

War in Iran : current observations on the global economy

The conflict has now entered its fifth week, and its outcome remains uncertain. Tensions in energy markets persist, while monetary and financial conditions are tightening. The first statistics released for March so far show virtually no impact on economic activity, whereas price pressures are already rising significantly. This configuration remains consistent with our central scenario, although it calls for heightened vigilance.

Persistent energy tensions. At this stage, disruptions to energy supply remain contained, thanks in particular to the use of strategic reserves, rapid geographical arbitrage and, in some countries, demand-management policies. As a result, the impact of the conflict is primarily reflected in price pressures, affecting both oil and gas (+80 % for Brent prices since the beginning of the year and +76 % for European gas prices), without yet reaching the scale of past energy crises. While the International Energy Agency highlights the fragility of the current balance, futures markets continue to anticipate a gradual easing in prices, reflecting expectations either of a de-escalation of the conflict or a progressive normalization of flows.

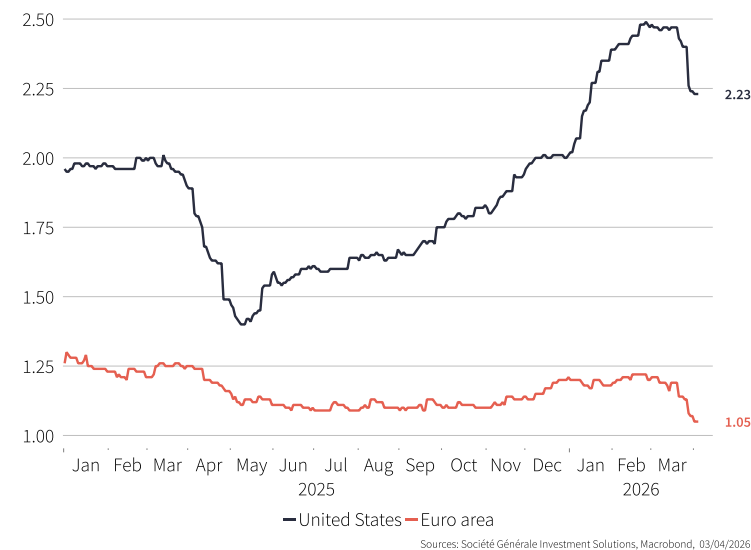
Tightening monetary and financial conditions. Equity markets have posted moderate declines since the beginning of the year, and the increase in volatility remains contained, signalling a still

measured market reaction. By contrast, movements in bond markets have been more pronounced. Yields, particularly at the short end of the curve, have risen significantly, reflecting a reassessment of monetary policy paths. Energy tensions are increasingly perceived as a source of persistent inflationary pressures rather than a directly recessionary shock.

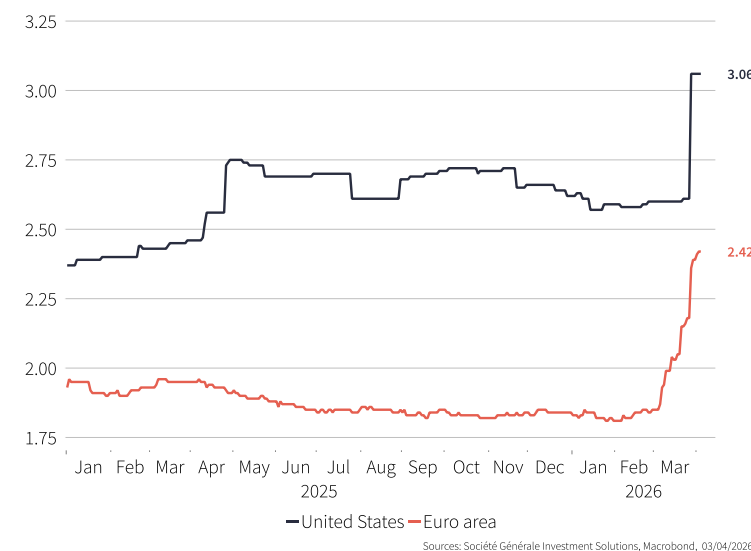
Early indicators for March confirm rising inflation. Business sentiment indicators published for March in the euro area and the United States send a similar signal: activity remains broadly resilient, but price pressures are intensifying. Surveys point to rising input costs and a gradual pass-through to selling prices. Inflation data in the euro area (2.5 % in March) already show a noticeable acceleration, particularly in energy-related and services components. This assessment is widely shared by the consensus of economists, who have modestly revised growth prospects downward while primarily revising inflation trajectories upward.

