

# Weekly Market Recap

March 9, 2026

Index	Price	Price Returns	
	Close	Week	YTD
S&P 500 <sup>®</sup> Index	6,740	-2.0%	-1.5%
Dow Jones Industrial Average	47,502	-3.0%	-1.2%
NASDAQ	22,388	-1.2%	-3.7%
Russell 2000 <sup>®</sup> Index	2,525	-4.1%	1.8%
MSCI EAFE Index	2,984	-6.2%	3.1%
Ten-Year Treasury Yield	4.14%	0.2%	0.0%
Oil WTI <sup>1</sup> (\$/bbl <sup>2</sup> )	\$91.42	36.4%	59.2%
Bonds <sup>3</sup>	\$100.12	-1.3%	0.2%

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

## U.S. Equity Market

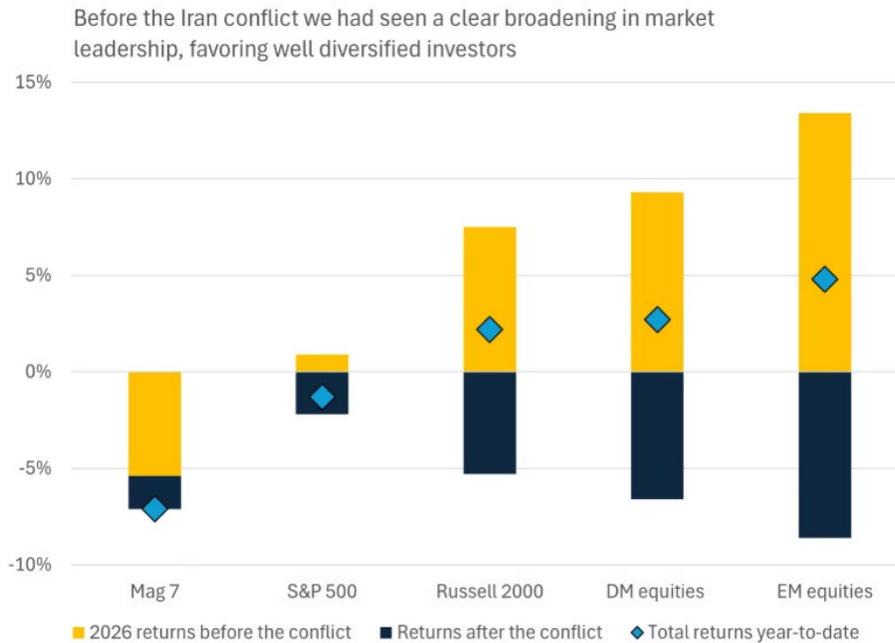
- U.S. large-cap equities (S&P 500 Index) fell -2.0% as the U.S. and Israel attacked Iran over the weekend of 02.28-03.01, killing Iran's supreme leader, and the war continued throughout last week. The Strait of Hormuz (approximately 20% of daily oil global production flow through the strait) was effectively closed, which led to the price of oil rising to +\$91.42/barrel. Oil price increases led to inflation concerns and the fed futures market priced in a flatter Federal Reserve (Fed) rate cut path, which suggests about 35 basis points (bps) of interest rate cuts through year-end, down from 59 bps a week ago. Morgan Stanley analysts noted that the S&P 500 Index has been up 2%, 6%, and 8% after 1 month, 6 months, and 12 months, respectively, post geopolitical events in the Middle East. Friday's February payrolls report showed a -92k decline, missing expectations for a +55k gain, and a 69k downward revision for the prior two months. The 10-year Treasury yield rose to 4.14% from 3.95%. The U.S. Dollar Index rose +1.4%, while Gold and Silver fell -1.7% and -2.6%, respectively. Oil (WTI) rallied 36.4% due to the Iran conflict and effective closing of the Strait of Hormuz.
- S&P 500 Index Sector Returns:
  - Energy (+1.0%) rose, as the price of oil increased +36.4%.
  - Technology (+0.4%) outperformed, led by software stocks.
  - Consumer discretionary (-1.4%) fell, led lower by autos and home improvement retailers while partially offset by strength from Amazon.
  - Financials (-1.8%) fell, led lower by banks.
  - Communication services (-2.1%) fell, led lower by internet search and traditional media stocks.
  - Real Estate (-2.3%) fell, led lower by offices.
  - Utilities (-2.1%), healthcare (-4.6%), and consumer staples (-4.9%) underperformed, as investors tend to favor less-defensive sectors.
  - Industrials (-4.1%) fell, led lower by airlines and aerospace and defense stocks.
  - Materials (-7.2%) fell, led lower by precious metals miners and chemical companies.

Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information.

All data is as of 03.06.2026 unless otherwise noted. Past performance is not indicative of future results. Any type of investing involves risk and there are no guarantees that these methods will be successful. Please reference important disclosures on pages 6-7.

# Weekly Market Recap

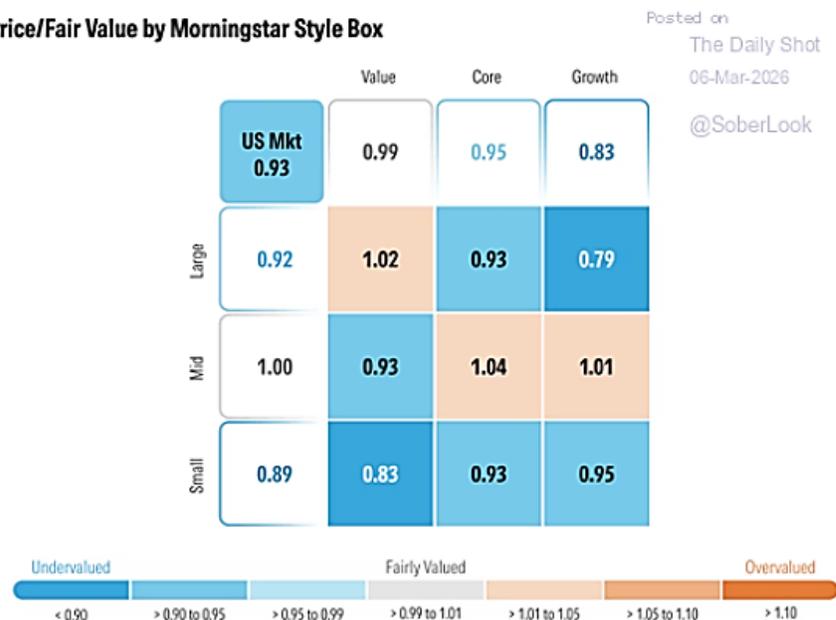
- Before the Iran conflict, the U.S. equity market was broadening out from the previous leadership of the “Magnificent 7” (Mag 7) towards small caps, as represented by the Russell 2000 Index, and international equities, as represented by the MSCI EAFE NR Index and MSCI Emerging Market NR Index. However, the Mag 7 fell less than small caps and international stocks this week.



DM= developed market. EM= emerging market. Source: Bloomberg L.P. Data as of 3.06.2026. DM equities represented by the MSCI EAFE NR Index. EM equities represented by the MSCI Emerging market NR Index. An index is unmanaged, cannot be invested into directly and is not meant to depict an actual investment.

- The Morningstar chart below suggests the U.S. equity market, as measured by the price/fair value, is trading at a discount to fair value with U.S. small caps trading at the largest discount to fair value.

