

European Market Wrap - 15th January 2026

- European bourses mostly gained; AEX (+1.4%) outperformed, dragged higher by ASML (+7%), in tandem with post-earnings strength in TSMC after it reported robust metrics & guidance.
- US Weekly Claims fell to 198k (exp. 215k), lifting the DXY and weighing on USTs.
- Crude traded lower after Trump said Iran had "no plan" to execute protestors.

EQUITIES

- European equities remained mostly firmer. The AEX (+1.5%) continued to outperform vs its peers due to upside in ASML (+7.0%) and ASM International (+10.3%) following strong earnings from TSMC.
- European sectors were more mixed/positive as the market neared the closing session. Tech (+2.5%), Real Estate (+1.7%) and Financial Services (+1.5%) outperformed. Tech continued to lead on the back of ASML (+7.0%) whilst Financial Services was underpinned by gains in Partners Group (+6.9%) and Schroders (+7.8%) after both Co's reported strong earnings. Real Estate has also gained. On the downside Autos (-1.4%), Consumer products & Services (-0.9%) and Healthcare (-0.5%) lagged.
- US equities opened higher, led by the Nasdaq (+0.7%), as strong earnings from TSMC boosted sentiment across the tech sector.
- On the macro front, comments from Fed's Goolsbee and Bostic in the pre-market this failed to meaningfully shift equities in any direction. On the data front initial jobless claims came in below expectations.
- In the equity space, major banking firms Goldman Sachs (+1.5%) and Morgan Stanley (+3.2%) released their earnings with EPS exceeding expectations for both companies, leading to an upside in both respective shares. Spotify (+0.9%) shares opened higher after the company announced a price increase for its premium subscriptions. Meanwhile, BlackRock (+4.3%) shares moved higher after the asset manager reported strong Q4 earnings.
- Maersk (MAERSKB DC) MECL service returns to trans-Suez route; following improved stability in the Red Sea, enabling more efficient transit times while maintaining safety as the top priority.

FX

- DXY was flat for much of the European morning but gradually moved a little higher as the session progressed, before then taking a leg higher on the weekly claims data. In brief, a strong report which suggests that the US labour market is not deteriorating as bad as some at the Fed had feared. Speaking on the data, Fed's Goolsbee said he is not surprised by the claims data, but highlighted that a low-hiring, low-firing environment highlights business uncertainty. Elsewhere, Bostic suggested that the labour market is in balance, adding that the Fed should stay restrictive as inflation remains high. Index is currently trading towards the upper end of a 99.08 to 99.46 range.
- GBP caught a slight bid this morning following a stronger-than-expected GDP series. Pantheon Macroeconomics said it expects UK growth to improve to 0.4% Q/Q in Q1 as Budget uncertainty fades, seasonality lifts the New Year, and September's cyber-attack volatility limits spare capacity, keeping the MPC cautious. Despite this, Cable pared those gains almost immediately to then trade flat (and then pressured by the USD strength) as the session progressed. GBP/USD looks to end the day at the bottom end of a 1.3368-1.3446 range; the low for today is a couple of pips above its 100 DMA at 1.3362.
- JPY was flat for much of the session, but was then pressured after the US data. Earlier, the JPY gained on a report via Bloomberg, which suggested that the BoJ is likely to keep rates steady in January; some officials are said to be concerned over the economic impact of a weak JPY. The piece added that if the JPY continues to weaken, then the pace of future rate hikes could be accelerated. USD/JPY is currently around 158.70, and still shy of the prior day's high of 159.45.
- Israeli military orders residents in certain Lebanese buildings to evacuate, according to sources.
- China's FX regulator will formulate a basket of policy measures to promote cross-border financing.

