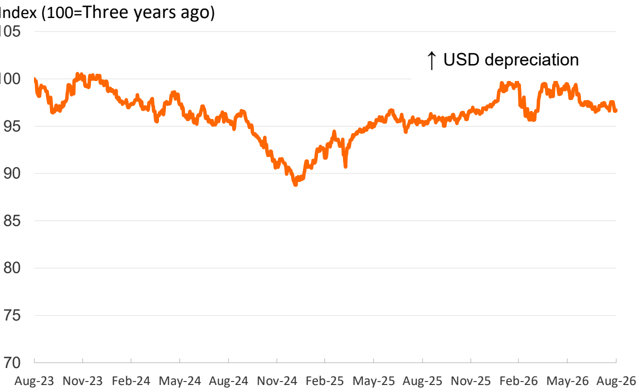


Exchange rate: Advanced-economy currencies
(Dollars per euro)

(GBP per euro)



Exchange rate: emerging economies index
(Index (100=Three years ago)



Brent oil price
(US$/barrel)

Dutch TTF Natural gas price
(€/MWh)