VIEWS | JANUARY 30, 2026

Weekly market update: Headwinds to healthcare and tech lead to mixed results.

The market and economy

- Major U.S. equity market indexes saw mixed performance during the week ending January 30, as investors' initial optimism regarding resilient corporate earnings was offset in part by selloffs in the healthcare and technology sectors. The broad-market S&P 500 Index posted a modest gain for the week, establishing several new record highs. The decline in the Dow Jones Industrial Average during the week was attributable to its proportionately larger exposure to healthcare stocks, which declined significantly on Tuesday after the Centers for Medicare and Medicaid Services proposed a much smaller-than-expected 0.9% increase in payments in 2027 to private insurers for their Medicare Advantage plans. The tech-heavy Nasdaq Composite Index finished in negative territory despite a downturn in the technology sector on Thursday after Microsoft reported weaker-than-expected quarterly earnings.
- In the commodities market, the gold price set new record highs again this week, surpassing $5,000 per ounce for the first time as investors continued to seek safe-haven assets amid ongoing economic and geopolitical concerns. However, the gold price declined sharply after President Donald Trump's announcement of a new Federal Reserve (Fed) chair, assuaging investors' uncertainty regarding the Fed's future monetary policy.
- On Friday, President Trump announced that he will nominate Stephen Warsh to succeed Jerome Powell as Fed chair; Powell's term ends in May of this year. Warsh served on the Fed Board of Governors from 2006 to 2011, garnering a reputation as an inflation hawk (focusing on taming inflation through higher interest rates, often prioritizing it above economic growth). More recently, however, Warsh has advocated for more interest-rate cuts, a position that is closer in line with Trump's push for lower rates.
- In a split 10-2 vote at its meeting on Tuesday and Wednesday, the Federal Open Market Committee (FOMC) maintained the federal funds rate in a range of 3.50%-3.75%; committee members Stephen Miran and Christopher Waller favored a 0.25% rate cut. In a statement announcing the rate decision, the FOMC stated, "Available indicators suggest that economic activity has been expanding at a solid pace. Job gains have remained low, and the unemployment rate has shown some signs of stabilization. Inflation remains somewhat elevated."
- At a news conference on Wednesday afternoon, Fed Chair Powell observed that the likelihood of higher inflation has diminished alongside the risk of a significant downturn in the labor market and noted the resilience of the U.S. economy. "Essentially the economy has once again surprised us with its strength," he stated. Powell did not comment directly on the investigation of the Fed by the U.S. Department of Justice (DOJ). Earlier this month, the Fed chair announced that the central bank had received federal grand jury subpoenas from the DOJ seeking information regarding Powell's testimony to Congress last year about the cost of the Fed's renovation of two buildings at its headquarters in Washington, D.C. However, he noted that losing the central bank's independence from political pressures would make it "hard to restore the credibility of the institution."
- The government has continued to release economic data that were delayed by the 43-day shutdown that ended in mid-November.The Department of Labor reported that the producer-price index (PPI), which tracks the average change over time in selling prices received by domestic producers of goods and service providers (i.e., wholesale prices), increased 0.1%, 0.2, and 0.5% in October, November, and December, respectively. The goods index fell 0.4% in October, rose 0.4% in November, and was flat in December. The index for services advanced 0.3% in October, was flat in November, and increased 0.7% in December. The PPI advanced 3.0% year-over-year in December, while the core PPI, which excludes foods, energy, and trade, rose at an annual rate of 3.5%.
- It appears that U.S. consumers are in a somber mood. The Conference Board's Consumer Confidence Index® fell 9.7 points to 84.5 in January—its lowest level since May 2014. (A reading below 100 signals a decrease in consumer confidence regarding the future economic situation.) The Present Situation Index, which gauges consumers' assessment of current business and labor market conditions, declined 9.9 points to 113.7. The Expectations Index, an indicator of consumers' short-term outlook for income, business, and labor market conditions, dipped 9.5 points to 65.1, remaining below a reading of 80, indicating that consumers anticipate a recession in the U.S. over the next 12 months.

Stocks

- Global equities posted gains during the week. Emerging markets outperformed developed markets.
- U.S. equities were mixed for the week. Communication services and energy were the top-performing sectors, while healthcare and consumer discretionary were the primary market laggards.
- Value stocks outperformed growth stocks, while large caps surpassed small caps.

Bonds

- The 10-year U.S. Treasury note yield rose to 4.25% during the week.
- The U.S. bond market was virtually flat for the week.
- Government bonds led the market, followed by corporate bonds and high-yield bonds.

As of January 30, 2026	1 Week	YTD	1 Year	Friday's Close
Global Equity Indexes				
MSCI ACWI ($)	1.2%	3.5%	20.3%	1050.2
MSCI EAFE ($)	1.4%	5.0%	27.5%	3037.9
MSCI Emerging Mkts ($)	3.6%	10.7%	41.9%	1554.8
US & Canadian Equities				
Dow Jones Industrials ($)	-0.4%	1.7%	8.9%	48892.5
S&P 500 ($)	0.4%	1.4%	14.4%	6943.6
NASDAQ ($)	-0.2%	0.9%	19.2%	23461.8
S&P/ TSX Composite (C$)	-3.9%	0.5%	23.5%	31862.9
UK & European Equities				
FTSE All-Share (£)	0.7%	3.0%	17.4%	5511.5
MSCI Europe ex UK (€)	-0.6%	1.7%	10.6%	2089.2
Asian Equities				
Topix (¥)	-1.7%	4.6%	28.2%	3566.3
Hong Kong Hang Seng ($)	2.4%	6.9%	35.4%	27387.1
MSCI Asia Pac. Ex-Japan ($)	3.5%	9.4%	37.0%	790.1
Latin American Equities				
MSCI EMF Latin America ($)	3.4%	17.7%	56.2%	3190.2
Mexican Bolsa (peso)	-1.0%	5.0%	29.7%	67528.7
Brazilian Bovespa (real)	1.3%	12.5%	42.8%	181198.2
Commodities ($)				
West Texas Intermediate Spot	6.8%	13.9%	-10.1%	65.4
Gold Spot Price	-2.3%	12.2%	73.5%	4850.0
Bond Indices ($)				
Bloomberg U.S. Aggregate	0.1%	0.2%	6.8%	2352.9
Bloomberg Global Aggregate	1.0%	1.1%	8.6%	507.1
JPMorgan Emerging Mkt Bond	0.1%	0.5%	12.6%	1023.2
10-Year Yield Change (basis points*)				
US Treasury	2	8	-27	4.25%
UK Gilt	1	4	-4	4.52%
German Bund	-6	-1	33	2.84%
Japan Govt Bond	-1	19	104	2.25%
Canada Govt Bond	1	-1	30	3.42%
Currency Returns**				
US$ per euro	0.2%	0.9%	14.1%	1.185
Yen per US$	-0.6%	-1.3%	0.3%	154.75
US$ per £	0.3%	1.5%	10.2%	1.368
C$ per US$	-0.6%	-0.8%	-6.0%	1.362

*Source: Bloomberg. Equity-index returns are price only, others are total returns. *100 basis points = 1 percentage point. **Increases in U.S. dollars (USD) per euro or pound indicate a decline in the value of the USD; increases in yen or Canadian dollars per USD indicate an increase in the value of the USD.*

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