

Weekly Market Pulse



Week ending February 13, 2026

Market developments

Equities: Global equities traded in a volatile but directionally mixed environment as investors reassessed the impact of AI-driven disruption, shifting macro data and sector rotations. U.S. markets saw a sharp rebound late in the week after prior selling, with tech stocks recovering from earlier weakness and the Dow Jones hovering around the 50,000 milestone despite intermittent pressure from retail sales and labour market uncertainties. Value and small-cap segments outperformed high-growth names, reflecting a continued rotation away from mega-cap technology amid worries about overinvestment in the AI cycle. European equities also benefited from their more defensive and value-oriented composition, avoiding some of the pressure seen in U.S. tech.

Fixed Income: Global fixed-income markets experienced a strong rally as cooling inflation data shifted expectations toward a more accommodative central-bank stance. U.S. Treasury yields dropped meaningfully, with the 10-year yield sliding toward the 4% level after January CPI surprised to the downside, marking the slowest price growth since mid-2025. This triggered a surge in bond buying as markets increasingly priced in higher probabilities of Fed rate cuts later in 2026, reversing part of the prior “higher-for-longer” narrative.

Commodities: Commodities saw mixed performance, with precious metals firming while oil prices edged modestly higher amid geopolitical tensions. Gold and silver rallied as investors weighed shifting expectations for Federal Reserve rate cuts, supported by strong safe-haven demand, geopolitical uncertainty and resilient labour market data that delayed but did not eliminate prospects for monetary easing. Crude oil prices rose slightly, supported by supply concerns tied to U.S.–Iran tensions, even as a larger-than-expected build in U.S. inventories capped gains.

Performance (price return)

SECURITY	PRICE	WEEK	1 MONTH	3 MONTH	YTD
Equities (\$Local)					
S&P/TSX Composite	33,073.71	1.86%	0.62%	9.32%	4.30%
S&P 500	6,836.17	-1.39%	-1.83%	1.46%	-0.14%
NASDAQ	22,546.67	-2.10%	-4.91%	-1.42%	-2.99%
DAX	24,914.88	0.78%	-1.99%	3.63%	1.73%
NIKKEI 225	56,941.97	4.96%	6.34%	11.04%	13.12%
Shanghai Composite	4,082.07	0.41%	-1.37%	1.30%	2.85%
Fixed Income (Performance in %)					
Canada Aggregate Bond	244.31	0.66%	1.17%	0.56%	1.40%
US Aggregate Bond	2373.26	0.65%	0.86%	1.57%	1.04%
Europe Aggregate Bond	250.04	0.57%	0.90%	0.91%	1.31%
US High Yield Bond	29.37	0.14%	0.26%	2.11%	0.76%
Commodities (\$USD)					
Oil	62.85	-1.10%	2.78%	7.09%	9.46%
Gold	5034.28	1.41%	9.76%	20.68%	16.55%
Copper	578.25	-1.69%	-3.88%	13.34%	1.77%
Currencies (\$USD)					

US Dollar Index	96.84	-0.82%	-2.32%	-2.34%	-1.51%
Loonie	1.362	0.40%	1.99%	3.05%	0.76%
Euro	0.8421	0.51%	2.00%	2.08%	1.10%
Yen	152.64	3.00%	4.26%	1.26%	2.67%

Source: Bloomberg, as of February 13, 2026

Central Bank Interest Rates

Central Bank	Current Rate	March 2026 Expected Rate*
Bank of Canada	2.25%	2.24%
U.S. Federal Reserve	3.75%	3.62%
European Central Bank	2.00%	1.92%
Bank of England	3.75%	3.55%
Bank of Japan	0.75%	0.78%

Source: Bloomberg, as of February 13, 2026

*Expected rates are based on bond futures pricing

Macro developments

Canada – No Notable Releases

No notable releases this week.

U.S. – Retail Sales Stall in December, Unemployment Rate Edges Lower, Inflation Slows to Eight-Month Low

U.S. retail sales were flat in December 2025 after a solid gain in November and came in below expectations. Strength in categories like building materials and sporting goods was offset by declines in furniture, clothing, electronics and general merchandise. Core sales tied to GDP slipped 0.1%, marking the first decrease in three months.

The U.S. unemployment rate fell to 4.3% in January 2026 as more people found jobs. Employment rose strongly while the labour force also expanded, lifting participation slightly. The broader U-6 measure of unemployment declined to 8.0%, signalling improvement among discouraged and part-time workers.

