Weekly Market Recap

November 16, 2026

	Price	Price Returns	
Index	**Close**	**Week**	**YTD**
S&P 500® Index	7,562	2.5%	10.5%
Dow Jones Industrial Average	52,348	2.1%	8.9%
NASDAQ	25,136	2.3%	8.2%
Russell 2000® Index	2,790	1.3%	12.4%
International Equities[1]	104.17	2.2%	8.5%
Emerging Markets Equities[2]	60.92	2.7%	11.4%
Ten-Year Treasury Yield	5.15%	-2.0%	-6.4%
Bonds[3]	$95.09	-1.5%	-4.8%
Oil WTI[4] ($/bbl[5])	$88.56	-2.5%	54.2%

[1]International Equities are represented by iShares MSCI EAFE ETF. [2]Emerging Markets Equities are represented by iShares MSCI Emerging Markets ETF. [3]Bonds are represented by the iShares U.S. Aggregate Bond ETF [4]WTI = West Texas Intermediate [5]bbl = Barrel.
Sources: Bloomberg L.P.; FactSet.

U.S. Equity Market

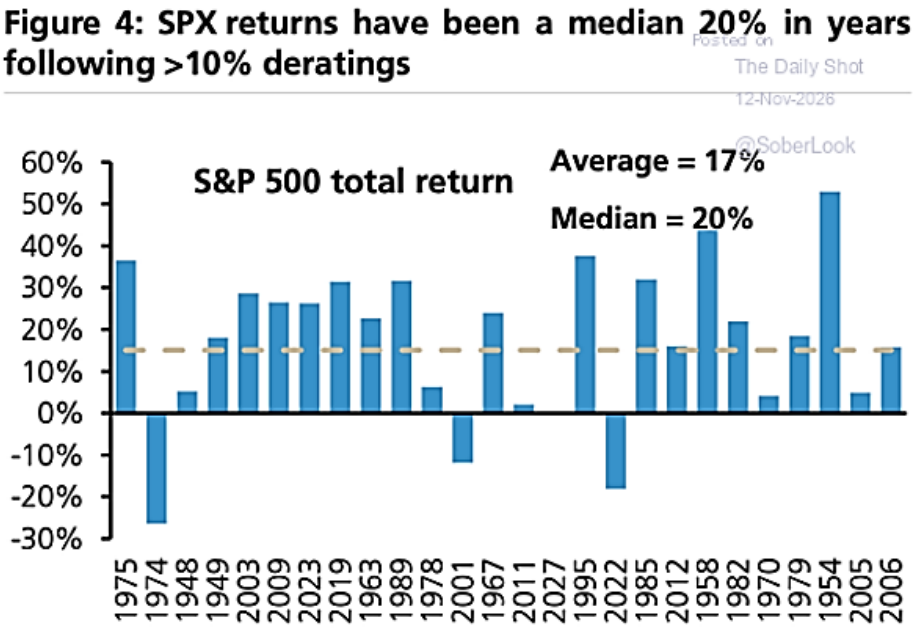
- U.S. large-cap equities (S&P 500 Index) rose +2.5% this week, snapping a four-week losing streak as the artificial intelligence (AI) trade appeared to recover part of last week's steep losses. Semiconductors (+8.1%) and memory chip stocks (+7.9%) led the gains, with all 11 sectors finishing higher. Nvidia was a notable exception, falling -12.8% after CEO Jensen Huang's resignation seemed to raise questions about the company's large AI financing commitments and renewed focus on tighter chip export restrictions to China. A hotter-than-expected October consumer price index (CPI) report and hawkish Federal Reserve (Fed) commentary appeared to be offset by Friday's cooler-than-expected October producer price index (PPI), with markets pricing a potential +0.25% December hike as the base case and only about a 10% chance of a 0.50% move. Treasury yields rose sharply across the curve in their worst week since April 2025, with the 2-year yield up about +0.35% and the 10-year yield up +0.29% to 5.15%. The U.S. Dollar Index rose +1.1% to near a 19-month high, gold fell -4.6%, and WTI crude oil fell -2.5% for its second straight weekly decline.

