

# Purple Patch



Purple Daffodil  
CONSULTING

APRIL 2026

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## In the news: Market levitation

In a month when the US sent astronauts around the moon in Artemis II, the Strait of Hormuz briefly became the M6 toll road, the US President was subject to another assassination attempt and Sir Keir faced increased pressure due to the appointment of Peter Mandelson, equity markets were up and credit spreads remained tight. Although that masks the volatility over the month.

The S&P hit all time highs (and had the best month since 2020), the Nikkei is close and Emerging Markets are outperforming. Meanwhile oil finished at \$111 a barrel, consumer confidence waned (according to the University of Michigan survey, sentiment fell to the lowest level in the survey's over 50-year history), and inflation pressures built. Some conjuring act!

There are two main reasons for this. Firstly, AI continues to be a major driver of the US and EM markets (notably, South Korea and Taiwan), but it means this rally is highly concentrated. Secondly, investors still seem to be willing to buy any dip, pushing markets higher each time.

How much higher markets can levitate is the question. Central banks may also face some tough decisions if energy driven inflation feeds through to consumer prices at the same time that demand is falling.

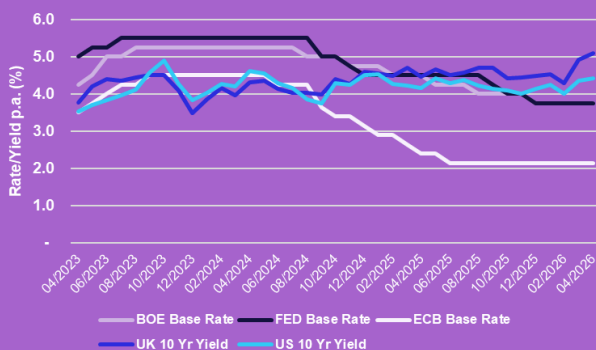
The UK does not have the same AI "wand" as the US, hence UK equities have not risen by as much. However, that may, to some extent, be a blessing in an inflationary and commodity driven environment, given the composite of the FTSE.

In other news, Kevin Warsh, formerly of Morgan Stanley, has been nominated as the next Fed Chair. He has indicated that he would like a smaller balance sheet, reducing it from the current \$6.7tr. Although it may be "slow and deliberate", the impact on market liquidity could be significant.

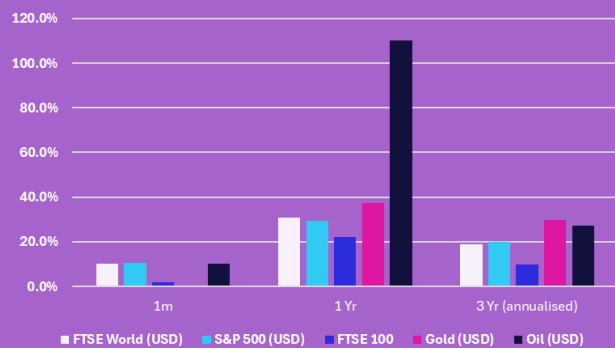
Finally, China continues to run the worlds largest trade surplus (\$1.2tr in 2025 according to Reuters). A key driver is electric and hybrid vehicle exports, with Europe accounting for 42% of sales. The EU trade gap alone stood at \$83bn in Q1. No wonder China has been relatively restrained in its commentary on world affairs..



### Bond Yields and Rates



### Equities, Gold and Oil



### Market Stats





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## Sports news

**London Marathon:** Sebastian Sawe became the first man to win an official marathon in under 2 hours, with Yomif Kejelcha also breaking two hours in second place. Tigst Assefa beat her own world record to win the women's race. New running shoes anyone?

**Golf:** Rory McIlroy successfully defended his Masters title over a rollercoaster four days at Augusta National Golf Club.

**Horse racing:** I Am Maximus, with jockey Paul Townend, won the Grand National at Aintree. For trainer Willie Mullins, it secured his third consecutive victory at the race.

**Cycling:** Wout van Aert beat Tadej Pogacar in a sprint finish at the end of the brutal, often cobbled, "Hell of the North" Paris-Roubaix race.



## A good news story

A pilot study by the Washington State University has identified a new method for treating sewage sludge that produces renewable gas while halving the cost. The pretreatment method generated 200% more renewable gas and converted 80% of sewage sludge, significantly reducing the energy required compared to existing methods.

The result is lower costs and reduced carbon emissions, which turns waste into a far more efficient energy source.

Proof that where there is muck there's (renewable) brass. Sorry.

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## Quote for the Month

*"Bull markets are born on pessimism, grow on scepticism, mature on optimism and die on euphoria."*

Sir John Templeton

## Stat of the Month

# 1:59:30

The new marathon world record set in London

