Markets at a Glance

US Equities	Price	% Change 1w	1m	YTD
S&P 500	6 939,03	0,34	1,17	1,37
Nasdaq-100	25 552,39	-0,21	1,37	1,20
S&P MidCap 400	3 437,10	-1,42	2,62	3,99
Russell 2000	2 613,74	-2,08	4,21	5,31

Global Equities	Price	% Change 1w	1m	YTD
MSCI World	4 527,59	-0,15	1,85	2,19
MSCI Emerging Markets	1 528,09	1,24	6,90	8,81
MSCI North America	6 897,34	0,14	0,96	1,21
MSCI Latin America	3 120,95	1,13	14,73	15,19
MSCI Europe ex. UK	240,67	0,04	2,14	2,87
MSCI United Kingdom	2 917,56	0,80	2,82	3,03
MSCI Asia ex. Japan	987,94	1,75	6,03	8,16
MSCI Pacific ex Japan	10 205,42	1,81	6,08	6,91
MSCI Japan	2 192,38	0,70	4,90	4,90
MSCI Emerging EMEA	281,95	0,60	7,78	8,77

Fixed Income	% YTW	yrs Drtn	% Change 1w	YTD
U.S Aggregate	4,36	5,97	-0,13	0,11
U.S. Corporates	4,84	6,89	-0,23	0,18
Municipals	3,45	6,13	0,21	0,94
Global High Yield	3,53	6,32	0,01	0,94

FX	Spot	% Change 1w	1m	YTD
EURUSD	1,19	-0,11	1,26	1,03
EURGBP	0,87	0,32	0,60	0,70
EURCHF	0,92	0,46	1,09	1,31
USDJPY	154,82	-0,41	1,30	1,22
USDCNY	6,94	0,15	0,64	0,64

Commodity	Price	% Change 1w	1m	YTD
Bent Crude	66,12	0,81	8,84	8,66
WTI Crude	61,98	2,23	8,13	7,94
Gold	4 705,30	-7,42	8,68	8,39
Silver	82,17	-28,86	15,70	16,38
Copper	581,10	-3,48	2,10	2,27

Yields	% Yield	% Change 1w	1m	YTD
U.S. 10Y Treasury	4,22	0,01	0,03	0,05
Germany 10Y Bund	2,85	-0,02	-0,06	-0,01
U.K. 10Y Gilt	4,50	0,00	-0,04	0,02

Weekly Recap

Global markets navigated a choppy week (Jan 26–30) as investors balanced new trade tensions with generally supportive economic signals. The S&P 500 edged up about +0.3% over the week, essentially range-bound amid headline-driven swings. Large-cap tech lagged slightly (Nasdaq-100 slipped –0.2%) while small-cap stocks surged (Russell 2000 +2.1%), hinting at a rotation into domestically oriented and value names. Sector performance was bifurcated: defensive **consumer staples** and certain **communication/media** names outperformed, whereas **technology** and **industrials** underperformed the broader market. This pattern suggests that even as risk appetite improved in some areas, pockets of caution remained due to policy uncertainty. Major equity regions were mixed – U.S. and European indices were flat to modestly higher, but **emerging markets** gave back some recent gains (MSCI EM –1.2% for the week) largely on weakness in Asia. Notably, **Latin American** and **Asia ex-Japan** equities extended their strong January rallies, whereas Europe's uptick was more muted, reflecting softer local data.

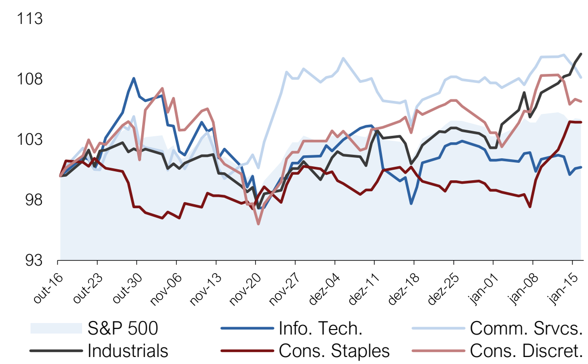
Cross-asset moves echoed the cautious optimism in equities. **Treasury yields** were essentially unchanged (the U.S. 10-year yield held around 4.22%), as bond traders reacted to intra-week headlines but saw no reason to break yields out of their range. Investment-grade bonds posted slight losses (total returns just below zero) with yields ticking up a touch, while **high-yield credit** spreads tightened enough to leave global HY indices flat-to-slightly positive on the week – a sign that appetite for riskier debt remained intact. In foreign exchange markets, the **U.S. dollar** strengthened, most visibly against the euro: EUR/USD fell roughly 1.3% to about $1.09 as divergence in economic momentum (and a flare-up in trade worries focused on Europe) pressured the euro. Traditional safe-haven currencies like the **Japanese yen** also weakened (USD/JPY up ~0.4%), consistent with a mildly "risk-on" tone by week's end. **Commodities** sent mixed signals: **oil prices** rose for a fourth straight week (WTI crude +2.2% to ~$62), supported by hopes of improving demand and some supply constraints, while **industrial metal** prices such as copper fell (–3.5%) amid the mid-week trade uncertainty. **Gold and silver** saw a bout of profit-taking – gold dipped about –1.4% after its strong start to the year – as easing trade fears reduced safe-haven demand, though both metals remained significantly higher on a one-month basis after their early-January surge.

