

# Weekly Market Recap

April 13, 2026

Index	Price	Price Returns	
	Close	Week	YTD
S&P 500® Index	6,817	3.6%	-0.4%
Dow Jones Industrial Average	47,917	3.0%	-0.3%
NASDAQ	22,902	4.7%	-1.5%
Russell 2000® Index	2,630	4.0%	6.0%
International Equities <sup>1</sup>	95.32	4.3%	6.6%
Emerging Markets Equities <sup>2</sup>	60.56	7.0%	10.7%
Ten-Year Treasury Yield	4.31%	0.0%	0.3%
Oil WTI <sup>3</sup> (\$/bbl <sup>4</sup> )	\$95.63	-14.3%	66.5%
Bonds <sup>5</sup>	\$99.32	0.09%	-0.56%

<sup>1</sup>International Equities is represented by iShares Core MSCI ETF. <sup>2</sup>Emerging Markets Equities are represented by iShares MSCI Emerging Markets ETF. <sup>3</sup>WTI = West Texas Intermediate Oil. <sup>4</sup>bbl = Barrel. <sup>5</sup>Bonds are represented by the iShares U.S. Aggregate Bond ETF. Sources: Bloomberg L.P.; FactSet.

## U.S. Equity Market

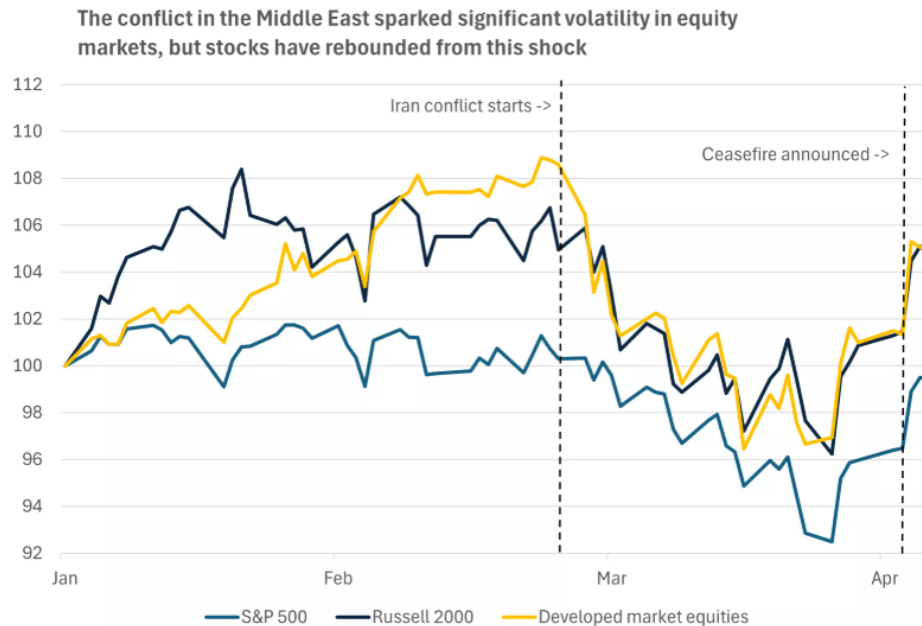
- U.S. large-cap equities (S&P 500 Index) rose +3.4% as the ceasefire between the U.S. and Iran held last week despite the Strait of Hormuz (approximately 20% of daily oil global production flows through the strait) remaining essentially closed. Trilateral talks with the U.S., Iran, and Pakistan continued over the weekend, which were considered positive overall but a stalemate persists over control of the Strait of Hormuz. Inflation concerns were generally reduced with falling oil prices (WTI -14.3%) and March core consumer price index (CPI) coming in slightly cooler than expected. The U.S. 10-year Treasury yield fell to 4.31% from 4.43%. The dollar was modestly weaker, while gold rose +1.8%. Oil (WTI) fell -14.3% as the ceasefire between the U.S. and Iran held last week.
- S&P 500 Index Sector Returns:
  - Consumer discretionary (+5.8%) rose, led by Amazon, and travel stocks.
  - Communication services (+5.8%) rose, led by social media and internet search stocks.
  - Tech (+4.8%) rose, led by semiconductor stocks.
  - Industrials (+4.7%) rose, led by artificial intelligence (AI) power infrastructure companies and aerospace and defense stocks.
  - Materials (+3.5%) rose, led by chemical companies.
  - Real Estate (+2.9%) rose, led by storage and cell towers.
  - Financials (+2.4%) rose, led by banks.
  - Utilities (+1.3%), consumer staples (+0.5%), and healthcare (+0.4%) underperformed, as investors tend to favor less defensive sectors.
  - Energy (-4.1%) fell, as the ceasefire between the U.S. and Iran held last week.

