



# Weekly Report



## Global Equities

### Tariff threats trigger volatility as Wall Street records weekly losses on mixed data.



**Review:** Indices retreated as new tariff threats dampened risk appetite. Despite core PCE matching estimates, robust 4.4% GDP growth fueled concerns of delayed Fed rate cuts, dragging the Dow down 0.53%.

**Outlook:** Focus shifts to the FOMC meeting for policy clarity. Trade policy uncertainty remains a key volatility driver, likely maintaining a cautious stance across major equity sectors.

### European stocks slump as transatlantic trade tensions escalate following new US tariff warnings.



**Review:** The STOXX 50 tumbled 1.35% on proposed 10% US tariffs. Selling pressure hit luxury and auto sectors hard, overshadowing the ECB's steady rates and stable growth forecasts.

**Outlook:** Regional leaders seek to avert a trade war through diplomacy. Performance will depend on upcoming trade barrier severity and potential retaliatory measures scheduled for early February.

### China stocks rebound as LPR remains steady amid expectations for further monetary easing.



**Review:** PBOC kept LPR rates unchanged, meeting consensus. The Shenzhen Composite surged 2.21% as optimism over structural liquidity and future reserve requirement cuts boosted investor sentiment.

**Outlook:** Analysts expect easing measures in Q1 to support demand. Investors are monitoring fiscal stimulus and real estate stabilization, with growth shares retaining recovery momentum.

### Hang Seng edges lower as global trade concerns offset gains in tech giants.



**Review:** The index fell 0.36% but recovered from early lows via tech sector buybacks. Efforts by major firms like Alibaba helped offset broader geopolitical and tariff-related selling pressure.

**Outlook:** Resistance holds near recent highs. Future trends depend on mainland data and currency stability, while record gold prices may drive further interest in resource-linked equities.



## Global Bonds

### Safe-haven demand lifts global sovereign bonds amid rising trade-related market volatility.



**Review:** The index gained 0.47% as tariff fears spurred safe-haven buying. Yields edged lower despite firm U.S. data, as investors rotated from equities into government debt.

**Outlook:** Focus shifts to inflation and central bank guidance. Geopolitical risks support treasuries, though yields will fluctuate based on the pace of monetary policy adjustments.

### High yield bonds maintain momentum as attractive carry offsets equity market swings.



**Review:** The Bloomberg Index rose 0.48% on steady credit spreads. High yield debt proved resilient, while Asian emerging markets benefited from localized liquidity support.

**Outlook:** Earnings will be key to assessing default risks. While high yield offers solid carry, emerging debt faces headwinds from a strong dollar and trade policy shifts.



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## Commodities

### WTI Crude Oil



**Review:** WTI rose 2.74% to \$61.07 on Mideast tensions and lower U.S. stocks. Supply-side risk premiums effectively offset global demand concerns, buoying energy prices.

**Outlook:** Focus remains on OPEC+ strategy and maritime security. Volatility will persist within a high range as investors monitor geopolitical developments and IEA demand forecasts.

### Gold



**Review:** Spot gold soared 8.52% to \$4,987.49, driven by tariff threats and central bank buying. This rally reflects heightened systemic anxiety, positioning bullion as a primary hedge.

**Outlook:** Political uncertainty and inflation continue to favor gold. While technicals suggest overbought conditions, a dovish Fed pivot could drive prices higher despite softening physical demand.

### Bloomberg commodity Spot index



**Review:** The index surged 5.27%, led by historic gold gains and steady crude oil. Industrial metal resilience helped mitigate agricultural volatility caused by global trade friction.

**Outlook:** Trade policy and supply chain shifts remain critical drivers. Investors are weighing China's stimulus impact against dollar strength and climate-related supply disruptions.



## Currencies

### US Dollar Index



**Review:** The DXY fell 1.80% to 97.60 this week. Softer PCE inflation and a shift in haven flows toward gold weighed on the currency. Concerns over trade policies also prompted capital reallocation, eroding the dollar's recent yield advantage.

**Outlook:** Investors await Fed guidance on the disinflationary trend. If policymakers lean dovish, the dollar face further downside. Global trade dynamics remain the primary catalyst for determining whether safe-haven demand will return to the greenback.

