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The Year Of Politics And Geopolitics



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TABLE OF CONTENTS

1 CIO View

2 US Macro 2026

2 Bond Market Focus

3 China 2026

4 India 2026

5 Europe 2026

6 Middle East: UAE & Saudi Outlook 2026

7 Have Oil Prices Bottomed?

8 Will Gold Continue It's Bull Run?

9 Will Silver Imitate Gold Or Follow History?

10 "Dr. Copper" Likely To Benefit From Industrial Demand

11 Forex 2026

12 Will "Digital Gold" Pick Up The Mantle?

CIO View (1/6)

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Some lesser-known market developments of 2025

Financial markets constantly remind investors and market watchers about their intractability. 2025 was no different.

International equities handily outperformed US stock markets. The attention of the world was focused on US stock markets, which had a third back-to-back year of strong performance and delivered returns of ~17% for the year. Interestingly, the rest of the world did much better. International equities (outside the U.S.) outpaced U.S. equities by a wide margin — with the MSCI ACWI ex-USA returning roughly 32% in USD.

Real value is often found away from the headlines. While market chatter fussed over whether Nvidia or Tesla were good buys and how the bulk of US stock market performance was delivered by the hyper-scalers, many less well-known companies generated stellar returns for investors. In fact, only one of the Magnificent Seven stocks (Alphabet) featured among the 25 best-performing stocks in the S&P 500.

Markets can be unpredictable. The best-performing currency against the US Dollar was the Russian Ruble, up 44% for the year. Very tight policy (key rate in mid-teens to 20% range) and stronger trade balance were the main contributors.

The stock market is not the economy. Even as India was among the world's fastest-growing major economies and surpassed Japan to become its fourth-largest economy, its stock market delivered very modest returns. While the Nifty gained around 10.5% in local currency terms, the weaker Indian rupee reduced the return for a dollar-based investor to about 5.3%.



CIO View (2/6)

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Positioning the investment portfolio in an era of heightened geopolitical risk

For obvious reasons, the US economy and financial markets have exerted an outsized influence on global markets for a long time.

Under the current Trump administration, this phenomenon has become even more pronounced.

In 2025, his “America First” Policy manifested in a new tariff regime that raised the effective tariff rate in the United States from 2-3% to 18-19% and forced countries to modify their approach to trade and investment with the United States and the world at large. The consequences of that, both for the American consumer and for the affected countries, have still to come through fully. That policy appears to have run its course for now, with only a handful of outliers still being negotiated with.

2026 has started with the articulation of another aspect of the Policy – christened the “Donroe Doctrine” – which is based on the willingness to use US’ military strength to achieve its economic and political objectives. By definition, the outcome of this strategy is difficult to predict as it involves a multiplicity of factors both within the US and globally.

As ‘Pax Americana’ becomes less of a ‘given’ at least in the near-term, countries will move towards other means to secure themselves politically and economically. This will likely result in new trade and even security alliances, which in turn will likely lead to:

- **Greater investment in defense, particularly in Europe.**
- **Higher prices for industrial metals (needed to feed this investment).**
- **Higher precious metal prices, as Central Banks and investors buy ‘insurance’ against the US Dollar. Cryptocurrencies may also get some support.**
- **Countries with significant mineral resources are likely to explore alternative supply channels.**
- **Long-term yields for US treasuries are likely to remain supported as demand from overseas investors falls off.**

CIO View (3/6)

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That said and absent significant geopolitical shocks, our base case is that risk assets will perform well in 2026, though perhaps less robustly than in the last 3 years. Most major Central Banks appear poised to provide monetary and fiscal support to their economies, which will likely feed through into better economic growth in the near-term. Businesses have already started adapting to the new tariff regime. Businesses are also likely to start seeing the benefits from AI and other new technologies in the form of productivity gains and new revenue sources.

There are, however, plenty of reasons to expect volatility. Some that come to mind are:

- **The rollout of AI gets delayed due to execution challenges.**
- **Leading players within the AI ecosystem get upstaged by (overseas) competition.**
- **Change of leadership at the Federal Reserve and a possible negative reaction by bond markets to its 'new' policy stance.**
- **Sharper slowdown in US employment than projected.**
- **Political upheaval in the United States in the run up to the mid-term elections.**
- **The "Yen carry" trade unwinds completely as JPY interest rates remain elevated.**
- **Chinese economic growth is slower than expected.**
- **Escalation in the "Taiwan situation" which spills over into other countries.**

This is, of course, not an exhaustive list. Markets usually react most strongly to events that have not been considered a possibility. Until they happen.

In our view, the situation calls for a much more selective and active approach to investing than in the past. Higher-than-usual diversification is also important to enable resilience and better risk management.

CIO View (4/6)

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Our recommended asset allocation for 2026 for investors with a 'balanced' risk profile is as follows:

Asset Class	Allocation	Rationale
Equities	55%	Slight overweight vs "neutral" given pro risk stance
Bonds	30%	Keep overall portfolio duration around neutral to slightly short
Alternatives	10%	Hedge funds, private equity/credit, diversified
Real Assets / Commodities	3%	Fiat debasement, demand
Cash	2%	Liquidity & optionality

Equities by region:

Region	Allocation	Rationale
USA	60–65%	Positive operating leverage, pro-cyclical policy, AI-driven productivity
Europe	10–15%	Focusing on global exporters, quality value and companies leveraged to industrial and green transition capex
Japan	10–15%	Corporate reforms and attractive valuations
EM ex-China	10–15%	India, selected LatAm
China	0–5%	Ongoing structural & policy uncertainties

CIO View (5/6)

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Equities by sector:

