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WEEKLY QUANT REPORT

03 Jun 2026

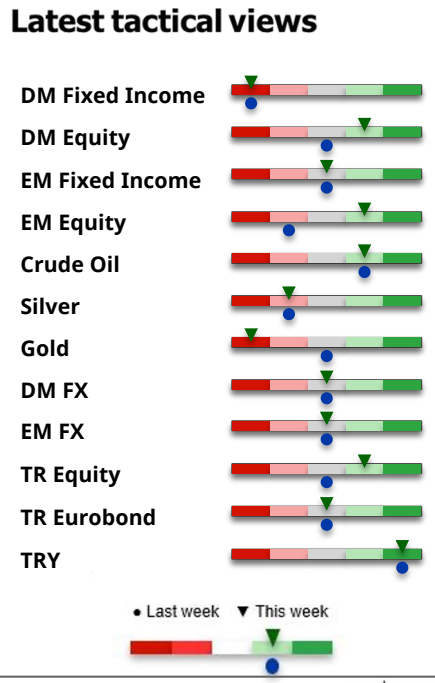
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Executive Summary

WEEKLY REPORT | 03 JUN 2026

Quantitative Model Summary: Overview

- **Global Fixed Income:** Models remain in **bearish** territory.
- **Developed Markets Equities:** Post earning season drift continues as AI powered rally extends into new week. Overall sentiment is positive since April 1st.
- **Developed Markets Currencies:** EUR, GBP, JPY, and CHF signals continue to weaken; NOK and AUD diverge to the upside.
- **Emerging Markets Equities:** Global rate pressure weighs on the broad outlook, with **China and Poland as notable exceptions**.
- **Commodities: Precious metals** remain under **stress**; **Oil** is **stabilizing** while Copper shows mild improvement.
- **Turkish Assets:** Turkish equity sectors hold constructive signals while Eurobond and TL Bond sentiment remains subdued.



Source: ArfCapital. This report should not be considered as investment advice. All insights are created by ArfCapital.

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Tactical Conviction Sheet

ARFCAP TOP TRADES | 03 June 2026

LONGS — CONVICTION BUYS

China Technology KWEB·
AI earnings dominance; momentum building
★★★ 1M HORIZON

Copper SX5E· COMEX
Solid growth expectations push copper higher
★★★ 1M HORIZON

Nasdaq NDX
AI earnings dominance; momentum building
★★★ 1M HORIZON

SHORTS — CONVICTION SELLS

Precious Metals
Hawkish central bank outlook puts pressure on precious metals
★★★ 1M HORIZON

CAD / USD FX SPOT
Rich vs 1y1y swap spread; rate diff widening
★★☆ 1M HORIZON

WATCH — APPROACHING FLIP

▼ **Gold** XAU
▼ **Silver** *XAG*
▲ **TR Banks** XBANK
▲ **HUF**

KEY RISKS & CROSS-CURRENTS

GEOPOLITICAL
Oil phys-paper spread spike risk — consider long-vol hedge

TR LOCAL CURVE
TRY strong as Central bank holds its ground.