- S&P 500 Index Sector Returns:
  - Energy (+5.1%) rose, appearing to benefit from investors rotating into the sector despite a -2.5% drop in crude prices.
  - Industrials (+3.7%) rose, led by AI and data center-related names such as Vertiv and Caterpillar.
  - Communication services (+3.5%) rose, led by Meta and Alphabet, along with wireless carriers.
  - Consumer staples (+2.7%) rose, led by packaged food companies and Costco (dividend & buyback).
  - Consumer discretionary (+2.6%) rose, led by Tesla (+8.9%) and lodging stocks, partially offset by weakness in homebuilders, housing-related retailers, and auto retailers, as interest rates climbed.
  - Financials (+2.6%) rose, led by insurers and banks, partially offset by weakness in credit card stocks.
  - Healthcare (+2.2%) and utilities (+1.9%) underperformed, as investors tend to favor less defensive sectors.
  - Tech (+2.0%) rose, as semiconductor and memory stocks rebounded from last week's AI selloff, partially offset by a -12.8% decline in Nvidia following its CEO's resignation.
  - Real estate (+0.9%) underperformed, as interest rates increased.
  - Materials (+0.3%) lagged, as precious metals miners and chemical companies underperformed.

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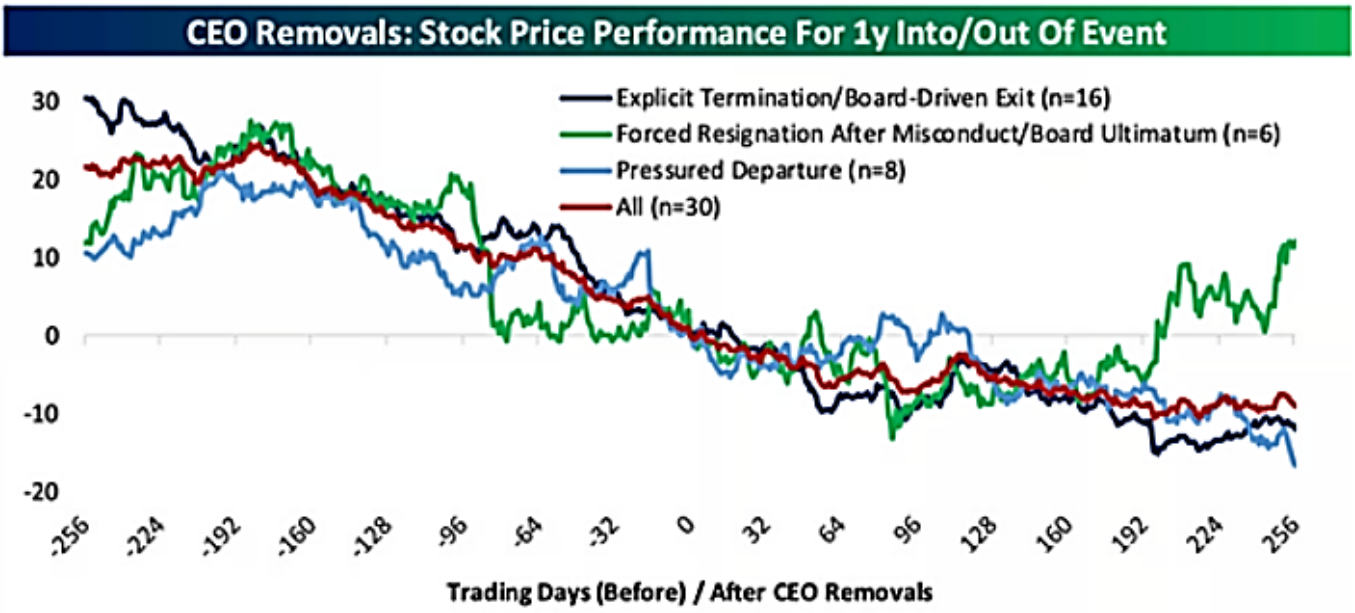
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- The recent drawdown for the S&P 500 Index combined with the strength of earnings growth and 2027 earnings guidance has appeared to result in the price-to-earnings (P/E) next 12 month (NTM) ratio compressing over 10%. Historically, the year after a 10%+ P/E derating (compression) has typically resulted in an average and median total return of 17% and 20%.