Sector	Allocation	Rationale
AI & digital infrastructure	25–30%	Large cap tech platforms, semiconductors, cloud, data center REITs, and enabling hardware/software
Quality growth & healthcare	20–25%	High margin, strong balance sheet, plus healthcare and biotech benefiting from innovation and demographics
Financials	15–20%	Banks and insurers benefiting from growth, higher-for-longer real rates and IB business
Industrials	10–15%	Industrials tied to capex, grid and power infrastructure, renewables, nuclear components, and resource efficiency technologies
Commodities / resource equities	5–10%	Metals (copper, aluminum) and energy producers tied to AI data center demand, electrification, and supply bottlenecks

Bonds:

Type	Allocation	Rationale
DM sovereign	25–35%	Mix of short/intermediate maturity
IG Corporate	40–50%	Emphasis on strong balance sheet, can consider slightly higher duration if return is attractive
High-Yield & EM	10–20%	Selective, and even shorter duration
Structured credit	0–10%	Adding some income

CIO View (6/6)

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Alternatives, real assets and commodities:

Sector	Allocation	Rationale
Hedge funds / Liquid alternatives	5–7%	Low beta, absolute return, macro and relative value strategies
Private equity / Private credit	2–3%	Only top-quality managers
Gold & strategic commodities	5–8%	Diversifier and potential hedge highlight, plus selective industrial metals exposure aligned with AI and energy transition

We wish you a successful investing journey in 2026 and look forward to working with you on the same.

Macro Trends Broadly Support Market Momentum

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Economic Growth: Normalization, Not Recession

- U.S. GDP growth is expected to moderate to ~1.5–2.0% as pandemic-era stimulus fades and the lagged impact of restrictive rates slows housing and investment. Productivity gains help prevent a sharper slowdown.

Inflation Dynamics: Stabilizing Above Target

- Headline inflation is expected to settle around 2.5–3.0%, driven by easing shelter inflation and slowing wage growth. Services inflation remains sticky, limiting the pace of further disinflation.

Monetary Policy: Gradual Easing Cycle

- As inflation cools, unchanged policy would imply tighter real rates. The Fed is therefore expected to gradually normalize rates, reducing the risk of overtightening while maintaining credibility.

Labour Market: Controlled Cooling

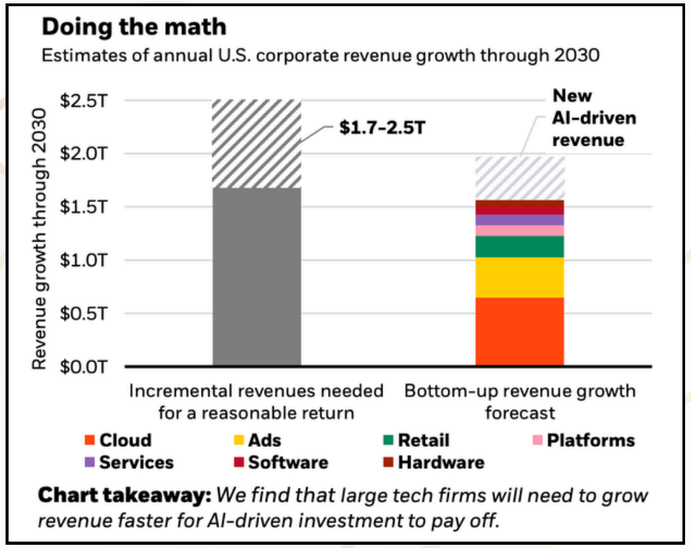
- Unemployment is likely to drift higher to ~4.3–4.6% as hiring slows and labour supply improves. This reflects normalization rather than labour market stress. Adoption of AI might fuel unemployment.

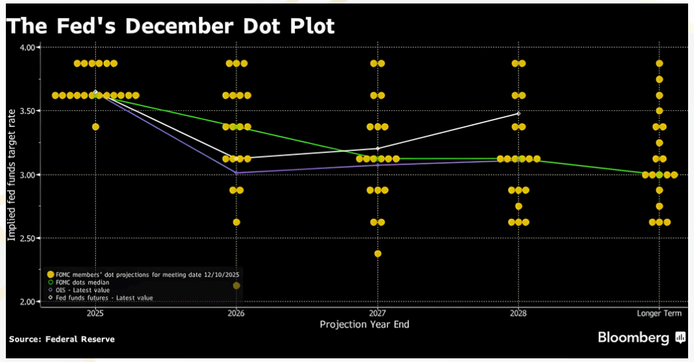
Fiscal & Financial Conditions

- Elevated fiscal deficits (~5–6% of GDP) continue to support near-term growth, while higher debt servicing costs constrain long-term flexibility. Financial conditions ease modestly as rate expectations shift.

Risks & Uncertainty

- Upside risks include productivity-driven growth surprises; downside risks include inflation re-acceleration, delayed rate cuts, or geopolitical shocks tightening financial conditions.





Bond Market Focus: Inflation Dynamics and Yield Outlook as Pressures Persist

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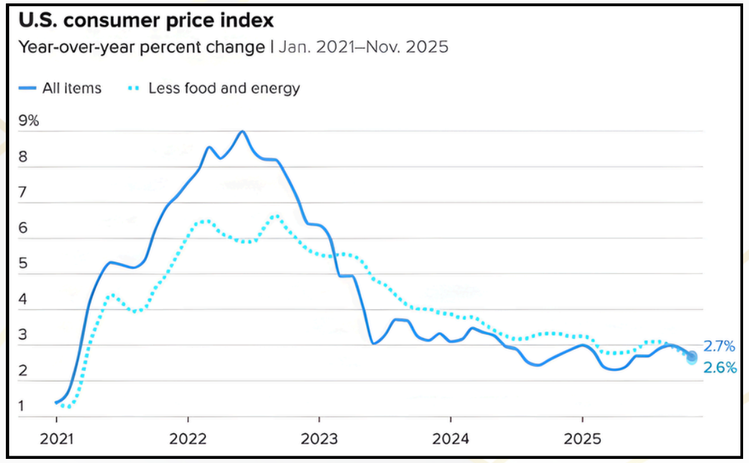
Treasury

- **Inflation dynamics have shifted,** with underlying services inflation remaining sticky even as headline CPI slows modestly.
- **Yield curves remain upward biased,** with the 2s10s spread steepening as markets price persistent above-target inflation and reduced expectations for rapid rate cuts.
- **Treasury supply remains elevated,** with significant maturities rolling over — increasing rate sensitivity in demand structures.
- **International demand for U.S. Treasuries** has partially returned, though sovereign buyers remain more rate-sensitive than in prior cycles.
- **Policy uncertainty in fiscal and monetary interactions** continues to create volatility, particularly around debt ceiling negotiations and Fed communications.



