Weekly Market Pulse

aviso wealth

Week ending March 06, 2026

Market developments

Equities: Global equity markets experienced sharp declines this week as the escalating conflict between the U.S. and Iran triggered widespread selling across major indices. European stocks headed for their worst week since early April 2025, with the Stoxx 600 falling over 5%, breaking a five-week winning streak. Earlier in the week, on Tuesday, the FTSE 100 dropped ~2%, while Japan's Nikkei fell ~3% and South Korea's Kospi lost ~7% as investors reconsidered the economic impact of the Middle East conflict. The selling pressure was broad-based, with few sectors offering shelter, even energy stocks eventually succumbed to the wider market decline despite rising oil prices.

Fixed Income: Treasury markets posted their biggest weekly loss since last spring as surging oil prices fueled inflation concerns, with 10-year yields rising as much as 22 basis points over the week. Bond yields initially fell early in the week in a flight to safety sparked by the Middle East conflict but quickly reversed as inflation worries took precedence. The 10-year Treasury yield moved back above 4% as concerns mounted that attacks on Iran could spur a lasting increase in energy prices.

Commodities: Oil markets experienced dramatic gains as the Iran conflict effectively shut down shipping through the Strait of Hormuz, which typically handles about a fifth of the world's oil and liquefied natural gas flows. U.S. crude prices rallied from just under $73 a week ago to top $90, setting a record weekly gain of more than 30%. Gold, by contrast, failed to capture much of a haven bid this week despite the geopolitical turmoil, heading for its worst week since January.

Performance (price return)

SECURITY	PRICE	WEEK	1 MONTH	3 MONTH	YTD
Equities ($Local)					
S&P/TSX Composite	33,083.72	-3.66%	1.89%	5.66%	4.33%
S&P 500	6,740.02	-2.02%	-2.77%	-1.90%	-1.54%
NASDAQ	22,387.68	-1.24%	-2.79%	-5.05%	-3.68%
DAX	23,591.03	-6.70%	-4.57%	-1.82%	-3.67%
NIKKEI 225	55,620.84	-5.49%	2.52%	10.16%	10.49%
Shanghai Composite	4,124.19	-0.93%	1.44%	5.67%	3.91%
Fixed Income					
Canada Aggregate Bond	243.27	-1.23%	0.24%	1.50%	0.97%
US Aggregate Bond	2369.40	-0.86%	0.48%	1.22%	0.87%
Europe Aggregate Bond	247.78	-1.50%	-0.33%	0.37%	0.40%
US High Yield Bond	29.32	-0.09%	-0.02%	1.05%	0.60%
Commodities					
Oil	90.89	35.62%	43.02%	51.28%	58.29%
Gold	5169.99	-2.06%	4.14%	23.16%	19.69%
Copper	579.20	-3.54%	-1.53%	7.62%	1.94%
Currencies					
US Dollar Index	98.88	1.30%	1.28%	-0.11%	0.57%

Bitcoin (CAD)	92,627.41	2.89%	-4.13%	-25.16%	-22.79%
Loonie	1.3569	0.52%	0.78%	1.83%	1.14%
Euro	0.8608	-1.65%	-1.67%	-0.22%	-1.09%
Yen	157.83	-1.13%	-0.39%	-1.58%	-0.71%

Source: Bloomberg, as of March 06, 2026

Central Bank Interest Rates

Central Bank	Current Rate	June 2026 Expected Rate*
Bank of Canada	2.25%	2.27%
U.S. Federal Reserve	3.75%	3.51%
European Central Bank	2.00%	2.12%
Bank of England	3.75%	3.63%
Bank of Japan	0.75%	0.95%

Source: Bloomberg, as of March 06, 2026

*Expected rates are based on bond futures pricing

Macro developments

Canada – Manufacturing Activity Returns to Expansion

The S&P Global Canada Manufacturing PMI rose to 51.0 in February 2026, up from 50.4 in January and marking the highest level since January 2025. New orders returned to growth for the first time in recent months, despite a backdrop of softening export sales and ongoing challenges arising from United States tariffs. Employment also increased, representing the second consecutive month of expansion.

