PRIMIS® INVESTMENT

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WEEKLY MARKETS ROUND-UP

Executive Summary

16th March 2026

Top news: FOMC / central banks' week, set in a stagflationary crossfire — Last week's data confirmed the current central banks' conundrum. Brent settled at 103 $/bbl (+10.7% on the week, up 70% YTD) while Q4 US GDP was revised much lower on Friday (at +0.7% QtoQ vs 1.4% exp.). Pre-crisis Feb. US CPI and the belated Jan. Core PCE, published on Wednesday and Friday, both printed as expected (2.4% YoY for CPI, 3.1% for Core PCE) yet still well above their 2% targets, while forward short term interest rates continued to reprice sharply higher as the Oil shock worsened (+45bp on US SOFR 1Y1M since Feb. 27th). The stagflationary narrative is hence taking center stage with Equities reflecting this gloom, the main indexes fell 1-2% on average, while TLT, the 20Y Treasuries ETF also dropped 2% (i.e. the long term Equity to Bond positive correlation is back to levels not seen in 30 years). This week is loaded with central bank releases. The RBA meets early Tuesday, possibly raising its short term rate by +0.25% given sticky inflation and rising Oil prices, yet the main event will be the FOMC on Wednesday evening. A hold decision is near certain yet the market will focus mainly on any dot plot revision as well as Powell's framing of the oil-versus-labor dilemma. Thursday, the BoJ, BoE, SNB and ECB are then expected. They will all need to navigate between slowing growth and an incipient inflation shock. Macro-wise, Wednesday will also see the Feb. US PPI, exp. to cool slightly from +0.5% MoM to +0.3%.

Equities: last week, equities dropped further with SPX, the SMI or Japan suffering the most (the EuroStoxx50 in falling Euros was indeed more resilient). Technicals are still rather neutral, yet sentiment indicators are now quite Oversold.

Fixed Income: benchmark yields continued to rise last week with the US and German 10Y yields up resp. 12 and 14bps. Both duration and High Yield credit have been retracing in recent week indeed reflecting stagflationary fears.

Forex: USD rebounded further last week with EUR/USD and GBP/USD both dropping 2 figures, USD/JPY nearing 160 and USD/CHF above 0.79. Although getting slightly Overbought on some pairs, the bounce could extend further.

Commodities: Oil roller-coastered between 120 and 85 $/bbl early last week yet finally settled around 103. The Strait of Hormuz remains the key variable. Rising short term yields are pressuring Gold (-3%), which is currently testing 5'000.

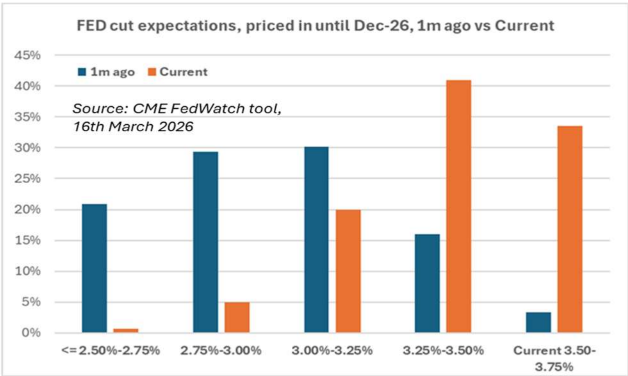
	Currencies	Price	Performance since 52 Week Low			Performance since 52 Week High			Performance	Trend	Exaggeration
			Date Low	Low Price	Rise %	Date High	High price	Decline %	YTD in %	last 6m[1]	OB / OS [2]
S&P500 Index	USD	6'632	Apr-25	4'983	33.1%	Jan-26	6'979	-5.0%	-3.1%	neutral	neutral
Nasdaq100 Index	USD	24'381	Apr-25	17'090	42.7%	Oct-25	26'120	-6.7%	-3.4%	neutral	neutral
Dow Jones Industrials Index	USD	46'558	Apr-25	37'646	23.7%	Feb-26	50'188	-7.2%	-3.1%	neutral	neutral
EuroStoxx50	EUR	5'717	Apr-25	4'622	23.7%	Feb-26	6'173	-7.4%	-1.3%	neutral	neutral
Swiss Market Index	CHF	12'839	Apr-25	10'888	17.9%	Feb-26	14'014	-8.4%	-3.2%	up	neutral
Nikkei225	JPY	53'819	Apr-25	31'137	72.8%	Feb-26	58'850	-8.6%	6.9%	up	neutral
Shanghai Composite	CNY	4'096	Apr-25	3'097	32.3%	Mar-26	4'185	-2.1%	3.2%	up	neutral
US 10Y Treasury Yield	%	4.28%	Apr-25	3.89%	0.4%	May-25	4.61%	-0.3%	0.1%	neutral	slightly OB
German 10Y Bund Yield	%	2.98%	Apr-25	2.44%	0.5%	Mar-26	2.98%	0.0%	0.1%	neutral	slightly OB
US 20Y Treasuries (TLT ETF, 17-18Y duration)*	USD	87	May-25	79	9.0%	Feb-26	90	-3.8%	0.3%	neutral	neutral
US Investment Grade (LQF ETF - 8-9Y duration)*	USD	108	Apr-25	100	8.2%	Mar-26	111	-2.5%	-0.7%	neutral	neutral
US High Yield (HYG ETF, 3-4Y duration)*	USD	79	Apr-25	71	11.1%	Mar-26	80	-1.5%	-0.4%	neutral	neutral
EM USD Sovereigns (EMB ETF, 7-8Y duration)*	USD	94	Apr-25	82	14.7%	Mar-26	97	-2.7%	-0.6%	neutral	neutral
EUR/USD		1.14	Mar-25	1.07	6.3%	Jan-26	1.20	-5.1%	-2.8%	neutral	slightly OS
GBP/USD		1.32	Apr-25	1.27	3.9%	Jan-26	1.38	-4.5%	-1.9%	neutral	neutral
USD/JPY		160	Apr-25	141	13.4%	Mar-26	160	0.0%	1.9%	neutral	neutral
USD/CHF		0.79	Jan-26	0.76	3.8%	Mar-25	0.88	-10.5%	-0.1%	neutral	neutral
AUD/USD		0.70	Apr-25	0.60	17.3%	Mar-26	0.72	-2.4%	4.6%	up	slightly OB
Brent Oil (per Barrel)	USD	103	Dec-25	59	75.1%	Mar-26	103	0.0%	69.5%	up	OB
Gold Spot (per Ounce)	USD	5'019	Apr-25	2'977	68.6%	Jan-26	5'416	-7.3%	16.3%	up	neutral

