

WEEKLY

MARKET INSIGHTS

THE WEEK'S BIG THEMES

Key Takeaways:

- US Macro economy optimism:** Q3 GDP growth was revised higher at +4,4% (vs. 4,3%) and November core personal consumption expenditures (PCE) came at 2,8% yoy, higher than the 2% target of the US FED. Meantime, weekly employment data suggested that layoffs remain relatively subdued despite some signs of softening in the labor market and consumer sentiment improved (University of Michigan)
- Positive Eurozone business activity:** PMI showed a slight expansion, with optimism in the business outlook hitting a 20-month high
- Disappointed data in the UK:** while composite PMI suggested robust quarterly GDP growth, the labor market has been continuing to suffer (unemployment rate at a five-year high at 5,1%; lower annual wage growth lower and year-over-year growth in private-sector pay) and inflation drifted up to 3,4%, due to one-off effects, from 3,2% in November. Positive news came from retail sales volumes, which increased 0,4% in December, after falling in the previous two months
- Uneven Chinese growth:** the economy grew 4,5% YoY in Q4 (the slowest growth pace since late 2022) and expanded 5% in 2025. While domestic demand remained weak (retail sales came at +0,9%, the lowest since 2022), industrial production rose at the fastest pace in three months (+5,2%)
- BoJ key policy rate unchanged:** after two rates' hike in 2025, the Japanese central bank stayed on hold at 0,75%. In its quarterly outlook report, the BoJ increases its growth forecast for fiscal year 2025 and 2026
- Geopolitics:** Trump threatened tariffs on European countries over Greenland before calling them off and sent warships to the Persian Gulf near Iran
- US Earnings seasons:** Out of the 62 S&P 500 companies that have reported results, 61% have beat on the top line while 80% have beat on the bottom line (Source: Factset)

Market's reaction:

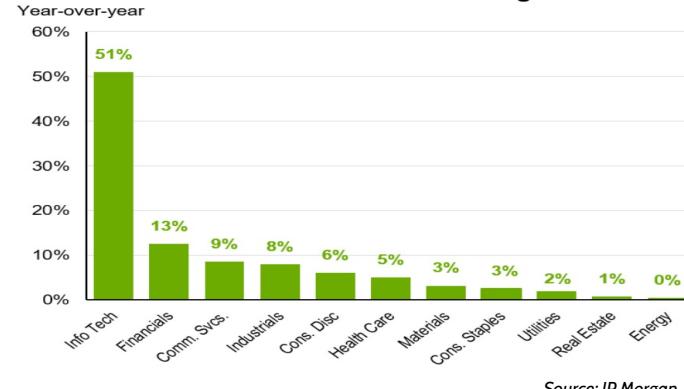
- In a holiday shortened week in the US and amid renewed fears of trade war, **global equity markets posted mixed return**, with the MSCI Emerging Markets (+1,09%) outperforming the MSCI World (-0,21%).
- Major US stock indices posted negative return** (S&P 500: -0,34%; Russell 2000: -0,32%) , **except for the Nasdaq** (+0,30%). Large cap Value (0,01%) and Cyclical (0,11%) outperformed Growth (-0,74%) and Defensives (-0,10%). Sectors wise, Energy, Materials, Communication services and Healthcare outperformed. Mag 7 managed gains on the week (+1,10%)
- European indices ended the week lower** (Stoxx 600: -0,97%), underperforming their US peers. **Political uncertainty** slightly weighed on the Japanese stocks (Nikkei: -0,17%)
- U.S. Treasury yields jumped to a 4-month high near 4,30%** before drifting down to 4,22%. Global credit posted slightly positive returns and emerging debt outperformed. **The Dollar index fell (-1,80%)** to its weakest since August
- Precious metals were the winner over geopolitical uncertainty**, with Gold and silver topping record highs, while cryptocurrencies tumbled