SPX: S&P 500. Sources: FactSet; UBS; The Daily Shot.

- Historically, stocks with CEOs that are removed have experienced challenging performance one year before and one year after the CEO removal.



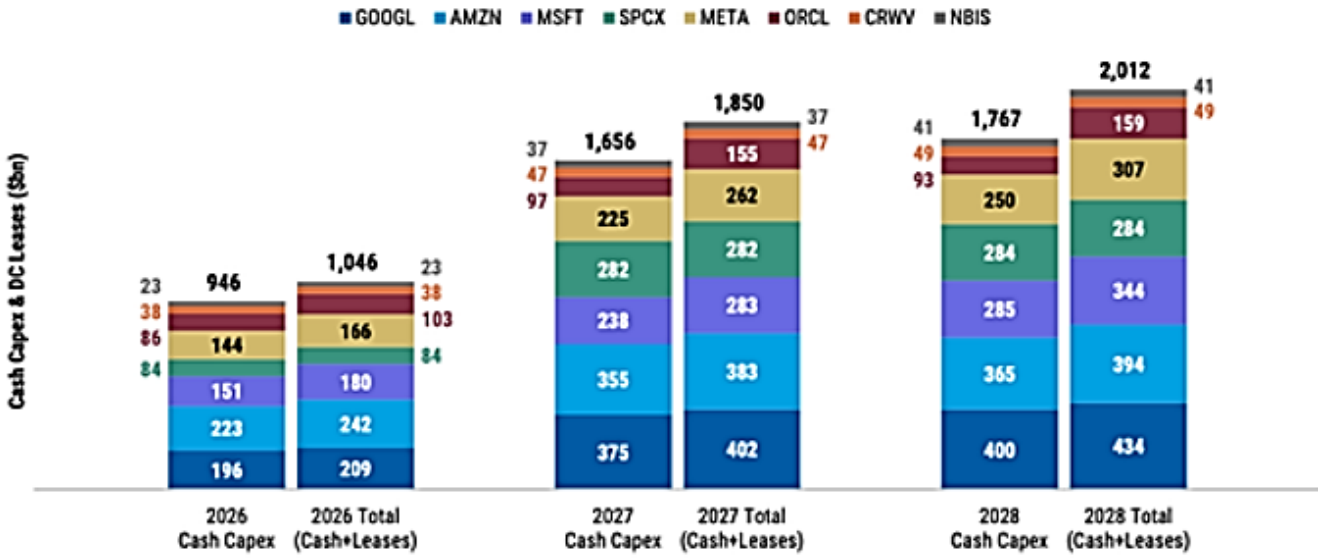
Data since 2010. Y: Year. N: Sample size (the number of CEO removal events in that category). Public large cap U.S. or Europe (w/ U.S.-listed ADR). Excludes acquisition-driven firings. Sources: Bespoke; The Daily Shot.

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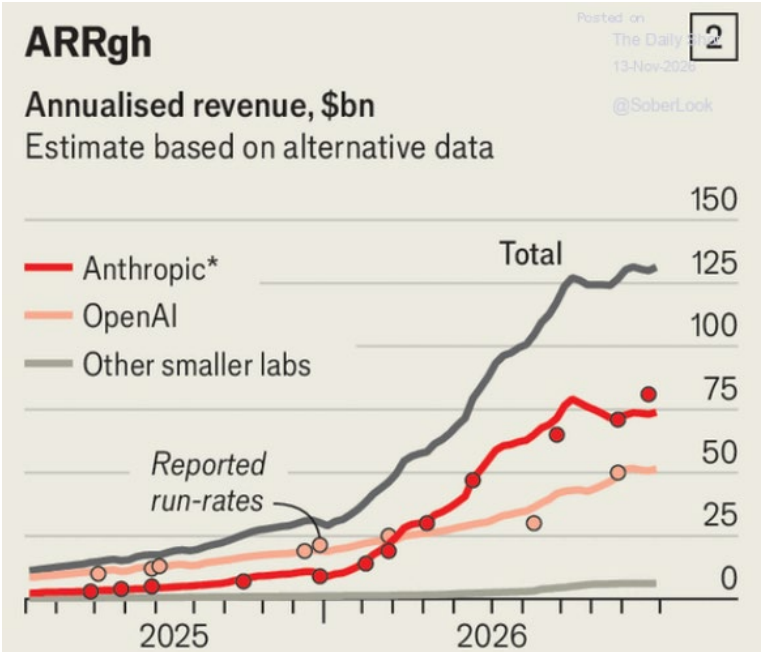
- The combined AI cash capital expenditure (capex) for the hyperscalers (Alphabet (GOOG), Amazon (AMZN), Microsoft (MSFT), SpaceX (SPCX), Meta, & Oracle (ORCL) and Neoclouds Coreweave (CRWV) & Nebius (NBIS) is expected to be $1.66T and $1.77T in 2027 and 2028.

