

# Weekly Market Recap

July 6, 2026

Index	Price	Price Returns	
	Close	Week	YTD
S&P 500 <sup>®</sup> Index	7,483	1.8%	9.3%
Dow Jones Industrial Average	52,900	2.0%	10.1%
NASDAQ	25,833	2.1%	11.2%
Russell 2000 <sup>®</sup> Index	2,996	-0.5%	20.7%
International Equities <sup>1</sup>	104.37	1.8%	8.7%
Emerging Markets Equities <sup>2</sup>	65.70	-2.2%	20.1%
Ten-Year Treasury Yield	4.49%	-0.9%	0.4%
Bonds <sup>3</sup>	\$98.61	-0.7%	-1.3%
Oil WTI <sup>4</sup> (\$/bbl <sup>5</sup> )	\$68.78	-0.7%	19.8%

<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

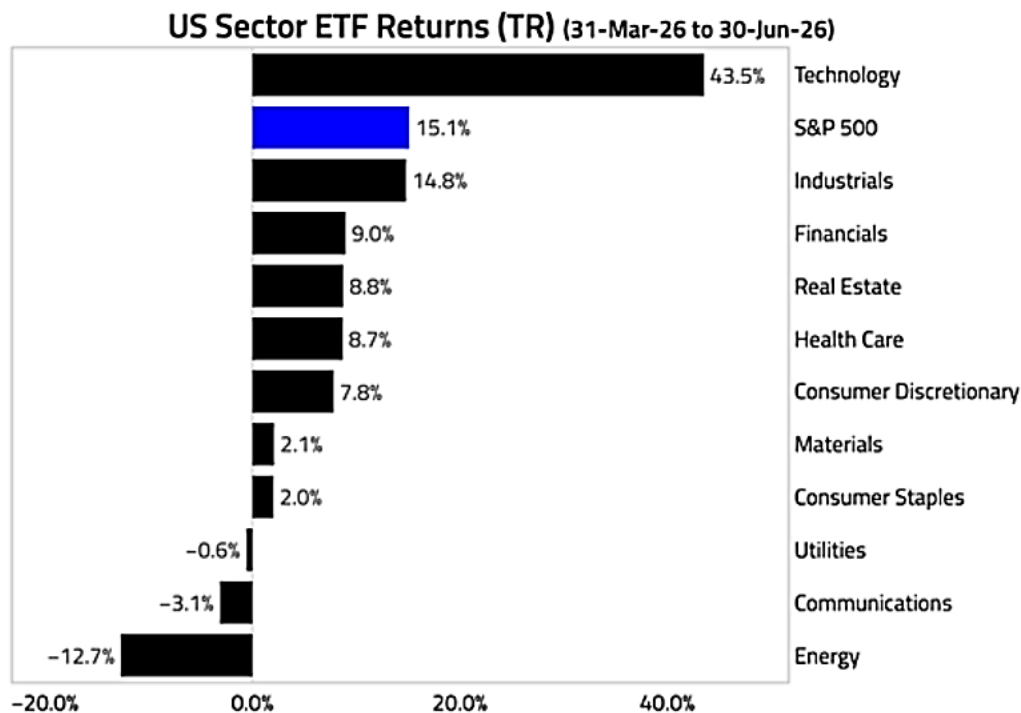
- U.S. large-cap equities (S&P 500 Index) rose +1.8% this week with artificial intelligence (AI) and semiconductor stocks outperforming earlier in the week before giving back some gains later in the week as investors appeared to rotate capital into financials, healthcare, consumer discretionary and software stocks. Investor sentiment benefitted from rising analyst earnings expectations for another quarter of +20% earnings growth for the S&P 500 Index. June nonfarm payrolls came in weaker than expected, though the unemployment rate unexpectedly declined as labor force participation fell. Economic data was viewed by analysts as supportive of the resilient-growth narrative. The U.S. 10-year Treasury yield rose to 4.49% from 4.37%. The dollar was down -0.8%, while gold rose +0.7%. Oil (WTI) fell -0.7% on increasing flows through the Strait of Hormuz.
- S&P 500 Index Sector Returns:
  - Communication services (+4.9%) rose, led by internet search, social media, and streaming stocks.
  - Financials (+3.7%) rose, led by fin-tech and data/software oriented financials.
  - Consumer discretionary (+2.8%) rose, led by Amazon, Tesla, and home improvement retailers.
  - Healthcare (+2.0%) rose, led by bio-tech, managed care, and medical devices.
  - Industrials (+1.4%) rose, led by rails, airlines, and aerospace and defense stocks.
  - Materials (+1.1%) rose, led by chemical companies, and precious metals miners.
  - Tech (+0.9%) rose, led by software, while semiconductors declined.
  - Utilities (-1.0%) and consumer staples (+0.1%) underperformed relative to the broader market, as investors tend to favor less defensive sectors.
  - Energy (-1.0%) fell, led lower by oil as the price fell -0.7%.
  - Real Estate (-1.5%) fell, led lower by cell towers.

