Weekly Newsletter – 19 January 2026 – Macro Overview

Markets at a Glance

US Equities	Price	% Change 1w	1m	YTD
S&P 500	6.940,01	-0,38	2,06	1,38
Nasdaq-100	25.529,26	-0,92	1,58	1,11
S&P MidCap 400	3.505,84	1,33	5,51	6,07
Russell 2000	2.677,74	2,04	6,29	7,89

Global Equities	Price	% Change 1w	1m	YTD
MSCI World	4.518,15	0,16	2,85	1,98
MSCI Emerging Markets	1.478,25	1,78	9,28	5,26
MSCI North America	6.915,50	-0,27	2,19	1,48
MSCI Latin America	2.870,69	1,80	7,40	5,96
MSCI Europe ex. UK	242,65	0,67	5,59	3,72
MSCI United Kingdom	2.920,14	1,21	5,86	3,12
MSCI Asia ex. Japan	960,18	1,58	9,47	5,12
MSCI Pacific ex Japan	9.779,74	1,60	4,02	2,45
MSCI Japan	2.248,39	5,34	8,68	7,58
MSCI Emerging EMEA	272,87	2,89	6,81	5,27

Fixed Income	% YTW	yrs Drtn	% Change 1w	YTD
U.S Aggregate	4,34	6,01	0,09	0,24
U.S. Corporates	4,83	6,96	0,23	0,33
Municipals	3,45	6,12	0,14	0,88
Global High Yield	3,52	6,37	-0,01	-0,17

FX	Spot	% Change 1w	1m	YTD
EURUSD	1,16	-0,34	-1,27	-1,26
EURGBP	0,87	0,11	0,93	0,53
EURCHF	0,93	0,08	0,28	-0,09
USDJPY	158,13	-0,15	-2,16	-0,90
USDCNY	6,97	0,11	1,04	0,25

Commodity	Price	% Change 1w	1m	YTD
Bent Crude	64,08	1,17	8,76	5,31
WTI Crude	59,41	0,49	7,49	3,47
Gold	4.598,90	2,18	6,84	5,94
Silver	89,73	13,09	43,10	27,08
Copper	584,65	-0,95	10,58	2,90

Yields	% Yield	% Change 1w	1m	YTD
U.S. 10Y Treasury	4,22	0,06	0,08	0,06
Germany 10Y Bund	2,84	-0,03	-0,01	-0,02
U.K. 10Y Gilt	4,40	0,03	-0,12	-0,08

Weekly Recap

Rates: U.S. rates stayed range-bound but volatile around event risk. After December CPI came in broadly in line (headline +0.3% m/m; +2.7% y/y; core +0.2% m/m), Treasury yields initially eased, reinforcing a "wait-and-watch" Fed narrative into the Jan 27–28 meeting (policy expected to stay at 3.50%–3.75%). By Friday, political noise around Fed succession and perceived independence risks pushed yields higher again, with the U.S. 10Y ending near 4.23%; Fed cut pricing continued to drift out, with markets implying only ~20% odds of a March cut. In the UK, the tone remained cautiously dovish: MPC member Alan Taylor argued inflation could return to target around mid-2026, supporting further gradual rate cuts after December's move to 3.75%.

Macro / Policy: U.S. data leaned "resilient but sticky." CPI was moderate on the surface, yet food and shelter re-accelerated (notably strong food inflation), keeping the affordability narrative front and center. Retail sales (catch-up release for November) surprised to the upside (+0.6% m/m; "core" +0.4%), consistent with a still-firm consumption picture—though commentary highlighted increasingly K-shaped spending dynamics. In China, Q4 growth was reported at 4.5%, with industrial output holding up better than retail, underscoring the export-vs-domestic-demand split.

FX: The dollar held a bid through most of the week as stronger U.S. data and fading near-term Fed-cut conviction supported rates differentials. JPY remained the key pressure point: USD/JPY dynamics were shaped by Japan-side political headlines and explicit intervention rhetoric from officials. On 19 Jan, the tone briefly flipped: fresh U.S. tariff threats against Europe over Greenland triggered a risk-off impulse, lifting CHF/JPY and softening the dollar versus traditional havens.

