- Risk appetite surged on Monday as US strikes on Iran remained paused for a second consecutive night. Energy prices declined sharply, with Brent dropping below $90 per barrel. This lowered inflation expectations, with euro area 1Y inflation swaps falling by around 0.2 p.p. to 2.4%. Sovereign yields also declined across the board, particularly in the euro area.
- However, interest rate expectations remained elevated: markets continued to price two additional ECB hikes, the first one in September, with Governing Council member Kazimir calling for at least one more hike despite Middle East developments. Fed rate expectations were little changed, with markets pricing a nearly 40% probability of a hike tomorrow.
- Equities advanced in Europe after a positive session in Asia. US indices were mixed, with the S&P 500 flat while the Nasdaq posted modest losses, as investors rotated from semiconductors and other AI-related stocks into cyclical sectors. In FX, the dollar recorded modest gains in nominal terms and was mostly flat against the euro.

Interest Rates (%)	7/27	7/24	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	26
Swap €STR (10Y)	**2,93**	2,98	-5	-3	24	43
3 months (Euribor)	**2,45**	2,49	-3	-4	43	48
12 months (Euribor)	**2,98**	2,99	-1	10	74	92
Germany - 2-Year Bond	**2,79**	2,83	-4	0	67	85
Germany - 10-Year Bond	**3,13**	3,17	-4	-2	28	42
France - 10-Year Bond	**3,92**	3,97	-4	-2	36	54
Spain - 10-Year Bond	**3,59**	3,63	-4	-2	30	28
Portugal - 10-Year Bond	**3,49**	3,53	-4	-2	34	34
Italy - 10-Year Bond	**3,94**	4,00	-5	-3	39	39
Risk premium - France (10Y)	**79**	80	-1	-1	8	12
Risk premium - Spain (10Y)	**46**	46	0	0	2	-14
Risk premium - Portugal (10Y)	**36**	36	0	0	6	-7
Risk premium - Italy (10Y)	**81**	82	-1	-1	12	-2
US						
Fed - Lower Bound*	**3,50**	3,50	0	0	0	-75
Fed Funds Rate Future (Dec.-26)	**4,04**	4,04	0	10	98	88
3 months (SOFR)	**3,84**	3,84	0	11	19	-47
12 months (SOFR)	**4,17**	4,17	0	18	75	17
2-Year Bond	**4,32**	4,33	-1	11	85	40
10-Year Bond	**4,65**	4,68	-3	6	48	26

Stock Markets	7/27	7/24	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**13,29**	13,30	-0,1	6,4	27,2	69,2
Ibex 35	**19741**	19585	0,8	2,8	14,1	38,7
PSI 20	**9122**	9215	-1,0	0,6	10,4	18,4
MIB	**52055**	51802	0,5	0,4	15,8	27,8
DAX	**25361**	25099	1,0	2,1	3,6	4,7
CAC 40	**8406**	8372	0,4	0,8	3,1	7,3
Eurostoxx50	**6282**	6281	0,0	0,9	8,5	17,4
S&P 500	**7413**	7412	0,0	-0,4	8,3	16,0
Nasdaq	**24932**	24976	-0,2	-2,3	7,3	18,1
Nikkei 225	**64931**	64611	0,5	1,2	29,0	56,6
MSCI Emerging Index	**1643**	1628	0,9	1,6	17,0	30,7
MSCI Emerging Asia	**930**	920	1,0	1,7	19,9	33,6
MSCI Emerging Latin America	**3042**	3029	0,4	1,5	12,3	34,3
Shanghai	**3858**	3814	1,2	1,6	-2,8	7,4
VIX Index	**18,67**	18,58	0,5	0,1	24,9	25,1

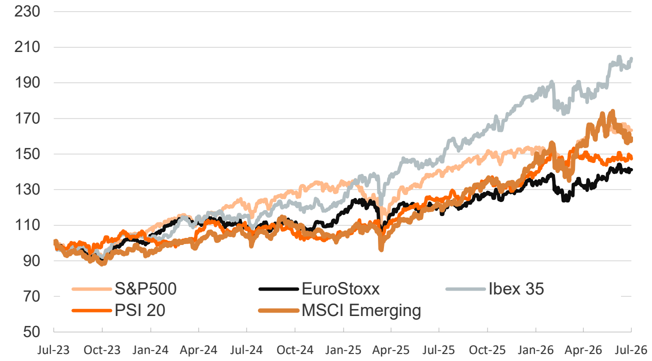
Currencies & Cryptocurrencies	7/27	7/24	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,137**	1,137	0,0	-0,4	-3,2	-3,2
EUR/GBP	**0,86**	0,85	0,2	0,7	-1,9	-2,1
EUR/CHF	**0,93**	0,93	0,1	0,7	0,0	-0,3
USD/JPY	**163,75**	163,83	0,0	0,8	4,5	10,9
USD/CNY	**6,76**	6,77	-0,1	-0,1	-3,2	-5,7
BTC/USD	**64906,26**	64113,69	1,2	-0,6	-25,9	-44,6