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 04.10.2026 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.

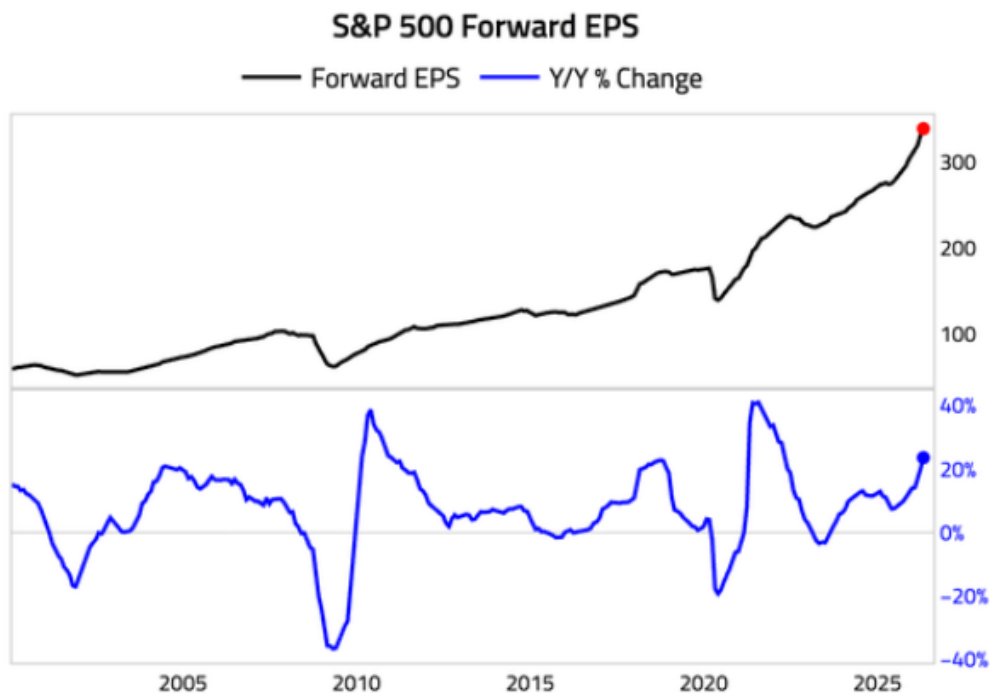
# Weekly Market Recap

- The Iran conflict has driven higher oil prices and a sell-off in risk assets like equities for most of March but equities appear to be bouncing higher in the past two weeks. Have we seen the bottom?



Developed market equities represented by MSCI EAFE Index. Sources: Bloomberg L.P.; Edward Jones.

- U.S. equities continue to generate all-time high earnings with positive year-over-year (Y/Y) growth in earnings.

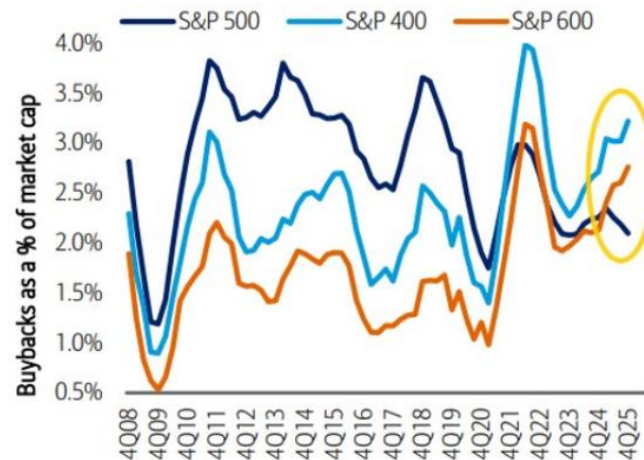


EPS: earnings per share. Forward EPS is a company's projected profitability over the next 12 months or upcoming fiscal year. Sources: Bloomberg L.P.; The Daily Shot.

