

Weekly Market Recap

June 29, 2026

Index	Price	Price Returns	
	Close	Week	YTD
S&P 500 [®] Index	7,354	-2.0%	7.4%
Dow Jones Industrial Average	51,876	0.6%	7.9%
NASDAQ	25,298	-4.6%	8.8%
Russell 2000 [®] Index	3,010	1.0%	21.3%
International Equities ¹	102.54	-1.8%	6.8%
Emerging Markets Equities ²	67.19	-5.1%	22.8%
Ten-Year Treasury Yield	4.37%	0.7%	1.3%
Bonds ³	\$99.34	0.4%	-0.5%
Oil WTI ⁴ (\$/bbl ⁵)	\$69.23	-8.7%	20.57%

¹International Equities is represented by iShares Core MSCI ETF. ²Emerging Markets Equities are represented by iShares MSCI Emerging Markets ETF. ³Bonds are represented by the iShares U.S. Aggregate Bond ETF ⁴WTI = West Texas Intermediate ⁵bbl = Barrel..

Sources: Bloomberg L.P.; FactSet.

U.S. Equity Market

- U.S. large-cap equities (S&P 500 Index) fell this week as artificial intelligence (AI) and semiconductor stocks pulled back, partially driven by market concentration concerns and crowded positioning in AI stocks. Micron (largest memory semiconductor company) reported robust earnings and guidance ahead of expectations, which provided some confidence in the AI capital expenditures (capex) cycle and sustained memory demand. Additional risk factors included concerns that the Federal Reserve (Fed) may hike rates in 2026, despite oil falling to below its pre-Iran war levels amid acceleration of flows through the Strait of Hormuz. Bloomberg reported Persian Gulf crude exports recovered to at least 75% of pre-war levels. The U.S. 10-year Treasury yield declined to 4.37% from 4.45%. The dollar was up +0.5%, while gold fell -3.5%. Oil (WTI) fell -8.7% on increasing flows through the Strait of Hormuz.
- S&P 500 Index Sector Returns:
 - Healthcare (+7.9%), utilities (+3.9%), and consumer staples (+1.5%) outperformed, as investors tend to favor more defensive sectors.
 - Real Estate (+4.0%) rose, by apartments and senior housing.
 - Energy (+0.7%) rose, as the price of oil fell -8.7%.
 - Industrials (+0.5%) rose, led by airlines, and aerospace and defense stocks.
 - Financials (+0.5%), rose led by banks.
 - Materials (-0.1%) fell, led lower by precious metals miners and chemical companies.
 - Consumer discretionary (-2.7%) fell, led lower by Tesla, Amazon and travel stocks.
 - Tech (-5.4%) fell, led lower by semiconductors and AI stocks.
 - Communication services (-6.2%) fell, led lower by internet search, streaming, and social media stocks.

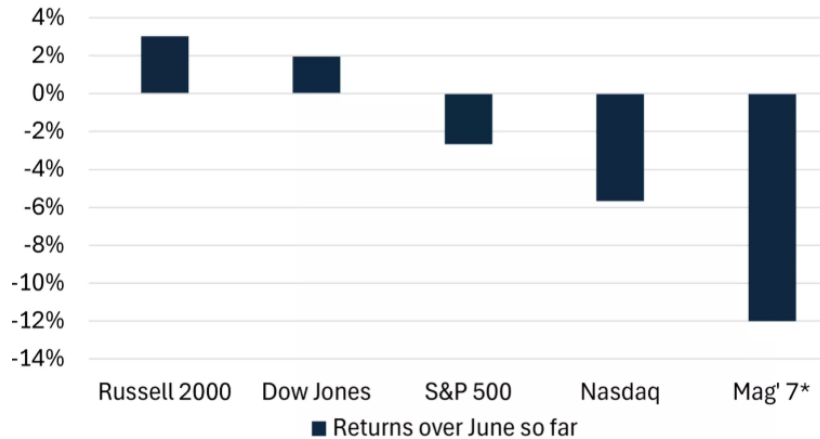
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All data is as of 06.26.2026 unless otherwise noted. Past performance is not indicative of future results. Any type of investing involves risk and there are no guarantees that these methods will be successful. Please reference important disclosures on pages 6-7.

