

Another busy and highly dynamic week across global markets, with geopolitical developments, shifting macro expectations, and major corporate activity all shaping the narrative. The fragile progress in the Middle East and the partial reopening of the Strait of Hormuz drove a noticeable shift in market sentiment, while inflation expectations, central bank outlooks, and global growth concerns continued to evolve in the background. Alongside this, dealmaking remained active with several notable transactions, giving plenty to unpack. As always, I've done my best to filter through the noise and highlight the developments that stood out most this week and that I found particularly relevant.

M&A activity - Deal of the Week

M&A activity remained an important theme this week, with several high-profile transactions and strategic moves highlighting how companies continue to adapt to a more complex macro and financing environment. From large-scale consolidation in European telecoms to strategic repositioning in asset management and continued activity in tech and platform ecosystems, dealmaking once again reflected a mix of defensive balance-sheet adjustments and longer-term growth ambitions. The following developments provide a concise overview of the most relevant transactions shaping the market this week.

Key M&A Developments

One of the most notable developments came from the European telecommunications sector, where a consortium consisting of **Bouygues Telecom, Orange, and Iliad** entered exclusive talks **to acquire Altice's French telecom business SFR** in a deal valued at approximately **\$24 billion**. The transaction is primarily driven by Altice's need to reduce its substantial debt burden, built up during years of aggressive expansion in a low-interest-rate environment. Strategically, the deal would significantly reshape the French telecom market by reducing the number of major operators from four to three, a move that could improve pricing power and industry profitability but will face close regulatory scrutiny. *Financial advisors on the transaction include JPMorgan Chase, Morgan Stanley, and Lazard.*

In the food delivery and platform economy space, **Uber** agreed to **acquire a roughly \$318 million stake in Delivery Hero from Prosus**. The transaction represents about 4.5% of Delivery Hero's capital and forms part of regulatory remedies tied to Prosus's earlier acquisition of Just Eat Takeaway. The deal highlights how antitrust-driven divestitures continue to create tactical entry points for strategic investors. For Uber, the move reinforces its exposure to global delivery platforms, while for Prosus it represents a step toward complying with EU requirements to reduce its stake. *Jefferies and Morgan Stanley acted as financial advisors.*

Another important transaction came from the asset-management industry, where **shareholders of Schroders approved its \$12.5 billion takeover by Nuveen**. The deal marks the end of more than 200 years of family ownership and reflects the structural pressure traditional active managers are facing from low-cost passive investment products. Strategically, the combination creates a global asset-management platform with nearly \$2.5 trillion in assets under management, aiming to achieve scale, cost efficiencies, and broader product diversification. At the same time, the deal underscores ongoing consolidation in the

industry as firms seek to remain competitive in an environment defined by fee compression and shifting investor preferences.

This Week's Deal of The Week: Amazon's \$11.6bn Acquisition of Globalstar

This week's standout transaction is **Amazon's \$11.6 billion acquisition of satellite operator Globalstar**, a deal that reflects the rapidly intensifying competition in the satellite and space-based connectivity market.

At its core, the transaction is a strategic infrastructure play aimed at accelerating Amazon's ambitions in low Earth orbit (LEO) satellite services, where it is competing directly with SpaceX's Starlink network. By acquiring Globalstar, Amazon secures not only an existing satellite network and operational expertise, but more importantly valuable spectrum rights that are critical for enabling direct-to-device (D2D) communication. This technology allows smartphones to connect directly to satellites, a market that is still in its early stages but has significant long-term potential.

The **strategic rationale** is clear. Amazon is looking to close the gap with Starlink, which currently dominates the market with a significantly larger satellite constellation and established partnerships. Through Globalstar, Amazon gains immediate capabilities and strengthens its "Project Kuiper" ecosystem, while also deepening its relationship with Apple, whose devices already rely on Globalstar's satellite infrastructure for emergency communication features. This creates a powerful combination of infrastructure, spectrum, and end-user integration.

From a **financial and operational perspective**, the deal also reflects Amazon's willingness to deploy significant capital into long-term infrastructure bets. The transaction, structured as a mix of cash and stock, is one of Amazon's largest acquisitions and signals that satellite connectivity is becoming a core pillar of its broader ecosystem strategy, alongside cloud, logistics, and consumer devices.