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All data is as of 07.03.2026 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.

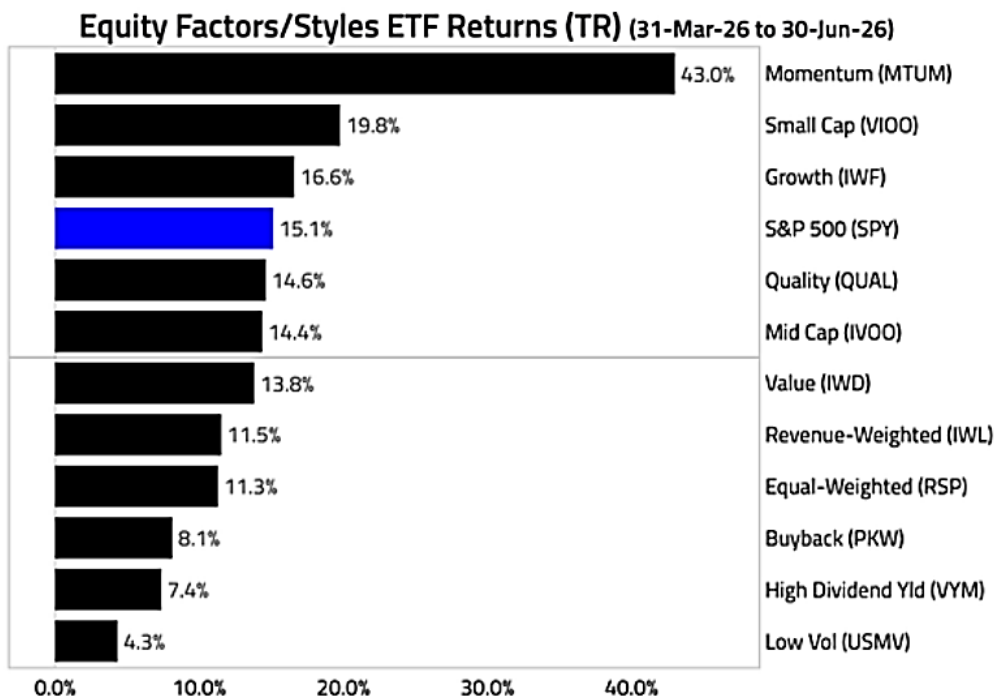
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- The technology sector was the top performing sector in 2Q26, outperforming the S&P 500 and all other sectors shown.



ETF= exchange-traded fund. TR= total return. Sources: Bloomberg L.P.; The Daily Shot.

- U.S. Momentum factor rallied in 2Q26 driven by the AI data center infrastructure trade.



TR= total return. Sources: Bloomberg L.P.; The Daily Shot.

- All the top ten performing stocks in the S&P 500 Index in 2026 seem to be driven by the rising demand for AI computing and are associated with the AI data center buildout.