- The small-cap (defined by the S&P 600) and mid-cap (defined by the S&P 400) stocks are now buying back more stock as a percentage of market cap more than large caps defined by the S&P 500). We believe these buy-backs may benefit the earnings growth as they shrink the share count of public equity.

**Exhibit 3: ...such that small caps (in addition to mid caps) are now buying back more as a % of market cap than large caps**

S&P 500, S&P 400 and S&P 600: Trailing 12m buybacks as a % of index market cap, 2008-4Q25



12m: 12 months. Sources: Haver Analytics; BofA; The Daily Shot.

- The PEG ratio (price-to-earnings (P/E) divided by the growth rate of earnings) for the technology sector is now below the global aggregate market PEG ratio.

**Exhibit 5: The PEG ratio for technology is below that of the global aggregate market**  
PEG ratio (12m fwd P/E divided by second 12m fwd EPS growth)

Posted on

The Daily Shot

08-Apr-2026

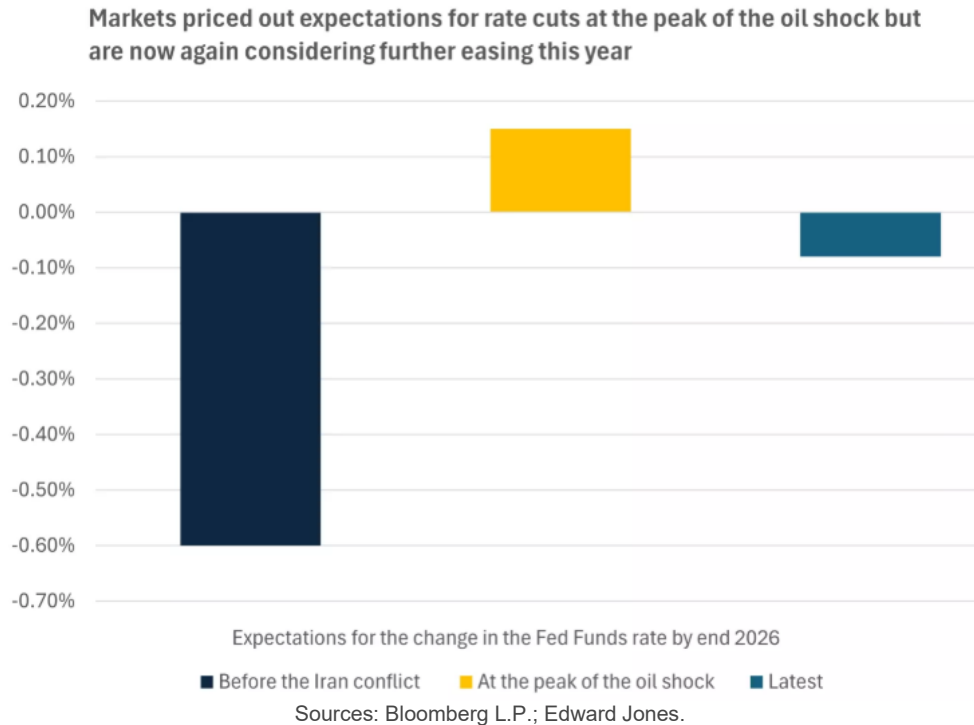
@SoberLook



Fwd: forward. The MSCI AC World Index (ACWI) is a premier benchmark tracking over 2,300 large and mid-cap stocks across 23 developed and 24 emerging markets, representing roughly 85% of global investable equity. It covers 11 sectors, heavily weighted towards US technology and finance, providing comprehensive, real-time tracking of global equity performance. Sources: Datastream; Goldman Sachs; The Daily Shot.

## Fixed Income Markets

- Before the Iran conflict, the Federal Reserve (Fed) futures markets were implying the Fed would cut rates by almost 0.60% in 2026. Then at the peak of the oil shock in March, it appeared the Fed was expected to potentially hike rates due to the Iran conflict and higher energy prices. Now, we believe the Fed is expected to cut rates by less than 0.10%.



