

Weekly Market Snapshot

Infrastructure: Laying the foundation for growth

Weekly Recap

- Japan Prime Minister Takaichi called for a snap election on February 8.
- Trump threatened to impose new tariffs on European countries which appose with his acquisition of Greenland: a 10% additional tariff on February 1st followed by 25% in June if no deal is agreed by then.
- Gold and Silver are hitting new all-time highs on the current fears of geopolitical uncertainties

Snapshot

Infrastructure is the economic backbone linking people, goods, data and markets. Recent years have seen a rapid evolution of the sector sustained by robust economic growth and breakthrough technologies, sparking strong investor appetite.

Today's demand is powered by three key forces: (i) digitalisation and electrification (AI-driven data centers, EV-charging networks), (ii) renewed government commitments, and (iii) the need for assets that hedge geopolitical and macro-economic uncertainties.

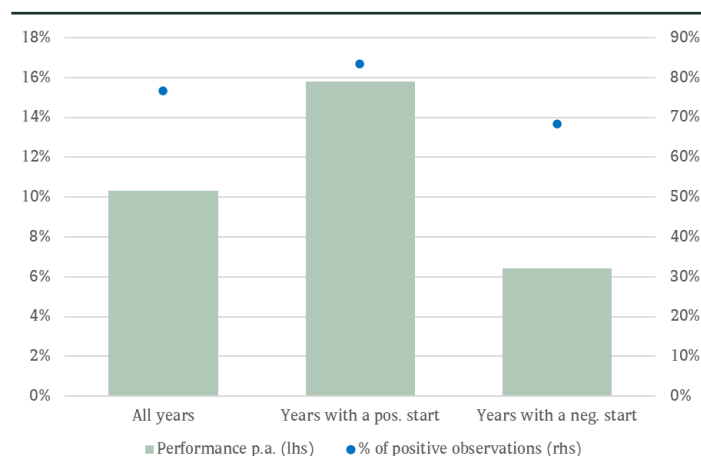
AI, 5G networks, cloud computing and EV-charging are spurring a massive build-out of hyperscale data centers, and a resilient power grid. In parallel, the electrification of transport and heavy industry fuels unprecedented demand for both conventional and clean-energy generation, transmission and battery storage. This propels record-level investment across the entire infrastructure sector.

Similarly, governments are putting in place spending plans to revive and upgrade their infrastructure driving major infrastructure investment.

Finally, infrastructure is emerging as a natural inflation hedge with low correlation to the public markets providing investors the hedge they need in times of uncertainties.

Market	20/01/2026	% Chg	Return Trend	
	Level	1 Wk	1 Month	1 Year
Stocks				
S&P 500	6797	-2,6%	↘	↗
Euro STOXX 50	5892	-2,3%	↗	↗
FTSE 100	10127	-0,1%	↗	↗
Nikkei 225	52775	-2,9%	↗	↗
MSCI EM	1481	+0,1%	↗	↗
Bonds				
Yield				
US 10Y	4,3	+3,4%	↘	↗
Gm 10Y	2,8	+1,2%	↗	↗
UK 10Y	4,5	+1,4%	↗	↗
Jp 10Y	2,3	+4,3%	↘	↘
IG Credit				
Yield				
US	5,1	+1,4%	→	↗
EU	3,2	+0,3%	↗	↗
UK	5,1	+1,6%	↗	↗
Alternatives				
Gold	4839	+4,6%	↗	↗
Copper	5,9	-2,5%	↗	↗
S&P Global Infra	3582	+0,6%	↗	↗
EU REITs	1645	-1,2%	↗	↗
BBG Hedge Fds	1807	+0,0%	↗	↗

FIRST 6 DAYS OF JANUARY SETS THE TREND FOR US STOCKS



Source: BNP Paribas, Bloomberg.

Note: refers to positive start in first 6 days of January

Hiba Mouallem

Investment Strategist
BNP Paribas Wealth
Management



Edmund Shing, PhD

Global CIO
BNP Paribas Wealth
Management



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Infrastructure performance fuels investors' appetite

Infrastructure is increasingly recognised as the backbone that links people, goods, data, markets and resources. Recent years have seen a rapid evolution of the sector sustained by robust economic growth and breakthrough technologies.

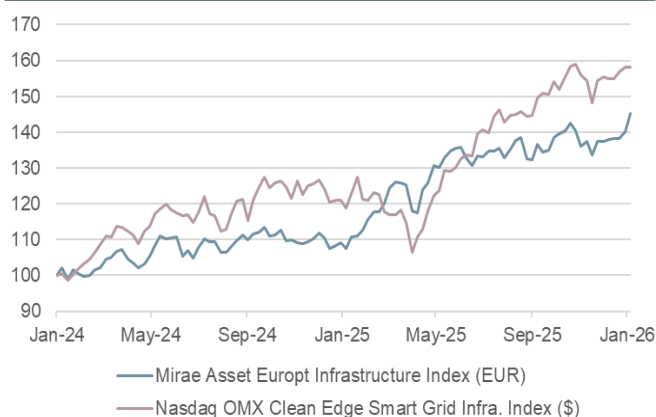
The demand for infrastructure has grown lately and the private infrastructure funds asset class has performed strongly over the long term. Between 2008 and 2024, private infrastructure funds delivered an average annual return in US dollars of 9.3%. Today, this growing need for infrastructure is being driven by 3 main forces: (i) megatrends of digitalisation and electrification, (ii) government commitments, and (iii) infrastructure represents a response to geopolitical and macroeconomic uncertainties.

Digitalisation and electrification trend

The surge in AI workloads is spurring demand for hyperscale data centers, which in turn are accelerating the rollout of high-capacity fiber networks and a more robust, low-latency electricity grid. At the same time, the rollout of 5G networks, cloud-computing hubs and electric-vehicle charging grids is prompting massive upgrades to transport, energy and communications assets. The electrification of transport and heavy industries processes is creating an unprecedented appetite for new power generation capacity.

The hunt for power is fueling a dual-track demand for both traditional and clean-energy solutions, and the rise of renewables brings a parallel surge in electricity transport and storage—driving battery demand sky-high. This fresh wave of infrastructure is now drawing record-level investment across the sector.

BOTH US ELECTRICITY INFRASTRUCTURE AND EUROPEAN INFRASTRUCTURE ON THE RISE



Source: BNP Paribas, Bloomberg

Governments interest in infrastructure

Governments are currently facing 2 situations:

- Emerging Markets governments are in the mid of new infrastructure constructions to respond to the increasing needs of their growing Middle Class.
- Developed Markets governments are facing the growing need to upgrade their transport infrastructure, utilities infrastructure in need of renovation and upgrade their digital & energy infrastructure to be able to keep up with the digitalisation and electrification trends.

Several governments have lately put in place spending plans to revive and upgrade their infrastructure driving major infrastructure investment.

A solution in times of uncertainties

Infrastructure represents a natural inflation hedge with low correlation to public markets. Transport movements are in fact less sensitive to short-term economic fluctuations, and in an environment of growing commuters and freight movements, infrastructure investments are needed to create and renew roads, railways and ports.

Infrastructure Investment perspectives

With an unprecedented level of demand for infrastructure, and with governments facing a high level of indebtedness, investments in infrastructure provides a fresh opportunity for private investors.

Investors can take part in the infrastructure market through

- Global Listed & private infrastructure stocks, ETFs and Funds
- Funds and ETFs focused on specific themes related to the global infrastructure theme: sustainability, electrical, metal or mining. The growth of Infrastructure can in fact have an important impact on a growth of demand for industrial metals necessary for constructions.



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