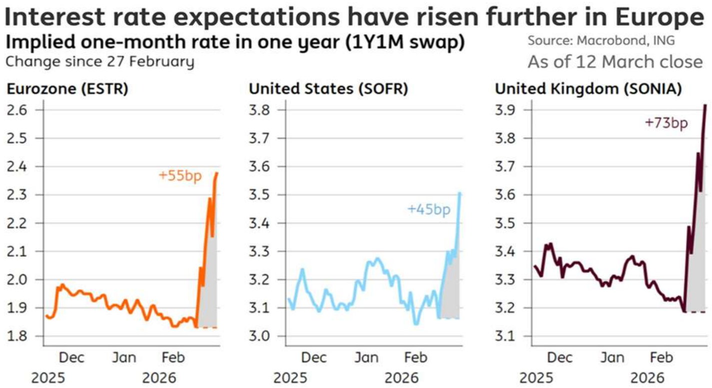
* These large fixed income ETFs are used as proxies to assess the state of duration trades as well as of credit markets

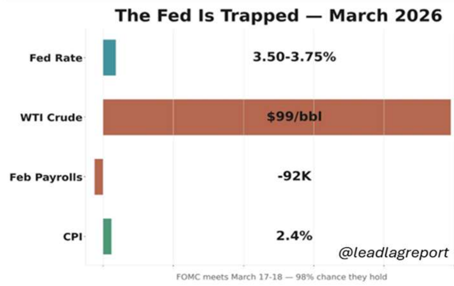
Source: Primis Investment (Suisse) SA

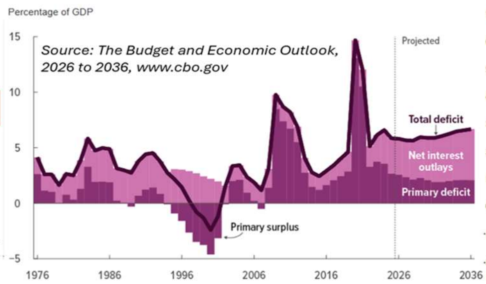
Rates focus: multiple central banks reporting, one potential stagflationary trap

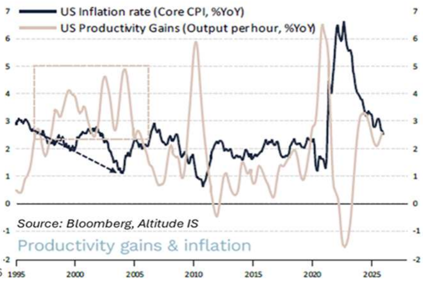
Most Central Banks meeting this week will probably stay on hold, while the FED's narrative will likely dominate as Dec-26 rate cut expectations have collapsed over the past month. Probabilities are now pointing to one, perhaps no rate cuts until yearend (top-left graph). Markets have indeed revised 1M in 1Y forward rates sharply higher since Feb. 27th (top-right), by +45bp for USD rates and even more for EUR and GBP, due to the higher oil prices getting priced in. The FOMC will hence certainly hold on Wednesday, amid 100$/bbl oil, weak employment and sticky inflation (bot-left). Yet, the prevailing story is probably longer term, likely focusing on the dot plot revision (the FOMC members' longer term interest rate projections). Indeed, if the current Oil spike turns into an Oil shock, the 1970s playbook of hiking rates to counter it, is structurally unavailable. Federal debt is indeed at 120%+ of GDP versus sub-40% in the 1970s, and net interests are on course to absorb circa two-thirds of the deficit over the next decade (bot-middle). Sustained rate hikes would hence probably trigger a fiscal accident before they tame inflation. The one credible offset — flagged by some constructive analysts (bot-right), as well as Kevin Warsh, the new FED Chair, is that AI productivity gains could structurally lower unit costs, allowing the FED to look through the oil spike entirely. We would also watch Powell's language on Wednesday for any confirmation of such framing.











Notes:

1. **Trend last 6 months:** this Primis original algorithm, weighs the slope of the trend over the last 6 months vs the slope of the trend over the last 3 months yet factorised by the Fibonacci retracement ratio (0.618). Values are normalised using the average price over each period. If this combined slope is above +0.08% the trend is then "up", below -0.08% then "down", otherwise it is "neutral".
2. **Overbought (OB) / Oversold (OS) measures:** this Primis original algorithm is computed by comparing the difference between the 8 days moving average and the 100 days combined with the 3 days vs the 15 days one and normalises this difference by dividing it by the 1 year standard deviation (circa 260 open market days). Values above 225% or under -225% are Overbought "OB", resp. Oversold "OS", values above 100% or under -100% are "slightly OB", resp. "slightly OS", otherwise there is no relevant exaggeration and the situation is then "neutral".

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