Weekly Market Recap

September 21, 2026

	Price	Price Returns	
Index	**Close**	**Week**	**YTD**
S&P 500® Index	7,651	-0.1%	11.8%
Dow Jones Industrial Average	51,683	-1.6%	7.9%
NASDAQ	26,523	0.7%	14.1%
Russell 2000® Index	2,860	-1.5%	15.2%
International Equities[1]	104.97	-1.6%	9.3%
Emerging Markets Equities[2]	67.03	-1.2%	22.5%
Ten-Year Treasury Yield	4.97%	-0.2%	-5.6%
Bonds[3]	$95.96	0.0%	-3.9%
Oil WTI[4] ($/bbl[5])	$95.47	-4.6%	66.3%

[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) fell -0.1% as equity market volatility appeared to be linked to artificial intelligence (AI) fears and the Federal Reserve (Fed) hiking interest rates for the first time since 2022. Stocks fell earlier in the week as Anthropic's CEO Dario Amodei called for a slower pace of frontier evolution due to cyber security risks and concerns about controlling AI that may reach recursive self-improvement (RSI). Market analysts noted that slower AI frontier evolution is unlikely to crimp the robust demand for AI compute and AI capital expenditure (capex) drivers. The Fed's interest rate hike of +0.25% was anticipated and fed funds futures markets are pricing in a probability of one more hike in 2026 and possibly two more hikes in 2027. Bond yields were higher on the front-end of the curve, while the U.S. 10-year Treasury yield was stable at 4.97%. Reports of increased volumes of oil through the Strait of Hormuz contributed to a -4.6% drop in the price of oil (WTI). Gold rose +0.4%.

- S&P 500 Index Sector Returns:
  - Healthcare (+1.8%) rose, led by med-tech and pharmaceutical stocks.
  - Communication services (+1.2%) rose, led by internet search and social media stocks.
  - Tech (+1.1%) rose, led by AI semiconductor stocks and software.
  - Energy (-1.3%) fell, as the price of oil fell -4.6%.
  - Consumer discretionary (-1.5%) fell, led lower by Amazon, autos, and home improvement retailers.
  - Industrials (-1.5%) fell, led lower by aerospace and defense, airlines and transport stocks.
  - Materials (-1.9%) fell, led lower by chemical companies.
  - Real Estate (-2.3%) fell, led lower by cell towers and office real estate investment trusts (REITs).
  - Financials (-2.4%) fell, led lower by banks.
  - Consumer staples (-0.8%) and utilities (-3.0%) fell, as investors tend to favor less defensive stocks.

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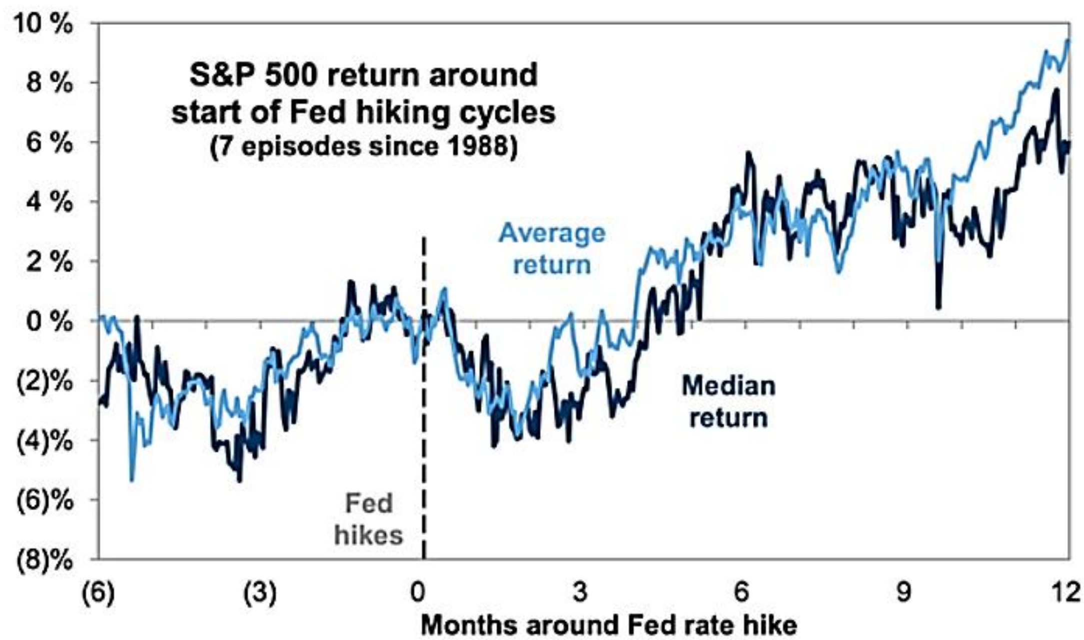
- After an initial Fed rate hike, the S&P 500 Index has historically experienced volatility in the first three months, but has generated an average 12-month return of nearly 10% following an initial Fed rate hike.