AI CONCENTRATION
Earnings entirely AI-driven; ex-AI flat — narrow leadership

★★★ HIGH ★★☆ MEDIUM ★☆☆ LOW CONVICTION

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Global Market Outlook

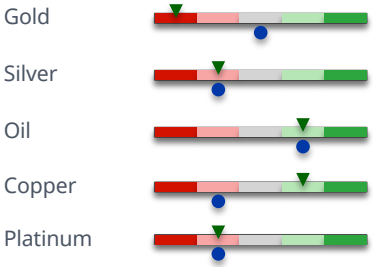
Fixed Income



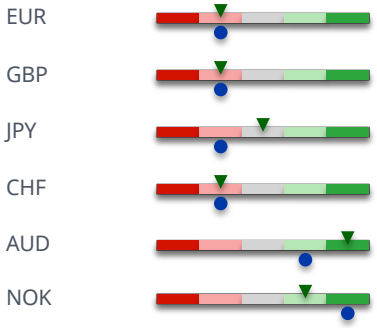
DM Equities



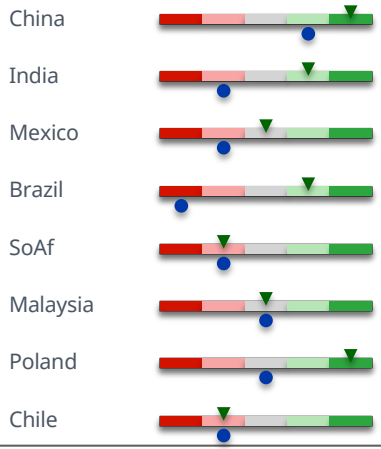
Commodities



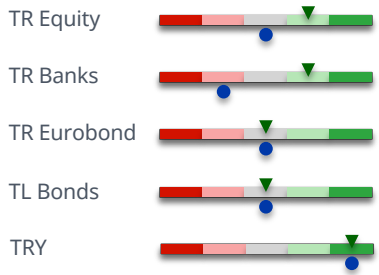
DM Currencies



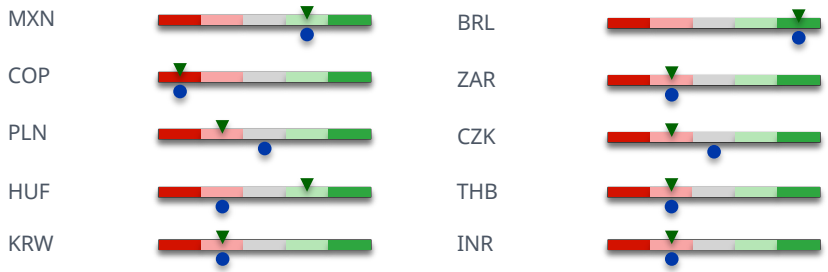
EM Equities



Turkey



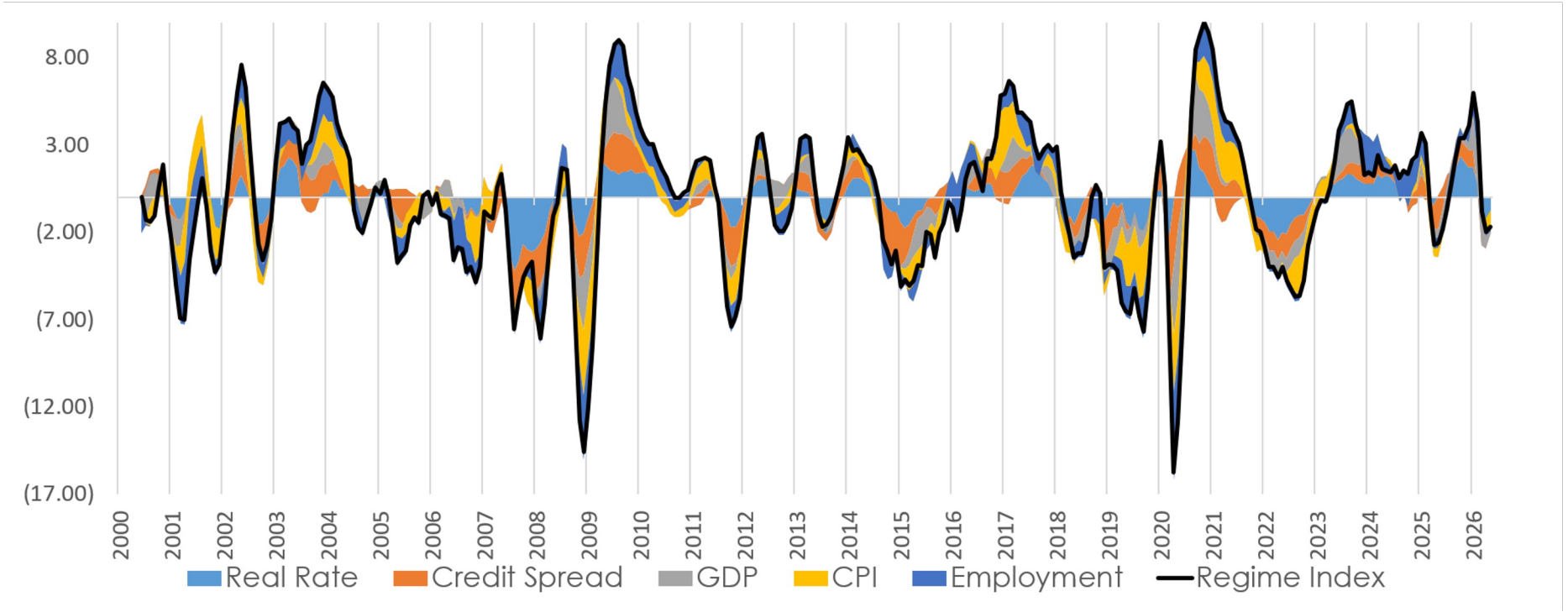
EM Currencies



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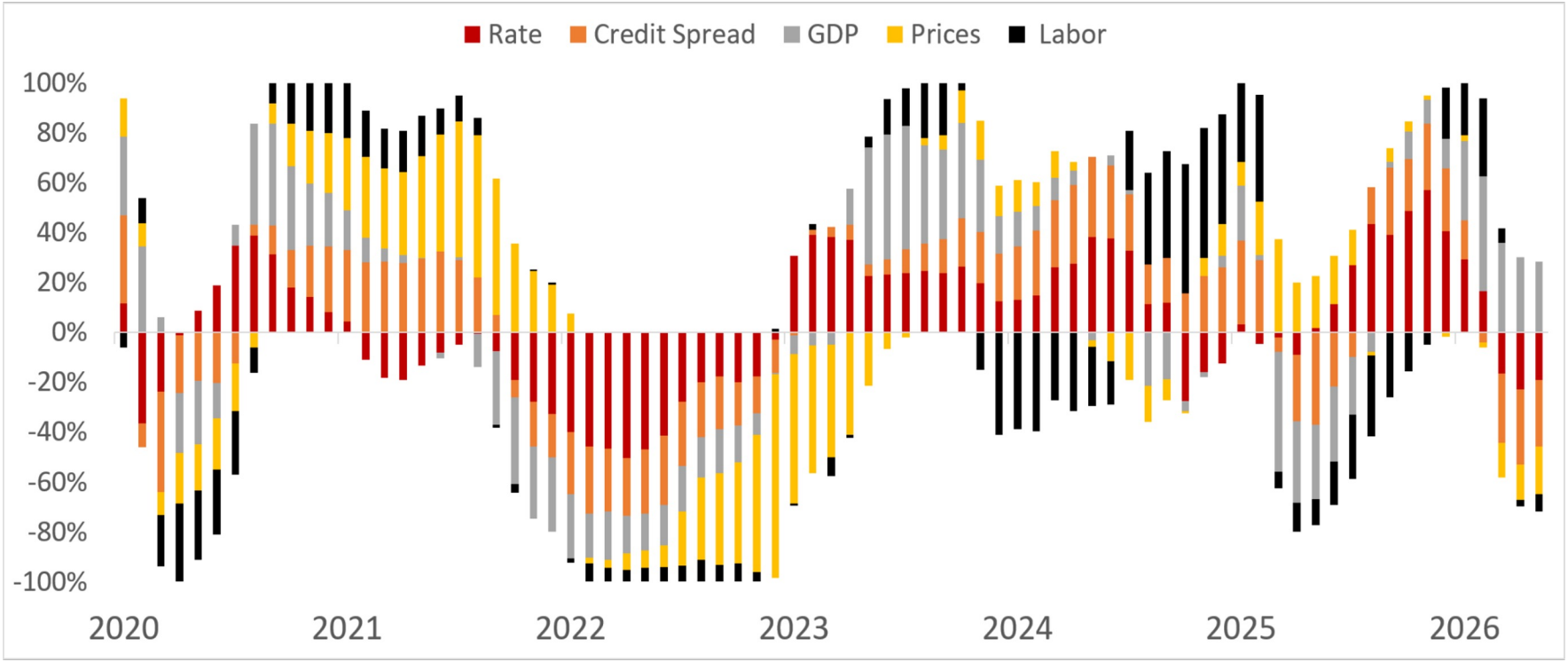
US Macro Regime Identifier



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US Macro Regime Identifier-Subfactors



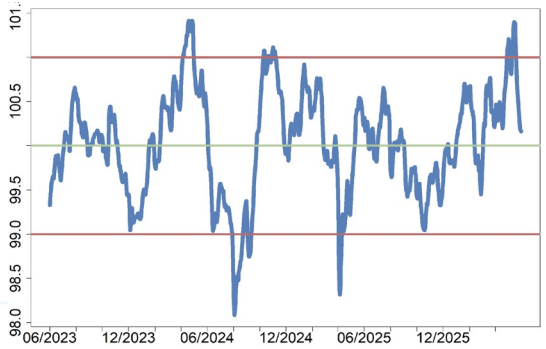
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Global Fixed Income - US

US Mid Curve

Mildly Bearish

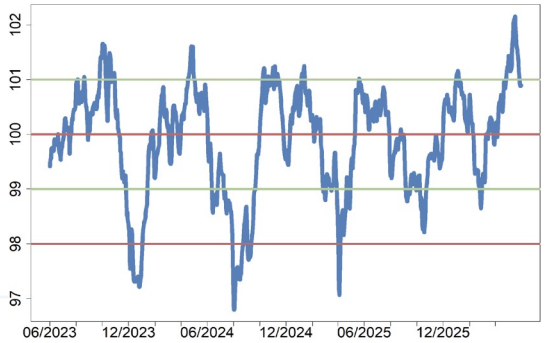


Bearish

Bullish

US Long End

Bearish



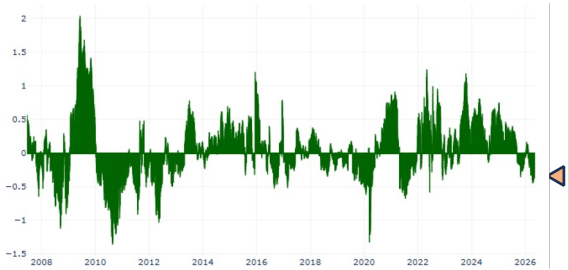
Key Metrics

5.60%
US 30Y Fair Value

Spread **-62 bps**

4.83%
US 10Y Fair Value

Spread **-36 bps**



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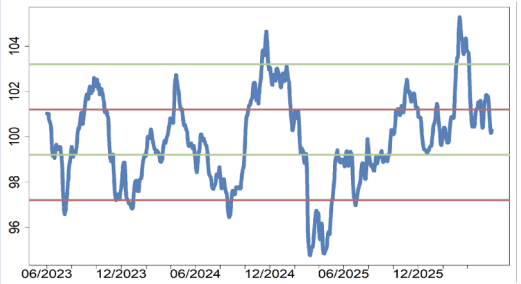
DM Currencies