Market Implications

Market behavior last week reflected a cautiously optimistic tone. The outperformance of small-caps and tighter credit spreads suggested improving risk sentiment, while defensive sectors also advanced, revealing a barbell approach to positioning. The stronger U.S. dollar and flat yields indicate a belief in relative U.S. growth strength and a steady Fed. Sector rotation away from tech and into staples points to growing selectivity as markets assess Q1 earnings and macro signals.

Sector Pulse (Rel. vs S&P 500)

- Technology | -0,48pp | duration pressure
- Media | +1,57pp | earnings resilience
- Cons. Staples | +1,21pp | defensive bid
- Industrials | -1,53pp | policy noise



S&P Indices | Rebased to 100 | Last 3 Months | Friday Close

Week Ahead

All eyes turn to the **Fed policy decision (Jan 31)**, with markets expecting rates to remain unchanged. Focus will be on Powell's tone and any forward guidance on cuts later this year. On Friday, the **January U.S. jobs report** will be key — a cooler print could reinforce soft landing hopes, while a strong number may push back rate cut expectations. Globally, **Eurozone CPI** and **China's PMIs** will offer fresh reads on inflation and industrial momentum. Earnings season continues with results from **Alphabet**, **Amazon**, and major energy names, which could drive sector-level rotation and broader risk tone.

Overview

The S&P 500's Information Technology sector slipped about 0.7% for the week as investors digested big-tech earnings and renewed scrutiny of massive AI spending. In contrast, the Communication Services sector rallied nearly 3.9%, lifted by surging social media and internet names. Meanwhile, the Federal Reserve's policy meeting delivered no surprises (rates were held steady) helping major indexes hold onto most of their January gains despite a late-week tech sell-off.

Major Movers

Stocks	Price	% Change 1w	1wRel	1m	%52w
Micron	414,88	3,8	4,2	31,5	89,7
Intel	46,47	3,1	3,5	18,0	78,0
Alphabet	338,00	3,1	3,4	7,3	97,9
AMD	236,73	-8,8	-0,3	5,9	84,1
Netflix	83,49	-3,1	-2,7	-8,2	3,0
Microsoft	430,29	-7,65	-7,3	-9,02	40,6
Apple	259,48	4,6	5,0	-4,3	75,6

Relative to S&P Information Technology and S&P Communication Services
Prices in local currencies. Data from Bloomberg.

Top Performers

- **Micron:** Continued to lead the sector, extending its monthly gain to over 31%. The stock remains supported by optimism around a memory market recovery, driven by growing AI and data center demand for DRAM and NAND chips.
- **Alphabet:** Advanced ahead of its earnings release, lifted by expectations of solid ad revenue and continued cloud growth. The stock is up 18% this month, showing investor confidence.
- **Apple:** Rose on signs of resilient iPhone and services revenue ahead of earnings. The stock rebounded following recent volatility tied to regulatory overhangs and China demand.
- **Intel:** The stock moved higher as investors showed cautious optimism around a potential rebound in PC demand and stabilization in its foundry and server divisions. Although execution risks remain, the positive weekly move suggests growing interest in legacy chipmakers amid the broader semiconductor rally.

Newsflow

Policy / Regulation: The week brought renewed regulatory focus across both the U.S. and Europe. In Washington, antitrust scrutiny resurfaced as the FTC confirmed it would continue pursuing legal action against Meta over its historical acquisitions of Instagram and WhatsApp, aiming to limit what it calls "entrenched digital monopolies."