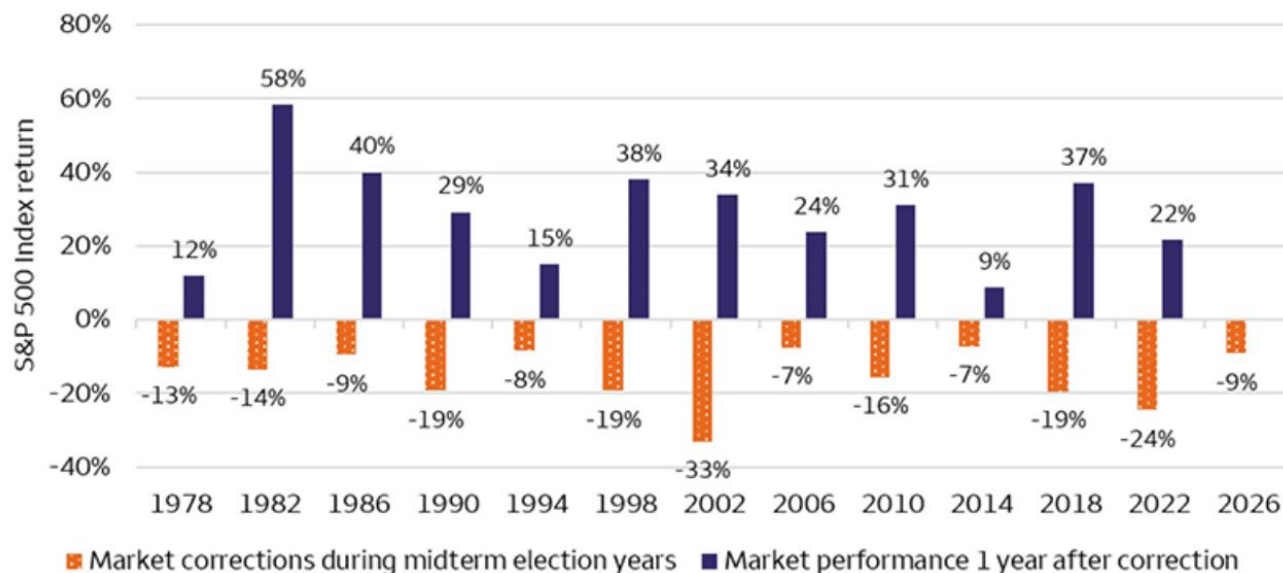
## Top performing stocks in the S&P 500 YTD



YTD = year-to-date. Sources: OpenBB; Financial Modeling Prep; The Daily Shot. YTD price returns through 06.29.2026.

- Historically, U.S. equities have been fluctuating in the months leading up to midterm elections as investor uncertainty has weighed on risk appetite. The S&P 500 Index has delivered an average return of 5.5% in the year leading up to the midterm election, versus 13.1% in the year after the election.

## Midterms matter: The equity market view

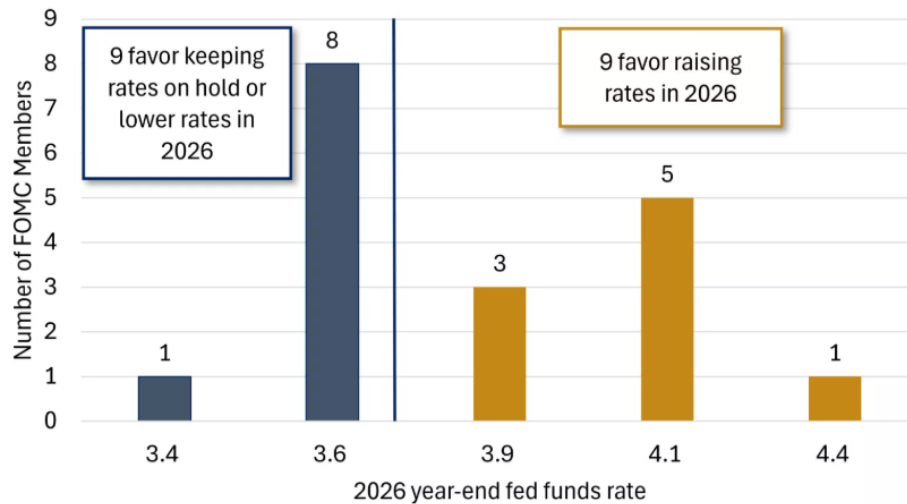


Sources: Bloomberg L.P.; Wells Fargo Investment Institute. Data from 01.01.1978, to 05.29.2026. Analysis was compiled using the daily total returns of the S&P 500 Index. Calendar-year drawdowns represent the largest market drops from peak to trough for each year.

