Weekly Market Recap

August 3, 2026

	Price	Price Returns	
Index	**Close**	**Week**	**YTD**
S&P 500® Index	7,490	1.1%	9.4%
Dow Jones Industrial Average	52,485	1.0%	9.2%
NASDAQ	25,374	1.6%	9.2%
Russell 2000® Index	2,931	0.1%	18.1%
International Equities[1]	105.58	2.1%	9.9%
Emerging Markets Equities[2]	64.09	1.2%	17.1%
Ten-Year Treasury Yield	4.74%	-0.1%	-3.3%
Bonds[3]	$97.37	-0.1%	-2.5%
Oil WTI[4] ($/bbl[5])	$86.80	-2.8%	97.7%

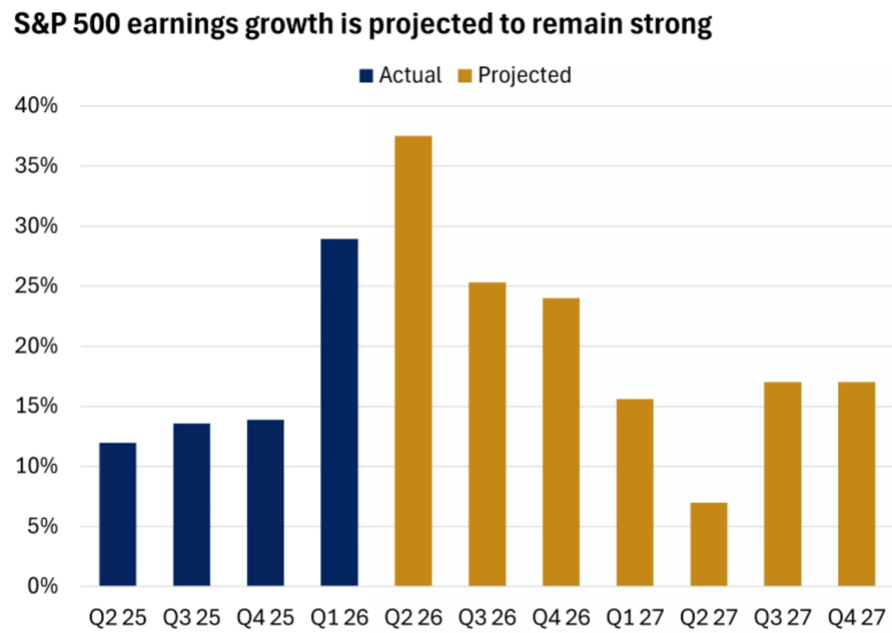
[1]International Equities are represented by iShares Core MSCI ETF. [2]Emerging Markets Equities are represented by iShares MSCI Emerging Markets ETF. [3]Bonds are represented by the iShares U.S. Aggregate Bond ETF [4]WTI = West Texas Intermediate [5]bbl = Barrel.. Sources: Bloomberg L.P.; FactSet.

U.S. Equity Market

- U.S. large-cap equities (S&P 500 Index) rose +1.1% as semiconductors and artificial intelligence (AI) infrastructure stocks sold off sharply in the beginning of the week, but a late-week rebound resulted in a positive week for equities. AI-focused hedge fund situational awareness (peak assets of $42B) was forced to sell public AI stocks to the Citadel after receiving margin calls, which contributed to market perceptions of the AI trade's unwind/technical reset. Strong cloud growth reports from Microsoft's Azure and Amazon web services contributed to big rallies in both stocks. Meta platforms declined on concerns of lack of return on investment (ROI) for elevated AI capital expenditure (capex). The July Federal Open Market Committee (FOMC) meeting ended with no rate change as market analysts expected. However, Federal Reserve (Fed) Chair Kevin Warsh continued to decline to provide forward guidance with futures markets implying approximately a 65% probability of a 25 basis point rate hike at the September meeting. The U.S. 10-year Treasury yield rose to 4.74% from 4.68%. Gold rose +0.9%. Oil (WTI) fell -2.8% despite U.S.-Iran tensions remaining elevated.