Exhibit 10: Combined 2027 and 2028 company cash capex estimates are now at ~$1.66tr and ~$1.77tr, respectively; we now show a total capex number including estimated lease capex



A neocloud is a specialized cloud provider built from the ground up for artificial intelligence and machine learning workloads rather than general-purpose enterprise applications. DC: Data center. Sources: Bloomberg L.P.; The Daily Shot.

- AI frontier lab revenue growth rate appears to have decelerated recently.

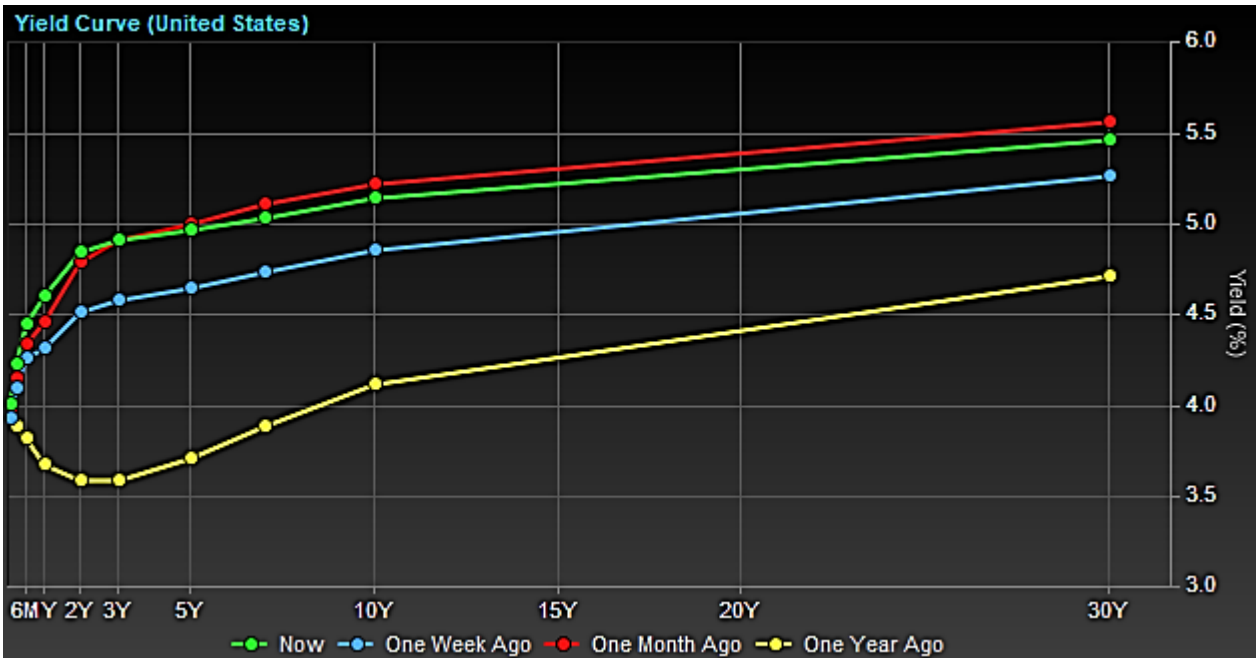


ARR: Annual Recurring Revenue. Bn: Billion. *Includes the gross value of cloud marketplace sales. Sources: Epoch AI; Ramp; TIckerTrends; Company Reports; The Economist; The Daily Shot.