## Fixed Income Markets

- Approximately half of the Federal Open Market Committee (FOMC) members believe that the Federal Reserve (Fed) should raise interest rates in 2026, while the other half are in favor of holding/lowering rates in 2026.

2026 Fed Views: About half of FOMC members believe raising rates is appropriate, while half feel remaining on hold is right



Sources: Bloomberg L.P.; Edward Jones.

- Thus far in 2026, the 10-year Treasury yield has risen.

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## US Treasury 10-Year Yield

— 4.42% / +4.6 bp



Bp= basis points. Sources: Bloomberg L.P.; The Daily Shot. Data as of 06.30.2026.

## International Markets Summary

- European markets (STOXX 600 Index) rose +2.0% as lower oil prices and reduced U.S.-Iran tensions suggest that inflation may be more benign than originally feared.
- The Chinese stock market (Shanghai Composite A share) was flat as better-than-expected manufacturing data appeared to support sentiment, partially offset by a selloff in global technology and AI related stocks.
- Japanese equities (Nikkei 225 Index) fell -0.9% amid weakness in AI semiconductor stocks.

## This Week:

- The volume of corporate earnings reports will be moderate this week.
- Economic data:
  - Monday: Purchasing Managers Index Services Final, Institute of Supply Management Non-Manufacturing Index;
  - Tuesday: Trade Balance, Redbook Chain Store, American Petroleum Institute Crude Inventories, Automatic Data Processing weekly Employment Change;
  - Wednesday: FOMC Minutes, Mortgage Bankers Association Mortgage Purchase Applications, Wholesale Inventories (Final), Consumer Credit, Department of Energy Crude Inventories;
  - Thursday: Existing Home Sales, Weekly Jobless Claims, Energy Information Administration Natural Gas Inventories;
  - Friday: Limited U.S. economic 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

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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:

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 **ISM Non-Manufacturing Index** (now called the Services PMI) is an index used to assess the performance of services companies in the United States. **Consumer credit** is personal debt extended to individuals to purchase goods or services for personal, family, or household use. A **basis point** is a way to show changes in interest rates or yields. The **Federal Open Market Committee (FOMC)** is the policymaking body of the Federal Reserve System. The **federal funds rate** is the target interest rate set by the Fed at which commercial banks borrow and lend their extra reserves to one another overnight. **Total return** is the actual rate of return on an investment over a specific period, accounting for both capital gains (price changes) and income generated (like dividends or interest). **Momentum (MTUM)** invests in stocks that have shown the strongest recent price performance, based on the idea that winners may continue outperforming. **Small Cap (VB/XI00)** focuses on smaller companies by market capitalization, which may offer higher growth potential but often with greater risk. **Growth (IWF)** invests in companies expected to grow earnings and revenues faster than the overall market. **S&P 500 (SPY)** tracks the S&P 500 Index, representing 500 large U.S. companies and serving as a broad U.S. stock market benchmark. **Quality (QUAL)** targets companies with strong fundamentals, such as high profitability, stable earnings, and lower debt levels. **Mid Cap (IVOO)** invests in medium-sized companies, often considered a blend of the growth potential of small caps and the stability of large caps. **Value (IWD)** focuses on stocks that appear inexpensive relative to fundamentals such as earnings, book value, or cash flow. **Revenue-Weighted (IWL)** weights companies based on their revenues rather than market capitalization, giving more influence to firms with higher sales. **Equal-Weighted (RSP)** gives each company in the S&P 500 the same weight rather than weighting by market value, reducing concentration in the largest stocks. **Buyback (PKW)** invests in companies that have recently reduced their shares outstanding through stock repurchase programs. **High Dividend Yield (VYM)** focuses on companies that pay above-average dividend income to shareholders. **Low Volatility (USMV)** invests in stocks that have historically experienced lower price fluctuations than the broader market. An **exchange-traded fund (ETF)** is an investment fund that holds multiple underlying assets.

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