As Goes January, So Goes The Year... | CIO Insights

With no Santa rally in sight, Nasdaq's woes continue. Not only is the tech and growth bellwether down second month in a row, it also has the ignominy of underperforming major equity indices (S&P, Dow, Russell and All World ex-US). Everything from its breadth, trend and momentum is middling, searching for direction – which way this resolves, will set the tone for the broader market – "as goes January, so goes the year"...

Within Nasdaq, there is almost an even split between those in an uptrend and downtrend – at 36%and 38% respectively. The composition is more interesting – hardware names(semis, chips, equipment, memory - infrastructure providers) are trending up with software leaders at the other end of the spectrum.

After a period of data distortion over Nov-Dec'25, we should start to get a semblance of proper comparisons – Data focus for the week will be PMI and jobs in the US, inflation in China and a slew of jobs, inflation and retail sales date in the Eurozone. The interplay between jobs and inflation will be critical to set monetary policy direction, both sides of the Atlantic.

With the US military intervention in Venezuela, the year's literally started with a bang. With a peace deal in the war on Ukraine elusive, geopolitical uncertainties remain elevated. Gold remains the haven currency of choice.

In recent months, tech has lost momentum at the cost of gains in healthcare, industrials and materials. Likewise, growth is underperforming value. A tech revival is needed to restore animal spirits – the current holding pattern needs resolution –catalysts to watch will be direction of monetary policy (lower inflation, weaker jobs =positive catalyst) and earnings delivery.

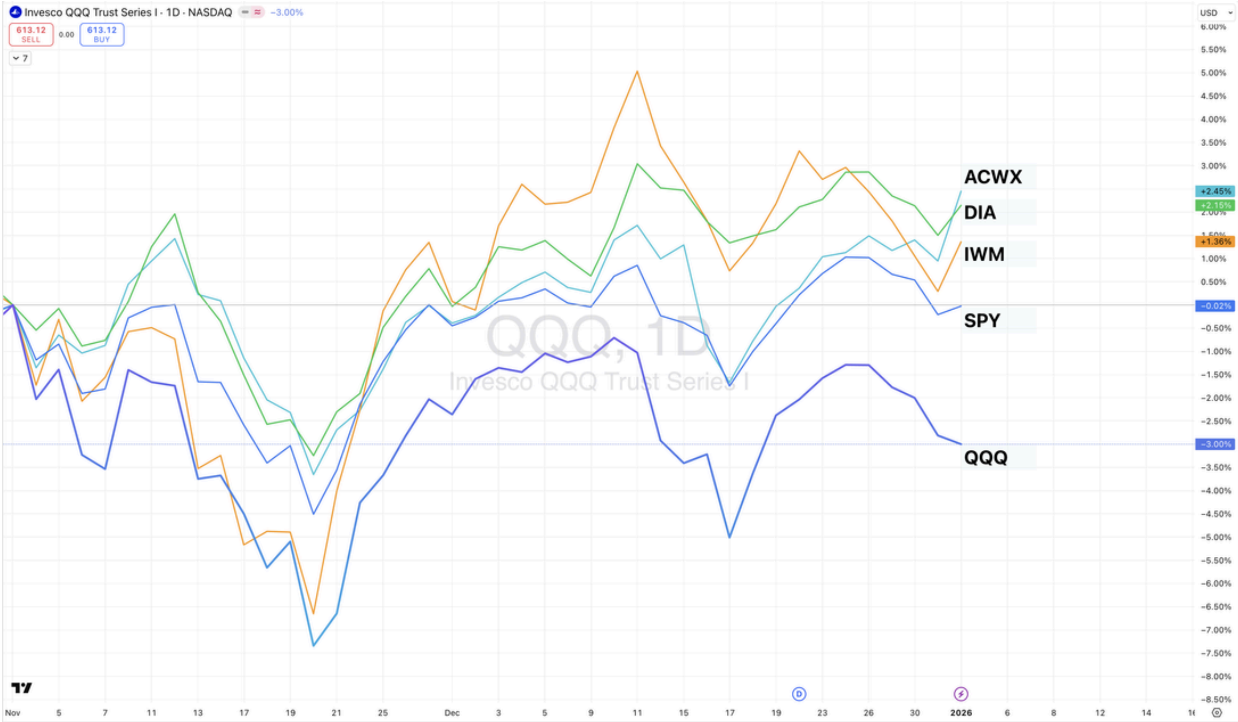
Nasdaq/ Growth Woes

- After peaking in late Oct'25, Nasdaq has not only not made new highs (in contrast to other US major indices), it's stuck in a "triangle" formation, needing resolution.
- Momentum indicators (RSI, Z-Score) are stuck in middle ground, as are trend indicators (MACD, ADX), setting up for a larger move, in the direction of resolution.
- Over Nov-Dec'25, Nasdaq has been the worst performing US index. US indices lagged rest of the world.
- Growth has underperformed value by over 750bp throughNov-Dec'25.

