

Markets at a Glance

US Equities	Price	% Change		
		1w	1m	YTD
S&P 500	6,914.07	-0.44	0.06	1.00
Nasdaq-100	25,574.32	0.11	-0.05	1.29
S&P MidCap 400	3,481.48	-1.01	3.38	5.34
Russell 2000	2,668.21	-0.24	5.00	7.51

Global Equities	Price	% Change		
		1w	1m	YTD
MSCI World	4,500.06	-0.34	0.81	1.57
MSCI Emerging Markets	1,495.16	0.69	7.79	6.46
MSCI North America	6,884.40	-0.39	0.05	1.02
MSCI Latin America	3,045.62	6.16	12.52	12.41
MSCI Europe ex. UK	240.40	-0.92	3.36	2.76
MSCI United Kingdom	2,892.16	-0.93	2.58	2.13
MSCI Asia ex. Japan	964.42	-0.11	7.10	5.58
MSCI Pacific ex Japan	9,867.82	0.86	2.32	3.38
MSCI Japan	2,226.46	-0.98	5.99	6.53
MSCI Emerging EMEA	279.67	2.72	7.09	7.89

Fixed Income	YTW	% Change		
		Yrs	1w	YTD
U.S. Aggregate	4.39	6.01	-0.01	0.00
U.S. Corporates	4.85	6.94	0.17	0.26
Municipals	3.49	6.18	-0.28	0.59
Global High Yield	3.56	6.35	0.30	-0.02

FX	Spot	% Change		
		1w	1m	YTD
EURUSD	1.18	1.88	0.18	0.60
EURGBP	0.87	-0.03	0.62	0.53
EURCHF	0.92	0.71	0.45	0.64
USDJPY	155.85	1.46	0.24	0.55
USDCNY	6.96	0.10	0.95	0.36

Commodity	Price	% Change		
		1w	1m	YTD
Bent Crude	65.96	2.85	5.74	8.40
WTI Crude	61.15	3.31	4.74	6.50
Gold	4,982.10	7.75	11.14	14.77
Silver	102.44	10.93	45.34	45.09
Copper	593.70	-0.91	8.42	4.49

Yields	Yield	% Change		
		1w	1m	YTD
U.S. 10Y Treasury	4.23	0.01	0.07	0.07
Germany 10Y Bund	2.91	0.07	0.04	0.05
U.K. 10Y Gilt	4.51	0.11	0.00	0.03

Weekly Recap

Rates: U.S. rates were range bound but reactive to geopolitics and shifting Fed cut expectations. Economists continue expecting the Fed to hold at 3.50% to 3.75% at the Jan 27 to 28 meeting, with fewer forecasters looking for cuts in the near term, keeping front end easing bets restrained. The U.S. 10Y finished near 4.23%, little changed on the week, as safe haven flows and policy uncertainty supported duration at times, while firm risk appetite in pockets limited follow through.

Macro / Policy: Macro drivers were overshadowed by trade and geopolitical policy signals that influenced risk premia more than data surprises. The dominant policy impulse was Trump's Greenland related tariff threats toward multiple European countries, which markets treated as a meaningful near term trade shock for Europe and a broader risk to global sentiment, even though the initial announcement occurred just before the week began and its market impact carried into this week. By week end, Reuters also flagged renewed trade risk via Trump's threat of steep tariffs on Canada tied to a China deal, adding to the macro risk backdrop.

FX: The dollar was mixed, softer against the euro but firmer versus the yen, reflecting the tug of war between risk off impulses and relative yield dynamics. Early in the week, the Greenland tariff escalation drove classic haven and diversification flows and contributed to a broader dollar wobble while the euro rebounded from initial pressure, consistent with Reuters reporting that markets were jolted and the dollar dipped as the tariff threat hit. USDJPY nonetheless moved higher on the week, leaving FX performance primarily driven by geopolitics and rate differentials rather than a clean macro divergence story.

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

- **18–19 Jan** (tariff onset; safe-haven bid): The week opened with risk aversion as U.S. President Trump threatened escalating tariffs on multiple European allies tied to Greenland negotiations, triggering equity weakness and fueling sharp safe-haven demand evident in record gold and silver prices and haven currency strength, while markets grappled with the possibility of broader trade conflict.
- **20–21 Jan** (continuation; mixed reactions): Risk remained choppy, with global stocks reflecting the tariff shock's lingering impact, equities oscillating on uncertainty around trade relations, while precious metals stayed elevated and some assets found support after indications of a potential de-escalation and backtracking on immediate tariff implementation.
- **22–25 Jan** (relief rally; sentiment recalibration): Later in the period, sentiment improved as reports emerged that Trump softened tariff rhetoric and walked back some threats at the World Economic Forum, helping stabilize risk assets and lift stocks modestly, though the lingering geopolitical risk premium and elevated safe-haven prices signaled that investor caution remained entrenched.