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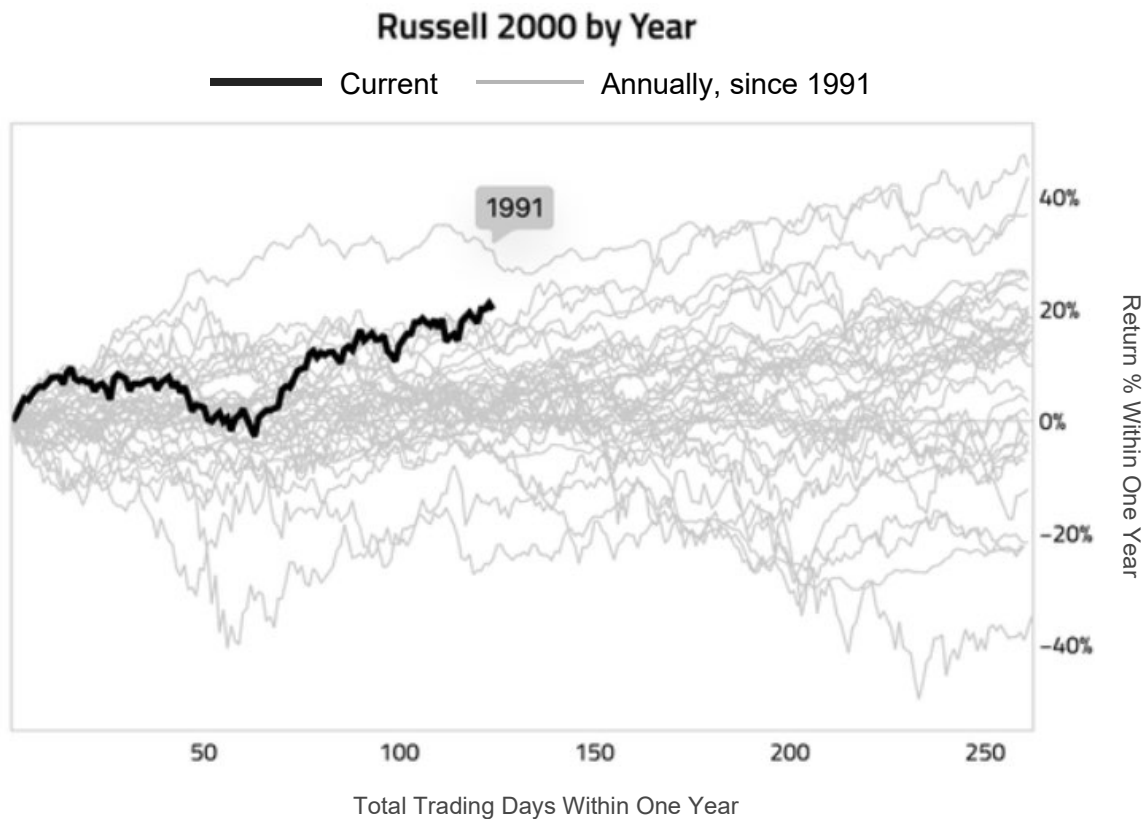
- In June there has been a market rotation away from Magnificent Seven (Mag 7) and technology stocks, towards small caps and non-tech stocks as defined by Russell 2000 and Dow Jones.

We have seen a pronounced market rotation in June away from technology stocks



*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. Sources: Bloomberg L.P.; Edward Jones.

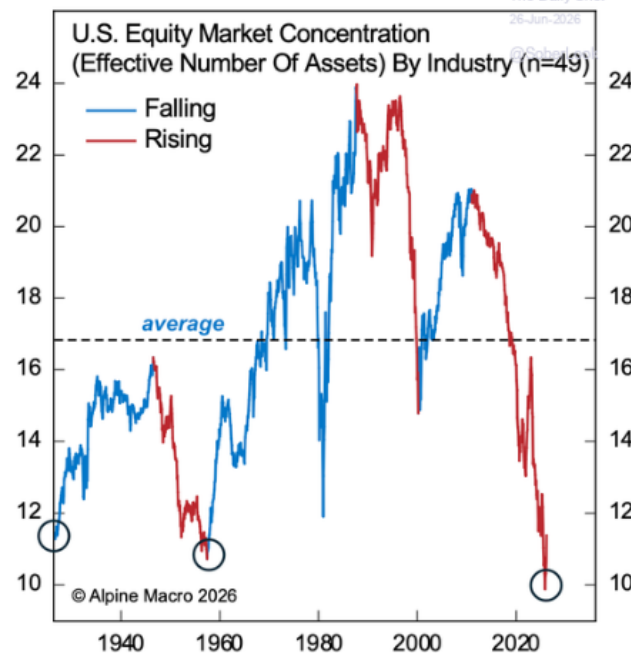
- Thus far in 2026, the Russell 2000 Index has had its strongest year-to-date (YTD) return since 1991.



