

What to watch in the week ahead

Weekly Global

Mark Haefele, Global Wealth Management Chief Investment Officer, UBS Switzerland AG

- Investors will continue to weigh signs over whether the US and Iran are getting closer to a diplomatic solution or whether hostilities will escalate further. This will likely remain the main determinant of market movements this week.
- Economic data for March should start to provide early guidance on how the Middle Eastern conflict is impacting businesses, consumer confidence, and inflation. A range of Fed speakers will also provide further guidance on how the conflict could shape monetary policy.
- Gold has given up almost all of its gains for 2026, having at one stage in January been as much as 25% higher. Can the metal regain its poise and resume its rally?

What comes next for the US-Iran conflict?

Investors remain poised between hopes of a diplomatic solution and concerns of an escalation. On the one hand, President Trump has said he is interested in “winding down” the war and the US has sent a 15-point peace plan to Iran. Trump also extended his deadline for Iran to open the Strait of Hormuz until 6 April. On the other hand, reports that the US has been dispatching thousands more troops to the region have intensified talk about the potential for ground operations—which would represent a further escalation. Added to this, the negotiating positions of the two sides still seem far apart, with Iran denying that direct talks are even taking place. Tehran’s conditions for a cessation of hostilities—including safeguards against future attacks, the payment of reparations for damage caused by the bombings, and recognition of its sovereignty over the Strait of Hormuz—are unlikely to be acceptable to the US. In addition, the increased involvement by Iran-backed Houthis in Yemen also has the potential to widen or prolong disruption.

This week investors will remain focused on whether diplomacy can make progress or whether an escalation—or broadening—of the conflict will presage a more sustained period of high energy prices.

Our recommendation for well-diversified investors remains to stay in the market, and we continue to view equities as Attractive. However, with energy prices likely to stay higher for longer, we have become more cautious on equity markets that are cyclical and most reliant on imported fuel. These include the European, Eurozone, and Indian equity markets, which we have downgraded to Neutral. Against this backdrop, we see greater appeal in defensive markets with secular growth potential and limited exposure to energy disruptions. That would include the Swiss equity market and the European health care sector. Finally, the prospect of a

Learn more about the outlook for geopolitics

- Find out how to invest across scenarios in this [Global risk radar](#) as we face the potential for different market environments.
- Read Head of Asset Allocation for CIO Americas Jason Draho’s take on [Shifting concerns](#) in the market as the conflict in Iran develops.
- Get to know more on the relationship between the conflicts in Middle East and commodities in our [research](#).

Dig deeper into if and how the conflict is feeding into macroeconomic data

- We now expect the Fed to extend its pause on further interest rate cuts to the third quarter against a backdrop of ongoing and elevated uncertainty. Dive deeper in this [US economy report](#) by CIO Economist Andrew Dubinsky.
- Drill down into what CIO analysts think about the impact of the US-Iran conflict in Europe in [this Q&A](#), and find a summary [here](#).

Find out what's next for gold

- Discover more on gold fluctuations and forecasts [here](#).
- Learn about our suggestions on gold in the [latest CIO view](#) on the yellow metal
- Silver has been following gold. Discover how to position in our latest [two-pager](#) on the precious metal.

This report has been prepared by UBS Switzerland AG. **Please see important disclaimers and disclosures at the end of the document.**

longer-lasting conflict is heightening the vulnerability of equity and bond portfolios, with elevated correlations eroding traditional diversification benefits. This underscores the importance of diversifying beyond traditional asset classes, hedging, and progressive de-risking.

Is the Middle East conflict taking an economic toll?

A key question for investors is how events in the Middle East, and the resulting rise in energy prices, affect the overall economy, with a focus on inflation and growth. This week investors will be scrutinizing a range of economic indicators for early signs of how major economies are holding up since the start of airstrikes on 28 February.

On the issue of prices, we get the flash estimate of Eurozone consumer price inflation for March. The US ISM services sector survey for March could also capture any initial impact on business sentiment. Notably, economists will be looking for any signs of distress in the travel and transport industries. On the consumer side, the Conference Board survey could provide preliminary guidance on whether the mood is deteriorating. Of particular interest will be how consumers view the labor market—whether jobs are plentiful or hard to get—since this has been correlated to the unemployment rate.

