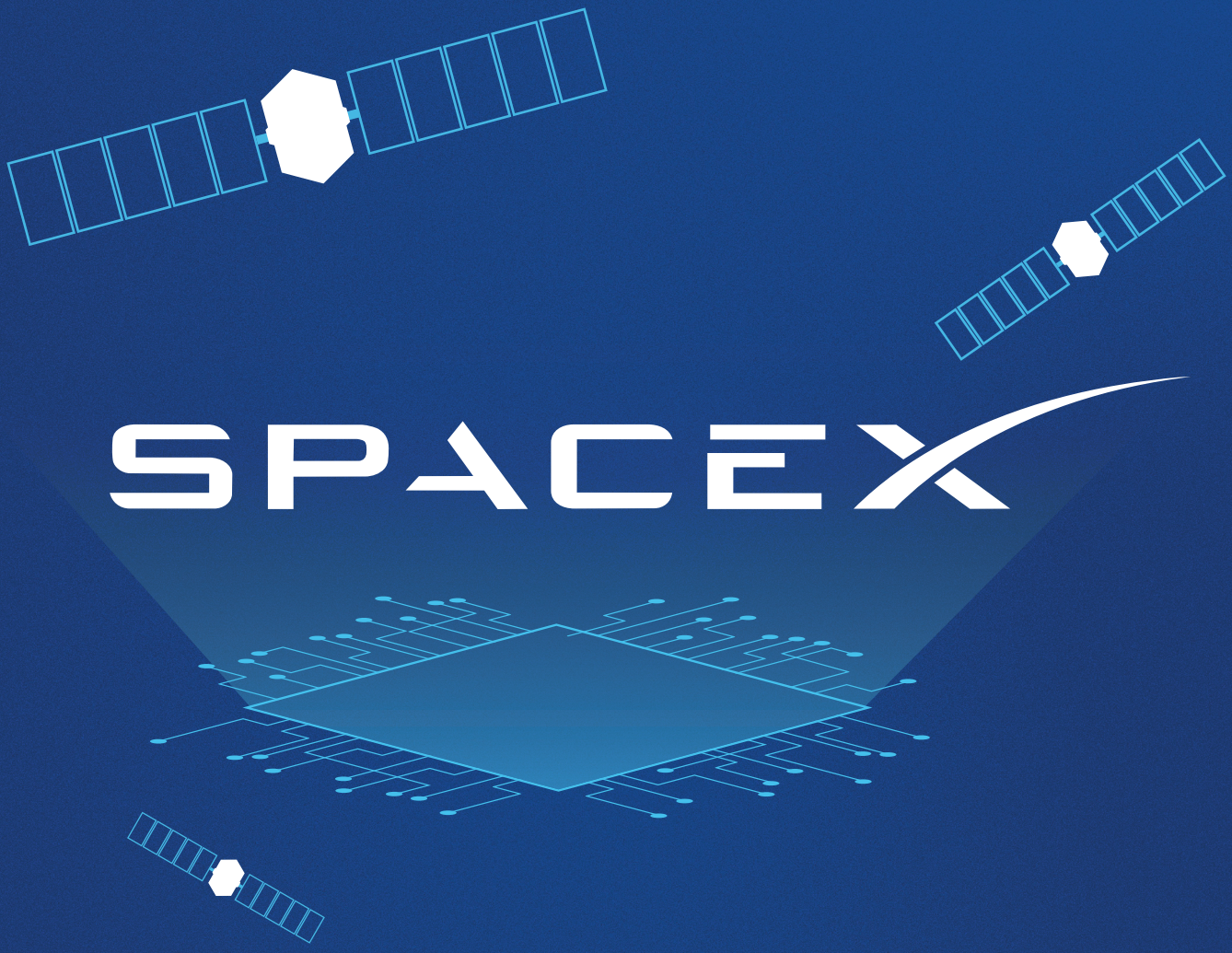
ZITAPLUS
WEEKLY BULLETIN

26 — 30 OCT 2026
NO: 64

SPACEX EXPANDS BEYOND SPACE EXPLORATION



ZITA PLUS

ECONOMIC CALENDAR • TECHNICAL ANALYSIS
IS GOLD ENTERING A NEW PRICING REGIME?
OIL NEAR $120 TESTS US POLICY • AND MORE...