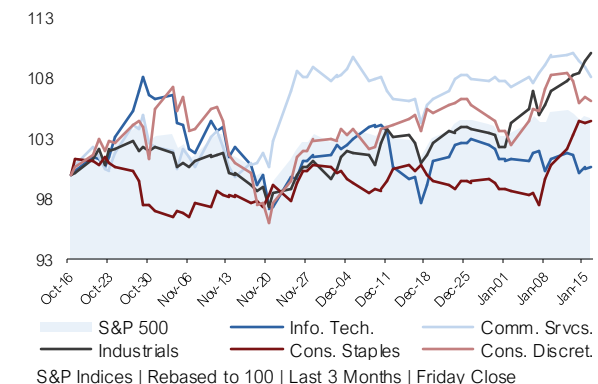
Market Implications

Risk Assets: Beyond Greenland tariff and trade talks market impact, flash PMI prints added a secondary macro layer, with U.S. activity holding in expansion territory while parts of Europe remained soft, reinforcing the regional performance gap visible in equities.

Macro Assets: Gold/Silver became the clearest hedge expression, rallying on safe-haven demand as tariff headlines drove risk premium repricing, even as the dollar dipped after de-escalation. Oil rose on the week, but remained the most headline-sensitive asset. Rates were guided by the same headline cycle alongside U.S. activity data and pushed out Fed cut expectations.

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



Week Ahead

Macro: Mon US New Home Sales + Durable Goods; Tue US Consumer Confidence; Wed FOMC rate decision + Powell press conference; Thu US GDP (Q4 advance) + Personal Income & Outlays (incl. PCE); Fri Flash PMIs (US/EZ/UK/Japan) + final U. Michigan sentiment.

Central Banks: FOMC meeting (Jan 27–28); Powell's tone is expected to be the key global policy signal this week.

Policy / Geopolitics: Focus on U.S. trade rhetoric following recent tariff threats toward Europe and any clarification on implementation; in commodities, attention remains on oil supply headlines tied to Venezuela, Iran, and OPEC discipline.

Key Risk: Inflation surprises in US PCE and GDP deflator that could re-price rate expectations. Renewed tariff escalation driving volatility across FX, rates, and commodities.

Overview

The TMT sector delivered a mixed performance amid divergent trends. Hardware and chipmakers surged, offsetting weakness in mega-cap tech and software. Memory and storage stocks led gains on optimism around AI-driven demand. Overall, the tech hardware rally helped TMT stocks roughly stabilize despite a pullback in some high-valuation names.

Major Movers

Stocks	Price	1w	1m	%52w
MICRON	399,34	18,6	44,5	99,9
INTEL CORP	44,86	-7,2	23,4	99,2
ALPHABET	328,43	-1,3	4,5	95,0
ADVANCED MICRO DEVICES	258,83	13,6	20,4	93,0
NETFLIX INC	85,57	-2,8	-8,5	3,1
MICROSOFT	467,49	2,37	-3,98	50,48
BAIDU	160,50	10,23	34,31	99,20
APPLE INC	248,32	-3,8	-8,8	66,3

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

Top Performers

- **Micron:** Strongest performer of the week, driven by bullish momentum in memory markets and AI-driven DRAM demand. The stock is up nearly 100% YoY and 44.5% in the past month.
- **AMD:** Rallyed sharply after upbeat expectations around AI chip adoption and rising GPU shipments. The stock continues to benefit from optimism in high-performance computing.
- **Baidu:** Continued its upward trend following recent announcements around autonomous driving partnerships and AI cloud expansion. Now up over 34% in the past month and 99.2% YoY.
- **Microsoft:** Gained modestly as investors positioned ahead of earnings and continued to rotate into AI-exposed software and cloud leaders.

Newsflow

Policy / Regulation: U.S. antitrust pressures persisted for Big Tech. In a significant legal development, a federal judge ruled that a consumer lawsuit accusing Google of illegally maintaining its search monopoly through exclusive deals (e.g. making Google the default on devices) can proceed. The judge noted these claims mirror the DOJ's case that led to a 2024 finding of monopoly abuse. Google's attempt to dismiss the case was denied, signaling ongoing regulatory headwinds.