The US jobs report for March is released later this week. This only covers the week ending 14 March, so any guidance on the impact of the Middle East conflict will be tentative. Again, however, there could be headwinds in parts of the economy that are sensitive to energy prices—including leisure and travel. Various Fed officials are also talking, and investors will be looking for their latest views on the economic impact of the conflict and its potential to shape monetary policy.

But our base case remains that the US labor market remains relatively healthy, and we don't expect central banks to overreact to a temporary rise in headline inflation. Our base case is still for the Fed to cut twice in 2026, with the ECB staying on hold. With rates low in much of the world and likely to decline further in the US and UK, we recommend investors seek diversified income through quality bonds, supplemented with selective exposure to riskier credit. The recent rise in quality government bond yields has created an opportunity to lock in yields up to the 10-year point, with elevated short-term interest rate expectations especially relevant for short-duration quality bonds.

Can gold regain its lost momentum?

Gold, which had been up as much as 25% in January, has—at the time of writing—erased virtually all of its 2026 gains. As of the end of trading on Friday, gold is now up just over 4% so far this year. A recent decline of nearly 12% in just five trading days was one of the steepest drops over such a short interval in over four decades. This seems counterintuitive to many investors, since gold is expected to benefit from a flight to safety in periods of elevated geopolitical uncertainty.

Investors will be looking to see if gold can recover its poise or even resume its rally. Gold's recent weakness is not as mysterious as it initially appears, in our view. History shows that gold does not always rally during periods of conflict, particularly in the early stages. The economic context is crucial. In the recent episode, gold has faced several key headwinds. The move higher in energy prices has led markets to price tighter monetary policy on the assumption that central banks will either hike or delay cuts to counter rising headline inflation. That raises the opportunity costs of holding non-yielding

assets, such as gold.

Markets have shifted from implying two and a half Fed rate cuts in 2026, to no further easing this year, and even a small probability of a hike. Bond markets are now pricing three interest rate hikes by the European Central Bank and the Bank of England this year, and no cuts by the US Federal Reserve. We believe this is excessive, especially given the potential drag on growth from prolonged, higher energy prices. We still expect easing from the Fed this year. We also expect a renewal of demand for gold from investors and central banks, as the preference for liquidity stemming from the Middle East crisis abates.

So, our view is that the decline in gold is likely to be relatively short-lived. While the timing is hard to pinpoint, we do expect gold to rebound and forecast the precious metal to climb to USD 6,200 an ounce by the end of June, scaling back to USD 5,900/oz in early 2027, from around USD 4,500/oz at present.

Chart of the week

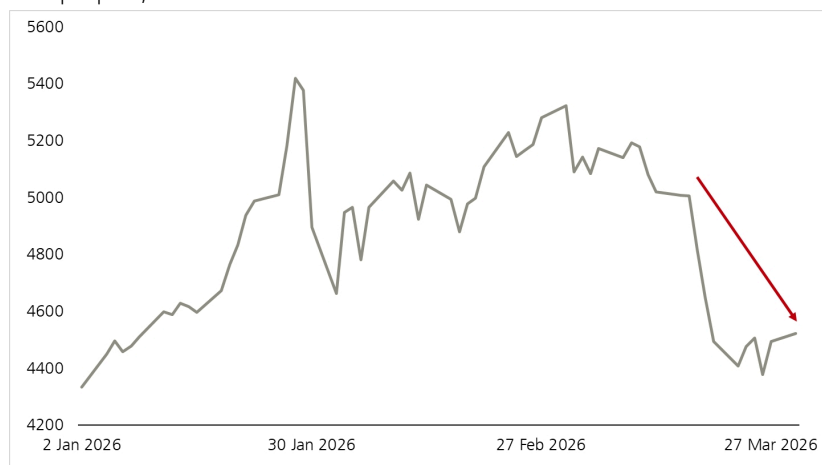
At the time of writing, gold spot prices are around USD 4,530.2, down about 9.7% from two weeks ago. This drop comes as global markets continue to navigate heightened geopolitical tensions in the Middle East and ongoing uncertainty around energy flows through the Strait of Hormuz. The recent pullback in gold reflects shifting investor sentiment, with attention focused on inflation risks, central bank policy signals, and the broader impact of commodity price volatility.