FIXED

- A mixed session for fixed income, but broadly speaking the benchmarks haven't deviated significantly from the unchanged mark.
- USTs spent the morning in a narrow c. six tick band before breaking out of that to a 112-07+ low on the data docket, as weekly claims came in below consensus and the prior print. Action that has lifted US yields, with the 10yr back above 4.15%, though the curve overall is somewhat mixed.
- Ahead for USTs, Fed speak from Barkin and Schmid, 2027 & 2028 voters respectively, is scheduled with a text and Q&A expected from Schmid.
- Bunds in-fitting with the above. Narrow 128.23-47 confines with no real move in EGBs generally to the day's 2025 German GDP figure (as exp.) or issuance from Spain (strong).
- Gilts began marginally on the backfoot, following stronger-than-expected November GDP with the Q4 trend on track to surpass the BoE's forecast for no growth. Thereafter, the benchmark rebounded into the green to a 92.93 peak before slipping back to near unchanged, in-fitting with the choppy/rangebound action in peers this morning.
- Russia's President Putin, said Russia and Saudi Arabia in OPEC+ helps with stabilising the oil market.

COMMODITIES

- **A bearish session for crude benchmarks.** WTI and Brent spent the European morning in proximity to the post-Trump lows from late Wednesday when he rolled back on an immediate action.
- Since, with developments on that front light, the benchmarks picked up marginally in the mid-morning but remained well in the red at all times. Most recently, the **downward bias has intensified with lows of USD 58.99/bbl and USD 63.46/bbl**, somewhat below the USD 59.68/bbl and USD 64.15/bbl bases that hit after POTUS remarks last night.
- Otherwise, geopolitical focus remains on **Greenland** (the situation, broadly, remains the same) and **Ukraine**. The latter of note, after Trump said that Ukrainian President Zelensky is to blame for the stalemate, not Russian President Putin. Language that Russia has, unsurprisingly, jumped on.
- Gas benchmarks firmer, **Dutch TTF** continues to climb and got comfortably above the EUR 33/MWh mark. Upside driven by a continuation of factors that have been in play this week, including: Iran supply risks, higher Asia demand and the ongoing European cold spell.
- **Spot gold** softer, hit by the constructive risk tone, which has largely been driven by TSMC metrics and guidance, and USD strength. At worst, XAU got down to a USD 4581/oz base, but still within close proximity to the ATH of USD 4642/oz that printed on Wednesday.
- **Base metals** have been following precious peers lower, hit by the risk tone from China overnight. Since, despite the stronger European and US, 3M LME Copper remains softer by over 1% on the session.
- **Panama President** said the Government aims to make decision on first Quantum's Cobre Panama Mine by June.
- **Russia's President Putin, said Russia and Saudi Arabia in OPEC+ helps with stabilising the oil market.**
- **NBP Governor Glapinski** said they have 500 tonnes of gold; want to increase gold reserves to 700 tonnes.
- **Four Libyan oil ports resumed exports on Wednesday after a weather-related shutdown.**
- **Argentina's Economic Minister** announces that they have approved USD 665mIn gold mining project for Minas Argentina's under RIGI Scheme, via sources.
- **China** called on restart of China-Canada Agricultural Committee; China vows to strengthen agricultural cooperation with China.
- **US Ambassador** announces plan to work with Belgium on a USD 50bn LNG deal.