Bearish

Bullish

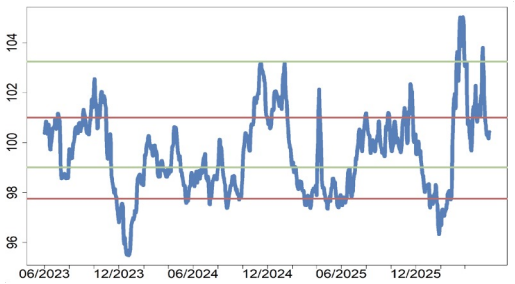
EUR

Mildly Bearish



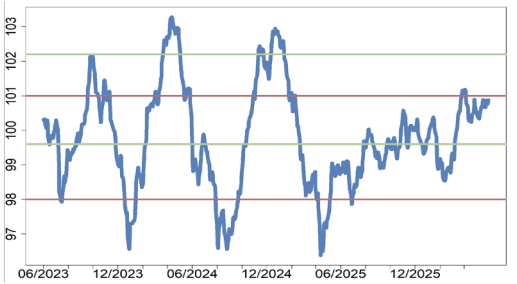
GBP

Mildly Bearish



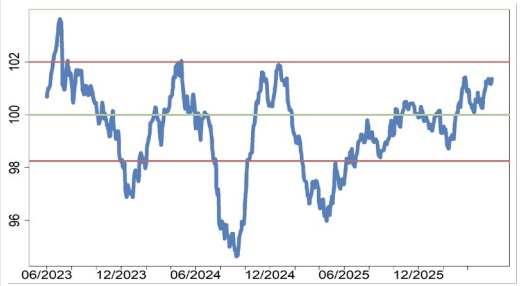
CHF

Mildly Bearish



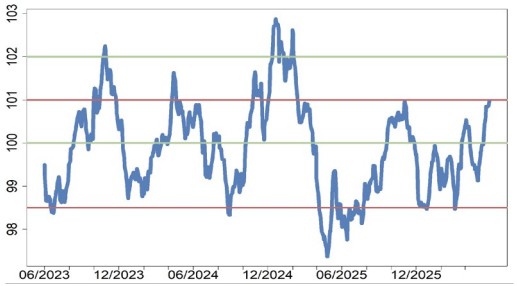
JPY

Neutral



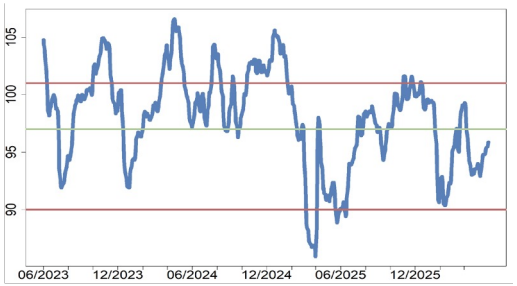
CAD

Mildly Bearish



NOK

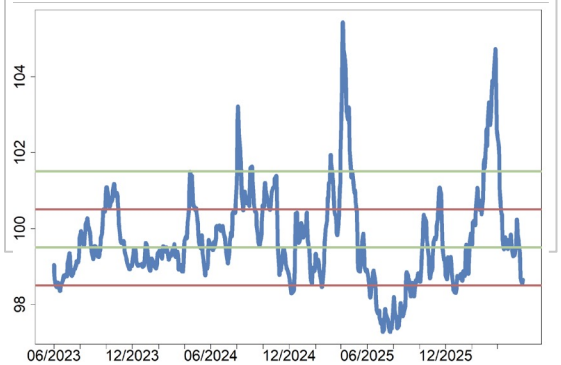
Mildly Bullish



US Equities

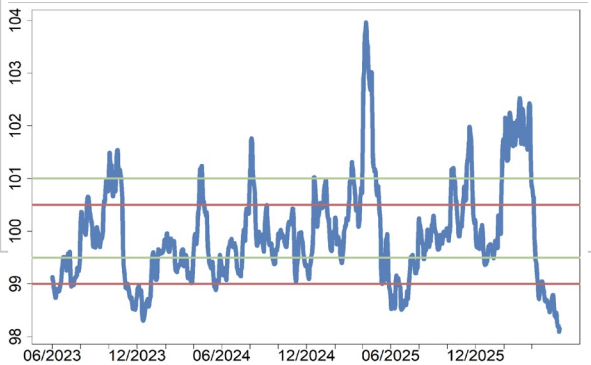
S&P 500

Mildly Bullish



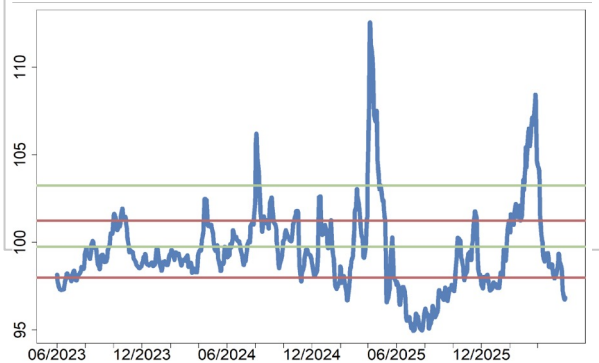
Nasdaq

Bullish



Russell2000

Mildly Bullish



Bearish

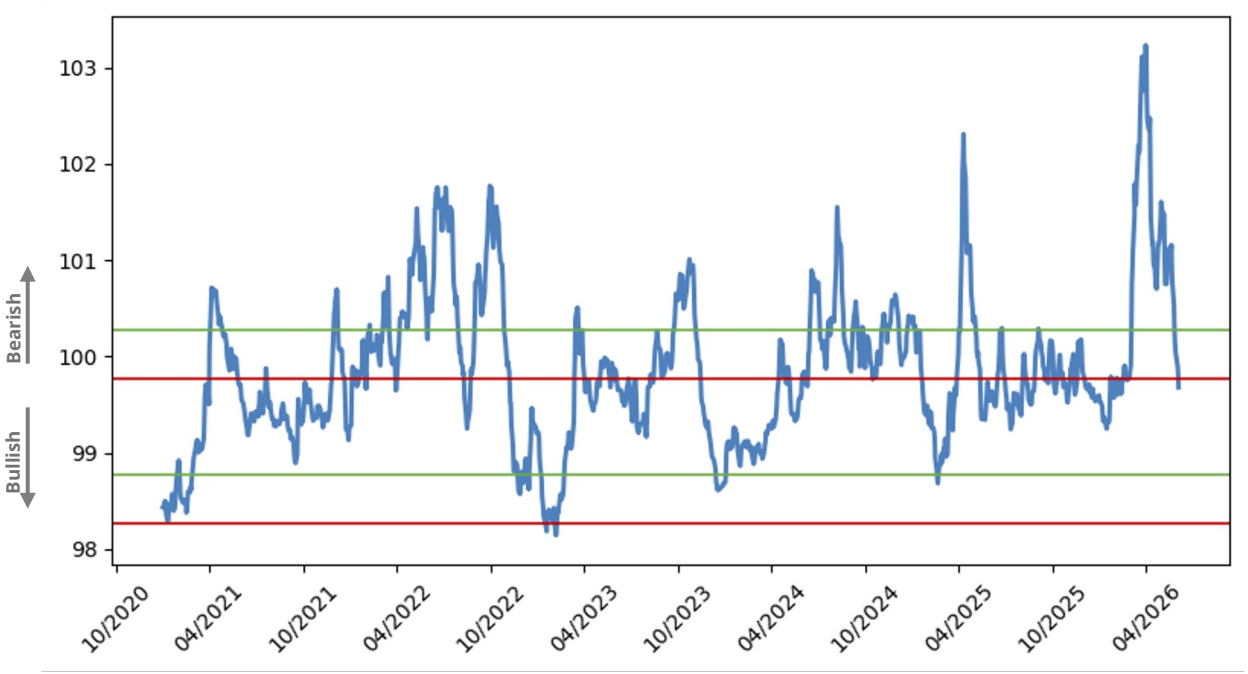
Bullish

Positive momentum continues.

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EuroStoxx-50



European equities have been significantly impacted by rising energy prices since the onset of the Iran-US conflict.

Lately our Equity Risk model has improved leaving the stress and negative zone in a very short period of time.

The overall European Equity model remains tilted towards momentum zone as prices go higher.

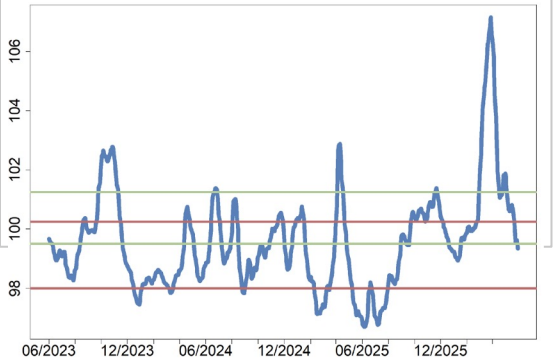
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Global Equities

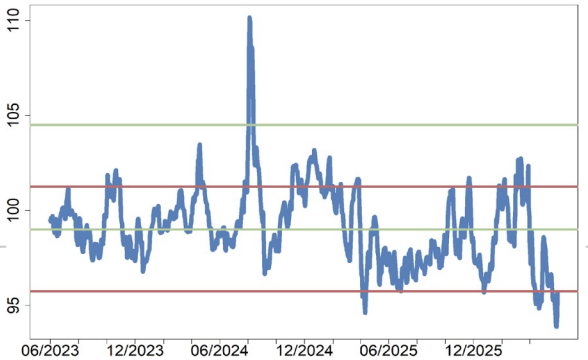
DAX

Mildly Bullish



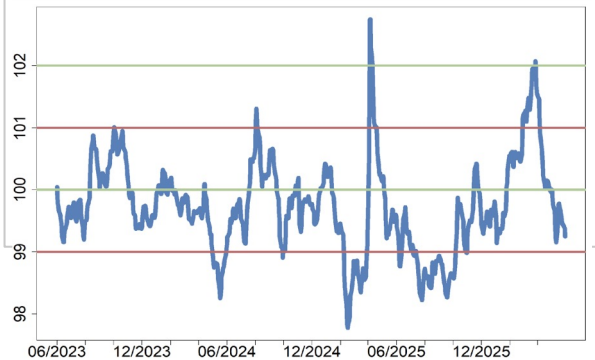
Nikkei

Bullish



China

Bullish



Bearish ↑ / Bullish ↓

Strong trend slows in DM Equity models. Asia stocks are relatively resilient.