As growth concerns become more apparent, this headwind for gold should ease. We continue to expect Fed easing later this year and anticipate renewed demand from investors and central banks as liquidity preferences normalize.

Against this backdrop, we believe gold's long-term upward trajectory remains intact, forecasting the precious metal to reach USD 5,900/oz by the end of this year. Investors with an affinity for gold should consider a mid-single-digit percentage allocation given its enduring role as both a hedge and an instrument for portfolio diversification.

Gold has declined 16% since its January peak

Gold spot price, USD/oz



Bloomberg, UBS as of 30 March 2026

Non-Traditional Assets

Non-traditional asset classes are alternative investments that include hedge funds, private equity, real estate, and managed futures (collectively, alternative investments). Interests of alternative investment funds are sold only to qualified investors, and only by means of offering documents that include information about the risks, performance and expenses of alternative investment funds, and which clients are urged to read carefully before subscribing and retain. An investment in an alternative investment fund is speculative and involves significant risks. Specifically, these investments (1) are not mutual funds and are not subject to the same regulatory requirements as mutual funds; (2) may have performance that is volatile, and investors may lose all or a substantial amount of their investment; (3) may engage in leverage and other speculative investment practices that may increase the risk of investment loss; (4) are long-term, illiquid investments, there is generally no secondary market for the interests of a fund, and none is expected to develop; (5) interests of alternative investment funds typically will be illiquid and subject to restrictions on transfer; (6) may not be required to provide periodic pricing or valuation information to investors; (7) generally involve complex tax strategies and there may be delays in distributing tax information to investors; (8) are subject to high fees, including management fees and other fees and expenses, all of which will reduce profits.

Interests in alternative investment funds are not deposits or obligations of, or guaranteed or endorsed by, any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other governmental agency. Prospective investors should understand these risks and have the financial ability and willingness to accept them for an extended period of time before making an investment in an alternative investment fund and should consider an alternative investment fund as a supplement to an overall investment program.

In addition to the risks that apply to alternative investments generally, the following are additional risks related to an investment in these strategies:

- **Hedge Fund Risk:** There are risks specifically associated with investing in hedge funds, which may include risks associated with investing in short sales, options, small-cap stocks, "junk bonds," derivatives, distressed securities, non-U.S. securities and illiquid investments.
- **Managed Futures:** There are risks specifically associated with investing in managed futures programs. For example, not all managers focus on all strategies at all times, and managed futures strategies may have material directional elements.
- **Real Estate:** There are risks specifically associated with investing in real estate products and real estate investment trusts. They involve risks associated with debt, adverse changes in general economic or local market conditions, changes in governmental, tax, real estate and zoning laws or regulations, risks associated with capital calls and, for some real estate products, the risks associated with the ability to qualify for favorable treatment under the federal tax laws.
- **Private Equity:** There are risks specifically associated with investing in private equity. Capital calls can be made on short notice, and the failure to meet capital calls can result in significant adverse consequences including, but not limited to, a total loss of investment.
- **Foreign Exchange/Currency Risk:** Investors in securities of issuers located outside of the United States should be aware that even for securities denominated in U.S. dollars, changes in the exchange rate between the U.S. dollar and the issuer's "home" currency can have unexpected effects on the market value and liquidity of those securities. Those securities may also be affected by other risks (such as political, economic or regulatory changes) that may not be readily known to a U.S. investor.

Global asset class preferences definitions

The asset class preferences provide high-level guidance to make investment decisions. The preferences reflect the collective judgement of the members of the House View meeting, primarily based on assessments of expected total returns on liquid and commonly known indices, House View scenarios, and analyst convictions over the next 12 months. Note that the tactical asset allocation (TAA) positioning of our different investment strategies may differ from these views due to factors including portfolio construction, concentration, and borrowing constraints.

Attractive: We consider this asset class to be attractive. Consider opportunities in this asset class.

Neutral: We do not expect outsized returns or losses. Hold longer-term exposure.

Unattractive: We consider this asset class to be unattractive. Consider alternative opportunities

Note: For equities, we have a five-tier rating system with two additional preferences

Most Attractive: We consider this asset class to be among the most attractive. Investors should seek opportunities to add exposure.

Least Attractive: We consider this asset class to be among the least attractive. Seek more favorable alternatives opportunities.