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Fixed Income Markets

- U.S. Treasury yield curve this week (green line) rose across the curve relative to the previous week (blue line), but the 10-year Treasury yield is lower in the past month (red line) as equity market volatility has appeared to increase and oil price has declined in the past month.



M: Month. Y: Year. Sources: FactSet; Tullet Prebon Information.

- Nvidia's five-year credit default swap (CDS) remained elevated as the board ousted CEO Jensen Huang.



IG CDX: The IG CDX (officially known as CDX.NA.IG or the CDX North American Investment Grade Index) is a benchmark financial instrument made up of 125 liquid, North American corporate, municipal, and sovereign debt issuers with investment-grade credit ratings.
Sources: Bloomberg L.P.; The Daily Shot.

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International Markets Summary

- European markets (STOXX 600 Index) rose +2.4% to a record high, as the region's limited exposure to AI stocks and strong third-quarter earnings appeared to help it weather global AI-driven volatility and rising bond yields.
- The Chinese stock market (Shanghai Composite A share) fell -0.4% on concerns that U.S. lawmakers may tighten chip export restrictions, possibly limiting Chinese tech companies' access to Nvidia chips.
- Japanese equities (Nikkei 225 Index) rose +6.5%, as a weaker yen seemed to support exporters and chipmakers hold onto early-week gains from the AI trade rebound.

This Week:

- Third-quarter earnings season is winding down, but notable reports this week include Nvidia (11.17), Walmart, Home Depot, Lowe's, Target, TJ Maxx, Disney, Palo Alto Networks, Intuit, and Alibaba.
- Economic data:
  - Monday: Empire Manufacturing, Rail Carloads, Weekly Crop Progress, Weekly World Advance Cargo Declaration;
  - Tuesday: Automatic Data Processing Weekly Employment, Import/Export Prices, Retail Sales, Capacity Utilization, Industrial Production, Business Inventories, National Association of Home Builders (NAHB) Housing Market Index, Redbook Chain Store, American Petroleum Institute Crude Inventories;
  - Wednesday: Federal Open Market Committee (FOMC) Minutes, Mortgage Bankers Association Mortgage Purchase Applications, Building Permits, Housing Starts, Pending Home Sales, Treasury International Capital (TIC) Flows, Department of Energy Crude Inventories, National Oceanic and Atmospheric Administration (NOAA) Updated Forecasts, Port Twenty-Foot Equivalent Units;
  - Thursday: Philadelphia Fed Index, Leading Indicators, Kansas City Fed Manufacturing Index, Weekly Jobless Claims, Energy Information Administration Natural Gas Inventories, Drewry Container Index;
  - Friday: Michigan Consumer Sentiment (Final).

As always, thank you very much for your interest in our thoughts and support of our services.

Whitney Stewart, CFA®
Executive Director

Griffith Jones, Jr.
Executive Director

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Index Definitions

Performance is compared to an index, however, the volatility of an index varies greatly. Indices are unmanaged and investments cannot be made directly in an index.

The **S&P 500® Index** is a readily available, carefully constructed, market-value-weighted benchmark of common stock performance. Currently, the S&P 500 Composite includes 500 of the largest stocks (in terms of stock market value) in the United States and covers approximately 80% of available market capitalization.
The **Russell 2000® Index** measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000® Index is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000® is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set.
The **Dow Jones Industrial Average (DJIA)** is an index that tracks 30 large, publicly-owned blue chip companies trading on the New York Stock Exchange (NYSE) and the NASDAQ.
The **NASDAQ Composite Index** is the market capitalization-weighted index of over 2,500 common equities listed on the NASDAQ stock exchange. The types of securities in the index include American depositary receipts, common stocks, real estate investment trusts (REITs) and tracking stocks, as well as limited partnership interests. The index includes all Nasdaq-listed stocks that are not derivatives, preferred shares, funds, exchange-traded funds (ETFs) or debenture securities.
The **MSCI EAFE Index** is an equity index which captures large and mid-cap representation across 21 Developed Markets countries around the world, excluding the U.S. and Canada. With 900 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
The **MSCI World ex USA Index** is a stock market index that tracks medium and large companies in developed countries around the world, excluding the United States.
The **U.S. dollar index (USDX)** measures the U.S. dollar's value relative to a basket of six foreign currencies: EUR, JPY, CAD, GBP, SEK, and CHF.
The **STOXX Europe 600 Index** is derived from the STOXX Europe Total Market Index (TMI) and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalization companies across 17 countries of the European region: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland and the United Kingdom.
The **Nikkei 225** is a price-weighted index composed of Japan's top 225 blue-chip companies traded on the Tokyo Stock Exchange.
The **Shanghai Stock Exchange Composite Index** is a capitalization-weighted index. The index tracks the daily price performance of all A-shares and B-shares listed on the Shanghai Stock Exchange.