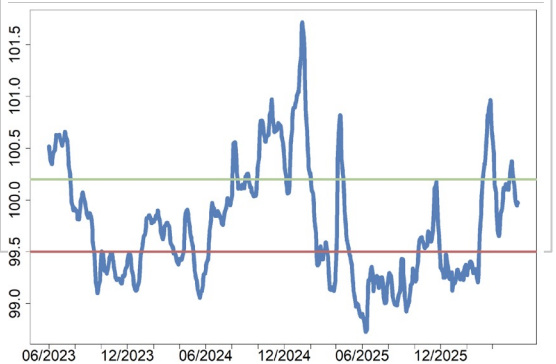
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Global Equities

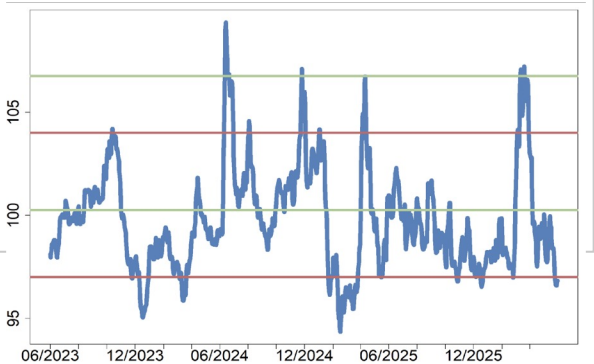
UK

Mildly Bullish



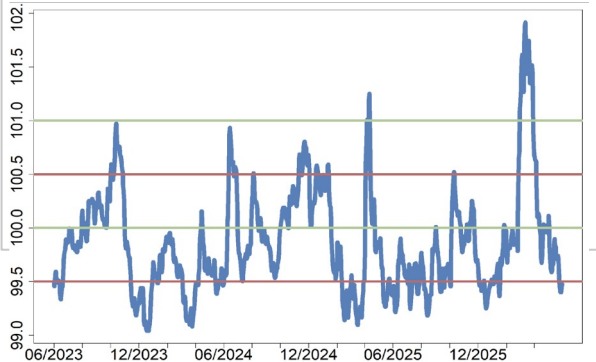
France

Mildly Bullish



Spain

Mildly Bullish

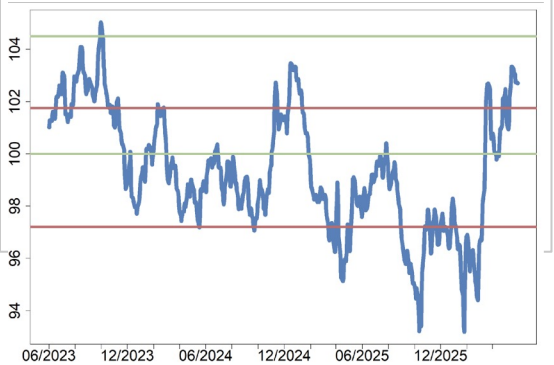


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Commodities Outlook

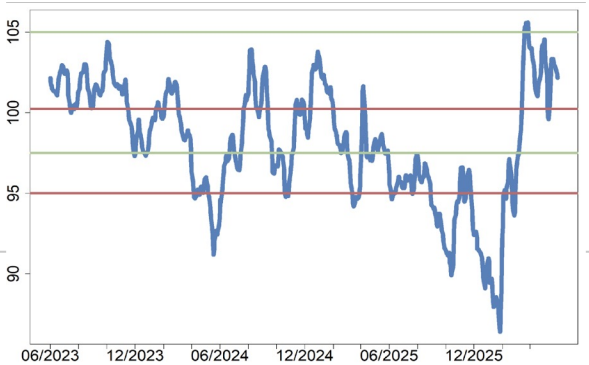
Gold

Bearish



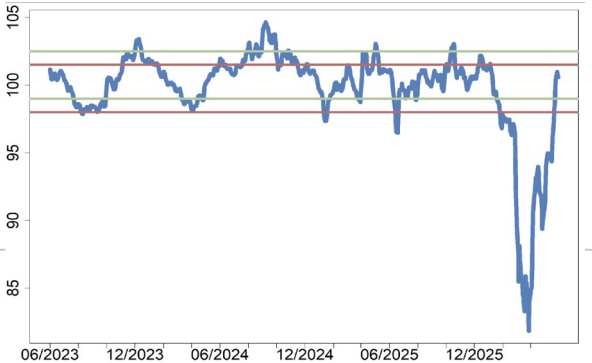
Silver

Mildly Bearish



Crude Oil

Mildly Bullish



Bearish

Bullish

Retracting liquidity conditions resulted from rising rates puts **pressure on precious metals.**

Source: ArfCapital. This report should not be considered as investment advice. All insights are created by ArfCapital.

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Turkey Market Analysis

Equity Sectors

Banks	Mildly Bullish
Industrials	Bullish
Services	Mildly Bullish
Small Cap	Mildly Bullish

TRY & Bonds

Turkish Lira
Bullish

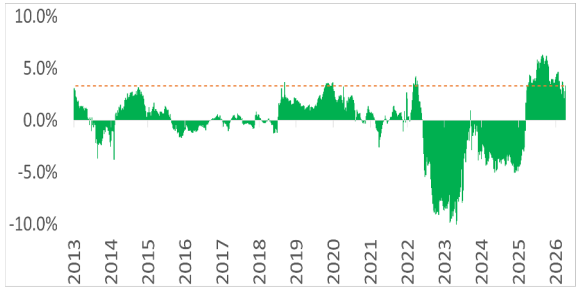
TRY Bonds
Neutral

Eurobond
Neutral

Key Metrics

33.4%
TR 10Y Fair Value

Spread	%1.5



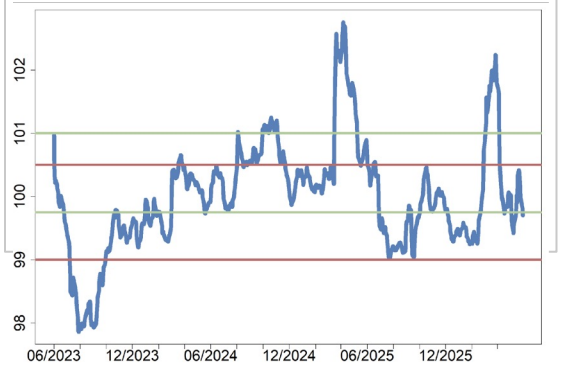
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Turkish Equities

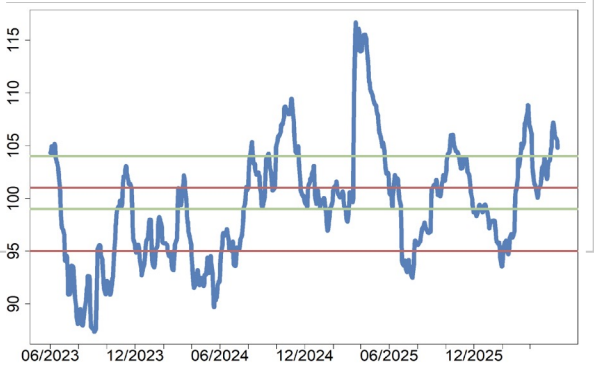
XU100

Mildly Bullish



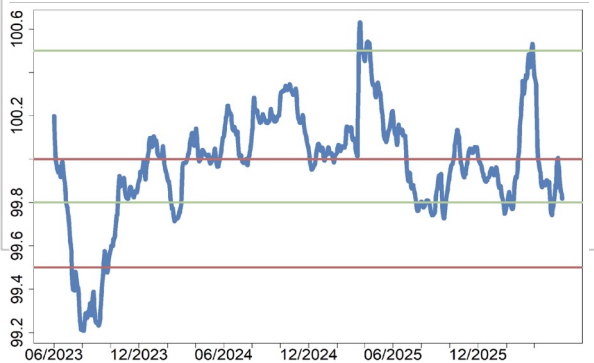
XBANK

Mildly Bullish



XUSIN

Bullish



Bearish

Bullish

Worsening trend observed in Turkish equities rooting from global risk off sentiment, nothing idiosyncratic

