

Weekly Market Update



Market Data as of Week Ending: 10/16/2026 unless noted otherwise

Stocks declined last week as a technology-led selloff weighed on major U.S. indexes, with concerns about elevated valuations and the financing of artificial intelligence infrastructure contributing to investor caution. The S&P 500 fell 1.94%, the S&P MidCap 400 declined 1.45%, and the Russell 2000 dropped 3.04%. Sector performance was mixed, with consumer staples and energy gaining 5.05% and 5.02%, respectively, while information technology fell 6.37%. Value stocks outperformed growth across large, mid, and small-cap companies, reflecting a shift toward more defensive areas of the market. International markets were mixed, with developed international stocks gaining 1.43% while emerging markets fell 5.15%. Oil prices rose amid supply concerns and geopolitical tensions, while gold declined modestly for the week as investors weighed stronger inflation data and the implications for Federal Reserve policy.

Bonds advanced last week as Treasury yields declined, with longer-duration securities leading the gains. The Bloomberg U.S. Aggregate gained 0.88%, bringing its year-to-date return to -1.63%. Intermediate- and long-term government bonds rose 0.53% and 2.40%, respectively, while long-term investment-grade corporate bonds gained 1.64%. In contrast, high-yield bonds declined, with the Bloomberg U.S. High Yield Index falling 0.33% for the week. The 10-year Treasury yield ended the week at 5.09%, down from 5.24% the previous week, while the 2-year yield stood at 4.74%. Although falling yields supported bond prices, long-term rates remain elevated, keeping borrowing costs high and continuing to pressure interest-rate-sensitive investments.

Economic data released last week highlighted renewed inflation pressures alongside continued consumer spending, although underlying momentum appeared more moderate. September CPI rose 0.6% month over month, lifting annual inflation to 3.7% from 3.4% in August. Core CPI increased 0.3% for the month and 2.6% year over year. Producer price inflation accelerated more sharply, with September PPI rising 1.3% month over month and 6.3% year over year, reflecting a significant increase in energy costs and broader price pressures. U.S. retail sales increased 0.8% in September, exceeding expectations, while the retail sales control group—which excludes autos, gasoline, building materials, and food services—rose just 0.1%, suggesting more moderate underlying spending growth. Together, the data point to a challenging backdrop for the Federal Reserve, as renewed inflation pressures complicate the outlook for monetary policy even as underlying consumer spending shows signs of moderation.

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

	Value	<u>Week</u> Core	Growth	Value	<u>MTD</u> Core	Growth	Value	<u>QTD</u> Core	Growth	Value	<u>YTD</u> Core	Growth
Large	0.88%	-1.99%	-5.04%	3.20%	0.20%	-3.00%	3.20%	0.20%	-3.00%	23.08%	12.52%	3.12%
Mid	0.63%	-1.19%	-6.32%	3.27%	1.72%	-2.69%	3.27%	1.72%	-2.69%	19.02%	13.77%	-1.71%
Small	-1.02%	-3.04%	-5.03%	-0.31%	-2.67%	-4.98%	-0.31%	-2.67%	-4.98%	16.60%	10.67%	5.19%

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

	Short	<u>Week</u> Interm	Long	Short	<u>MTD</u> Interm	Long	Short	<u>QTD</u> Interm	Long	Short	<u>YTD</u> Interm	Long
Govt	0.36%	0.53%	2.40%	0.65%	0.84%	2.86%	0.65%	0.84%	2.86%	0.15%	-0.62%	-4.98%
Corp	0.33%	0.53%	1.64%	0.69%	0.94%	2.25%	0.69%	0.94%	2.25%	0.57%	-0.65%	-4.35%
HY	-0.31%	-0.27%	-3.71%	-0.06%	0.01%	-5.45%	-0.06%	0.01%	-5.45%	0.67%	0.15%	-7.89%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-1.94%	0.15%	0.15%	12.91%
S&P MidCap 400	-1.45%	0.59%	0.59%	10.52%
Russell 2000	-3.04%	-2.67%	-2.67%	10.67%
MSCI EAFE	1.43%	-0.08%	-0.08%	10.25%
MSCI Emerging Markets	-5.15%	-4.89%	-4.89%	17.35%
MSCI EAFE Small Cap	0.57%	-0.97%	-0.97%	9.68%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	0.53%	0.87%	0.87%	-0.62%
Bloomberg US Agg	0.88%	1.32%	1.32%	-1.63%
Bloomberg US High Yield	-0.33%	-0.09%	-0.09%	0.01%
Other				
Bloomberg Commodity	0.42%	2.04%	2.04%	35.57%
S&P Dev Property	1.34%	0.32%	0.32%	3.62%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-1.92%	2.38%	2.38%	-3.57%
Consumer Staples	5.05%	9.20%	9.20%	15.73%
Energy	5.02%	11.14%	11.14%	55.90%
Financials	1.42%	4.02%	4.02%	2.67%
Health Care	3.44%	4.97%	4.97%	15.63%
Industrials	-0.87%	0.50%	0.50%	9.09%
Info Technology	-6.37%	-4.89%	-4.89%	22.10%
Materials	2.47%	4.54%	4.54%	13.77%
Real Estate	1.17%	2.77%	2.77%	8.23%
Communication Svcs	-1.61%	-1.08%	-1.08%	3.34%
Utilities	1.99%	7.09%	7.09%	1.04%

Bond Yields

	10/16/26	9/30/26	9/30/26	12/31/25
SOFR 3Mo Swap	4.05%	4.04%	4.04%	3.65%
2Yr Treasury	4.74%	4.88%	4.88%	3.47%
10Yr Treasury	5.09%	5.29%	5.29%	4.18%
2-10 Slope	0.35%	0.41%	0.41%	0.71%

Commodities and Currency

	10/16/26	9/30/26	9/30/26	12/31/25
Oil (\$/barrel)	101.41	90.42	90.42	57.42
Gold (\$/oz.)	4165.58	4157.41	4157.41	4319.37

Past performance is not a guarantee of future results. We believe the information presented is reliable, but we do not guarantee its accuracy.