

THINGS TO WATCH

Greenland

President Trump announced escalating tariffs on imports from eight NATO allies unless a deal is reached for the U.S. to purchase Greenland. The tariffs would begin at 10% on February 1 and rise to 25% by June, potentially stacking on existing duties. The move has prompted backlash across Europe, emergency European Union (EU) talks, and warnings that the threats could undermine NATO unity and the U.S.-EU trade agreement. Legal uncertainty also looms, with the Supreme Court expected to weigh in on the president's tariff authority this week. Trump is scheduled to address a gathering of world leaders on Wednesday at the World Economic Forum in Davos, Switzerland.

U.S. Dollar

The U.S. dollar index (99.05 close last week) will be important to watch as geopolitical tensions around Greenland and potential EU tariffs risk renewed dollar selling, similar to March and April. At the same time, any broad risk-off move could support the greenback.

Netflix (NFLX)

Netflix (NFLX) reports 4Q25 results this afternoon, with investors focused on content performance and advertising momentum following a rare profit miss last quarter. The company is expected to post a 17% year-over-year increase in revenue, supported by strong engagement from the final season of Stranger Things and record-breaking Christmas Day NFL games. However, financial and operational uncertainty surrounding a potential Warner Bros. Discovery (WBD) transaction is likely to remain an overhang, with analysts noting merger-related headlines could continue to influence the stock despite solid underlying fundamentals.

Oilfield Services Stocks

Quarterly results, management commentary, and guidance from energy services leaders Halliburton (HAL) tomorrow and SLB Corp. (SLB) on Friday will be closely watched for signs of renewed growth tied to potential investment in Venezuela's strained oil production infrastructure.

LAST WEEK'S ECONOMIC DATA	LATEST	3MO PRIOR	CHANGE	
NFIB Small Business Optimism	99.5	98.8	▲	
Consumer Price Index (Y/Y)	2.7%	3.0%	▼	
Core Consumer Price Index (Y/Y)	2.6%	3.0%	▼	
Producer Price Index (Y/Y)	3.0%	2.7%	▲	
Retail Sales (M/M)	0.6%	0.5%	▲	
Existing Home Sales (Millions Annualized)	4.35	4.05	▲	
INDEX	LEVEL	WEEK	YTD	12 MO
DJ Industrial Average	49359.33	-0.28%	2.74%	16.35%
NASDAQ	23515.39	-0.66%	1.19%	22.42%
S&P 500	6940.01	-0.36%	1.42%	18.35%
MSCI EAFE	2992.06	1.41%	3.64%	34.81%
BB U.S. Aggregate	2349.05	-0.14%	0.17%	7.35%
KEY BOND RATES	WEEK	1MO AGO	1YR AGO	LATEST
3-Month T-Bill	3.63%	3.61%	4.30%	11,750
10-Year Treasury	4.22%	4.15%	4.61%	1,884
REPORTS DUE THIS WEEK	WEEK	1MO AGO	1YR AGO	LATEST
ADP Weekly Employment 4-Week Moving Avg. - 1/3				51.8
Continuing Jobless Claims (Thousands) - 1/10				4.3%
GDP (Q/Q Annualized) - 3Q25 Final				2.8%
Core PCE Price Index (Y/Y) - Nov.				51.8
S&P Global U.S. Manufacturing PMI - Jan.				

Total returns are as of 1/16/26. Source data: Bloomberg and Morningstar are believed to be correct but not verified.

NUMBERS OF THE WEEK



\$54 billion

Last week, Taiwan Semiconductor (TSM) forecast \$54 billion in capital expenditures for 2026, up 32% from 2025 and well above analyst expectations. Management cited strong confidence in AI demand, projecting AI-related revenue to grow at a compound annual growth rate above 50% through 2029 as the company ramps advanced-chip capacity. The outlook reinforced TSM's central role in the AI supply chain and helped fuel a rally in many U.S. semiconductor-related stocks.



50%

Goldman Sachs (GS) raised its quarterly dividend by 12% last week after increasing the payout by 33% in July, amounting to a roughly 50% dividend hike over six months. The move reflects a favorable environment marked by strong capital markets activity, easing regulatory pressures, and capital requirements that remain well above minimum thresholds. The improved operating backdrop has enabled Goldman and its peers to accelerate the pace of their shareholder returns.

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