Weekly Market Report

September 22 to September 26, 2026

For educational and informational purposes only. Not financial advice.

OVERVIEW

Risk appetite has been uneven, with investors rotating across regions and factors rather than chasing a single beta. Data dependent policy, sticky inflation, and geopolitics/energy remain the narrative; cross asset dispersion is high (see performance table).

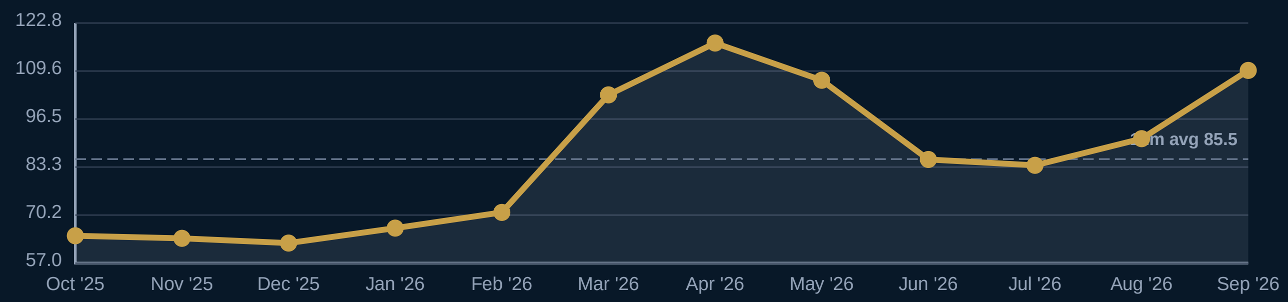
PERFORMANCE TABLE

Instrument	1M	6M	1Y	1Y %ile	5Y %ile
Bitcoin (BTC-USD)	+4.2%	+14.1%	-30.5%	61	75
Nikkei 225 (Japan)	+2.3%	+19.5%	+19.0%	95	98
Nasdaq 100	+0.8%	+23.9%	+21.2%	90	97
S&P 500	-1.0%	+17.4%	+15.0%	88	97
CSI 300 (China)	-1.5%	+4.3%	+5.6%	49	85
iShares IG Corp Bond (LQD)	-1.8%	-2.9%	-6.4%	2	7
Hang Seng Index (Hong Kong)	-2.0%	+0.6%	+4.0%	46	84
Gold (USD/oz)	-3.1%	-3.0%	+19.5%	50	85
STOXX Europe 50	-4.8%	+13.6%	+11.1%	74	92

Note: Rows ranked by one-month return (highest first); the 1M column is highlighted as the sort key. Same proxy ETFs, figures, and percentile methodology as the Research page performance table (1M/6M/1Y vs ~30/180/365 calendar days). Percentile ranking shows where current price level stands relative to historical price levels. ETF proxy closes in this batch: Sep 18, 2026 to Sep 20, 2026 (proxies may refresh on different sessions).

CHARTS OF THE WEEK

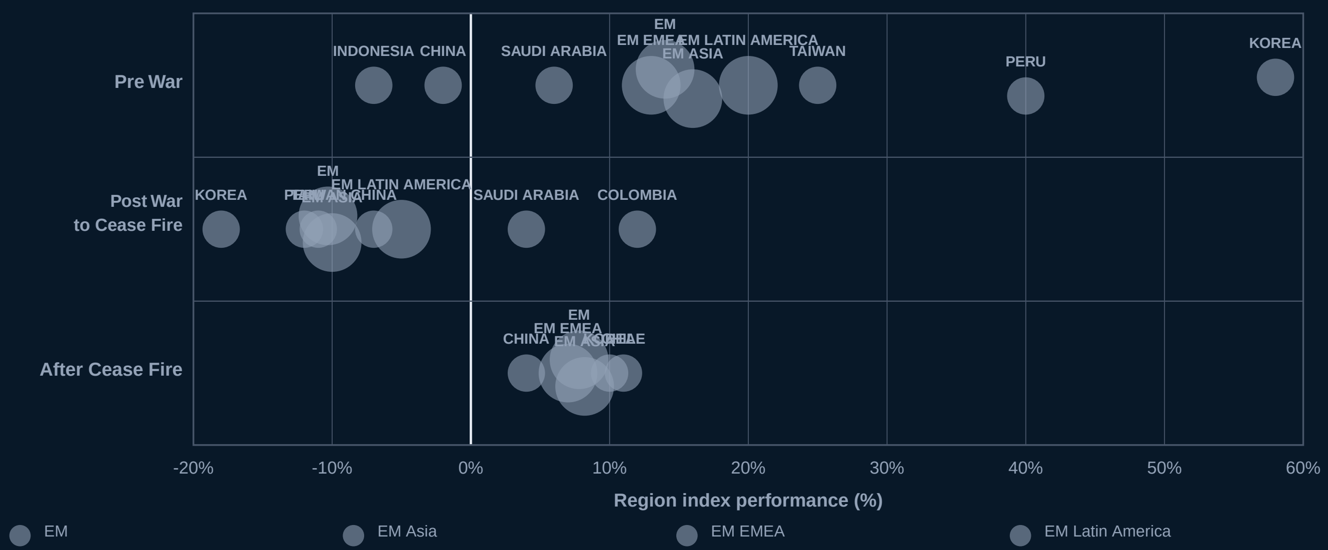
Brent crude (USD/bbl): trailing 12 months, monthly average spot (geopolitical risk channel)