When equities are included with the other asset classes in the three-tier rating system, we collapse "Most Attractive" with "Attractive" and "Least Attractive" with "Unattractive."

Appendix

Risk information

UBS Chief Investment Office's ("CIO") investment views are prepared and published by the Global Wealth Management business of UBS Switzerland AG (regulated by FINMA in Switzerland) or its affiliates ("UBS"), part of UBS Group AG ("UBS Group"). UBS Group includes former Credit Suisse AG, its subsidiaries, branches and affiliates. Additional disclaimer relevant to Credit Suisse Wealth Management follows at the end of this section.

The investment views have been prepared in accordance with legal requirements designed to promote the **independence of investment research**.

Generic investment research – Risk information:

This publication is **for your information only** and is not intended as an offer, or a solicitation of an offer, to buy or sell any investment or other specific product. The analysis contained herein does not constitute a personal recommendation or take into account the particular investment objectives, investment strategies, financial situation and needs of any specific recipient. It is based on numerous assumptions. Different assumptions could result in materially different results. Certain services and products are subject to legal restrictions and cannot be offered worldwide on an unrestricted basis and/or may not be eligible for sale to all investors. All information and opinions expressed in this document were obtained from sources believed to be reliable and in good faith, but no representation or warranty, express or implied, is made as to its accuracy or completeness (other than disclosures relating to UBS). All information and opinions as well as any forecasts, estimates and market prices indicated are current as of the date of this report, and are subject to change without notice. Opinions expressed herein may differ or be contrary to those expressed by other business areas or divisions of UBS as a result of using different assumptions and/or criteria. UBS may utilize artificial intelligence tools ("AI Tools") in the preparation of this document. Notwithstanding any such use of AI Tools, this document has undergone human review.

In no circumstances may this document or any of the information (including any forecast, value, index or other calculated amount ("Values")) be used for any of the following purposes (i) valuation or accounting purposes; (ii) to determine the amounts due or payable, the price or the value of any financial instrument or financial contract; or (iii) to measure the performance of any financial instrument including, without limitation, for the purpose of tracking the return or performance of any Value or of defining the asset allocation of portfolio or of computing performance fees. By receiving this document and the information you will be deemed to represent and warrant to UBS that you will not use this document or otherwise rely on any of the information for any of the above purposes. UBS and any of its directors or employees may be entitled at any time to hold long or short positions in investment instruments referred to herein, carry out transactions involving relevant investment instruments in the capacity of principal or agent, or provide any other services or have officers, who serve as directors, either to/for the issuer, the investment instrument itself or to/for any company commercially or financially affiliated to such issuers. At any time, investment decisions (including whether to buy, sell or hold securities) made by UBS and its employees may differ from or be contrary to the opinions expressed in UBS research publications. Some investments may not be readily realizable since the market in the securities is illiquid and therefore valuing the investment and identifying the risk to which you are exposed may be difficult to quantify. UBS relies on information barriers to control the flow of information contained in one or more areas within UBS, into other areas, units, divisions or affiliates of UBS. Futures and options trading is not suitable for every investor as there is a substantial risk of loss, and losses in excess of an initial investment may occur. Past performance of an investment is no guarantee for its future performance. Additional information will be made available upon request. Some investments may be subject to sudden and large falls in value and on realization you may receive back less than you invested or may be required to pay more. Changes in foreign exchange rates may have an adverse effect on

the price, value or income of an investment. The analyst(s) responsible for the preparation of this report may interact with trading desk personnel, sales personnel and other constituencies for the purpose of gathering, synthesizing and interpreting market information.

Different areas, groups, and personnel within UBS Group may produce and distribute separate research products **independently of each other**. For example, research publications from **CIO** are produced by UBS Global Wealth Management. **UBS Global Research** is produced by UBS Investment Bank. **Research methodologies and rating systems of each separate research organization may differ**, for example, in terms of investment recommendations, investment horizon, model assumptions, and valuation methods. As a consequence, except for certain economic forecasts (for which UBS CIO and UBS Global Research may collaborate), investment recommendations, ratings, price targets, and valuations provided by each of the separate research organizations may be different, or inconsistent. You should refer to each relevant research product for the details as to their methodologies and rating system. Not all clients may have access to all products from every organization. Each research product is subject to the policies and procedures of the organization that produces it. The compensation of the analyst(s) who prepared this report is determined exclusively by research management and senior management (not including investment banking). Analyst compensation is not based on investment banking, sales and trading or principal trading revenues, however, compensation may relate to the revenues of UBS Group as a whole, of which investment banking, sales and trading and principal trading are a part.

