Weekly Market Update

Market Data as of Week Ending: 8/28/2026 unless noted otherwise

U.S. equity markets finished higher for the week, though the gains masked a considerably weaker showing beneath the surface. The S&P 500 and DJIA each rose 0.5%, while the Nasdaq Composite gained 0.8%, with strength concentrated almost entirely in mega-cap growth and software names. Small- and mid-cap stocks lagged badly, as the Russell 2000 fell 1.5% and the S&P MidCap 400 declined 1.3%, both weighed down by a hawkish turn in Fed rate expectations late in the week. Technology provided the week's primary source of support, though performance within the sector was sharply divided. A string of strong earnings reactions sent software stocks sharply higher, which offset a volatile week for the broader chip trade, where the PHLX Semiconductor Index still fell 2.3%. Communication services and financials were the only other sectors to gain more than 1%, while health care, energy, industrials, and real estate were the main laggards. WTI crude fell roughly 4.3% for the week amid a series of swings tied to developments around Iran and the Strait of Hormuz.

Fixed income markets sold off sharply on Friday after Fed Chair Kevin Warsh's Jackson Hole address struck a hawkish tone, emphasizing that inflation remains above the Fed's 2% target and that price stability should remain the central bank's predominant focus. The remarks pushed the probability of a September rate hike up sharply, to roughly 57.5% from about 36% the day before, and drove a pronounced rise in Treasury yields. The 2-year yield jumped 12bps on Friday alone to 4.37% (+12 bps for the week), while the 10-year yield finished the week down 2bps to 4.73%, despite rising 5bps on Friday.

Economic data released during the week offered a mixed picture. The July Personal Income and Spending report showed the Fed's preferred inflation gauge rose 0.2% month-over-month while holding steady year-over-year, with headline PCE at 3.7% and core PCE at 3.3%. Both annual rates were unchanged from June, doing little to shift the market's rate outlook on their own. The second estimate of Q2 GDP held at 1.5%, and July durable goods orders rose a stronger-than-expected 1.1%. Weekly initial jobless claims came in at 203,000, continuing to signal limited layoff activity. However, sentiment data pointed to growing consumer unease: the final August University of Michigan Consumer Sentiment Index fell to 51.7 from 55.2 in July, and the August Chicago PMI dropped sharply to 47.1 from 57.6, both reflecting persistent inflation concerns weighing on the outlook.

U.S. Equity Returns (Size & Style - Russell)

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	0.40%	0.36%	0.31%	2.62%	3.15%	3.77%	6.54%	2.79%	-1.17%	23.84%	13.40%	4.10%
Mid	-0.72%	-1.03%	-1.95%	2.22%	2.38%	2.85%	3.73%	1.74%	-3.79%	21.97%	17.31%	3.21%
Small	-0.77%	-1.49%	-2.19%	0.88%	1.51%	2.13%	0.89%	-1.57%	-3.86%	24.09%	20.65%	17.46%

U.S. Fixed Income Returns (Quality & Duration - Bloomberg)

	Week			MTD			QTD			YTD		
	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long
Govt	-0.15%	-0.13%	0.83%	0.16%	0.16%	1.17%	0.11%	-0.17%	-2.87%	0.49%	0.06%	-2.44%
Corp	-0.07%	0.03%	0.97%	0.26%	0.28%	1.09%	0.13%	-0.34%	-2.89%	1.06%	0.41%	-1.84%
HY	0.22%	0.26%	0.81%	0.82%	0.98%	2.20%	0.68%	0.77%	-0.25%	2.72%	2.70%	3.15%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	0.50%	3.06%	3.00%	13.51%
S&P MidCap 400	-1.32%	0.66%	-1.74%	15.29%
Russell 2000	-1.49%	1.51%	-1.57%	20.65%
MSCI EAFE	0.11%	2.40%	4.41%	14.27%
MSCI Emerging Markets	0.05%	3.54%	0.35%	24.28%
MSCI EAFE Small Cap	0.88%	4.03%	6.06%	14.18%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.08%	0.20%	-0.22%	0.18%
Bloomberg US Agg	0.13%	0.48%	-0.83%	-0.21%
Bloomberg US High Yield	0.27%	1.00%	0.75%	2.72%
Other				
Bloomberg Commodity	-0.14%	6.46%	14.49%	30.93%
S&P Dev Property	-1.24%	-2.20%	0.40%	9.90%

Commodities and Currency

	8/28/26	7/31/26	6/30/26	12/31/25
Oil ($/barrel)	83.40	84.67	69.5	57.42
Gold ($/oz.)	4455.11	4046.15	4008.02	4319.37

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	0.06%	0.69%	1.51%	0.72%
Consumer Staples	-0.49%	-0.36%	1.74%	9.91%
Energy	-1.96%	4.82%	18.03%	41.23%
Financials	1.07%	2.06%	8.35%	7.07%
Health Care	-1.95%	5.34%	7.87%	11.61%
Industrials	-1.72%	-1.44%	-4.41%	14.85%
Info Technology	1.80%	5.93%	2.30%	22.52%
Materials	-0.37%	6.84%	5.08%	17.66%
Real Estate	-1.28%	-1.13%	1.36%	13.04%
Communication Svcs	1.57%	0.41%	0.99%	1.80%
Utilities	-0.09%	-3.63%	-5.78%	1.47%

Bond Yields

	8/28/26	7/31/26	6/30/26	12/31/25
SOFR 3Mo Swap	3.81%	3.76%	3.74%	3.65%
2Yr Treasury	4.34%	4.28%	4.14%	3.47%
10Yr Treasury	4.73%	4.75%	4.44%	4.18%
2-10 Slope	0.39%	0.47%	0.30%	0.71%