

THE WEEK AHEAD, 27 FEBRUARY 2026

Deeply relaxed?

Given the current state of the world, there appears to be little scope for being deeply relaxed. New **geopolitical tensions** continue to emerge – most recently, another twist in the US tariff saga. The Supreme Court of the United States, the country's highest judicial body, has delivered a significant setback to the US president's trade policy. At the same time, tensions surrounding Iran are intensifying, with outcomes highly uncertain.

First, the US: The Supreme Court ruled that the sweeping, globally applied **tariffs** imposed by US President Trump under the International Emergency Economic Powers Act (IEEPA) were unlawful. The decision materially constrains the president's executive authority in trade policy. While additional tariffs remain possible, they must now rest on alternative statutory grounds, and both their scope and duration are likely to face clearer limits. At the same time, it remains uncertain whether the US government will be required to refund tariffs already collected. This could become the



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subject of protracted litigation, potentially lasting months, and generate further political turmoil and financial volatility. A number of companies have already initiated legal action seeking reimbursement. For the most severely affected firms, the prospect of tariff refunds could provide upside to earnings expectations and, by extension, share prices. More broadly, the highest US court's curtailment of executive discretion may reduce policy uncertainty and compress risk premiums – a development that would generally support equity markets.

At the same time, the risk of escalation in the conflict with **Iran** is rising. Even the mere expectation of possible military action is exerting upward pressure on energy prices. A blockade of the Strait of Hormuz – a chokepoint through which a substantial share of global oil and liquefied natural gas (LNG) supplies passes – would be particularly consequential. Such a scenario would likely trigger a further surge in oil prices and amplify uncertainty over how long the current relative stability in financial markets can be sustained.

Indeed, the two **indices for geopolitical risk and economic policy uncertainty** – which track keywords in leading

PUBLICATIONS

→ **US Supreme Court strikes down Trump's tariffs**

While shifting to narrower tariff statutes may introduce fresh uncertainty, prospects of tariff refunds could lift equities, and the ruling strengthens US institutional checks and balances.

→ **Dividends — your second income**

The world is undergoing a profound and unprecedented transformation. While populations in industrialised countries have become wealthier and enjoy longer life expectancies, intelligent algorithms and robotics are increasingly permeating everyday life and the workplace. Against this backdrop, it is prudent to consider developing an additional source of income...

→ **Transforming Infrastructure**

Is deglobalisation the answer to volatility for infrastructure investors?

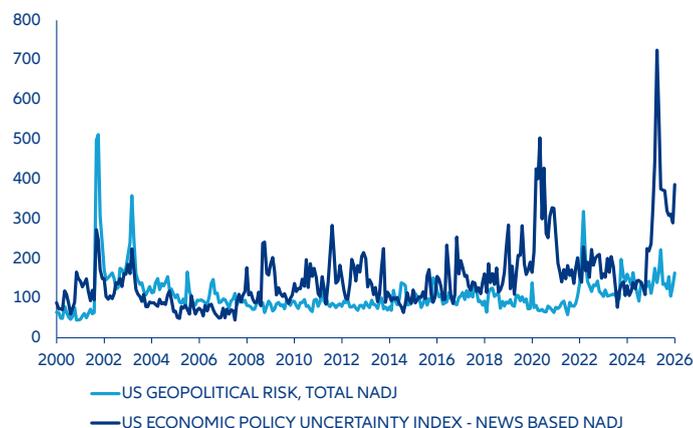
daily newspapers – have edged higher, albeit from already elevated levels (see our chart of the week). This suggests that risk-related reporting has intensified once again.

These developments have so far left broader markets largely unfazed, although sector rotation – driven by expectations surrounding artificial intelligence (AI) – has been pronounced. Volatility has remained broadly stable. The Dow Jones, the S&P 500 and the DAX, among others, temporarily reached new record highs, even if those levels could not be sustained. Despite palpable uncertainty following US President Trump’s announcement of a fresh, across-the-board 15% tariff, the **technical situation** of major country benchmarks indicates a state of zen in equity markets. Only the NASDAQ briefly signalled potential fragility when it dipped below its 200-day moving average. Market breadth indicators reinforce the constructive picture: Advance–decline lines, which measure the number of rising versus falling stocks within an index, indicate that gains have broadened. However, this appears to be contradicted by the **gold-to-copper** ratio, commonly interpreted as a proxy for risk aversion, which – when viewed schematically – points to elevated anxiety levels. The ratio has remained more than one standard deviation above its long-term average for an extended period. That said, this divergence is likely driven primarily by renewed demand for gold as an alternative store of value to the US dollar. This dynamic underscores a more structural theme: While the dominance of the greenback has not been broken, it is showing signs of gradual erosion. Yet credible alternatives remain elusive.

In this environment marked by widespread uncertainty, what is now required above all is support for the economy. After all, it was the cyclical upswing and the acceleration in corporate earnings linked to the US tax cuts – commonly referred to as Trump’s “One Big Beautiful Bill” – that contributed to this state of relaxation in the first place.