An unchanged central scenario, but sustained vigilance. In this context, our central scenario remains one of resilient economies facing higher and more persistent inflation. The main source of uncertainty now lies in the duration of the conflict and the scale of lasting disruptions to energy supply. As long as the global economy absorbs the shock, the situation remains manageable. However, the longer the conflict persists, the greater the risk of a shift from a transitory shock to a lasting macroeconomic shock. Today, the duration of the conflict—more than the initial shock—remains the key risk factor.

2026 GDP GROWTH CONSENSUS EVOLUTION



2026 INFLATION CONSENSUS EVOLUTION



OUR MACRO COMMENTS

Events of the week

MARKET UPDATE :

This week, oil prices were highly volatile, hovering around USD 110 per barrel.

Equity markets remain volatile and have been trending lower since the outbreak of the conflict, driven by heightened geopolitical tensions and communication from policymakers. In the United States, the S&P 500 is down 4% since the start of the conflict and also shows a -4% performance year-to-date. In Europe, the STOXX 600 has declined by 6% over the period, but remains slightly positive since the beginning of the year (+1%). In Asia, strong energy dependence amplifies the impact of the Middle East conflict, with the Nikkei down 10% and the Kospi down 14%. Both indices, however, remain in positive territory for the year (Nikkei: +4%; Kospi: +28%). Emerging markets that are oil exporters have shown slightly smaller declines since the start of the war, with Brazil down 0.3% and Mexico down 2%. Both markets nonetheless remain positive year-to-date (Brazil : +17%; Mexico : +8%).

Short- and long-term interest rates remained stable over the week. Since the beginning of the conflict, the U.S. 10-year yield has increased by 26 basis points, reaching 4.31%. In the euro area, long-term rates remain elevated (10-year Bund: 3.00% ; 10-year OAT: 3.75%). In credit markets, risk premiums remain tight, with the iTraxx widening from 56 to 71 basis points and the Xover from 264 to 353 basis points.

Since the start of the conflict, the U.S. dollar has appreciated slightly (+2% for the DXY index), while gold has declined by 10%, although it remains positive year-to-date (+6%).

GLOBAL TRADE DATA :

The artificial intelligence sector continues to support global trade, particularly with Asia-Pacific economies. South Korea recorded a record trade surplus of USD 26 billion in March, up nearly 70% compared with February. This strength is mainly driven by a sharp rise in exports, which reached USD 86 billion, supported by semiconductors and growing AI-related demand, with semiconductor exports up 30% year-on-year.

In the United States, the trade deficit widened slightly in February, reaching USD 57 billion. A significant share of the U.S. trade deficit reflects substantial imports of semiconductors and other key components of the AI supply chain, totaling USD 390 billion on a rolling 12-month basis in February.

