

Last Month at a Glance

Global risk assets rose in January amid intensifying geopolitical headlines. Precious metals surged despite late-month price swings, and a nominee for the next Federal Reserve chairman was announced.

- Most major equity markets posted solid gains, led by emerging markets, as South Korea and Taiwan delivered strong returns. Among global sectors, IT lagged, partly due to an 11% drop in Microsoft shares on concerns that heavy AI investment may pressure margins before revenue growth materializes.
- Geopolitical complexities fueled economic uncertainty during the month. The US military's capture of Venezuelan President Nicolás Maduro escalated tensions with Venezuela, while President Donald Trump's shifting approach to Greenland—from military threats to contentious diplomacy—added volatility to transatlantic trade and NATO relations.
- The US Federal Reserve left its benchmark policy rate unchanged, following three consecutive cuts at previous meetings. President Trump nominated Kevin Warsh, a former Fed board member, to replace Jerome Powell as the next Fed chair. Markets reacted cautiously to the news amid uncertainty about his future policy; the dollar strengthened, and equities softened.
- Gold extended its strong performance. While central banks reduced gold purchases by 21% for the year, surging demand for gold-backed investment products (e.g., ETFs) more than offset the decline, with 801t added, the second-highest annual total on record. Still, the precious metals rally proved fragile at month end, as gold fell 11% and silver dropped 31% on the final trading day.

Market Performance

As of January 31, 2026 • Local Currency • Percent (%)

Equities	Last Month	2025	2024
Global	2.5	19.7	20.2
Developed Markets	1.7	18.4	21.0
United States	1.3	17.3	24.6
Euro Area	2.8	23.8	9.4
United Kingdom	3.1	25.8	9.5
Japan	4.9	24.3	20.7
Emerging Markets	8.8	31.2	13.1
Fixed Income			
US Aggregate	0.1	7.3	1.3
US Treasuries	-0.1	6.3	0.6
US Corporate IG	0.2	7.8	2.1
US Corporate HY	0.5	8.6	8.2
Real Assets			
Global Equity REITs	2.6	2.6	3.1
Global Natural Resources	12.1	27.2	-1.8
Gold Bullion	9.0	64.5	27.5
Currencies			
EUR/USD	1.3	13.4	-6.3
GBP/USD	2.0	7.4	-1.8
USD/JPY	-1.6	-0.3	11.5

Sources: Bloomberg Index Services Limited, MSCI Inc., and Thomson Reuters Datastream. MSCI data provided "as is" without any express or implied warranties.

Notes: This edition was prepared on January 31, 2026, and it reviews developments of the prior week. The equity data are total returns net of dividend taxes of MSCI indexes in local currency. Global natural resources equities are represented by the MSCI All Country World Commodity Producers Index. The fixed income data are total returns for Bloomberg indexes. Gold Bullion uses near-month gold futures contracts, as traded on the COMEX, to determine performance. Currency performance is based on Reuters data.