FEATURE

WEEKLY MARKET REVIEW 27 July 2026

The week in seven charts

Chart #1: A two-chokepoint problem for oil
Read more on page 2 - Source: iStock/Andrii Yalanskyi

Two chokepoints, one oil shock

From tightening oil chokepoints to mounting AI-related debt and a widening credit-market divide, energy, capital and geopolitics are telling a single story of scarcity and strain. Each week, the Syz investment team takes you through the last seven days in seven charts.

Charles-Henry Monchau, CFA, CAIA, CMT
Chief Investment Officer
charles-henry.monchau@syzgroup.com

Chart #1

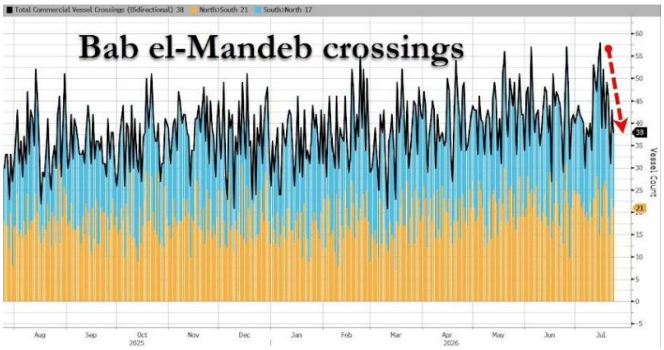
A two-chokepoint problem for oil

Brent crude has climbed back to $100 per barrel for the first time in two months, after Iran-backed Houthi militants attacked two Saudi Arabian tankers in the Red Sea, intensifying the Middle East conflict and stoking fears of further supply disruption.

The attacks open a new front in a conflict already disrupting shipping through the Strait of Hormuz amid renewed US-Iran tensions. The Bab el-Mandeb Strait has served as a key alternative export route since the conflict began.

Oil markets are also grappling with repeated attacks on the Caspian Pipeline Consortium terminal on Russia's Black Sea coast, which handles most of Kazakhstan's crude exports, while months of conflict have depleted global inventories, raising the risk of a supply squeeze that could hurt the global economy.

According to Saxo Bank, the attacks have pushed ships to avoid the Bab el-Mandeb Strait, creating a "two-chokepoint problem" for oil flows, adding a fresh risk premium to crude and reviving inflation concerns.

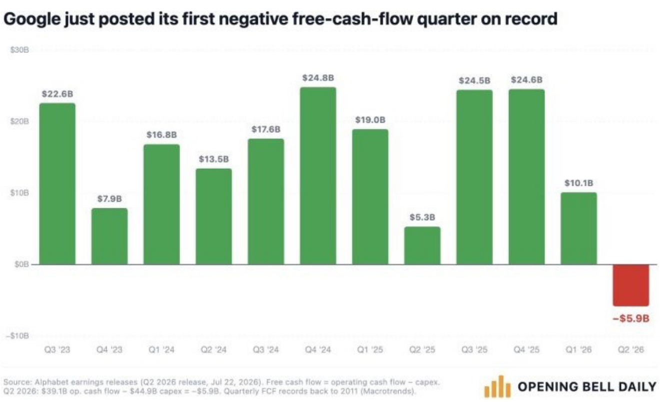


Source: zerohedge

Chart #2

Alphabet just reported NEGATIVE free cash flow for the first time in history

The pressure may continue, as Alphabet now expects 2026 capital expenditures to reach between $195 billion and $205 billion. This raises its already exceptionally high spending forecast as the company invests heavily to gain an advantage in the AI race.



Source: Hedgie

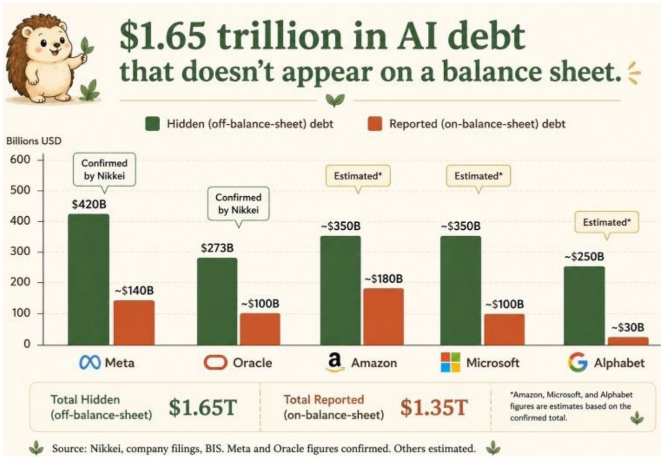
Chart #3

$1.65 Trillion in AI debt that doesn't appear on a balance sheet

A Nikkei investigation found that Alphabet, Microsoft, Amazon, Meta and Oracle carry roughly $1.65 trillion in off-balance-sheet obligations, more than the $1.35 trillion in debt they officially disclose.

These obligations, including GPU purchase agreements, data centre leases and joint ventures, remain largely hidden under current accounting rules until the related facilities go live.

As new AI infrastructure comes online, these commitments will gradually appear on balance sheets. If AI demand falls short, the assets involved could be written down, with losses hitting shareholders and the private credit investors who helped finance the buildout.