Technical Terms:

The **price-to-earnings ratio (P/E ratio**) compares a company's share price to its earnings per share (EPS). The **Producer Price Index (PPI)** is a monthly measure of change in the prices received by domestic producers. A **hyperscaler** is a large-scale cloud service provider that operates massive global networks of data centers to deliver computing, storage, and networking services. The **Consumer Price Index (CPI)** measures the monthly change in prices paid by U.S. consumers. The Bureau of Labor Statistics (BLS) calculates the CPI as a weighted average of prices for a basket of goods and services representative of aggregate U.S. consumer spending. **Capital expenditures (CapEx)** are funds a business uses to buy, upgrade, or maintain long-term physical or intangible assets—such as property, buildings, machinery, vehicles, computers, or patents—that provide economic benefits for more than one year. A **basis point (BPS)** is one-hundredth of a percentage point, used to denote changes in interest rates or other financial percentages. The **Producer Price Index (PPI)** is a family of economic indexes that measures the average change over time in the selling prices received by domestic producers for their output. The **Empire State Manufacturing Index** is a monthly survey that measures the business conditions and manufacturing activity in New York State. The **Federal Open Market Committee (FOMC)** has oversight and the power to take steps to contract or expand the U.S. economy depending on market conditions. The **NAHB/Wells Fargo Housing Market Index (HMI)** is a monthly survey measuring builder confidence in the single-family home market. **Treasury International Capital flows (TIC)** measure the cross-border movement of financial capital into and out of the United States. Compiled monthly and quarterly by the U.S. Department of the Treasury, these data track purchases and sales of long-term and short-term securities, banking claims, and liabilities between U.S. and foreign residents. The **Philadelphia Federal Index** tracks manufacturing growth in Pennsylvania, New Jersey, and Delaware. Published since May 1968, it offers an early read on broader U.S. economic trends. The **Kansas City Fed Manufacturing Index** provides information on current manufacturing activity in the Tenth Federal Reserve District. The Tenth Federal Reserve District covers the states of Colorado, Kansas, Nebraska, Oklahoma, and Wyoming; 43 counties in western Missouri; and 14 counties in northern New Mexico. The **Cass Freight Index** is a measure of monthly freight activity, widely used by analysts and economists as an indicator of North American economic trends. The **Beige Book** (officially known as the Summary of Commentary on Current Economic Conditions by Federal Reserve District) is a qualitative report published eight times a year by the United States Federal Reserve Board. The **National Federation of Independent Business (NFIB)** is an association of small businesses in the United States. It is headquartered in Nashville, TN, with offices in Washington, D.C., and all 50 state capitals. The **Drewry World Container Index (WCI)** is a benchmark that tracks the average spot and short-term contract freight rates for shipping a 40-foot ocean container (FEU) across major global trade routes. **Twenty-foot equivalent units (TEUs)** measure the total volume of import, export, and empty containers moving through their terminals in a given period (often millions of TEUs per year). The **Michigan Consumer Sentiment Index (MCSI)** measures consumer confidence through monthly surveys conducted by the University of Michigan. Results include insights on personal finances, business conditions, and future buying decisions. The survey is considered a reliable predictor of broad economic trends and consumer behavior. (Technical definitions are sourced from Corporate Finance Institute.)

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