Source: FRED API, series DCOILBRENTEU (U.S. EIA via Federal Reserve Bank of St. Louis); daily spot, averaged by calendar month. Last daily spot observation: Sep 15, 2026.

Monthly average Brent from FRED (EIA spot, DCOILBRENTEU) was range-bound in the mid-$60s through early 2026, then jumped in March to April as Gulf supply risk returned; the dashed line is the trailing 12-month mean ($85.5/bbl) and spot is near $131 on the latest FRED daily print. Energy and shipping equities tend to reprice first; duration and growth sleeves stay sensitive if the move feeds headline CPI.

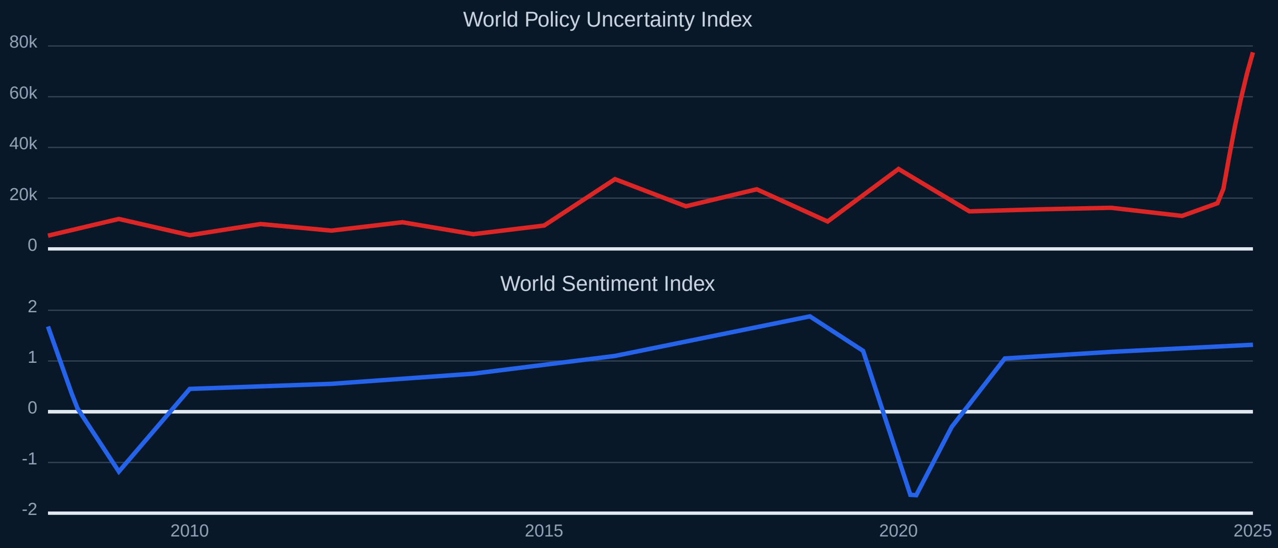
Emerging Markets Through the Middle East Conflict: Uneven Impact of the Energy Shock



Source: https://www.msci.com/indexes/markets-in-motion/visualizations/emerging-markets-through-the-middle-east-conflict-uneven-impact-of-the-energy-shock

MSCI EM indexes show wide pre-war dispersion, acute Asia-led weakness when crude and LNG routes were in focus, then a tighter positive band after the ceasefire. Country and terms-of-trade exposure dominated simple regional beta.

