Weekly Market Recap

July 27, 2026

	Price	Price Returns	
Index	**Close**	**Week**	**YTD**
S&P 500® Index	7,412	-0.6%	8.3%
Dow Jones Industrial Average	51,947	-0.4%	8.1%
NASDAQ	24,976	-2.1%	7.5%
Russell 2000® Index	2,930	-1.1%	18.1%
International Equities[1]	103.41	0.1%	7.7%
Emerging Markets Equities[2]	63.33	0.1%	15.8%
Ten-Year Treasury Yield	4.68%	-0.9%	-3.3%
Bonds[3]	$97.46	-0.8%	-2.4%
Oil WTI[4] ($/bbl[5])	$90.47	10.6%	57.6%

[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 -0.6% as negative sentiment for artificial intelligence (AI)/semiconductor equities, increasing U.S.-Iran tensions, elevated oil prices, and higher Treasury yields were headwinds for equity investors. Alphabet reported strong revenue and earnings, but the stock sold off with concerns related to higher AI capital expenditure (capex) guidance and negative free cash flow (FCF), which weighed on the broader AI trade. Earnings remained constructive with 85% of companies beating analyst earnings expectations. Iran rejected President Trump's ceasefire proposal on Thursday, and the Red Sea emerged as another key chokepoint after Houthi attacks on Saudi oil tankers. President Trump reimplemented tariffs with duties of up to 12.5% on most major trading partners. Initial jobless claims dropped to lowest level since 1969. The U.S. 10-year Treasury yield rose to 4.68% from 4.55%. Gold rose +1.3%. Oil (WTI) rose +10.6% on increasing U.S.-Iran tensions.

- S&P 500 Index Sector Returns:
  - Energy (+3.7%) rose, as the price of oil rallied 10.6%.
  - Utilities (+2.5%) and healthcare (+0.8%) rose, as investors tend to favor more defensive sectors.
  - Industrials (+1.7%) rose, led by aerospace and defense companies and airlines.
  - Real Estate (+1.4%), rose, led by data centers and senior housing stocks.
  - Materials (+1.2%) rose, led by precious metals miners and industrial gas companies.
  - Tech (+0.4%) rose, led by semiconductor stocks.
  - Financials (+0.1%) rose, led by banks.
  - Consumer staples (-1.4%) fell, led lower by Walmart, Procter & Gamble, and Altria.
  - Consumer discretionary (-6.1%) fell, led lower by Tesla, autos, travel stocks, and home improvement retailers.
  - Communication services (-6.2%) fell, led lower by Meta Platforms, and Alphabet (stock fell despite strong earnings report on concerns related to higher AI capex guidance and negative FCF).

