

Precious metals fear the Warsh-case-scenario

The Federal Reserve's independence has been a key concern for the market over the course of the last year, which is why US President Trump's nominee for the next Fed chair caught much of the market off guard. On Friday, Trump nominated Kevin Warsh to replace Jerome Powell in May. Warsh was a Fed governor during the Global Financial Crisis and is known to be more hawkish on inflation, which has raised expectations for tighter monetary policy.

The news shocked the market for safe haven assets, prompting a sharp sell-off in gold and silver which have rallied so far in 2026. Gold recorded its steepest single-day decline since 1983, falling -8.0% in EUR terms. Silver—which has been more sensitive to the recent sentiment around precious metals—fell -25.6% in EUR terms. Losses for both extended further over the weekend but have rebounded this morning.

Trump's announcement came following the Fed's decision on Wednesday to maintain interest rates, as widely anticipated. In his accompanying statement, Fed Chair Powell noted that "economic activity has been expanding at a solid pace" and the FOMC doesn't believe that current monetary policy is "significantly restrictive at this time". Meanwhile, US consumer confidence in January fell to a 12-year low, as another US government shutdown began on Saturday; however, it is expected to end this week.

In Europe, Q4 GDP data showed that the German economy (which is Europe's largest) expanded 0.3% QoQ in the final three months of 2025, ahead of forecasts of 0.2%. The German annual inflation rate rose in January to 2.1% from 1.8%, ahead of market expectations for 2.0%.

In corporate news, reports emerged that Nvidia, Microsoft, and Amazon are in talks to invest up to \$60 billion in OpenAI in order to support its plans for expansion, and its need for more data centre capacity.



Fact of the week

The S&P 500 briefly moved above the 7,000-point milestone for the first time ever in intraday trading on Wednesday.

Our regular market information continues on the next page.

Snapshot



- Corporate Bonds
- Sovereign Bonds
- Copper
- Oil
- Gold



- World Equities

The week ahead

04 Feb	Eurozone inflation data for January is released.
05 Feb	ECB and BoE rate decisions are announced.
06 Feb	US non-farm payrolls for January is reported.



1 Week Return 23.01.26 to 30.01.26		Year to Date Return 31.12.25 to 30.01.26		
	Local Currency	Euro	Local Currency	Euro
World	0.5%	-0.7%	2.2%	0.9%
U.S.	0.3%	-0.9%	1.3%	0.0%
Europe	0.3%	0.3%	2.9%	2.9%
Ireland	1.9%	1.9%	0.0%	0.0%
U.K.	0.9%	0.9%	3.1%	3.8%
Japan	-1.5%	-0.2%	4.9%	5.2%
Hong Kong	4.1%	2.8%	10.7%	8.9%
Corporate Bonds	0.5%	0.5%	0.9%	0.9%
Sovereign Bonds	0.3%	0.3%	0.9%	0.9%

Warning: Past performance is not a reliable guide to future performance.

Warning: The value of your investment may go down as well as up.

Warning: Benefits may be affected by changes in currency exchange rates.

Warning: If you invest in this product, you may lose some or all of the money you invest.

Equities

- Global stocks finished down -0.7% in euro terms and up 0.5% in local terms last week.
- Year-to-date global markets are up by 0.9% in euro terms and up by 2.2% in local terms.
- The U.S. market, the largest in the world, finished down at -0.9% in euro terms and up at 0.3% in local terms.

Fixed Income & FX

- The U.S. 10-year yield finished at 4.2% last week. The German equivalent finished at 2.8%. The Irish 10-year bond yield finished at 3.1%.
- The Euro/U.S. Dollar exchange rate finished at 1.19, whilst Euro/GBP finished at 0.87.

Commodities

- Oil finished the week at \$65 per barrel and is up 12.6% year-to-date in euro terms.
- Gold finished the week at \$4,894 per troy ounce and is up 12.3% year-to-date in euro terms.
- Copper finished the week at \$13,068 per tonne and is up 4.0% year-to-date in euro terms.

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