Despite record-high policy uncertainty, global sentiment remains relatively positive



Source: https://www.imf.org/en/blogs/articles/2025/11/10/even-as-global-uncertainty-surges-economic-sentiment-remains-positive

IMF text-based gauges show policy uncertainty spiking while sentiment stayed positive, matching staff messaging of a resilient but slowing global expansion. Elevated uncertainty argues for quality and careful cyclical timing rather than maximum risk.

Commentary: AVANTAS Research

TOP CATALYSTS

1. Editor's pick: Post to Sep FOMC, cut delivered, path and dots decide next

The Fed cut 25bp; the open debate is SEP/dot-plot pricing versus OIS and whether fiscal term premium spoils long-end relief. This week’s cluster (23 to 25 Sep GMT+8) is flash PMIs, claims, new home sales, and durables, plus China Mid-Autumn Festival Friday.

Market Impact:

Front-end duration tactical on cooperative path pricing; keep 30Y cautious on term premium; quality equities as core; gold as the hawkish/fiscal hedge.

Further Reading:

• Avantas Research — Post–Sep FOMC
• Avantas Research — US fiscal & term premium

2. Bitcoin Leads; Europe Soft 1M

Our 20 Sep table: Bitcoin +4.2% 1M tops the sleeve; Nikkei +2.3% 1M; Nasdaq +0.8% 1M; S&P " 1.0% 1M; Hang Seng " 2.0% 1M; Gold " 3.1% 1M; STOXX " 4.8% 1M; LQD " 1.8% 1M.

Market Impact:

Size bitcoin as liquidity beta, not an inflation hedge; prefer Japan/Nasdaq selectivity over blanket Europe beta after the cut.

Further Reading:

• Avantas Research — performance table
• Reuters — Markets

3. Fiscal Path vs Fed Path on the Curve

A delivered cut does not force a bullish 30Y if net supply and term premium stay elevated. Size 2Y to 5Y for the Fed path and keep long-end caution until auctions and deficit headlines cooperate.

Market Impact:

Barbell tactical front end with selective belly; underweight unhedged long bonds into the post-cut data cluster.

Further Reading:

- Avantas Research — US fiscal & term premium
- CME FedWatch

4. Data Week: PMIs, Claims & Durables (23 to 25 Sep)

Calendar (GMT+8): Wed flash manufacturing/services PMIs and crude inventories; Thu claims and new home sales; Fri China Mid-Autumn Festival and durable goods (Aug P).

Market Impact:

Soft PMIs/claims can extend front-end relief; sticky durables or hot services keep path risk and term premium live.

Further Reading:

- Avantas Research — economic calendar
- Federal Reserve — September 2026

MARKET THEMES

BY REGION

US economy & markets

United States: Housing and regional bank data remain early indicators when the labour market is late cycle; small cap relative performance often turns before the headline index.

Europe & Asia

Europe: Fiscal rules and national politics still create country dispersion inside the euro area. Japan: tourism and services matter for domestic demand. Asia: commodity importers versus exporters diverge when oil spikes.

Commodities & credit

Commodities: Inventory data and seasonal demand still matter after the headline geopolitical bid fades. Credit: spreads can tighten on liquidity before fundamentals improve.

Cross asset read

Cross asset: hedges should be chosen for correlation stability, not only for long run expected return.

MARKET OUTLOOK

Near term outlook (3 to 6 months):

Post-cut week: Wednesday flash manufacturing and services PMIs plus crude inventories, Thursday claims and new home sales, Friday China Mid-Autumn Festival and durable goods (Aug P). Our 20 Sep table shows Bitcoin (+4.2% 1M) still leading with Nikkei (+2.3% 1M) and Nasdaq (+0.8% 1M) firm; S&P (" 1.0% 1M), Hang Seng (" 2.0% 1M), Gold (" 3.1% 1M), STOXX (" 4.8% 1M), and LQD (" 1.8% 1M) stay soft after the delivered 25bp cut.