- S&P 500 Index Sector Returns:
  - Consumer discretionary (+8.3%) rose, led by Amazon (strong earnings report) and autos.
  - Communication services (+5.4%) rose, led by Alphabet, streaming stocks, and traditional media which was partially offset by weakness from Meta (concerns related to elevated AI Capex and lack of ROI).
  - Consumer staples (+1.2%) rose, led by Coca-Cola, Pepsi, and Costco.
  - Financials (+1.1%) rose, led by fin-tech and banks.
  - Healthcare (-0.1%) fell, led lower by managed care and pharmaceutical stocks.
  - Tech (-0.1%) fell, led lower by chip stocks but strength came from software stocks and Microsoft.
  - Energy (-0.2%) fell, as the price of oil fell -2.8%.
  - Industrials (-1.6%) fell, led lower by transports and package delivery companies.
  - Materials (-1.7%) fell, led lower by industrial gas companies.
  - Utilities (-4.2%) and Real Estate (-2.2%) fell, as interest rates increased.

- Consensus analyst estimates currently project the S&P 500 earnings growth to remain strong but then decelerate in 2027.



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

- Microsoft had the largest one-day increase in market capitalization on July 30 after reporting strong earnings, 43% growth in Azure (Cloud business), and easing concerns about AI-capex spending.

bn= billion. Sources: FactSet; Bank Credit Analyst Research; The Daily Shot.