Sources: Bloomberg L.P.; Edward Jones.

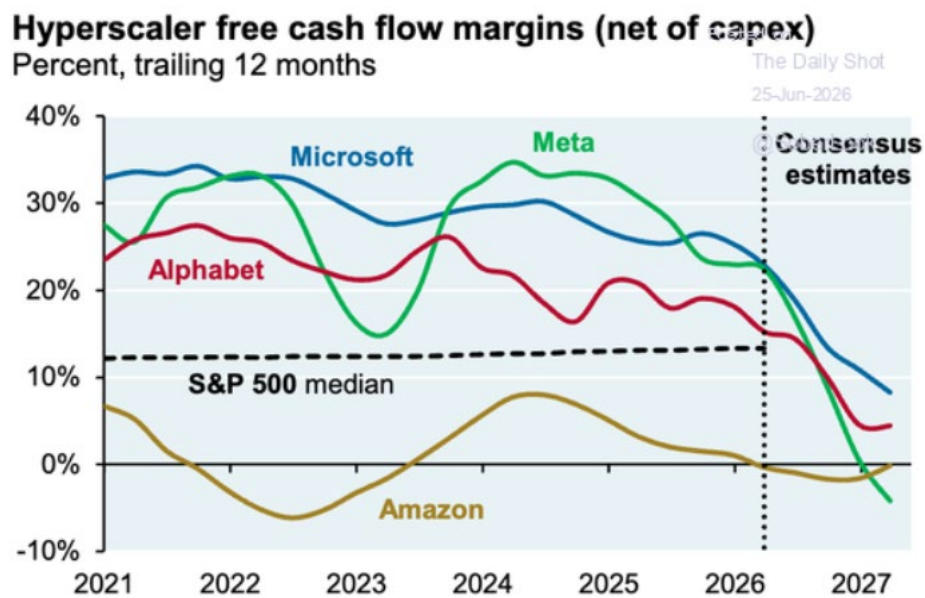
- U.S. equity market concentration has been increasing since 2009, and now appears to be the most concentrated in almost 100 years.

Chart 5: A Century-Long Lens



Notes: Effective number of assets for this illustration = 49. n: number. Lower values indicate higher concentration.
Sources: Kritzman & Turkington (2025); Kenneth French; Alpine Macro; The Daily Shot.

- Hyperscaler free cash flow (FCF) margins (net of capex) are expected to continue to decline in 2027.

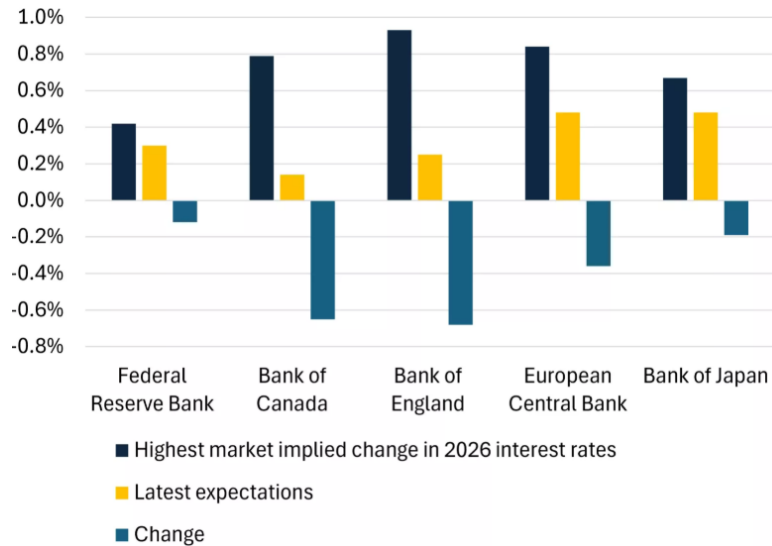


Free cash flow (FCF) is the amount of money a company has that exceeds the amount needed to sustain and grow the business.
Sources: Bloomberg L.P.; JPMorgan; The Daily Shot.