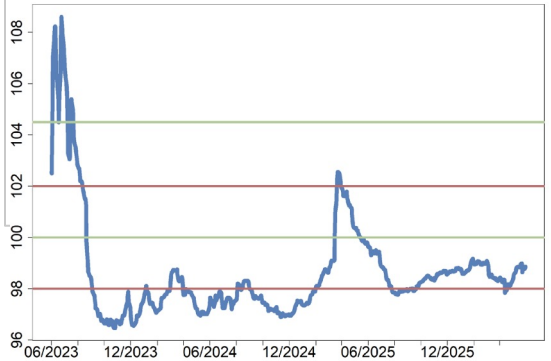
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Turkish Assets

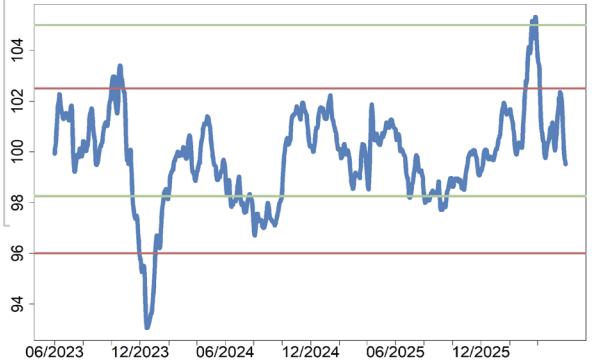
TRY

Bullish



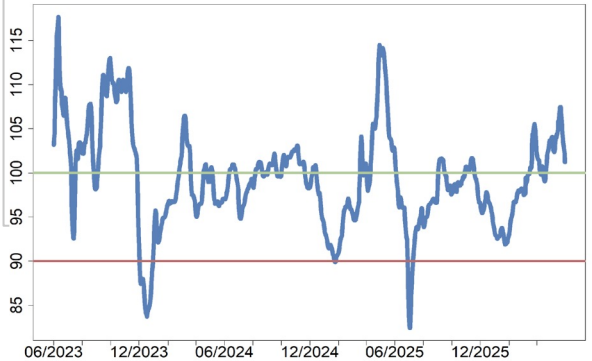
TR Eurobond

Neutral



TL Bond

Neutral



FX remains strong. TR Eurobonds and TRY bonds sentiment is in uncertain levels.

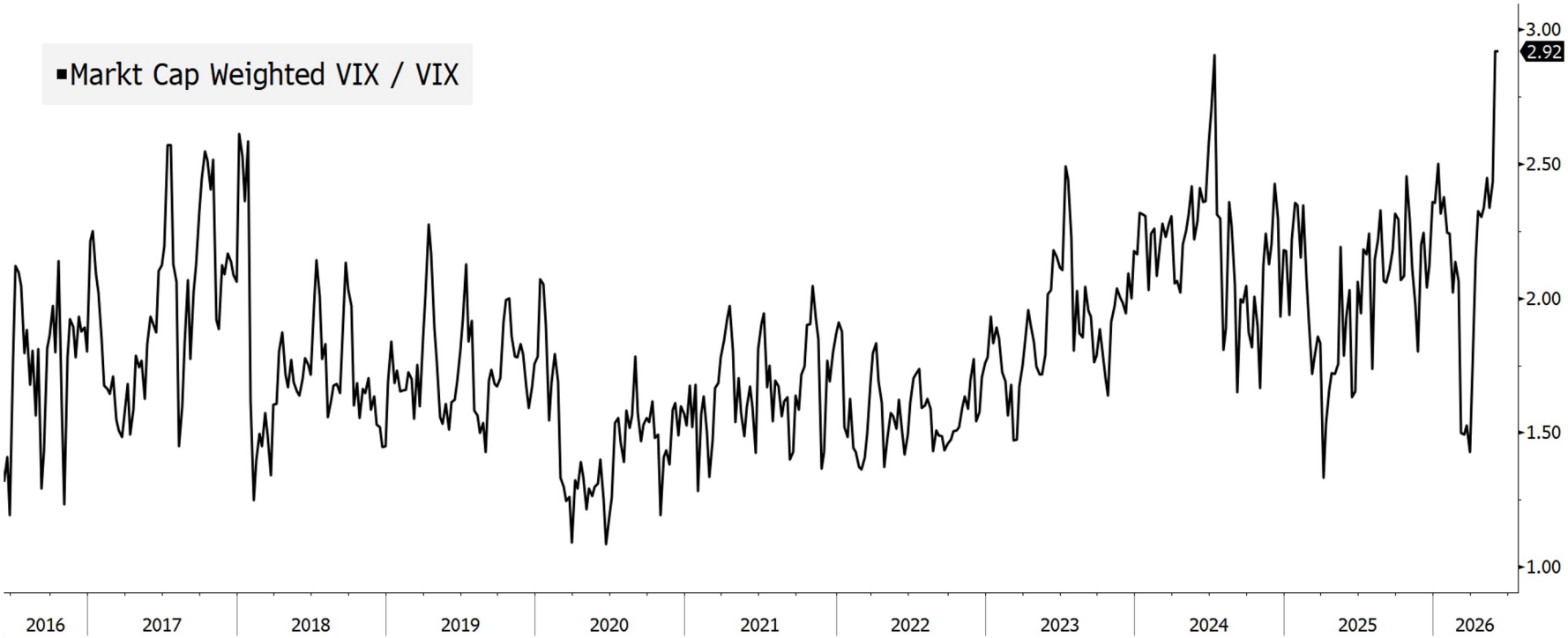
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Global Macro