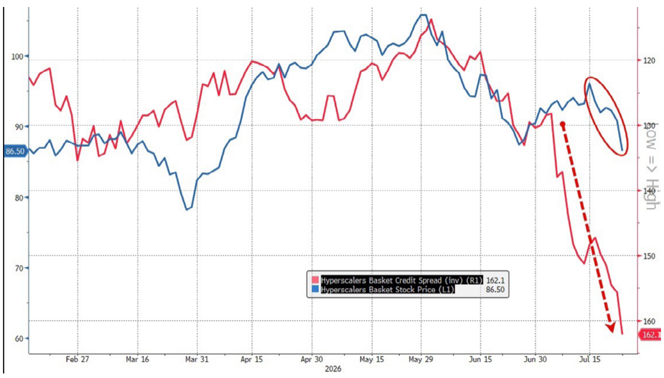
Source: Hedgie

Chart #4

Carnage in hyperscaler bond land. Will stocks follow?

Investment-grade bond spreads for hyperscalers are widening rapidly as credit investors become increasingly reluctant to finance further memory chip purchases. Credit default swap spreads, shown inverted in red, are moving in the same direction.

The key question is how long hyperscaler stocks, shown in blue, can resist before following the deterioration in credit markets.



Source: zerohedge

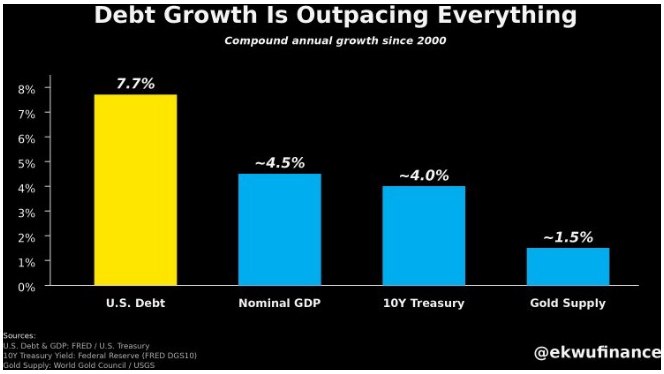
Chart #5

US debt has been growing much faster than the economy for over two decades

Since 2000, US debt has grown at an annual rate of 7.7%, significantly faster than nominal GDP, at roughly 4.5%, and the 10-year Treasury yield, at around 4%. By comparison, the global gold supply has increased by only about 1.5% per year.

For central banks, this creates a clear contrast: government debt is becoming increasingly abundant as issuance rises, while gold remains structurally scarce.

This difference helps explain why many central banks have continued to increase their gold reserves in recent years.

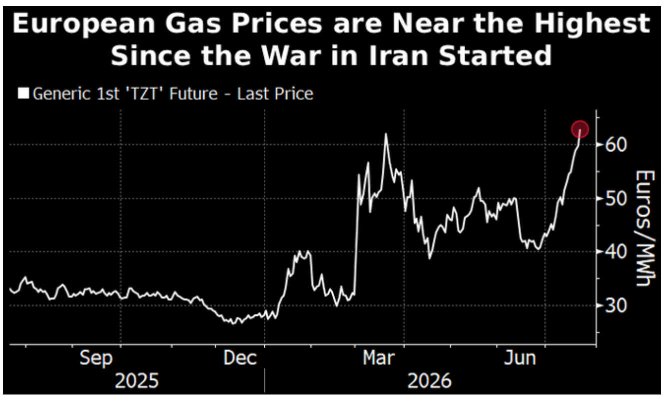


Source: Lukas Ekwueme, @ekwufinance

Chart #6

European gas futures are back near their highest level since the Iran war started

Europe is losing the global liquefied natural gas (LNG) bidding war. Over the past month, European imports have fallen 35% year on year, while China's have risen 8%. Dutch Title Transfer Facility (TTF) prices are again nearing their post-Iran-war peak, not because European demand has strengthened, but because Europe must pay more to attract available cargoes. Supply hasn't vanished; it's simply being redirected towards Asia; for US exporters, the destination makes little difference.



Source: Bloomberg, Jack Prandelli on X

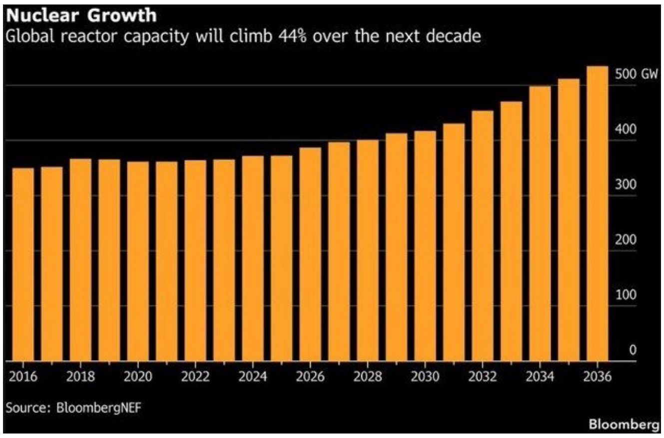
Chart #7

Global nuclear reactor capacity is projected to grow 44% over the next decade

Each new 1 GW nuclear reactor requires roughly 400 tonnes of uranium for its initial core load, then about 160 tonnes annually to stay operational.

The first fuel loads for currently planned reactors would absorb uranium equal to nearly 90% of today's annual global mine production, before generating a single kilowatt-hour.

The uranium market therefore faces more than rising recurring demand; it must first clear a massive backlog of initial core requirements.



Source : Bloomberg, Lukas Ekwueme, @ekwufinance

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For further information

Charles-Henry Monchau, CFA, CAIA, CMT
Chief Investment Officer
charles-henry.monchau@syzgroup.com

Banque Syz SA
Quai des Bergues 1 T. +41 58 799 10 00
CH-1201 Geneva syzgroup.com