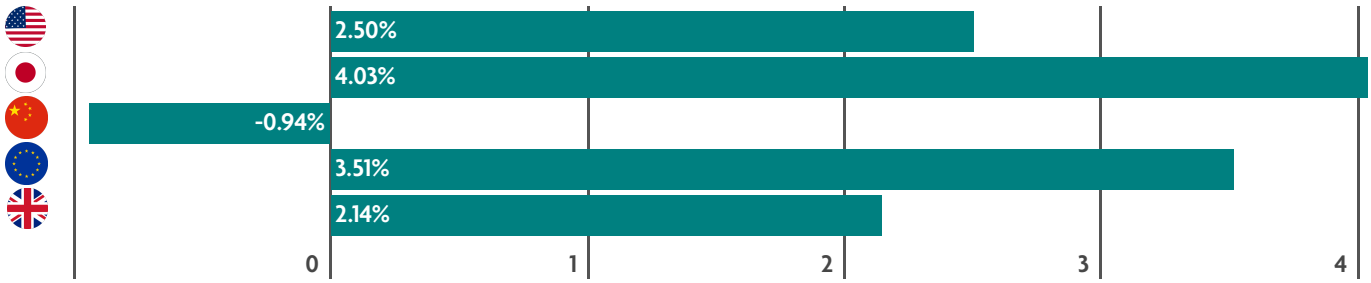
Weekly Market Update

16 November 2026

Last week's performance – major stock markets

Market Monitor (%): How did major stock markets perform last week*?



Key stories from last week

US: INFLATION CONCERNS AND NVIDIA-LED VOLATILITY

US equities finished the week higher, with the S&P 500 gaining over 2.5%, supported by renewed confidence in AI-related investment, resilient earnings and a still-healthy economic backdrop. Early optimism was driven by strong updates from companies exposed to the AI buildout, including Taiwan Semiconductor and CoreWeave, reinforcing expectations that demand for computing power remains robust. However, sentiment became more cautious later in the week as hotter-than-expected inflation data and hawkish Federal Reserve commentary pushed Treasury yields sharply higher, increasing expectations of a December rate rise. AI heavyweight NVIDIA also came under pressure following reports surrounding CEO Jensen Huang, culminating in his resignation, which contributed to increased volatility across the technology sector and highlighted the market's dependence on a small number of AI leaders. While the labour market continues to demonstrate resilience, weakness in housing activity suggests higher interest rates are beginning to weigh on parts of the economy. Looking ahead, inflation and bond yields are likely to remain the key drivers of market performance, with investors balancing the powerful structural growth opportunity presented by AI against a more challenging monetary policy environment.

JAPAN: STRONG EQUITY REBOUND SUPPORTED BY WEAKER YEN

In Japan, we saw equity markets rebounded strongly, with the Nikkei 225 gaining over 4% as investors welcomed a recovery in US technology stocks, easing geopolitical tensions and a weaker yen, which continues to support Japan's export-driven companies. While global AI stocks experienced renewed volatility following developments at NVIDIA, sentiment towards Japan's technology sector remained broadly positive given the long-term demand outlook for AI infrastructure and semiconductors. Expectations for a Bank of Japan rate rise in December strengthened as inflation remained elevated, although weak household spending highlighted ongoing challenges for domestic demand.

CHINA: RESILIENT EXPORTS OFFSET BY TECHNOLOGY WEAKNESS AND SOFT DOMESTIC DEMAND

We saw Chinese equities decline for another week, with the CSI 300 falling 0.9% and the Hang Seng declining 3.5% as technology stocks came under pressure. Sentiment was impacted by the unexpected departure of NVIDIA's CEO, which weighed on AI-related companies and raised concerns around future access to advanced semiconductor technology. Despite this, China's economic backdrop continues to show some resilience, with export growth remaining strong and the US-China trade truce being extended. However, subdued consumer inflation continued to highlight weak domestic demand, reinforcing expectations that policymakers may need to provide further support to sustain economic growth. Looking ahead, investors remain focused on the balance between improving external demand and ongoing challenges within the domestic economy.

EUROPE: LOWER ENERGY PRICES AND RESILIENT EARNINGS SUPPORT MARKET GAINS

European equities delivered a strong week, with the STOXX Europe 600 rising 2.4% as investors rotated into industrials, financials and more defensive sectors, while reducing exposure to parts of the US technology and AI market. Supportive third-quarter earnings, steady economic growth and lower oil prices helped underpin sentiment, with Germany, France and Italy all posting gains of around 3% or more. Economic data remained broadly encouraging, with Eurozone growth holding steady and signs of resilience across several major economies, although expectations for further central bank tightening remain. Overall, the European market continues to benefit from attractive valuations relative to the US, supported by improving earnings trends and a more diversified sector backdrop.

UK: RATE RISE FAILS TO DERAIL RESILIENCE IN THE DOMESTIC ECONOMY

UK equities advanced over the week, with the FTSE 100 gaining 2.1%, supported by strength in financials, industrials and other value-oriented sectors as investors rotated away from some of the volatility seen in US technology stocks. Economic data was encouraging, with UK GDP growth accelerating to 0.7% in the third quarter, driven by resilient services activity and a recovery in manufacturing. While the stronger growth backdrop reinforces expectations that the Bank of England may need to tighten policy further, investors took comfort from the continued resilience of the UK economy. Overall, the combination of improving economic momentum, attractive valuations and a sector composition less reliant on AI-related stocks helped UK equities deliver a solid performance.

The Omnis Investment Club

To hear more about these topics, you can listen to our latest episode on the Omnis Investment Club Podcast.

*Source: Bloomberg. All performance measured in local currency.

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