Commodities	7/27	7/24	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**131,8**	134,9	-2,3	-0,1	20,2	27,4
Brent (US$/barrel)	**88,4**	96,8	-8,7	-1,0	45,2	29,1
TTF Natural Gas-1M Future (€/MWh)	**58,3**	63,6	-8,4	-0,8	106,9	79,2
TTF Natural Gas-Dec.-26 Future (€/MWh)	**57,1**	62,1	-8,1	-0,6	105,9	70,8
Gold (US$/ounce)	**4076,3**	4052,8	0,6	1,7	-5,6	22,1

* 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

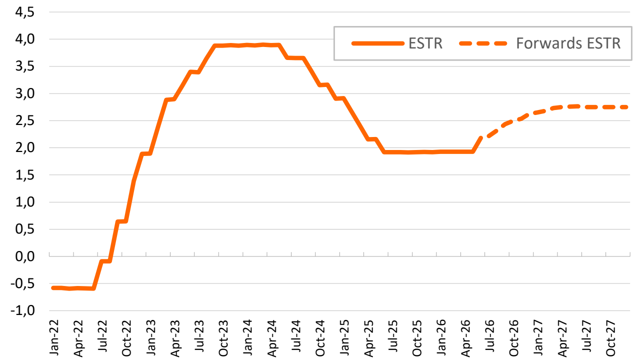
Main advanced stock markets

Index (100=Three years ago)



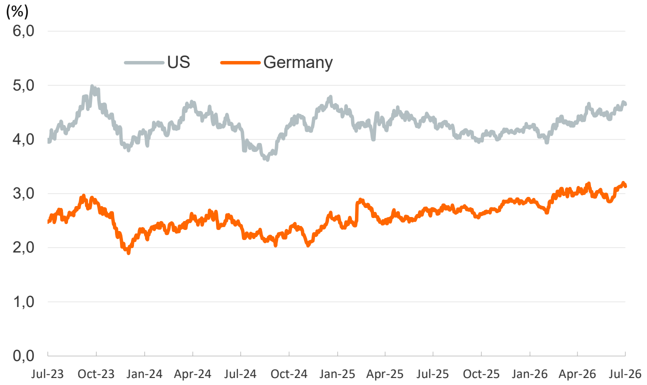
€STR: historical data and forwards

(%)



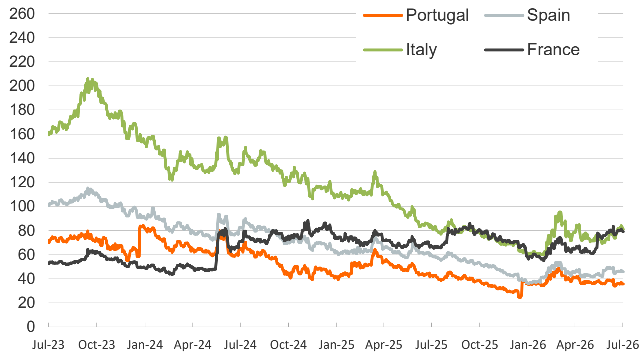
Yield on 10-year public debt: U.S. and Germany

(%)



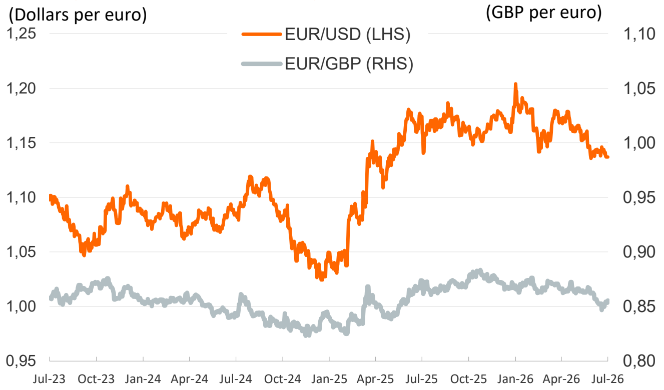
Risk Premium on 10-year debt: France, Italy, Spain and Portugal

(basis points)



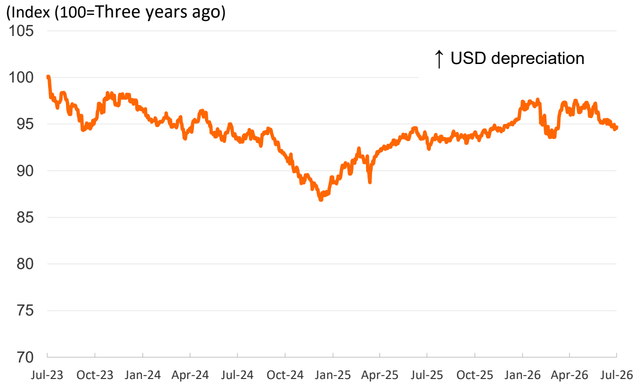
Exchange rate: Advanced-economy currencies

(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)