Exhibit 4: US equities typically struggle around the start of Fed tightening cycles



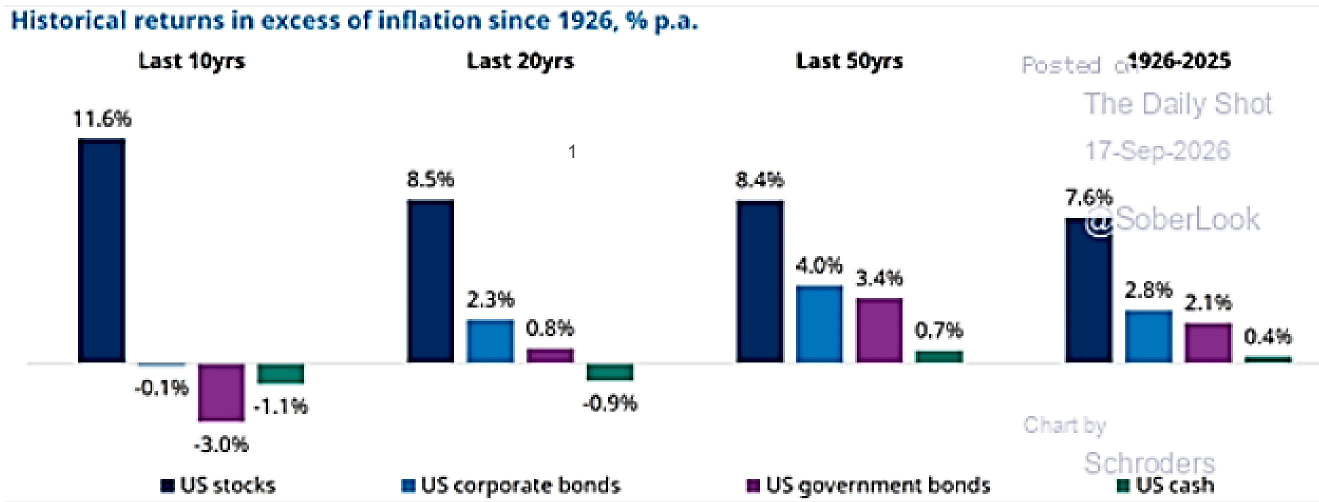
Sources: Goldman Sachs; The Daily Shot.

- The S&P 500 Index's forward price-to-earnings (P/E) ratio has already adjusted lower as interest rate expectations moved higher.

Data is as of 09.15.2026. Sources: Bloomberg L.P.; The Daily Shot.

All data is as of 09.18.2026 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.

- Over the long-run, U.S. equities have historically outperformed bonds and cash.



P.a.: Per annum. Data is as of 09.17.2026. Sources:Schroders; The Daily Shot.

- All 11 S&P 500 sectors appear to be projected to post positive earnings per share (EPS) growth in the third quarter, the first time since 2021, as AI-driven capital spending broadens earnings strength beyond Big Tech.

