Weekly Newsletter – 16 February 2026 – Macro Overview

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

Economic data emerging from the US week has solidified a rare macroeconomic phenomenon: an "immaculate disinflation" scenario where price stability is restored without the typical sacrificial rise in unemployment. However, the divergence between this pristine macroeconomic backdrop and the negative price action in equity markets suggests a critical transition phase in the investment cycle.

The centerpiece was the release of the January CPI, which offered the clearest signal yet that the Federal Reserve's restrictive monetary policy has successfully anchored price stability. Headline inflation cooled to an annualized 2.4%, a figure that flirts with the Fed's long-term target.

The centerpiece was the January CPI release, which offered the clearest signal, yet that restrictive policy has successfully anchored inflation. Headline inflation cooled to an annualized 2.4%, a figure flirting with the Fed's long-term target. The most significant implication here is the risk of passive tightening. As inflation falls while the nominal fed funds rate remains static, the real interest rate mechanically rises. By doing nothing, the Fed effectively makes policy more restrictive each month. Consequently, the central bank's window to cut rates is shifting from "supporting growth" to simply "preventing overtightening" to maintain neutrality. This dynamic was immediately priced into the bond market, where the 2-year Treasury yield fell to 3.42%.

Simultaneously, the 0.2% rise in Retail Sales is deceptively important. Unlike the debt-fueled consumption seen in high-rate environments ("bad consumption"), January's data suggests a transition to income-driven consumption. With inflation (2.4%) falling below wage growth (historically around 3-4%), American households are finally experiencing positive real wage growth. This organic increase in purchasing power stabilizes the economy and defies the classic recessionary signals usually triggered by inverted yield curves.

Despite this constructive backdrop, US equity markets diverged sharply. The S&P 500 and Nasdaq posted significant weekly declines, driven not by recessionary fears but by a valuation-based sector rotation. Investors unwound crowded positions in mega-cap technology and Artificial Intelligence stocks, where massive capital expenditure returns are under scrutiny, and reallocated capital into undervalued cyclical sectors. This rotation reflects a healthy market adjusting to a "higher-for-longer" rate environment where valuations matter more than speculative growth promises.

In stark contrast to the US, major international economies flirted with stagnation. The United Kingdom reported Q4 2025 GDP growth of just 0.1%, narrowly avoiding a technical recession. Similarly, Japan recorded an annualized growth rate of 0.2%, constrained by demographic headwinds and sluggish domestic consumption.

The most pronounced weakness emerged from China, which continues to battle entrenched deflation. Data released this week showed the PPI falling by 1.4%, while the CPI remained near zero at 0.2%. These figures signal a severe shortfall in domestic aggregate demand, compelling Chinese manufacturers to export excess capacity at reduced prices. While this dynamic helps export disinflation to the West, it depresses nominal growth prospects for China's trading partners.

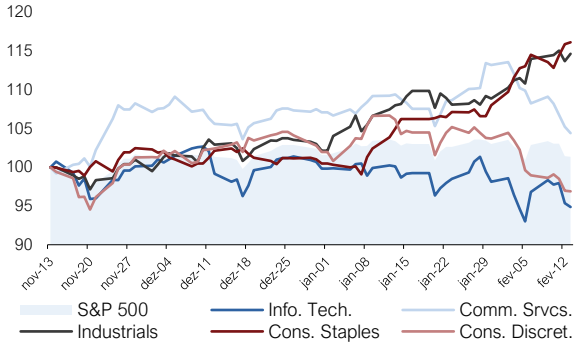
For Emerging Markets (EMs), this global divergence created a "terms of trade" shock. Typically, a cooling US CPI (implying potential Fed's rate rate cuts) weakens the US Dollar, benefiting EM assets. However, this tailwind was neutralized by the collapse in commodity prices driven by Chinese weakness. With Brent trading in the $60s and iron ore prices tumbling, commodity-dependent economies such as Chile (copper) and South Africa (platinum/coal) faced deteriorating trade balances. Consequently, the currency strength usually associated with a dovish Fed failed to materialize for these nations, as the loss of export revenue outweighed the benefits of looser global financial conditions.

Market Implications

Market behavior last week reflected a clear risk-off rotation beneath the surface. Technology and media materially underperformed the S&P 500 as AI capex concerns and ad-market softness drove de-risking, while consumer discretionary lagged on cyclical pressure. In contrast, consumer staples sharply outperformed, confirming a decisive defensive bid. Overall, positioning shifted away from growth and cyclicality toward earnings visibility and balance-sheet resilience.

Sector Pulse (Rel. vs S&P 500)

- **Technology** | -0.70pp | valuation rotation
- **Media** | 3.81pp | strong results
- **Cons. Staples** | +0.47pp | defensive shift
- **Cons. Disc** | -1.76pp | consumer's fatigue



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

Week Ahead

US FOMC Minutes, US Industrial Production, and Housing Starts; the Eurozone Flash PMIs and UK CPI; China's Loan Prime Rate (LPR) decision; Japan's Trade Balance; Canada's CPI; Australia's Employment Change; and Brazil's IBC-Br (December economic activity) alongside the weekly Boletim Focus.

Weekly Newsletter – 16 February 2026 – Technology, Media & Telecommunications

Overview

The week was mixed for global TMT, with investors balancing ongoing AI-driven capex enthusiasm against near-term supply constraints and telecom execution risk. In semis, the memory complex stayed in focus as the industry's pivot of capacity toward high-margin HBM for AI workloads continued to tighten "traditional" DRAM availability, reinforcing expectations of higher component costs across consumer electronics and enterprise IT in 2026. In telecom, T-Mobile used its Feb. 11 update to raise multi-year ambitions and emphasize broadband growth via 5G plus fiber (targeting 18–19m total broadband customers by 2030) alongside heavy digital/AI initiatives aimed at boosting profitability. In internet/media, China's AI app and content ecosystem drew attention after ByteDance officially unveiled Seedance 2.0, positioning the model for professional video creation and advertising use cases and highlighting intensifying competition in generative media tools.