Investment Grade

- **IG supply to date is historically high,** with issuance front-loaded as corporates locked in funding ahead of anticipated further tightening in spreads.
- **Investor demand remains strong at higher yields,** supporting tighter spreads, especially in shorter and intermediate maturities.
- **Credit quality trends remain stable,** though sector dispersion is increasing — defensive sectors outperform cyclical credit.
- **We continue to favor short/medium duration IG exposures,** seeking carry with limited valuation embedment on long dated paper.

High Yield

- **Credit spreads, while wider** than 2021/22 lows, are still compressed relative to long-term averages, suggesting potential repricing risk if growth slows.
- **Economic slowdowns** (e.g in Europe) could elevate default risk, particularly in highly leveraged sectors such as retail and energy services.
- **A selective, bottom-up approach is crucial,** with focus on balance sheet robustness, free cash flow generation, and covenant protections.
- **Risks to HY remain asymmetric,** with spreads likely to widen more rapidly during macro drawdowns than tighten in benign environments.

China Limping back to Normal

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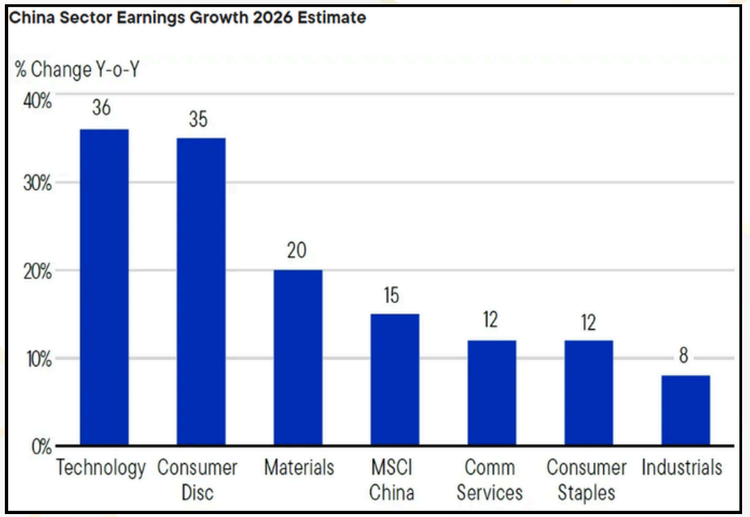
Managed Growth Amid Structural Headwinds

- GDP growth expected to moderate to 4.5–5.0% in 2026, with target set to balance near-term stability with longer-term structural goals.
- The 15th Five-Year Plan elevates technology self-sufficiency, industrial modernization, and domestic consumption rebalancing as core priorities.
- Real estate adjustment enters its fifth year, with investment declining from 11% of GDP (2021 peak) to ~7%; drag on growth should diminish but sector stress persists.
- Anti-involution campaign targeting deflation, overcapacity, and destructive price competition across sectors.



AI and Policy Support Aid Tech-Led Earnings Pickup

- Tech sector stands out as a high-conviction opportunity globally—AI innovation, strong earnings momentum, and supportive policy underpin the outlook, with valuations still at a meaningful discount to global peers.
- Broader equity market supported by improving domestic liquidity, rising retail participation, and government encouragement of household asset reallocation from deposits to equities.
- Earnings growth expected to accelerate materially in 2026 (consensus points to low-teens growth for MSCI China), with fundamentals playing a larger role as valuations normalize post-rerating.
- Tech companies relatively insulated from tariff risks given services-heavy revenue mix and large domestic addressable market; hardware leadership in EVs and AI supply chains adds optionality.



Global fund positioning remains underweight, creating favorable flow dynamics; dips from geopolitical noise may offer tactical entry points.

India : Ready to Bounce – back ?

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External Factors

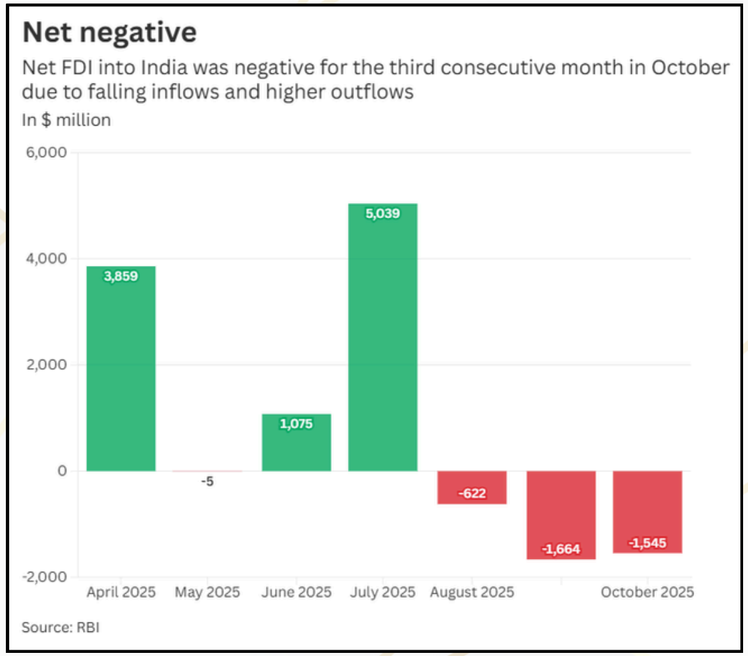
- **US-India trade:** High effective tariff rate (36%) amplifies pressure on exports due to K-shaped US economy.
- **Non-US trade :** Under pressure from China dumping (which will remain high in the face of low domestic growth catalyst).
- **Remittances:** H-1B visa reduces remittances if lesser Indians secure jobs in USA partially offset by higher remittances from Gulf states due to weakening rupee.
- **China+1 strategy:** India is poised to be one of the biggest beneficiaries of this strategy however the transition has not been as strong as expected as of yet.
- **Oil Price:** Low oil prices tailwind for India, however some of that could be offset if India decides to buy more expensive crude from USA.

