OpenArc
CORPORATE ADVISORY

Weekly Market Brief

NOTABLE MARKET EVENTS

Macroeconomic Data: According to data reported by Challenger, Gray & Christmas, U.S. employers announced more than 108,000 layoffs for the month, an increase of +118% from the same period a year ago and +205% from December 2025, marking the highest January total since 2009. Private payrolls rose by just +22,000 jobs in January, well below the +45,000 expected. Initial jobless claims climbed to 231,000 for the week ending January 31st, sharply above the 212,000 forecast, with winter weather contributing to the increase. JOLTS data showed 6.5 million job openings in January, significantly undershooting the 7.2 million expected.

Economic Policy: In a highly anticipated decision, President Trump selected Kevin Warsh to lead the Federal Reserve following Powell's departure. Warsh, a former Fed Governor, is widely known as a proponent of Fed independence, which implies that he may find himself at odds with the White House as policy tensions build. After a difficult week of disappointing job data, many now see the likelihood of a rate cut at the next meeting as rising. Across the Atlantic, the ECB kept its own stance unchanged and held rates steady, offering no clear hints about its next move.

Business: Eli Lilly (NYSE: LLY) shares rose more than +10% on Wednesday after the company exceeded expectations, driven by strong demand for Mounjaro and Zepbound. Chipotle (NYSE: CMG) fell -11% following a sharp decline in restaurant traffic, with same-store sales dropping for the third consecutive quarter, which is the company's weakest performance in more than a decade. SpaceX announced the acquisition of X.AI for $250 billion, bringing the combined valuation to approximately $1.25 trillion. PayPal (NYSE: PYPL) declined more than -20% on Tuesday after a disappointing fourth-quarter earnings report and the departure of CEO Alex Chriss after two years. Shares of MicroStrategy (NYSE: MSTR) and Coinbase (NYSE: COIN) fell -28% and -25% respectively as Bitcoin dropped more than -24% over the week.

Markets: Commodities followed the broader market's lead and closed the week meaningfully lower. Gold and crude oil slipped -2% and -3.2%, while silver and Bitcoin lost -14.7% and -24.7%. Silver gave back gains just as quickly as it had surged, which tracks given it rallied +95% from October 2025 to mid January 2026.

SUMMARY

Markets delivered a mixed tone this week as the 10 year Treasury yield fell to 4.20% while the S&P 500 fell -1.69% and the Nasdaq fell -3.91%. Labor data pointed to further softening as layoffs climbed above 108,000, private payrolls added only +22,000 jobs, jobless claims rose to 231,000, and JOLTS openings came in at 6.542 million. Policy developments added tension as President Trump selected Kevin Warsh to lead the Federal Reserve, and the combination of weak data has increased expectations for a rate cut while the ECB kept rates steady without guidance. Corporate headlines rounded out the week with Eli Lilly gaining over +10%, Chipotle falling -11%, PayPal sliding more than -20%, MSTR and Coinbase dropping sharply alongside Bitcoin's -24% decline, and commodities broadly lower with gold, crude, silver, and Bitcoin all ending the week in negative territory.

ETF	Description	1 Week	YTD
XLY	Cons Disc	-2.96%	-1.53%
XLP	Cons Stap	+4.15%	+11.97%
XLE	Energy	+2.55%	+17.09%
XLF	Financials	-0.17%	-2.59%
XLV	Health Care	+0.06%	+0.02%
XLI	Industrials	+1.71%	+8.48%
XLB	Materials	+2.72%	+11.60%
XLRE	Real Estate	-0.34%	+2.33%
XLK	Technology	-5.76%	-5.82%
XLC	Comm Services	-3.29%	-1.35%
XLU	Utilities	-0.18%	+1.13%
SMH	Semis	-5.60%	+5.76%

10-YEAR TREASURY YIELD

Current Rate: 4.20% (as of 2.05.26)

Week-to-Date Movement: -4bps (from 4.24% on 1.30.26)

MAJOR U.S. EQUITY INDICIES PERFORMANCE

S&P 500: 6,939.03 → 6,821.66 (-1.69% WTD)

Dow Jones Industrial Avg: 48,892.47 → 48,941.29 (+0.10% WTD)

Nasdaq Composite: 23,461.82 → 22,545.32 (-3.91% WTD)

All performance figures and market events are sourced from Bloomberg as of market close 2/5/2026, using the prior Friday's market open as the start date.

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