

# Morning Brief

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## **QUICK SUMMARY OF THE MARKETS LAST SESSION**

US equities closed sharply higher on Monday April 13 after an early session selloff reversed on renewed optimism over a potential US-Iran deal. The S&P 500 advanced +1.0% to 6'886, its highest close since before the Iran war began, erasing the index's year-to-date loss. The Nasdaq Composite gained +1.2% to 23'184, buoyed by a broad software recovery and a ninth straight positive session for the Nasdaq 100. The Dow Jones added +0.6% to 48'218, recovering from a 400-point intraday low. The rebound was driven by technology and financials, with Oracle and Palantir each rising sharply on sector rotation into quality growth after Goldman Sachs CEO David Solomon suggested recent software weakness was overdone. Breadth improved meaningfully into the close after starting the day negative.

Europe lagged, with the STOXX 600 slipping -0.2% to 614 and the FTSE 100 off -0.2% to 10'583, both weighed by continued energy supply uncertainty and cautious positioning ahead of US bank earnings. The Swiss SMI fell -0.3% to 13'146. In Asia, the Nikkei 225 gained +2.4% to 57'877 at Monday's Tokyo close, while the Hang Seng and Shanghai Composite each rose +1.0% to 25'903 and 4'026 respectively, lifted by ceasefire optimism.

The rates narrative remained the key cross-asset driver. US 10-year Treasuries finished the April 10 session at 4.31% and the 2-year at 3.81%, with the yield curve modestly upward sloping as the market balanced energy-driven inflation concerns against hopes for Middle East de-escalation. The Swiss 10-year government bond yielded around 0.39%, steady with peers, while the SNB held its policy rate at 0% at its March meeting. Gold traded around \$4'761 per ounce, up +0.3% on the day, retaining its role as the primary portfolio hedge against unresolved geopolitical risk.

## **WHAT TO WATCH IN THE MARKET TODAY**

The session sets up as a critical one for the financial sector, with JPMorgan Chase, Wells Fargo, Citigroup, and Johnson & Johnson all reporting Q1 results before the open. Any guidance commentary around consumer credit quality, net interest margin trajectory, and loan growth will drive not just those names but broader sector positioning.

The US March PPI release at 8:30 AM ET (developed in section 5) is the other defining catalyst of the day. In Europe and Asia, traders will watch oil prices closely given WTI remains near \$97-98 per barrel, a level at which airline, chemical, and consumer discretionary earnings estimates face meaningful downside risk.

## **KEY HIGHLIGHTS YESTERDAY**

Goldman Sachs reported Q1 2026 net revenues of \$17.2 billion, the second highest in the firm's history, with EPS of \$17.55 beating the \$16.47 consensus by 6.6%. Return on equity reached 19.8%, underpinned by a record Global Banking and Markets segment at \$12.7 billion, with equities revenue up 27% year-on-year to \$5.3 billion. Advisory revenues surged 89% on completed M&A volumes, and the bank returned \$6.4 billion of capital in the quarter.

LVMH posted Q1 revenues of €19.1 billion, down 6% on a reported basis due to a severe 7% currency headwind, though organic growth held at +1%. Fashion and Leather Goods declined 2% organically for its seventh consecutive quarter of contraction, while Watches and Jewelry led with +7% organic growth.

## **MACRO RELEASES TO WATCH TODAY**

The US March Producer Price Index is due at 8:30 AM ET. February final demand PPI rose 0.7% month-on-month and 3.4% year-on-year, the highest 12-month rate since early 2025, driven by a 1.1% surge in goods prices, largely energy-related.

The March print is expected to show continued pressure from the oil shock that followed the Strait of Hormuz closure in late February, when Brent briefly exceeded \$118 per barrel. A print materially above February's pace would reinforce the case for the Fed to remain on hold through the April 28-29 FOMC meeting, with markets currently pricing virtually no chance of a cut this year.

### **MOST IMPORTANT NEWS YESTERDAY**

Somnigroup International agreed to acquire Leggett and Platt in an all-stock transaction valued at approximately \$2.5 billion, creating a combined bedding group with \$11.2 billion in pro-forma 2025 revenues and \$1.7 billion in adjusted EBITDA. Leggett's shares jumped 13% on the announcement, signaling market approval of a deal priced at roughly 6.6 times pre-synergy EBITDA.