EVENTS IN THE COMING MONTHS

April 28 : BoJ monetary policy meeting

April 29 : FED monetary policy meeting

April 30 : BoE monetary policy meeting

April 30 : ECB monetary policy meeting

Source: Macrobond, April 3, 2026. The colors in the 'Actual' column correspond to the difference from the forecast

KEY EVENTS NEXT WEEK



Monday

United States ISM services MARCH

Tuesday

United States Durable goods orders FEBRUARY

Wednesday

France Trade balance FEBRUARY

Euro area - Producer price index FEBRUARY
- Retail sales FEBRUARY

Thursday

Germany - Trade balance FEBRUARY
- Industrial production FEBRUARY

United States Real GDP Q4 2025

Japan Consumer confidence MARCH

Friday

Germany Inflation MARCH
United States
China

MARKET PERFORMANCES

Interbank rates

%	31/03/2026	03/03/2026	02/01/2026	01/01/2024	03/04/2025
US SOFR	3,652	3,67	3,77	5,34	4,34
Euro area €ster	1,929	1,93	1,94	3,88	2,42
UK SONIA	3,730	3,73	3,73	5,19	4,46
Switzerland SARON	-0,066	-0,05	-0,08	1,70	0,21
Japan TONAR	0,727	0,73	0,73	-0,04	0,48

10Y Government rates

%	01/04/2026	03/03/2026	02/01/2026	01/01/2024	03/04/2025
US Treasuries	4,33	4,06	4,19	3,88	4,06
France OAT	3,74	3,43	3,61	2,55	3,36
Germany Bund	2,98	2,79	2,90	2,02	2,63
Italy BTP	3,85	3,50	3,61	3,70	3,77
Spain Bonos	3,46	3,25	3,34	2,98	3,29
Switzerland	0,35	0,33	0,33	0,66	0,46
UK Gilts	4,86	4,57	4,60	3,60	4,51
Japan JGB	2,36	2,06	2,06	0,62	1,48

Credit

%	02/04/2026	03/03/2026	02/01/2026	01/01/2024	03/04/2025
United States IG	5,10	4,82	4,85	5,06	5,06
United States HY	7,26	6,85	6,57	7,59	7,95
Europe IG	3,86	3,48	3,44	3,72	3,50
Europe HY	6,32	5,62	5,25	6,80	6,07
Emerging FX	5,99	5,55	5,48	6,77	6,21

Equity indices

02/04/2026 vs	-1w	-1m	-3m	01/01/2024	-1y
World	2,75	-3,008	-2,08	42,631	21,34
United States	3,40	-3,228	-4,09	40,764	18,94
Euro area	3,86	-0,614	-1,96	36,760	14,63
France	3,57	-1,707	-2,45	13,457	5,10
Germany	3,94	-2,526	-5,89	34,124	2,81
United Kingdom	4,61	-0,336	4,72	43,357	24,21
Japan	-0,09	-3,532	4,71	61,511	39,17
Emerging	-0,32	-4,445	1,12	53,846	32,42
China USD	0,17	-3,462	-10,17	45,372	5,83
India USD	1,50	-9,593	-15,42	-0,834	-7,67
Latin America USD	5,16	3,631	13,18	31,755	56,14

Foreign exchange rates

	02/04/2026	03/03/2026	02/01/2026	01/01/2024	03/04/2025
EUR/USD	1,16	1,16	1,18	1,11	1,11
GBP/USD	1,32	1,33	1,35	1,27	1,32
EUR/CHF	0,92	0,91	0,93	0,93	0,95
USD/JPY	159,37	157,83	156,57	141,03	145,50
USD/CNY	6,89	6,88	6,99	7,08	7,28

Commodity prices

	02/04/2026	03/03/2026	02/01/2026	01/01/2024	03/04/2025
Brent, USD/BL	109	82	61	77	70
Copper, USD/Metric ton	12 147	12 820	12 571	8 476	9 397
Gold, USD/Troy oz	4 639	5 034	4 353	2 078	3 118
Silver, USD/Troy oz	71	81	74	24	32
Palladium, USD/Troy oz	1 463	1 671	1 641	1 136	945
Platinum, USD/Troy oz	1 910	2 114	2 132	1 000	961

Source : Bloomberg on 3 April 2026, 1W = 1 week change, 3M = 3 month change, 12M = 12 month change, YTD = year to date change, Equities; total return in local currency. Government bonds = 10 year returns. Figures are rounded..

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