- Yields on software loans appear to be much higher than those of the broader leveraged loan market.



## International Markets Summary

- European markets (STOXX 600 Index) rose +3.1% on hopes that the U.S-Iran ceasefire may lead to a resolution of the conflict sooner than later.
- The Chinese stock market (Shanghai Composite A share) rose +2.7% as the U.S.-Iran ceasefire provided hope that there may be a resolution to the conflict sooner than later.
- Japanese equities (Nikkei 225 Index) rose +7.2% on the U.S.-Iran ceasefire and the drop in oil prices as Japan relies heavily on imported energy.

## This Week:

- The volume of corporate earnings reports will be moderate this week.
- Economic data:
  - Monday: Existing Home Sales;
  - Tuesday: National Federation of Independent Business (NFIB) Small Business Index, Producer Price Index (PPI), Automatic Data Processing (ADP) Weekly Employment Change, Redbook Chain Store, American Petroleum Institute (API) Crude Inventories;
  - Wednesday: Mortgage Bankers Association (MBA) Mortgage Purchase Applications, Empire Manufacturing, Export Prices, Import Prices, National Association of Home Builders (NAHB) Housing Market Index, Treasury International Capital (TIC) Flows, Department of Energy (DOE) Crude Inventories;
  - Thursday: Philadelphia Fed Index, Capacity Utilization, Industrial Production, Weekly Jobless Claims, Energy Information Administration (EIA) Natural Gas Inventories;
  - Friday: Limited U.S. data.

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 Desjardins Global Asset Management Inc., which is part of the Desjardins Group. 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 **S&P MidCap 400®** provides investors with a benchmark for mid-sized companies. The index, which is distinct from the large-cap S&P 500®, is designed to measure the performance of 400 mid-sized companies, reflecting the distinctive risk and return characteristics of this market segment.

The **S&P 600** is an index of small-cap stocks managed by Standard & Poor's. It tracks a broad range of small-sized companies that meet specific liquidity and stability requirements.

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. 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). **Fed funds futures** are contracts traded on the CME that mirror changes in the federal funds rate. These futures are cash-settled monthly and help predict economic outcomes like rate hikes or cuts. **The price-to-earnings (P/E) ratio** compares a company's share price with its earnings per share (EPS). Analysts and investors use this to determine the relative value of a company's shares in side-by-side comparisons. **Earnings per Share (EPS)** is a common measure of profitability per share of a company's common stock. The **PEG ratio (Price/Earnings-to-Growth)** is a valuation metric that divides a company's P/E ratio by its expected earnings growth rate. It helps investors determine a stock's value by accounting for future growth, with a lower PEG generally signaling an undervalued stock. The **federal funds rate** is the specific interest rate that U.S. banks and credit unions charge each other to lend reserve balances overnight on an uncollateralized basis. A **leveraged loan** is a type of loan made for borrowers who already have high levels of debt or a low credit score. These loans are considered high-risk and therefore have higher interest rates. **Developed market equities** represent stocks from countries with advanced economies, high per-capita income, mature capital markets, and robust regulatory systems. Known for stability, high liquidity, and transparency, these markets—often tracked by the MSCI World Index—are a cornerstone for diversified, lower-risk global portfolios. Key examples include the U.S., Japan, and Western Europe. 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 National Association of Home Builders (NAHB) Housing Market Index (HMI)** rates the relative level of current and future single-family home sales. The data is compiled from a survey of around 900 home builders. A reading above 50 indicates a favorable outlook on home sales; below indicates a negative outlook. **The Empire Manufacturing Index** is a monthly survey of CEOs & executives from manufacturing companies conducted by the Federal Reserve Bank of New York; highlighting the state of manufacturing the New York region. **Treasury International Capital (TIC)** data from the U.S. Treasury tracks the flow of portfolio capital into and out of the U.S. and can predict trends in the U.S. dollar and interest rates. **The Philadelphia Federal Index** measures business growth in Pennsylvania, New Jersey, and Delaware. (Technical definitions are sourced from Corporate Finance Institute.)

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.