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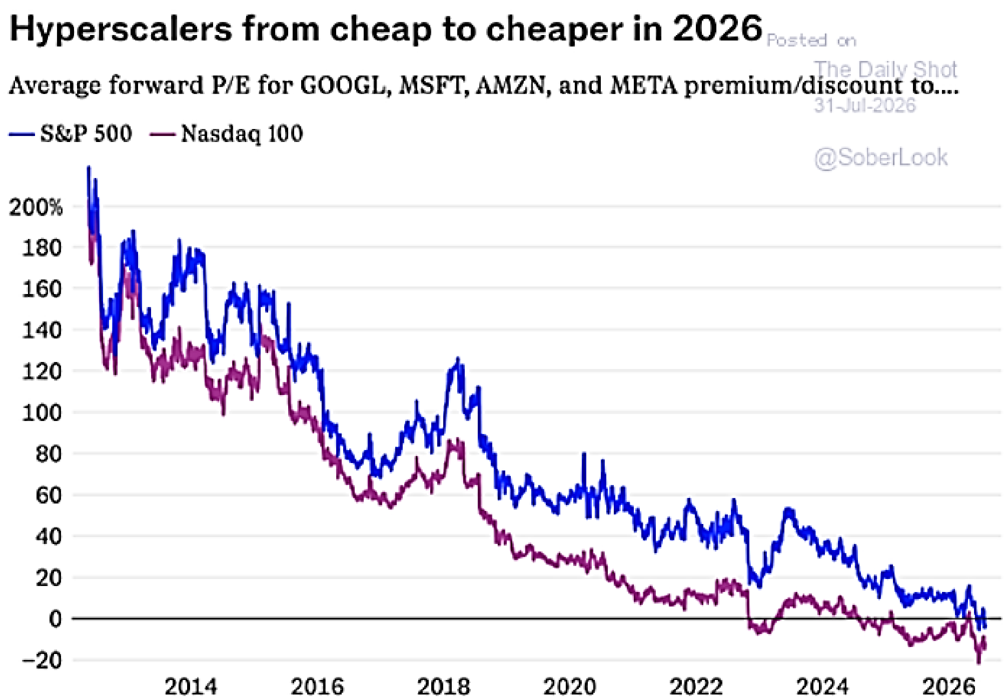
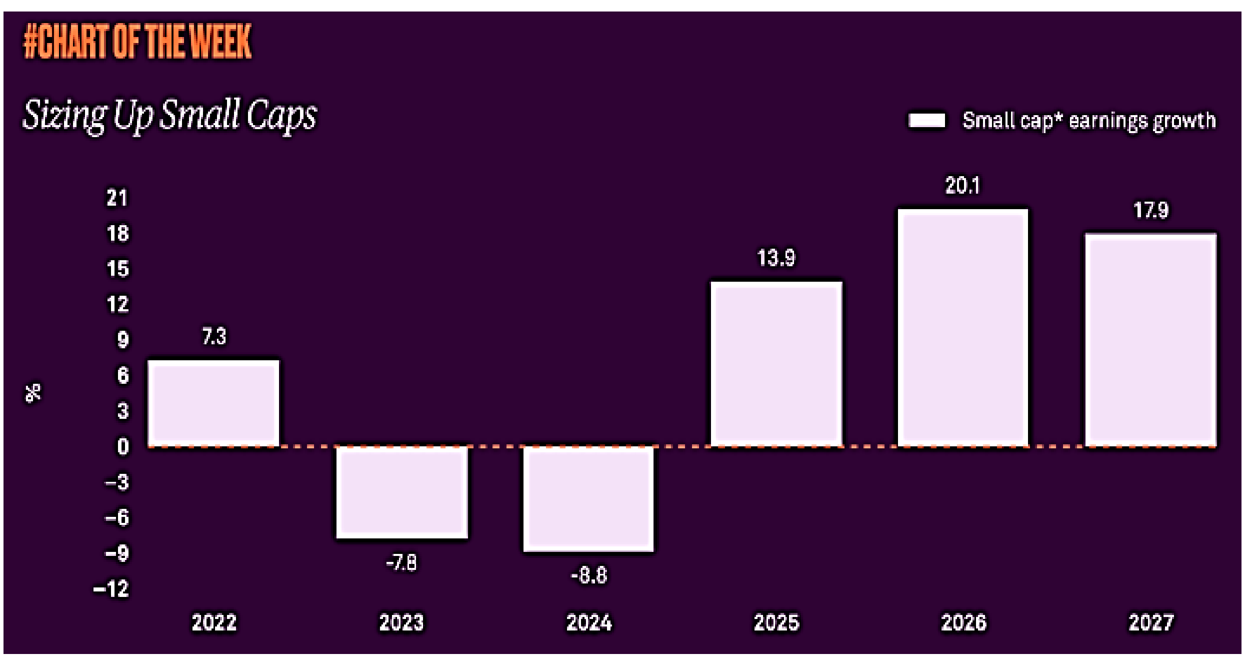
- Hyperscaler's forward price-to-earnings (P/E) ratios relative to the S&P 500 index and Nasdaq 100 index have declined over the years and now are trading at a discount to the broad indexes based on forward P/E estimates.



GOOGL= Google. MSFT= Microsoft. AMZN = Amazon. META= Meta. Sources: The Daily Shot; Bloomberg L.P.

- Small cap stocks have outperformed in 2026, generally attributed to the acceleration of earnings growth.

