

# Weekly Market Recap



June 22, 2026

Index	Price	Price Returns	
	Close	Week	YTD
S&P 500 <sup>®</sup> Index	7,501	0.9%	9.6%
Dow Jones Industrial Average	51,565	0.7%	7.3%
NASDAQ	26,518	2.4%	14.1%
Russell 2000 <sup>®</sup> Index	2,980	1.2%	20.1%
International Equities <sup>1</sup>	104.41	-0.6%	8.7%
Emerging Markets Equities <sup>2</sup>	70.79	4.3%	29.4%
Ten-Year Treasury Yield	4.45%	0.2%	0.6%
Bonds <sup>3</sup>	\$98.90	0.14%	-1.0%
Oil WTI <sup>4</sup> (\$/bbl <sup>5</sup> )	\$76.54	-9.8%	33.3%

<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>Bonds are represented by the iShares U.S. Aggregate Bond ETF <sup>4</sup>WTI = West Texas Intermediate <sup>5</sup>bbl = Barrel.

Sources: Bloomberg L.P.; FactSet.

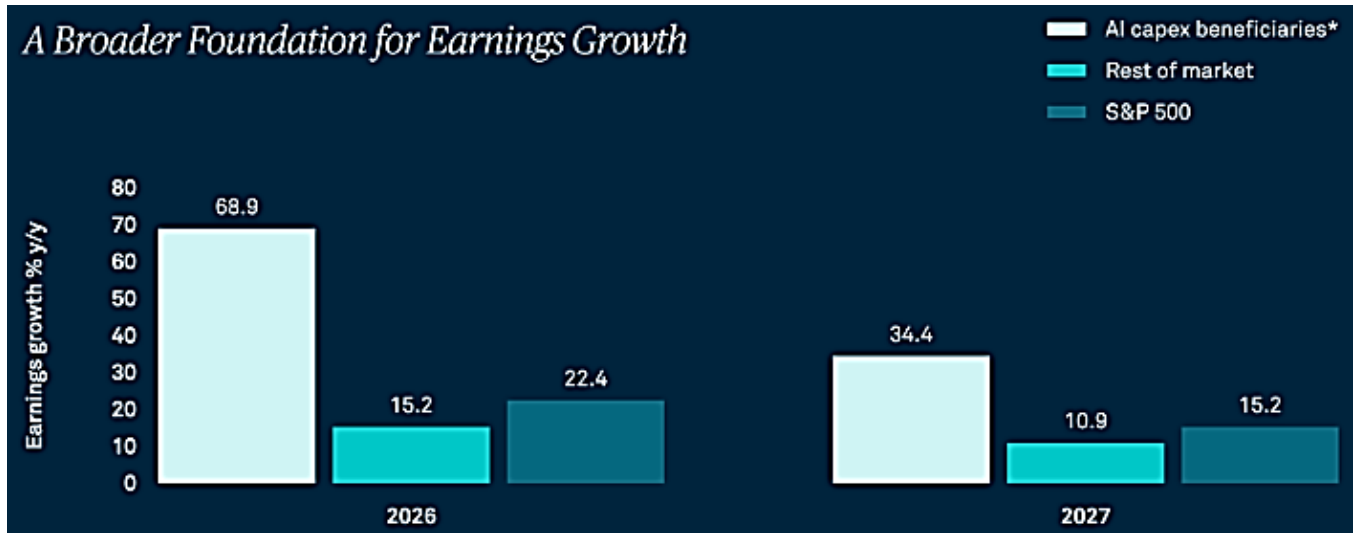
## U.S. Equity Market

- U.S. large cap equities (S&P 500 Index) rose this week as the U.S. and Iran reached a peace agreement to reopen the Strait of Hormuz which allowed Iran to restart oil exports immediately, and the U.S. granted sanctions waivers. Yields increased after the June Federal Open Market Committee (FOMC) meeting ended with no change to the policy rate and Federal Reserve (Fed) Chair Kevin Warsh announcing that the central bank will move away from providing forward guidance, while emphasizing that the Fed will deliver price stability. Semiconductor, memory, and artificial intelligence (AI)-related stocks rose this week, partially benefiting from sell-side upgrades and earnings estimates increases. May retail sales came in stronger than expected. The U.S. 10-year Treasury yield declined to 4.45% from 4.48%. The dollar was up +1.1%, while gold rose +0.2%. Oil (WTI) fell -9.8% on progress in the Iran-U.S. negotiations.
