Dear clients, Dear readers,

After a decidedly bad March for the major equity markets, April was a remarkable month, especially in the US and emerging markets.
The prospect of negotiations between the United States and Iran and a ceasefire being observed until the end of April seem to have reassured investors.
Yet the gap between the expectations of Americans and Iranians remains huge.
Does this mean that the markets operate with complacency?
As always, it's rarely so clear-cut.
Macroeconomic fundamentals remain solid overall in the United States (fairly robust labour market, consumption in line with expectations, reasonable growth and inflation figures slightly deteriorated but still under control).
In Europe, the landscape is a little less bright but there is no recession in sight.
The major central banks are adopting a much more cautious stance and are no longer planning to cut rates in the near future. They must remain vigilant to avoid any inflationary spiral.
Even if the war between Iran and the United States and their Israeli allies were to have a favourable outcome, its negative effects on the economy will not disappear in the blink of an eye!
The lag effect on pump prices could even intensify their rise initially.

At first glance, there seems to be a consensus that despite the intensity of reciprocal threats, each side hopes to reach a compromise to end this conflict.
On the US side, the mid-term elections are approaching (next November), popular support for this war is far from certain and the risk of weighing (heavily) on the economy in the event of prolonged hostilities calls for a negotiated solution.
Iran may boast of its courage against the world's largest military power, but a long-term conflict would mean an economic and financial disaster for an entire people.

Meanwhile, corporate earnings releases for the first quarter are rather reassuring.
So far, companies are holding up better than expected in such a context.
Ultimately, the stock markets remain very resilient even if sector disparities are evident: luxury goods, the European automotive sector and interest-rate-sensitive sectors are suffering while many technology companies active in AI are doing very well.

In the current environment, there is no need to panic, but we believe it is a little too early to fully deploy highly liquid portfolios.

Performance of the main markets in 2026

	April 2026	2026 YTD
EURO STOXX 50	5.60%	1.56%
STOXX Europe 600	4.83%	3.22%
BEL 20	5.51%	5.40%
S&P 500	10.42%	5.31%
S&P 500 Equal Weight	6.00%	6.20%
NASDAQ 100	15.64%	8.72%
NIKKEI 225	16.10%	17.77%
HANG SENG	3.99%	0.57%
MSCI EMERGING	14.53%	13.95%
MSCI WORLD	9.45%	5.20%

Charles BOK
Chief Executive Officer