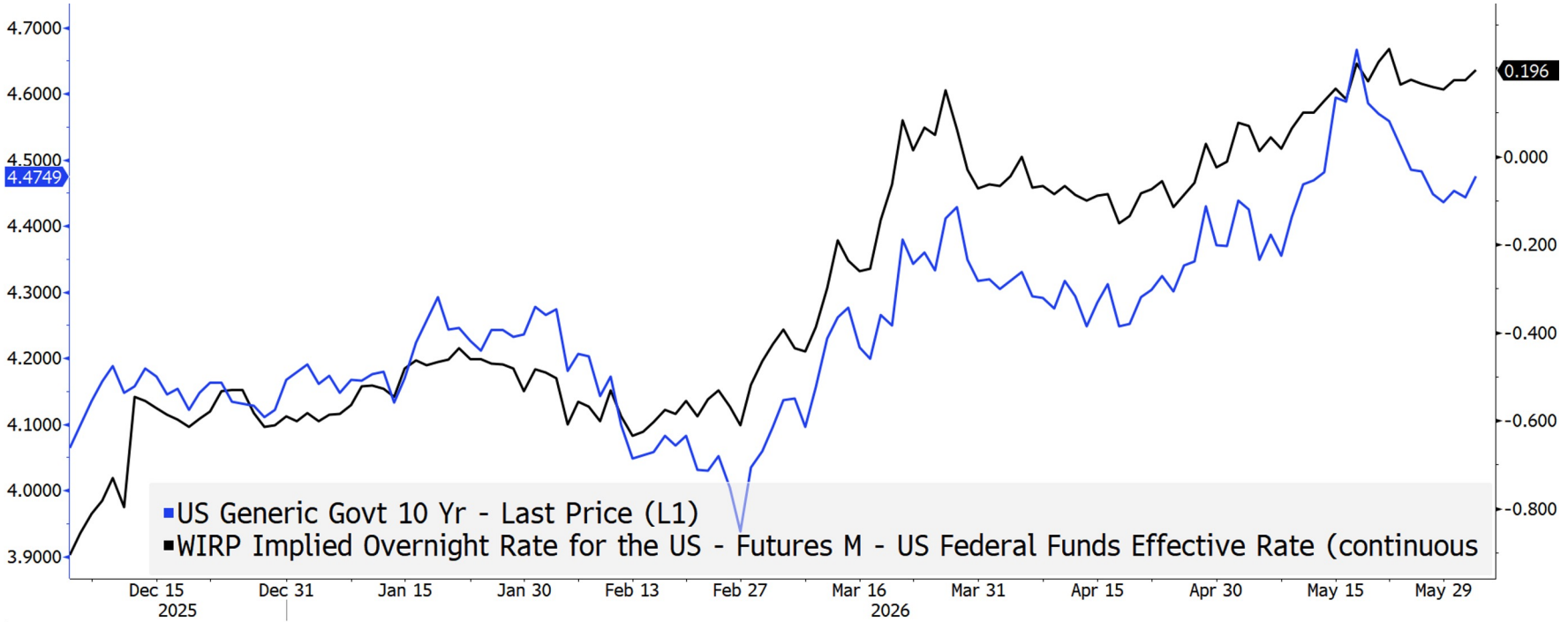
Key Trends and Insights

Volatility in equities is led by specific stocks, reaches decade high



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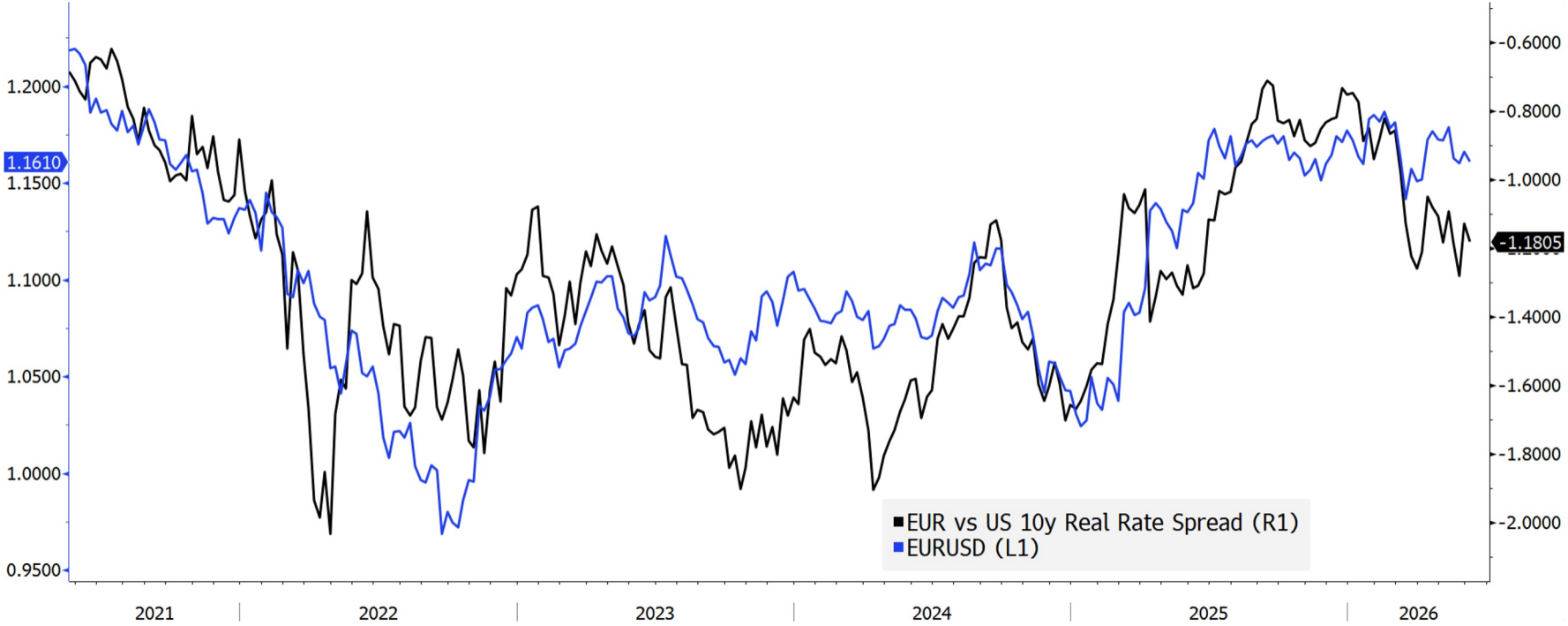
Current FED stance expectations limits potential in treasuries



Source: Bloomberg

Source: ArfCapital. This report should not be considered as investment advice. All insights are created by ArfCapital.

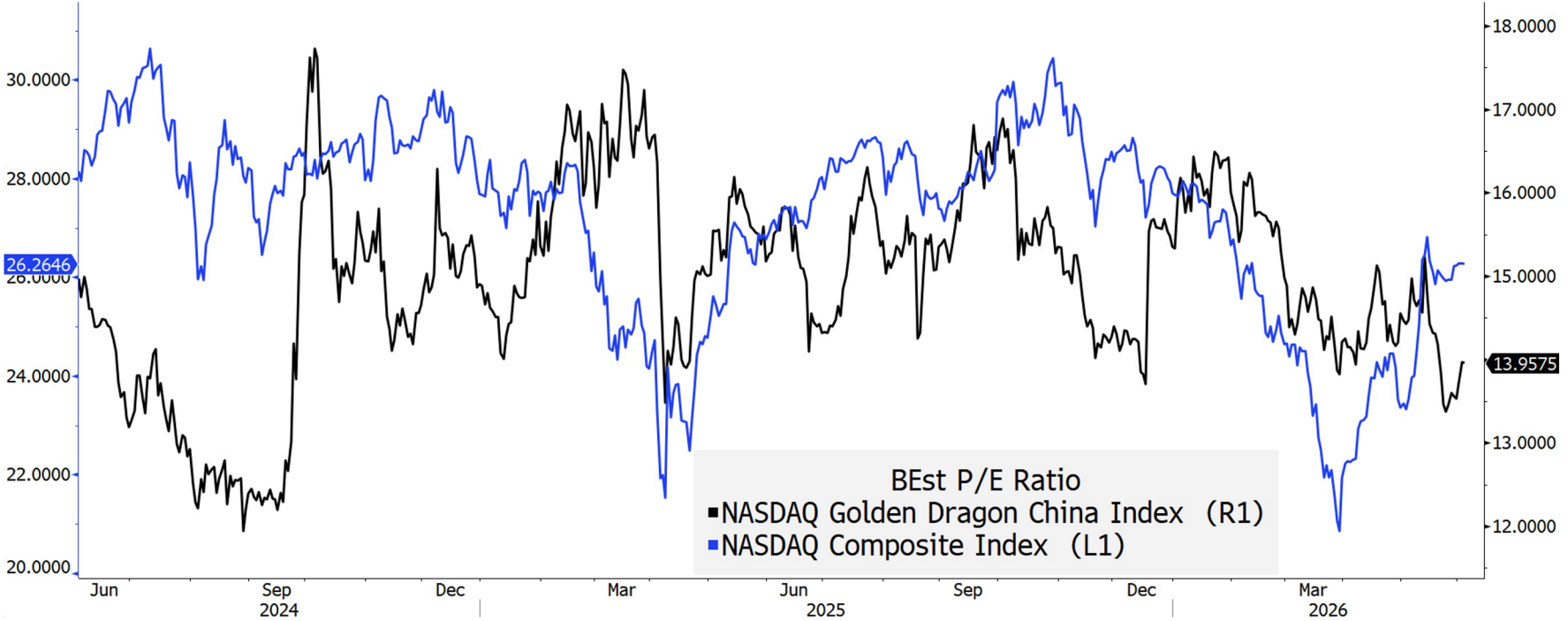
EURUSD is overvalued compared to rate spread



Source: Bloomberg, BofA Investment Strategy

Source: ArfCapital. This report should not be considered as investment advice. All insights are created by ArfCapital.