Risk / Sentiment: risk appetite rotated in three phases, with geopolitics repeatedly "opening" and "closing" the tape:

- **12–13 Jan (macro steadies; geopolitics stays latent):** CPI didn't force a policy reprice, helping stabilize risk—even while investors continued to track Venezuela's post-Maduro uncertainty and the practical limits of near-term oil supply expansion.
- **14–16 Jan (rotation + politics):** Equities were choppy but orderly: AI enthusiasm re-ignited after strong semiconductor signals (TSMC a focal point), while banks and cyclicals moved on earnings and policy headlines (including proposed credit-card rate caps). At the same time, Fed-chair succession speculation became a volatility source—markets treated it as a proxy for future policy credibility, lifting yields late-week and keeping the USD supported.
- **19 Jan (tariff shock; classic safe-haven bid):** Trump's escalation—threatening new tariffs on multiple European countries unless a Greenland deal is reached—hit European equities and global futures, while gold and silver printed fresh records (gold near $4,689/oz, silver near $94/oz). Oil dipped on demand-growth concerns and easing near-term Iran supply fears, despite ongoing attention on Venezuela's oil-sales reconfiguration and Chevron licensing discussions.

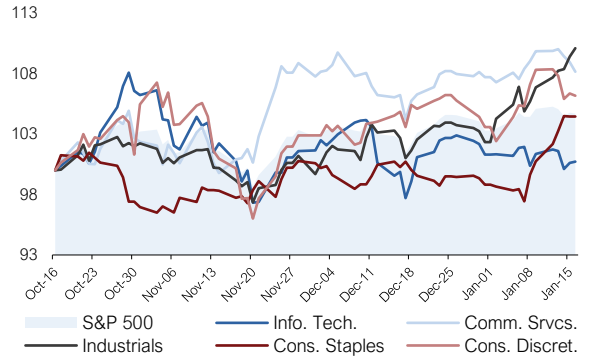
Market Implications

Risk Assets: China's GDP/activity prints and Friday flash PMIs are the main macro swing factors, but tariff rhetoric (Europe now back in the crosshairs) is the key headline risk for equities and credit sentiment this week.

Macro Assets: Oil remains the fastest transmission channel for geopolitics—Venezuela-related export/supply decisions can move crude disproportionately versus broader risk. Gold should stay a secondary hedge unless trade/geopolitical headlines intensify, while USD/rates are likely driven by US personal income/outlays (incl. PCE) and the week's PMI/sentiment prints.

Sector Pulse (Rel. vs S&P 500)

- **Technology** | -0,59pp | duration hit
- **Media** | -1,48pp | beta/off risk
- **Cons. Staples** | +3,75pp | defensive bid
- **Cons. Discretionary** | -1,93pp | USD ↑



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

Week Ahead

Macro: Mon US markets closed (MLK Day) + China Q4 GDP / activity data + Canada CPI; Tue China LPR; Wed UK CPI; Thu US GDP (Q3'25 updated estimate) + Personal Income & Outlays (incl. PCE); Fri Flash PMIs (US/EZ/UK/Japan) + final U. Michigan sentiment.

Central Banks: BoJ meeting (Jan 22–23); Norges Bank policy decision (Jan 22); no major G10 "headline" decisions in the US this week (next FOMC Jan 27–28).

Policy / Geopolitics: Watch renewed trade-tariff rhetoric (risk of escalation/retaliation) and China's post-GDP policy signaling; in commodities, focus remains on oil supply headlines tied to Iran/Venezuela.

Key Risk: Upside inflation surprises (UK CPI; US PCE-linked prints) that re-price rates, plus central-bank surprise risk (BoJ tone) and oil volatility driven by geopolitics and export policy.

Weekly Newsletter – 19 January 2026 – Technology, Media & Telecommunications

Overview

The TMT sector traded mixed over the week. Ongoing enthusiasm for artificial intelligence drove strong gains in semiconductor and data storage stocks, which helped stabilize the tech-heavy Nasdaq. However, weakness in mega-cap internet and high-valuation software names offset those advances, leaving broad tech indexes slightly lower overall.

Major Movers

		% Change			
Stocks	Price	1w	1wRel	1m	%52w
Micron	362,75	5,1	5,8	56,0	95,0
Sandisk	413,62	9,6	10,2	97,6	96,4
Alphabet	330,00	0,4	1,1	7,6	96,1
Western Digital	221,51	10,5	11,1	26,9	95,8
Seagate	326,23	7,3	8,0	13,2	95,7
Apple	255,53	-1,5	-0,8	-6,9	74,5
Zscaler	213,98	-1,3	-0,6	-8,1	26,6

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

Top Performers

- **Sandisk:** Continued its post-spin surge, lifted by investor enthusiasm over pure-play flash exposure and reports of unprecedented NAND price hikes.
- **Micron:** Gained after a board member (ex-TSMC co-CEO) made a $7.8M insider share purchase, reinforcing bullish sentiment on the DRAM cycle and AI-related tailwinds.
- **Seagate:** Rallied on continued momentum in the storage space, as investors priced in tighter supply and rising demand for high-performance HDDs in AI and cloud infrastructure.
- **Western Digital:** Outperformed sharply, benefiting from the sector-wide memory rally and positive pricing dynamics in NAND flash; seen as a key hardware beneficiary in AI compute infrastructure.