U.S. – Producer Prices Accelerate More Than Expected, Nonfarm Payrolls Post Surprise Decline in February

The ISM Prices Paid Index jumped 11.5 points to 70.5 in February 2026, the highest level since overall inflation peaked nearly four years ago. The reading significantly exceeded the survey estimate of 59.20 and the prior reading of 59.0. The figures reflected responses ahead of US and Israeli airstrikes on Iran over the weekend.

U.S. nonfarm payrolls unexpectedly fell by 92,000 in February 2026, one of the largest declines since the pandemic, after a downwardly revised gain of 126,000 in January. The consensus was for a 60,000 increase. The unemployment rate climbed to 4.4% from 4.3%, above the survey estimate of 4.3%. The decline partly reflected a decrease in healthcare employment due to a strike and an impact from unusually harsh winter weather, though the weakness was broad-based. Manufacturing payrolls fell by 12,000.

International – Eurozone Inflation Unexpectedly Accelerates to 1.9%, China Official Manufacturing PMI Contracts More Than Expected, Eurozone Unemployment Rate Falls to Record Low

The Eurozone CPI year-over-year preliminary estimate for February 2026 rose to 1.9%, up from 1.7% in January and exceeding the survey estimate of 1.7%. The increase was mainly due to a rise in service sector inflation, which hit 3.4% from 3.2% the prior month.

China's official Manufacturing PMI from the National Bureau of Statistics fell to 49.0 in February 2026, down from 49.3 in January and below the median estimate of 49.05. All sub-indices were below 50, with production falling to 49.6, new orders down to 48.6 and employment dropping to 48.0. The longest-ever Lunar New Year holiday brought a lull in manufacturing and construction.

The Eurozone unemployment rate declined to 6.1% in January 2026, down from 6.2% in December and below the survey estimate of 6.2%. The reading marked a new record low for the currency bloc.

Quick look ahead

DATE	COUNTRY / REGION	EVENT		SURVEY	PRIOR
02-Mar-26	Canada	S&P Global Canada Manufacturing PMI	Feb		50.4
02-Mar-26	United States	S&P Global US Manufacturing PMI	Feb F		51.2
02-Mar-26	United States	ISM Manufacturing	Feb	51.80	52.6
02-Mar-26	United States	ISM Prices Paid	Feb	59.20	59
03-Mar-26	Eurozone Aggregate	CPI Estimate YoY	Feb P	1.70	1.7
03-Mar-26	Eurozone Aggregate	CPI YoY	Feb P	1.70	1.7
03-Mar-26	Eurozone Aggregate	CPI MoM	Feb P	0.50	-0.6
03-Mar-26	Eurozone Aggregate	CPI Core YoY	Feb P	2.20	2.2
03-Mar-26	China	Manufacturing PMI	Feb	49.05	49.3
03-Mar-26	China	Non-manufacturing PMI	Feb	49.70	49.4
03-Mar-26	China	Composite PMI	Feb		49.8
04-Mar-26	Eurozone Aggregate	Unemployment Rate	Jan	6.20	6.2
05-Mar-26	Eurozone Aggregate	Retail Sales MoM	Jan	0.20	-0.5
06-Mar-26	Eurozone Aggregate	GDP SA QoQ	4Q T	0.30	0.3
06-Mar-26	Eurozone Aggregate	GDP SA YoY	4Q T	1.30	1.3
06-Mar-26	United States	Retail Sales Advance MoM	Jan	-0.30	
06-Mar-26	United States	Retail Sales Ex Auto MoM	Jan		
06-Mar-26	United States	Retail Sales Ex Auto and Gas	Jan		
06-Mar-26	United States	Change in Nonfarm Payrolls	Feb	60.00	130
06-Mar-26	United States	Change in Private Payrolls	Feb	70.00	172
06-Mar-26	United States	Change in Manufact. Payrolls	Feb		5
06-Mar-26	United States	Unemployment Rate	Feb	4.30	4.3

F = Final
P = Preliminary
T = Third

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