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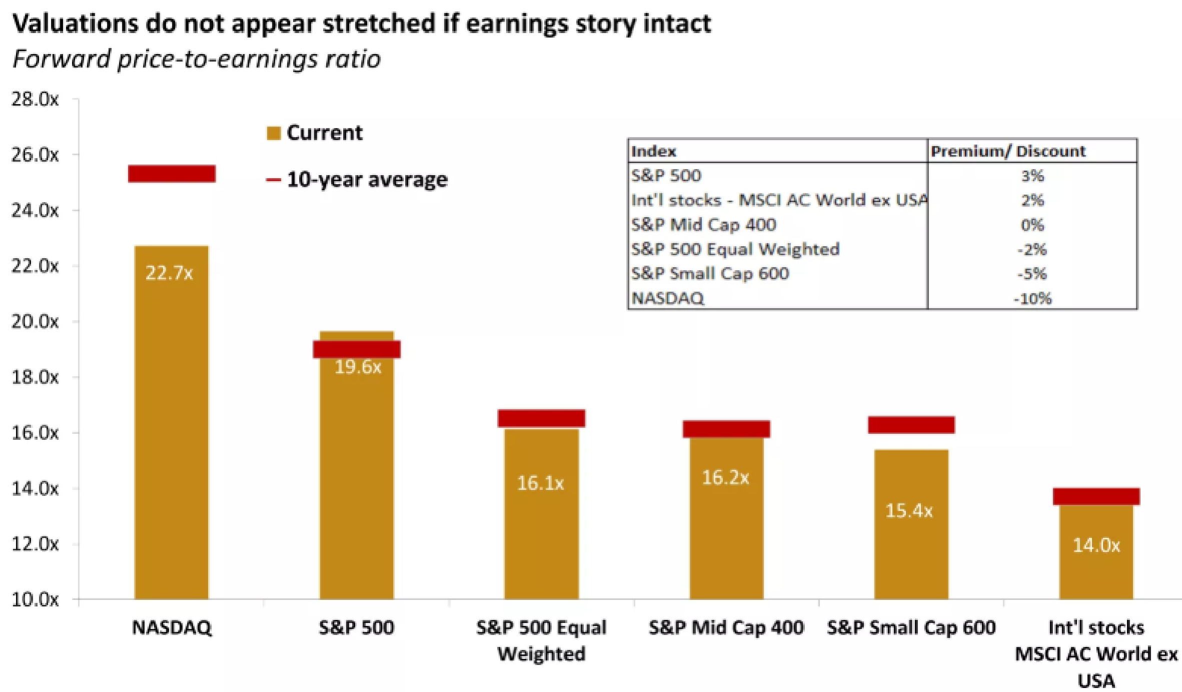
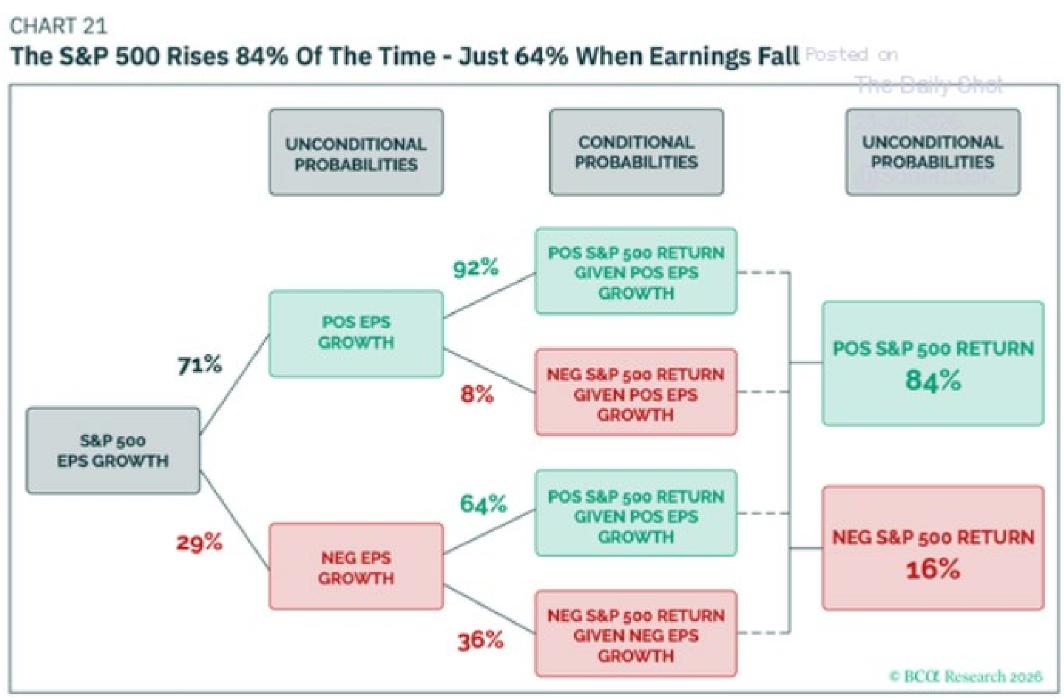
- The Nasdaq, S&P 500, small caps, and international equity indexes are not trading at elevated valuations, assuming the future earnings are durable when viewing forward-price-to-earnings (P/E) ratio.



Index	Premium/ Discount
S&P 500	3%
Int'l stocks - MSCI AC World ex USA	2%
S&P Mid Cap 400	0%
S&P 500 Equal Weighted	-2%
S&P Small Cap 600	-5%
NASDAQ	-10%