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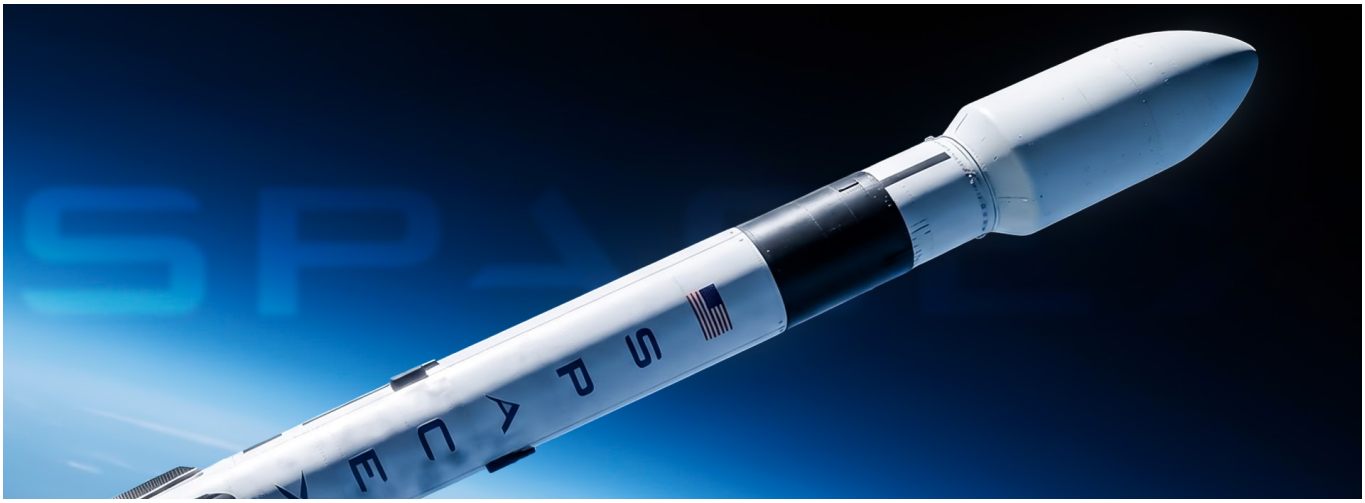
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TIME	CUR.	EVENT	FORECAST	PREVIOUS
TUESDAY, OCT 27				
16:30		Durable Goods Orders (MoM) (Sep)	1.6%	-0.1%
18:00		CB Consumer Confidence (Oct)	80.5	81.9
18:00		New Home Sales (Sep)	652K	684K
WEDNESDAY, OCT 28				
16:30		Autumn Forecast Statement	-	-
17:45		BoC Interest Rate Decision	2.50%	2.25%
18:30		Crude Oil Inventories	-	-3.060M
22:00		Fed Interest Rate Decision	4.00%	4.00%
22:00		FOMC Statement	-	-
22:30		FOMC Press Conference	-	-
THURSDAY, OCT 29				
16:30		Core PCE Price Index (MoM) (Sep)	0.3%	0.2%
16:30		Core PCE Price Index (YoY) (Sep)	3.1%	3.0%
16:30		GDP (QoQ) (Q3)	3.0%	2.2%
16:30		Initial Jobless Claims	-	194K
17:45		Deposit Facility Rate (Oct)	2.50%	2.50%
17:45		ECB Interest Rate Decision (Oct)	2.65%	2.65%
17:45		ECB Press Conference	-	-
FRIDAY, OCT 30				
07:00		BoJ Interest Rate Decision	1.25%	1.25%
13:00		German GDP (QoQ) (Q3)	-	0.3%
17:00		German CPI (MoM) (Oct)	-	0.6%
17:45		Chicago PMI (Oct)	-	58.8

GMT+4 DUBAI TIME

SPACEX EXPANDS BEYOND SPACE EXPLORATION



SpaceX is undergoing a major transformation as its business expands beyond rocket launches and satellite operations. The company's third-quarter 2026 results highlight its growing presence in telecommunications and artificial intelligence, with operations now divided into three main segments: Space, Connectivity, and Super Intelligence (SI).