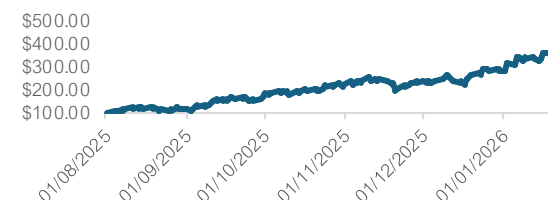
Elsewhere, Amazon began implementing a \$2.5 billion FTC settlement over deceptive Prime sign-up practices – including \$1.5 billion in customer refunds – underscoring the heightened scrutiny on consumer protection. Globally, regulators continued targeting tech giants: for instance, reports suggested South Korea's FTC is preparing a hefty fine (~\$177 million) against Google for abusing mobile app market dominance (adding to the international regulatory overhang).

Corporate Actions: Major capacity investments and deal moves grabbed headlines. Micron announced a **\$1.8 billion** agreement to acquire a semiconductor fabrication plant (the "P5" fab) from Taiwan's Powerchip, aiming to expand DRAM output by 2027. The deal will add 300,000 square feet of cleanroom space and boost Micron's ability to meet surging memory demand in the AI era. Shares of Powerchip in Taiwan jumped ~10% on the news, reflecting optimism about strengthened industry ties. The acquisition underscores aggressive capacity ramp-ups as memory markets tighten, and it reinforced positive sentiment in Micron and its peers. In M&A rumblings, Western Digital continued to rally amid speculation that it could revive merger talks with Japan's Kioxia to combine their NAND flash businesses – a potential \$20 billion deal that would reshape the flash memory landscape (though no official update this week). Additionally, Apple made quieter moves on the corporate front, reportedly planning new retail store investments in India (part of its emerging-market expansion strategy), but no major transactions were announced in TMT during the week.

Earnings / Guidance: While few TMT companies reported earnings this week, bullish guidance and analyst calls fueled the sector. SanDisk's recent results and outlook remained a talking point: the flash-memory maker had reported fiscal Q1 2026 revenue of \$2.3 billion (up 23% YoY) and achieved a net cash positive position ahead of schedule, reflecting strong fundamentals. Micron's CEO noted that memory markets remain tight and projected they will stay undersupplied beyond 2026. In the communication services space, there were fewer updates; however, streaming and social media firms saw modest estimate revisions as investors await their upcoming earnings for clues on ad spending trends.

Industry data: AI infrastructure demand kept pressure on memory markets, with DRAM and NAND prices rising as supply tightens. Global PC shipments grew in Q4 as manufacturers accelerated orders to avoid component shortages. Analysts expect memory constraints to persist through 2026, supporting higher pricing. Meanwhile, smartphone demand in China remained soft, leading Apple to introduce rare Lunar New Year discounts to stimulate iPhone sales.

Stock Spotlight



Western Digital: Micron posted a standout performance this week, jumping +18.6% and leading the TMT sector, as investors poured into memory names amid intensifying signals of a global DRAM supply squeeze. The rally was fueled by growing conviction that Micron is emerging as a prime beneficiary of the AI infrastructure wave, with hyperscalers accelerating demand for high-bandwidth memory in next-gen training clusters. Analysts cited rising spot and contract pricing across DRAM types, alongside increased orders from cloud and enterprise clients, as drivers of the stock's sharp re-rating.

The move also followed Micron's announcement of a **\$1.8 billion acquisition of Powerchip's P5 fab in Taiwan**, a deal that expands its cleanroom footprint and secures long-term production capacity in a market where supply is increasingly constrained. The acquisition was interpreted as both a strategic hedge and a show of confidence in sustained demand through 2026 and beyond. Additionally, the broader memory complex remained hot, reinforcing the narrative that **memory has become the next major bottleneck in scaling AI workloads**, not just GPUs.

With Micron also benefiting from a cleaner cost structure and past capex discipline, investors are now recalibrating expectations for margin expansion and earnings acceleration. The stock, now up nearly +100% YoY, closed the week at a new 52-week high, cementing its position as the top momentum name across semis.

Week Ahead – TMT

Looking to the week of January 26–30, the spotlight will turn to major earnings and events that could sway TMT stocks. The tech earnings season kicks into high gear: **Microsoft** and **Apple** are scheduled to report their quarterly results, offering a first look at how cloud services, iPhone sales, and holiday device demand fared in. The **Federal Reserve's policy meeting** takes place mid-week – any surprise in its rate stance could impact high-valuation tech names via moves in bond yields. On the industry front, tech traders will be watching memory chip pricing trends and any updates from semiconductor firms at the SEMI Industry Strategy Symposium.

