Weekly Market Recap

March 23, 2026

	Price	Price Returns	
Index	**Close**	**Week**	**YTD**
S&P 500® Index	6,506	-1.9%	-5.0%
Dow Jones Industrial Average	45,557	-2.1%	-5.2%
NASDAQ	21,648	-2.1%	-6.9%
Russell 2000® Index	2,438	-1.7%	-1.8%
MSCI EAFE Index	2,875	-0.9%	-0.6%
Ten-Year Treasury Yield	4.38%	0.1%	0.2%
Oil WTI[1] ($/bbl[2])	$97.97	-0.7%	70.6%
Bonds[3]	$98.66	-0.6%	-1.2%

[1]WTI = West Texas Intermediate Oil. [2]bbl = Barrel. [3]Bonds are represented by the iShares U.S. Aggregate Bond ETF. Sources: Bloomberg L.P.; FactSet.

U.S. Equity Market

- U.S. large-cap equities (S&P 500 Index) fell -1.9% as the Iran War and closure of the Strait of Hormuz (approximately 20% of daily oil global production flow through the strait) continued to weigh on investor sentiment. Strikes escalated after Israel hit Iran's South Pars gas field, prompting Iran to strike Qatar's Ras Laffan Industrial City, damaging the world's largest liquefied natural gas (LNG) export facility and knocking out ~17% of Qatar's LNG capacity for three-five years. The Federal Reserve (Fed) meeting leaned hawkish as the Fed held rates steady as analysts expected, but the Fed emphasized the uncertainty the Iran conflict brings to the inflation and growth outlook. Fed futures suggest ~3 basis points (bps) of interest rate cuts through year-end, down from 58 bps three weeks ago. February core Producer Price Index (PPI) was hotter than expected, while annualized core PPI was the highest since January of 2025. The U.S. Dollar Index fell, while Gold and Silver fell -9.6% and -14.4%, respectively. Oil (WTI) fell -0.7%.

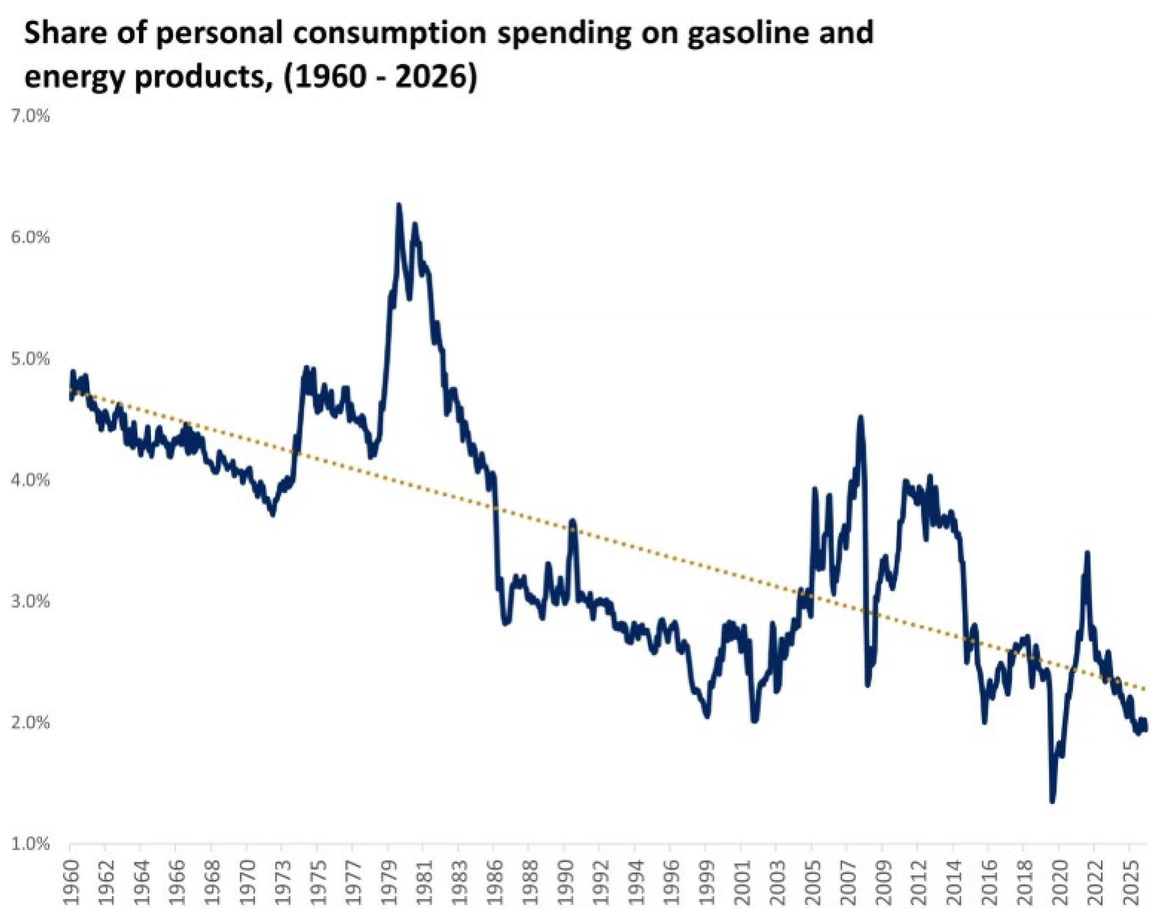
- S&P 500 Index Sector Returns:
  - Energy (+2.1%) rose, as the price of oil remains elevated due to the ongoing Iran conflict.
  - Utilities (+0.4%) and consumer staples (-0.2%) outperformed, as investors tend to favor more defensive sectors.
  - Communication services (-1.2%) fell, led lower by streaming and social media stocks.
  - Real Estate (-1.5%) fell, led lower by office.
  - Materials (-1.6%) fell, led lower by precious metals miners.
  - Healthcare (-2.0%) fell, led lower by medical device companies.
  - Consumer discretionary (-3.0%) fell, led lower by homebuilders and Amazon.
  - Industrials (-3.2%) fell, led lower by aerospace and defense stocks.
  - Financials (-3.4%) fell, led lower by banks and private credit companies.