Medium term outlook (6 to 12 months):

Path pricing versus the new median dots is the master variable: cooperative SEP supports tactical front-end duration and quality equities; hawkish dots or sticky services can reprice higher-for-longer via term premium. Keep fiscal-path caution on 30Y even if the front end rallies; gold (" 3.1% 1M, +19.5% 1Y) remains the strategic hedge.

Long term outlook (12+ months):

Fiscal supply and term premium, AI power constraints versus ROI proof, and selective Asia/Europe allocation remain multi-year themes. Separate Fed-path duration from fiscal-path duration, and liquidity beta (bitcoin) from inflation hedges (gold), when correlations stay unstable into the autumn policy window.

Asset Class Views

Underweight Neutral Overweight

Asset	View	Commentary
US Equities	Neutral	Neutral. We hold a neutral U.S. equity stance with stock selection over index exposure while earnings and Fed guidance stay mixed.
International Equities	Neutral	Neutral. We stay neutral with a barbell across Japan, Europe, and Asia: regional dispersion dominates, so country and sector screens matter more than index beta.
Fixed Income	Neutral	Neutral. We barbell front-end carry with limited long-duration risk until the next inflation and Fed guidance cluster clears.
Commodities	Neutral	Neutral. We hold a neutral commodity stance with tactical tilts in gold and energy rather than broad passive commodity beta.
Cryptocurrency	Overweight	Overweight. We allow a modest tactical overweight as liquidity and risk appetite support crypto, sized as high-beta satellite exposure only.

Source: AVANTAS Research Analysis

LATEST AVANTAS RESEARCH ARTICLES

1. Post to Sep FOMC: Cut Delivery, Dot Plot, and What the Market Mispriced

The Fed delivered the 25bp cut; the live story is the SEP/dot plot and path pricing versus OIS. We map what landed versus pre-meeting scenarios, Fed-path versus fiscal-path duration, and a Cross asset playbook into the next data cluster.

Read article: https://www.avantasresearch.com/research-article.html?article=post-sep-fomc-cut-dots-mispricing-2026

2. Into 16 Sep FOMC: Final Positioning, Dot Plot, and Term Premium

Pre-meeting playbook: cut 25bp as base with SEP/dots and term premium as co-equal risks. Keep as the archive frame for what markets priced into the decision.

Read article: https://www.avantasresearch.com/research-article.html?article=sep-fomc-final-positioning-2026

3. US Fiscal & Term Premium: Issuance, Long Bonds, and Equity Multiples

A delivered cut does not force a bullish 30Y if net supply and term premium stay elevated. We map deficits, issuance, and long-end sizing versus equity multiples and gold.

Read article: https://www.avantasresearch.com/research-article.html?article=us-fiscal-term-premium-2026

ECONOMIC CALENDAR

Key releases for 23 to 25 Sep 2026 (GMT+8): Wed S&P Global manufacturing PMI (Sep) P (53.4 cons. / 53.9 prior) and services PMI P (56.0 / 56.5), then crude oil inventories (" 0.640M prior); Thu initial jobless claims (201K cons. / 196K prior) and new home sales (Aug; 619K / 607K); Fri China Mid-Autumn Festival (all day) and durable goods orders (MoM) (Aug) P (" 0.3% / 1.1%). All times GMT+8; figures indicative.

Date	Time (GMT+8)	Event	Country	Forecast	Previous	Impact
Wed 23rd	21:45	S&P Global Manufacturing PMI (Sep) P	US	53.4	53.9	High
Wed 23rd	21:45	S&P Global Services PMI (Sep) P	US	56.0	56.5	High
Wed 23rd	22:30	Crude Oil Inventories	US	-	-0.640M	High
Thu 24th	20:30	Initial Jobless Claims	US	201K	196K	High
Thu 24th	22:00	New Home Sales (Aug)	US	619K	607K	High

Date	Time (GMT+8)	Event	Country	Forecast	Previous	Impact
Fri 25th	All Day	China - Mid-Autumn Festival	CN	-	-	Holiday
Fri 25th	20:30	Durable Goods Orders (MoM) (Aug) P	US	-0.3%	1.1%	High

NEXT WEEK EXPECTATIONS

Focus: 23 to 25 Sep 2026 (GMT+8). Wed: flash manufacturing and services PMIs plus crude inventories; Thu: claims (201K cons.) and new home sales (Aug); Fri: China Mid-Autumn Festival and durable goods (Aug P). Cut delivered, path/dots still set risk; soft PMIs or claims can extend front-end relief, while sticky durables/services keep term premium and equity duration cautious. All times GMT+8; figures indicative.