ECONOMIC EVENTS TO WATCH

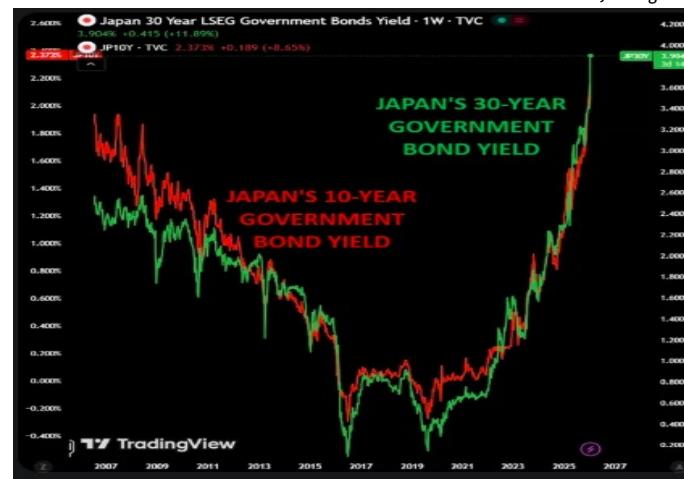
| MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY |
|---|---|---|--|--|
| <ul style="list-style-type: none"> Durable orders (US) | <ul style="list-style-type: none"> Consumer confidence (US) BOJ core CPI (JP) Mid-month CPI (BR) | <ul style="list-style-type: none"> FOMC (US) Monetary Policy Minutes (JP) Interest rate decision (BR) BOC decision (CA) | <ul style="list-style-type: none"> Consumer confidence (JP) | <ul style="list-style-type: none"> GDP, Unemployment rate (EZ) Nationwide house prices (UK) Industrial prod., retail sales (JP) PPI (US) |

CHARTS OF THE WEEK

S&P 500 sector contribution to 2026 EPS growth



Source: JP Morgan



Source: globalmarketsinvestor

WEEKLY MARKETS REVIEW (As of 23 January 2026)

EQUITY MARKETS

| | WoW | MTD | YTD |
|---------------------|-------|--------|--------|
| MSCI World (USD) | +0,2% | +1,8% | +1,8% |
| MSCI Emerging (USD) | +1,1% | +6,9% | +6,9% |
| S&P 500 (USD) | -0,3% | +1,1% | +1,1% |
| NASDAQ (USD) | +0,3% | +1,4% | +1,4% |
| RUSSELL 2000 (USD) | -0,3% | +7,6% | +7,6% |
| STOXX 600 (EUR) | -1,0% | +2,8% | +2,8% |
| DAX (EUR) | -1,6% | +1,5% | +1,5% |
| CAC 40 (EUR) | -1,4% | -0,1% | -0,1% |
| FTSE 100 (GBP) | -0,9% | +2,2% | +2,2% |
| NIKKEI (JPY) | -0,2% | +2,0% | +2,0% |
| CSI 300 (CNY) | -0,6% | +1,8% | +1,8% |
| BOVESPA (BRL) | +8,5% | +11,4% | +11,4% |
| HANG SENG (HKD) | -0,4% | +4,4% | +4,4% |

FIXED INCOME MARKETS

| | WoW | MTD | YTD |
|-----------------------------------|-------|-------|-------|
| Global Aggregate USD (Hedged) | -0,1% | +0,1% | +0,1% |
| Global Aggregate EUR (Hedged) | -0,9% | +0,0% | +0,0% |
| US Investment Grade | +0,2% | +0,2% | +0,2% |
| US High Yield | +0,1% | +0,7% | +0,7% |
| EU Investment Grade | -0,0% | +0,4% | +0,4% |
| EU High Yield | +0,1% | +0,7% | +0,7% |
| EM Local Ccy. Gov (Unhedged) | +0,5% | +0,5% | +0,5% |
| EM Hard Ccy. Aggregate (Unhedged) | +0,4% | +0,3% | +0,3% |

COMMODITY MARKETS

| | WoW | MTD | YTD |
|-------------|--------|--------|--------|
| Gold | +8,5% | +17,9% | +17,9% |
| WTI Crude | +2,7% | +6,5% | +6,5% |
| Brent Crude | +2,7% | +8,8% | +8,8% |
| Silver | +14,5% | +51,1% | +51,1% |
| Natural Gas | +70,0% | +68,3% | +68,3% |
| Copper | +2,0% | +4,5% | +4,5% |

CURRENCY MARKETS

| | WoW | MTD | YTD |
|-----------------------|-------|-------|-------|
| US Dollar Index (DXY) | -1,8% | -1,2% | -1,2% |
| EURUSD | +2,0% | +0,9% | +0,9% |
| GBPUSD | +2,0% | +1,3% | +1,3% |
| AUDUSD | +3,2% | +3,6% | +3,6% |
| USDCHF | -2,9% | -1,8% | -1,8% |
| USDJPY | -1,5% | -1,8% | -1,8% |

Source: Bloomberg

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