- The table below suggests that the Iran conflict has a 60% chance of a short-lived spike in the price of oil with the price ending the year around $70-$80.

Scenario	Probability	Oil	Economy / Inflation	Fed	Markets
Short-lived spike	60%	$90–$100, then $70–$80 by year-end	Growth slows to below trend; inflation rises above 3%	1 cut late year	Yields rangebound; U.S. stocks hold up
Oil shock	30%	$120+ for several months	Growth slows more; inflation nears 4%	Hold this year; cuts in 2027	Yields up, then down; S&P 500 down 10%-15%
Quick de-escalation	10%	Falls soon toward $70	Temporary inflation bump; disinflation resumes	2 cuts in 2H	Bonds rally; cyclicals, small caps, intl. lead

2H= second half of the year. Source: Edward Jones.

- The percentage of personal consumption spending on gasoline and energy products has steadily declined over the years to close to 2% of total consumer spending. This is less likely to have a similar impact as the 1973 Yom Kippur Oil Crisis on U.S. equity markets (Dow Jones fell 45% in 1973) and U.S. economic growth (years of “stagflation” in mid 1970’s).



Sources: Bloomberg L.P., Edward Jones.

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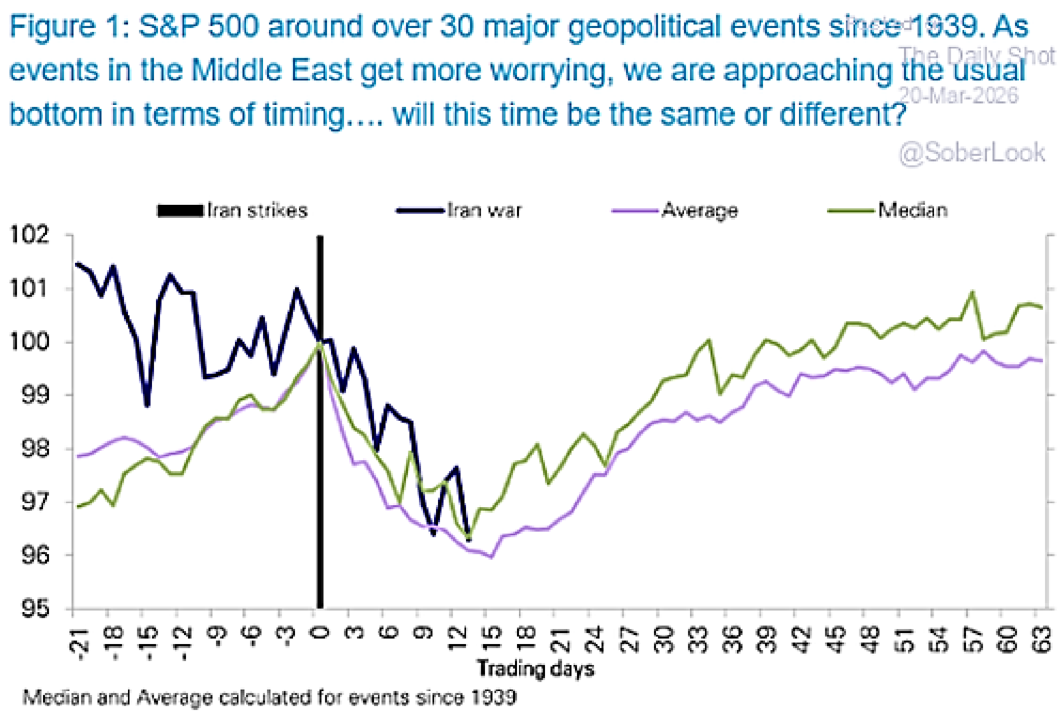
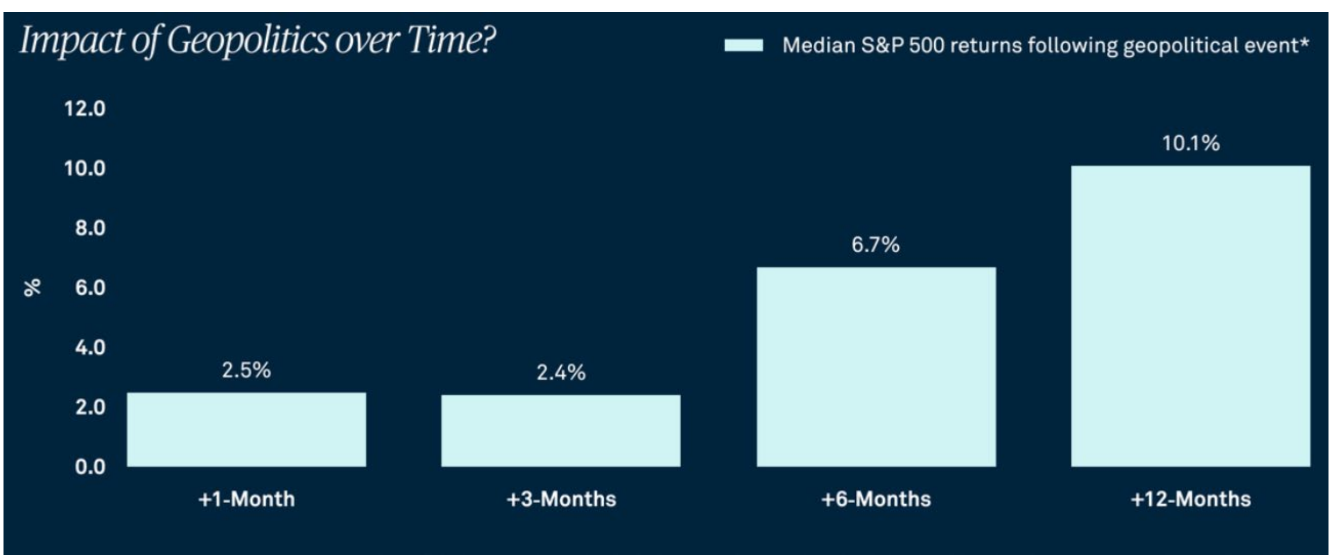
- In previous geopolitical events, the S&P 500 Index has bottomed 16-17 days after the initial conflict began. Will the S&P 500 Index follow historical averages/median for the Iran conflict, or will it take longer?



Data as of 03.20.2026. Sources: Bloomberg L.P.; The Daily Shot.

