

SNAPSHOT

STOCKS			
S&P 500	+0.4%	Nasdaq Comp.	+0.9%
DJIA	-0.8%	Russell 2000	+0.3%
ES Mar'26	+0.4%	RTY Mar'26	+0.3%
NQ Mar'26	+1.0%	YM Mar'26	-0.9%

FX			
DXY	-1.3% (95.75)	EUR/USD	+1.4%
USD/JPY	-1.3%	GBP/USD	+1.2%

BONDS			
US T-Note Mar'26	-4.5 ticks	10yr Bund Mar'26	-8 ticks
US 10yr Yield	4.25%	German 10yr Yield	2.87%

ENERGY & METALS			
WTI Mar'26	+3.2%	Brent Apr'26	+3.0%
Spot Gold	+3.3%	LME Copper	-1.3%

CRYPTO			
Bitcoin	+0.9%	Ethereum	+3.0%

As of 21:50GMT/16:50EST

LOOKING AHEAD

- Highlights include Australian Monthly & Quarterly CPI, Supply from Japan, BoJ Minutes from the December 18th-19th Meeting.
- [Click for the Newsquawk Week Ahead.](#)

US TRADE

- **US stocks** closed firmer, driven largely by mega-cap names as markets look towards MSFT, TSLA, and META earnings on Wednesday after the FOMC. Unsurprisingly, Healthcare was the worst performer, weighed by broad weakness in insurers (UNH -19.6%, CVS -14.2%, HUM -21.1%) after a WSJ report late on Monday that the Trump administration is proposing to keep the rates steady that Medicare pays insurers, lower than the St. expectations of 5%. Financials also saw losses while Tech, Utilities, and Energy outperformed. The latter was supported by upside in crude prices as the winter storm in the US continues to curtail production, with analysts noting that US oil producers lost up to 15% of national production over the weekend. US data largely had little impact on FX, but did add to downside in US 2yr yields as US Consumer Confidence hit a 12-year low; Richmond Fed showed slight improvement, albeit still negative, while ADP weekly growth marginally eased.
- **SPX** +0.41% at 6,979, **NDX** +0.88% at 25,940, **DJI** -0.83% at 49,003, **RUT** +0.26% at 2,667.
- [Click here for a detailed summary.](#)

TARIFFS/TRADE

- US President Trump said "We'll work something out" regarding the South Korean tariff threat.
- US President Trump's admin is warning South Korea not to target tech companies with discriminatory regulations and investigations, while many discussions involve Coupang (CPNG), according to WSJ.
- Canadian PM Carney said he told US President Trump that "he meant what he said in Davos", while he spoke to Trump on Monday about Canada's arrangement with China and the opportunity to move forward on the USMCA. Carney also said that talks on a formal review of the USMCA treaty will start in a few weeks.

- Geneva-based trade official said India stopped China's request for a new WTO dispute panel on Indian measures in the car and renewable energy industries.

NOTABLE HEADLINES

- US President Trump reiterated that he wants interest rates to go down.
- WSJ's Timiraos wrote that the Fed is set to pause rate cuts, with no clear path to resuming, while he added that the "Fed is likely to make only minor changes to its policy statement Wednesday..." and "If officials retain language about considering "additional adjustments" to rates, that would suggest they aren't ready to signal a longer pause."

DATA RECAP

- US ADP Employment Change Weekly 7.75K (Prev. 8.0K)
- US CB Consumer Confidence (Jan) 84.5 vs exp. 90.9 (prev. 89.1)
- US Richmond Fed Manufacturing Index (Jan) -6 vs. Exp. -8 (Prev. -7)
- US Richmond Fed Manufacturing Shipments Index (Jan) -5 (Prev. -11)
- US Richmond Fed Services Revenues Index (Jan) -3 (Prev. -6)
- US Dallas Fed Services Index (Jan) 2.7 (Prev. -5.0, Rev. From -3.3)
- US Dallas Fed Services Revenues Index (Jan) 7.8 (Prev. 0.0, Rev. From 0.1)
- US House Price Index MoM (Nov) M/M 0.6% vs. Exp. 0.3% (Prev. 0.4%)
- US House Price Index YoY (Nov) Y/Y 1.9% (Prev. 1.8%, Rev. From 1.7%)
- US S&P/Case-Shiller Home Price YoY (Nov) Y/Y 1.4% vs. Exp. 1.2% (Prev. 1.3%)

