02 Feb 2026 – 06 Feb 2026

WEEKLY
MARKET INSIGHTS

THE WEEK'S BIG THEMES

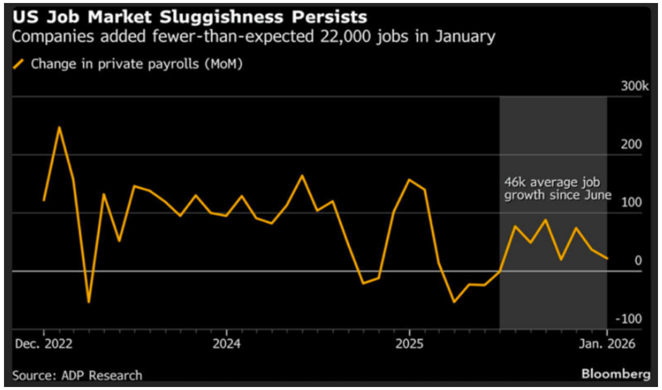
Key Takeaways:

- **BoE and ECB on hold at 3,75% and 2% respectively:** a slightly more positive statement on growth from the ECB with inflation perceived as "in a good place" according to C. Lagarde. The BoE officially mentioned an easing bias, revised down its growth outlook for 2026 (0,9%) and 2027 (1,5%) while inflation should go back to 2% in April
- **Persistent fragility in the US labor market**: While the so-waited January job report has been rescheduled to February 11th due to the partial government shutdown, the ADP painted a poor picture for job creation in the private sector, with layoffs and job openings pointing to labor cooling. Nevertheless, consumer confidence (Michigan) improved to its highest level in 6 months, with more optimism about both current and future economic conditions and ii/ on-year inflation expectations dropping to 3,5%and long- term expectations (5-10Y) steady at 3,5%. Manufacturing conditions improved
- **Optimism about the Euro area economy:** inflation cooled to 1,7%, thanks to lower energy costs and a stronger single currency. Production prices decreased, pointing to continuing disinflation pressures upstream. Growth remains modest (+0,3% in Q4 2025), supported by services and steady consumption, but manufacturing momentum remains weak, with details offering mix picture across countries
- **Cautious Chinese growth**: Early 2026 started with a broad softening in China's business activity, with both manufacturing and services sectors showing contraction signals
- **Optimism ahead of the lower house election**: Japan's manufacturing activity grew at the fastest pace in about 3,5 years in January while services activity expanded at its quickest pace in nearly a year
- **US earnings: results**: Big Techs (Amazon, Alphabet, Meta) delivered solid metrics, but capex guidance drove volatility

Market's reaction:

- **Corporate earnings and geopolitical tensions drove capital markets.** Global equity markets suffered last week, with the MSCI Emerging Markets (-1,4%) largely underperforming the MSCI World (+0,04%).
- **Concerns over excessive AI-related investment: :** Despite positive Q4 earnings, Magnificent 7 names and some of the top tech companies ended the week lower. Small-caps (Russel 2000: +2,2%) and Value stocks (+1,4%) outperformed, while Large caps tech stocks suffered their worst week since late November (Nasdaq:-1,87%). Defensive posted decent return (+1,9%)
- **European index ended slightly higher** (Stoxx 600: +1%), with growing optimism around the economic outlook. Major indices were mixed, with Germany (-1,45%) underperforming. **Japanese stocks ended higher** (Nikkei:+1,8%). **Mainland China index ended lower**(-1,3%) amid ongoing market volattility.
- **U.S. Treasury yields drifted down across the curve. C**redit indices posted slightly positive returns, with US Investment Grade outpoerforming. Emerging credit lagged, with local currency suffering in a context of rebound of the US Dollar (+0,7% versus its currencies basket)
- **Cryptocurrencies as a whole were highly volatile**, closing the week lower. **Gold drifted up (+1,4%) while Oil weakened (-2,6%)**. The **JPY suffered** due to expectation of an aggressive fiscal expansion

CHARTS OF THE WEEK



Source: msn

Source Crypto.com

ECONOMIC EVENTS TO WATCH

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
• No US reports (US) • Inflation (MX)	• Business inventories, Employment cost index, Factory orders, Retail sales (US) • Retail sales (ID) • Industrial production (SA)	• Nonfarm payrolls (US) • Inflation, PPI (CN) • Retail sales (TR)	• ECB PPI, Claims (US) • GDP, Industrial production (UK)	• CPI (US) • Employment, GDP QoQ 2nd estimate (EZ)

WEEKLY MARKET INSIGHTS

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WEEKLY MARKETS REVIEW (As of 06 February 2026)

EQUITY MARKETS

	WoW	MTD	YTD
MSCI World (USD)	+0,0%	-0,2%	+2,3%
MSCI Emerging (USD)	-1,4%	+0,9%	+7,3%
S&P 500 (USD)	-0,1%	-0,6%	+1,4%
NASDAQ (USD)	-1,9%	-2,6%	-0,7%
RUSSELL 2000 (USD)	+2,2%	+1,2%	+7,7%
STOXX 600 (EUR)	+1,0%	-0,0%	+4,3%
DAX (EUR)	+0,7%	-0,3%	+0,7%
CAC 40 (EUR)	+1,8%	+1,6%	+2,0%
FTSE 100 (GBP)	+1,4%	+0,3%	+4,5%
NIKKEI (JPY)	+1,8%	+7,0%	+8,8%
CSI 300 (CNY)	-1,3%	+2,5%	+2,1%
BOVESPA (BRL)	+0,9%	+0,1%	+14,0%
HANG SENG (HKD)	-3,0%	+0,9%	+5,4%

FIXED INCOME MARKETS

	WoW	MTD	YTD
Global Aggregate USD (Hedged)	+0,2%	+0,2%	+0,4%
Global Aggregate EUR (Hedged)	+0,4%	+0,0%	+0,1%
US Investment Grade	+0,3%	+0,3%	+0,4%
US High Yield	+0,1%	+0,0%	+0,6%
EU Investment Grade	+0,0%	+0,1%	+0,8%
EU High Yield	+0,1%	+0,1%	+0,8%
EM Local Ccy. Gov (Unhedged)	-0,1%	+0,2%	+1,0%
EM Hard Ccy. Aggregate (Unhedged)	+0,1%	+0,2%	+0,8%

CRYPTO CURRENCY MARKETS

	WoW	MTD	YTD
Bitcoin	-16,5%	-9,9%	-19,6%
Ethereum	-24,0%	-14,6%	-30,7%
Ripple	-15,6%	-11,9%	-22,4%

COMMODITY MARKETS

	WoW	MTD	YTD
Gold	+1,4%	+7,7%	+16,2%
WTI Crude	-2,6%	+1,1%	+9,4%
Brent Crude	-3,7%	+1,4%	+10,6%
Silver	-8,6%	+3,1%	+14,0%
Natural Gas	-21,4%	-1,3%	-13,4%
Copper	-0,7%	+1,2%	+3,8%

CURRENCY MARKETS

	WoW	MTD	YTD
US Dollar Index (DXY)	+0,7%	-0,3%	-1,0%
EURUSD	-0,3%	+0,1%	+1,0%
GBPUSD	-0,6%	-0,6%	+1,0%
AUDUSD	+0,7%	+1,3%	+5,5%
USDCHF	+0,4%	+0,0%	-2,5%
USDJPY	+1,6%	+1,1%	-0,1%

Source: Bloomberg

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