Tax treatment depends on the individual circumstances and may be subject to change in the future. UBS does not provide legal or tax advice and makes no representations as to the tax treatment of assets or the investment returns thereon both in general or with reference to specific client's circumstances and needs. We are of necessity unable to take into account the particular investment objectives, financial situation and needs of our individual clients and we would recommend that you take financial and/or tax advice as to the implications (including tax) of investing in any of the products mentioned herein.

This material may not be reproduced or copies circulated without prior authority of UBS. Unless otherwise agreed in writing UBS expressly prohibits the distribution and transfer of this material to third parties for any reason. UBS accepts no liability whatsoever for any claims or lawsuits from any third parties arising from the use or distribution of this material. This report is for distribution only under such circumstances as may be permitted by applicable law. For information on the ways in which CIO manages conflicts and maintains independence of its investment views and publication offering, and research and rating methodologies, please visit www.ubs.com/research-methodology. Additional information on the relevant authors of this publication and other CIO publication(s) referenced in this report; and copies of any past reports on this topic; are available upon request from your client advisor.

Important Information About Sustainable Investing Strategies: Sustainable investing strategies aim to consider and incorporate environmental, social and governance (ESG) factors into investment process and portfolio construction. Strategies across geographies approach ESG analysis and incorporate the findings in a variety of ways. Incorporating ESG factors or Sustainable Investing considerations may inhibit UBS's ability to participate in or to advise on certain investment opportunities that otherwise would be consistent with the Client's investment objectives. The returns on a portfolio incorporating ESG factors or Sustainable Investing considerations may be lower or higher than portfolios where ESG factors, exclusions, or other sustainability issues are not considered by UBS, and the investment opportunities available to such portfolios may differ.

External Asset Managers / External Financial Consultants: In case this research or publication is provided to an External Asset Manager or an External Financial Consultant, UBS expressly prohibits that it is redistributed by the External Asset Manager or the External Financial Consultant and is made available to their clients and/or third parties.

USA: Distributed to US persons only by UBS Financial Services Inc. or UBS Securities LLC, subsidiaries of UBS AG. UBS Switzerland AG, UBS Europe SE, UBS Bank, S.A., UBS Brasil Administradora de Valores Mobiliarios Ltda, UBS (Brasil) Corretora de Valores S.A., UBS Asesores Mexico, S.A. de C.V., UBS SuMi TRUST Wealth Management Co., Ltd., UBS Wealth Management Israel Ltd and UBS Menkul Degerler AS are affiliates of UBS AG. **UBS Financial Services Inc. accepts responsibility for the content of a report prepared by a non-US affiliate when it distributes reports to US persons. All transactions by a US person in the securities mentioned in this report should be effected through a US-registered broker dealer affiliated with UBS, and not through a non-US affiliate. The contents of this report have not been and will not be approved by any securities or investment authority in the United States or elsewhere. UBS Financial Services Inc. is not acting as a municipal advisor to any municipal entity or obligated person within the meaning of Section 15B of the Securities Exchange Act (the "Municipal Advisor Rule") and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of the Municipal Advisor Rule.**

For country information, please visit ubs.com/cio-country-disclaimer-gr or ask your client advisor for the full disclaimer.

Additional Disclaimer relevant to Credit Suisse Wealth Management

You receive this document in your capacity as a client of Credit Suisse Wealth Management. Your personal data will be processed in accordance with the Credit Suisse privacy statement accessible at your domicile through the official Credit Suisse website. In order to provide you with marketing materials concerning our products and services, UBS Group AG and its subsidiaries may process your basic personal data (i.e. contact details such as name, e-mail address) until you notify us that you no longer wish to receive them. You can optout from receiving these materials at any time by informing your

Relationship Manager.

Except as otherwise specified herein and/or depending on the local Credit Suisse entity from which you are receiving this report, this report is distributed by UBS Switzerland AG, authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA).

Version A/2026. CIO82652744

© UBS 2026. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.