- S&P 500 Index Sector Returns:
  - Tech (+3.1%) rose, led by semiconductors and memory stocks.
  - Industrials (+2.6%) rose, led by airlines, AI infrastructure companies, and aerospace and defense stocks.
  - Communication services (+1.1%) rose, led by streaming and social media stocks.
  - Consumer discretionary (+0.8%) rose, led by Amazon and home improvement retailers.
  - Utilities (+0.5%) rose, led by Vistra and NextEra Energy.
  - Financials (+0.4%) rose, led by banks.
  - Materials (-0.4%) fell, led lower by chemical and paint companies.
  - Consumer staples (-2.9%) and healthcare (-3.0%) underperformed as investors tend to favor less defensive sectors.
  - Real Estate (-3.5%) fell, led lower by cell towers.
  - Energy (-6.6%) fell, as the price of oil fell -9.8%

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All data is as of 06.18.2026 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.

- AI capital expenditure (capex) beneficiaries are expected to generate robust earnings growth in 2026 and 2027.

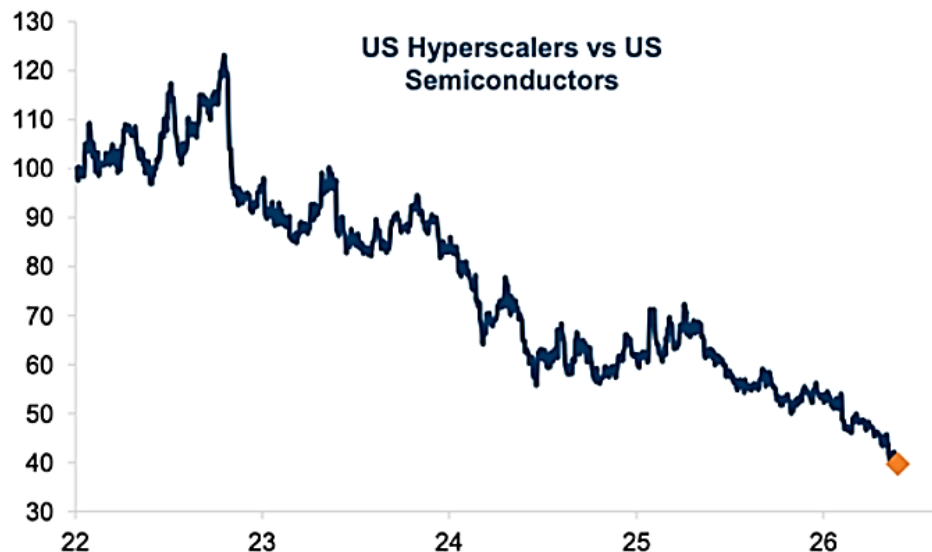


\*45 tech and industrial companies in the S&P 500 receiving AI-related capex accounting for 18.7% of the S&P 500 Market Cap; Does not include hyperscalers. y/y= year-over-year. Source: FactSet. Data as of 05.2026.

- Chip stocks have outperformed hyperscalers since the beginning of 2023 as hyperscalers invested nearly all of their free cash flow into AI capex, potentially driving robust earnings growth for the chip stocks.

### Exhibit 23: Chip manufacturers appear to have benefited from AI capex, while investors have questioned the hyperscalers' return on capex

