

Global Markets Tracker | 2 June 2026

Equity Markets

- May started with Iran delivering a new proposal to the US, while US Prez vowed to maintain a naval blockade of the Islamic Republic's ports. May ended with optimism around an end to the war - with the US and Iran reaching a preliminary deal to extend the ceasefire by 60 days, though conflicting messages on the prospect of an agreement continued to cloud expectations.
- In the US, the S&P 500 gained almost 5% MoM mainly underpinned by tech sector fuelled by AI-led euphoria. The hardware and equipment names shined, alongside semiconductor stocks. Consumer discretionary segment also fared well.
- European shares posted a second monthly gain on US-Iran ceasefire news; the Stoxx Europe 600 Index gained 2.4% MoM and is trading about 1% away from its Feb'26 record. Media and bank stocks were among the biggest gainers, (Bloomberg article).
- Japanese equities gained ~12% MoM, the NIKKEI 225 Index is up 7045 points, up for two consecutive months driven by optimism around a tentative deal between US-Iran ceasefire extension; boosting shares electronics and technology sectors.
- In Asia/EM space, South Korea and Taiwan stock markets rallied in May, adding gains for 2nd successive month. Taiwan stock rally was fueled by global AI capital spending, computex-related momentum, steady foreign inflows.
- The Kospi Composite jumped ~34% MoM in May; and is up 227% from a year ago, a few big, newly minted trillionaire chipmakers are behind the surge, including SK Hynix and Samsung (Bloomberg, News). Also, retail traders are borrowing to fuel the buying binge; margin loans are at a record high, according to reporting by Korea Times (Bloomberg).
- Indonesian stocks lost the most, declining ~12% MoM amid policy uncertainty; last month, the govt. announced a new export governance policy – wherein it plans to centralize shipments of strategic commodities such as coal, palm oil, and ferroalloys under a state-controlled entity operating beneath sovereign wealth fund Danantara. This appears to have weighed on market sentiments, coupled with a falling Rupiah has dampened sentiment..
- In India, stocks declined ~2% MoM, resuming a string of losses this year after the sole monthly advance in April. Nifty's decline for the day was partially exacerbated by an index rebalancing by MSCI that will come into effect starting Friday's close. Foreign investors continued their selling spree, selling more than \$2.7 billion of Indian equities for the month, taking the year's outflow to nearly US\$24 bn as of May 26. (Bloomberg).

| DMs | May-26 | Current Levels | W-o-W chg (%) | M-o-M chg (%) | 3 Mnth chg (%) | 6 Mnth chg (%) | Y-o-Y chg (%) |
|-------------|--------|----------------|---------------|---------------|----------------|----------------|---------------|
| US | 7,580 | 7,580 | 1.8 | 4.8 | 10.2 | 11.3 | 28.2 |
| UK | 10,409 | 10,409 | -0.3 | 0.4 | -4.6 | 7.3 | 18.7 |
| Germany | 25,105 | 25,105 | 0.9 | 3.3 | -0.7 | 6.4 | 4.6 |
| France | 8,183 | 8,183 | 0.8 | 0.8 | -4.6 | 1.1 | 5.6 |
| Japan | 66,330 | 66,747 | 2.4 | 12.2 | 13.4 | 35.4 | 75.8 |
| Switzerland | 13,543 | 13,543 | 0.7 | 3.1 | -3.4 | 5.4 | 10.8 |
| Australia | 8,732 | 8,709 | 0.2 | -0.2 | -5.3 | 1.7 | 3.3 |
| Italy | 50,037 | 50,037 | 1.1 | 3.7 | 6.0 | 15.7 | 24.8 |
| Spain | 18,363 | 18,363 | 2.1 | 3.3 | 0.0 | 12.0 | 29.8 |
| Portugal | 9,077 | 9,077 | -1.0 | -2.9 | -2.2 | 12.0 | 22.8 |
| Greece | 2,373 | 2,373 | 4.4 | 8.4 | 7.8 | 12.6 | 30.2 |