SPACE OPERATIONS REMAIN A CORE BUSINESS

The Space division covers SpaceX's traditional activities, including Falcon and Starship launches, NASA missions, commercial contracts, and national security projects.
In the third quarter of 2026, the segment generated approximately **$1.77 billion in revenue.**
The period also marked an important milestone for Starship, which completed its first commercial mission by deploying **26 Starlink V3 satellites** into orbit.
Although other divisions now generate considerably more revenue, launch operations remain central to the company's infrastructure and long-term development.

STARLINK DRIVES CONNECTIVITY REVENUE

SpaceX's Connectivity division primarily consists of Starlink, which provides satellite internet services to households, businesses, government agencies, and aviation customers.
The segment reported **$5.25 billion in third-quarter revenue,** supported by continued subscriber growth.
Starlink's consumer subscriber base reached **13.6 million,** making connectivity one of SpaceX's largest businesses and an important contributor to operating profits.
Unlike individual launch contracts, subscription-based services provide a more consistent source of income.

ARTIFICIAL INTELLIGENCE BECOMES THE LARGEST DIVISION

The company's Super Intelligence division, previously known as Artificial Intelligence, has emerged as its biggest revenue generator.
Covering AI infrastructure, cloud services, Grok, Grok Bot, computing capacity, and Cursor, the division recorded **$7.56 billion in revenue** during the third quarter.
Its rapid expansion reflects SpaceX's increasing investment in computing technology and AI-related services.
Together, these developments indicate a broader shift in the company's business model. Rocket launches provide essential infrastructure, Starlink generates recurring revenue, and artificial intelligence offers additional growth opportunities.
SpaceX is increasingly positioning itself as a diversified technology company, bringing space transportation, global connectivity, and advanced computing together under one corporate structure.


SPACEX

EURUSD

EUR/USD HOLDS ABOVE KEY SUPPORT



EUR/USD edged higher toward 1.1220 during early Asian trading, but its recovery remained constrained by political instability and growing debt concerns in France.

Investors are now turning their attention to this week's Fed and ECB interest rate decisions for further market direction.

From a technical standpoint, 1.1180 serves as the key support. A decisive move below this level could extend losses toward 1.1100.

On the upside, 1.1270 is the first key resistance. A break above this level could open the way toward 1.1310.

BRENT OIL

IS ANOTHER OIL RALLY COMING?



Brent crude is trading near $115, supported by Middle East tensions, ongoing friction between Iran and the US, and concerns over potential attacks on Saudi Arabia's energy infrastructure.

After another unsuccessful attempt to break above $120, Brent faces selling pressure near this key resistance level. Prices could see further pullbacks below $120, although persistent supply threats may drive another attempt to break higher.

XAUUSD

GOLD HOLDS NEAR $4,000



Gold traded around $4,000, near a three-month low, as rising energy prices and persistent inflation concerns outweighed safe-haven demand from US-Iran tensions.

Investors await policy decisions from the Fed, ECB and BoJ. While the Fed is expected to hold rates steady, a potential December hike continues to pressure gold.

Initial support stands at $3,940–$3,950, with a breakdown potentially extending losses toward $3,885.

Resistance begins at $4,090, followed by the stronger $4,115–$4,120 zone. A breakout above these levels could improve the near-term outlook.

XAGUSD

SILVER NEARS A TURNING POINT



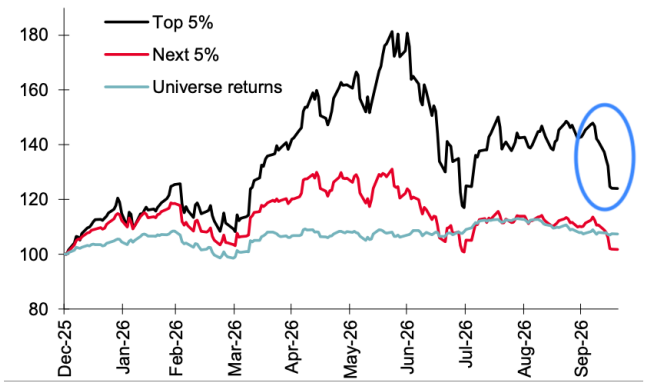
Silver faces further downside pressure if it breaks below $54.00, with initial support at $50.00-$51.00, followed by the stronger $47.25-$47.75 zone, where long-term horizontal support meets the trend structure.