Domestic & Other Factors

- **Monetary easing:** 50 bps of cuts expected in 2026 in face of low inflation.
- **Fiscal stimulus:** The economic impact of multiple tax cuts announced in the last budget should continue to support consumption.
- **FDI:** Net outflows have been registered in the past few months due to repatriation & outward FDI.
- **FPI:** $19 billion outflow was recorded in 2025, another $900 million has been withdrawn MTD in Jan 2026.

Our View

External pressures remain heightened on the Indian economy, however in terms of equity markets correction in valuations creates a good entry point for large cap and mid caps.



Eurozone: Still influenced by External Dependencies & Political Uncertainty

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Germany

- **GDP growth was sluggish in 2025**, (expected ~0.3% YoY) due to ongoing industrial contraction as external demand remains weak.
- **Input prices remain structurally above global peers** even though energy costs have eased moderately since 2024, leading to lower margins compared to US & Asia.
- **Public debt to GDP remains at ~64%**, providing ample fiscal room.
- **Consumer sentiment and real incomes are recovering slowly**, yet elevated services inflation and cautious labor markets are dampening household spending.
- **Equity valuations are above long-term averages**, with Germany's forward P/E at above 17x compared to long term average of ~13x

France

- **GDP growth is tracking below 1%**, hindered by weak investment and consumption, with recent PMI data reflecting stagnation in manufacturing and services.
- **Fiscal position remains stretched**, with public debt still above 120% of GDP and limited consensus on structural reform.
- **Political fragmentation persists**, with policymaking gridlock slowing budget clarity and structural spending decisions.
- **Policy uncertainty weighs on credit markets**, with French spreads widening modestly versus core European peers.
- **Equity market performance underperformed peers**, impacted by heavyweight luxury stocks facing softer Asian demand and broader risk-off sentiment.

Italy

- **Growth forecasts for 2026 have been nudged higher as services-led domestic activity**, improved balance-sheet resilience, and diversified export exposure collectively reduce downside risks to the outlook
- **Household debt remains contained (~58% of GDP)**, well below the Euro Area average (~87%) lower than France (~100%) or Germany (~65%), supporting relative consumption resilience.
- **SMEs show improved credit metrics**, benefiting from post-pandemic restructuring and higher liquidity buffers. the same period.
- **Pharmaceutical exports was the largest contributor to Italian exports** (growing ~40% in the first 9 months of 2025) and offset declines in other sectors. Total exports were up 3.5% in the same period.
- **Fiscal discipline improvements are gradual but anchoring confidence**, with progress on deficit reduction seen in recent budget negotiations.

Middle East : UAE And Saudi 2026 Outlook (1/2)

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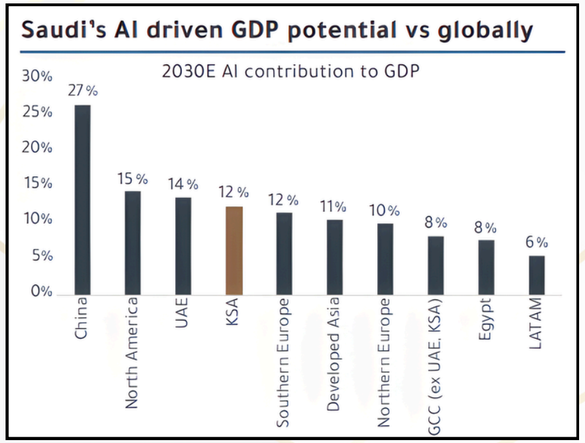
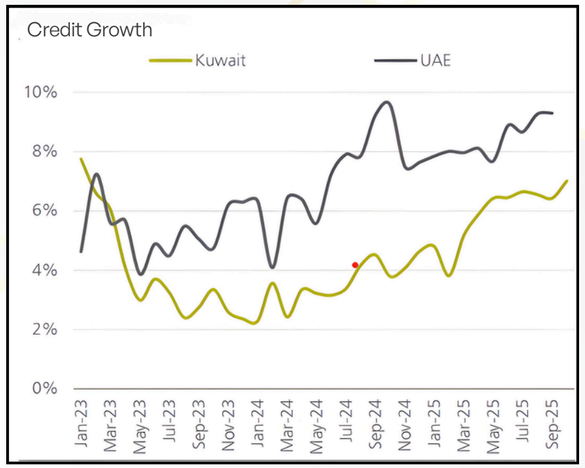
Overview :

- The outlook for oil prices remains a challenging one, amidst rising supply, concerns over demand and reduced geopolitical risk. The risk has increased with Trump arresting Venezuela president (Venezuela having largest proven reserves in the world).
- Saudi Arabia is clearly the economy in the spotlight in context of the bearish view on oil.
- While Saudi's economy is still dependent on oil, UAE stands out as its diversified economy and more mature public sector result in lower spending obligations; hence, enjoying the strongest fiscal balances amongst its peers.
- Saudi recently announced preparing to open to all foreign investors from a 49% cap – indicating a desperate funding requirement!



