

News highlights

- The market pullback sparked by the GameStop spectacle gave way to a strong equity rally last week, triggered by the rocket-fuelled reflation trade on continued progress on the vaccine rollouts, optimism over the colossal US stimulus, as well as strong economic data and better-than-expected earnings.
- The US Congress passed a budget resolution, starting a process that will allow Democrats to approve the full \$1.9 trillion rescue package with a single majority rather than the 60% needed for most texts. Multiple amendments were made, including a measure to prevent high-income people from receiving stimulus checks.
- The oil price traded at its highest levels in more than a year, with nearly a 10% gain for the week, while gold and silver saw liquidations on the back of higher US yields and stronger dollar.
- US unemployment fell to 6.3% in January, but most of the decline was due to a drop in the size of the labour force, a sign of discouragement in front of a labour market currently in the lockdown freezer.
- Eurozone inflation shot up to 0.9% while core inflation increases to 1.4%, due to temporary factors. The financial market reaction was muted as Germany, Spain and France had already reported higher inflation numbers while temporary factors were obvious (German VAT increase, delayed winter sales and a strong base from energy).
- Italian assets were top performers after Mario Draghi was given a mandate to form a new government. While the FTSE MIB rallied 7% during the week, the 10y Italian government yield fell beneath the 1% mark for the first time in over 5 years.
- According to media reports, Ant Group has agreed on a restructuring plan with Chinese regulators under which the fintech giant will become a financial holding company (including its technology offerings), making it subject to capital requirements, similar to those for banks.
- In Hong Kong, a record oversubscription for the USD 5.4 billion IPO of Kuaishou Technology revealed huge investor appetite for Chinese tech companies, making it the largest internet IPO since Uber went public in 2019.

EQUITIES *(local currency, price change)*

	Last Price	5 days	YTD		5 Years
			Local	EUR	
US					
S&P 500	3 887	4,6%	3,48%	5,09%	106,7%
Nasdaq	13 856	6,0%	7,51%	9,18%	217,6%
Dow Jones	31 148	3,9%	1,77%	3,35%	92,2%
Europe					
Stoxx 50	3 656	5,0%	2,9%	2,9%	27,0%
DAX	14 057	4,6%	2,5%	2,5%	51,4%
CAC	5 659	4,8%	1,9%	1,9%	34,7%
FTSE	6 489	1,3%	0,4%	2,6%	11,0%
AEX	653	2,5%	4,6%	4,6%	57,8%
BEL 20	3 834	5,8%	5,9%	5,9%	16,0%
SMI	10 755	1,6%	0,5%	0,7%	35,1%
EM & Asia					
Nikkei 225	28 779	4,0%	4,86%	4,92%	71,1%
Hang Seng	29 289	3,6%	7,56%	9,24%	51,8%
India	50 732	9,6%	6,24%	8,25%	106,1%
Russia	3 393	3,5%	3,15%	5,19%	90,5%
Brazil	120 240	4,5%	1,03%	-0,45%	196,2%

FIXED INCOME *(local currency, total return)*

	Yield	5 days	YTD	5 Years	
US					
Government	0,70	-0,6%	-1,6%	15,4%	
Investment Grade	1,82	-0,5%	-1,6%	33,5%	
High Yield	4,03	0,7%	1,0%	56,8%	
Europe					
Government	-	0,15	-0,3%	-0,9%	13,2%
Investment Grade	0,26	0,0%	-0,1%	15,1%	
High Yield	3,14	0,8%	1,2%	31,8%	
EM					
Global HC USD	3,22	0,3%	-0,4%	38,2%	

EUR VERSUS MAJOR CURRENCIES

	Last	5 days	YTD	5 Years
USD	1,20	-0,8%	-1,5%	-6,8%
JPY	126,82	-0,2%	0,4%	26,1%
CHF	1,08	0,3%	0,1%	-10,5%
GBP	0,88	-1,0%	-2,1%	10,0%

COMMODITIES

	Last	5 days	YTD		5 Years
			USD	EUR	
Brent	59,34	6,2%	14,6%	16,3%	-46,0%
Gold	1 814,11	-1,8%	-4,4%	-3,0%	2,8%

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