

Purple Patch

FEBRUARY 2026

www.purpledaffodilconsulting.com



Purple Daffodil
CONSULTING

In the news: Record Markets

The month began with the largest build-up of US naval forces in the Gulf since 2003, to put pressure on Iran to curb its nuclear ambitions. Oil had moved higher but markets didn't seem to be pricing any major disruption to the Strait of Hormuz, through which c. 20% of global supply travels. However, the weekend's attacks, and counterattacks following the death of Ayatollah Khamenei, have, according to Bloomberg, led shipping to build up around the strait and, with markets closed, the effects on oil prices and broader markets will only be seen tomorrow.

The President had his wings clipped when the US Supreme Court ruled that his tariffs overstepped his executive authority. If refunds are enforced, it could cost \$170bn, although he immediately imposed a 10% global tariff and hinted at other means to maintain the wider policy.

In markets, tech stocks cooled as some software businesses came under pressure from disruptive AI tools, which would drive efficiency but not necessarily revenue. This was accompanied by profit-taking and rotation into other sectors, such as energy.

A broader global rotation continued. Emerging Markets' outperformance, which began last year, has been supported by a "sell expensive US and buy cheaper EM" trade and a softer USD. Meanwhile, Bitcoin has fallen around 40–50% since its October peak and silver experienced one of its worst daily falls, after I said last month it was on a march upwards, although it has since recovered some ground.

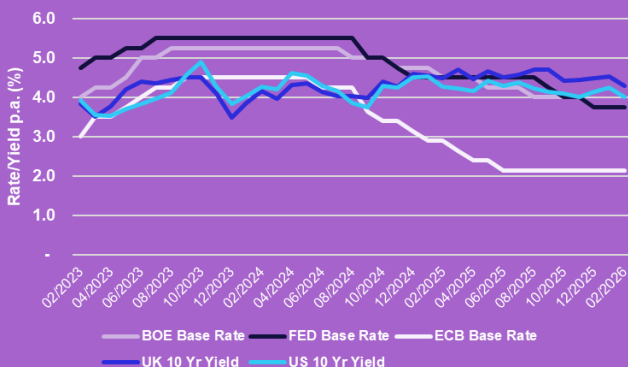
The FTSE 100 hit a record high at month-end, driven higher by cyclical and resource sectors and the same global rotation trade. The UK was not alone, as Europe and Japan also reached new highs, as did the more industrially weighted Dow Jones in the US.

The UK saw Alphabet embark on the largest sterling credit issuance ever – a £5.5bn multi-tranche offering including a £1bn 100-year bond at 6.125%, which was 10 times oversubscribed. In one fell swoop it went from no sterling issuance to the second-largest in the market.

Finally, the month witnessed the longest State of the Union address in US history. If you listened, give yourself a pat on the back. If you did so without fact checking...that is on you!

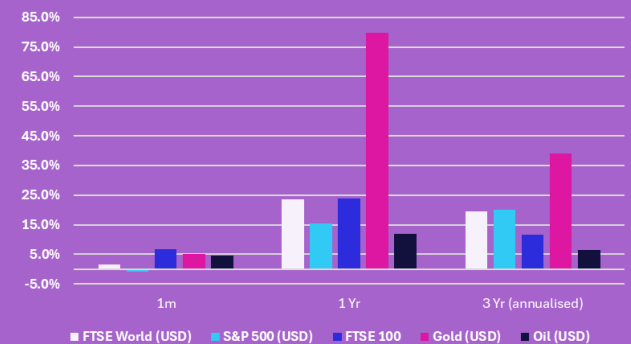


Bond Yields and Rates



Equities, Gold and Oil

Market Stats





Purple Patch

FEBRUARY 2026

www.purpledaffodilconsulting.com



Purple Daffodil
CONSULTING

Sports news (because it is not all about work)

Winter Olympics: Team GB had their best Games ever, with 5 medals (including 3 golds). Overall winners were Norway with 18 golds and 41 medals in total.

Rugby League: Hull KR beat Brisbane Broncos 30-24 to win the 2026 World Club Challenge at the MKM Stadium in Hull.

American Football: The Seattle Seahawks beat the New England Patriots 29-13 in a defence dominated Super Bowl, with a Brit among the coaching staff.

Football: Macclesfield were unable to repeat their FA Cup heroics, going out at home to Brentford 1-0.

DISCLAIMER

The information contained in this document is for informational purposes only. It is not intended to, and should not be construed as, financial advice, an offer, or a solicitation to buy or sell any securities, investments, or products. Any investment involves risks, including the potential loss of principal, and past performance is not indicative of future results.

The content is provided by Purple Daffodil Consulting Limited ("PDCL"). The views and opinions expressed in this communication are those of the author and are subject to change without notice.

PDCL is registered in the United Kingdom (registration number 16054418) and authorised and regulated by the Financial Conduct Authority (FRN 1030808).



A good news story

A baby giraffe, born in Ohio's Toledo Zoo, has become an internet sensation due to a very distinct hairdo.

Weighing in at 130lbs, he is yet to be allowed outside due to low temperatures but will do so in the spring.

Why is this important – it isn't, it was just an excuse to show his picture!

And his name: Eugene.

Quote for the Month

"We're getting away with it, all messed up. Getting away with it, all messed up. That's the living"

James, Getting Away With It, 2001

[Seems to apply to almost everyone at the moment!]

Stat of the Month

10,934

FTSE100 reaches its highest ever intraday level on 27 February, with its highest close at 10,910 on the same day.