FX

- USD weakened amid the ongoing de-dollarisation theme and with the greenback not helped by weak US Consumer Confidence, while selling pressure was exacerbated after President Trump said he doesn't think the dollar declined too much and noted that countries like China and Japan "always wanted to devalue currency".
- EUR benefitted from the dollar's demise with the single currency reclaiming the 1.2000 status, while there were several ECB speakers, but they did little to shift the dial.
- GBP rose to its highest level in more than four years with GBP/USD climbing north of 1.3800 amid the weaker buck and with very light newsflow from the UK.
- JPY strengthened as the greenback's major counterparts were bolstered on President Trump's FX-related rhetoric.
- US President Trump said he doesn't think the dollar declined too much and noted that the dollar is doing great and the value of the dollar is great, while he stated that China and Japan "always wanted to devalue currency". Furthermore, Trump said the dollar is seeking its own level, which is fair and that he can have it up or down like a yo-yo.

FIXED INCOME

- T-notes lacked conviction and the curve steepened after US President Trump ramped up pressure on South Korea over stalled trade talks, while data showed that US Consumer Confidence sank to a 12-year low.

COMMODITIES

- Oil prices were firmer and gained from troughs throughout the duration of the US session, while there was no specific headline driver for the turnaround in prices, but it appears to be closely associated with the winter storm in the US, as it has curtailed production and even driven US Gulf Coast crude exports to zero over the weekend.
- US government is reportedly to issue a general license soon lifting some sanctions on the Venezuelan oil industry, according to reports.
- Mexican President Sheinbaum said regarding the decision to halt crude shipments to Cuba that it is a sovereign decision.

GEOPOLITICAL

MIDDLE EAST

- Israeli PM Netanyahu said if Iran attacks them, it will respond with a force it has never seen before. It was separately reported that the Israeli military said it identified "suspected infiltration" into Israel from Jordan.
- US President Trump said a big armada is going over to Iran, but hopefully won't have to use it, and it is bigger than the one that was near Venezuela, while he added Greenland is coming along well.
- IRGC said Iran will treat neighbours as hostile if their territory is used to launch an attack.
- Intensive diplomatic efforts are currently underway between Iran and the US across multiple channels, with efforts aimed at reducing the level of "escalation" between parties, according to Kann News.
- US President Trump said he is hearing that Iraq might make a very bad choice by reinstalling Nouri al-Maliki as Prime Minister, while he added that it should not be allowed to happen again and if elected, the US will no longer help Iraq.

RUSSIA-UKRAINE

- US President Trump said very good things are happening on Ukraine and Russia.

ASIA-PAC

NOTABLE HEADLINES

- Japanese Finance Minister Katayama said she will not comment on FX and will take appropriate action, while she added that they are to take appropriate steps on FX, coordinating with the US.
- China Vanke (2202 HK) won creditor approval to extend another two CNY bonds.

EU/UK

NOTABLE HEADLINES

- ECB's Nagel said there is no reason to change rates anytime soon, and he agrees with Chief Economist Lane that there is no good argument for changing rates in either direction.
- ECB's Simkus said policy fits at the moment, and rates are on hold in February, but the path beyond that is not obvious.
- ECB's Kocher said in a Bloomberg interview that a lot has happened since the last ECB meeting in December and "of course exchange rate matters", while he added that uncertainty remains high, and it is important to keep full optionality.
- ECB's Kocher said officials must be ready to act if needed.
- French government survived the first and second no-confidence votes in parliament.

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