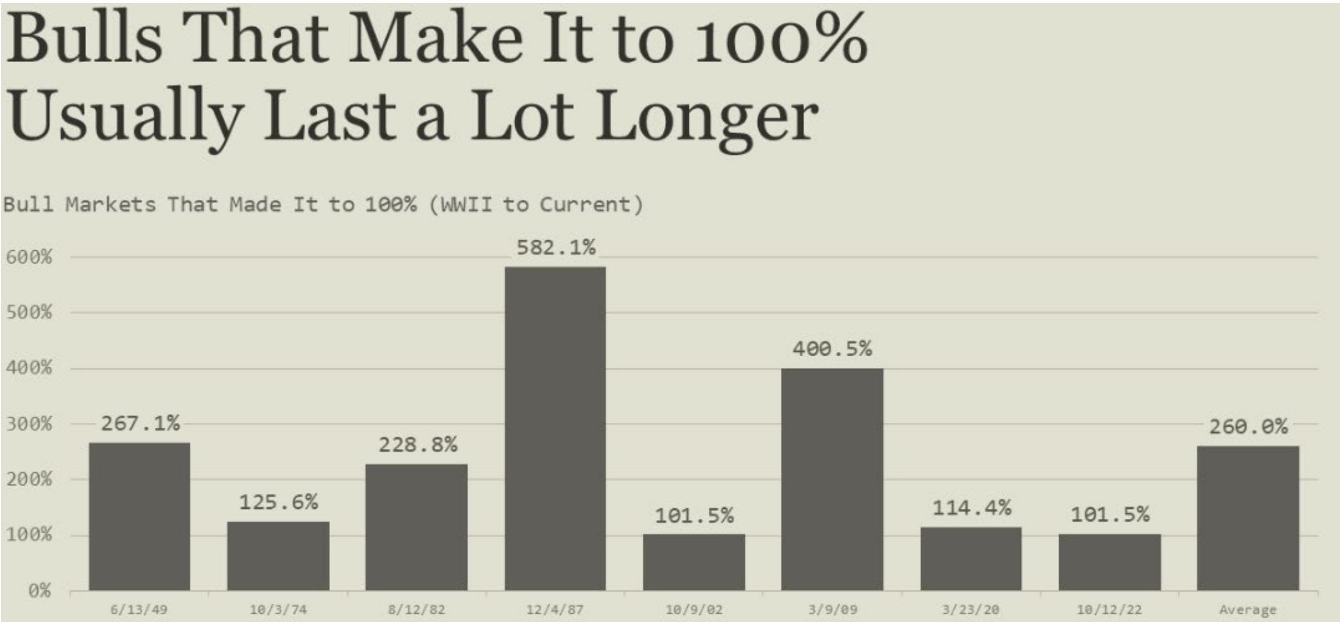
Returns data is as of 06.01.2026-07.17.2026. Sources: FactSet; Edward Jones.

- Historically, the S&P 500 Index rises 84% of the time, but only 64% of the time the S&P 500 Index has a positive return when earnings decline (NEG EPS Growth).



POS: Positive. NEG: Negative. EPS: Earnings per share. Sources: FactSet; BCA Research; The Daily Shot.

- Equity bull markets that generate at least 100% total return have historically lasted a lot longer than other bull markets with an average additional three more years, and average total return of 260%.



Sources: FactSet; Carson Investment Research; The Daily Shot.

- U.S. dividend yield stocks had a strong relative return week vs. the S&P 500 Index, and the chart below shows the relative performance of high dividend yield stocks vs. S&P 500 Index is above its 100-day moving average.

SPY: SPDR S&P 500 ETF Trust. 100dma: 100-day moving average. Data is as of 07.23.2026. Sources: The Daily Shot; Bloomberg.

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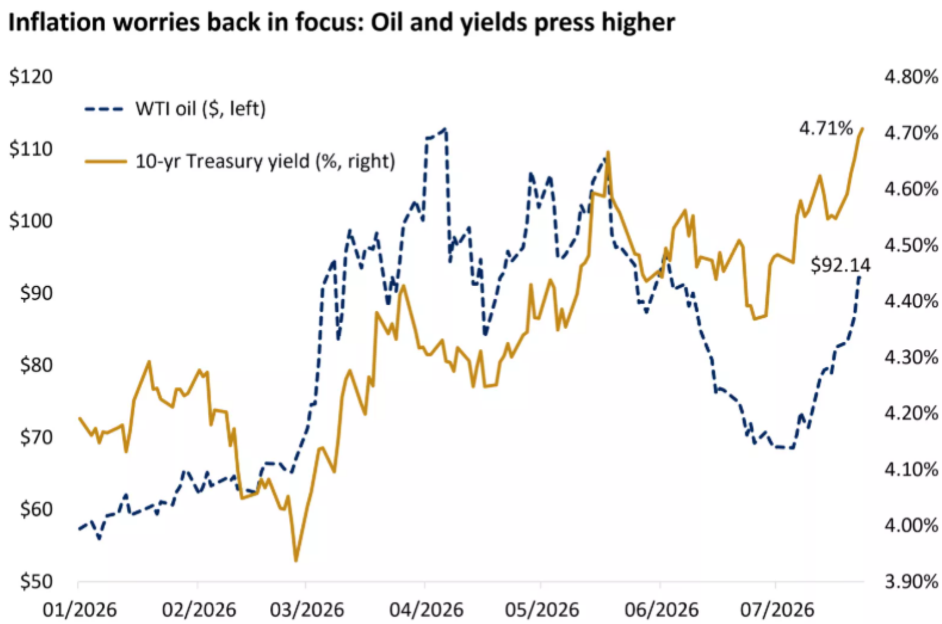
Fixed Income Markets

