Weekly Market Recap

July 20, 2026

	Price	Price Returns	
Index	**Close**	**Week**	**YTD**
S&P 500® Index	7,458	-1.6%	8.9%
Dow Jones Industrial Average	52,146	-0.9%	8.5%
NASDAQ	25,520	-2.9%	9.8%
Russell 2000® Index	2,962	-0.5%	19.4%
International Equities[1]	103.33	-1.0%	7.6%
Emerging Markets Equities[2]	63.29	-5.4%	15.7%
Ten-Year Treasury Yield	4.55%	0.2%	-2.4%
Bonds[3]	$98.20	0.1%	-1.7%
Oil WTI[4] ($/bbl[5])	$81.77	14.5%	42.4%

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

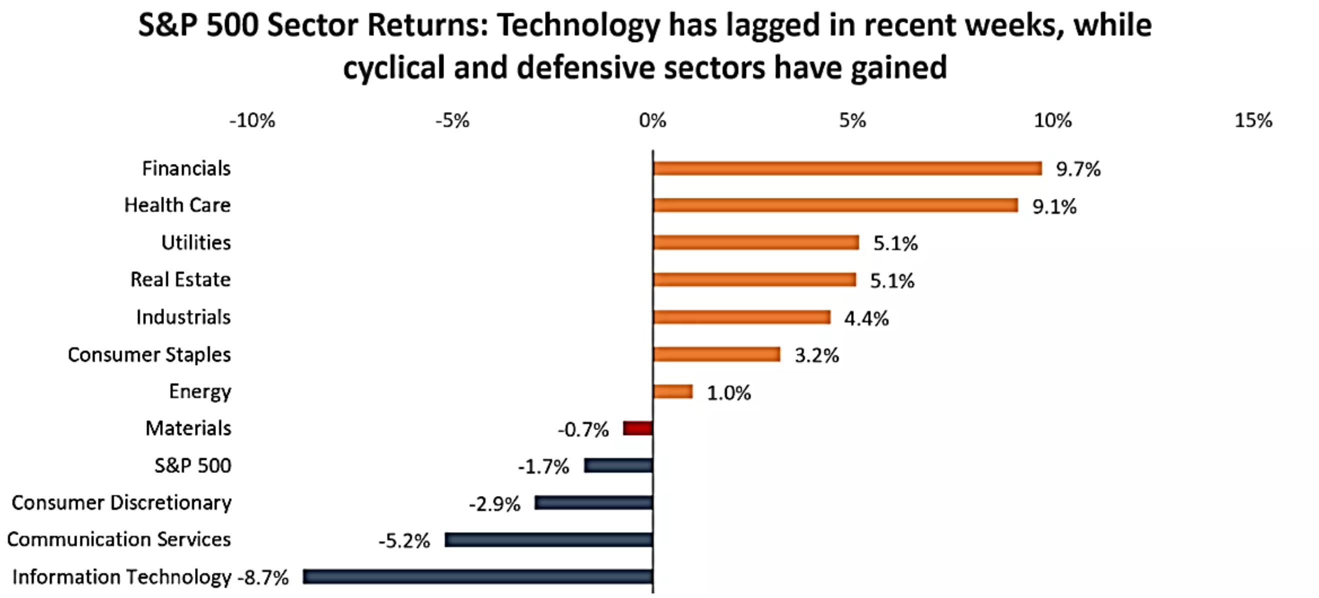
U.S. Equity Market

- U.S. large-cap equities (S&P 500 Index) fell -1.6% driven by a sharp selloff of momentum stocks and artificial intelligence (AI)/semiconductor equities, while there was a rotation into select cyclicals (including regional banks, retail, and transports). Possible drives of the AI/semiconductor stock selloff could be technical unwinds of crowded trades, increasing competition from Chinese/open-source models with Anthropic & OpenAI, growing backlash to data centers, and concerns for a slowdown in hyperscaler AI capital expenditure (capex). U.S.-Iran tensions ramped up last week with the U.S. launching fresh strikes on Iran on Saturday (07.18.2026) after two American service members were killed in Jordan by Iranian missile and drone attacks. June core consumer price index (CPI) was flat month-over-month, which was below analyst market expectations. The U.S. 10-year Treasury yield fell to 4.55% from 4.56%. Gold dropped -2.3%. Oil (WTI) rose +14.5% on increasing strikes and counterstrikes between the U.S. and Iran.