Geopolitical Risks Index and Economic Policy Uncertainty Index (USA)

The GRU counts the number of newspaper articles related to adverse geopolitical events, here in relation to the US; both indicators are news counts.



Source: <https://www.matteoiacoviello.com/gpr.htm>, LSEG Datastream, AllianzGI Global Capital Markets & Thematic Research, 24.02.2026.

The week ahead

The week kicks off with purchasing managers’ indices for manufacturing: in Germany, the index most recently stood at 50.7 points, in the euro area at 50.8 and in the United Kingdom at 52 points. These are followed by the ISM purchasing managers’ index in the United States, which last came in at 52.6 points. Tuesday sees the release of flash estimates for consumer prices in the euro area. Further sentiment data will be published in the middle of the week, including the HCOB purchasing managers’ index for Germany (previously 53.1 points), the composite index for the euro area (previously 51.9 points) and the services index for the UK (previously 53.9 points). These will be supplemented by euro area producer prices, which were most recently 2.1 percent below their previous year’s level. On Thursday, weekly initial jobless claims in the US will be reported. The week concludes on Friday with revised gross domestic product (GDP) figures in the euro area for the fourth quarter of 2025 (previously 0.3 percent quarter-on-quarter) and US non-farm payroll data. The latter, which last indicated an increase of 130,000 new jobs, frequently generates significant market activity.

Wishing you your own state of relaxation.

Yours,
Dr Hans-Jörg Naumer

UPCOMING POLITICAL EVENTS 2026

8 March	DE	State elections in Baden-Württemberg
8 March	DE	Local elections in Bavaria
15 March	DE	Local elections in Hesse
17–18 March	FED	Central Bank Meeting
18–19 March	BoJ	Central Bank Meeting
19 March	EZB	Central Bank Meeting
19 March	BoE	Central Bank Meeting
19–20 March	EU	European council

Calendar Week 10

			Consensus	Previous
Monday				
UK	Nationwide house price yy	Feb	--	1.0%
GE	HCOB Mfg PMI	Feb	--	50.7
EC	HCOB Mfg Final PMI	Feb	--	50.8
UK	S&P GLOBAL MANUFACTURING PMI	Feb	--	52.0
US	S&P Global Mfg PMI Final	Feb	--	51.2
US	ISM Manufacturing PMI	Feb	--	52.6
US	ISM Mfg Prices Paid	Feb	--	59.0
Tuesday				
JN	Unemployment Rate	Jan	--	2.6%
JN	Business Capex (MOF) YY	Q4	--	2.9%
JN	Monetary Base YY	Feb	--	-9.28%
EC	HICP Flash YY	Feb	--	--
EC	HICP-X F,E,A&T Flash YY	Feb	--	--
Wednesday				
GE	HCOB Services PMI	Feb	--	53.4
GE	HCOB Composite Final PMI	Feb	--	53.1
EC	HCOB Services Final PMI	Feb	--	51.8
EC	HCOB - Composite Final PMI	Feb	--	51.9
UK	S&P GLOBAL SERVICE PMI	Feb	--	53.9
UK	S&P GLOBAL PMI: COMPOSITE - OUTPUT	Feb	--	53.9
UK	Reserve Assets Total	Feb	--	232.3B
EC	Producer Prices YY	Jan	--	-2.1%
EC	Unemployment Rate	Jan	--	6.2%
US	ADP National Employment	Feb	--	22k
US	S&P Global Svcs PMI Final	Feb	--	52.3
US	ISM N-Mfg PMI	Feb	--	53.8
Thursday				
GE	HCOB Construction PMI	Feb	--	44.7
UK	S&P Global CONSTRUCTION PMI	Feb	--	46.4
UK	S&P GLOBAL PMI: MSC COMPOSITE - OUTPUT	Feb	--	53.1
EC	Retail Sales YY	Jan	--	1.3%
US	International Trade \$	Jan	--	-70.3B
US	Import Prices YY	Jan	--	0.0%
US	Initial Jobless Clm	23 Feb, w/e	--	--
US	Cont Jobless Clm	16 Feb, w/e	--	--
US	Unit Labor Costs Prelim	Q4	0.2%	-1.9%
US	Productivity Prelim	Q4	4.8%	4.9%
Friday				
GE	Consumer Goods SA	Jan	--	111.5
UK	Halifax House Prices YY	Feb	--	1.0%
EC	Employment Overall Final	Q4	--	172,516.6k
EC	GDP Revised QQ	Q4	--	0.3%
EC	GDP Revised YY	Q4	--	1.3%
US	Non-Farm Payrolls	Feb	--	130k
US	Private Payrolls	Feb	--	172k
US	Unemployment Rate	Feb	--	4.3%
US	Average Earnings YY	Feb	--	3.7%
US	Average Workweek Hrs	Feb	--	34.3

The calendar data for the current week comes directly from LSEG Datastream. They are published in the week in which "The Week Ahead" appears. These are economic data that come from official sources. Where available, the previous figure is collected together with the consensus estimate. The consensus estimate is collected by LSEG Datastream through a survey of analysts and economists. It is the average of all estimates submitted.

If not mentioned otherwise data and information sources are from LSEG Datastream.

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