China Tech remains cheap compared to Nasdaq



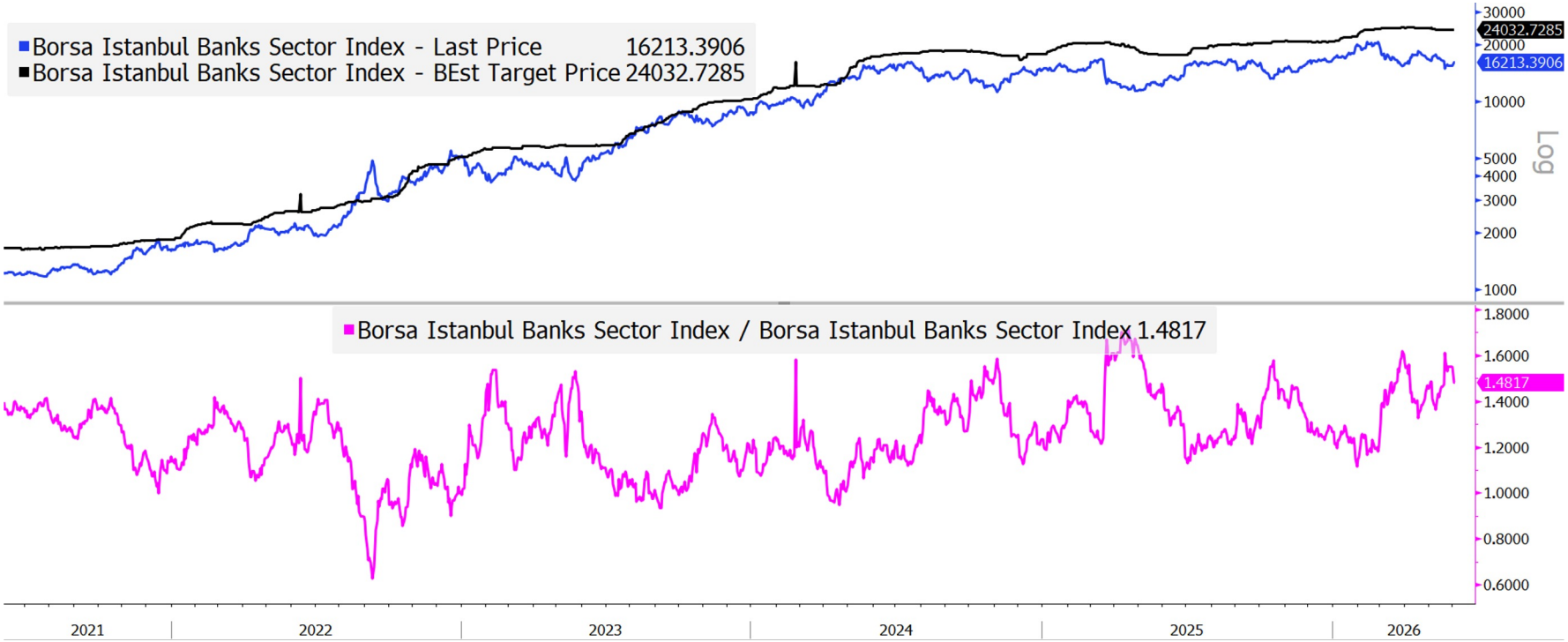
Source: Bloomberg, BofA Investment Strategy

Source: ArfCapital. This report should not be considered as investment advice. All insights are created by ArfCapital.

Turkey

Key Trends and Insights

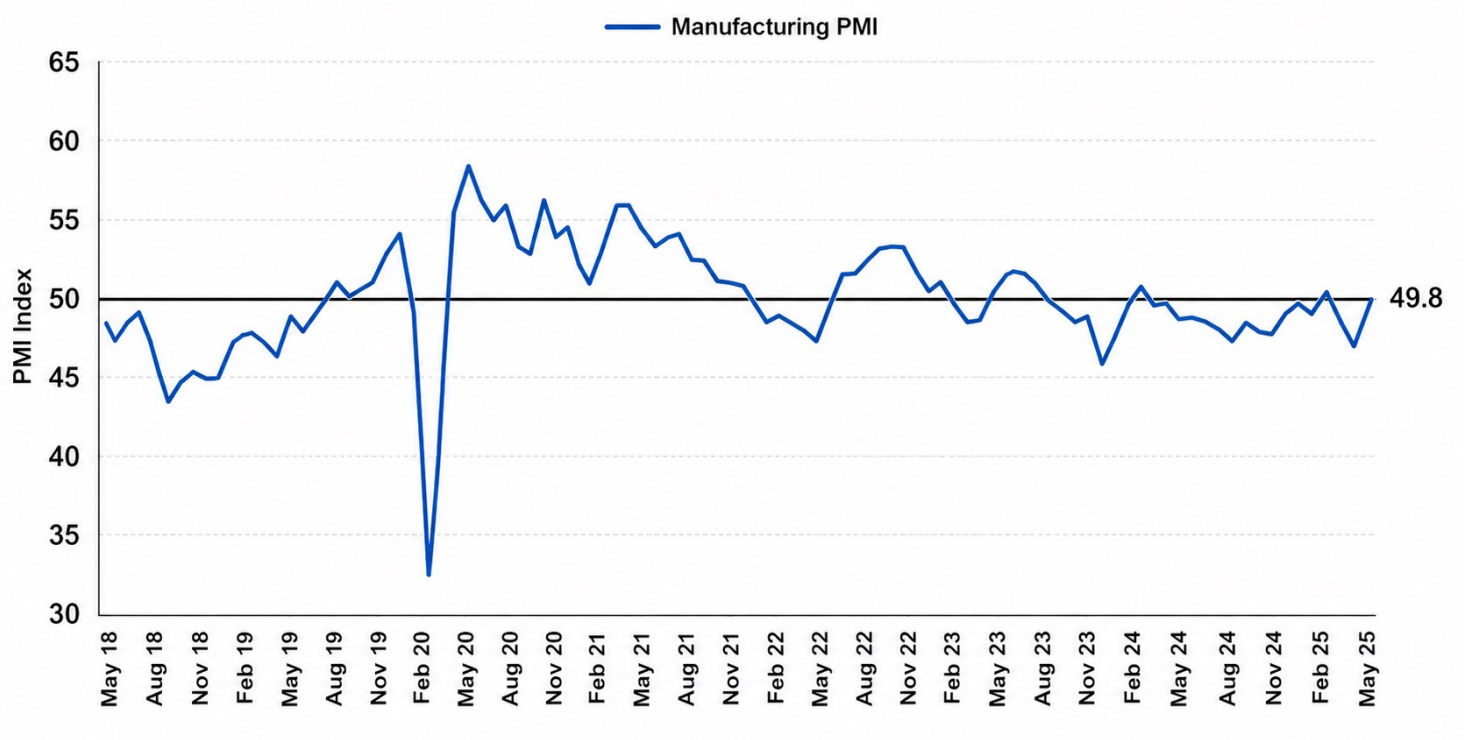
+20% upside potential for BIST Banks in the short term.



Source: Bloomberg

Source: ArfCapital. This report should not be considered as investment advice. All insights are created by ArfCapital.

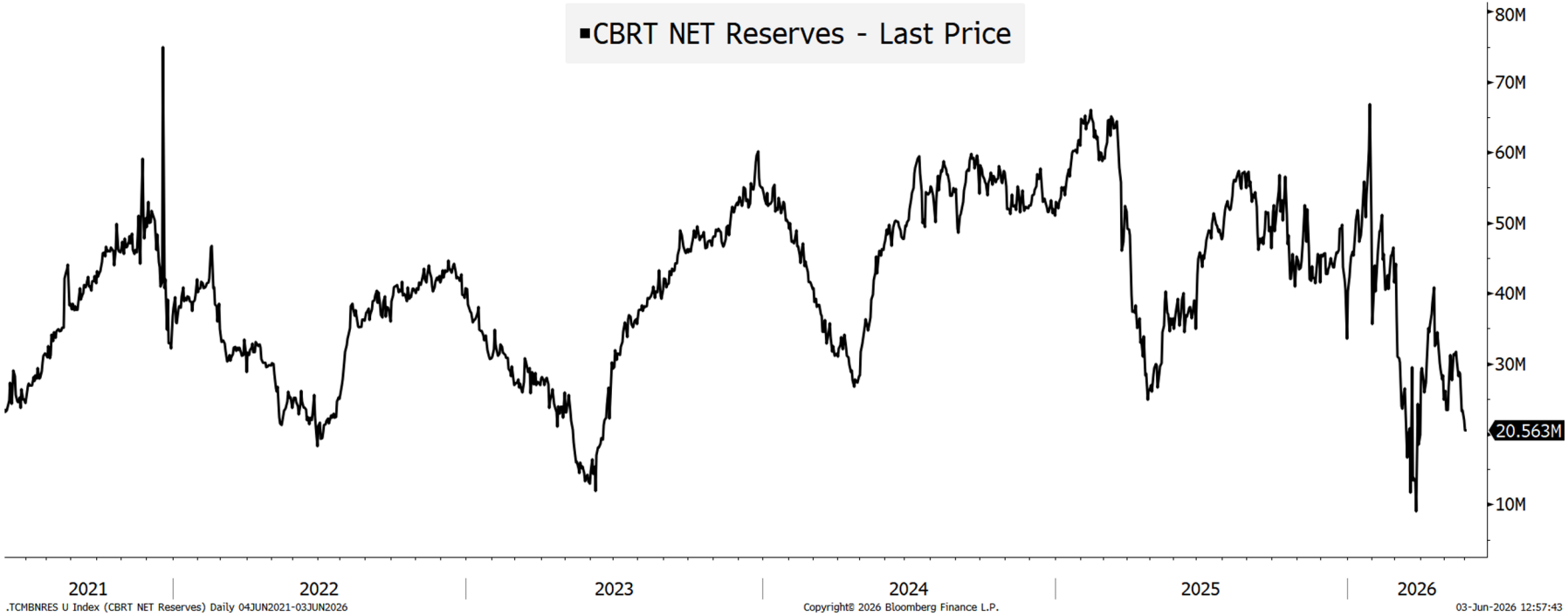
Turkey Manufacturing PMI close to expansion region