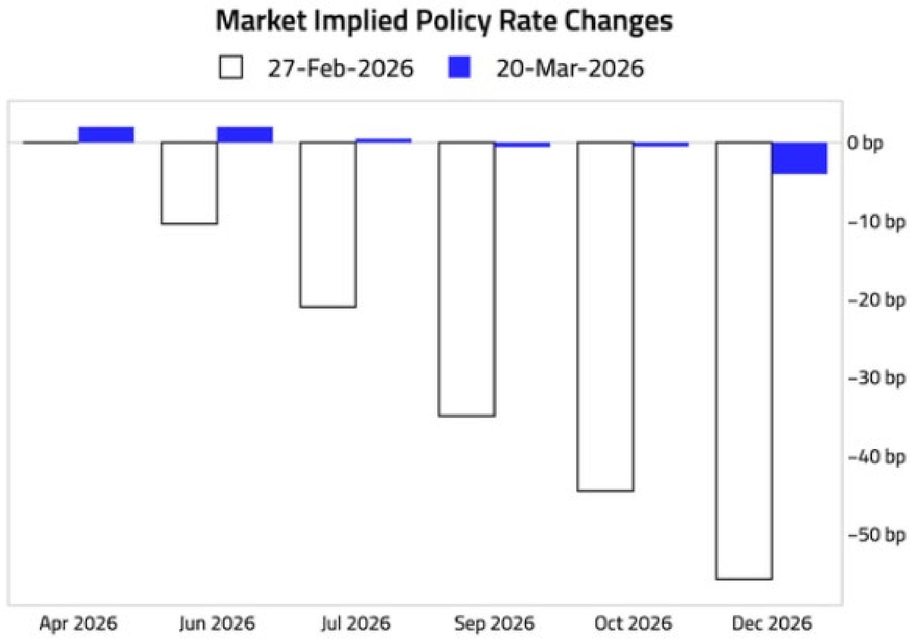
- Historically, U.S. equities (S&P 500 Index) have risen six and 12 months after geopolitical events by 6.7% and 10.1%, respectively.



*Geopolitical events since 1939 include: WWII – Germany invades Poland and Pearl Habror, Korean War, Vietnam War, Cuban Missile Crisis, Arab oil embargo, Iranian hostage crisis, USSR in Afrghanistan, Gulf War, 9/11, U.S. invades Afghanistan, U.S. invads Iraq, Russia invased Crimea, Russia invades Ukraine, Hamas attackes Israel, U.S. bombs Iran, U.S. captures Maduro in Venezuela.
Data as of 03.01.2026. Source: Bloomberg L.P.