Newsflow

Policy / Regulation: Regulatory attention remained elevated this week, with Alphabet continuing to face overhang from its high-profile antitrust case in the U.S. While there were no major courtroom developments, the ongoing Department of Justice litigation over Google's search dominance kept the stock in focus, especially as investors consider the potential long-term risk of structural remedies.

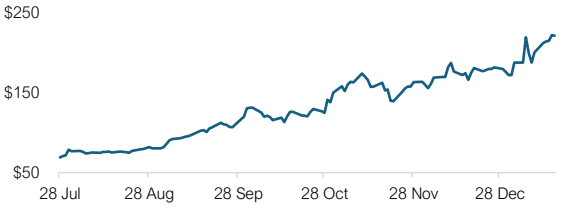
In Europe, regulators progressed with consultations on AI model accountability under the forthcoming EU AI Act, which may ultimately affect large-scale model providers like Alphabet and Apple. Meanwhile, in the U.S., the Federal Trade Commission issued updated guidance on the data governance of synthetic content (including voice and imagery generated by AI) signaling future scrutiny over the infrastructure and platforms enabling generative tools. Although no companies in the TMT coverage list were directly targeted, the policy tone reinforced broader regulatory watchfulness across AI platforms, cloud providers, and digital ecosystems.

Corporate Actions: On the corporate side, Micron attracted attention after board member and former TSMC co-CEO Mark Liu disclosed a $7.8 million personal stock purchase, a rare and notable show of insider conviction. The move was widely interpreted as a bullish signal for Micron's positioning within the current memory upcycle, especially as the company ramps its High Bandwidth Memory (HBM) production to meet surging AI-related demand. Apple also made internal moves this week, with reports suggesting a strategic consolidation of its AI and silicon design units. Though not publicly confirmed, the restructuring points to a potential acceleration of Apple's on-device intelligence capabilities, a theme expected to feature in its next product cycle. While Western Digital and SanDisk did not issue new updates, their share price momentum continued to benefit from the clean break between core HDD and NAND businesses, with investors positioning around capital investment expectations ahead of earnings.

Earnings / Guidance: There were no major earnings reports released from the key TMT names this week, but attention began shifting toward the upcoming earnings cycle starting with **Netflix (Jan 20)** and followed by **Microsoft, Apple, Alphabet** later in the month. Pre-announcement positioning affected sentiment: **Apple** drifted lower as investors priced in caution ahead of results, and **Zscaler** followed other cloud peers lower amid concerns over slowing enterprise software spend.

Industry data: Industry analysts raised short-term forecasts for **DRAM and NAND flash pricing**, citing acute supply tightness driven by AI-related data center build-outs. Some estimates now call for **>20% QoQ increases** in pricing for certain memory types. Semiconductor strength was reinforced by **TSMC's earnings**, which showed record revenue and a 25% hike in capex, signaling robust demand across the chip supply chain. This bolstered sentiment for memory and storage names like **Western Digital, SanDisk, Micron**, and **Seagate**.

Stock Spotlight



Western Digital: The company posted a strong upside last week, rallying **+10.5%**, as investors rotated aggressively into memory and storage names amid signs of accelerating demand for AI infrastructure. The move was fueled primarily by bullish sentiment in the NAND flash market — a segment where Western Digital remains a major global supplier. Analysts highlighted that hyperscalers and enterprise cloud providers are now facing **a bottleneck not just in compute (GPUs), but in storage capacity**, driving a sharp rise in contract and spot prices for NAND. Industry reports from firms like TrendForce suggested that **flash prices could rise by over 20% QoQ**, lifting profit expectations for storage-heavy names.
Western Digital, which recently completed the spin-off of its flash unit into **SanDisk**, benefited from the **cleaner capital structure** and renewed investor focus on its core HDD business, which is also seeing a rebound in demand from data centers. The stock's momentum was also supported by peer strength — SanDisk surged ~9.6%, and Seagate gained ~7.3% — reinforcing the sector-wide repricing of memory-exposed hardware. With AI adoption accelerating and memory pricing improving sharply, the narrative around Western Digital shifted toward **margin recovery and operating leverage**, helping push the stock to its highest level in months.

Week Ahead – TMT

All eyes in TMT turn to **earnings** and guidance from the sector's giants in the coming weeks. **Microsoft** and **Apple** are slated to report their holiday-quarter results by late January, followed by **Alphabet** (Google) in early February. Their outlooks – particularly any commentary on cloud spending, digital ad trends, and AI investments – will be crucial for tech sentiment. Investors will be watching whether Apple's iPhone and services sales met expectations and if Microsoft's cloud growth held up amid economic headwinds. **Micron** and **Western Digital** may also provide business updates or host calls that shed light on memory pricing trends.