On the upside, $60.50-$61.00 is the first major resistance area. A break above $61.00 could open the way toward $64.00–$66.00, where moving averages and previous price levels converge.

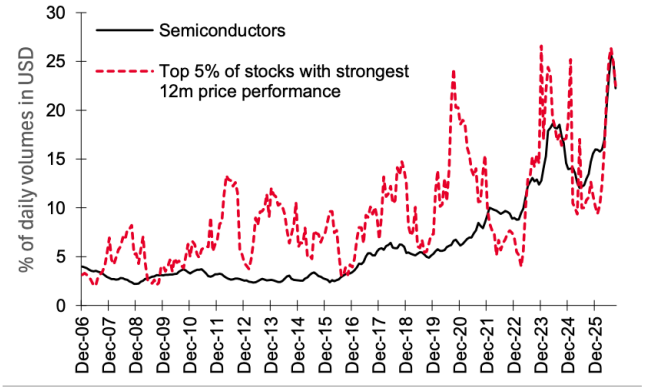
The RSI near 32 signals strong selling momentum and an approach toward oversold territory, suggesting that short-term rebounds are possible despite downside risks below $54.00.

AI STOCKS FACE GROWING SELLING PRESSURE

The 5% of MSCI AC World stocks with the greatest prior 12-month price momentum experienced the biggest price drop



Despite representing just 5% of stocks in MSCI AC World, they represent 25% of daily trading and it's mainly Semiconductors



Source: SG Cross Asset Research/Equity Quant

Selling pressure is building across artificial intelligence and semiconductor stocks as investors reduce exposure to some of the market's strongest performers. Recent declines in momentum stocks suggest that previously popular trades are losing support, particularly among companies that benefited from the AI investment boom.

MOMENTUM STOCKS LEAD MARKET DECLINES

According to Société Générale, the sharpest losses have been concentrated among stocks with the strongest performance over the past year.

The bank's analysis of the MSCI World index highlights the extent of the correction:
•**Top 5% of performers:** Declined approximately 20% last week.
•**Next 5% of performers:** Recorded smaller losses.
•**Market impact:** Selling remained concentrated in heavily owned stocks rather than spreading evenly across global equities.
This pattern suggests that investors are unwinding crowded positions after an extended period of strong returns.

AI INVESTMENT COSTS RAISE CONCERNS

AI and semiconductor companies have attracted substantial investment, but attention is shifting toward the financial returns these businesses can generate.
Investors are increasingly questioning whether spending on data centers, computing infrastructure and advanced chips will translate into sufficient revenue growth.
Financing costs and profitability expectations have become particularly important. As confidence weakens, investors taking profits from earlier gains can add further pressure to share prices.

MARKET CONCENTRATION INCREASES VOLATILITY

Trading activity is also concentrated among relatively few companies. Within an index containing approximately **2,000 stocks, fewer than 100 account for around 25% of daily dollar trading volume.**
Such concentration can accelerate market gains when sentiment improves, but it can also deepen declines when investors move toward safer positions.
AI and semiconductor stocks remain important market themes, although investors are becoming more selective. Companies demonstrating clear earnings potential may attract stronger support than those relying mainly on future growth expectations.
This shift could keep volatility elevated, with sharp movements between periods of renewed AI optimism and broader selling pressure.

IS GOLD ENTERING A NEW PRICING REGIME?



Gold has traditionally moved in the opposite direction of real interest rates. Higher real yields increase the opportunity cost of holding gold, which generates no interest income. However, this relationship has become less reliable in recent years, raising questions about whether the metal is entering a different pricing environment.

GOLD DEFIES TRADITIONAL INTEREST RATE MODELS

Despite elevated real yields and attractive government bond returns, gold continues to trade near historically high levels. Under conventional pricing models, these conditions would normally weigh more heavily on the metal.

