

## Market Recap 15/02/2026

### USA

Markets cooled down this week, due to important factors starting from AI concerns. Amazon, Google, Meta and Microsoft collectively expect to spend around \$650 billion to compete in the race, however investors start to be worried about this ambitious capex spending. We see a fall in major sectors, from software and brokerage to semiconductors. Despite the increase of non-farm payrolls to 130,000 and the unemployment rate going to 4.3%, the labor market's health is not yet cured with only 181,00 jobs added in 2025 instead of the previously estimated 584,000. Release of CPI on Friday went well for the US with a 2.4% down from the previous 2.7%, however players are still on hold due to data not still clean as they would want.

	Friday's Close	Week's % Change	Year to date % Change
Dow Jones Industrial Average	49468.00	-1.29%	2.92%
S&P 500	6834	-1.43%	-0.18%
NASDAQ Composite	24711	-1.46%	-2.14%
Russell 2000	2652	-0.90%	5.36%
Russell 3000 Value	2879	-0.40%	5.56%
Russell 3000 Growth	3520	-2.10%	-5.93%

Source: Yahoo Finance, Bocconi Students Investment Club

Yields confirmed last week's trend, with CPI that have not influenced a lot the previsions for a near-cut, confirming the position of the Fed to hold for the moment like analysts suggest and maintain a two cut strategy for the year. By looking at the fed watch we see little difference between before and after CPI. Still we see some movement both in the long and the short term, especially on Friday we saw a decrease of two year yields of about 5 basis point confirming a slight change in expectation.

Treasury Bonds	Friday's Yield	Weekly Ch. In Yield (bps)
<b>2Y</b>	3.42%	-9
<b>5Y</b>	3.61%	-16
<b>10Y</b>	4.05%	-17
<b>30Y</b>	4.69%	-16

Source: Yahoo Finance, Bocconi Students Investment Club

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## Europe and UK

European markets had a pretty steady weak, better than the American peers. Also European markets faced AI fear, with tech shares making the move, like ASML that went a bit below recent ATH. Also related sectors, such as logistics, commercial real estate and financial services were influenced. The surprise for the week was the French aerospace company Safran with a more than 7% performance after they raised their revenue and earnings projections for the upcoming years.

	Friday's Close	Week's % Change	Year to date % Change
STOXX Europe 600	617.7	-0.01%	3.34%
DAX (Germany)	24915	0.78%	1.73%
CAC 40 (France)	8312	0.46%	1.99%
FTSE MIB (Italy)	45431	-0.97%	1.08%
FTSE 100 (UK)	10446	0.74%	5.19%

Source: Yahoo Finance, Bocconi Students Investment Club

Moving to European yields the absence of local movers led them to follow global rates impulse with a reduction of about 0.10% across major European countries. A more interesting story is what happened for UK gilts where we had a close call that decided in favor of holding at 3.75% with 5 vs 4 votes, which pulled short-term gilts lower signaling more interest for a future cut.

10Y Gov. Bonds	Friday's Yield	Week's change (bps)
<b>Germany</b>	2.76%	-9
<b>France</b>	3.34%	-10
<b>Italy</b>	3.39%	-9
<b>Spain</b>	3.14%	-9
<b>UK</b>	4.42%	-9

Source: Yahoo Finance, Bocconi Students Investment Club

## Rest of the World

Japan surged this week with a positive 6.06% driven by the optimism after new election of prime minister Takaichi, with players that hope she will support domestic growth without worsening delicate Japan fiscal position. Not all Japanese stocks, however, can say it was an easy week with Softbank losing over 8% on Friday, even though they reported positive results after the loss in the same period one year ago. Chinese markets were pretty firm, with the premier Li Qiang speech where he pushed the desire for AI innovations saying the sector has still a lot of potential.

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	Friday's Close	Week's % Change	Year to date % Change
Nikkei 225	57524	6.06%	14.30%
CSI 300	4660	-0.07%	0.66%
Shanghai Composite	4082	0.41%	2.85%
Hang Seng	26567	0.03%	3.65%

Source: Yahoo Finance, Bocconi Students Investment Club

Latin American equities did a great week with Mexico and Brazil leading the other, benefitting from still-supporting global conditions and strong local moment. Australia also did well though they fell on Friday. South Korea had one of his best weeks with a week's change of 8.21%. reaching ATH. The move was led by tech, semiconductors and financial services with Samsung electronics up more than 6% and battery maker LG increased more than 4%.

