

WEEKLY MARKET BRIEF

Equity & Fixed Income Overview — Quantitative Research

Data as of February 7, 2026

J. Bejarano [✉ jbejarano@uchicago.edu](mailto:jbejarano@uchicago.edu)



MARKET OVERVIEW

US equity markets advanced for the third consecutive week as investors digested strong earnings reports from the technology sector. The S&P 500 extended its rally, supported by expectations of a patient Federal Reserve and resilient corporate profit margins.

Trailing Performance



KEY DEVELOPMENTS

- Federal Reserve held rates steady at the January FOMC meeting, signaling a data-dependent approach through 2026
- Q4 2025 earnings season: 78% of S&P 500 companies beat estimates (Bloomberg 2026)
- 10-year Treasury yield stabilized near 4.2% after December volatility
- PCE inflation reading came in at 2.4% YoY, within the Fed's target range

KEY STATISTICS

S&P 500: 6,040

VIX: 15.8

10Y Yield: 4.21%

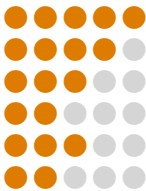
Fed Funds: 4.25–4.50%

WTI Crude: \$73.20

Gold: \$2,810

SECTOR MOMENTUM

Technology
Financials
Healthcare
Energy
Consumer Staples
Utilities



RISK ASSESSMENT

Equity Volatility
Rate Risk
Credit Spreads
Geopolitical



DATA SOURCES

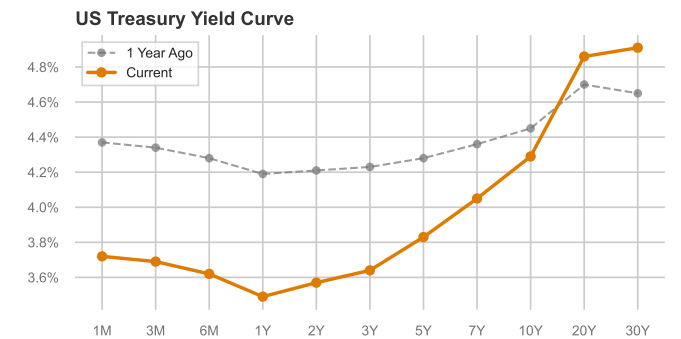
Yahoo Finance

FRED

Bloomberg

YIELD CURVE ANALYSIS

The current yield curve shows a mild upward slope, having normalized from the prolonged inversion of 2023–2024. The 2s10s spread has returned to positive territory, consistent with expectations for moderate economic growth (Adrian, Crump, and Moench 2013).



RETURNS SUMMARY

Sector Returns (%)

Sector	1M	3M	YTD	1Y
S&P 500	-0.5	+2.6	+0.4	+14.9
Technology	-5.7	-4.0	-4.3	+18.7
Financials	-3.0	+2.6	-1.8	+5.9
Healthcare	-2.3	+7.2	+0.3	+7.0
Energy	+17.1	+19.0	+15.7	+21.0
Cons. Discr.	-0.7	+2.0	+1.5	+5.7
Cons. Staples	+13.5	+14.3	+12.0	+13.0
Industrials	+6.6	+10.9	+7.2	+25.2
Materials	+11.2	+21.6	+12.5	+18.8
Comm. Svcs.	-0.2	+4.5	-0.1	+15.3
Real Estate	+3.3	+1.6	+2.7	+2.1
Utilities	+2.9	-3.2	-0.2	+13.1

SOURCES

References

- Bloomberg (2026). *S&P 500 Earnings Dashboard*. URL: <https://www.bloomberg.com/markets>.
- Hull, John C. (2022). *Options, Futures, and Other Derivatives*. 11th. Pearson.
- Adrian, Tobias, Richard K. Crump, and Emanuel Moench (2013). “Pricing the Term Structure with Linear Regressions”. In: *Journal of Financial Economics* 110.1, pp. 110–138.
- Fama, Eugene F. and Kenneth R. French (1993). “Common Risk Factors in the Returns on Stocks and Bonds”. In: *Journal of Financial Economics* 33.1, pp. 3–56. DOI: 10.1016/0304-405X(93)90023-5.

ALERTS

- Earnings Season**
Q4 results continue through mid-February. Watch for guidance revisions in technology and financials.
- FOMC Minutes**
Minutes from the January meeting release Feb. 19. Markets pricing 2 cuts in 2026.
- Geopolitical**
Trade policy uncertainty remains elevated. Monitor tariff developments and their impact on supply chains.
- Volatility**
VIX near cycle lows suggests complacency. Tail risk protection is historically cheap.

NOTES

ANALYST CONTACT

Research Division
FINM 33900 — Full Stack Quantitative Finance