



THE FUTURE IS YOURS

AIP

17th April 2026

Full Circle

Global equities have recovered losses suffered during the Middle East conflict on hopes of a resolution. The recovery in risk assets once again highlights the importance of staying invested through geopolitical crises, as long as fundamentals don't change significantly. If the US-Iran truce holds, there will be strong US earnings to drive the next leg of the rally. US Q1 bank earnings have beaten expectations, reflecting resilient macro fundamentals. The US technology and utilities equity sectors are likely to report strong revenue and earnings on the back of soaring AI-related demand. The USD will continue its downtrend, after a brief period of consolidation, amid expectations of policy divergence between a neutral-to-dovish Fed and hawkish other major central banks such as the ECB, BoJ and BoE.

Equities

Positive on the US utilities sector, given the increasing demand for power. US utilities, including independent power producers and nuclear operators, to benefit from the structural power demand growth. Companies involved in power grid upgrades and maintenance are also expected to benefit.

Bonds

Credit fundamentals remain solid, with below-average default rates and refinancing risks largely deferred until 2027-28 following earlier refinancing activities. Given market volatility could persist, short-duration US HY bonds will capture still-attractive yield. This offers the advantage of lower drawdowns amid volatility, while capturing the still-attractive yield on HY corporate bonds.

FX & Commodities

Crude oil prices are expected to remain elevated. This is supportive of the Canadian dollar (CAD), given its correlation with oil. USD/CAD is expected to continue drifting lower, driven primarily by a soft USD; support seen at 1.3540.

DISCLAIMER

Information provided in this document is indicative and has no contractual value. It is subject to frequent changes, especially due to evolutions in the legislative and regulatory environment. This information does not constitute an investment, legal, accounting or tax advice. Before any implementation the recipient of this document must consult an independent professional advisor in order to determinate if his objectives are compatible with proposed operations and to obtain all financial accounting legal and tax information necessary to allow him to appreciate characteristics risks and suitability of each intended operation and cannot be held responsible for any consequences especially financial as the result of operations which would be realized based on this only document.

Information provided in this document are coming from the best sources. Nevertheless, Arabian International Partners LLC (AIP), its subsidiaries and employees, cannot be held responsible for any financial or other consequences that may arise from the use or distribution of this document.

This confidential document is exclusively intended for the person to whom it is given and may not be communicated to third parties (except for external advisers under the condition they respect this confidentiality undertaking) and may not be reproduced, copied or circulated without prior authorization of Arabian International Partners LLC (AIP).

©AIP, 1006 , Al Hawai Tower, Sheikh Zayed Road , Dubai, United Arab Emirates.

THE FUTURE IS YOURS  AIP

Corporate Finance
Structured Debt
Debt Capital Markets
Financial Sponsor Coverage
Advisory

arabianipl.com