

Weekly Newsletter

February 06th 2026

MUSINGS

"Every past decline looks like an opportunity; every future decline looks like a risk."

— Morgan Housel

LAST WEEK IN THE MARKETS

	Closing level	Weekly change	YTD change
S&P 500	6,932.31	-0.10%	1.27%
Nasdaq Composite	23,031.21	-1.84%	-0.9%
10Y UST Yield	4.208	-0.73%	1.37%
Crude oil	63.49	-3.4%	10.57%
Gold	4,964.62	1.41%	15%
DXY	97.68	0.55%	-0.67%
USD/INR	90.55	-1.19%	0.72%
Bitcoin	70,531	-16.16%	-21.96%
Euro STOXX 50	6,018.42	1.36%	3.54%
India (Nifty)	25,693.7	3.5%	-1.67%
Japan (Nikkei)	53,818.04	0.83%	6.51%
China (CSI 300)	4,643.59	-1.33%	1.39%
Saudi (TASI)	11,188.73	-1.7%	6.92%
Abu Dhabi (ADX)	10,563.11	2.74%	5.71%
Dubai (DFM)	6,691	3.97%	10.65%

NEWS FROM THE MARKETS

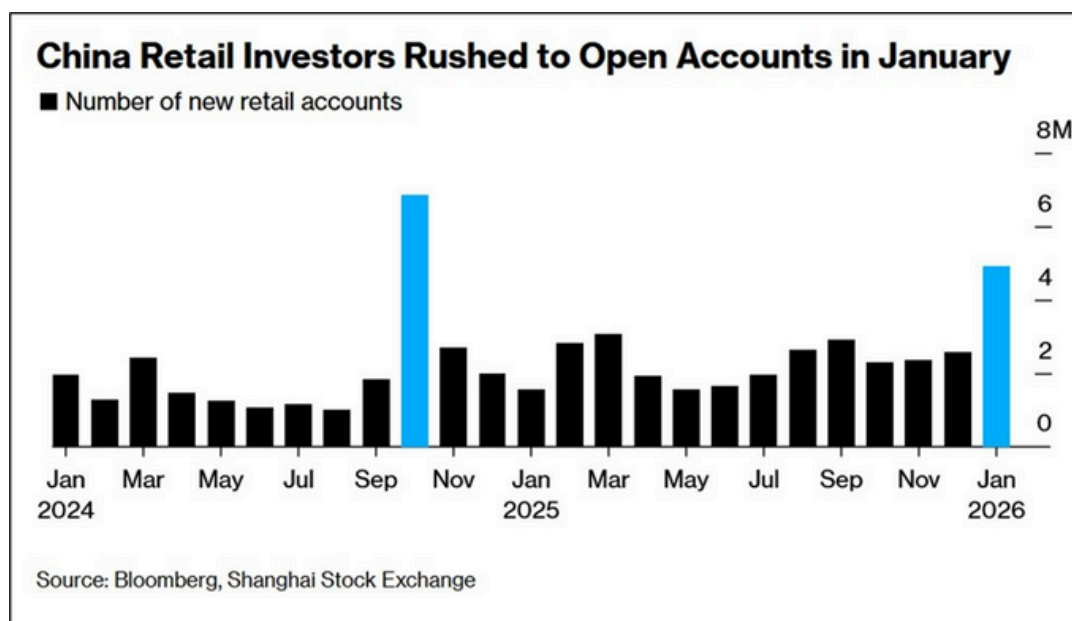
- US stocks rebounded on Friday from a weeklong tech bruising as Wall Street reassessed worries about the impact of AI disruption and the risks of hefty Big Tech spending.
- Technology-heavy indices significantly underperformed** as investors reassessed AI-related capital expenditure and earnings outlooks. This represented one of the weakest weekly performances for large-cap technology stocks in recent months.

- Despite the weak weekly performance, markets staged a strong late rally, with the Dow briefly surpassing the 50,000 level for the first time, highlighting strong dip-buying activity and persistent investor liquidity.
- **The AI investment theme remained dominant but increasingly controversial** as investors questioned capital spending returns and margin pressures.
- **Earnings beats are broadening out to sectors other than AI and tech names** — a "healthy" sign in markets.
- Investors also seem to be paying attention to commentary on layoffs and hiring on the earnings calls. As concerns about the labor market grow, especially after a bad batch of data this week, markets are watching for signs of broad-based firing across the economy and signs that AI may be impacting jobs.
- As of February 6th, 59% of S&P 500 companies have reported fourth quarter results, and **Wall Street analysts estimate a 13% increase in earnings per share for the fourth quarter**. If that rate holds, it would represent the 10th consecutive quarter of annual earnings growth for the index and the fifth consecutive quarter of double-digit growth.
- **Donald Trump eliminated the extra 25% tariff he had imposed on Indian goods** over the country's purchases of Russian oil, the first step to cement the terms of a trade deal the two nations announced earlier this week. India and the United States released a framework for an interim trade agreement to lower tariffs on Indian goods.
- Bitcoin rebounded to \$70,000 on Friday after prices fell as low as \$61,000 following a 13% plunge on Thursday, **the steepest one-day drop for the cryptocurrency since the FTX collapse in November 2022**. The recovery reversed a wave of intense selling that surged through Thursday night, briefly pushing bitcoin's decline to over 50% since its peak of \$126,000 last October.
- The release of the closely watched January jobs report, originally scheduled for Friday, has been pushed to February. Fresh signs of trouble in the labor market emerged in recent days, as job openings sank to their lowest level since 2020 and layoff announcements surged.

KEY ECONOMIC EVENTS COMING THIS WEEK

February 9 th	-
February 10 th	<ul style="list-style-type: none"> • US Retail Sales (Dec) • Coca Cola, AstraZeneca, S&P Global, Robinhood, BP, CVS Health, Barclays, Ford Motor, Honda Motor, Spotify, Cloudflare earnings
February 11 th	<ul style="list-style-type: none"> • China Inflation Rate (Jan) • US Jobs data (Jan) • Cisco Systems, T-Mobile, McDonalds, Shopify, TotalEnergies, Siemens Energy, AppLovin, Vertiv, Mahindra & Mahindra earnings
February 12 th	<ul style="list-style-type: none"> • UK GDP Data (Q4) • US Existing Home Sales (Jan) • Applied Materials, Hermes International, Siemens, Unilever, Coinbase, Airbnb, Arista Networks, Nebius, Hindustan Unilever, ONGC earnings
February 13 th	<ul style="list-style-type: none"> • US CPI (Jan) • Moderna earnings

CHART OF THE WEEK



The number of new individual investor accounts in China jumped +88% MoM in January 2026 to 4.9 million, the highest since October 2024. For perspective, the October 2024 peak of 6.8 million accounts was the largest in 9 years and the 2025 average was 2.3 million. The number of new margin trading accounts surged +30% MoM to ~190,000. All while the daily stock market turnover in China surpassed \$520 billion, an all-time high.

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