Meta Platforms deepened its AI infrastructure commitments by agreeing to spend an additional \$21 billion with CoreWeave, on top of a prior \$14.2 billion arrangement, reinforcing the capital intensity of the AI buildout.

BP announced the acquisition of stakes in three offshore exploration licences in Namibia, continuing the sector trend of expanding into underdeveloped African deepwater basins as oil majors reconfigure their upstream portfolios.

### **BIG CAPS TO FOLLOW TODAY AND WHY**

JPMorgan Chase reports Q1 results before the open, with consensus at \$5.41 EPS on \$48.2 billion in revenues; the key watch items are consumer credit quality, guidance on net interest income, and CEO Jamie Dimon's framing of the oil shock's economic impact. Wells Fargo follows with consensus at \$1.57 EPS on \$21.8 billion in revenues; net interest margin trajectory and any update on the asset cap resolution will drive the stock given its year-to-date underperformance of roughly 8%.

Citigroup also reports today after its shares outperformed peers recently; confirmation of progress on its efficiency ratio target of 60% and Treasury and Trade Solutions revenue growth will be watched closely. Johnson and Johnson reports ahead of healthcare investors watching for any guidance on pharmaceutical pricing and medical device volume recovery.

### **IMPORTANT EARNINGS IN THE LAST FEW DAYS**

The Q1 2026 earnings season is opening against elevated expectations: FactSet consensus calls for S&P 500 earnings growth of approximately 19% year-on-year, one of the highest bars set in recent years and one that leaves little room for guidance disappointment. Of the early reporters, Goldman Sachs confirmed that trading-intensive franchises can thrive in volatile, geopolitically driven markets.

LVMH offered a useful reminder that reported revenue figures can be deeply misleading in a strong-euro environment, with 7 points of FX drag masking resilient underlying demand in Asia and the US.

### **MOST IMPORTANT GLOBAL MACRO RELEASES EXPECTED**

The most consequential release of the week is today's US March PPI.

Beyond that, US March Retail Sales, rescheduled to April 21, will provide the first post-oil-shock read on consumer spending behaviour and could reprice recession probability materially in either direction. The ECB Governing Council holds its next monetary policy meeting on April 30, outside this window, but ECB speaker commentary this week will be monitored for any shift in tone given that headline eurozone inflation is tracking above the 2% target due to energy passthrough while the ECB deposit facility rate remains at 2.0%.

The IMF released its April 2026 World Economic Outlook today, projecting eurozone growth of 0.9% for 2026, which adds a relevant benchmark for positioning in European equities.