UAE outlook : Positive

- The UAE's economy is projected for strong growth in 2025, with forecasts around 4.8% to 4.9% GDP expansion and 4.8% for 2026, driven significantly by non-hydrocarbon sectors like tourism, finance, construction, and real estate, alongside a rebound in oil output.
- Lower reliance on oil and aviation (Emirates and Etihad) benefit from low oil prices.
- The population growth story continues to represent one of the key pillars of MENA's investment case - UAE leads with 4% CAGR since COVID.
- The population growth is driving a broad domestic demand story across the economy, including transportation, logistics, hospitality, property, telecom and financial sectors.
- UAE also recorded notable credit growth in 2025 which is expected to stay grow due to healthy credit demand – result of economic growth.



Middle East : UAE And Saudi 2026 Outlook (2/2)

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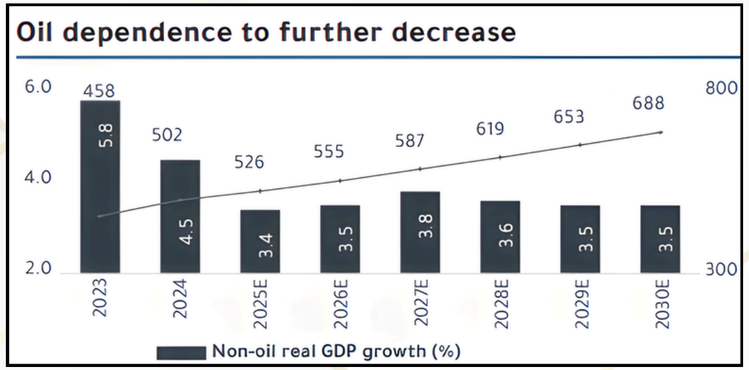
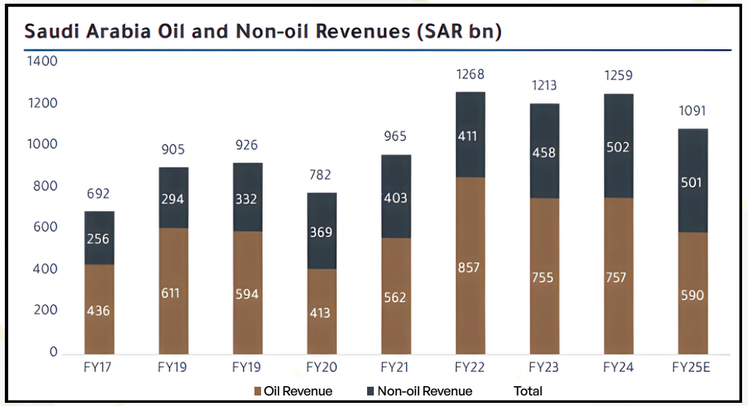
Saudi outlook : uncertainty prevails

- The gov't recorded a sharp widening in its budget deficit in 2025, at 5.3% of GDP vs a budgeted 2.3% as it did stick to its expenditure plans.
- 2025 ended with total debt/GDP at 31% which gives room for Saudi to borrow more which in long – term will pressure the balance and cause uncertainty.
- Saudi GDP is expected to grow at 4.5% in 2026.
- Population growth is positive in Saudi with 87% employment increase in expat jobs.
- Saudi Arabia announced relaxed rules around controlled alcohol consumption granted to expats.
- Saudi's population growth however is more focused on infrastructure and property sectors vs consumer segment where competition is already very high.
- Tourism income is increasingly becoming a source of national income in KSA.



Where is the opportunity :

- Invest in UAE IPO opportunities.
- Consider UAE's real estate growth.
- Pre-IPO opportunities in Saudi Arabia as the IPO market still holds up.
- Business expansion into Saudi.



Have Oil Prices Bottomed?

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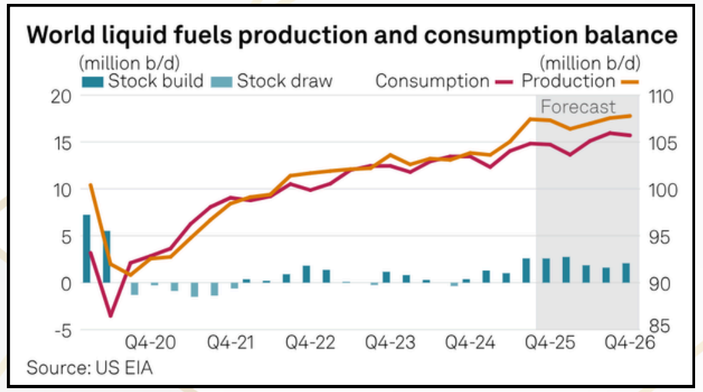
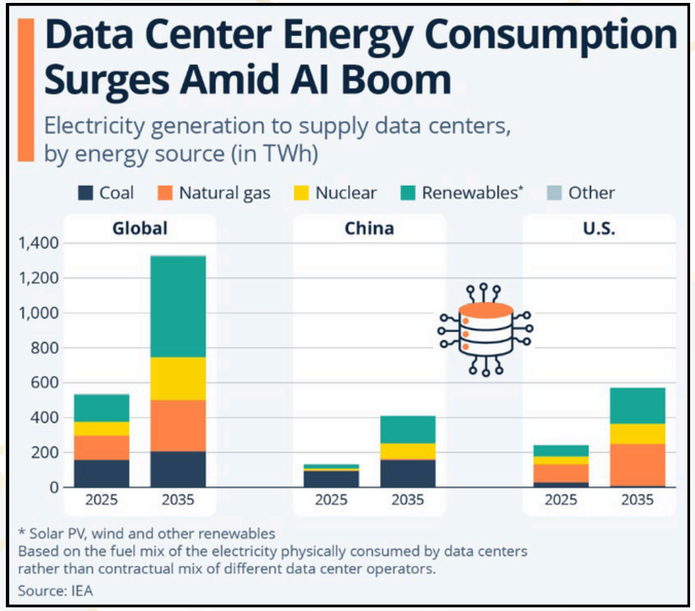
Near term drivers

