

Morning Brief

QUICK SUMMARY OF THE MARKETS LAST SESSION

US equities extended their record-breaking run on Thursday. The S&P 500 rose +0.3% to 7'041 at a fresh all-time closing high, the Nasdaq added +0.4% to 24'103, its twelfth consecutive positive session, and the Dow gained +0.2% to 48'579. Breadth was narrowing, with energy, materials, and real estate leading while healthcare and consumer discretionary lagged.

In Europe, the pan-European STOXX 600 edged down less than 0.1% to approximately 617, the FTSE 100 outperformed at +0.3% to 10'590, and the Swiss SMI closed at -0.4% at 13'173, as investors balanced a strong UK GDP print against lingering Middle East uncertainty.

In Asia, profit-taking dominated: the Nikkei 225 pulled back -1.8% to 58'476 after reaching a record high on Thursday, the Hang Seng fell -1.0% to 26'123, and the Shanghai Composite slipped -0.1% to 4'051.

The primary driver in rates on Thursday was the escalating Trump-Powell confrontation: the president renewed his public threat to fire Chair Powell after May 15 and the DOJ probe into the Fed building renovation continued, pushing the US 10Y Treasury yield up 3 basis points to 4.31% and the 2Y up 1 basis point to 3.78%. The Swiss 10Y held near 0.38%, consistent with the SNB's on-hold posture.

WTI crude surged +3.7% to \$94.69/barrel after Bloomberg reported Gulf Arab and European leaders believe a comprehensive US-Iran agreement could take around six months, dashing near-term resolution hopes; gold settled at \$4'790/oz, near unchanged.

WHAT TO WATCH IN THE MARKET TODAY

March US housing starts and building permits, due at 8:30 AM ET, are the session's main scheduled data release, with rate-sensitive construction and REIT names the primary equity read-through.

Beyond the data, the session remains headline-driven: the Iran ceasefire deadline (April 22) and the Trump-Powell confrontation are the live overhangs, with any negative development capable of repricing rates sharply and reversing momentum in growth equities.

The Nasdaq's twelve-day streak leaves positioning stretched, and the VIX near 17.9 reflects complacency that contrasts starkly with record-low consumer confidence; partial profit-taking in large-cap tech names is the most likely valve.

KEY HIGHLIGHTS YESTERDAY

TSMC delivered a record Q1, with revenue of \$35.9 billion (+35% year-over-year in USD), net income up 58%, and gross margin expanding to 66.2%, above the high end of guidance; management raised its full-year 2026 revenue growth outlook to above 30% in dollar terms and guided capital spending toward the top of its \$52-56 billion range, cementing AI chip demand as a multi-year structural driver.

Netflix reported after the close with Q1 revenue of \$12.25 billion (+16%), ahead of the \$12.18 billion consensus; the reported EPS was substantially lifted by a \$2.8 billion termination fee from the collapsed Warner Bros. Discovery deal, while full-year revenue guidance of \$50.7-51.7 billion was maintained and the company reiterated it is on track to double advertising revenue to \$3 billion in 2026.

MACRO RELEASES TO WATCH TODAY

March US housing starts and building permits, released this morning at 8:30 AM ET, are the session's key data point and will be read directly into the rate-sensitivity trade. Residential construction has been under pressure from elevated mortgage rates, which are themselves a product of the Iran-war-driven inflation spike that pushed March CPI up 0.9% month-on-month, the sharpest monthly gain since June 2022.

A materially soft housing print would reinforce the case for short-end Treasury outperformance, weigh on homebuilder and REIT equities, and broaden the emerging view that consumer-facing economic momentum is deteriorating faster than equity indices currently reflect.

MOST IMPORTANT NEWS YESTERDAY

Trump's renewed public threat to fire Fed Chair Powell after his chairmanship expires on May 15, accompanied by the ongoing DOJ criminal probe into the Federal Reserve's building renovation, represents the week's most consequential non-earnings development, directly lifting Treasury yields and injecting uncertainty into monetary policy ahead of Kevin Warsh's Senate Banking Committee confirmation hearing on April 21.