The divergence suggests that interest rates are no longer the only major influence on gold prices. Structural demand, particularly from central banks, may be playing a larger role.

CENTRAL BANKS RESHAPE GOLD DEMAND

Unlike hedge funds and other short-term investors, central banks generally purchase gold for strategic purposes rather than immediate returns.
Their main motivations include:

- **Reserve diversification:** Reducing reliance on individual currencies and financial assets.
- **Geopolitical protection:** Limiting exposure to international financial and political risks.
- **Long-term stability:** Maintaining reserves outside conventional debt instruments.

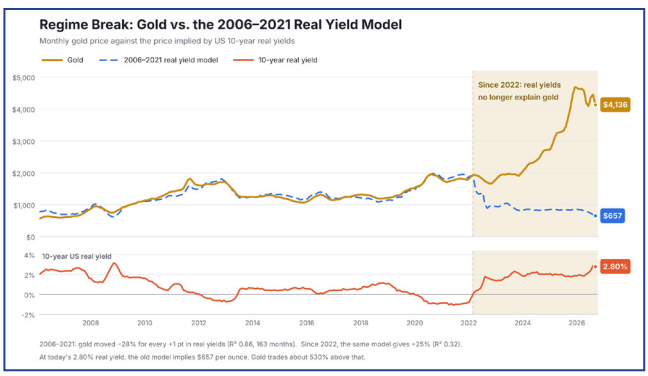
For these institutions, changes in US real yields may carry less weight than broader reserve management objectives.

A NEW PREMIUM IN GOLD PRICES?

Growing government debt, persistent fiscal deficits and geopolitical uncertainty may also be supporting gold valuations. Together with central bank purchases, these factors could explain why traditional interest rate models increasingly underestimate prices.

However, the historical relationship has not necessarily disappeared. If geopolitical tensions ease or central bank purchases slow, real yields could regain their influence over the market.

The main question is whether the structural premium that emerged after 2022 will remain a lasting feature of gold pricing or gradually fade as economic and political conditions change.



UK INFLATION CLIMBS TO 3.5% AS FUEL COSTS SURGE



UK annual inflation accelerated to 3.5% in September 2026, up from 3.1% in August and above forecasts of 3.4%. The reading marked its highest level since October 2025, with rising fuel costs accounting for much of the increase.

FUEL PRICES DRIVE THE INCREASE

Transport inflation jumped to 6.6%, driven by a sharp rise in motor fuel prices. Petrol reached 169.5 pence per litre, while diesel climbed to 192.5 pence, pushing motor fuel inflation to 29.8%.

Price increases also accelerated across housing and household services, communications, and recreation and culture. Food inflation held steady at 1.3%, while inflation in restaurants and hotels eased to 3.8%.

UNDERLYING INFLATION ADDS TO BOE CONCERNS

Price pressures extended beyond energy, with key inflation measures showing further increases:

- Core CPI: Rose to 2.8% from 2.6%.
- Goods inflation: Increased to 3.2%.
- Services inflation: Reached 3.7%.
- Monthly CPI: Consumer prices rose 0.4% in September.

The figures suggest that inflation is spreading beyond fuel costs, complicating the Bank of England's interest rate outlook. Persistent pressure from energy and services prices could make it harder for policymakers to ease monetary policy in the coming months.

Figure 1: CPI at highest rate since October 2025

CPIH, owner occupiers' housing (OOH) costs component and CPI annual inflation rates, UK, September 2016 to September 2026



Source: Consumer price inflation from the Office for National Statistics

OIL NEAR $120 TESTS US POLICY



Brent crude's advance toward 115–120 per barrel is raising concerns about the economic consequences of escalating tensions between the US and Iran. With the Strait of Hormuz remaining a critical route for global oil shipments, further disruptions could keep energy prices elevated and increase pressure on the global economy.

RISING OIL PRICES THREATEN US GROWTH

The US faces significant fiscal challenges as it considers its next steps in the conflict. Federal debt exceeds $40 trillion, and the annual budget deficit stands near $2 trillion, limiting the government's flexibility to respond to a prolonged energy crisis.
Persistently high crude prices would raise gasoline, transportation, and production costs, adding inflationary pressure across the economy.
This could also complicate Federal Reserve policy. Higher energy-driven inflation may delay potential interest rate cuts, keeping borrowing costs elevated for households and businesses.