- **Over supplied market:** At production capacity of ~110 mb/day (including spare capacity) and 2025 consumption at ~104 mb/day, the market stands oversupplied. Venezuelan produced an average of 1 mb/day in 2025 which could increase to 1.5 mb/day in our best case scenario with US intervention which would not have a huge impact on the overall supply number.
- **Warmer winter:** Winters are gradually getting warmer every year and the current winter months have also been milder leading to lower heating demand.
- **Decelerating global economy growth:** Consensus global GDP forecasts point to a 2.5% growth in 2026 compared to a 2.8% and 2.7% growth in 2024 and 2025. Major factor being China GDP growth which is predicted to slowdown to 4.5% from 4.9% in 2025.



Longer term drivers

- **Renewable energy focused towards data center** – For many years analysts believed that renewable energy sources would be used more and more in place of crude oil, however the rush to build data centers as AI capex skyrockets will require most if not all renewable energy to be redirected towards powering this massive projects, meaning crude oil will have lesser competition in the foreseeable future.
- **EV trend has been decelerating** and people are preferring hybrid automobiles instead.
- **Increased Mining & defense capex** due to increased commodity prices and heightened geopolitical tensions respectively, increasing demand for oil.



Our View

Above factors point to a near term bearishness in crude oil price however risks remain to the upside in the long term.

Will Gold Continue Its Bull Run?

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Demand Drivers

- **Central Bank Purchases** Net official acquisitions projected at 760–840t vs more than 1000t in 2024/25. Driven by reserve diversification.
- **Investment (ETFs & Bars/Coins) :** Average quarterly demand: ~585t (330t bars/coins, 275t ETFs/futures) vs 550t/qtr in 2024/25.
- **Safe Haven :** Rose ~10% in first three quarters of 2025 amid geopolitical & macro risk, trend expected to persist in 2026.
- **Jewelry Recovery :** Robust at ~1,800t, up from 1,877t globally in 2024/25.
- **Retail & Emerging Markets :** Strong physical demand in Asia-Pacific (~54% of global).

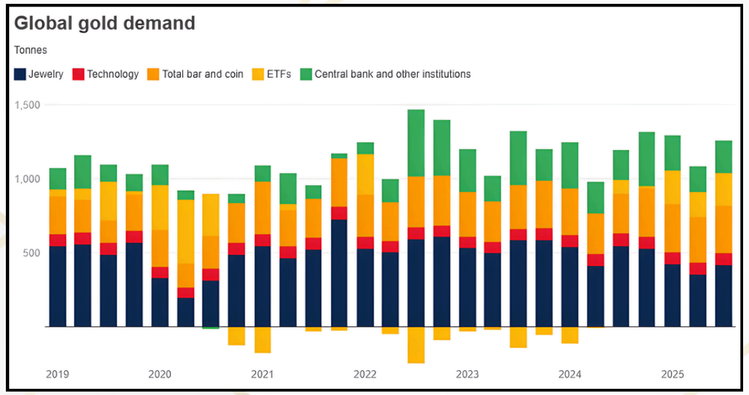
Supply Drivers

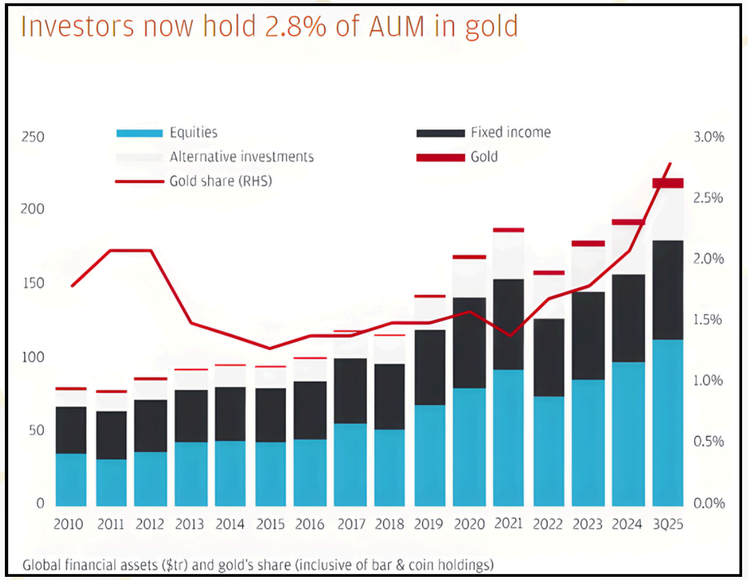
- **Mine Production :** Forecast ~3,715t, modest growth <2%.
- **Recycled Supply :** Contribution ~1,470t, slightly rising but below demand growth.
- **Environmental & Regulatory Delays :** ~28% of projects are running delayed.
- **Ore Grade Decline :** Limits incremental output from major miners.

Demand-Supply Imbalance

Global demand **~4,900t** in 2024, Supply growth **lags (<5,200t),** indicating a **tightening market.**

Gold has a tailwind from safe-haven demand amid geopolitical risks and a tightening supply-demand balance.





Will Silver Imitate Gold or Follow History?