The **opportunities** associated with the deal are substantial. If successful, Amazon could establish itself as a credible second player in the satellite connectivity market, benefiting from growing demand for global internet coverage, aviation connectivity, and remote communication services. The integration of satellite capabilities into consumer devices could also unlock entirely new use cases and revenue streams, particularly in underserved or remote regions.

At the same time, the **risks** should not be overlooked. The satellite market is highly capital-intensive, with significant upfront investment required for launches, infrastructure, and ongoing maintenance. Amazon still lags far behind SpaceX in terms of deployed satellites, and delays in launch capacity have already slowed its rollout. In addition, regulatory approval, spectrum coordination, and technological execution remain key uncertainties. The deal also increases Amazon's exposure to a highly competitive and rapidly evolving industry where scale and speed are critical.

Advisors on the transaction reflect its strategic importance. Globalstar was advised by BDT & MSD Partners and Evercore, while Amazon was supported by Goldman Sachs and Bank of America.

Overall, this deal stands out because it captures a broader shift in the tech landscape: the move toward owning critical infrastructure layers rather than relying on third parties. It is not just an acquisition, but a long-term strategic bet on the future of global connectivity, where the combination of space-based networks and consumer technology could redefine how and where people access the internet.

Market Movements

This week's market action reflected a meaningful shift in tone, with investors moving away from pure crisis positioning and toward a more selective reassessment of risk. The reopening of the Strait of Hormuz and improving hopes around a broader regional de-escalation removed a large part of the war-driven risk premium that had dominated markets in recent weeks. As a result, oil fell sharply, equities rallied, bond yields eased, and the dollar weakened. At the same time, the market did not move into full optimism. Beneath the relief rally, investors are still confronting a more complicated backdrop shaped by sticky inflation expectations, uneven sector fundamentals, and a growing need to distinguish between short-term market relief and genuine long-term improvement.

Key Market Movements This Week

The most important market development this week was the **sharp reversal in energy markets**. Oil prices fell heavily after Iran signaled that the Strait of Hormuz was open to commercial shipping and President Trump indicated that a broader agreement could be nearing completion. WTI dropped to its lowest level since early March, while Brent also posted a steep decline, effectively unwinding a significant portion of the geopolitical premium built up during the conflict. That move triggered a broad risk-on reaction across global markets, with equity indices jumping, Treasury yields moving lower, and sectors most exposed to energy costs, such as airlines, technology, and consumer-sensitive European equities, seeing immediate support.

However, even as **futures markets** reacted quickly, several analysts emphasized that physical supply chains will take much longer to normalize. Tankers still need to clear, refineries and production sites still face repair work, and logistics bottlenecks could last for weeks. That distinction matters because financial markets are already pricing a cleaner normalization path than the physical system may actually deliver. In other words, while the direction of travel improved, markets may still be vulnerable if supply normalization proves slower than current optimism suggests.

Technology was one of the clearest beneficiaries of the improved mood. European semiconductor stocks rallied on the view that an open Strait of Hormuz reduces the risk of helium shortages and eases some pressure on AI-related supply chains. Apple also outperformed after receiving an upgrade based on the idea that its scale, premium positioning, and partnership with Google Gemini leave it relatively well placed in an environment of memory-chip constraints and accelerating AI adoption. Intel remained an important topic as

well, with investors continuing to reward signs of strategic progress, even if the company's actual turnaround is still far from complete.

At the same time, not every **large-cap technology** name participated equally in the recovery. Netflix was a clear example of how strong market positioning does not automatically protect a stock when expectations have run too far ahead. Despite maintaining full-year guidance and still showing solid operational momentum, the company sold off sharply after disappointing investors who had expected a stronger second-quarter outlook and perhaps a more aggressive strategic or capital-allocation signal. The reaction underlined a broader feature of this market: companies are increasingly being judged not only on whether they are doing well, but on whether they are doing even better than elevated expectations.