	Friday's Close	Week's % Change	Year to date % Change
BIST-100 (Turkey)	14180.7	3.95%	25.92%
IPC Index (Mexico)	71449	0.91%	11.22%
Bovespa (Brazil)	186464	1.83%	15.63%
Kospi (South Korea)	5507.01	8.21%	30.68%
S&P/ASX 200 (Australia)	8918	2.40%	2.33%

Source: Yahoo Finance, Bocconi Students Investment Club

## FX and Commodities

In FX, the USD softened modestly against the major European currencies, consistent with a week in which rate differentials moved against the dollar and investors were more willing to hold non-USD exposure. The euro edged higher, with EUR/USD closing at 1.1866 (+0.43%), while GBP/USD also increased to 1.3639 (+0.22%). The bigger story was in the traditional havens: the yen and Swiss franc outperformed, with USD/JPY falling to 152.584 (-2.95%) and USD/CHF down to 0.767 (-1.14%), a pattern consistent with what happened in equities with fear that is increasing.

Currency Pair	Friday's Close	Week's % Change	Year to date % Change
EUR/USD	1.1866	0.43%	1.07%
USD/JPY	152.584	-2.95%	-2.66%
GBP/USD	1.3639	0.22%	1.33%
USD/CHF	0.767	-1.14%	-3.26%

Source: Yahoo Finance, Bocconi Students Investment Club

Commodity markets were mixed but tilted softer, with the energy complex giving background while gold held up. Brent slipped to 67.654 (-0.58%) and WTI to 62.75 (-1.26%), while natural gas saw the sharpest move, falling to

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3.2 (-6.41%). Precious metals diverged: gold rose to 5,040 (+1.45%), aligning with a modest “hedge bid” during the week, even as silver eased to 77.19 (-1.00%). Copper declined to 5.79 (-1.63%), consistent with a more cautious cyclical demand into the end of the week.

	Last Price	Week's % Change	Year to date % Change
Brent Crude Oil Last Day Finance	67.654	-0.58%	11.18%
WTI Front Month	62.75	-1.26%	9.28%
Natural Gas Front Month	3.2	-6.41%	-13.11%
Gold Front Month	5040	1.45%	16.69%
Silver Front Month	77.19	-1.00%	8.33%
Copper Front Month	5.79	-1.63%	1.83%

Source: Yahoo Finance, Bocconi Students Investment Club

### Next Week Main Events

It will be an interesting week starting from a relaxed Monday due to bank holidays. Moving we will have the claimant count change in UK and the Canadian release of CPI, followed by the UK CPI and the FOMC meeting on Wednesday. We conclude the week with the unemployment claims on Thursday and a busy Friday with the release of Manufacturing PMI both for EU and the US.

	Events
<b>Monday</b>	Bank Holiday
<b>Tuesday</b>	UK Claimant Count Change, Canadian CPI
<b>Wednesday</b>	UK CPI, FOMC Minutes
<b>Thursday</b>	Unemployment claims
<b>Friday</b>	EU and US Manufacturing PMI

Source: Yahoo Finance, Bocconi Students Investment Club

### Brain Teaser #41

Poker is a card game in which each player gets a hand of 5 cards. There are 52 cards in a deck. Each card has a value and belongs to a suit. What are the probabilities of getting hands with four-of-a-kind (four of the five cards with the same value)?

Solution:

A 5 card poker hand is chosen uniformly from  $\binom{52}{5}$  possibilities. To have 4 of a kind, we first choose the rank for the quadruple that is 13 ways then we take all four suits of that rank that is 1 way and after that we choose the 5<sup>th</sup>

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card from the remaining 48 cards. Concluding the number of four of a kind hands (4 of a kind + another card) is  $13 \cdot 48 = 624$  and the probability will be  $624 / \binom{52}{5} = 0.024\%$

### **Brain Teaser #42**

In a primitive society, every couple prefers to have a baby girl. There is a 50% chance that each child they have is a girl, and the genders of their children are mutually independent. If each couple insists on having more children, what will eventually happen to the fraction of girls in this society?

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