Source: ArfCap

Source: ArfCapital. This report should not be considered as investment advice. All insights are created by ArfCapital.

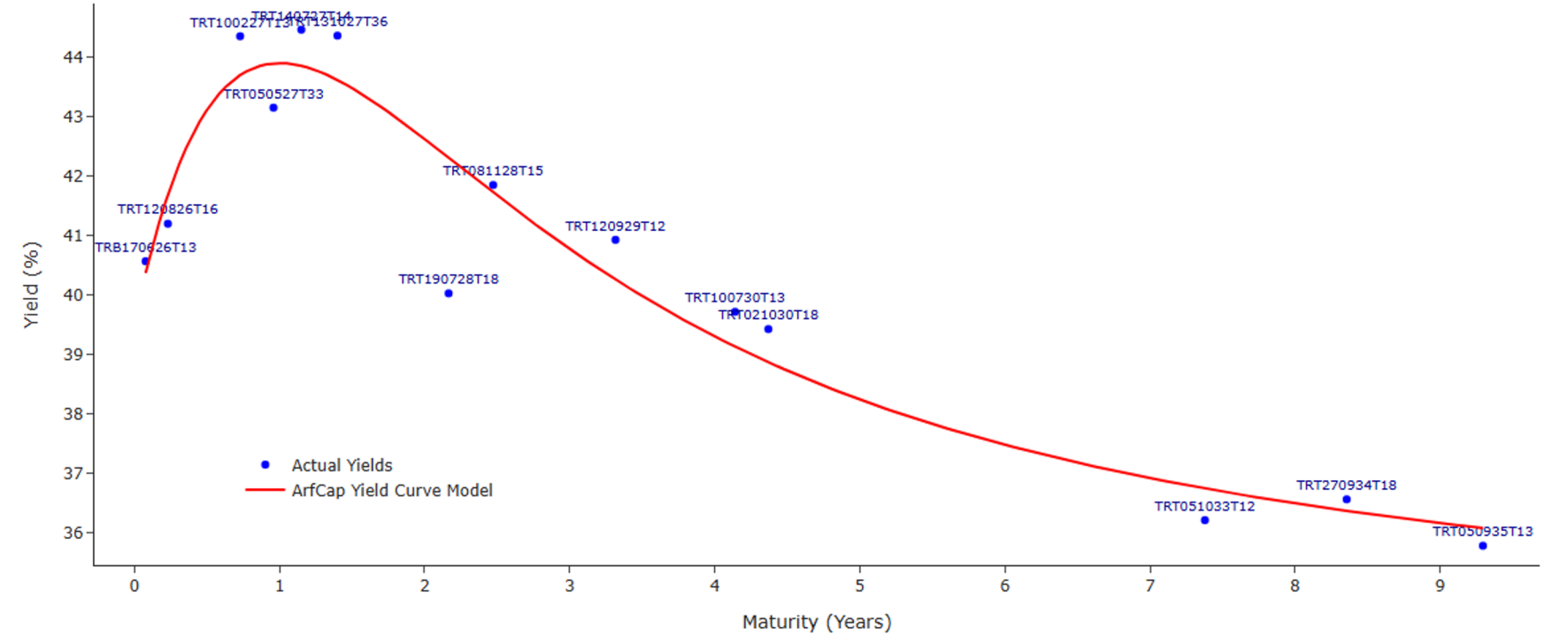
As Gold falls so does the net reserves of CBRT



Source: ArfCap

Source: ArfCapital. This report should not be considered as investment advice. All insights are created by ArfCapital.

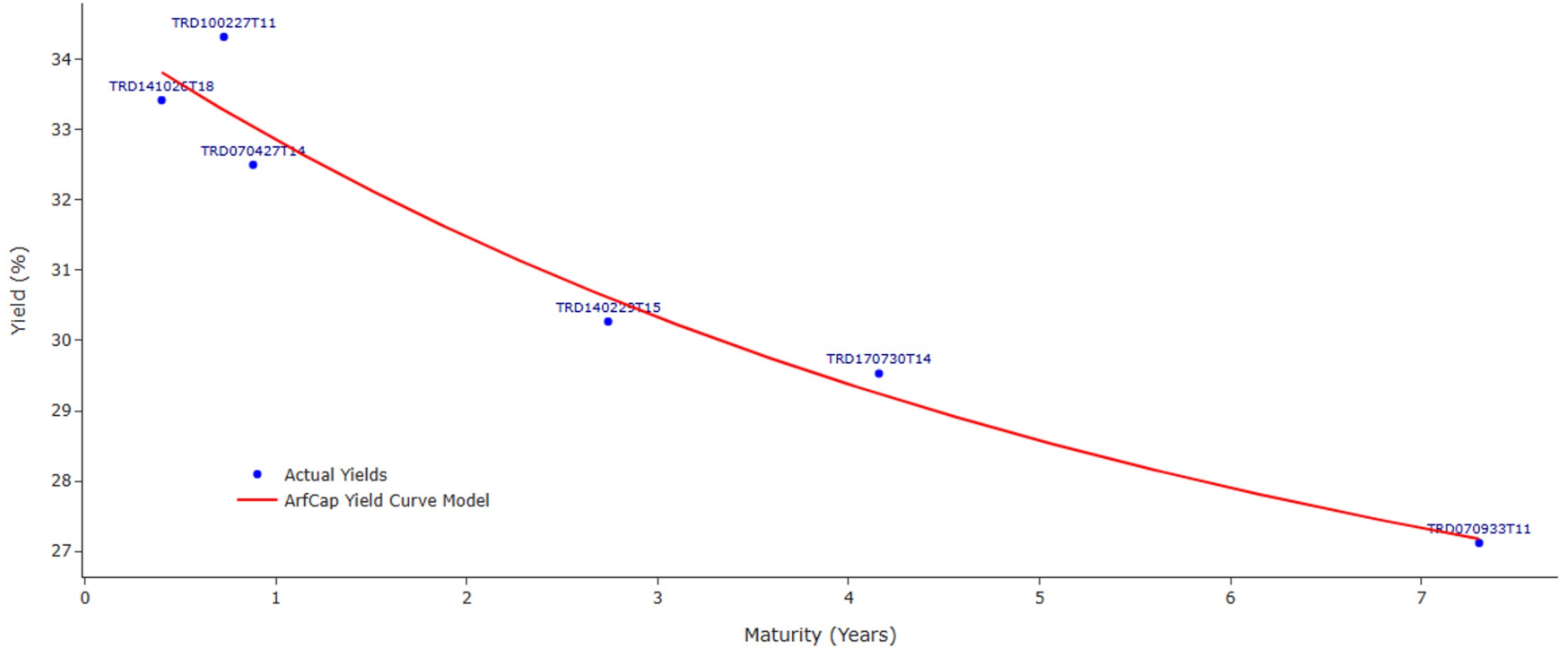
Short end seems attractive relative to the TRY curve



Source: ArfCap

Source: ArfCapital. This report should not be considered as investment advice. All insights are created by ArfCapital.

Sukuk Curve is also similar



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