

Weekly Market Pulse



Week ending May 29, 2026

Market developments

Equities: Global equities posted broad gains on the week, with U.S. indices climbing to fresh record highs. In Asia, South Korea's KOSPI was a standout, adding 3.55% on Friday alone to bring its May return to a remarkable 28.45%, driven by a frenzy in memory chip stocks including Samsung and SK Hynix. A key macro backdrop for the week was growing optimism around a potential U.S.-Iran peace deal, which lifted sentiment across risk assets.

Fixed Income: U.S. Treasuries headed for their best week since the start of the U.S.-Iran war, as falling oil prices and peace deal optimism drove a broad-based rally in credit markets. May proved to be a record month for European bond issuance, with volumes exceeding €238 billion, the busiest since January and a record for the month of May.

Commodities: Oil dominated the commodity narrative this week, with crude prices on pace for their biggest monthly decline since the onset of COVID-19 in 2020. Brent crude fell roughly 20% in May to around \$92 a barrel by Friday and WTI dropped to approximately \$86, as markets aggressively priced in the prospect of a U.S.-Iran ceasefire that could ease supply disruptions stemming from the conflict.

Performance (price return)

SECURITY	PRICE	WEEK	1 MONTH	3 MONTH	YTD
Equities (\$Local)					
S&P/TSX Composite	34,769.14	0.86%	4.35%	1.25%	9.64%
S&P 500	7,580.06	1.43%	6.22%	10.19%	10.73%
NASDAQ	26,972.62	2.39%	9.32%	18.99%	16.05%
DAX	25,104.70	0.87%	4.80%	-0.71%	2.51%
NIKKEI 225	66,329.50	4.72%	10.70%	12.71%	31.76%
Shanghai Composite	4,068.57	-1.08%	-0.95%	-2.27%	2.51%
Fixed Income					
Canada Aggregate Bond	244.52	0.86%	1.49%	-0.72%	1.49%
US Aggregate Bond	2355.21	0.73%	0.32%	-1.45%	0.27%
Europe Aggregate Bond	248.96	0.76%	1.45%	-1.03%	0.88%
US High Yield Bond	29.60	0.43%	0.50%	0.86%	1.56%
Commodities					
Oil	87.97	-8.93%	-17.69%	31.26%	53.20%
Gold	4548.23	0.86%	0.01%	-13.84%	5.30%
Copper	639.05	0.76%	8.71%	6.43%	12.47%
Currencies					
US Dollar Index	98.91	-0.34%	-0.06%	1.33%	0.59%
Bitcoin (CAD)	101,448.51	-2.80%	-2.18%	12.77%	-15.44%
Loonie	1.3793	0.18%	-0.78%	-1.11%	-0.50%
Euro	0.8575	0.50%	-0.13%	-1.27%	-0.71%
Yen	159.28	-0.06%	0.71%	-2.03%	-1.61%

Source: Bloomberg, as of May 29, 2026

Central Bank Interest Rates

Central Bank	Current Rate	December 2026 Expected rate*
Bank of Canada	2.25%	2.66%
U.S. Federal Reserve	3.75%	3.87%
European Central Bank	2.00%	2.58%
Bank of England	3.75%	4.21%
Bank of Japan	0.75%	1.21%

Source: Bloomberg, as of May 29, 2026

*Expected rates are based on bond futures pricing

Macro developments

Canada – Economy Stalls as Trade Weighs on Growth

Canada's GDP showed no growth in Q1 2026, missing expectations for expansion and extending the prior quarter's contraction. Modest gains in consumption were offset by a drop in investment and a surge in imports, particularly gold. Weak exports and inventory build-up limited further decline, leaving the economy slightly negative on an annualized basis.

U.S. – No Notable Releases

No notable releases this week.

International – Tokyo Inflation Cools Amid Policy Watch, Japan Labour Market Strengthens Further

Core inflation in Tokyo slowed to 1.3% year-over-year in May 2026, missing expectations and marking its weakest pace since early 2022. Price growth stayed below the Bank of Japan's target, helped by subsidies and base effects. Still, policymakers remain cautious as rising oil costs could push firms to pass higher prices on to consumers.

Japan's unemployment rate declined to 2.5% in April 2026, beating expectations and hitting a recent low. Employment surged to a record high while the labour force expanded and inactivity dropped sharply. Overall participation improved and job availability remained stable, signalling a tight and resilient labour market.

Quick look ahead

DATE	COUNTRY / REGION	EVENT		SURVEY	PRIOR
30-May-26	China	Manufacturing PMI	May	50.00	50.3
30-May-26	China	Non-manufacturing PMI	May	49.50	49.4
31-May-26	Japan	Capital Spending YoY	1Q	4.00	6.5
01-Jun-26	Eurozone Aggregate	Unemployment Rate	Apr	6.25	6.2
01-Jun-26	Canada	S&P Global Canada Manufacturing PMI	May		53.3
01-Jun-26	United States	ISM Manufacturing	May	53.20	52.7
01-Jun-26	United States	ISM Prices Paid	May	85.00	84.6
02-Jun-26	Eurozone Aggregate	CPI Estimate YoY	May P	3.30	3.0
02-Jun-26	Eurozone Aggregate	CPI YoY	May P	3.21	3.0
02-Jun-26	Eurozone Aggregate	CPI MoM	May P	0.12	1.0
02-Jun-26	Eurozone Aggregate	CPI Core YoY	May P	2.40	2.2
03-Jun-26	Eurozone Aggregate	PPI MoM	Apr	0.50	3.4

03-Jun-26	Eurozone Aggregate	PPI YoY	Apr	4.65	2.1
04-Jun-26	Eurozone Aggregate	Retail Sales MoM	Apr	-0.30	-0.1
04-Jun-26	Eurozone Aggregate	Retail Sales YoY	Apr	0.30	1.2
05-Jun-26	United States	Change in Nonfarm Payrolls	May	93.00	115.0
05-Jun-26	United States	Change in Private Payrolls	May	100.00	123.0
05-Jun-26	United States	Change in Manufact. Payrolls	May	4.00	-2.0
05-Jun-26	United States	Average Hourly Earnings MoM	May	0.30	0.2
05-Jun-26	United States	Average Hourly Earnings YoY	May	3.40	3.6
05-Jun-26	United States	Unemployment Rate	May	4.30	4.3
05-Jun-26	Canada	Net Change in Employment	May	10.00	-17.7
05-Jun-26	Canada	Unemployment Rate	May	6.90	6.9

P = Preliminary

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