## Price/Fair Value by Morningstar Style Box



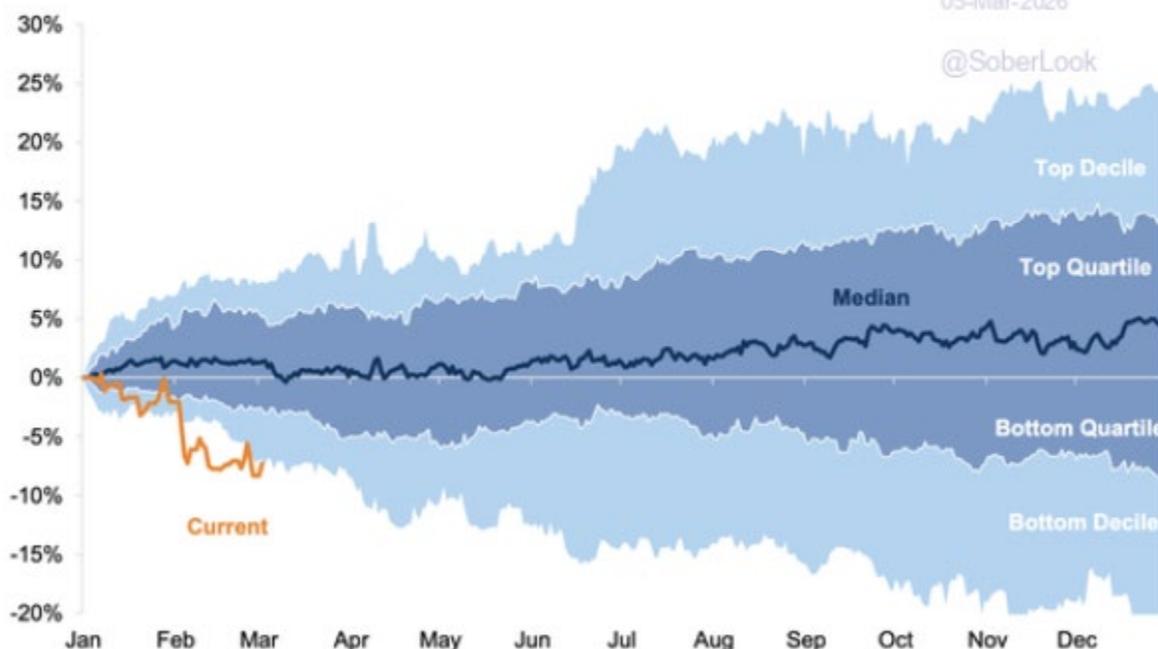
Price refers to current market price. Fair value refers to Morningstar’s estimate of the worth of U.S. stocks. Sources: Morningstar Research Services; The Daily Shot. Data as of 03.06.2026.

- Thus far in 2026, the technology sector has experienced one of the weakest starts to a year.

**Exhibit 5: We have seen one of the weakest periods of relative returns for technology over the past 50 years**

Distribution of returns of World Tech vs. World ex. TMT, data 1973

Posted on  
The Daily Shot  
05-Mar-2026  
@SoberLook



TMT = technology, media, and telecommunications. Sources: Datastream; Goldman Sachs; The Daily Shot. Data as of 03.05.2026.

- On the Citadel platform, retail investors had the largest net buying in January on record with February still ranking as the fifth-largest net buying. Retail flows appears to show increased buying following the recent dip.