- S&P 500 Index Sector Returns:
  - Energy (+5.0%) rose, as the price of oil rallied 14.5%.
  - Real Estate (+2.3%) rose, led by senior housing and cell towers.
  - Consumer staples (+1.4%), healthcare (+0.1%), and utilities (-0.5%) underperformed as investors tend to favor more defensive sectors.
  - Financials (+1.0%) rose, led by fin-tech and banks (better than analyst expected for Q2 earnings).
  - Consumer discretionary (-1.3%) fell, led lower by Tesla, autos, travel stocks, and home improvement retailers.
  - Materials (-1.4%) fell, led lower by precious metals miners and industrial gas companies.
  - Industrials (-1.4%) fell, led lower by airlines, AI infrastructure stocks, and aerospace and defense companies.
  - Communication services (-2.4%) fell, led lower by social media and internet search stocks.
  - Tech (-3.8%) fell, led lower by semiconductor stocks.

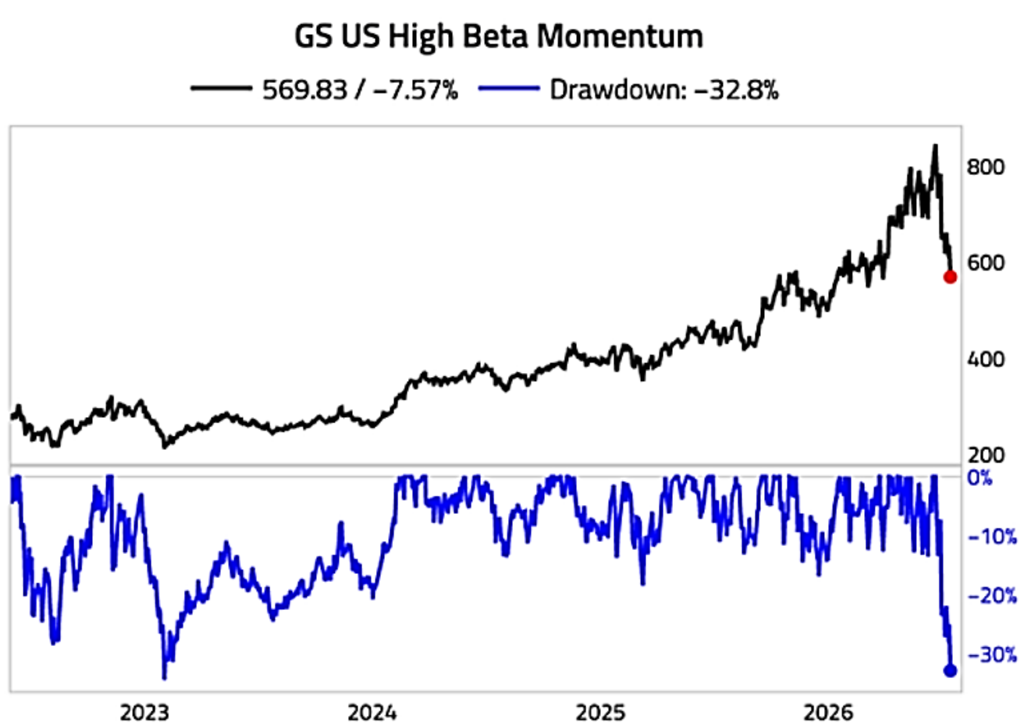
Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information 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.

- Since June 1, 2026, the S&P 500 Index sector returns have favored financials, healthcare, utilities, real estate, industrials and consumer staples, while information technology, communication services, and consumer discretionary sectors have declined.



Sources: FactSet; Edward Jones. Returns data as of 06.01.2026-07.17.2026.

- Tech sector decline has been associated with a selloff in AI infrastructure stocks that were generally in the high beta/momentum basket.



GS= Goldman Sachs. The top chart represents the price/index level of the GS U.S. High Beta Momentum Index. The bottom chart represents the percentage drawndown from the previous peak. Sources: Bloomberg L.P.; Godman Sachs; The Daily Shot.