A New York federal jury found Live Nation Entertainment guilty of maintaining an illegal monopoly over the live events ticketing market, sending the stock down more than 3% and materially raising structural regulatory risk for the company and its Ticketmaster subsidiary, with 34 states as plaintiffs in the suit.

BIG CAPS TO FOLLOW TODAY AND WHY

Netflix is the day's central name as the market digests last night's after-close report, with attention on whether organic revenue momentum justifies the valuation once the one-off WBD termination fee is stripped from the headline EPS figure.

TSMC's ADR will be watched for confirmation of semiconductor sector leadership, particularly given that the stock's muted pre-market reaction to record results suggests high expectations are already discounted.

Charles Schwab remains a live read-through for brokerage sector revenue pressure in an elevated-rate environment following its miss, while Abbott's guidance cut continues to weigh on the med-tech space.

IMPORTANT EARNINGS IN THE LAST FEW DAYS

The Q1 2026 season is revealing a clear tiering of corporate quality. AI-linked semiconductor franchises are dominating: TSMC and ASML, which also reported solid order intake and strong revenue visibility this week, together confirm that the chip demand constraint narrative is intact for at least another two quarters, with AI capex showing no deceleration.

In financials, Bank of America and Morgan Stanley both beat earlier in the week on strong trading revenues, while BNY Mellon's custody and services resilience contrasts with the Schwab miss, illustrating the growing divide between fee-based and rate-dependent business models.

MOST IMPORTANT GLOBAL MACRO RELEASES EXPECTED

The coming week concentrates an unusually dense cluster of market-sensitive events across geopolitics, policy, and data. Kevin Warsh's Senate Banking Committee hearing on April 21 will be scrutinized for signals on the Fed's direction under new leadership and the degree to which the committee is prepared to defend central bank independence, a result with direct implications for long-end Treasury pricing and dollar positioning.

The April 22 US-Iran ceasefire expiry is the single highest-impact risk event: a failure to extend could send oil sharply above \$100/barrel, reprice inflation expectations materially higher, and force an abrupt reversal of this week's equity rally across all risk assets. Flash PMIs for the US, Eurozone, and UK on April 23 will deliver the first April activity print, capturing early war-sentiment effects on business conditions.

