

Weekly Market Update

Global markets saw mixed volatility with major US indices rebounding sharply, crypto and commodities fluctuating. Emerging markets show resilience with regional cooperation and positive trade balances, but geopolitical risks continue to shape investment sentiment.

US

Markets hit record highs, the Dow Jones Industrial Average closed above 50,000 for the first time ever, driven by strong equities and rebound from a tech selloff.

Bitcoin and crypto markets remain in a "crypto winter" with prices tumbling despite political support initiatives.

President Trump nominated Kevin Warsh to succeed Jerome Powell as Federal Reserve Chair; the market reaction was mixed, with some segments anticipating a more "supply-side" approach and others fearing faster balance sheet reduction.

Major US economic data releases were delayed (jobs and CPI) due to government gridlock clouding economic direction.

UK

Prime Minister Keir Starmer is under pressure as opposition parties called for a no-confidence vote in PM over diplomatic controversy.

The Bank of England held rates at historically low levels (3.75%), reflecting cautious monetary policy.

Tensions rose as President Trump threatened tariffs on the UK in response to British support for Greenland's autonomy, causing concern among UK business leaders regarding trade predictability.

Domestic financial markets showed resilience, despite global pressures on commodities and precious metals.

Europe

France passed its 2026 budget after months of political gridlock, a significant political breakthrough with defence spending rising and pension reform shelved.

European markets, led by the STOXX 600, climbed to record highs as investors favoured financials and defensive sectors.

The European Central Bank (ECB) held interest rates steady at 2.15%, with President Lagarde warning that while inflation is stabilising, geopolitical risks (particularly trade tensions) remain a primary concern.

Broader geopolitical realignments saw middle powers co-ordinate on trade and security, underscoring strategic autonomy debates within Europe.

Global

Hong Kong business confidence shows improved sentiment in Hong Kong despite global uncertainty.

China expanded trade ties with a zero-tariff agreement with South Africa, underpinning Belt & Road economic diplomacy.

Japan held a rare winter general election; PM Takaichi's conservative LDP won a landslide victory securing Japan's first female prime minister, shaping fiscal policy direction.

Countries including Canada, Australia, India, and Brazil are deepening cooperation to balance China and US influence.

Performance

Asset Class/Region	Currency	Week ending 06 Feb 2026	Month to date	YTD 2026	12 Months
Developed Market Equities					
United States	USD	-0.1%	-0.1%	1.3%	15.0%
United Kingdom	GBP	1.5%	1.5%	4.6%	23.3%
Continental Europe	EUR	0.8%	0.8%	3.7%	14.5%
Japan	JPY	3.7%	3.7%	8.5%	37.7%
Asia Pacific (ex Japan)	USD	-1.7%	-1.7%	6.1%	34.9%
Australia	AUD	-1.8%	-1.8%	-0.1%	5.6%
Global	USD	0.0%	0.0%	2.3%	18.8%
Emerging Markets Equities					
Emerging Europe	USD	0.2%	0.2%	12.6%	61.1%
Emerging Asia	USD	-2.0%	-2.0%	6.1%	38.2%
Emerging Latin America	USD	1.6%	1.6%	17.2%	62.2%
BRICs	USD	-1.3%	-1.3%	1.3%	21.0%
China	USD	-3.9%	-3.9%	0.6%	26.4%
MENA countries	USD	0.4%	0.4%	6.8%	3.7%
South Africa	USD	-0.2%	-0.2%	8.0%	77.3%
India	USD	2.7%	2.7%	-2.3%	6.5%
Global emerging markets	USD	-1.4%	-1.4%	7.3%	39.7%
Bonds					
US Treasuries	USD	0.3%	0.3%	0.4%	5.3%
US Treasuries (inflation protected)	USD	0.2%	0.2%	0.5%	5.4%
US Corporate (investment grade)	USD	0.2%	0.2%	0.6%	7.0%
US High Yield	USD	0.1%	0.1%	0.6%	7.5%
UK Gilts	GBP	-0.1%	-0.1%	-0.2%	3.3%
UK Corporate (investment grade)	GBP	0.0%	0.0%	0.3%	5.4%
Euro Government Bonds	EUR	0.0%	0.0%	0.7%	0.6%
Euro Corporate (investment grade)	EUR	0.0%	0.0%	0.8%	3.0%
Euro High Yield	EUR	0.1%	0.1%	0.8%	5.0%
Global Government Bonds	USD	-0.2%	-0.2%	0.6%	6.0%
Global Bonds	USD	-0.1%	-0.1%	0.8%	8.4%
Global Convertible Bonds	USD	-0.1%	-0.1%	5.5%	25.3%
Emerging Market Bonds	USD	0.3%	0.3%	0.4%	11.2%

Performance

Asset Class/Region	Currency	Week ending 06 Feb 2026	Month to date	YTD 2026	12 Months
Property					
US Property Securities	USD	3.1%	3.1%	6.2%	5.4%
Australian Property Securities	AUD	-4.1%	-4.1%	-6.6%	-5.1%
Global Property Securities	USD	0.0%	0.0%	0.0%	15.8%
Currencies					
Euro	USD	-0.5%	-0.5%	0.7%	13.9%
UK Pound Sterling	USD	-0.7%	-0.7%	1.2%	9.5%
Japanese Yen	USD	-1.7%	-1.7%	-0.2%	-3.3%
Australian Dollar	USD	0.7%	0.7%	5.2%	11.7%
South African Rand	USD	0.7%	0.7%	3.4%	15.2%
Swiss Franc	USD	-0.5%	-0.5%	2.3%	16.7%
Chinese Yuan	USD	0.3%	0.3%	0.8%	5.1%
Commodities & Alternatives					
Commodities	USD	-2.5%	-2.5%	7.1%	10.3%
Agricultural Commodities	USD	-0.5%	-0.5%	0.7%	-9.4%
Oil	USD	-3.7%	-3.7%	11.8%	-8.4%
Gold	USD	1.4%	1.4%	14.9%	74.0%

Source: Bloomberg Finance L.P. Past performance is not indicative of future returns.

Global Matters Weekly

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