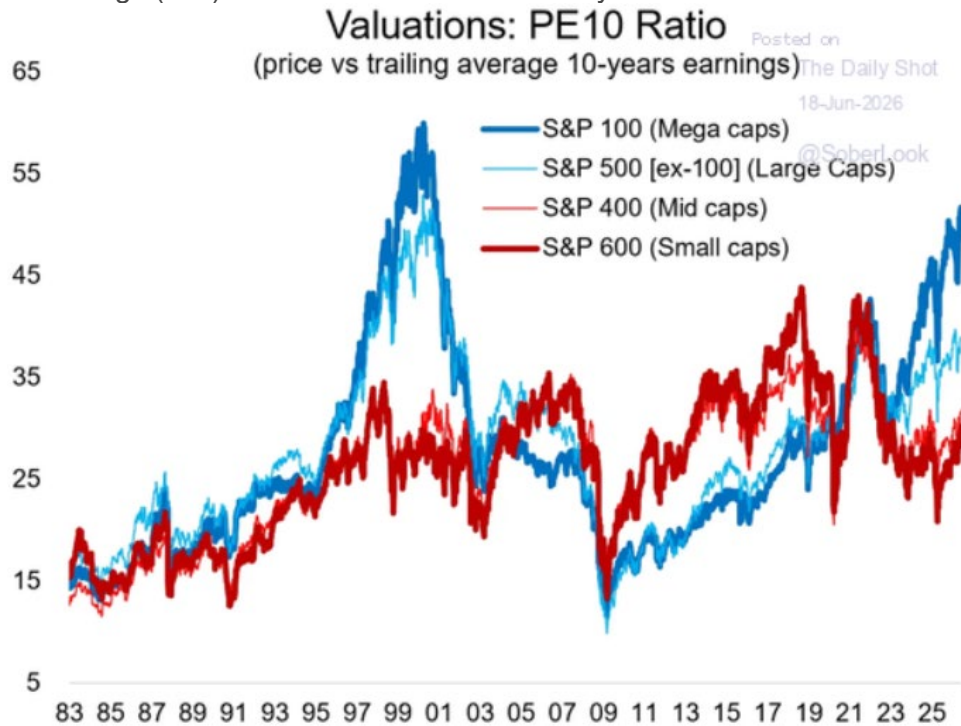
Relative price performance of US hyperscalers (AMZN, META, GOOGL, MSFT, ORCL) versus MSCI USA Semiconductors



AMZN= amazon. META= Meta. GOOGL= Google. MSFT= Microsoft. ORCL= Oracle.

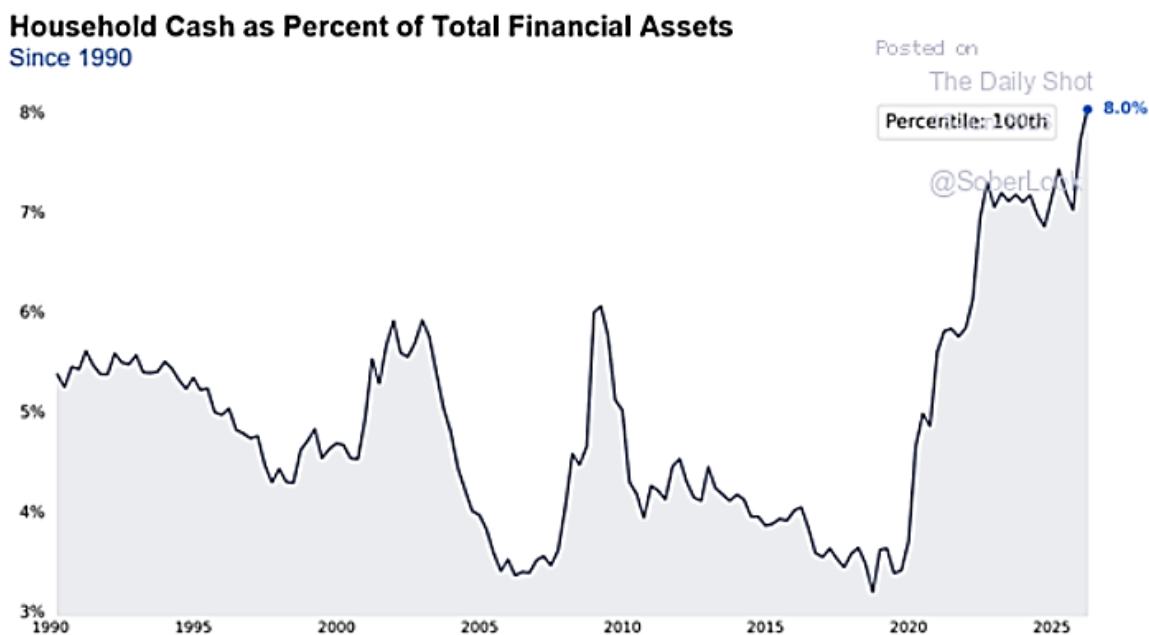
Y axis represents relative price performance of U.S. hyperscaler stocks versus U.S. semiconductor stocks. The MSCI USA Semiconductors Index is designed to capture the large and mid-cap stocks of the US equity market. Sources: Datastream; Goldman Sachs.

- Small caps as defined by the S&P 600 and mid caps as defined by the S&P 400 are trading at more attractive price-to-earnings (P/E) ratios relative to the last ten years.