| EM Asia | May-26 | Current Levels | W-o-W chg (%) | M-o-M chg (%) | 3 Mnth chg (%) | 6 Mnth chg (%) | Y-o-Y chg (%) |
|-------------|--------|----------------|---------------|---------------|----------------|----------------|---------------|
| China | 4,069 | 4,064 | -2.1 | -1.2 | -2.4 | 3.8 | 21.4 |
| India | 74,776 | 75,203 | -0.3 | -2.2 | -7.5 | -12.2 | -7.7 |
| Indonesia | 6,127 | 6,127 | -3.0 | -11.9 | -23.6 | -28.9 | -13.3 |
| Malaysia | 1,683 | 1,683 | -1.5 | -2.3 | -1.7 | 3.7 | 12.0 |
| Philippines | 5,769 | 5,821 | -2.4 | -0.2 | -12.0 | -2.8 | -8.2 |
| South Korea | 8,476 | 8,820 | 12.4 | 33.7 | 41.3 | 125.0 | 227.0 |
| Taiwan | 44,733 | 45,337 | 3.9 | 16.5 | 28.0 | 65.8 | 112.4 |
| Thailand | 1,568 | 1,568 | 1.9 | 5.0 | 6.9 | 22.8 | 36.5 |
| Singapore | 5,038 | 5,038 | -0.2 | 2.5 | 3.0 | 11.0 | 29.5 |
| Hong Kong | 25,182 | 25,388 | -0.9 | -1.5 | -4.7 | -2.5 | 9.0 |

| EM Americas | May-26 | Current Levels | W-o-W chg (%) | M-o-M chg (%) | 3 Mnth chg (%) | 6 Mnth chg (%) | Y-o-Y chg (%) |
|-------------|-----------|----------------|---------------|---------------|----------------|----------------|---------------|
| Argentina | 3,166,407 | 3,166,407 | 10.0 | 11.8 | 19.8 | 3.5 | 38.9 |
| Brazil | 173,787 | 173,787 | -1.4 | -7.2 | -7.9 | 9.6 | 26.8 |
| Chile | 10,788 | 10,788 | 2.1 | -1.1 | -0.8 | 6.4 | 34.1 |
| Colombia | 11,902 | 11,902 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 |
| Mexico | 68,588 | 68,588 | 0.4 | 1.1 | -3.9 | 7.9 | 18.6 |
| Venezuela | 5,763 | 5,763 | 1.7 | 1.0 | -11.8 | 271.4 | 1753.6 |

| EM Europe | May-26 | Current Levels | W-o-W chg (%) | M-o-M chg (%) | 3 Mnth chg (%) | 6 Mnth chg (%) | Y-o-Y chg (%) |
|--------------|---------|----------------|---------------|---------------|----------------|----------------|---------------|
| Hungary | 134,617 | 134,617 | 3.1 | 0.6 | 6.4 | 21.9 | 40.7 |
| Polland | 137,007 | 137,007 | 1.4 | 6.6 | 8.1 | 22.4 | 35.0 |
| Romania | 29,892 | 29,892 | -2.4 | 5.8 | 8.2 | 29.9 | 61.3 |
| South Africa | 114,632 | 114,632 | 1.3 | -0.5 | -10.8 | 2.4 | 21.5 |
| Turkey | 13,663 | 13,663 | -2.6 | -5.4 | -0.4 | 22.9 | 51.5 |
| Ukraine | 421 | 421 | -1.0 | -1.9 | -8.7 | -8.2 | -16.7 |