Overview

Consumer and retail stocks posted modest gains this week. **Procter & Gamble** led the group with a +4.0% gain, followed by **Coca-Cola** (+3.1%) and **Costco** (+2.9%), reflecting steady demand and investor rotation into defensive names. **Tesla** also advanced +2.0% despite recent volatility. Meanwhile, **Walmart** slipped -0.8% amid profit-taking, while **Nike** was flat. Sentiment remained supported by resilient January spending data, though concerns linger over pricing power and margin compression heading into Q1.

Major Movers

Stocks	Price	1w	1m	52 week
ALIBABA	168,50	1,4	15,4	83,0
WALMART INC	118,20	-0,8	6,6	90,9
COCA-COLA	72,64	3,1	4,0	80,7
TESLA INC	447,50	2,0	-7,8	82,6
COSTCO	984,52	2,9	15,2	56,4
PROCTER & GAMBLE	150,44	4,02	5,07	29,05
NIKE INC	64,87	0,43	13,12	43,70
RH	227,00	1,53	24,47	33,85

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

Top Performers

- o **Procter & Gamble**: Outperformed as defensive flows returned to household names with stable cash flows and pricing power.
- o **Coca-Cola**: Gained on optimism around international recovery and continued demand resilience in beverages..
- o **Costco**: Continued to benefit from strong December comps and momentum in value-driven retail.
- o **Tesla**: Rebounded after a multi-week decline, though longer-term momentum remains challenged by margin pressures.

Newsflow

Policy / Regulation: The regulatory environment for consumer companies remained relatively quiet, though there was ongoing discussion around **organized retail crime** and inventory shrinkage, which continues to pressure large-format retailers like Walmart and Costco. Lawmakers and law enforcement agencies hinted at new funding proposals to support cross-state investigations of retail theft rings, a theme that has become particularly relevant in earnings calls over the past two quarters. At the same time, inflation policy resurfaced as the **Bureau of Labor Statistics** released updated CPI figures showing that **shelter, food, and household goods** continue to exert upward pressure on core inflation.

This reinforces scrutiny on companies like **Procter & Gamble** and **Coca-Cola**, which have both raised prices over the past year but are now navigating **political sensitivity** around affordability. While no fines or formal investigations were launched, agencies signaled closer monitoring of **price elasticity strategies** at major consumer brands. Additionally, policymakers are considering new **sustainability labeling standards** for household and food products, which could impact packaging and marketing practices across staples.

Corporate Actions: There were no major M&A announcements among the listed names, but **RH** (Restoration Hardware) gained modestly (+1.5%) on speculation it is preparing to expand its luxury footprint into lifestyle and hospitality spaces. Industry sources hinted that RH may soon unveil a new branded property concept in Europe, following its earlier retail-hotel hybrid experiments in New York and Aspen. Elsewhere, **Walmart** paused further capital deployment in certain emerging markets amid rising macro and currency volatility — particularly in South America. While not a material shift, it signals a more selective global investment stance as the company refocuses on U.S. omnichannel efficiency and automation.

Earnings / Guidance: Though most companies remained in pre-earnings quiet periods, sentiment around **Procter & Gamble** was boosted by a series of analyst upgrades, steady demand across categories, and a healthy gross margin setup despite FX headwinds. **Costco** saw a continuation of bullish positioning ahead of its February earnings, with analysts highlighting its strong December comps (+8.5% YoY), expanding e-commerce channel, and industry-leading renewal rates. **Tesla**, is set to report earnings next week; market watchers expect flat volume growth but will focus closely on pricing strategy and margin stability amid growing global competition and currency fluctuations. **Nike** traded flat ahead of its own quarterly update, with analysts cautious about potential margin pressures from continued elevated logistics and raw material costs, especially in non-U.S. markets.

Industry data: Retail spending in January showed steady gains, particularly in grocery and home categories. Value-focused formats like **Costco** and staples leaders like **P&G** outperformed as inflation-sensitive consumers leaned on large-pack formats and trusted brands. Footwear and apparel demand remained stable, benefiting **Nike**, though margin headwinds persist from FX and freight volatility.

Week Ahead – Consumer/Retail

The week ahead will center on upcoming earnings from **Tesla** and **Nike**, where investor focus will be on forward guidance and margin commentary. January PCE inflation data may also influence sentiment across staples and discretionary names. Any Fed remarks post-FOMC could sway interest-rate-sensitive retailers

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