

August 2026 (covering July 2026)

Index	Jul (%)	YTD (%)
MSCI World	USD 0.5	10.5
S&P 500	USD -0.1	10.1
MSCI Europe	EUR 1.0	12.4
MSCI AsiaPac ex Japan	USD -2.3	21.3
Hong Kong Hang Seng	HKD 13.5	3.0
Hang Seng China Enterprises (H-shares)	HKD 14.5	-1.6
Topix	JPY 0.2	18.8

Source: Thomson Reuters Datastream, total returns in local currency unless otherwise stated. Data as of July 31, 2026. YTD refers to year-to-date.

Global Outlook

US equities fell in July, weighed down by weakness in technology and large growth stocks as investors reassessed Artificial intelligence (AI)-related expectations and higher bond yields pressured valuations.

European equities were broadly flat in July but outperformed other global markets.

Asian equities declined in July, led lower by weakness in technology, semiconductor and AI-related stocks in Taiwan and South Korea.

United States

- US equities fell modestly in July, as weakness in technology and mega-cap growth offset strong gains in energy and financials, while higher bond yields, Federal Reserve (Fed) caution and geopolitical uncertainty weighed on sentiment.
- The US inflation rate fell more than expected in June, easing from 4.2% to 3.5% as lower energy prices reduced price pressures.

Europe (including UK)

- European equities were broadly flat in July, outperforming other global regions despite a rise in volatility. Second quarter earnings season provides support for European Equities.
- Energy stocks buoyant as oil prices rise sharply while technology sector underperforms.

Asia Pacific (ex Hong Kong ex China ex Japan)

- Asia Pacific equities declined in July, with weakness concentrated in the region's technology-heavy markets. South Korea and Taiwan were the principal detractors as semiconductor and Artificial intelligence (AI)-related stocks corrected despite robust earnings and continued demand linked to AI infrastructure.
- India and Australia generated positive returns, providing a partial offset.

Hong Kong and Mainland China (H-shares)

- Market performance benefited from resilient exports, expectations of further policy support and growing investor interest in China's AI ecosystem.
- While economic growth moderated in the second quarter, investors increasingly focused on signs of stabilisation in manufacturing activity and China's competitive position in areas such as electric vehicles and AI hardware.

Japan

- Japan proved more resilient than many regional peers, as strength in industrial, infrastructure and automation-related businesses helped offset weakness in semiconductor and AI-related stocks.
- Supportive domestic economic conditions and a weaker yen also underpinned sentiment. The Bank of Japan maintained a cautious policy stance, keeping interest rates unchanged following its July meeting.

Fixed Income

- Bond markets faced headwinds in July as a sharp rise in oil prices, triggered by renewed tensions between the US and Iran, reignited concerns over inflation and the outlook for monetary policy. US treasuries, German bunds and UK gilts returned -1.20%, -1.66% and -1.73%, respectively.
- Yield curves steepen with long-dated yields rising notably.

Emerging Markets

- Emerging market equities declined during July, with returns largely driven by developments in Asia. ASEAN markets delivered mixed returns as investors favoured domestically resilient economies.
- Latin American equities advanced, supported by higher commodity prices.

August 2026 (covering July 2026)

Investment risks

The value of investments and any income will fluctuate (this may partly be the result of exchange-rate fluctuations), and investors may not get back the full amount invested.

Important Information

This document is intended only for investors in Hong Kong for informational purposes only.

This document is not an offering of a financial product and should not be distributed to retail clients who are resident in jurisdiction where its distribution is not authorized or is unlawful. Circulation, disclosure, or dissemination of all or any part of this document to any unauthorized person is prohibited.

This document may contain statements that are not purely historical in nature but are “forward-looking statements,” which are based on certain assumptions of future events. Forward-looking statements are based on information available on the date hereof, and Invesco does not assume any duty to update any forward-looking statement. Actual events may differ from those assumed. There can be no assurance that forward-looking statements, including any projected returns, will materialize or that actual market conditions and/or performance results will not be materially different or worse than those presented.

All material presented is compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed. Investment involves risk. Please review all financial material carefully before investing. The opinions expressed are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco investment professionals.

The distribution and offering of this document in certain jurisdictions may be restricted by law. Persons into whose possession this marketing material may come are required to inform themselves about and to comply with any relevant restrictions. This does not constitute an offer or solicitation by anyone in any jurisdiction in which such an offer is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

All data as of August 20, 2026, unless otherwise stated. This document is issued in the following countries:

This document is issued in Hong Kong by Invesco Hong Kong Limited 景順投資管理有限公司, 45/F, Jardine House, 1 Connaught Place, Central, Hong Kong. This document has not been reviewed by the Securities and Futures Commission.