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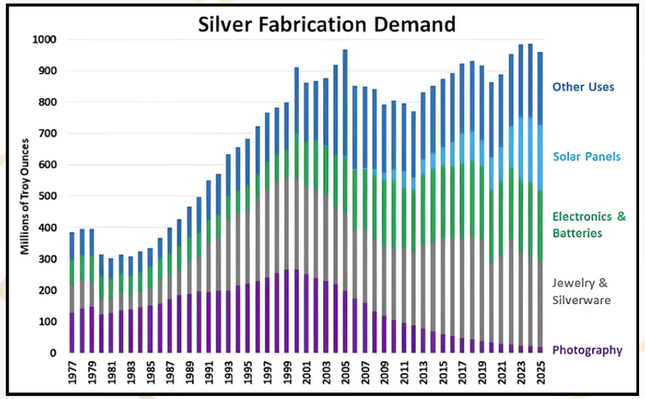
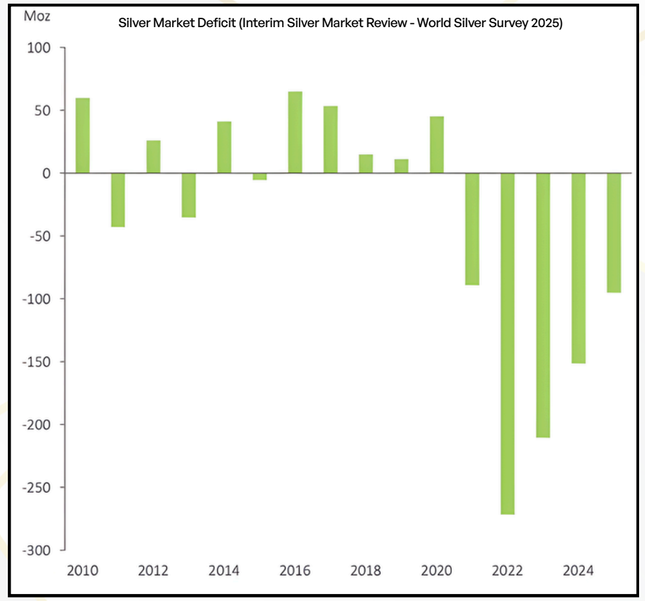
Demand Drivers

- **Global Demand:** ~1.20–1.25bn oz in 2026 vs 1.16bn oz in 2024; steady growth driven by rising global industrial needs.
- **Industrial Use:** ~680.5m oz in 2024; manufacturing and tech drive demand with electronics and EV adoption increasing.
- **Solar PV:** ~230m oz in 2026 vs 210m oz in 2024; solar adoption rising as renewable energy projects expand worldwide.
- **Electronics & EVs:** Strong demand from digitalization and electrification supporting infrastructure and emerging technologies growth in centers for AI demand and investments.
- **Investment:** ~235m oz in 2026 vs 225m oz in 2024; investor interest remains high as safe-haven demand strengthens globally.



Supply Drivers

- **Mine Production:** ~824m oz in 2026 vs 810m oz in 2024; modest growth limited by exploration and development challenges.
- **Recycling:** ~206m oz in 2026; stable supply source providing supplemental silver to the market.
- **By-Product Dependency:** 70% of silver from base metals; supply inelastic tied closely to lead, zinc, copper.
- **Supply Deficit**: ~126m oz in 2026 vs 180m oz; deficits persist putting potential upward pressure on prices.
- **Exploration & Costs:** Low investment in new mines limits growth threatening long-term supply sustainability globally.



Demand-Supply Imbalance

The deficit may persist into 2026, although slightly smaller at around ~126 million ounces, as demand remains robust while supplies remain constrained.

Silver benefits as a cost-effective safe-haven alternative to gold, but after strong gains last year, a cautious approach is recommended, as the supply deficit is expected to reduce compared to 2025.

"Dr. Copper" Likely to Benefit from Industrial Demand

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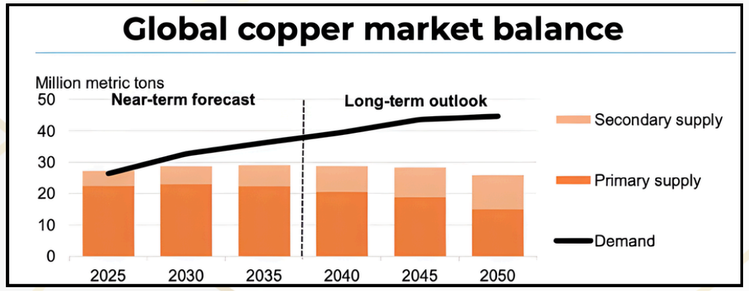
Demand Drivers

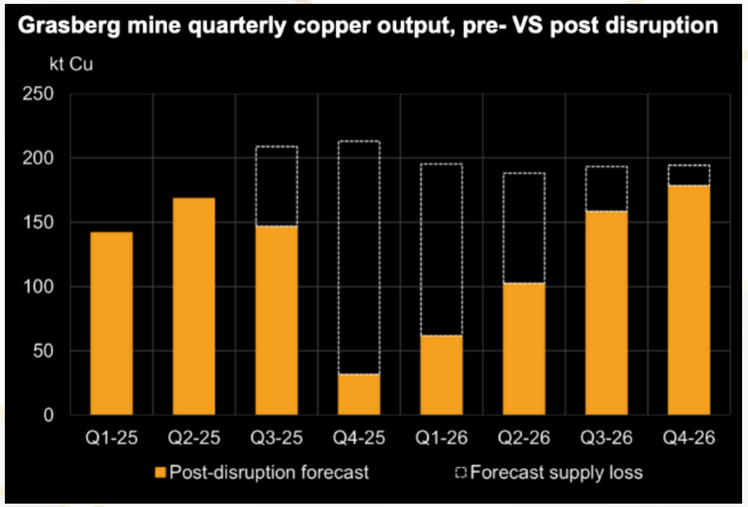
- **Global Refined Copper Usage :** Refined copper demand is expected to rise ~2.1% to ~28.7 million tonnes in 2026.
- **Energy Transition :** Electrification, EV adoption, and grid expansion are driving copper intensity, with Asia accounting for ~58% of usage.
- **AI & Data Centers :** Growing AI and data center infrastructure could add tens of thousands of tonnes annually (+30k–40kt in 2025, rising further in 2026).
- **Infrastructure & Renewables :** Renewable power and transmission projects require significantly more copper than fossil-based infrastructure, boosting mid-term demand (550kt in 2024).
- **EV Sector :** EVs consume ~3–4× more copper than conventional vehicles, supporting long-term structural growth.