EUROPEAN DATA

- **UK Balance of Trade (Nov)** -6.116B vs. Exp. -3.5B (Prev. -6.531B, Rev. -4.824B).
- **UK Industrial Production YoY (Nov)** Y/Y 2.3% vs. Exp. -0.4% (Prev. 0.4%, Rev. -0.8%).
- **UK GDP 3-Month Avg (Nov)** 0.1% vs. Exp. -0.2% (Prev. 0.0%, Rev. -0.1%).
- **UK Construction Output YoY (Nov)** Y/Y -1.1% vs. Exp. 0.1% (Prev. 0.9%).
- **UK Manufacturing Production YoY (Nov)** Y/Y 2.1% vs. Exp. -0.3% (Prev. -0.2%, Rev. -0.8%).
- **UK GDP MoM (Nov) M/M 0.3% vs. Exp. 0.1% (Prev. -0.1%).**
- **UK GDP YoY (Nov)** Y/Y 1.4% vs. Exp. 1.1% (Prev. 1.1%).
- **UK Manufacturing Production MoM (Nov)** M/M 2.1% vs. Exp. 0.5% (Prev. 0.4%, Rev. 0.5%).
- **UK Industrial Production MoM (Nov)** M/M 1.1% vs. Exp. 0.1% (Prev. 1.3%, Rev. 1.1%).
- **UK Goods Trade Balance Non-EU (Nov)** -11.46B vs. Exp. -9.1B (Prev. -11.81B, Rev. -10.26B).
- **UK Goods Trade Balance (Nov)** -23.71B vs. Exp. -20.4B (Prev. -24.17B, Rev. -22.54B).
- **EU Industrial Production MoM (Nov)** M/M 0.7% vs. Exp. 0.5% (Prev. 0.7%, Rev. 0.8%).
- **EU Balance of Trade (Nov)** 9.9B vs. Exp. 15.2B (Prev. 17.9B, Rev. 18.4B).
- **EU Industrial Production YoY (Nov)** Y/Y 2.5% vs. Exp. 2% (Prev. 1.7%, Rev. 2%).
- **German Full Year GDP Growth (2025) 0.20% vs. Exp. 0.2% (Prev. -0.50%, Rev. -0.2%); Q4 0.2% Q/Q.**
- **German Wholesale Prices MoM (Dec)** M/M -0.2% vs. Exp. 0.2% (Prev. 0.3%).
- **German Wholesale Prices YoY (Dec)** Y/Y 1.2% vs. Exp. 1.6% (Prev. 1.5%).
- **Italian Industrial Production MoM (Nov)** M/M 1.5% vs. Exp. 0.5% (Prev. -1.0%, Rev. -1%).
- **Italian Industrial Production YoY (Nov)** Y/Y 1.4% vs. Exp. -0.6% (Prev. -0.2%, Rev. -0.3%).

NOTABLE HEADLINES

- **French President Macron aims to strengthen the military with a EUR 36bn increase in spending by 2030, including a EUR 3.5bn increase for 2026.**
- **ECB's de Guindos said "it is very important for all of us that the principle of central bank independence is also applied to the Federal Reserve."**

TRADE/TARIFFS

- **US President Trump's administration** is expected to finalise 2026 biofuel blending quotas by early March, according to sources. Administration is weighing a range of 5.2-5.6bn gallons for bio-based diesel volumes (exp. 6.6bn). Expected to keep biofuel blending quotas roughly in line with current proposal. Expected to drop plan to penalise imports of renewable fuel and feedstocks.
- **US exporters sell 204k tonnes of soybeans to China.**
- **Canada and China sign a trade cooperation MOU.** Both sides committed to resolving outstanding agricultural trade issues by maintaining open channels of communication.
- **Indian Trade Secretary on the India-EU trade deal negotiation** said some agricultural items remain off the table.
- **Indian Trade Secretary** said a deal with the EU is very close but there's still room for further negotiations to solve various issues.
- **Japanese Finance Minister aims to make progress in selecting projects as part of Japan and US bound investment package if**

PM Takaichi meets with US President Trump. Fiscal reform is impossible with economic growth. said next years financial budgets reliance on debt is at a sustainable pace.

