



Weekly Market Report For 16 – 20 March 2026



Overview

- Global equities slide for a fourth week as protracted middle east tensions roil energy markets, fuel volatility in oil prices and raise supply disruption risks.
- U.S. bond yields surge as fed holds rates at 3.50%–3.75%, stoking policy path worries amid resilient growth and lingering inflation risks.
- ECB holds rates at 2%, signaling elevated energy prices will keep near-term inflation under pressure, while BOE keeps rates at 3.75% and warns a prolonged, sudden energy crisis could further stoke inflation.
- BOJ holds rates at 0.75%, while monitoring risks from oil prices and global financial market volatility.
- China economy shows tentative recovery with property sector stabilizing, even as renewed trade tensions re-emerg.

Market Brief



- Global equities markets extend a fourth weekly decline as prolonged Middle East tensions and attacks on energy infrastructure keep oil above \$100 a barrel, stoking inflation fears; U.S. stocks fall with the Dow Jones Industrial Average -2.1%, S&P 500 -2.1% and Nasdaq Composite -1.9%.**
- Middle East tensions broaden**
 - Israel strikes Iran's South Pars gas field, prompting retaliation from Iran targeting an LNG facility in Qatar, while Donald Trump warns of military action if the Strait of Hormuz is not reopened.
 - Disruptions to global energy routes weigh on regional growth, with major producers such as Saudi Arabia, United Arab Emirates and Qatar showing resilience, while smaller economies like Bahrain face mounting pressure on currencies and credit metrics.
 - Energy markets remain tight as gas exports decline, driving sharp volatility in gas and crude prices, with Brent once surging toward \$120 a barrel. Despite IEA support measures, global supply is still short by an estimated 8–10 million barrels a day.
- U.S.**
 - U.S. 10-year Treasury yields rise to 4.39% on policy uncertainty after the Federal Reserve holds rates at 3.50% - 3.75%.
 - The Fed turned slightly more upbeat on the economy, lifting its 2026 GDP forecast to 2.4% while raising its inflation outlook to 2.7% from 2.4%. Chair Jerome Powell warned that rising economic uncertainty, especially Middle East-driven energy risks, could fuel price pressures.
 - U.S. producer prices jumped in February, with PPI up 0.7% from the prior month and 3.4% on the year, both topping forecasts.
- Europe**
 - STOXX Europe 600 fell by -3.8% last week.
 - The ECB held rates at 2% and warned that surging energy costs will keep near-term inflation elevated. The central bank raised its inflation forecast for this year to 2.6% from 1.9%.
 - The BOE kept rates at 3.75% and warned that a prolonged energy shock could stoke inflation and force further tightening, while the manufacturing sector continues to struggle with weak demand and rising costs.
- Japan**
 - Nikkei 225 slipped 0.8% last week.
 - BOJ keeps rates at 0.75%, flagging risks from oil prices and global market volatility. While inflation is expected to dip below 2% temporarily, elevated energy costs could keep price pressure alive.
- China**
 - China equities fell last week, with the CSI 300 down 2.2%, the Shanghai Composite off 3.4% and Hong Kong's Hang Seng slipping 0.7%.
 - China's latest data came in slightly firmer than expected, with industrial output up 6.3%, retail sales rising 2.8% and fixed asset investment growing 1.8%.
 - China's property sector showed signs of stabilizing as new home price declines eased and major cities relaxed buying rules. However, trade tensions resurfaced after the U.S. signaled it may broaden tariffs under a Section 301 probe.
- Thailand**
 - SET Index finished the week higher by 1.7% to 1,432.99 points.
 - Foreign investors continued to pull money from Thai equities, logging THB 3.2 billion in net sales last week, while domestic institutions turned net buyers with THB 400 million in inflows.

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