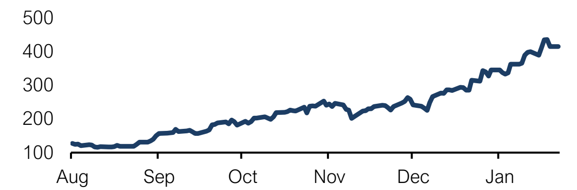
Meanwhile, EU regulators advanced their implementation of the AI Act, which is set to impact how major tech platforms deploy generative AI tools across the bloc. The act mandates transparency in AI systems and may require companies like Alphabet and Microsoft to modify product architecture in 2026. In Asia, China reiterated its intent to review export controls on advanced chips and equipment, signaling potential frictions for U.S. semiconductor firms operating across borders.

Corporate Actions: Verizon made headlines by announcing a massive $25 billion share repurchase plan following its earnings release, citing improved cash flow and strong wireless subscriber momentum. The buyback plan gave telecom stocks a lift across the board. In semis, ASML approved a €12 billion buyback program, reinforcing the strength of its lithography equipment backlog and confidence in long-term chip demand. Separately, reports emerged that Apple had discreetly acquired two AI-focused startups in January, focused on real-time language processing and on-device inference — further deepening its vertical integration efforts in machine learning. Meanwhile, some activist pressure resurfaced at Disney, as shareholders again pushed for a potential ESPN spinoff to unlock value, though management did not signal immediate action.

Earnings / Guidance: Tech earnings were a central driver of market action. Meta delivered a blowout Q4 with accelerating ad revenue and upbeat Q1 guidance, helping the stock surge. Apple also beat on both revenue and earnings, buoyed by strong iPhone and services sales, but warned that rising memory chip prices could pressure gross margins next quarter. Microsoft, despite beating expectations, fell sharply as higher-than-expected AI infrastructure spending spooked investors. SanDisk, the standout in memory hardware, reported a 672% YoY earnings increase and issued a bullish outlook, benefiting from tight NAND supply and growing data center demand. In contrast, Zscaler and other software names underperformed as guidance implied slower sequential growth and margin pressure. Intel, although not a headline mover, stabilized after earnings and modest investor confidence in its PC and foundry segments returning.

Industry data: AI remained the core driver of tech sentiment, but markets began to differentiate between monetizable platforms like Meta and capital-heavy builders like Microsoft. Semiconductor momentum stayed strong, with HBM and NAND prices rising on robust data center demand. SK Hynix's supply deal with Microsoft reinforced optimism in AI memory. Meanwhile, legacy hardware players like Seagate and Western Digital saw renewed attention as storage becomes more critical to AI infrastructure. In telecom, Verizon and AT&T showed steady ARPU and fiber growth, supporting a focus on margins and 5G monetization.

Stock Spotlight



Micron: Micron ended the week up **+3.8%**, extending its rally to over **+31% in January**, as investor optimism around the memory cycle gained further traction. The stock continues to benefit from tight supply and surging demand for **high-bandwidth memory (HBM)** and **NAND flash**, both critical to AI infrastructure buildouts. Recent earnings from peers, including SanDisk and SK Hynix, reinforced the bullish outlook for DRAM pricing, while analysts raised concerns over a looming supply shortage in 2026. Micron is viewed as a key beneficiary of this environment, particularly as hyperscalers accelerate orders for AI-capable servers and training clusters.
Momentum has also been fueled by Micron's improving margin outlook. The company is expected to swing back to profitability in upcoming quarters, driven by operating leverage and mix shift toward higher-value AI-grade memory. With Micron trading near multi-month highs, sentiment remains firmly positive — positioning the stock as one of the top AI hardware plays entering February.

Week Ahead – TMT

The upcoming week will be pivotal for the sector, with **Alphabet**, **Amazon**, and **AMD** set to report earnings. Markets will closely watch Alphabet's ad growth and AI monetization strategy, while Amazon's cloud trends and retail margins could set the tone for the broader tech complex. AMD's results may offer a read on competition in the AI chip market, especially against Nvidia. Beyond earnings, Friday's **U.S. jobs report** could influence rate expectations and risk sentiment, particularly for growth-heavy tech names. Investors will remain focused on capital discipline, margin visibility, and concrete signs of AI-driven revenue.

Weekly Newsletter – 02 February – Consumer / Retail

Overview

Giant retailers and household-product makers benefited from their safe-haven appeal amid market turbulence. Luxury goods sentiment also soured globally after a major fashion house reported a sharper sales decline, dampening hopes for a quick rebound in high-end spending. Still, standout consumer stocks like Walmart and Procter & Gamble managed gains (see below), helping the **S&P 500 Consumer Staples** sector notch a small advance even as discretionary categories struggled.