Sources: Topdown Charts; London Stock Exchange Group; The Daily Shot. Data as of 06.18.2026.

- Household cash as a percentage of total financial assets is at a 35-year high.

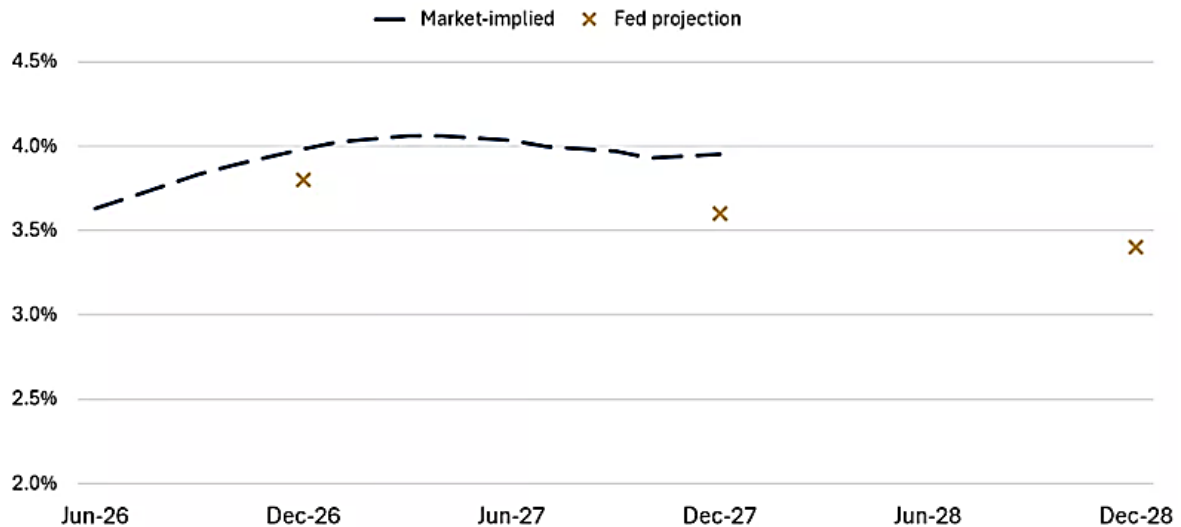


Sources: FactSet; Goldman; The Daily Shot; Federal Reserve Bank; Financial Accounts of the U.S. Z.1 as compiled by Citadel Securities. Data as of 06.16.2026.

## Fixed Income Markets

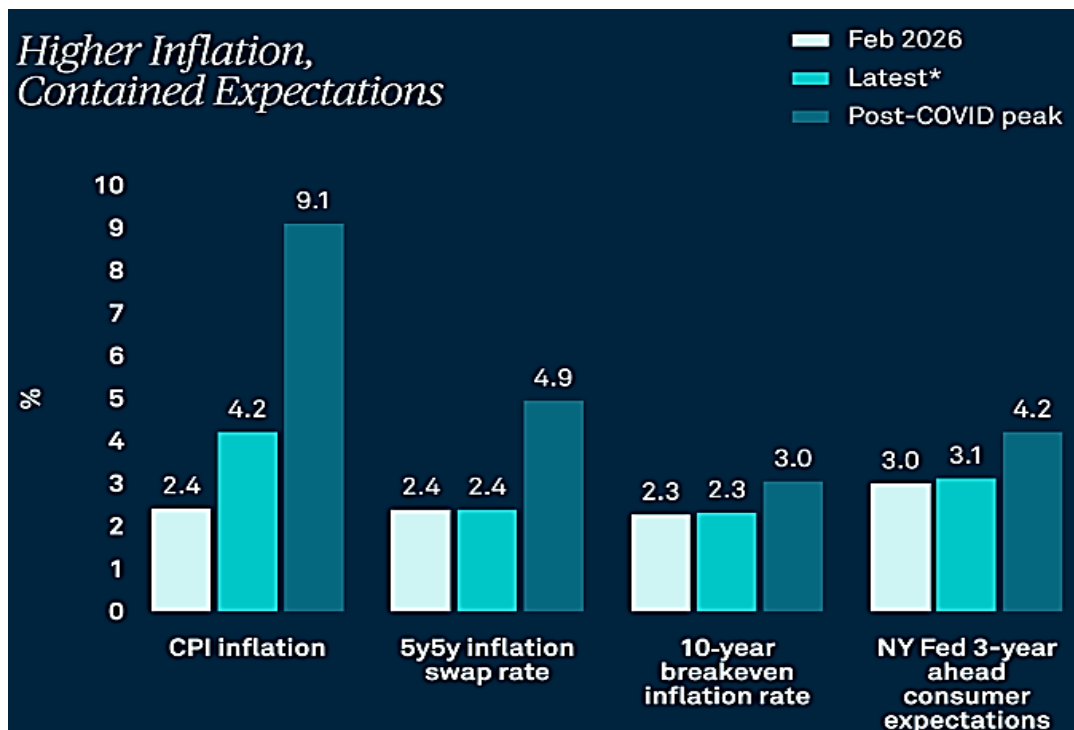
- The fed futures markets are pricing in a higher fed funds rate compared to where the Fed is projecting the rate.