**Retail Cash – Monthly Net Notional Indexed to January 2020**

Posted on  
The Daily Shot  
05-Mar-2026  
@SoberLook

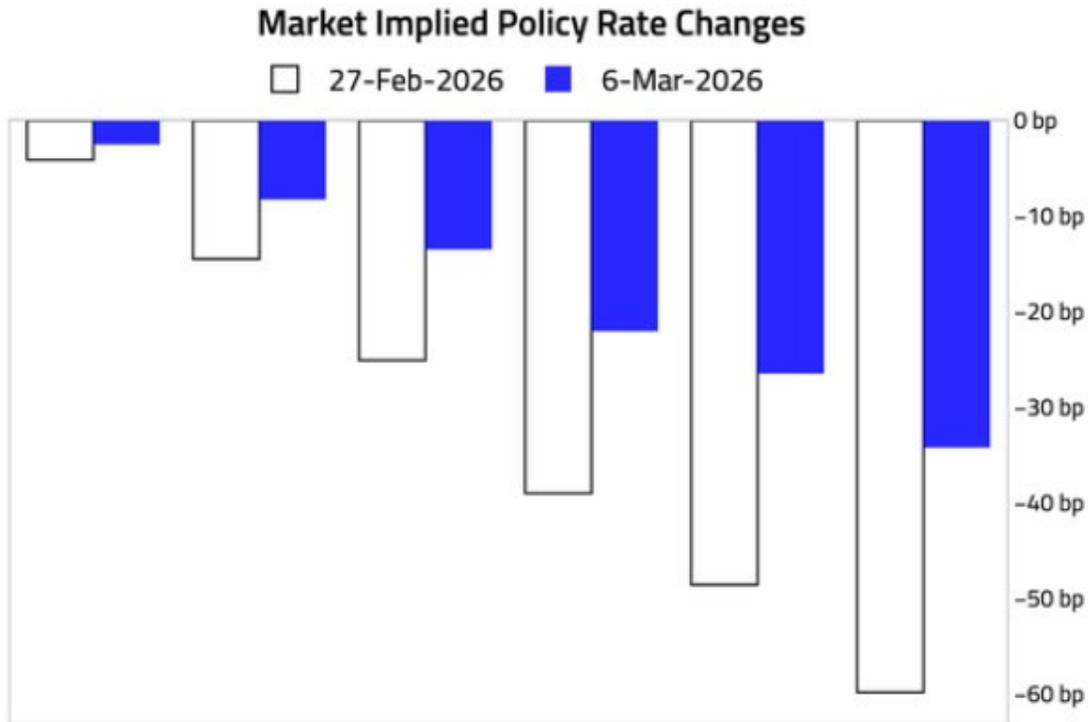


Sources: Edward Jones; Bloomberg L.P. Data as of 02.28.2026.

All data is as of 03.06.2026 unless otherwise noted. Past performance is not indicative of future results. Any type of investing involves risk and there are no guarantees that these methods will be successful. Please reference important disclosures on pages 6-7.

## Fixed Income Markets

- The fed futures market's implied Fed interest rate cuts in 2026 declined from near cuts of 0.60% to about 0.35% of cuts after the Iran conflict led to a rapid rise in the price of oil leading to inflation concerns.



Sources: Bloomberg L.P.; The Daily Shot. Data as of 03.06.2026.

- The money market fund total assets continue near all-time highs at over \$8T.

## Money Market Fund Total Assets – Sitting at All-Time Highs Since 2007



T= trillion. Sources: Investment Company Institute; Citadel Securities; GMI. Data as of 3.03.2026. Figures are for illustrative purposes only.

## International Markets Summary

- European markets (STOXX 600 Index) fell sharply (-5.6%) as the U.S.- Israel strikes on Iran pushed oil and gas prices higher, triggering fears of inflation, weaker growth, and tighter European Central Bank policy expectations.
- The Chinese stock market (Shanghai Composite A share) fell -0.9% as investors weighed the geopolitical shock from the Middle East conflict and higher oil prices alongside China's newly announced lower 2026 gross domestic product (GDP) growth target of 4.5-5%, which was the lowest target since the 1990s.
- Japanese equities (Nikkei 225 Index) tumbled -5.5% amid volatility tied to the Middle East conflict as investors worried that higher energy prices could raise inflation and hurt the economy given Japan's heavy dependence on imported oil and gas from the Gulf region.

## This Week:

- The volume of corporate earnings reports will be moderate this week.
- Economic data:
  - Monday: Limited U.S. economic data;
  - Tuesday: National Federation of Independent Business Small Business Index, Existing Home Sales, Redbook Chain Store, American Petroleum Institute Crude Inventories;
  - Wednesday: Mortgage Bankers Association Mortgage Purchase Applications, Consumer Price Index (CPI) ex Food, Energy, CPI, Treasury Monthly Budget, Department of Energy Crude Inventories;
  - Thursday: Housing Starts, Energy Information Administration Natural Gas Inventories;
  - Friday: Core Durable Orders, Core Personal Consumption Expenditure, Durable Orders ex transport, Durable Orders, GDP Chain Price (first revision), GDP (first revision), Personal Spending, Personal Income, Job Offer and Labor Turnover Survey, Michigan Consumer Sentiment (Preliminary).