Source: Bloomberg; Market data as of June 1, 2026, 9:15 AM IST

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Debt Markets

- In AEs, 10Y yield were mixed across countries, MoM and added to gains only by end-May that too due some optimism around US-Iran ceasefire extension and consequent drop in crude oil prices. The fragility of ceasefire keeps debt participants on tenterhooks, globally.
- In the US, treasuries were weaker, MoM; however, by end-May yields softened as oil prices retreated from multiyear highs. In the last week of the month was the USTs best since the war began in end-Feb, erasing losses that had earlier sent the 30Y yield to just shy of 5.20% on May 20, highest level since CY07. Additionally, the US Fed leadership changed during the month, with Kevin Warsh winning Senate confirmation to succeed Jerome Powell; Warsh was sworn in at the White House on May 22.
- In Japan too, 10Y yield hardened by 18bps amid budgetary concerns, rising inflation esp. in the wake of higher oil prices, and also, BoJ's rate hike trajectory. The 10Y JGB yield rose to 2.81% on May 20, it's highest since 1996, after reports that the govt. may issue fresh debt to fund the extra budget. All eyes on BOJ's mid-June policy.
- In the UK, yields have been volatile and during May 10Y yield topped 5%, its highest level since 2008, and the 30Y yield neared a 21st century record of just under 5.9% (Bloomberg). By end-May, as oil prices retreated, odds of BoE rate hikes too cooled, easing pressure on gilts.
- In Asia/EM space, 10Y yields were mixed, MoM; with yields in South Korea and Thailand spiking, MoM whereas that in Indonesia saw a sharp fall. In India, yields remained volatile and was a shade softer, MoM.
- South Korean bonds market have become interesting; Korean bond yields have risen this year amid concerns about stronger inflation and a more hawkish Bank of Korea. The 10-year government bond yield climbed to its highest level since late 2023 last month, around the time authorities began frequent interactions with market participants. Its govt. even reduced its bond issuance for June by 21% from a month earlier to help rein in rising yields, as elevated global oil prices boost inflation pressure.
- For India, bond markets faced a tumultuous May, with risks around premature rate hikes, rising inflation and fiscal concerns, etc. However, optimism around US-Iran talks, fall in oil prices, price pass through to consumers, RBI Governor comments around inflation, policy rates, INR etc gave levels some support. The RBI surplus transfer of INR 2.9tn was a positive, however, it was not substantially higher than budgeted levels; keeping bond gains capped.
- In Indonesia, despite rate hike, inflation and fiscal concerns, FPI selling, 10Y yield is softer MoM driven by BI policy and its efforts of bond buybacks, liquidity management, etc.

| DM | Yield (%) | | Change in bps | | | | |
|--------------------|---------------|----------------------|------------------|------------------|-------------------|-------------------|------------------|
| | May-26 | Current Yield | W-o-W chg | M-o-M chg | 3 Mnth chg | 6 Mnth chg | Y-o-Y chg |
| US | 4.44 | 4.47 | -9 | 10 | 53 | 38 | 6 |
| UK | 4.81 | 4.81 | -9 | -15 | 58 | 33 | 17 |
| Germany | 2.94 | 2.92 | -10 | -10 | 29 | 19 | 44 |
| France | 3.55 | 3.52 | -11 | -14 | 33 | 7 | 39 |
| Japan | 2.66 | 2.66 | -1 | 18 | 57 | 82 | 120 |
| Switzerland | 0.38 | 0.38 | -16 | 0 | 20 | 23 | 15 |
| Australia | 4.83 | 4.89 | 1 | -13 | 24 | 33 | 63 |
| Italy | 3.65 | 3.62 | -12 | -21 | 38 | 18 | 17 |
| Spain | 3.35 | 3.32 | -11 | -14 | 29 | 13 | 26 |
| Portugal | 3.30 | 3.27 | -11 | -14 | 30 | 23 | 33 |
| Greece | 3.60 | 3.57 | -11 | -21 | 33 | 24 | 36 |
| EM Asia | May-26 | Current Yield | W-o-W chg | M-o-M chg | 3 Mnth chg | 6 Mnth chg | Y-o-Y chg |
| China | 1.71 | 1.70 | -5 | -5 | -11 | -13 | 0 |
| India | 7.01 | 7.03 | 0 | -1 | 35 | 50 | 74 |
| Indonesia | 6.70 | 6.70 | -1 | -12 | 29 | 44 | -12 |
| Malaysia | 3.56 | 3.58 | -2 | 2 | 9 | 12 | 5 |
| Philippines | 5.31 | 5.30 | -12 | 9 | 48 | 57 | 12 |
| South Korea | 4.08 | 4.15 | 1 | 21 | 70 | 76 | 135 |
| Thailand | 2.31 | 2.31 | -6 | 13 | 60 | 1 | 53 |
| Singapore | 2.02 | 2.02 | -9 | -7 | 9 | -3 | -41 |
| EM Americas | May-26 | Current Yield | W-o-W chg | M-o-M chg | 3 Mnth chg | 6 Mnth chg | Y-o-Y chg |
| Brazil | 14.11 | 13.66 | -11 | 16 | 57 | 76 | 10 |
| Chile | 5.66 | 5.58 | 4 | 5 | 40 | 33 | -16 |
| Colombia | 13.25 | 12.84 | -43 | 11 | -16 | 71 | 88 |
| Mexico | 9.18 | 9.18 | -19 | -3 | 52 | 23 | -14 |
| Peru | 6.67 | 6.10 | -57 | -53 | 34 | 26 | -28 |
| EM Europe | May-26 | Current Yield | W-o-W chg | M-o-M chg | 3 Mnth chg | 6 Mnth chg | Y-o-Y chg |
| Hungary | 5.30 | 5.23 | -28 | -66 | -110 | -167 | -167 |
| Poland | 5.61 | 5.53 | -24 | -13 | 68 | 44 | 26 |
| Romania | 6.85 | 6.74 | -5 | -43 | 61 | -5 | -61 |
| South Africa | 8.56 | 8.55 | -28 | -37 | 44 | 7 | -158 |
| Turkey | 32.94 | 32.94 | -1 | 150 | 480 | 385 | 178 |
| Ukraine | 12.17 | 12.17 | -5 | -152 | -135 | -201 | -416 |

