

Kisher Capital — Jan-26 Market Update

February 2nd, 2026

Executive Summary

- Markets are assessing the potential implications of a change in Federal Reserve leadership and what it may signal for future monetary policy.
- Recent Big Tech earnings have revealed increasing dispersion within the technology sector as company results diverge.
- Short-term volatility may increase as markets process evolving policy signals and earnings outcomes.

Market Snapshot – *What Happened*

Asset	Ticker	January Return	YTD Return
S&P 500	SPY	1.47%	1.47%
Nasdaq	QQQ	1.23%	1.23%
Russell 2000	IWM	5.51%	5.51%
Core U.S. Bonds	AGG	0.24%	0.24%
Bitcoin	IBIT	-4.35%	-4.35%

Two Key Stories

1. Kevin Warsh – New Federal Reserve Chair

The Story:

Donald Trump has named Kevin Warsh as successor to Jerome Powell. Warsh will become the next chair of the Federal Reserve if confirmed by the United States Senate.

Why It Matters:

Fed Chair has a large influence on short-term US interest rates. Warsh will most likely move the Fed in a direction that aligns more with President Trump's desire for lower rates and less active Fed.

Investor Takeaway:

The nomination is the potential for a "regime shift" toward lower interest rates, paired with a more aggressive reduction of the Fed's balance sheet.

2. Big Tech Earnings

The Story:

Microsoft shed \$357 billion in a single day after cloud growth disappointed investors and failed to meet lofty AI-fueled expectations. Meta jumped 7% on strong earnings and Tesla announced it is ending certain vehicle lines to build humanoid robots instead.

Why It Matters:

Big Tech is splitting into clear winners and losers based on actual business results rather than AI hype alone. One giant's stumble (Microsoft) dragged down the entire software sector, showing how quickly tech stock prices can fall when growth slows

Investor Takeaway:

The era of indiscriminate Big Tech rallying is giving way to stock-picking based on tangible AI revenue traction. Position sizing and selective exposure now matter more than sector-wide bets.

What This Means for Investors

- Policy uncertainty around the Federal Reserve increases the importance of effective diversification and risk management.
- Concentration risk in large-cap technology is more visible, reinforcing the value of disciplined position sizing.
- Markets may remain sensitive to earnings surprises as expectations reset across sectors.

What to Watch

- **02/03/2026:** Google Earnings Announcement
- **02/04/2026:** Amazon Earnings Announcement
- **02/11/2026:** February 2026 Consumer Price Index Data Release



Sources

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