NEWS FLASH

Groupama ASSET MANAGEMENT

Oil heats up!

Tue Oil prices continue to rise, with the price of a barrel up 47% since the start of the conflict. Markets are reacting.

Dashboard[1]:

Key indicators	Current level	Since start of the Year	Since start of the Intervention (27/02/26)
Brent crude oil	105,48$	+44,63	+33,00
US Equities (S&P 500 $)	6740	-1,54%	-2,02%
European Equities (Eurostoxx 50)	5572	-3,78%	-9,22%
French equities (CAC 40)	7800	-4,28%	-9,09%
US 10-year yield	4,18%	+0,01[2]	+0,24[2]
German 10-year yield	2,89%	+0,04[2]	+0,25[2]
French 10-year yield	3,58%	+0,02[2]	+0,37[2]

Our analytical framework:

Our analysis of this event is based on the monitoring of **three key indicators** that influence growth and inflation and, as a result, financial markets over the longer term.

Commodities

The price of a barrel of Brent crude has now risen above $100 ($106.8 on Monday morning, March 9). The increase now amounts to +$34 since the start of the intervention, or +47%, driven by difficulties in transporting oil through the Strait of Hormuz and by attacks on refineries.
However, this rise should be put into perspective against previous crises, notably the +100% increase recorded during the First Gulf War.
At this stage, the impact of higher commodity prices on U.S. and European growth is estimated at -0.5% and -0.8% respectively, while the impact on inflation is +0.5% and +0.8% respectively.

Financial Conditions

Market expectations for policy rates are shifting, particularly in the euro area, where markets now price in +0.45 percentage points of hikes (nearly two rate increases) by year-end.
In the United States, markets are pricing in -0.37 percentage points of cuts (equivalent to around one and a half rate cuts).
There has been no new messaging from central banks.

Duration of the conflict

The duration of the conflict remains the key uncertainty and will be a crucial factor for both growth and inflation.
According to the latest developments, navigation through the Strait of Hormuz appears to be effectively closed, while oil production in Gulf countries is declining as a result of attacks on refineries.
been sharply reduced, with only 1 to 2 tankers per day compared with around 35 under

In summary: The **drag on growth increases alongside higher oil prices**. The key variable remains the **length of**

[1] Source : Bloomberg, 09/03/2026 (10:30), except for US equities as at 06/03/2026

[2] Percentage point. For example, a change of +0.25 percentage point means that the rate moves from 2.69% to 2.89%.

Paris, 09/03/2026

the conflict, which will determine whether the effects are **short-lived or structural**.

Market Update – Tuesday, March 3, 2026[3]:

Markets are reacting more strongly as the price of a barrel heats up.

- The price of Brent crude has now moved above $100.
- Equity markets continue to decline: -3.8% for European equities (Euro Stoxx 50) and -4.3% for French equities since the start of the year. U.S. equities are proving more resilient, with 2026 performance as of Friday, March 6 standing at -1.54% for the S&P 500 in U.S. dollars, and flat in euros.[4]
- Yields continue to rise. U.S. and German 10-year yields are up by +0.24 and +0.25 percentage points, respectively. The French 10-year yield is rising more sharply, with an increase of +0.36 percentage points.

Bonds markets

Sovereign bond yields continue to rise. We are observing a flattening of yield curves: shorter-maturity bonds are more impacted by the consequences of rising oil prices than longer-dated bonds. As a result, short-term yields have increased more than long-term yields, particularly in Germany, where the 1-year yield rose by +0.30 percentage points (from 1.95% to 2.25%), compared with +0.25 percentage points for the 10-year yield[2].

Risk premia on peripheral sovereigns continue to widen more than those on core government bonds.

In **corporate bonds**, we continue to closely monitor flows. Contrary to the usual market stress pattern, subordinated bonds, which are considered riskier, continue to attract investors. Vigilance will be required in the event of a trend reversal.

Corporate hybrid bonds are holding up very well, with risk premia close to their lowest levels since the start of the year.

As in equity markets, we are seeing a rotation within the technology sector, with software stocks rebounding strongly on a relative basis after a sluggish start to the year, in contrast to semiconductors, which are now losing momentum.

Equity markets

Equity markets are reacting more strongly. The VIX, the equity market volatility index, jumped between March 6 and March 9, rising from 29 to 34 points[2]. However, this remains well below the levels reached on “Liberation Day” (when D. Trump announced tariff hikes), when the index surpassed 50 points.

In the United States, the sectors performing best since the start of the intervention are energy (the only positive sector), information technology, and consumer discretionary. Materials, consumer staples, and healthcare are at the bottom of the ranking.

In Europe, although all sectors are now posting negative performance, financial services are limiting losses, followed by energy and telecommunications. Materials, real estate, and the automotive sector are lagging the most.

Overall, the sectors holding up best in this volatile environment remain energy, telecommunications, and utilities. Conversely, materials and consumer staples are under pressure. It is worth noting that the technology sector as a whole is holding up reasonably well.

[3] Source : Bloomberg, 09/03/2026, 10:30
[4] Source : Bloomberg, 06/03/2026

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