Nasdaq 100 - Stuck in A Range…Seeking Direction

source: Trading View

Nasdaq 100 - Underperforming...



source: Trading View

Growth Lagging Value - Practically No Gains in 2025

source: Trading View

LIGHTHOUSE CANTON

Hardware Leads Software

- Screened for stocks in an uptrend or downtrend (defined as stocks above or below 20day and 50day moving averages).
- Uptrend – 36 stocks, dominated by hardware/ infrastructure names.
- Downtrend – 38 stocks, dominated by software/SaaS companies.

LEADERS (Hardware)	LAGGARDS (Software)
NVDA - NVIDIA	MSFT - Microsoft
ASML - ASML	META - Meta Platforms
AMD - Advanced Micro Devices	INTU - Intuit
MU - Micron Technology	PANW - Palo Alto Networks
LRCX - Lam Research	CRWD - CrowdStrike
AMAT - Applied Materials	ADP - Automatic Data Processing
INTC - Intel	CDNS - Cadence Design Systems
KLAC - KLA Corporation	ADSK - Autodesk
TXN - Texas Instruments	FTNT - Fortinet
ADI - Analog Devices	PYPL - PayPal
MRVL - Marvell Technology	WDAY - Workday
WDC - Western Digital	DDOG - Datadog
STX - Seagate Technology	ZS - Zscaler
NXPI - NXP Semiconductors	NFLX - Netflix
MCHP - Microchip Technology	

source: Trading View, Lighthouse Canton

Macro Data to Watch

- US – Focus will be on jobs – openings, payrolls and unemployment rate. Any deterioration cements the case for easing while continuing resilience pushes back rate cut expectations.
- Euro Area – Slight easing in inflation and stead jobs expected.
- China – Steady inflation and slight easing in producer price deflation.

Date	Data Item	Previous	Forecast
UNITED STATES			
Monday, Jan 05, 2026	ISM Manufacturing PMI (Dec)	48.2	48
Wednesday, Jan 07, 2026	ISM Services PMI (Dec)	52.6	52
Wednesday, Jan 07, 2026	JOLTs Job Openings (Nov)	7.67M	7.7M
Friday, Jan 09, 2026	Non Farm Payrolls (Dec)	64K	45.0K
Friday, Jan 09, 2026	Unemployment Rate (Dec)	4.60%	4.6%
EURO AREA			
Wednesday, Jan 07, 2026	Inflation Rate YoY Flash (Dec)	2.1%	2.0%
Wednesday, Jan 07, 2026	Core Inflation Rate YoY Flash (Dec)	2.4%	2.3%
Thursday, Jan 08, 2026	Unemployment Rate (Nov)	6.4%	6.4%
Friday, Jan 09, 2026	Retail Sales MoM (Nov)	0.00%	0.5%
CHINA			
Friday, Jan 09, 2026	Inflation Rate YoY (Dec)	0.70%	0.7%
Friday, Jan 09, 2026	PPI YoY (Dec)	-2.20%	-2.0%

Geopolitical Uncertainties

- Historically, military conflicts haven't had lasting impact on markets. However, amidst the backdrop of what's been a fragile environment, the latest US military intervention inVenezuela adds to the uncertainties. An elusive peace deal in the war onUkraine remains an overhang.

- Aside from a general uncertainty, there is as yet an unclear outcome for oil. While Venezuela has the largest oil reserves, experts suggest that the vast majority of these are economically unviable. However, Venezuela is one of the largest Diesel exporters, and any disruptions have wider implications. Aside from this, withChina being the dominant customer for Venezuelan oil, risks associated with political rhetoric remain elevated.

Venezuela Oil - Is It a Strategic Prize?

source: based of Bloomberg Oil Strategist comments

LIGHTHOUSE CANTON

Singapore

16 Collyer Quay #11-02
Collyer Quay Centre
Singapore 049318

+65 67130570

UAE

The Exchange Gate Village 11,
Unit 802 Dubai International
Financial Centre PO Box 507026
Dubai, UAE

+971 45 861500

UK

24 Hanover Square,
London W1S 1JD

+44 164 2843 487

India

Unit No-104A,Worldmark
2 Asset Delhi Aerocity,
New Delhi 110037

+91 9650473961

1st Floor, WeWork37,
Cunningham Cross Rd,
SRT Road Vasant Nagar,
Bengaluru-560001

+91 9900096873

Suite 502, Building 450, Central
Plaza, Genome Valley,
Shameerpet,
Hyderabad 500 078

+91 9650473961

Unit No 507/508, A Wing,
INS Tower, G Block, BKC,
Mumbai– 400051

+91 9650473961

RK Swamy Centre, Hansa
Building, Door No:3, Thousand
Lights,
Chennai-600006

+91 9650473961

Unit No FF-10, FF Floor, Pragya
Accelerator, Block 15T GIFT CITY,
Gandhinagar
Gujrat-382355

+91 9650473961

info@lighthouse-canton.com service@lighthouse-canton.com Lighthouse Canton

DISCLAIMER