		% Change			
Stocks	Price	1w	1wRel	1m	%52w
Amazon	198.79	-5.5	-5.1	-18.1	76.9
Alphabet	306.02	-4.8	-4.4	-7.4	87.5
Oracle	160.14	12.1	12.5	-20.8	46.3
Cisco	76.72	-9.40	-9.0	1.83	87.0
Arista Networks	141.16	3.0	3.3	9.0	0.9
T-Mobile US	219.50	11.2	7.0	15.7	79.4

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

Top Performers

- **T-Mobile:** Rose after its earnings/Capital Markets Day update, as management reiterated/raised multi-year targets and reinforced the broadband growth thesis across 5G fixed wireless plus fiber. The 18–19m total broadband-customer ambition by 2030 helped investors price in a longer growth runway and stronger cash generation.
- **Amazon:** outperformed largely on a positioning/sentiment shift rather than a single new headline: after the prior week's post-earnings drawdown, investors rotated back into megacaps perceived as more resilient cash-flow compounders. The market framing often leans on AWS and advertising as core earnings drivers, helping AMZN participate in rebounds even when broader tech is choppy.

Worst Performers

- **Cisco:** Fell as the market focused on forward outlook and margin sensitivity, even though headline results were solid, triggering a de-rating. Amplified by how much expectations had been tied to an AI/networking upside narrative.

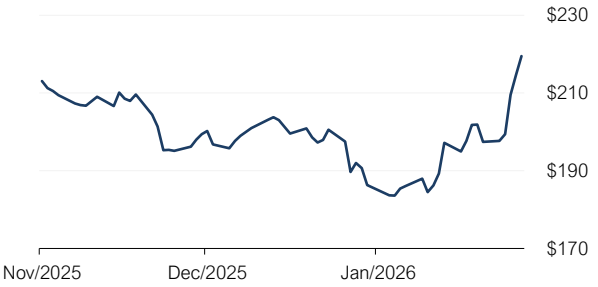
Newsflow

Policy / Regulation: Regulatory tape in TMT was firmly European, mixing child-safety politics with more aggressive competition enforcement. A widening cross-country push to restrict teenagers' access to social media, keeping "minimum age" and age-verification debates front and center for global platforms with meaningful EU exposure. In parallel, Brussels signaled a faster, more interventionist stance on market structure: EU threats of interim measures aimed at stopping Meta from blocking AI rivals' access via WhatsApp, implying remedies could arrive sooner than the typical multi-year antitrust timeline. Together, these moves reinforced a key investor takeaway: Europe is not only tightening the rulebook for platforms, but is also increasingly willing to test rapid enforcement tools that can force product and distribution changes on a shorter timetable, raising headline risk even when near-term fundamentals look stable.

AI Market Positinioning: a sharp investor debate over whether AI is becoming a disruption risk for software itself rather than a universal tailwind dominated. Firstly, headlines centered on a broad software-and-services selloff, with investors questioning whether the sector's "earnings-compounding" business model could be undermined as AI tools get embedded into workflows and reduce incumbents' pricing power. The move also fed a wider rotation narrative, as strategists pointed to flows shifting toward value and cyclical areas while tech leadership looked less stable. Later, the tone partially flipped: JPMorgan and Morgan Stanley strategists argued that markets were discounting worst-case AI disruption scenarios that were unlikely to materialize over the next three to six months, framing the drawdown as a positioning flush that could create selective rebound opportunities in higher-quality software categories

Earnings / Guidance: "CapEx as the new guidance" remained at the center of TMT earnings digestion, as investors continued to re-price Big Tech on the scale, timing, and expected returns of AI infrastructure spending. Alphabet's early-February disclosure that 2026 capital spending could roughly double (to $175–185 billion) remained a key anchor for the debate, not because it changed near-term revenue, but because it reset the market's assumptions on depreciation, free cash flow conversion and the duration of the investment cycle. Cisco's report was a good example of this "beat-and-raise but still sold" situation, as its FY revenue guidance raised, yet investors fixated on gross margin below expectations and on how much upside is truly structural vs. cyclical/network refreshing timing

Stock Spotlight



T-Mobile: On February 11, T-Mobile reported results that were solid but not flawless, with postpaid phone net adds coming in slightly below consensus; management nevertheless used the print to change what the market should care about. The company raised its 2027 outlook for service revenue and adjusted free cash flow, arguing that premium-plan migration (often bundled with streaming perks) and sustained broadband demand are improving monetization quality even in a competitive US wireless market. The company also said it would stop reporting postpaid phone subscriber additions going forward, reframing disclosure around account growth and revenue per account, an explicit attempt to de-emphasize a headline metric that can be noisy quarter to quarter. Shares rose on the day as investors treated the guidance raise as a credibility signal that pricing/mix and broadband execution can offset slower headline subscriber momentum. More broadly, the update reinforced a key telecom takeaway for 2026: guidance wins when it is anchored in durable cash generation rather than "league-table" subscriber optics.

Week Ahead – TMT

Tuesday, 17 Feb: Palo Alto Networks, Cadence Design Systems, AT&T

Wednesday, 18 Feb: Analog Devices, Garmin, Booking Holdings, DoorDash

Thursday, 19 Feb: Live Nation Entertainment

Friday, 20 Feb: Lamar Advertising

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