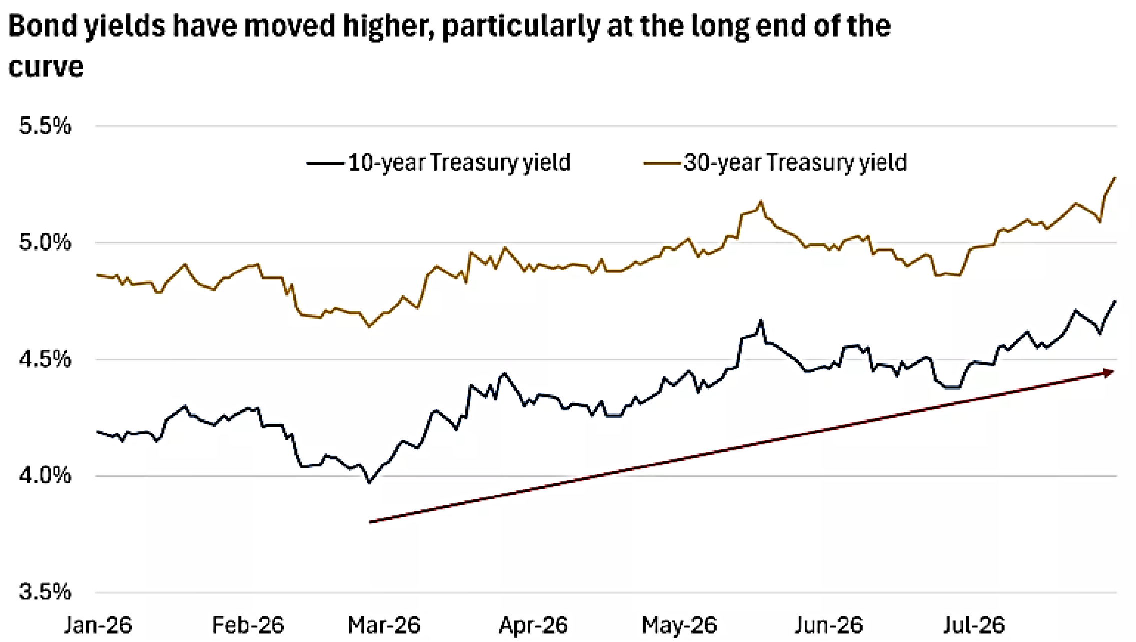


*S&P 600 Index.Sources: FactSet; BNY Mellon. *S&P 600 Index. Data as of 07.16.2026.

All data is as of 07.31.2026 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.

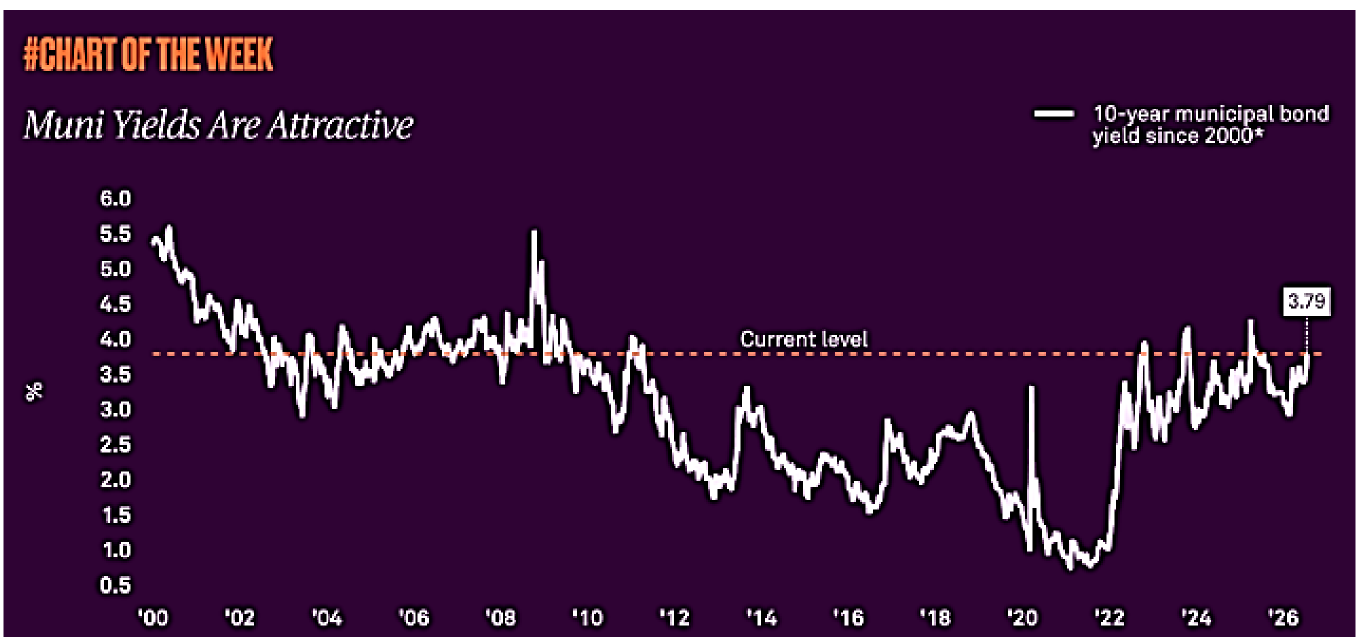
Fixed Income Markets

- Bond yields have moved higher, particularly at the long end of the curve as inflation remains stubbornly high and Fed Chair Warsh continued to avoid to provide forward looking guidance.