Supply Drivers

- **Market Deficit :** ICSG projects a refined market deficit of ~150,000 tonnes in 2026.
- **Mine Production Growth :** Mine output is expected to grow only ~2.3% in 2026, below demand growth.
- **Refined Output Growth :** Refined production growth is forecast to slow to ~0.9% in 2026 versus 1.1% in 2025, tightening supply.
- **Declining Ore Grades :** Lower global ore grades reduce effective yields and increase production costs.
- **Mine Disruptions :** Major outages, e.g., Grasberg, have reduced concentrate availability (~350,000t impact in 2024/25; ~400,000t projected in 2026).

Copper demand is set to grow robustly from EVs, renewables, and data centers, supported by a tightening supply, creating positive market opportunities in 2026.





Forex 2026

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- **Soft USD base from 2025:** The US dollar posted its worst annual performance since 2017, declining ~9–10% in 2025.
- **Fed policy expectations:** Markets price 1–2 additional rate cuts in 2026, pressuring the USD via narrower rate differentials with peers.
- **Geopolitical and fiscal risks:** Political uncertainty (Fed leadership, geopolitical war and tariffs) and US fiscal deficits keep traders hedged rather than aggressively selling the dollar.

DXY (US Dollar Index)	DXY (US Dollar Index)	DXY (US Dollar Index)
• Fed expected 1–2 cuts, terminal rate 3.00%–3.25%, limiting major upside. • Fiscal excesses keep long-end yields elevated, constraining large declines. • Political uncertainty (Fed chair change May 2026) weighs on USD sentiment. • Our View: sideways to modestly weaker, drifting toward mid-90s by year-end.	• ECB holds at 2.00%, Fed cuts narrow rate gap → tailwind for EUR via USD weakness. • Germany's €1 trillion fiscal stimulus supports growth (0.3% → 1.4% in 2026). • Inflation projected at 1.7% (2026) → no immediate ECB rate action. • Our View: gradual appreciation toward 1.19–1.21, capped by French fiscal/political risk.	• Counter-moves tied closely to DXY strength/weakness. • CHF safe-haven bid can be aggravated by geopolitical tensions and macro turbulence. • Our View: sideways to modestly stronger.
GBP/USD	**USD/JPY**	**USD/INR**
• USD weakness is primary driver; sterling lacks independent catalysts. • Narrowing US–UK rate differential provides support • Market volatility lower than 2025 → limited directional moves. • Our View : modest appreciation, underperforming high-beta peers.	• BoJ hiked 25 bp end-2025; further normalisation likely in 2026. • US–Japan yield spread narrows as Fed cuts 1–2 times, favoring JPY. • Intervention risk near 160 caps USD upside. • Our View : modest appreciation.	• Indian macro remains stable; FX largely reflects broad USD moves. • UBS forecast warns INR could weaken toward ~92 by Mar2026. Low-to-moderate, tied to global risk appetite and RBI policy. • Our View : Range-bound to mildly weaker INR against USD, targeting roughly 89–92.

Will "Digital Gold" Pick Up The Mantle?

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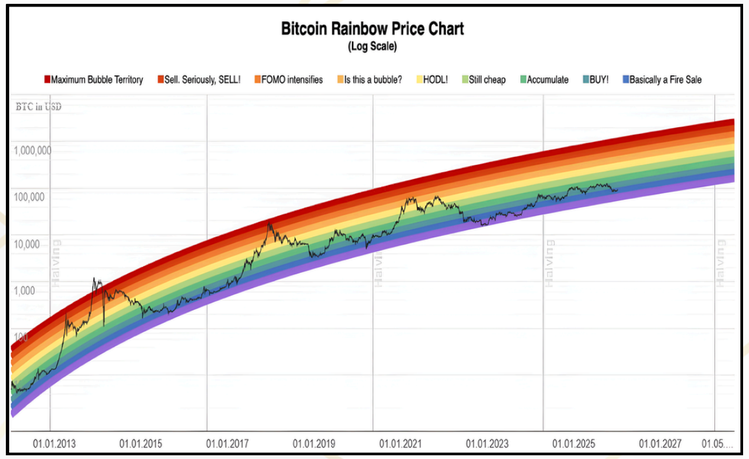
Strong Start & Technical Momentum

- Bitcoin has begun 2026 with renewed strength after a challenging late-2025, rising above key levels and signalling a potential bullish trend early in the year as institutional flows and normalized trading volumes return.



Bullish Catalysts: Institutional Adoption, ETFs & Stablecoins

- Major financial players such as MS, Fidelity, VanEck etc. are expanding crypto access, with new Bitcoin-focused ETFs filed and large inflows continuing.
- Research firms and Wall Street analysts see institutional capital as a core driver that could push Bitcoin to mid-cycle highs—many forecasts cluster between $120K–$170K in 2026, with more aggressive models projecting even higher.
- Rapid growth in stablecoin usage (USDT, USDC) has expanded on-chain liquidity and reduced friction for capital entering crypto markets.

Macro & Structural Drivers

- Falling interest rates, easing monetary policy, and accelerating integration with traditional finance may support Bitcoin's appeal as a risk asset.
- Regulatory moves like the CLARITY Act and strategic Bitcoin reserves could broaden investor participation.

Contrasting Views & Risks

- Some analysts caution that Bitcoin may remain range-bound or face extended consolidation, especially if macro volatility persists or if price corrections deepen.
- Market veterans suggest speculative assets could lose relative appeal in 2026 if capital rotates to traditional sectors.

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