

Weekly Market Pulse



Week ending September 11, 2026

Market developments

Equities: Global equity markets came under significant pressure this week, with the dominant theme being the surge in oil prices above \$100 per barrel driven by escalating Middle East tensions. Europe bore the brunt of the selloff, with the Stoxx 600 falling 1.7% for its worst week in roughly two months, while German stocks faced mounting headwinds from the energy supply shock. In the U.S., the S&P 500 snapped a four-day losing streak on Friday, as oil pulled back from its highs and communication services and technology led a broad-based rally.

Fixed Income: It was a bruising week for global bond markets, with yields surging to multi-year highs as oil-driven inflation fears and firming central bank rate-hike expectations rattled investors across the curve. In Europe, Germany's 10-year yield hit 3.50%, its highest since 2009, after ECB President Lagarde flagged persistent inflation risks, while municipal bond yields in the U.S. jumped to their highest levels since 2011.

Commodities: Energy markets dominated the commodity complex this week, with Brent crude surging above \$100 per barrel, a roughly 10% move, fueled by escalating attacks on Gulf shipping and Saudi energy infrastructure, including the shutdown of Saudi Arabia's East-West Pipeline following attacks on Thursday.

Performance (price return)

SECURITY	PRICE	WEEK	1 MONTH	3 MONTH	YTD
Equities (\$Local)					
S&P/TSX Composite	35,697.49	-2.24%	-2.13%	2.96%	12.57%
S&P 500	7,656.98	-0.80%	-0.92%	3.55%	11.85%
NASDAQ	26,333.04	-0.66%	-0.43%	2.03%	13.30%
DAX	25,568.56	-1.83%	-3.12%	5.61%	4.40%
NIKKEI 225	64,011.34	-1.55%	-4.42%	-0.32%	27.16%
Shanghai Composite	3,888.11	-1.07%	-1.17%	-2.48%	-2.03%
Fixed Income					
Canada Aggregate Bond	238.75	-1.12%	-1.18%	-2.55%	-0.91%
US Aggregate Bond	2318.08	-0.92%	-0.97%	-1.77%	-1.31%
Europe Aggregate Bond	242.25	-1.11%	-2.01%	-2.10%	-1.84%
US High Yield Bond	29.72	-0.58%	-0.37%	0.39%	1.97%
Commodities					
Oil	100.45	9.81%	20.73%	14.53%	74.94%
Gold	4348.2	-1.85%	-0.50%	3.23%	0.67%
Copper	646.95	-1.93%	-2.48%	3.10%	13.86%
Currencies					
US Dollar Index	99.12	-0.06%	-0.71%	-0.74%	0.81%
Bitcoin (CAD)	107,362.92	-2.71%	21.36%	20.84%	-10.51%
Loonie	1.3866	-0.21%	0.42%	0.74%	-1.02%
Euro	0.8625	-0.17%	0.45%	0.14%	-1.29%
Yen	153.68	1.68%	3.64%	4.07%	1.97%

Source: Bloomberg, as of September 11, 2026

Central Bank Interest Rates

Central Bank	Current Rate	December 2026 Expected rate*
Bank of Canada	2.25%	2.67%
U.S. Federal Reserve	3.75%	4.13%
European Central Bank	2.50%	2.80%
Bank of England	3.75%	4.18%
Bank of Japan	1.00%	1.45%

Source: Bloomberg, as of September 11, 2026

*Expected rates are based on bond futures pricing

Macro developments

Canada – No Major Domestic Data Releases as Global Inflation and Central Bank Signals Dominated

There were no major Canadian economic releases in the reporting period. Market attention instead remained focused on global inflation developments, particularly in the U.S. and Europe and the implications for the Bank of Canada's policy outlook through year-end.

U.S. – Inflation Pressures Remain Uneven as Consumer and Producer Prices Accelerate

Producer prices rose 0.4% month-over-month in August, while headline PPI accelerated to 5.4% year-over-year. Higher energy costs, particularly fuel prices, were the primary driver, although core producer inflation also remained firm, suggesting pipeline price pressures have yet to fully dissipate.

Consumer prices increased 0.4% month-over-month in August, with annual CPI holding at 3.4%. While headline inflation was boosted by higher gasoline prices, core inflation eased to 2.4% year-over-year, indicating underlying price pressures continued to moderate even as energy costs returned as a near-term inflation risk.

International – Eurozone Growth Holds Up as ECB Tightens Further, While Asian Inflation Trends Diverge

The Eurozone economy expanded 0.4% quarter-over-quarter and 1.0% year-over-year in the second quarter, confirming steady but modest growth. Against that backdrop, the European Central Bank raised its policy rates, including the deposit facility rate to 2.50%, signalling ongoing concern about inflation despite subdued economic momentum.

In China, consumer inflation accelerated to 0.8% year-over-year in August while producer prices increased 3.6%, reflecting firmer domestic demand and continued industrial price strength. The combination points to a gradual improvement in price conditions after a prolonged period of subdued inflation.

In Japan, producer prices rose 7.4% year-over-year in August, remaining elevated despite signs of moderation in some global cost pressures. Persistent wholesale inflation suggests Japanese firms continue to face higher input costs, potentially supporting further pass-through to consumer prices over time.

Quick look ahead

DATE	COUNTRY / REGION	EVENT		SURVEY	PRIOR
14-Sep-26	Canada	CPI NSA MoM	Aug		0.5
14-Sep-26	Canada	CPI YoY	Aug	3.00	3.0
14-Sep-26	China	Retail Sales YoY	Aug	0.80	0.6
14-Sep-26	China	Retail Sales YTD YoY	Aug		1.2
15-Sep-26	United Kingdom	ILO Unemployment Rate 3Mths	Jul	5.00	4.9
16-Sep-26	United Kingdom	CPI MoM	Aug	0.50	0.3
16-Sep-26	United Kingdom	CPI YoY	Aug	3.10	2.9
16-Sep-26	United Kingdom	CPI Core YoY	Aug	2.60	2.6
16-Sep-26	United States	Retail Sales Advance MoM	Aug	0.90	-0.6
16-Sep-26	United States	Retail Sales Ex Auto MoM	Aug	0.50	-0.3
16-Sep-26	United States	Retail Sales Ex Auto and Gas	Aug	0.40	-0.2
16-Sep-26	United States	FOMC Rate Decision (Upper Bound)		3.75	3.8
16-Sep-26	United States	FOMC Rate Decision (Lower Bound)		3.50	3.5
17-Sep-26	Japan	Natl CPI YoY	Aug	1.95	1.9
17-Sep-26	Japan	Natl CPI Ex Fresh Food YoY	Aug	1.80	1.8
18-Sep-26	Japan	BOJ Target Rate		1.25	1.0
18-Sep-26	United Kingdom	Retail Sales Inc Auto Fuel MoM	Aug	-0.15	-0.5
18-Sep-26	United Kingdom	Retail Sales Inc Auto Fuel YoY	Aug	1.85	1.6
18-Sep-26	United Kingdom	Retail Sales Ex Auto Fuel MoM	Aug	-0.20	-0.9
18-Sep-26	United Kingdom	Retail Sales Ex Auto Fuel YoY	Aug	1.90	2.3

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