### Markets are pricing in a higher fed funds rate compared with the Fed's projection



Sources: CME FedWatch; U.S. Federal Reserve; Edward Jones.

- Despite consumer price index (CPI) inflation remaining elevated, the long-term inflation expectations appear to be relatively contained.



5y5y= five year, five year. Sources: BNY; Bloomberg L.P. \*Latest available data as of 06.11.2026.

## International Markets Summary

- European markets (STOXX 600 Index) rose +0.6% as the U.S. and Iran reached a peace agreement and signed a memorandum of understanding.
- The Chinese stock market (Shanghai Composite A share) rose +1.5% as the U.S. and Iran signed a peace agreement and resilient industrial activity appear to improve sentiment for Chinese equities.
- Japanese equities (Nikkei 225 Index) rose +7.6% as the U.S.-Iran peace agreement led to a rally for Japanese semiconductor equipment and technology stocks.

## This Week:

- The volume of corporate earnings reports will be moderate this week.
- Economic data:
  - Monday: Limited Data;
  - Tuesday: Purchasing Managers' Index (PMI) Manufacturing Preliminary, PMI Services Preliminary, Redbook year-over-year, Automatic Data Processing Weekly Employment Change;
  - Wednesday: Mortgage Bankers Association Mortgage Purchase Applications, Current Account Balance, New Home Sales;
  - Thursday: Core Durable Orders, Core Personal Consumption Expenditures, Durable Orders ex transport, Durable Orders, Gross Domestic Product (GDP) Chain Price (second revision), GDP (second revision), Personal Spending, Personal Income;
  - 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

Griffith Jones, Jr.  
Executive Director

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**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.**

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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 100®**, a sub-set of the S&P 500®, is designed to measure the performance of large-cap companies in the United States and comprises 100 major blue chip companies across multiple industry groups. Individual stock options are listed for each index constituent.

The **S&P 400® Index** is a benchmark index that tracks the performance of 400 mid-sized publicly traded companies in the United States.

The **S&P 600® Index** (or S&P SmallCap 600) is a market-capitalization-weighted stock market index managed by S&P Dow Jones Indices that tracks the performance of 600 small-sized U.S. companies.

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:

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 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 **Services PMI** (Purchasing Managers' Index) is a key economic indicator that measures business activity in the services sector. It provides a forward-looking perspective on the health of the economy, specifically within the service industry. 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. A **memorandum of understanding (MoU)** is a type of agreement between two (bilateral) or more (multilateral) parties. **Fed funds futures** are contracts traded on the CME that mirror changes in the federal funds rate. A **fed funds futures rate** is a market-derived yield based on futures contracts that track the overnight lending rate for U.S. banks. The **P/E (Price-to-Earnings) ratio** is a financial metric that measures a company's current share price relative to its Earnings Per Share (EPS). **Chip stocks**, more formally known as semiconductor stocks, are shares in publicly traded companies that design, manufacture, or supply materials for computer microchips. **Capital expenditures (CapEx)** are funds companies spend to acquire, upgrade, or maintain long-term physical assets. The **Federal Open Market Committee (FOMC)** is the policymaking body of the Federal Reserve System, the central banking system of the United States. **Hyperscalers** are massive cloud service providers that offer highly scalable, on-demand computing infrastructure and storage to organizations. **Free cash flow (FCF)** is the actual cash a company has left over after paying for its day-to-day operations and maintaining or expanding its physical assets. **Mega cap** is a designation for the largest companies in the entire investment universe as measured by market capitalization.

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