In **basic materials**, the tone was mixed but increasingly constructive. Precious metals gained support as investors balanced reduced recession fears with continued interest in diversification and hedging. Gold and silver both moved higher during the week, helped by a weaker dollar and lower yields, while silver in particular benefited from the improved macro tone given its stronger industrial-demand component. Lithium-related names also remained active, with robust pricing and strong Chinese data supporting sentiment, although some analysts have become more cautious on select names after very strong year-to-date runs. Across commodities more broadly, the market is still rewarding those areas with favorable supply-demand imbalances, but investors are also increasingly alert to the idea that falling recession risk could bring back supply responses and cap future upside.

Financials also reflected the shift back toward risk appetite. European banks rallied strongly as easing energy fears supported sentiment around growth-sensitive sectors. However, the rates backdrop remains far from settled. Barclays noted that although the most acute risk aversion from the Iran war has largely been unwound, expectations around inflation and interest rates remain in a "higher for longer" regime. That means banks and other cyclical financials may continue to benefit from improving confidence, but they are doing so in an environment where the long end of bond markets still carries inflation and fiscal risk.

Energy-sensitive names naturally moved in the opposite direction. European oil majors sold off sharply alongside crude prices, and the sector that had previously been one of the clearest beneficiaries of the war premium quickly lost leadership. This again reinforced how market leadership is rotating quickly in response to headline-driven shifts in the macro narrative. For now, investors appear more interested in pricing falling inflation risk than preserving the prior geopolitical hedge.

Focus Topic: Intel is improving, but the market may already be pricing in too much success

One of the most interesting stories this week was the **continued enthusiasm around Intel**. The company has become one of the market's most dramatic turnaround trades, with the stock surging sharply over the past year and investors increasingly treating it as a revived strategic winner in the **AI and semiconductor race**. There is clearly some progress behind that move. Intel has secured important partnerships, regained some credibility in advanced manufacturing discussions, and may benefit from a broader shift in AI computing toward inference, where central processing units could become more relevant again.

That shift is important because the **AI market is no longer viewed purely through the lens of GPU dominance**. Training large models still heavily favors Nvidia's GPU ecosystem, but inferencing and agent-based AI workloads are expected to drive greater demand for CPUs and other complementary infrastructure. That is a meaningful opportunity for Intel, whose historical strength lies in processors for servers and PCs. If AI deployment becomes more distributed and more inference-heavy, Intel could indeed benefit from a stronger growth engine than investors had assumed only a year ago.

Even so, **the market may be moving faster than the fundamentals justify**. Intel is still trying to execute several difficult transitions at once: catching up in manufacturing, rebuilding product competitiveness, and proving it can support a foundry model while still designing its own chips. These are not small adjustments, but major strategic and operational challenges. Progress has been made, but the turnaround is still incomplete, and profitability remains far below the levels that once defined Intel's dominance.

That is what makes the **current valuation look increasingly demanding**. A stock can rally strongly because sentiment improves or because a narrative changes, but that does not mean the underlying business has already delivered the earnings power implied by the share price. In Intel's case, even a successful turnaround may not restore the kind of margins investors became used to in the past, especially given stronger competition from AMD, Arm, and even Nvidia in areas that were once far more securely Intel's domain. The company may be on a better path than before, but that is not the same as being out of the woods.

So the **key takeaway** from Intel this week is that the strategic case is improving, but the market is already demanding near-flawless execution. That leaves little room for disappointment, especially in the near term if supply constraints, margin pressure, or slower-than-expected data-center recovery weigh on results. It is a much better story than it was before, but still a risky one at current levels.

Risks and Opportunities for Investors

The main **opportunity** for investors coming out of this week is that the market is beginning to reopen parts of the risk trade that had been shut down by the energy shock. Lower oil prices, easing yields, a softer dollar, and improving sentiment all provide a better backdrop for technology, travel, consumer-sensitive equities, and other sectors that had suffered from the inflation scare tied to the Middle East conflict. If the cease-fire holds and the reopening of Hormuz proves durable, there is room for this relief rally to extend further, especially in areas where valuations had already reset lower during the worst of the volatility.

At the same time, the **biggest risk** is that markets are moving faster than underlying fundamentals. Financial assets can reprice instantly, but physical supply chains, inflation dynamics, and corporate earnings do not adjust that quickly. If oil logistics remain disrupted longer than expected, or if inflation stays higher even as crude falls, the market may have to reconsider how much relief is actually justified. There is also the risk that investors once again extrapolate too aggressively from short-term progress, particularly in crowded turnaround stories or richly valued technology names where expectations are already elevated.