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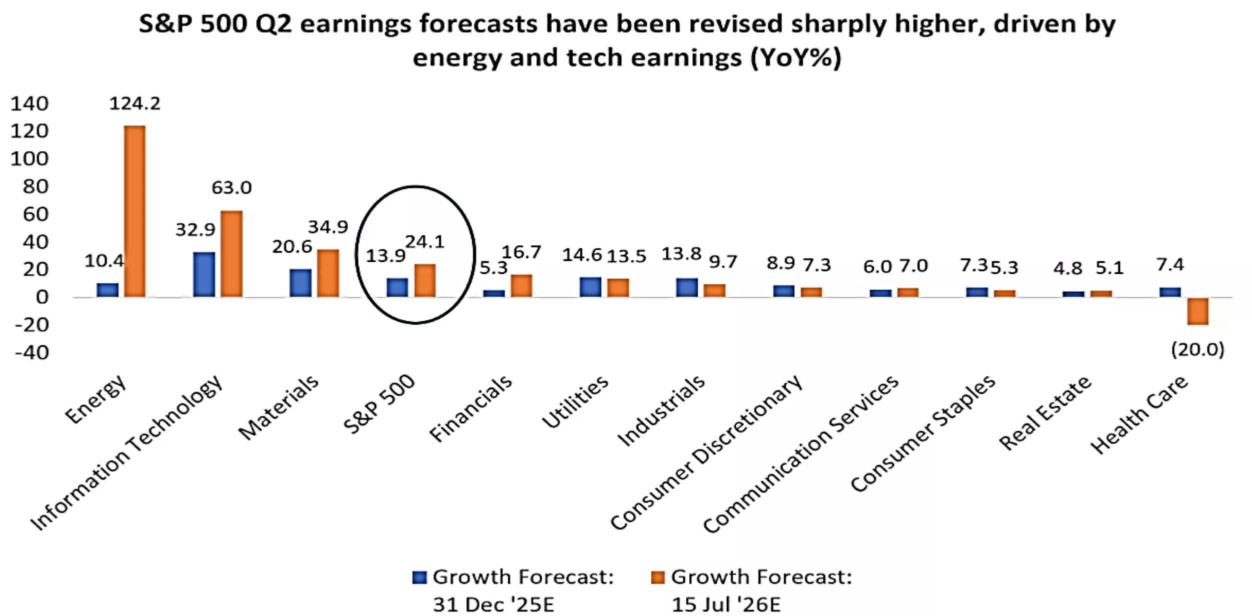
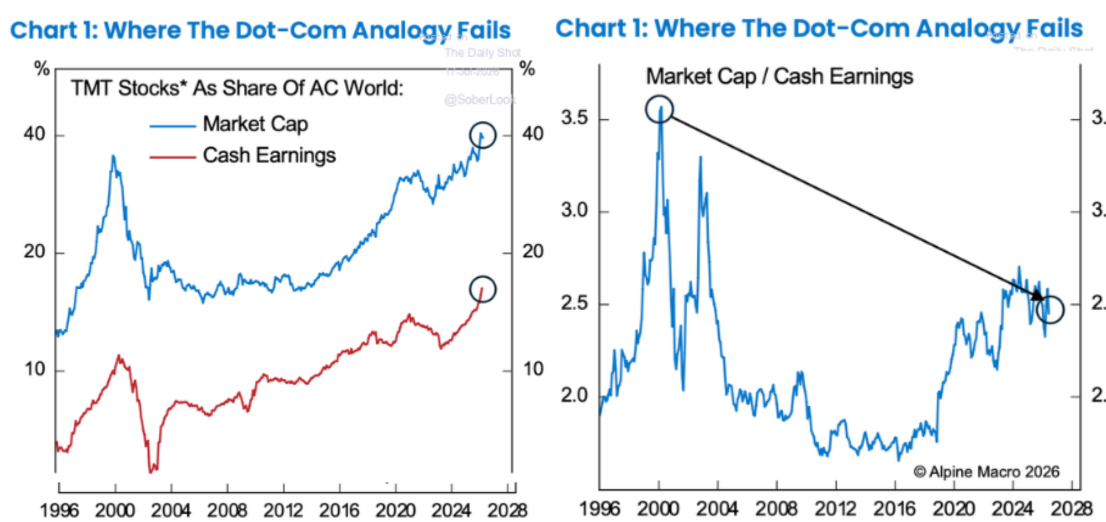
- S&P 500 Index expected earnings growth has been revised higher, likely driven by higher earnings for energy and tech sectors.