CENTRAL BANKS

- **Fed's Bostic (2027 Voter) said he expects GDP to grow upward of 2% in 2026.** Expects inflationary pressure to continue in 2026. Many businesses are still incorporating tariffs into prices. Inflation pressure is beyond tariffs with other factors like medical adding to inflationary pressure. **Labour market is balance and is not too tight nor too loose.** Government shutdown will continue to distort data until April or May. Fed needs to stay restrictive because inflation remains high. Fed's independence gives them the ability to be patient.
- **Fed's Goolsbee (2028 Voter) said he's not surprised by low initial jobless claims numbers; Chicago Fed data showed stability in the labour market.**
- **BoJ is reportedly likely to keep rates steady in January; some officials are said to be concerned over the economic impact of a weak JPY, Bloomberg reported.** If the JPY continues to weaken, then the pace of future rate hikes could be accelerated. But, policy will remain on hold in January. Possible that the negative aspects such as a further JPY depreciation and the impact on personal consumption, will become a point of concern.
- **ECB's Kazaks said policy rates are optimally positioned as inflation trends improve.** Warns that inflation and growth risks are balanced and emphasises the need for vigilance.
- **PBoC cuts the one-year relending facility rate to 1.25% (prev. 1.50%), to increase tech innovation quotas by CNY 400bln to CNY 1.2tln.** Central Bank to boost relending quotas to power tech innovation. Pledges continued liquidity support via open market tools. Overnight rates will be guided to hover near policy rates. Will maintain ample liquidity to support bond issuance. Will flexibly conduct government bond operation going forward. Lowers minimum down payment for commercial property loans to 30% to boost market inventory clearance. No intention to use currency depreciation for trade advantage. Will guide expectation and prevent overshooting in CNY risk.
- **China's PBoC Deputy Governor announces plans to release a series of monetary and financial measures.**
- **NBP Governor Glapinski** said further easing could be before March, but also could be after; any cut will be 25bps. Doesn't rule out February rate cut, but do not confirm it either. Sees terminal level around 3.5%.

GEOPOLITICS

RUSSIA-UKRAINE

- **Russian President Putin** said international situation deteriorating.
- **Russian Foreign Ministry Spokesperson** said that Western forces deployed in Ukraine are legitimate target by Moscow.
- **EU's Russia crude oil price cap to be USD 44.10/bbl from February 1st.**
- **Russia's Kremlin on possible meeting with Kushner and Witkoff** said they will proceed once a date is agreed. Agree on US President Trump's assessment of Ukrainian President Zelensky delaying peace deal. However they do agree on continued dialogue.

MIDDLE EAST

- **Iranian Official** said US President Trump informed Iran he does not intend to attack, via Dawn.
- **Semafor** reported remarks from a US official on Wednesday, prior to the US President announcing that Iran has halted its killing of protestors, as saying that people "do not see diplomacy as a realistic option".

NORTH AMERICAN DATA

- **US NY Empire State Manufacturing Index (Jan) 7.70 vs. Exp. 1 (Prev. -3.70, Rev. -3.90).**
- **US Philly Fed Prices Paid (Jan) 46.90 (Prev. 49.30, Rev. 43.60).**
- **US Philly Fed CAPEX Index (Jan) 30.30 (Prev. 29.10, Rev. 30.30).**
- **US Philly Fed New Orders (Jan) 14.4 (Prev. 5.7, Rev. 5.0).**
- **US Philly Fed Business Conditions (Jan) 25.5 (Prev. 38.1, Rev. 41.6).**
- **US Philadelphia Fed Manufacturing Index (Jan) 12.6 vs. Exp. -2 (Prev. -8.8, Rev. -10.2).**
- **US Philly Fed Employment (Jan) 9.7 (Prev. 13.0, Rev. 12.9).**
- **US Initial Jobless Claims (Jan/10) 198K vs. Exp. 215K (Prev. 207K, Rev. 208K).**
- **US Jobless Claims 4-week Average (Jan/10) 205.00K vs. Exp. 215.0K (Prev. 211.50K, Rev. 211.75K).**
- **US Continuing Jobless Claims (Jan/03) 1K vs. Exp. 1890K (Prev. 1K, Rev. 1914K).**
- **US Export Prices MoM (Nov) M/M 3.3% vs. Exp. 0.2%.**
- **US Import Prices YoY (Nov) Y/Y 0.1% vs. Exp. 0.4%.**

Copyright © 2026 Newsquawk Voice Limited. All rights reserved.

Registered Office One Love Lane, London, EC2V 7JN, United Kingdom · Registered Number 12020774 · Registered in England and Wales.

newsquawk.com · +44 20 3582 2778 · info@newsquawk.com