Weekly Newsletter – 19 January 2026 – Consumer / Retail

Overview

The **Consumer Staples** segment outperformed. The S&P Staples index jumped roughly **+3.7%,** while **Consumer Discretionary** sagged around **-2%**. The divergence was epitomized by **Genesco** (GCO), a small-cap specialty retailer, which soared **+25.9%** for the week on stellar holiday sales, versus sector heavyweight **Amazon.com** (AMZN), which fell **-3.3%** on profit-taking and company-specific concerns.

Major Movers

		% Change			
Stocks	Price	1w	1wRel	1m	%52w
Amazon	239,12	-3,3	-1,3	7,4	79,0
Walmart	119,70	4,5	6,5	3,7	95,1
Target	111,28	5,5	7,4	13,9	44,9
Genesco	37,77	25,9	27,9	57,7	74,5
Lowe's	277,55	3,9	5,9	12,6	98,3
Costco	963,61	4,2	6,2	12,0	48,1

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

Top Performers

- **Genesco:** The company reported a **9% increase in comparable sales**, led by a 12% jump at its Journeys footwear chain, and raised its full-year EPS guidance from $0.95 to at least $1.30.
- **Target:** Target rebounded sharply as investors reacted positively to signs of **improved holiday traffic and heavy promotional activity**. While sales were up only modestly (~3%), the pivot toward essentials and value helped reassure investors after a volatile 2025.
- **Walmart:** Continued to benefit from its positioning as a value leader. The company raised its full-year guidance to reflect a stronger-than-expected holiday season, and its traffic remained robust as consumers traded down from premium retailers.

Newsflow

Policy / Regulation: On the **policy and regulatory** side, the week was relatively quiet in terms of new U.S. legislation or fiscal developments directly affecting consumer companies. However, international scrutiny of large e-commerce platforms continued. **Amazon** remained under pressure in Europe, where it confirmed plans to **appeal a €173 million antitrust fine** imposed by Italy's competition authority over alleged abuse of marketplace dominance. Although the fine had been reduced in a prior ruling, the ongoing litigation serves as a reminder of the regulatory headwinds facing large digital platforms in both Europe and the U.S.

There were also reports that **Amazon is being informally reviewed in other EU jurisdictions** for its pricing practices toward third-party sellers, particularly concerning listing parity and delivery prioritization. While these developments haven't triggered immediate financial penalties, they have resurfaced concerns about increased operational constraints or compliance costs.

Corporate Actions: In terms of **corporate actions**, the biggest headlines came from **Amazon**, which reportedly began pressuring its suppliers to accept **double-digit price cuts** (in some cases, up to 30%) in order to offset the financial impact of recent import tariffs. While not officially confirmed by the company, multiple supply-chain sources indicated a broader effort by Amazon to **preserve margin through renegotiated vendor terms**, sparking concern among analysts about potential frictions with manufacturers. On the brand side, **Saks Global**, a minority investment held by Amazon, filed for bankruptcy this week. Though its financial exposure was minimal, the story drew attention for signaling stress in the luxury online segment. On the positive side, **Genesco** received analyst upgrades and saw price target hikes from several sell-side desks following its upbeat holiday announcement, fueling a wave of speculative inflows.

Earnings / Guidance: **Genesco** delivered the strongest upside surprise, announcing a **9% increase in holiday same-store sales** and lifting full-year earnings guidance from $0.95 to **at least $1.30 EPS**. The company noted increased transaction volume and share gains across multiple income cohorts. **Target**, meanwhile, recovered ground as analysts flagged an encouraging pickup in holiday foot traffic and noted stabilization in inventory positioning, which had been a pain point in prior quarters. **Costco** added to the bullish tone with a strong December sales report: overall revenue rose 8.5% YoY for the five-week holiday period, with digital sales jumping nearly 19%, a testament to the warehouse model's strength amid cautious discretionary spending.

Industry data: Mastercard and Adobe confirmed that **total U.S. holiday sales rose 4.1% year-over-year**, crossing the $1 trillion threshold for the first time despite macro headwinds. Consumers continued to prioritize value, shifting spend toward essentials and low-price formats. While discretionary categories like luxury and electronics saw mixed results, the overall takeaway was one of **measured but intact consumer demand** heading into 2026.

Week Ahead – Consumer/Retail

The sector enters a quieter period ahead of February earnings, with markets watching for any late-cycle holiday updates or early January retail reads. Amazon, Walmart, and Target are expected to provide guidance within weeks, which could clarify margin trends and demand signals.

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