YoY= year-over-year. E=estimate. Sources: FactSet; Edward Jones.

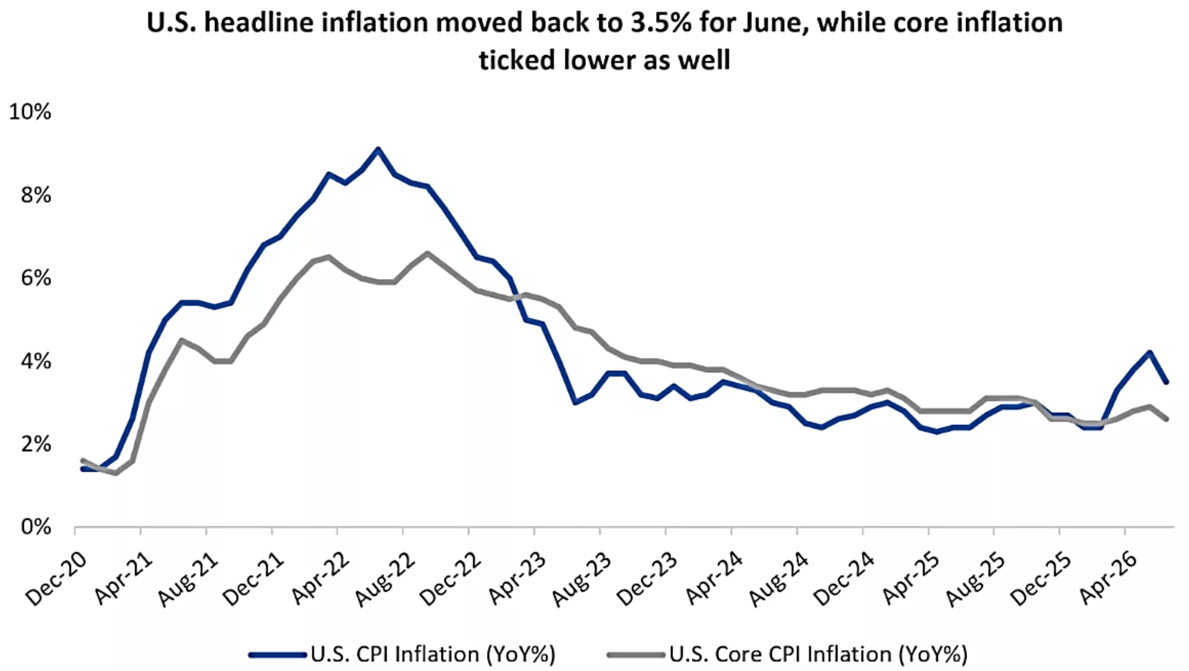
- Tech and communication services market cap of the global stock market is larger today than the peak of the tech bubble of 1999, however the cash earnings of these two sectors have increased at a greater pace than the market cap in the past three years, thus the market cap/cash earnings appears materially lower today than in 1999.



TMT= technology, media, and communications. AC= MSCI All Country World Index. Right hand chart y axis represents the ratio of market capitalization to cash earnings (e.g. 2.0= market cap equals 2 times annual cash earnings). *Sum of Information Technology and Communication Services sectors. Note: Based on large- and mid-cap indices expressed in U.S. dollars; left chart shown on a log scale.
Sources: Alpine Macro; MSCI; The Daily Shot.