COULD ECONOMIC PRESSURE ENCOURAGE NEGOTIATIONS?

Oil reaching $120 per barrel would not necessarily trigger an immediate change in Washington's position. However, sustained price increases could make continued military escalation increasingly costly.
As inflation concerns and domestic political pressure grow, diplomatic negotiations may become a more attractive option. Washington could also pursue a combination of military pressure and diplomatic engagement, seeking to maintain its strategic position while preventing further disruption to energy supplies.

STRAIT OF HORMUZ REMAINS CRITICAL

For financial markets, the duration of elevated oil prices may matter more than reaching a particular price level.
A diplomatic agreement and the restoration of secure shipping through the Strait of Hormuz could ease supply concerns and trigger a sharp correction in crude prices.

However, further attacks or prolonged shipping disruptions could push Brent above current levels, increasing inflation risks and weakening global growth expectations.

Investors will therefore be watching for signs of either renewed escalation or progress toward negotiations. The direction of the conflict, particularly its impact on oil transportation, will remain central to the near-term energy market outlook.
Pricing reference: October 23, 2026, at 11:00 (GMT+3).

Market Roundup

INDONESIA FACES A MARKET DOWNGRADE THREAT



Indonesian assets came under further pressure after MSCI warned that the country could lose its emerging market classification and be downgraded to standalone market status. Following Friday's 12% plunge, the benchmark stock index lost another 5% on Monday. The 10-year bond yield climbed 12 basis points, while the rupiah weakened 0.2%. A final decision is expected by June 2027.

GERMANY AND FRANCE FACE ECONOMIC PRESSURES



According to the Ifo Institute, German industrial employment declined 7.1% between early 2019 and the end of 2025, while the services sector added more than 2.2 million jobs, largely in healthcare, social services and public administration. Meanwhile, Moody's affirmed France's Aa3 credit rating with a negative outlook, citing rising government debt, higher borrowing costs, political uncertainty and persistent budget deficits. Both developments highlight economic challenges facing Europe's two largest economies.

EUROPEAN GAS SURGE AS IRAN WARNS OF DISRUPTION



European gas prices hit their highest level since December 2022, with Dutch TTF futures reaching €88.12/MWh following tanker attacks near the Strait of Hormuz and concerns over winter supplies. Gas storage stands at 74%, well below its five-year average. Meanwhile, Iran's Supreme National Security Council Secretary-General Rezaei warned that tensions with the US could keep energy markets unstable for another three years, while Trump cautioned that military operations against Iran could resume if Tehran fails to reach an agreement.

QATAR EXPANDS ITS DEFENSE AMBITIONS



Qatar is planning a new domestic defense manufacturing hub focused on ammunition and air defense systems. The country aims to develop the project with regional partners and international allies, including the US, UK and France.

Market Roundup

US MIDTERMS APPROACH AS TARIFF CHANGES LOOM



The US midterm elections on November 3 will determine all 435 House seats and 35 Senate seats. Projections favor Democrats in the House, with 227 seats against 186 for Republicans and 22 races still competitive. In the Senate, both parties are projected to hold 46 seats, leaving eight races undecided. Republicans need at least four to secure a 50-50 split, giving Vice President JD Vance the deciding vote. Meanwhile, the US plans to revise its additional 50% tariffs on Canadian goods starting October 30, removing some products while adding others as the measures face legal challenges.

UKRAINE CEASEFIRE EXPECTED ON OCTOBER 27



Trump announced that a regional ceasefire between Russia and Ukraine is expected to begin on October 27, expressing interest in developing economic ties with both countries after the war. Meanwhile, his special envoy Steve Witkoff is expected to visit Norway for discussions with Zelenskyy and European officials before traveling to Moscow to meet Putin. Although meeting schedules remain unconfirmed, the anticipated ceasefire marks a potential step toward easing tensions between the two countries.