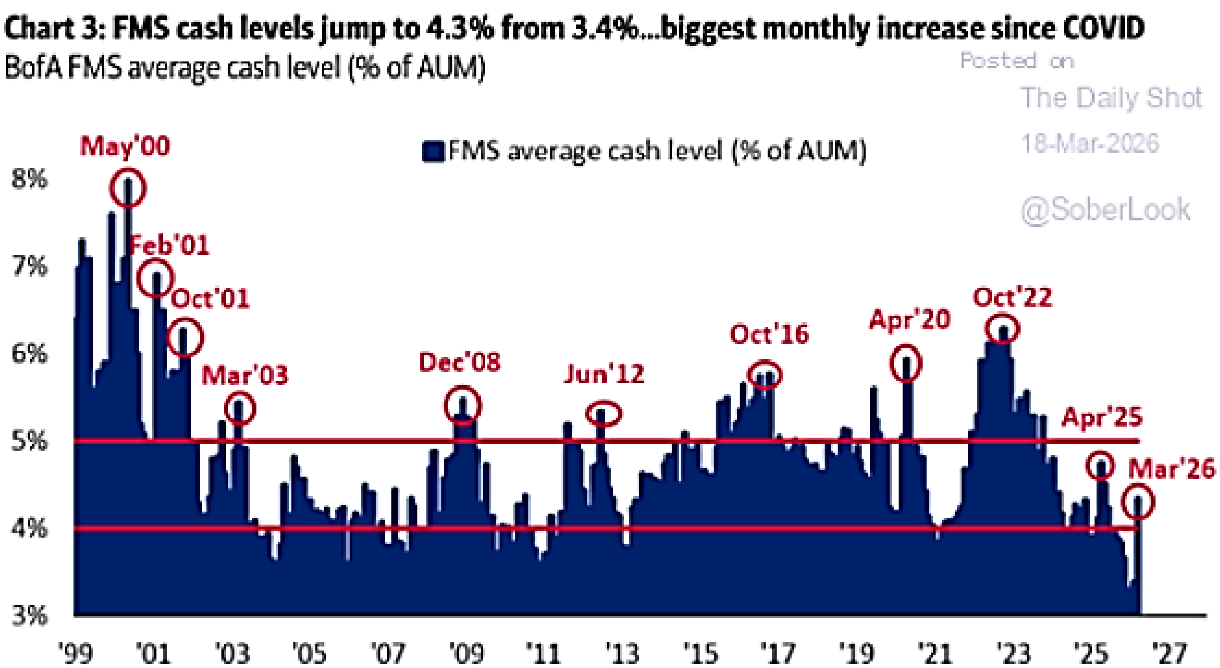
Fixed Income Markets

- The fed futures market's implied Fed interest rate cuts in 2026 declined from near cuts of 0.60% to almost 0.03% of cuts after the Iran conflict led to a rapid rise in the price of oil leading to inflation concerns.



Data as of 03.20.2026. Sources: FactSet; Edward Jones.

- Cash levels jumped to 4.3% in March from 3.4% in February, which was the biggest monthly increase since the COVID increase in 2020.



FMS= Bank of America Fund Manager Survey. AUM = Assets Under Management.
Data as of 03.18.2026. Sources: Bank of America; The Daily Shot.

International Markets Summary

- European markets (STOXX 600 Index) fell -3.8% as the Iran conflict intensified leading to higher oil and gas prices, triggering fears of inflation, weaker growth, and tighter European Central Bank policy expectations.
- The Chinese stock market (Shanghai Composite A share) fell -2.2% as investors weighed the geopolitical shock from the Middle East conflict and higher oil prices.
- Japanese equities (Nikkei 225 Index) declined -0.8% amid limited signs of de-escalation in the Middle East conflict and continued volatility in oil prices.

This Week:

- The volume of corporate earnings reports will be moderate this week.
- Economic data:
  - Monday: Construction Spending;
  - Tuesday: Productivity (revised), Unit Labor Costs (revised), Preliminary March Manufacturing/Services Purchasing Managers Index, Redbook Chain Store, American Petroleum Institute Crude Inventories;
  - Wednesday: Mortgage Bankers Association Mortgage Purchase Applications, Current Account Balance, Import/Export Prices, Department of Energy Crude Inventories;
  - Thursday: Weekly Jobless Claims, Energy Information Administration Natural Gas Inventories;
  - Friday: Wholesale Inventories (Preliminary), 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

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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 **S&P 500® Equal Weight Index (EWI)** is the equal-weight version of the widely-used S&P 500®. The index includes the same constituents as the capitalization-weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance.
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 **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:

Assets under management (AUM) is the market value of the investments managed by a person or entity on behalf of clients. AUM is used in conjunction with management performance and management experience when evaluating a company. The **U.S. Dollar Index** is a geometrically-averaged calculation of six currencies weighted against the U.S. dollar. The **Michigan Consumer Sentiment Index (MCSI)** is a monthly survey of consumer confidence levels in the United States conducted by the University of Michigan. The survey is based on telephone interviews that gather information on consumer expectations for the economy. The **Producer Price Index (PPI)** is a measure of inflation at the wholesale level. It's compiled from thousands of indexes that measure producer prices by industry and product category. The index is published monthly by the U.S. Bureau of Labor Statistics (BLS). A monthly **Purchasing Managers Index (PMI)** highlighting the manufacturing sector is made available by the Institute for Supply Management (ISM), a nonprofit supply management organization. The **Bank of America (BofA) Global Fund Manager Survey (FMS)** is a monthly report providing sentiment analysis, asset allocation trends, and economic forecasts from hundreds of global investment professionals managing hundreds of billions in assets. **Fed Funds futures** are interest rate derivatives that allow investors to speculate on or hedge against future changes in the U.S. federal funds rate. **Geopolitics** is the study of how geography affects politics and international relations. A **private credit company** is a non-bank lender that provides loans or invests in debt instruments not traded on public markets, serving as an alternative to traditional bank financing.

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