Source: Bloomberg; Market data as of June 1, 2026, 9:15 AM IST

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Currency Markets

- In a tumultuous month, the dollar index gained MoM and most G-10 currencies weakened. Swiss Franc was positive but comments around intervention limited gains.
- GBPUSD was the weakest of the lot as traders quickly repriced BoE rate hike expectations. (Bloomberg).
- In Aussie as well, the AUD lost sheen post the three successive rate hikes and the trajectory going forward.
- The yen surged after Japan authority is said to have intervened in the FX market. From Bloomberg article -
 - The interventions reportedly began on April 30 when the Yen weakened to near 160/USD, lowest in almost 2-years.
 - Japanese media reported on May 8 that the bank had by then spent 10 trillion yen propping up the currency.
 - There have since been several spikes in the currency through to early May, touching 155 on May 6, sparking speculation of further moves by authorities; Yen was back around 159.2 end-May, prompting questions about the effectiveness of the interventions.
- In a volatile month, EM/Asian currencies ended mixed, MoM; major losers were IDR & KRW.
- The Indian rupee ended flat, MoM; however, it was a volatile month for INR too, in fact, on 20-May INR came within a striking distance of 97 to a dollar before pulling back as the RBI intervened in the currency market. RBI also conducted a US\$ 5bn FX sell/buy swap end-May. The chatter around RBI FX intervention persisted, and latest data till April showed that RBI's net short forward book came down but is still heavy with short fwd position of ~US\$ 95bn vs its all-time high of US\$ 103bn in Mar'26.
- Indonesian Rupiah fell 3% MoM, notwithstanding the BI intervention, the 50bps rate hike by BI. The central bank is staying in the market "around the world, around the clock" to support rupiah stability, says Bank Indonesia in a statement on Friday (Bloomberg).

| DMs | May-26 | Current Levels | W-o-W chg (%) | M-o-M chg (%) | 3 Mnth chg (%) | 6 Mnth chg (%) | Y-o-Y chg (%) |
|--------------|--------|----------------|---------------|---------------|----------------|----------------|---------------|
| Dollar Index | 98.94 | 99.07 | -0.2 | 0.9 | 1.5 | -0.3 | -0.3 |
| UK | 1.35 | 1.35 | -0.4 | -1.0 | 0.3 | 1.8 | -0.7 |
| Germany | 1.17 | 1.16 | 0.0 | -0.7 | -0.4 | 0.3 | 1.8 |
| France | 1.17 | 1.16 | 0.0 | -0.7 | -0.4 | 0.3 | 1.8 |
| Japan | 159.27 | 159.48 | 0.4 | 1.6 | 1.3 | 2.6 | 11.8 |
| Switzerland | 0.78 | 0.78 | 0.1 | 0.1 | 0.5 | -2.7 | -4.2 |
| Australia | 0.72 | 0.72 | 0.1 | -0.3 | 1.2 | 9.7 | 10.5 |

| EM Asia | May-26 | Current Levels | W-o-W chg (%) | M-o-M chg (%) | 3 Mnth chg (%) | 6 Mnth chg (%) | Y-o-Y chg (%) |
|-------------|-----------|----------------|---------------|---------------|----------------|----------------|---------------|
| China | 6.77 | 6.77 | 0 | 1 | 2 | 4 | 6 |
| India | 95.00 | 94.76 | 1 | 0 | -4 | -6 | -11 |
| Indonesia | 17,874.00 | 17,874.00 | -1 | -3 | -6 | -7 | -10 |
| Malaysia | 3.96 | 3.96 | 0 | 0 | -1 | 4 | 7 |
| Philippines | 61.60 | 61.74 | 0 | 0 | -6 | -5 | -11 |
| South Korea | 1,503.95 | 1,515.85 | 0 | -3 | -5 | -3 | -10 |
| Taiwan | 31.36 | 31.38 | 0 | 1 | 0 | 0 | -5 |
| Thailand | 32.54 | 32.54 | 0 | 0 | -3 | -2 | 1 |
| Singapore | 1.28 | 1.28 | 0 | 0 | 0 | 1 | 1 |
| Hong Kong | 7.84 | 7.84 | 0 | 0 | 0 | -1 | 0 |