NORWAY'S SOVEREIGN WEALTH FUND RECORDS Q3 LOSS



Norway's $2.3 trillion sovereign wealth fund declined 0.5% in the third quarter, mainly due to weaker fixed income investments. Bonds lost 3.5%, while equities gained 0.5%, real estate returned 0.4%, and renewable energy infrastructure rose 7.5%.

The fund underperformed its benchmark by 0.18 percentage points as higher interest rates pressured bonds and rate-sensitive sectors. Energy stocks delivered the strongest performance.

PHILIPPINES RAISES INTEREST RATES TO 5.50%



The Philippine central bank unexpectedly increased its policy rate by 50 basis points to 5.50%, seeking to contain inflation and support the weakening peso.

Only one of 25 Bloomberg-surveyed economists expected the move. Total rate increases have now reached 125 basis points this year, following September's inflation rise to 7.2%. Policymakers expect price pressures to remain high through 2027.

The Week Ahead

Markets enter a busy week featuring major central bank decisions, economic releases and corporate earnings. The Fed, ECB and Bank of Japan meetings will be closely watched, alongside US inflation and GDP figures, European economic data and earnings from leading technology companies.

AMERICAS

The Federal Reserve announces its policy decision on October 28, with interest rates expected to remain unchanged. CME FedWatch indicates a 9% probability of an October hike, increasing to over 80% for December.

US PCE inflation is forecast to rise 0.5% monthly in September, while core PCE is expected to increase 0.3%. Third-quarter GDP growth could accelerate to 3.0% annualized, supported by AI investment and consumer spending.

Other releases include durable goods orders, expected to rebound 0.6%, employment costs, consumer confidence, housing prices, new home sales, trade figures, and regional manufacturing surveys.

Corporate earnings will be a major focus, with Alphabet, Microsoft, Amazon, Eli Lilly, Visa, ExxonMobil, Intel, Mastercard, AbbVie, Chevron, Coca-Cola, Caterpillar, Merck, GE Vernova, SanDisk, Verizon, Gilead Sciences, Boeing and T-Mobile scheduled to report.

Elsewhere, Brazil holds its presidential runoff, while the Bank of Canada and Chile's central bank announce interest rate decisions. Canadian monthly GDP, Mexico's third-quarter GDP and trade balance, and Brazil's unemployment figures are also due.

EUROPE

The ECB is expected to hold rates unchanged on Thursday, although another increase is anticipated in December. Euro Area inflation reached 3.8% last month, maintaining pressure on policymakers.

The UK's Autumn Budget on Wednesday is expected to address rising energy costs, fiscal discipline, potential banking tax increases and regulatory adjustments.

Euro Area GDP growth is forecast to slow to 0.2% quarterly and 1.1% annually. Spain is expected to expand 0.6%, while Germany and Italy may each grow 0.1%. Preliminary GDP figures from France and the Netherlands are also due.

Inflation releases from Germany, France, Spain and Italy will accompany unemployment data, Germany's Ifo Business Climate Index and GfK consumer confidence. UK housing and retail indicators, Swiss economic figures and Turkey's unemployment data will also be monitored.

On the corporate side, HSBC Holdings, Novartis, Banco Santander, Linde and TotalEnergies SE are scheduled to report earnings. Serbia's parliamentary election is another event to watch.

ASIA-PACIFIC

China's Fifth Plenary Session, October 26–29, will provide potential policy signals, alongside industrial profits and manufacturing and non-manufacturing PMI figures.

The Bank of Japan is expected to maintain its 1.25% policy rate, although a December increase remains possible. Japanese industrial production is forecast to rebound 1.3%, unemployment to hold at 2.5%, and Tokyo core inflation to ease to 2.6%.

Australia's annual inflation is expected to reach 4.2%, with private-sector credit growth and producer prices also due.

South Korea and Taiwan will publish third-quarter GDP figures, supported by semiconductor demand. India will release industrial production data, while trade figures are expected from Thailand, Hong Kong and the Philippines.

The Reserve Bank of New Zealand is expected to raise rates by 25 basis points to 3%, while Thailand and Pakistan also announce monetary policy decisions.

Samsung Electronics is scheduled to report earnings, and investors will monitor Israel's October 27 legislative elections amid a closely contested political environment.

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