More broadly, the market continues to reward selectivity. The strongest opportunities appear to lie in businesses with clear structural demand, pricing power, or quality balance sheets, especially where recent volatility created more attractive entry points. But this remains an

environment where execution matters greatly, and where relief alone is not enough to justify every valuation.

Looking Ahead

Looking ahead, the key question is whether the market's improved tone can transition into something more durable than a simple relief rally. Much will depend on whether this week's de-escalation holds, whether the Strait of Hormuz stays meaningfully open, and whether oil prices continue to normalize without another geopolitical setback. If those conditions hold, the next phase of the market could be less about crisis management and more about returning to company fundamentals, earnings quality, and sector rotation.

That said, the events of this week also showed how quickly market leadership can shift when the macro narrative changes. Energy lost momentum as soon as the war premium faded, while technology, travel, banks, and precious metals all found renewed support. For investors, the lesson is that the next few weeks will likely continue to favor flexibility and discipline. The macro backdrop has improved, but it has not become simple. Markets have stepped away from the worst-case scenario, yet they are still operating in an environment where inflation, rates, and geopolitics can all reassert themselves very quickly.

Economic Policy Shifts & Other Key Developments

Economic policy and macro developments this week remained heavily shaped by the same question that has dominated markets in recent weeks: whether the fragile diplomatic progress in the Middle East can hold long enough to prevent a deeper and more persistent economic shock. While the partial reopening of the Strait of Hormuz and continued U.S.-Iran negotiations have eased immediate panic, the broader policy backdrop is still defined by uncertainty around inflation, trade flows, central-bank reactions, and the durability of global growth. In other words, the tone has improved, but the macro environment remains far from stable.

One of the most important themes this week was the **growing economic pressure surrounding the U.S.-Iran standoff** and the question of **who ultimately has more leverage**. Iran had initially used the disruption of the Strait of Hormuz as its key strategic and economic lever, raising costs for global trade and energy markets while still benefiting from higher oil prices. But the U.S. naval blockade of Iranian ports has shifted part of that pressure back onto Tehran, weakening Iran's ability to rely on the strait alone as a bargaining tool. At the same time, Iran has tried to show some tactical flexibility by signaling that the strait would remain open during the cease-fire, even if in practice access is still being controlled and restricted through routes overseen by the Iranian military. This has created a more nuanced situation: the headline risk has eased, but the underlying power struggle over trade routes, sanctions, and economic endurance remains unresolved.

For the **broader global economy**, this matters because the burden of disruption is not evenly distributed. Gulf economies are all exposed, but not in the same way. Saudi Arabia and the

UAE can reroute a significant share of exports through pipelines that bypass Hormuz, cushioning the blow and even benefiting from higher oil prices on reduced volumes. Others, such as Qatar and Kuwait, are more directly trapped by the disruption. Iran itself faces even greater pressure because its already fragile economy is now being squeezed not only by wartime damage, but also by the U.S. blockade and reduced access to revenues and imports. The next stage of this standoff therefore looks less like a pure military contest and more like an economic test of endurance, where both leverage and pain tolerance will shape the negotiations.

In the **U.K.**, the latest economic data offered a reminder that some economies entered this energy shock on a somewhat firmer footing than expected, even if that strength may not last. February GDP growth surprised to the upside, with the economy expanding by 0.5% month on month and showing broader-based gains across services, industrial production, and construction. On its own, that was an encouraging signal, especially after a long period of sluggish and inconsistent growth. However, the timing matters. This was effectively a pre-shock reading, captured before the full effects of higher energy prices and supply-chain strains from the Middle East conflict hit households and businesses. As a result, the data likely tells us more about what the U.K. economy looked like just before the squeeze began than about where it is heading now. With higher imported energy costs, weaker real incomes, and slower activity surveys already emerging, the broader view remains that any recovery is likely to be short-lived.