MARKET DATA

EQUITY													
	Futures	Last	% 1D	% WTD	% MTD	%YTD		Last	% 1D	% WTD	% MTD	%YTD	
Europe	CAC 40	0.58%	8 235.98	-0.3%	-0.3%	5.4%	1.1%	MSCI WORLD	4 503.84	0.7%	0.7%	5.8%	1.7%
	DAX 30	1.03%	23 742.44	-0.3%	-0.3%	4.7%	-3.1%	GROWTH	6 804.88	0.9%	0.9%	7.2%	-2.0%
	SMI 20	0.65%	13 145.91	-0.3%	-0.3%	2.9%	-0.9%	VALUE	4 573.10	0.5%	0.5%	4.5%	5.2%
	SPI	-	18 452.54	-0.2%	-0.2%	3.5%	1.3%	MOMENTUM	5 010.17	0.4%	0.4%	11.3%	6.1%
	FTSE MIB 40	0.54%	47 527.16	-0.2%	-0.2%	7.3%	5.7%	LOW VOL	2 449.18	-0.0%	-0.0%	0.9%	2.0%
	EUROSTOXX 50	0.89%	5 905.02	-0.4%	-0.4%	6.0%	2.0%	QUALITY	4 817.25	0.5%	0.5%	5.9%	1.7%
	DJ STOXX 600	0.66%	613.88	-0.2%	-0.2%	5.3%	3.7%	SIZE	6 592.03	0.6%	0.6%	5.2%	3.6%
FTSE 100	0.26%	10 582.96	-0.2%	-0.2%	4.0%	6.6%	HIGH DIV.	1 813.53	-0.1%	-0.1%	1.7%	5.2%	
							SMALLCAP	713.49	0.8%	0.8%	6.5%	7.5%	
America	S&P 500	0.15%	6 886.24	1.0%	1.0%	5.5%	0.6%	MSCI USA	6 557.25	1.1%	1.1%	5.4%	0.4%
	NASDAQ COMP	0.29%	23 183.74	1.2%	1.2%	7.4%	-0.3%	ENERGY	451.19	0.3%	0.3%	-7.1%	27.5%
	S&P 500 EW	-	8 060.33	1.2%	1.2%	3.6%	3.8%	MATERIALS	477.43	0.2%	0.2%	5.2%	14.3%
	S&P 400 MIDCAP	0.04%	3 562.00	1.1%	1.1%	5.5%	7.8%	INDUSTRIALS	673.26	0.9%	0.9%	7.0%	12.2%
	S&P 600 SMALLCAP	-	1 605.56	1.4%	1.4%	6.1%	9.4%	CONSUMER DISC.	768.96	0.9%	0.9%	6.0%	-4.3%
RUSSELL 2000	0.32%	2 670.49	1.5%	1.5%	7.0%	7.6%	CONSUMER STAPLES	353.19	-1.0%	-1.0%	-0.4%	6.9%	
Asia	NIKKEI 225	2.56%	57 877.39	2.4%	1.7%	13.3%	15.0%	HEALTH CARE	476.51	0.6%	0.6%	0.9%	-4.7%
	HANG SENG H	-	25 913.09	1.0%	0.1%	4.5%	1.1%	FINANCIALS	284.52	1.8%	1.8%	4.7%	-5.9%
	SHANGHAI COMP A	-	4 026.63	1.0%	1.0%	3.5%	1.5%	IT	1 215.55	1.7%	1.7%	8.4%	-1.9%
	SHENZHEN COMP A	-	2 704.43	1.4%	2.0%	6.7%	6.9%	COMM. SERVICES	144.51	0.8%	0.8%	8.2%	0.2%
EM	BOVESPA	-	198 000.71	0.3%	0.3%	5.6%	22.9%	UTILITIES	275.44	-1.2%	-1.2%	1.1%	8.4%
	SENSEX	-	76 847.57	-0.9%	-0.9%	6.8%	-9.8%	MSCI EUROPE	204.85	-0.1%	-0.1%	5.2%	3.6%
Indices Total Return	MSCI WORLD 100% H Sfr NTR	-	2 495.94	0.7%	0.7%	5.4%	2.3%	ENERGY	211.20	1.3%	1.3%	-3.5%	35.9%
	S&P 500 TR	-	15 364.11	1.0%	1.0%	5.5%	0.9%	MATERIALS	390.29	-0.3%	-0.3%	5.8%	11.2%
	MSCI USA NTR	-	19 834.05	1.1%	1.1%	5.5%	0.6%	INDUSTRIALS	526.93	-0.0%	-0.0%	8.5%	6.3%
	MSCI EUROPE NTR	-	418.78	-0.1%	-0.1%	5.4%	4.4%	CONSUMER DISC.	182.93	-0.5%	-0.5%	5.3%	-14.2%
	MSCI EUROPE SMALL NTR	-	668.27	-0.0%	-0.0%	6.1%	3.2%	CONSUMER STAPLES	266.23	-0.6%	-0.6%	1.3%	-1.6%
	MSCI EM NTR	-	841.99	-0.7%	-0.7%	10.0%	9.8%	HEALTH CARE	279.31	-0.4%	-0.4%	2.0%	-0.6%
	MSCI AC ASIA EX JAPAN NTR	-	831.70	-0.9%	-0.9%	10.0%	8.7%	FINANCIALS	121.93	0.2%	0.2%	7.6%	-0.1%
	MSCI EM LATAM NTR	-	901.63	0.1%	0.1%	8.0%	23.8%	IT	251.91	0.5%	0.5%	10.4%	13.0%
								COMM. SERVICES	60.56	-1.1%	-1.1%	-0.2%	3.1%
							UTILITIES	207.26	-1.2%	-1.2%	3.3%	16.7%	

  