| EM Americas | May-26 | Current Levels | W-o-W chg (%) | M-o-M chg (%) | 3 Mnth chg (%) | 6 Mnth chg (%) | Y-o-Y chg (%) |
|-------------|----------|----------------|---------------|---------------|----------------|----------------|---------------|
| Argentina | 1,409.32 | 1,409.32 | -1 | -1 | -1 | 3 | -19 |
| Brazil | 5.04 | 5.04 | 0 | -2 | 3 | 6 | 11 |
| Chile | 889.10 | 889.36 | 1 | 1 | -1 | 4 | 5 |
| Colombia | 3,688.05 | 3,682.58 | -1 | -1 | 2 | 3 | 11 |
| Mexico | 17.36 | 17.34 | 0 | 1 | 0 | 5 | 10 |
| Peru | 3.40 | 3.40 | 0 | 3 | -1 | -1 | 6 |

| EM Europe | May-26 | Current Levels | W-o-W chg (%) | M-o-M chg (%) | 3 Mnth chg (%) | 6 Mnth chg (%) | Y-o-Y chg (%) |
|--------------|--------|----------------|---------------|---------------|----------------|----------------|---------------|
| Hungary | 303.50 | 304.08 | 1 | 2 | 6 | 7 | 14 |
| Polland | 3.63 | 3.63 | 0 | 0 | 0 | 0 | 2 |
| Romania | 4.50 | 4.51 | 0 | -2 | -3 | -3 | -2 |
| South Africa | 16.23 | 16.23 | 0 | 3 | -1 | 5 | 9 |
| Turkey | 45.85 | 45.91 | 0 | -2 | -4 | -8 | -17 |
| Ukraine | 44.25 | 44.25 | 0 | 0 | -2 | -5 | -7 |

Source: Bloomberg; Market data as of June 1, 2026, 9:15 AM IST

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Commodity Markets

- Oil prices struggled to rally in May, even though the Strait of Hormuz remained largely closed. In fact, prices were on track for their biggest monthly fall since 2020, as hopes rise that a deal between the US and Iran will lead to the reopening of the crucial Strait of Hormuz. Brent oil down ~9% MoM and WTI down 7% MoM.
- However, the fragility around US-Iran ceasefire as well as the negotiations continue to roil oil markets; consequently, keeping investors on tenterhooks. With the war in its 4th month and supply shock mounting cost pressures, the policy pivots – fiscal and monetary – are starting to be visible across economies.
- Although oil prices have retreated from recent highs as markets price in hopes of partial Hormuz reopening, the record supply of U.S. crude as exports and also massive SPR releases have temporarily eased global supply pressures.
- The U.S. has become the world's emergency oil supplier, exporting record volumes to Europe and Asia, but rapidly falling SPR and commercial inventories are raising concerns about future shortages. Analysts warn oil markets remain structurally vulnerable even if SoH reopens, while natural gas markets are coping better thanks to expected LNG supply growth, esp. from the US.
- As per Bloomberg article, the current disruption is masking a structurally bearish oil market. Once the supply shock starts to fade, attention is likely to shift quickly back to weak demand growth and rising non-OPEC+ supply.
- Gold pared gains as traders assessed conflicting signals on a potential US-Iran truce, muddying the interest-rate outlook; Spot gold was 2% weaker at US\$4,540/oz.
- Similarly, silver prices too remain caught between rate hike fears and bond market stress. However, it still ended flat MoM. Meanwhile, other metals viz, platinum was down too with palladium down nearly 10% MoM (following news of US's import duty on imports of it from Russia).