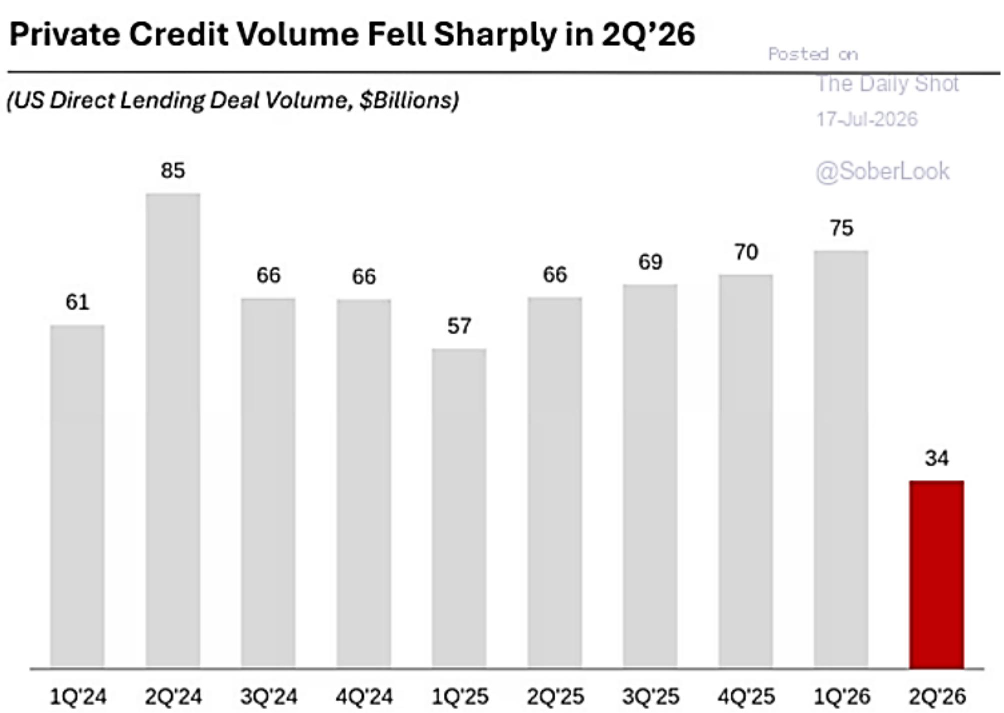
Fixed Income Markets

- Both headline inflation and core inflation (ex food and energy) moved lower in June. However, both remain modestly above the Federal Reserve's (Fed's) target of 2%.



YoY= year-over-year. CPI= consumer price index. Sources: Bloomberg L.P.; Edward Jones.

- Private credit direct lending volume fell sharply in 2Q26.



Sources: Reuters; Pitchbook;The Daily Shot.

All data is as of 07.17.2026 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.

International Markets Summary

- European markets (STOXX 600 Index) rose +0.1% as renewed U.S.-Iran tensions, higher oil prices, and corporate earnings weighed on investor sentiment.
- The Chinese stock market (Shanghai Composite A share) fell -5.8%, led lower by a sharp sell-off in semiconductors and other AI beneficiaries.
- Japanese equities (Nikkei 225 Index) fell -6.4% along with a global sell-off in AI and semiconductors.

This Week:

- The volume of corporate earnings reports will increase this week.
- Economic data:
  - Monday: Leading Indicators;
  - Tuesday: Automatic Data Processing Weekly Employment, Redbook Chain Store, American Petroleum Institute Crude Inventories;
  - Wednesday: Mortgage Bankers Association Mortgage Purchase Applications, Department of Energy Crude Inventories;
  - Thursday: Weekly Jobless Claims, Energy Information Administration Natural Gas Inventories;
  - Friday: Purchasing Managers Index (PMI) Manufacturing Preliminary, PMI Services Preliminary, New Home Sales.

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.
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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 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. 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. **Headline inflation** represents the overall increase in prices for goods and services within an economy, as measured in total consumption, including volatile items such as food and energy. **Core inflation** measures the change in prices of goods and services, except for food and energy. The **MSCI ACWI All Country World Index** is a major global equity benchmark designed to track the performance of large- and mid-cap stocks across 23 developed and 24 emerging markets. **Market capitalization** is the current value of a publicly traded company, based on the total dollar amount that all of its outstanding shares are worth. The **"tech bubble of 1999"** commonly known as the dot-com bubble, was a historic stock market mania fueled by the rapid growth of internet-based startups. **Capital expenditure** (capex) is the money a business spends to acquire, upgrade, or maintain physical and intangible assets like buildings, equipment, or software. A **momentum stock** is a publicly traded company whose share price is experiencing a rapid, sustained increase (or decrease) in a single direction, typically over a 3- to 12-month period. **Hyperscalers** are massive cloud service providers that operate global data center networks, delivering cloud computing, storage, and networking at a monumental scale. The **Goldman Sachs High-Beta Momentum Index** tracks a tactical trading strategy of highly concentrated momentum stocks. This basket—frequently monitored by Goldman's trading desk—is designed to outperform in rising markets but typically experiences sharp, swift pullbacks during periods of market deleveraging or seasonal volatility.

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