U.S. inflation cooled to 2.4% in January 2026, largely due to base effects and falling energy prices. Gasoline and fuel oil declined sharply, while used vehicle prices also fell. Core inflation eased to 2.5% year over year, though monthly core CPI rose slightly faster than in December.

International – Euro Area Growth Holds Steady, China’s Inflation Drops Sharply

The euro area economy grew 0.3% in Q4 2025, matching the previous quarter’s pace despite pressure from U.S. tariffs. Spain led major economies with strong consumption and investment, while Germany and Italy posted moderate gains and France lagged. Eurozone GDP grew 1.5% in 2025 and is expected to ease to about 1.2% in 2026 before improving in 2027.

China’s inflation slowed to 0.2% in January 2026 as food prices fell and non-food inflation weakened. Declines in transport and housing costs deepened while clothing inflation picked up. Core inflation eased to 0.8%, its weakest level in six months and monthly CPI growth remained modest.

Quick look ahead

DATE	COUNTRY / REGION	EVENT		SURVEY	PRIOR
15-Feb-26	Japan	GDP Annualized SA QoQ	4Q P	1.60	-2.3
15-Feb-26	Japan	GDP SA QoQ	4Q P	0.40	-0.6
17-Feb-26	United Kingdom	ILO Unemployment Rate 3Mths	Dec	5.10	5.1
17-Feb-26	Canada	CPI NSA MoM	Jan	0.10	-0.2
17-Feb-26	Canada	CPI YoY	Jan	2.40	2.4
18-Feb-26	United Kingdom	CPI MoM	Jan	-0.45	0.4
18-Feb-26	United Kingdom	CPI YoY	Jan	3.00	3.4
18-Feb-26	United Kingdom	CPI Core YoY	Jan	3.03	3.2
19-Feb-26	Japan	Natl CPI YoY	Jan	1.50	2.1
19-Feb-26	Japan	Natl CPI Ex Fresh Food YoY	Jan	2.00	2.4
19-Feb-26	Japan	S&P Global Japan PMI Composite	Feb P		53.1
19-Feb-26	Japan	S&P Global Japan PMI Mfg	Feb P		51.5
19-Feb-26	Japan	S&P Global Japan PMI Services	Feb P		53.7
20-Feb-26	Eurozone Aggregate	HCOB Eurozone Manufacturing PMI	Feb P	50.00	49.5
20-Feb-26	Eurozone Aggregate	HCOB Eurozone Services PMI	Feb P	51.90	51.6
20-Feb-26	Eurozone Aggregate	HCOB Eurozone Composite PMI	Feb P	51.50	51.3
20-Feb-26	United States	GDP Annualized QoQ	4Q A	2.80	4.4
20-Feb-26	Canada	Retail Sales MoM	Dec	-0.50	1.3
20-Feb-26	Canada	Retail Sales Ex Auto MoM	Dec	0.10	1.7
20-Feb-26	Canada	Industrial Product Price MoM	Jan	0.20	-0.6
20-Feb-26	Canada	Raw Materials Price Index MoM	Jan	0.60	0.5
20-Feb-26	United States	S&P Global US Manufacturing PMI	Feb P		52.4
20-Feb-26	United States	S&P Global US Services PMI	Feb P		52.7
20-Feb-26	United States	S&P Global US Composite PMI	Feb P		53

P = Preliminary

A = Advance

The Asset Allocation Team at NEI Investments

Judith Chan, CFA – Vice President, Head of Asset Allocation

Mateo Marks, CFA – Director, Asset Allocation

Adam Ludwick, CFA – Director, Asset Allocation

Anthony Rago, B.A.Sc. – Senior Asset Allocation Analyst

Aviso Wealth Inc. ("Aviso") is the parent company of Aviso Financial Inc. ("AFI") and Northwest & Ethical Investments L.P. ("NEI"). Aviso and Aviso Wealth are registered trademarks owned by Aviso Wealth Inc.

NEI Investments is a registered trademark of NEI. Any use by AFI or NEI of an Aviso trade name or trademark is made with the consent and/or license of Aviso Wealth Inc. Aviso is a wholly-owned subsidiary of Aviso Wealth LP, which in turn is owned 50% by Desjardins Financial Holding Inc. and 50% by a limited partnership owned by the five Provincial Credit Union Centrals and The CUMIS Group Limited. Mutual funds and other securities are offered by Aviso Wealth, a division of Aviso Financial Inc.

This material is for informational and educational purposes and it is not intended to provide specific advice including, without limitation, investment, financial, tax or similar matters. This document is published by AFI and unless indicated otherwise, all views expressed in this document are those of AFI. The views expressed herein are subject to change without notice as markets change over time.