### CNY/USD



**Review:** The CNY edged 0.10% lower to 6.9632, showing resilience despite geopolitical shifts. Steady LPR rates and PBOC signaling offset the impact of dollar weakness, as pre-holiday corporate demand for foreign exchange limited the yuan's potential gains.

**Outlook:** Seasonal liquidity demand during the Lunar New Year will dictate short-term moves. Market focus remains on the efficacy of China's economic stimulus and trade developments. Authorities are expected to maintain currency stability within a reasonable range.



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### Major market indexes

Index Name	Price	Return (Weekly)	Return (Monthly)	Return (Annual)	Return (YTD)	Return (3Y)	Return (5Y)	Return (10Y)
Hang Seng Composite	26749.51	-0.36	3.78	35.78	4.37	21.34	-9.16	41.83
Hang Seng China Enterprise	9160.81	-0.65	2.77	27.87	2.77	22.41	-21.55	16.03
Shanghai Composite	4136.16	0.84	5.51	28.05	4.22	26.69	14.68	50.42
Shenzen Composite	2746.01	2.21	10.19	43.52	8.50	29.17	11.80	60.17
Dow Jones Industrial	49098.71	-0.53	1.35	10.17	2.15	45.55	58.40	203.69
S&P 500	6915.61	-0.35	0.08	13.02	1.02	72.16	80.03	263.29
NASDAQ COMPOSITE	23501.24	-0.06	-0.26	17.19	1.12	107.35	73.53	414.51
FTSE 100	10143.44	-0.90	2.57	18.43	2.14	30.76	51.51	71.59
DAX	24900.71	-1.57	2.30	16.30	1.68	64.98	79.48	153.50
NIKKEI 225	53846.87	-0.17	6.81	34.76	6.97	97.25	88.07	222.26

Source: Bloomberg2026/1/23



### Economic data

Country	Event	Previous	Forecast	Actual	Expectation
China	GDP (YoY) (Q4)	4.80%	4.50%	4.50%	On Par
Euro	CPI (YoY) (Dec)	2.10%	2.00%	1.90%	Below
US	GDP (QoQ) (Q3)	3.80%	4.30%	4.40%	Above
US	Initial Jobless Claims	199K	209K	200K	Below
US	Core PCE Price Index (MoM) (Oct)	0.20%		0.20%	
US	Core PCE Price Index (YoY) (Oct)	2.80%		2.70%	
US	Core PCE Price Index (MoM) (Nov)	0.20%	0.20%	0.20%	On Par
US	Core PCE Price Index (YoY) (Nov)	2.70%	2.80%	2.80%	On Par
US	Crude Oil Inventories	3.391M	-1.000M	3.602M	Above
US	S&P Global Services PMI (Jan)	52.50	52.90	52.50	Below
US	S&P Global Manufacturing PMI (Jan)	51.80	51.90	51.90	On Par



### Bond/Forex

Bond Instrument	Price	Change(%)	Yield (%)
US Treasury Bond 30Y	96.81	0.25	4.83
US Treasury Note 10Y	98.20	0.06	4.23
US Treasury Note 5Y	99.11	0.03	3.83
US Treasury Note 2Y	99.59	0.06	3.60
US Treasury Bill 3M	3.59	0.77	3.67
China Govt Bond 10Y	99.62	0.03	1.82
Japan Govt Bond 10Y	98.80	-0.50	2.25
German Bond 10Y	100.11	-0.56	2.89
UK Gilt 10Y	100.19	-0.73	4.47

Source: Bloomberg2026/1/23

Currency	Price	Return (Weekly)	Return (Monthly)	Return (YTD)
USD/HKD	7.7970	0.00	0.25	0.18
HKD/CNH	0.8913	-0.26	-1.24	-0.56
USD/CNH	6.9494	-0.26	-1.00	-0.38
USD/JPY	155.7000	-1.53	-0.34	-0.64
USD/CAD	1.3699	-1.55	0.08	-0.18
GBP/USD	1.3643	1.97	0.92	1.25
AUD/USD	0.6894	3.16	2.86	3.31
EUR/USD	1.1828	1.98	0.28	0.70

Source: Bloomberg2026/1/23

ps: The US 30-year Treasury bond is typically quoted in 32nds, while the 10-year Treasury note is generally quoted in 64ths for finer precision, though both are based on the standard fractional system.

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