Major Movers

		% Change			
Stocks	**Price**	**1w**	**1wRel**	**1m**	**%52w**
Alibaba	163,30	-1,2	0,3	9,6	82,4
Walmart	119,14	1,2	0,4	5,7	94,1
Coca-Cola	74,81	2,6	1,8	8,2	99,3
Tesla	430,41	-4,2	-2,7	-1,7	76,0
Cotsco	940,25	-4,4	-5,2	10,0	41,1
Protecter & Gamble	151,77	1,08	0,3	7,04	33,4
Nike	61,81	-4,97	-3,5	-2,32	31,6

Relative to S&P Consumer Staples and S&P Consumer Discretionary
Prices in local currencies. Data from Bloomberg.

Top Performers

- **Protector & Gamble:** The consumer staples bellwether gained around 2% for the week after announcing a stronger holiday quarter. P&G beat expectations on both sales and earnings and raised its fiscal 2026 guidance, citing broad-based volume growth and improved margins. The stock climbed on the results, reflecting optimism about P&G's pricing power and cost discipline going forward.
- **Walmart:** Shares of the world's largest retailer edged up ~1.5%, showcasing resilience even as broader markets wobbled. With solid holiday sales and a robust consumer staples business, Walmart provided stability amid the volatility.
- **Coca-Cola:** The beverage giant's stock rose nearly 2%, likewise benefiting from a flight to safety. Coca-Cola's steady cash flows and strong pricing power proved attractive as investors sought reliable earnings. The slight uptick in KO shares came without any major company-specific news, highlighting how staples were in favor during the market's risk-off stretch

Newsflow

Policy / Regulation There were no major regulatory announcements this week directly affecting the consumer sector, but the policy backdrop remained active. In the U.S., the FTC maintained scrutiny on consumer goods pricing practices, particularly around post-holiday promotions and pricing transparency.

Meanwhile, regulators in the EU continued advancing digital compliance requirements under the **Digital Services Act**, which may affect e-commerce players with marketplace exposure. In the background, industry groups renewed lobbying for tariff relief on imported goods, especially for apparel and footwear, as retailers brace for the full impact of the 2025 universal import tariff regime. On the labor front, early signs of legislative discussions around potential federal minimum wage increases resurfaced in Washington, which could impact large retailers' cost structures later in the year.

Corporate Actions: The week saw limited M&A activity, but a few shareholder-focused headlines stood out. **General Motors** announced a fresh **$6 billion stock buyback program** along with a **20% dividend increase**, signaling confidence in cash flow stability amid an uncertain macro backdrop. In staples, **Procter & Gamble** maintained its current capital return policy but hinted at flexibility for future dividend hikes if cost inflation continues to ease. Meanwhile, news emerged that **Amazon** is accelerating the rollout of its in-house fulfillment robotics program across North American warehouses in a push to improve logistics margins and reduce headcount reliance. In Europe, activist investors continued to push for governance changes at major luxury goods houses following disappointing holiday performance, though no formal restructurings were announced this week.

Earnings / Guidance: Earnings activity was centered on staples and autos. **Procter & Gamble** posted a better-than-expected quarter, with **EPS up 6% YoY**, stable volumes, and gross margin expansion supported by productivity gains. The company modestly raised its full-year EPS guidance, citing improved commodity and freight costs. **General Motors** beat expectations and raised its 2026 outlook, driven by resilient North American demand and strong pricing. On the discretionary side, **Starbucks** posted mixed results, though investors reacted positively to signs of U.S. traffic recovery and sequential improvement in China comps. **Tractor Supply** missed estimates and flagged weaker demand from rural households, leading to a ~7% drop in the stock. Footwear and apparel names remained under pressure: **Nike** was hit by inventory concerns, and several mid-tier fashion retailers pre-announced softer holiday results, leading to more cautious sentiment across the category.

Week Ahead – Consumer/Retail

The first week of February will bring several key earnings releases, including **McDonald's**, **Starbucks (follow-up)**, and **Mondelez**, which will offer early insight into consumer sentiment across quick service, beverages, and snacks. Investors will focus on margin commentary, pricing elasticity, and traffic trends, especially in the U.S. and China. On the macro side, the **U.S. January jobs report** will be closely watched for signs of labor market strength, which could impact wage-sensitive retailers and discretionary outlooks.

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