- As the U.S.-Iran tensions increase, the price of oil has increased along with the 10-year Treasury yield as fixed income is impacted by inflation.



Sources: Bloomberg; Edward Jones.

- The 30-year Treasury yield remains above 5%.

Bp: Basis point. Data is as of 07.23.2026. Sources: Bloomberg L.P.;The Daily Shot.

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International Markets Summary

- European markets (STOXX 600 Index) rose +0.5%, as healthy earnings growth offset renewed U.S.-Iran tensions and a fresh round of U.S. tariffs. The European Central Bank left all three key interest rates unchanged.
- The Chinese stock market (Shanghai Composite A share) rose +1.3%, as state-backed purchases helped drive a sharp rebound earlier in the week, particularly in semiconductor and other technology stocks.
- Japanese equities (Nikkei 225 Index) rose +0.7%, as financials benefitted from rising Japanese government bond (JGB) yields and analyst expectations of further Bank of Japan monetary policy tightening.

This Week:

- The volume of corporate earnings reports will increase this week.
- Economic data:
  - Monday: Durable Orders;
  - Tuesday: Wholesale Inventories (Preliminary), Federal Housing Finance Agency House Price Index, Consumer Confidence, Automatic Data Processing Weekly Employment, American Petroleum Institute Crude Inventories, Redbook Chain Store;
  - Wednesday: Federal Open Market Committee Meeting; Federal Funds Rate, Mortgage Bankers Association Mortgage Purchase Applications, Department of Energy Crude Inventories;
  - Thursday: Weekly Jobless Claims, Core Personal Core Expenditure, Personal Spending/Income, Gross Domestic Product (GDP) (advance), GDP Chain Price (advance), Energy Information Administration Natural Gas Inventories;
  - Friday: Employment Cost Index, Chicago Purchasing Managers Index (PMI), Michigan Consumer Sentiment Index (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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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 **SPDR S&P 500 ETF Trust**, commonly known by its ticker symbol SPY, is an exchange-traded fund (ETF) that seeks to track, before expenses, the price and yield performance of the S&P 500 by holding, as far as practicable, a portfolio of common stocks included in the index, with portfolio weights that substantially correspond to the index.
The **S&P 500® Equal Weight Index (EWI)** is the equal-weight version of the widely-used S&P 500®. The index includes the same constituents as the capitalization-weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance.
The **S&P MidCap 400® Index** 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 SmallCap 600®** seeks to measure the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.
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:

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. within the service industry. **Earnings per Share** (EPS) is a common measure of profitability per share of a company's common stock. 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). **Capital expenditures** (CapEx) are funds companies spend to acquire, upgrade, or maintain long-term physical assets. 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. **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. **Dividend yield** is a ratio showing how much a company pays out in dividends each year relative to its stock price. Investors can use the dividend yield to compare income potential across investments. Expressed as a ratio, a stock's dividend yield reflects how much of a company's earnings are paid to shareholders as dividends instead of being reinvested in the business. A **high dividend yield** is an annual payout from a company or fund that is significantly above the market average—typically above 4% to 5% for standard stocks. 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 **Federal Open Market Committee** (FOMC) is the policymaking body of the Federal Reserve System, the central banking system of the United States. 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. 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 **federal funds rate** is the target interest rate set by the Federal Open Market Committee (FOMC) for commercial banks to borrow and lend extra cash to each other overnight. It is the most powerful tool the U.S. central bank uses to manage the economy. The **Employment Cost Index (ECI)** measures changes in hourly labor costs for employers over time, covering wages, salaries, and employee benefits while excluding shifts in job types or industries. The **Chicago Purchasing Managers Index**, also known as the Chicago Business Barometer, is an economic indicator measuring business health and activity in the Chicago region. It is based on a monthly survey of supply chain and purchasing managers across manufacturing and non-manufacturing sectors. 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. (Technical definitions are sourced from Corporate Finance Institute.)

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