MARKET DATA

EQUITY														
	Futures	Last	% 1D	% WTD	% MTD	%YTD		Last	% 1D	% WTD	% MTD	%YTD		
Europe	CAC 40	0.35%	8 262.70	-0.1%	0.0%	5.7%	1.4%	MSCI WORLD	4 595.65	0.2%	2.7%	7.9%	3.7%	
	DAX 30	0.14%	24 154.47	0.4%	1.5%	6.5%	-1.4%	GROWTH	7 038.12	0.1%	4.3%	10.9%	1.3%	
	SMI 20	0.23%	13 173.17	-0.4%	-0.1%	3.1%	-0.7%	VALUE	4 608.30	0.2%	1.3%	5.3%	6.0%	
	SPI	-	18 514.38	-0.4%	0.1%	3.8%	1.6%	MOMENTUM	5 101.90	-0.0%	2.2%	13.4%	8.0%	
	FTSE MIB 40	0.34%	48 026.94	-0.3%	0.9%	8.4%	6.9%	LOW VOL	2 463.69	0.1%	0.6%	1.5%	2.6%	
	EUROSTOXX 50	0.12%	5 933.28	-0.1%	0.1%	6.5%	2.4%	QUALITY	4 896.07	0.1%	2.1%	7.7%	3.4%	
	DJ STOXX 600	0.05%	616.95	-0.1%	0.3%	5.8%	4.2%	SIZE	6 693.57	0.2%	2.1%	6.8%	5.2%	
FTSE 100	-0.08%	10 589.99	0.3%	-0.1%	4.1%	6.6%	HIGH DIV.	1 819.94	0.4%	0.3%	2.0%	5.6%		
							SMALLCAP	722.99	0.4%	2.1%	7.9%	8.9%		
America	S&P 500	0.08%	7 041.28	0.3%	3.3%	7.9%	2.9%	MSCI USA	6 706.93	0.2%	3.4%	7.8%	2.7%	
	NASDAQ COMP	-0.06%	24 102.70	0.4%	5.2%	11.6%	3.7%	ENERGY	447.28	1.6%	-0.6%	-7.9%	26.4%	
	S&P 500 EW	-	8 131.21	0.5%	2.0%	4.5%	4.7%	MATERIALS	470.14	0.1%	-1.4%	3.6%	12.6%	
	S&P 400 MIDCAP	0.16%	3 575.95	0.2%	1.5%	5.9%	8.2%	INDUSTRIALS	665.23	-0.4%	-0.3%	5.7%	10.8%	
	S&P 600 SMALLCAP	-	1 614.59	0.3%	1.9%	6.7%	10.0%	CONSUMER DISC.	797.09	-0.3%	4.6%	9.9%	-0.8%	
RUSSELL 2000	0.18%	2 719.60	0.2%	3.4%	8.9%	9.6%	CONSUMER STAPLES	351.99	0.3%	-1.4%	-0.8%	6.5%		
Asia	NIKKEI 225	-1.33%	58 475.90	-1.8%	2.7%	14.5%	16.2%	HEALTH CARE	471.72	-0.8%	-0.4%	-0.1%	-5.7%	
	HANG SENG H	-	26 123.22	-1.0%	0.9%	5.4%	1.9%	FINANCIALS	286.96	-0.2%	2.7%	5.6%	-5.1%	
	SHANGHAI COMP A	-	4 051.43	-0.1%	1.6%	4.1%	2.1%	IT	1 272.33	0.8%	6.5%	13.5%	2.7%	
	SHENZHEN COMP A	-	2 743.71	0.4%	3.4%	8.2%	8.4%	COMM. SERVICES	151.22	0.4%	5.5%	13.3%	4.8%	
EM	BOVESPA	-	196 818.59	-0.5%	-0.3%	5.0%	22.2%	UTILITIES	275.38	0.7%	-1.2%	1.1%	8.4%	
	SENSEX	-	77 988.68	-0.2%	0.6%	8.4%	-8.5%	MSCI EUROPE	205.73	-0.1%	0.3%	5.7%	4.1%	
Indices Total Return	MSCI WORLD 100% H Sfr NTR	-	2 543.96	0.2%	2.6%	7.5%	4.3%	ENERGY	206.52	1.4%	-1.0%	-5.7%	32.9%	
	S&P 500 TR	-	15 711.80	0.3%	3.3%	7.9%	3.2%	MATERIALS	392.06	0.3%	0.1%	6.2%	11.7%	
	MSCI USA NTR	-	20 288.41	0.2%	3.4%	7.9%	2.9%	INDUSTRIALS	532.05	-0.2%	1.0%	9.6%	7.3%	
	MSCI EUROPE NTR	-	420.75	-0.1%	0.4%	5.9%	4.9%	CONSUMER DISC.	184.03	0.4%	0.1%	5.9%	-13.6%	
	MSCI EUROPE SMALL NTR	-	681.89	0.5%	2.0%	8.3%	5.3%	CONSUMER STAPLES	263.67	-0.3%	-1.6%	0.3%	-2.6%	
	MSCI EM NTR	-	879.02	1.3%	3.6%	14.9%	14.7%	HEALTH CARE	279.35	-0.4%	-0.3%	2.0%	-0.6%	