FIXED INCOME															
	Yield	Duration	% 1D	% WTD	% MTD	%YTD	Range 1Y	Range 5Y	Last	Δ 1D	Δ WTD	Δ MTD	Δ YTD		
EUR	AGGREGATE 5-7Y	3.51	5.4	-0.2%	-0.2%	0.5%	-0.5%	41	64 41	113	47 bp	+0 bp	+0 bp	-6 bp	+2 bp
	CORP IG 5-7Y	3.98	5.3	-0.2%	-0.2%	0.8%	-0.5%	84	132 84	253	96 bp	-0 bp	-0 bp	-14 bp	+5 bp
	CORP BBB	4.03	4.4	-0.2%	-0.2%	0.7%	-0.4%	84	138 84	277	97 bp	-0 bp	-0 bp	-13 bp	+7 bp
	CORP HIGH YIELD	6.07	2.9	-0.1%	-0.1%	1.3%	-0.2%	249	411 249	668	294 bp	-2 bp	-2 bp	-35 bp	+30 bp
USD	AGGREGATE 5-7Y	4.45	4.7	0.2%	0.2%	0.5%	0.4%	23	47 18	67	25 bp	-0 bp	-0 bp	-6 bp	-4 bp
	CORP IG 5-7Y	4.70	4.1	0.2%	0.2%	0.7%	0.4%	62	106 57	155	72 bp	-1 bp	-1 bp	-9 bp	+2 bp
	CORP BBB	5.25	6.6	0.3%	0.3%	1.0%	0.4%	91	140 91	198	101 bp	-1 bp	-1 bp	-11 bp	+2 bp
	CORP HIGH YIELD	6.95	2.8	0.1%	0.1%	1.3%	0.9%	247	412 247	588	280 bp	+1 bp	+1 bp	-39 bp	+12 bp
	EM AGG. 5-7Y	6.23	4.7	0.1%	0.1%	1.8%	0.6%	186	292 186	463	219 bp	+1 bp	+1 bp	-22 bp	+19 bp
Sovereign	US	3.76	3.93	4.32	-3 bp	+13 bp									
	Germany	2.38	2.79	3.12	+5 bp	+23 bp									
	Switzerland	0.05	0.28	0.47	+2 bp	+13 bp									
	Italy	2.53	3.26	3.88	+7 bp	+36 bp									
CDS	CDX \$ IG 3Y SPRD								35 bp	-1 bp	-1 bp	-8 bp	+5 bp		
	CDX \$ HY 5Y SPRD								339 bp	-7 bp	-7 bp	-46 bp	+23 bp		
	ITRAXX € IG 3Y SPRD								34 bp	+0 bp	+0 bp	-12 bp	+7 bp		
	ITRAXX € HY 3Y SPRD								210 bp	+1 bp	+1 bp	-48 bp	+40 bp		

  

FOREX, VOLATILITY & PHYSICAL ASSETS												
	Last	% 1D	% WTD	% MTD	%YTD	Last	% 1D	% WTD	% MTD	%YTD		
FX	EUR/USD	1.1759	0.3%	0.3%	1.8%	0.1%	GOLD	4 740.31	-0.2%	-0.2%	1.5%	9.7%
	EUR/CHF	0.9218	-0.3%	-0.3%	-0.2%	-1.0%	SILVER	75.61	-0.4%	-0.4%	0.6%	5.5%
	USD/CHF	0.7838	-0.6%	-0.6%	-2.0%	-1.1%	COPPER	12 820.50	1.3%	1.3%	5.4%	2.5%
	USD/JPY	159.45	0.1%	0.1%	0.5%	1.7%	ALUMINIUM	3 686.90	3.4%	3.4%	4.7%	24.2%
	USD/GBP	0.7404	-0.3%	-0.3%	-2.1%	-0.2%	IRON	99.77			-2.3%	-4.0%
	USD/CNY	6.830	0.0%	0.0%	-0.9%	-2.3%	WHEAT	582.25	2.0%	2.0%	-5.5%	14.8%
	USD/RUB	76.16	-1.1%	-1.1%	-6.4%	-3.3%	CORN	440.25	-0.2%	-0.2%	-3.8%	
	BTC/USD	73 201.10	-0.3%	-0.3%	7.3%	-16.5%	CRUDE OIL (WTI)	99.08	2.6%	2.6%	-2.3%	73.8%
Vol	S&P500 VOL (VIX)	19.12	-0.6%	-0.6%	-24.3%	27.9%	BRENT	99.36	4.4%	4.4%	-4.4%	64.9%
	ICE BOFAML MOVE INDEX	74.42	3.1%	3.1%	-22.5%	16.4%	DUTCH TTF NATURAL GA	45.61	4.5%	4.5%	-10.1%	62.0%
							SWISS RES. REAL ESTATE	3 430.78	0.2%	0.2%	4.2%	3.6%

Closing as of Monday April 13, 2026, futures as of Tuesday April 14, 2026 09:37

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