-Bloomberg

| Commodities | Unit | May-26 | Current Levels | W-o-W chg (%) | M-o-M chg (%) | 3 Mnth chg (%) | 6 Mnth chg (%) | Y-o-Y chg (%) |
|---|----------------|--------|----------------|---------------|---------------|----------------|----------------|---------------|
| FTSE Core Commodity Excess Return Index | Index | 380 | 380 | -3.0 | -3.3 | 21.7 | 25.7 | 31.0 |
| NYMEX WTI Crude | USD/bbl. | 87 | 90 | -7.2 | -7.2 | 35.4 | 52.2 | 52.3 |
| ICE Brent Crude | USD/bbl. | 91 | 93 | -0.3 | -8.6 | 31.4 | 49.3 | 49.6 |
| NYMEX Gasoline | Usd/gal. | 303 | 311 | -7.3 | -9.4 | 37.4 | 53.1 | 62.7 |
| NYMEX Heat Oil | Usd/gal. | 349 | 359 | -5.0 | -5.2 | 45.8 | 65.5 | 79.9 |
| ICE Gasoil | USD/MT | 1,010 | 1,047 | -1.7 | -14.3 | 46.6 | 65.9 | 79.1 |
| NYMEX Nat. Gas | USD/MMBtu | 3 | 3 | 11.5 | 9.6 | 1.0 | -16.7 | -18.7 |
| Spot Gold | USD/troy ounce | 4,540 | 4,516 | -1.2 | -2.1 | -15.1 | 6.7 | 33.6 |
| Spot Silver | USD/troy ounce | 75 | 75 | -3.4 | 0.1 | -15.6 | 30.0 | 116.9 |
| Spot Platinum | USD/troy ounce | 1,920 | 1,935 | -1.8 | -2.8 | -16.1 | 16.1 | 81.1 |
| Spot Palladium | USD/troy ounce | 1,361 | 1,373 | -2.0 | -10.1 | -22.9 | -4.2 | 37.9 |
| Spot Aluminium | \$/metric tons | 3,768 | 3,768 | 1.6 | 6.2 | 20.5 | 32.6 | 54.1 |
| Spot Copper | \$/metric tons | 13,600 | 13,600 | 1.1 | 5.2 | 2.3 | 21.1 | 41.4 |
| Spot Zinc | \$/metric tons | 3,518 | 3,518 | 0.3 | 6.6 | 6.7 | 7.3 | 32.6 |
| LME Nickel 3 month forward | \$/metric tons | 19,062 | 19,062 | 1.8 | -1.1 | 6.8 | 28.5 | 24.0 |
| LME Lead 3 month forward | \$/metric tons | 2,016 | 2,016 | 0.6 | 3.4 | 2.8 | 1.8 | 2.7 |
| LME Tin 3 month forward | \$/metric tons | 55,418 | 55,418 | 4.1 | 13.7 | -4.0 | 41.5 | 77.4 |
| Generic 1st 'W' Future | USD/bu. | 611 | 613 | -5.1 | -1.8 | 3.7 | 15.7 | 14.8 |
| Generic 1st 'RR' Future | USD/cwt | 13 | 13 | -2.5 | 16.4 | 21.7 | 24.4 | -6.2 |
| Generic 1st 'C' Future | USD/bu. | 447 | 448 | -3.3 | -4.4 | 2.1 | 3.5 | 0.8 |
| USD Crude Palm Oil Jul24 | USD/MT | 1,127 | 1,127 | 1.4 | -2.1 | 8.3 | - | - |

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Central Bank Monetary Policy

The Middle East crisis has reignited inflation worries, especially for Central Banks globally. Most policy outcomes had a hawkish leaning amid the West Aisa conflict and Central banks took a data-dependent approach.