Fixed Income Markets

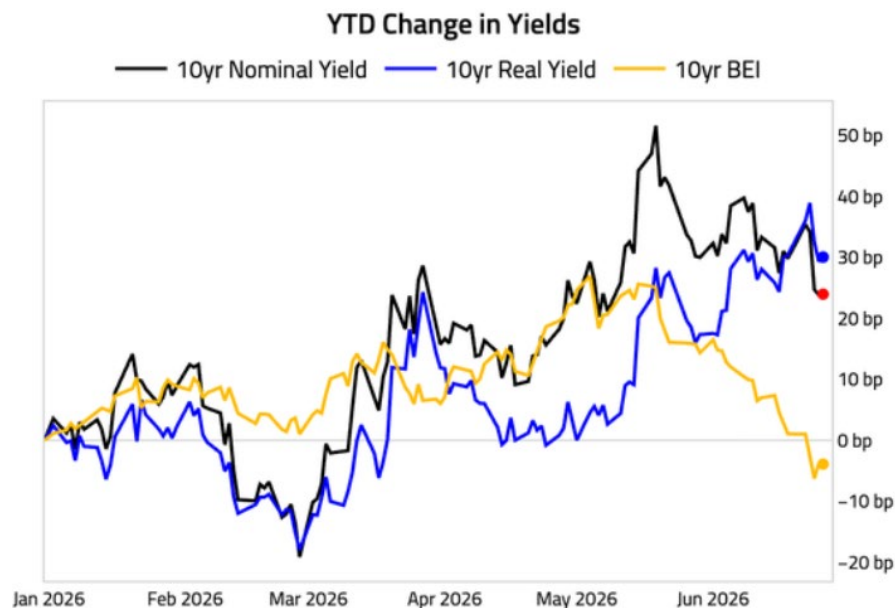
- As the price of oil has fallen, associated with U.S.-Iran peace negotiations and the increasing flow of ships through the Strait of Hormuz, the futures markets have priced fewer interest rate hikes across global central banks.

Markets are pricing fewer interest rate hikes in the wake of lower oil prices



Futures markets allow participants to buy and sell contracts for delivery at a specified future date, helping producers manage market volatility by locking in prices for future transactions. Sources: Bloomberg L.P.; Edward Jones.

- Thus far in 2026, 10-year Treasury Yield has risen on a nominal and real basis, but 10-year breakeven inflation rate is essentially flat.



Nominal yield is the interest rate a bond promises to pay each year based on its face value. Real yield is the actual return on an investment after adjusting for the effects of inflation. The breakeven inflation (BEI) rate is the difference between the yield of a nominal bond and an inflation-protected bond of the same maturity. Bp: basis point. Sources: Bloomberg L.P.; The Daily Shot.

International Markets Summary

- European markets (STOXX 600 Index) remain unchanged as positive returns earlier in the week were erased by a selloff in global technology, and AI-related stocks later in the week.
- The Chinese stock market (Shanghai Composite A share) fell -1.6%, tied to a selloff in global technology and AI-related stocks.
- Japanese equities (Nikkei 225 Index) fell -2.7%, linked to a global selloff in technology and AI-related stocks later in the week.

This Week:

- The volume of corporate earnings reports will be moderate this week.
- Economic data:
 - Monday: Limited Data;
 - Tuesday: Federal Housing Finance Agency (FHFA) House Price Index, Chicago Purchasing Managers Index (PMI), Job openings and labor turnover survey (JOLTS), Consumer Confidence, American Petroleum Institute (API) Crude Inventories;
 - Wednesday: Challenger Job Cuts, Mortgage Bankers Association (MBA) Mortgage Purchase Applications, ADP Employment Report, PMI Manufacturing Final, Construction Spending, Institute for Supply Management (ISM) Manufacturing Index, Department of Energy (DOE) Crude Inventories;
 - Thursday: Nonfarm Payrolls, Unemployment Rate, Average Weekly Hours, Average Hourly Earnings, Factory Orders, Weekly Jobless Claims, Energy Information Administration (EIA) Natural Gas Inventories;
 - Friday: U.S. Market Holiday.

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 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 **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:

Capital expenditures (CapEx) are funds a business uses to acquire, upgrade, or maintain long-term physical assets—like property, buildings, equipment, or technology—to expand its operational capacity. 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 and provides insight into labor demand and workforce trends. The **Purchasing Managers' Index (PMI)** 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 **Federal Housing Finance Agency (FHFA)** is an independent U.S. federal regulatory agency established in 2008 to oversee the Federal Home Loan Bank System, Fannie Mae, and Freddie Mac. The **Institute for Supply Management (ISM)** report is a monthly, highly influential U.S. economic indicator based on surveys of purchasing managers regarding manufacturing and services. **Consumer confidence**, measured by the Consumer Confidence Index (CCI), is defined as the degree of optimism about the state of the economy that consumers are expressing through their activities of saving and spending. The CCI is prepared by The Conference Board with research conducted by technology company Toluna. (Technical definitions are sourced from Corporate Finance Institute.)

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