Sources: FactSet; Edward Jones.

- The U.S.-Iran conflict, inflation concerns, and Fed uncertainty may have contributed municipal yields to historically elevated levels.



*Bloomberg 8 -12 year Muni Bond Index yield to worst. Sources: Bloomberg L.P.; BNY Mellon. Data as of 07.25.2026.

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International Markets Summary

- European markets (STOXX 600 Index) rose +0.7% as healthy earnings growth and Eurozone gross domestic product (GDP) grew +0.4% sequentially in the second quarter.
- The Chinese stock market (Shanghai Composite A share) rose +0.5% as large internet platforms, Tencent and Alibaba, and defensive stocks outperformed AI-related stocks.
- Japanese equities (Nikkei 225 Index) fell -0.4% as there was market analyst uncertainty about the human and economic impact of the strong earthquake that hit the Kumamoto Prefecture in the Kyushu region on Tuesday.

This Week:

- The volume of corporate earnings reports will remain elevated this week.
- Economic data:
  - Monday: Purchasing Managers Index (PMI) Manufacturing Final, Construction Spending, Institute of Supply Management (ISM) Manufacturing Index;
  - Tuesday: Trade Balance, Job Openings and Labor Turnover Survey, Factory Orders, Redbook Chain Store, American Petroleum Institute Crude Inventories;
  - Wednesday: Mortgage Bankers Association Mortgage Purchase Applications, Automatic Data Processing Employment Report, PMI Services Final, ISM Non-Manufacturing Index, Department of Energy Crude Inventories;
  - Thursday: Weekly Jobless Claims, Challenger Job Cuts, Unit Labor Costs (preliminary), Productivity (preliminary), Wholesale Inventories (Final), Energy Information Administration Natural Gas Inventories;
  - Friday: Nonfarm Payrolls, Unemployment Rate, Average Weekly Hours, Average Hourly Earnings, Consumer Credit.

As always, thank you very much for your interest in our thoughts and support of our services.

Whitney Stewart, CFA®
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 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. 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 **ISM Manufacturing Index**, also known as the Purchasing Managers' Index (PMI), is a monthly economic indicator that measures the health of the U.S. manufacturing sector. The **ISM Non-Manufacturing Index** (now officially called the Services PMI) is a monthly economic indicator published by the Institute for Supply Management (ISM). The **job openings and labor turnover survey (JOLTS)** is an economic indicator that tracks U.S. job vacancies, hires, and separations. **Consumer credit** is personal debt used to buy goods and services through revolving credit, installment credit, and non-installment credit. The **unemployment rate** is the percentage of the labor force that does not have a job, is available to work, and is actively looking for work. The **eurozone** is a geographic and economic region consisting of 21 European Union (EU) member states that use the euro (€) as their official single currency. The **Municipal Bond Index** is a broad, market value-weighted index that seeks to measure the performance of the U.S. municipal bond market. The **forward price-to-earnings (P/E) ratio** is a stock valuation metric that divides a company's current share price by its estimated future earnings per share over the next 12 months. The **Nasdaq 100 Index** is a major stock market index tracking 100 of the largest non-financial companies, including Microsoft, Apple, and Nvidia. **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 **Federal Open Market Committee (FOMC)** is the branch of the Federal Reserve System that sets U.S. monetary policy, determines interest rates, and oversees open market operations. **Return on investment (ROI)** is a simple metric that measures the profit or loss of an investment compared to its cost, expressed as a percentage. **Capital expenditures (capex)** are funds companies use to acquire, upgrade, or maintain physical assets like buildings, technology, or equipment, with the goal of increasing operational scope or future economic benefits.

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