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

## Important Information & Disclosures

**Past performance is not indicative of future results. Any type of investing involves risk and there are no guarantees that these methods will be successful. Economic charts are provided for illustrative purposes only. The information provided herein is subject to market conditions and is therefore expected to fluctuate.**

The opinions contained in this presentation reflect those of Sterling Capital Management LLC (SCM), are for general information only, and are educational in nature. The opinions expressed are as of the date of publication and are subject to change without notice. These opinions are not meant to be predictions and do not constitute an offer of individual or personalized investment advice. They are not intended as an offer or solicitation with respect to the purchase or sale of any security. This information and these opinions are subject to change without notice. All opinions and information herein have been obtained or derived from sources believed to be reliable. SCM does not assume liability for any loss which may result from the reliance by any person upon such information or opinions.

Investment advisory services are available through SCM (CRD# 135405), an investment adviser registered with the U.S. Securities & Exchange Commission (SEC) and an indirect, wholly-owned subsidiary of Guardian Capital Group Limited. SEC registration does not imply a certain level of skill or training, nor an endorsement by the SEC. SCM manages customized investment portfolios, provides asset allocation analysis, and offers other investment-related services to affluent individuals and businesses.

Sterling Capital does not provide tax or legal advice. You should consult with your individual tax or legal professional before taking any action that may have tax or legal implications.

The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information.

## 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 depository 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 Emerging Markets Index** captures large and mid cap representation across Emerging Markets countries. 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:

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. **Gross domestic product (GDP)** is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period. As a broad measure of overall domestic production, it functions as a comprehensive scorecard of a given country's economic health. 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. A **money market fund** is a type of mutual fund that invests in short-term, high-quality debt securities, cash, and cash equivalents. They are designed to be a relatively low-risk investment, often used by investors to store cash or as an alternative to bank savings vehicles. The **Core Personal Consumption Expenditure (PCE) Index** is a measure of prices that people living in the U.S., or those buying on their behalf, pay for goods and services. The **NFIB (National Federation of Independent Business) Small Business Optimism Index** is a monthly report that assesses the sentiment of small business owners across the United States. The **Job Openings and Labor Turnover Survey (JOLTS)** is an economic indicator that tracks U.S. job vacancies, hires, and separations. Published by the Bureau of Labor Statistics (BLS), the survey measures metrics like the number of open positions and the quit rate. **Fed funds futures** are financial contracts traded on the Chicago Mercantile Exchange (CME) that track the federal funds rate, which is the overnight lending rate between banks. Their prices reflect market expectations of future rate changes, allowing banks and traders to hedge or speculate on U.S. interest rates influenced by Federal Reserve policy. **World ex TMT** generally refers to a global equity investment strategy or portfolio that excludes Tech, Media, and Telecom sectors, often used to avoid heavy concentration in US tech/AI stocks. **World Tech** refers to the global technology sector, represented by broad worldwide technology equity indexes. **Developed markets** are countries that are most progressed in terms of their economy and capital markets. **Emerging markets** are developing nations transitioning toward advanced economies, characterized by rapid industrialization, high economic growth (GDP), and increasing integration into global trade. The **Magnificent Seven** stocks are a group of high-performing and influential companies in the U.S. stock market: Alphabet, Amazon, Apple, Tesla, Meta Platforms, Microsoft, and Nvidia. The **U.S. Dollar Index** is a geometrically-averaged calculation of six currencies weighted against the U.S. dollar. The **Price/Fair Value ratio** measures if a stock is overvalued or undervalued by dividing its current market price by an analyst's estimated intrinsic value. A ratio above 1.0 suggests the stock is overvalued (price > value), while below 1.0 indicates it is undervalued (price < value).

The **Chartered Financial Analyst® (CFA)** charter is a graduate-level investment credential awarded by the CFA Institute — the largest global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.