- **US Fed** - The FOMC left the policy rate unchanged at 3.50%-3.75% — with four dissents, including one from Governor Stephen Miran in favor of a cut. The split vote of 8-3-1 was the widest divide since October of 1992.
- **European Central Bank (ECB)** left its policy rates unchanged with the deposit rate at 2.00%; but ECB President appeared to have a more hawkish tone at the press conference. ECB offered no guidance on future decisions, reiterating it will act one meeting at a time based on information as it arrives, and stated that the upside risks to inflation and the downside risks to growth have intensified.
- **Bank of Japan (BoJ)** kept its target rate at 0.75%, in line with expectations; The vote was split 6-3 with the 3 dissents in favor of a hike.
- **Bank of England (BoE)** left its key rate unchanged at 3.75% The vote split was 8-1 with the dissenter voting for a hike; Its collective guidance was unchanged, stating it "stands ready to act as necessary" to ensure CPI inflation meets the 2% target.
- **Canada's central bank (BoC)** Governing Council held the overnight rate target at 2.25%, as widely anticipated; BoC growth forecasts were little changed, and central bankers cited uncertainty and two-way risks.
- **Norway Central Bank - Norges Bank hiked** its key deposit rate by a quarter point to 4.25% to tackle stubbornly high inflation. Officials said inflation is too high and a higher policy rate is needed to return inflation to target within a reasonable time horizon.
- **Bank of Indonesia (BI) hiked** its key rate by 50bps to 5.25% on 20th May, surprising consensus view; Most expected a 25-bp hike
 - BI demonstrated readiness to do what's necessary to maintain rupiah and price stability — leaning against anticipated price pressures from imported inflation; BI signaled that work needs to be done to keep inflation within its 1.5%-3.5% target.
- **Philippines central bank** - The Bangko Sentral ng Pilipinas (BSP) hiked the policy rate by 25bps to 4.50%. The rate hike was an abrupt policy shift, catching many by surprise. The central bank had signaled recently that it would look through the oil supply shock if crude remained near current levels.
- **People's Bank of China (PBoC)** raised short-term cash injections to the highest in nearly a month as interbank funding costs edge higher.
- **Bank of South Korea (BoK)** BoK kept the base rate at 2.5% - for an eighth straight meeting - in line with consensus; the BoK expressed greater concern about upside risks from oil prices, the exchange rate and broader cost pass-through
 - More importantly, two dissenters favoring a rate hike, a dot plot centered on 3.0%, and sharp upward revisions to growth and inflation forecasts pointed to a more hawkish BoK (BBG)
- **Reserve Bank of New Zealand (RBNZ)** kept the Official Cash Rate unchanged at 2.25%; It projects rate hikes as soon as 3Q26
- **South Africa Reserve Bank (SARB) hiked** benchmark rate by 25bps to 7% to contain higher inflation sparked by the ME conflict; first hike since 2023, signalling more policy tightening if the Iran war drags on.
- **RBI MPC meets on 5-June and we expect** a cautious hold in policy rates; with higher upward revision in inflation forecasts mainly for 2HFY27 and modest downward growth revision.
 - RBI could possibly announce some measures on the external sector front which may support the currency, absolutely no measures may send the currency weaker again. On liquidity and rates, unlikely to see any explicit guidance. With markets already starting to price in rate hikes a hawkish undertone unlikely to negatively impact bonds market. A neutral/cautious/measured tone likely to be received positively

| Country / Region | CPI YoY% | Policy Rate | 3M Change (bps) | Last Month | Next Mtg. |
|------------------------|-------------|-------------|-----------------|------------|-----------|
| Australia | 4.2% | 4.35% | 50 | 5-May | 16-Jun |
| U.K. | 2.8% | 3.75% | 0 | 30-Apr | 18-Jun |
| U.S. | 3.8% | 3.75% | 0 | 29-Apr | 17-Jun |
| New Zealand | 3.1% | 2.25% | 0 | 8-Apr | 8-Jul |
| Canada | 2.8% | 2.25% | 0 | 29-Apr | 10-Jun |
| Euro zone | 3.0% | 2.15% | 0 | 30-Apr | 11-Jun |
| Japan | 1.4% | 0.75% | 0 | 28-Apr | 16-Jun |
| South Korea | 2.6% | 2.50% | 0 | 10-Apr | 16-Jul |
| Brazil | 4.4% | 14.50% | -50 | 29-Apr | 18-Jun |
| China (1Y Prime Rate)* | 1.2% | 3.00% | 0 | 20-Apr | - |
| India | 3.5% | 5.25% | 0 | 8-Apr | 5-Jun |
| Indonesia | 2.4% | 5.25% | 50 | 22-Apr | 18-Jun |
| South Africa | 4.0% | 7.00% | 25 | 28-May | 23-Jul |
| Philippines | 7.2% | 4.50% | 25 | 23-Apr | 18-Jun |

Source: Bloomberg; Market data as of June 1, 2026, 9:15 AM IST

Mutual fund investments are subject to market risks, read all scheme related documents carefully.

Global Markets Tracker | 2 June 2026

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