The trade picture in **Europe** also reflected the aftereffects of earlier geopolitical and policy shifts. The European Union's trade surplus narrowed sharply compared with the same period last year, when exporters had been front-loading shipments ahead of anticipated U.S. tariff changes. Exports to the U.S. fell significantly, showing how much of last year's strength had been artificially boosted by tariff timing rather than underlying momentum. At the same time, imports from China continued to rise, reinforcing concerns in Europe that Chinese goods shut out of the U.S. market could increasingly be redirected toward the EU. That concern is already feeding into a more defensive trade stance from Brussels, which has recently moved to impose or expand tariffs and antidumping measures on several categories of imports. So while the Middle East conflict is currently the dominant macro theme, trade fragmentation remains very much alive in the background and is increasingly influencing European policy choices as well.

China's economy, meanwhile, started the year on a relatively strong footing, but with some clear weaknesses just below the surface. First-quarter GDP growth accelerated to 5%, supported largely by robust exports, especially early in the year. That helped China outperform expectations and provided some reassurance that the economy still has pockets of strength. But the composition of that growth is important. Export growth slowed sharply in March, household spending remained weak, the property market continued to deteriorate, and urban unemployment edged higher. In other words, China is still heavily reliant on external demand at a time when the global backdrop is becoming less supportive. While Beijing is better positioned than many economies to absorb an energy shock thanks to strategic reserves and renewable-energy capacity, a longer period of high energy prices would still hurt its export markets and reduce demand abroad. That is why the current growth momentum, while welcome, still looks vulnerable rather than fully convincing.

In the **United States**, the main policy takeaway this week came from Federal Reserve Governor Christopher Waller, whose remarks highlighted how much the Fed's reaction function has changed. Earlier in the year, Waller had been among the more open voices on

rate cuts, particularly given signs of labor-market softening. Now, however, he is openly warning that a prolonged Middle East conflict and sustained disruptions to oil and commodity flows could remove room for further cuts this year. His comments are important not only because of the content itself, but because they reflect a broader shift at the Fed: policymakers are increasingly wary that repeated supply shocks, even if each one might be “temporary” on its own, can keep inflation elevated for long enough to matter. Waller also pointed out that slower job growth may not be as alarming in the current environment because immigration restrictions have reduced labor-force growth, meaning weaker payroll numbers no longer automatically imply recession risk. That combination, persistent inflation risk and a labor market that may be weaker but not collapsing, makes the Fed significantly more cautious than markets had assumed several months ago.

Looking ahead, the upcoming week will therefore be critical not because it will settle the macro debate, but because it may offer the first clearer evidence of how deeply the recent shock is affecting real economic behavior. In the U.S., retail sales and purchasing managers’ surveys will be watched to see whether higher energy prices are beginning to hurt consumption and business activity in a more visible way. In Europe, PMIs and business sentiment indicators will provide a similar test of whether firms are already pulling back under the weight of higher costs and fresh uncertainty. In the U.K., inflation and activity data will be particularly important given the country’s exposure to imported gas. And across Asia, inflation, trade, and central-bank decisions will show whether policymakers are still comfortable looking through the shock or whether a more hawkish bias begins to build.

Overall, this week’s economic and policy developments showed that the global economy has not yet moved beyond the conflict’s fallout, even if the tone has improved somewhat. The easing in oil prices and the diplomatic progress are clearly constructive, but policymakers and investors alike are still trying to determine whether this is the beginning of stabilization or simply a pause before the next round of pressure. For now, the macro message remains the same: the worst-case scenario has become less likely, but the economic consequences of the past several weeks are still feeding through, and central banks are likely to remain cautious until they are confident that the inflation shock is truly fading rather than merely pausing.

A Few Words

All in all, it has been another exciting and highly eventful week across markets, dealmaking, and the broader macro landscape. From major corporate transactions and shifting market sentiment to continued developments in energy markets, inflation expectations, and global policy responses, there was once again a great deal for investors to digest. At the same time, weeks like this are a reminder that many of the most important themes do not end with the first headline but continue to unfold over the weeks and months ahead, which makes it all the more worthwhile to keep a close eye on what comes next.

As always, thank you very much to everyone who continues to read and support *The Weekly Market Brief*. I truly appreciate the feedback, the engagement, and the growing interest in the project. If you have any thoughts, suggestions, or criticism, feel free to share them, I am always happy to hear your feedback. And if you have not subscribed yet, make sure to do so to be notified as soon as next week’s edition goes live. There will certainly be plenty more to watch in the coming weeks, and I hope to see you back here again next week.

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