	MSCI AC ASIA EX JAPAN NTR	-	872.64	1.5%	3.9%	15.4%	14.1%	FINANCIALS	123.45	-0.6%	1.4%	8.9%	1.1%	
	MSCI EM LATAM NTR	-	901.59	-0.2%	0.1%	8.0%	23.8%	IT	254.34	1.0%	1.4%	11.5%	14.1%	
								COMM. SERVICES	61.63	0.9%	0.6%	1.5%	4.9%	
							UTILITIES	204.48	-0.8%	-2.5%	1.9%	15.2%		
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	3.42	5.4	0.0%	0.3%	0.9%	-0.0%	41	113	46 bp	+0 bp	-1 bp	-7 bp	+1 bp
	CORP IG 5-7Y	3.87	5.3	0.1%	0.4%	1.4%	0.0%	84	253	93 bp	-0 bp	-3 bp	-17 bp	+2 bp
	CORP BBB	3.91	4.4	0.0%	0.3%	1.2%	0.0%	84	277	94 bp	-0 bp	-3 bp	-16 bp	+4 bp
	CORP HIGH YIELD	5.93	2.9	0.1%	0.3%	1.7%	0.2%	249	668	291 bp	-1 bp	-5 bp	-38 bp	+27 bp
USD	AGGREGATE 5-7Y	4.48	4.7	-0.1%	0.2%	0.5%	0.4%	23	67	25 bp	-0 bp	-0 bp	-6 bp	-3 bp
	CORP IG 5-7Y	4.70	4.1	-0.1%	0.2%	0.7%	0.5%	62	155	71 bp	+1 bp	-1 bp	-10 bp	+2 bp
	CORP BBB	5.24	6.6	-0.2%	0.3%	1.1%	0.5%	91	198	99 bp	+1 bp	-2 bp	-13 bp	+1 bp
	CORP HIGH YIELD	6.87	2.7	-0.0%	0.4%	1.6%	1.2%	247	588	272 bp	+3 bp	-7 bp	-47 bp	+5 bp
	EM AGG. 5-7Y	6.13	4.7	-0.1%	0.6%	2.3%	1.1%	186	463	210 bp	+0 bp	-7 bp	-30 bp	+11 bp
Sovereign	US	3.75												
	Germany	2.29												
	Switzerland	0.01												
	Italy	2.43												
CDS	CDX \$ IG 3Y SPRD								34 bp	+0 bp	-1 bp	-8 bp	+5 bp	
	CDX \$ HY 5Y SPRD								336 bp	+4 bp	-10 bp	-50 bp	+19 bp	
	ITRAXX € IG 3Y SPRD								33 bp	+1 bp	-1 bp	-13 bp	+6 bp	
	ITRAXX € HY 3Y SPRD								204 bp	+3 bp	-5 bp	-53 bp	+35 bp	
FOREX, VOLATILITY & PHYSICAL ASSETS														
	Last	% 1D	% WTD	% MTD	%YTD		Last	% 1D	% WTD	% MTD	%YTD			
FX	EUR/USD	1.1781	-0.2%	0.5%	2.0%	0.3%	GOLD	4 790.06	-0.0%	0.8%	2.6%	10.9%		
	EUR/CHF	0.9232	0.0%	-0.2%	-0.1%	-0.8%	SILVER	78.42	-0.7%	3.4%	4.3%	9.4%		
	USD/CHF	0.7838	0.2%	-0.6%	-2.0%	-1.1%	COPPER	13 180.00	0.2%	4.1%	8.4%	5.4%		
	USD/JPY	159.17	0.1%	-0.1%	0.3%	1.6%	ALUMINIUM	3 678.45	0.5%	3.2%	4.5%	23.9%		
	USD/GBP	0.7393	0.3%	-0.5%	-2.2%	-0.4%	IRON	100.50		0.7%	-1.6%	-3.3%		
	USD/CNY	6.823	0.1%	-0.1%	-1.0%	-2.4%	WHEAT	598.50	0.8%	4.8%	-2.9%	18.0%		
	USD/RUB	76.34	0.8%	-0.8%	-6.2%	-3.1%	CORN	448.50	-0.6%	1.7%	-2.0%	1.9%		
	BTC/USD	75 239.81	0.5%	2.5%	10.3%	-14.2%	CRUDE OIL (WTI)	94.69	3.7%	-1.9%	-6.6%	66.1%		
Vol	S&P500 VOL (VIX)	17.94	-1.3%	-6.7%	-29.0%	20.0%	BRENT	99.39	4.7%	4.4%	-4.4%	65.0%		
	ICE BOFAML MOVE INDEX	65.89	-3.0%	-8.7%	-31.4%	3.0%	DUTCH TTF NATURAL GA	42.42	2.5%	-2.8%	-16.4%	50.6%		
							SWISS RES. REAL ESTATE	3 446.53	-0.5%	0.7%	4.7%	4.0%		

Closing as of Thursday April 16, 2026, futures as of Friday April 17, 2026 09:44

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