RISK WATCHLIST

- Post-cut path: SEP/dots versus OIS can still reprice front-end duration and Mag 7 multiples even after the 25bp delivery.
- Flash PMIs (23 Sep): soft manufacturing/services prints can extend soft-landing odds; hot services keep stagflation-lite alive.
- Claims and durables (24 to 25 Sep): labor and capex demand prints gate the next Fed path move into October.
- Fiscal / term premium: long-end supply can offset front-end relief, do not load unlimited 30Y beta after a consensus cut.
- Cross asset: Bitcoin (+4.2% 1M) leads while Europe (STOXX " 4.8% 1M) and gold (" 3.1% 1M) stay soft, leadership is narrow.

SECTOR PERFORMANCE

United States (S&P 500 sector proxies, SPDR Sector ETFs)

Rows are ranked by one month total return (highest first). Energy leads on firm crude and geopolitical risk premium; utilities and staples draw defensive flows while policy rates stay volatile. Technology, communication services, and broad growth trade weak on duration and earnings expectations, and financials reflect tighter credit and spread noise.

Sector	Ticker	1-Month	6-Month	1-Year
Energy	XLE	+1.7%	+18.4%	+28.0%
Cons. Staples	XLP	+0.8%	+1.1%	+4.2%
Utilities	XLU	+0.6%	+8.9%	+5.2%
Real Estate	XLRE	-0.2%	-1.4%	+0.4%
Materials	XLB	-0.8%	+3.2%	+8.4%
Industrials	XLI	-1.3%	+4.2%	+12.3%
Health Care	XLV	-1.7%	-2.1%	+2.5%
Communication	XLC	-1.9%	+12.3%	+23.1%
Financials	XLF	-2.5%	+5.2%	+3.3%
Cons. Discretionary	XLY	-2.9%	-3.1%	+10.5%
Technology	XLK	-3.6%	-6.4%	+23.8%

Source: SPDR ETF fact sheets / last closes; returns are indicative. Not all sectors listed.

Europe (STOXX Europe 600 sectors)

Ranked by one month return (highest first). Energy and banks outperform on commodity income and yield support; materials lag on industrial and China linked demand worries. Defensives such as utilities and staples help anchor the tape while technology and cyclicals show wide cross country dispersion.

Sector	1-Month	6-Month*	1-Year
Energy	+2.4%	+4.1%	+1.1%
Utilities	+1.2%	+5.4%	+2.8%
Cons. Staples	-0.1%	+1.8%	+3.1%
Healthcare	-1.9%	+2.3%	+6.4%
Industrials	-2.1%	+3.5%	+8.9%
Banks	-6.8%	+11.4%	+18.2%
Technology	-7.6%	-1.2%	+5.6%
Materials	-12.9%	-8.2%	-4.3%

*Source: STOXX Europe 600 sector indices (indicative). *6-Month column per provider convention.*

Asia Pacific (MSCI AC Asia Pacific sectors)

Ranked by one month return (highest first). Energy and export oriented industrials benefit from commodity moves and regional manufacturing; information technology and communication services remain structural outperformers over longer horizons but face intermittent profit taking. Financials track credit and policy, while real estate and materials stay sensitive to property and China activity headlines.

Sector	1-Month	6-Month*	1-Year
Energy	+1.9%	+12.6%	+10.8%
Industrials	-0.9%	+7.4%	+16.2%
Financials	-1.1%	+8.9%	+14.6%
Real Estate	-1.5%	-3.2%	-0.8%
Materials	-2.3%	-1.4%	+5.7%
Communication Services	-2.4%	+10.2%	+25.3%
Consumer Discretionary	-3.8%	+4.3%	+21.1%
Information Tech	-4.2%	+15.3%	+38.4%

*Source: MSCI AC Asia Pacific sector indices (indicative). *6-Month column per provider convention.*

Sources: Reuters; Montanaro Asset Management; AVANTAS Research.
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