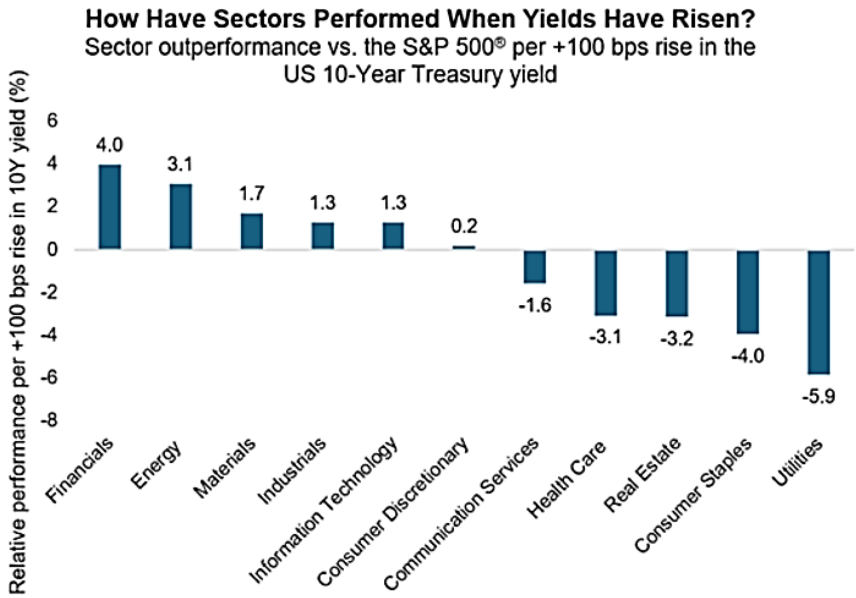
The orange bars above zero show the number of sectors expected to report EPS (earnings per share) growth. The black bars below zero show the number of sectors expected to report EPS decline. Data is as of 09.17.2026. Sources: Bloomberg L.P.; The Daily Shot.

Fixed Income Markets

- After the Fed's interest rate hike last Wednesday (09.16.2026), the U.S. Treasury yield appeared to move higher on the short-end of the curve with minimal change on the long-end of the Treasury curve.

Sources: FactSet.; The Daily Shot.

- Historically, when the 10-Year Treasury yield rises +1.00%, financials, energy, materials, industrials and technology sectors have generally outperformed, while utilities, consumer staples, real estate, health care, and communication services have underperformed.



Bps: Basis points. Sector performance shown represents the average relative performance of S&P 500 sectors during periods when the U.S. 10-Year Treasury yield increased by 100 basis points (1.0%). Results are based on historical data and may not reflect current or future market conditions.Index performance based to total return in USD. Chart is provided for illustrative purposes only. Data is from 10.19.2001 to 09.01.2026. Sources: S&P Dow Jones; The Daily Shot.

International Markets Summary

- European markets (STOXX 600 Index) fell -0.6%, as U.S.-Iran conflict fears appeared to drive higher oil and natural gas prices early in the week, which seemed to challenge industrial and consumer-oriented stocks.
- The Chinese stock market (Shanghai Composite A share) rose +0.6%, as AI-related stocks rebounded later in the week as oil prices declined and Chinese industrial production rose +5.2% year-over-year.
- Japanese equities (Nikkei 225 Index) rose +1.6%, as AI-oriented stocks rebounded from an early-week sell-off and sentiment appeared to improve later in the week as oil prices retreated from early highs.

This Week:

- The volume of corporate earnings reports will be moderate this week.
- Economic data:
  - Monday: Chicago Fed CEO Austan Goolsbee participates in moderated discussion about economic outlook and monetary policy (6:30 ET);
  - Tuesday: Redbook Chain Store, American Petroleum Institute Crude Inventories;
  - Wednesday: Mortgage Bankers Association Mortgage Purchase Applications, Purchasing Managers Index (PMI) Manufacturing Preliminary, PMI Services Preliminary, Department of Energy Crude Inventories;
  - Thursday: Weekly Jobless Claims, Current Account Balance, New Home Sales, Energy Information Administration Natural Gas Inventories;
  - Friday: Durable Orders, Michigan Consumer Sentiment (Final).

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

Whitney Stewart, CFA®
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Important Information & Disclosures

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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 **MSCI World ex USA Index** is a stock market index that tracks medium and large companies in developed countries around the world, excluding the United States.
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:

Recursive self-improvement (RSI) is a process where an artificial intelligence system analyzes its own performance, updates its code or training methods, and enhances its capacity to make further improvements**. Capital expenditures** (CapEx) are funds companies spend to acquire, upgrade, or maintain long-term physical assets. **Earnings per Share (EPS)** is a common measure of profitability per share of a company's common stock. The price-to-earnings ratio (P/E ratio) compares a company's share price to its earnings per share (EPS). A **forward P/E (price-to-earnings) ratio** is a financial metric that divides a company's current stock price by its expected earnings per share over the next 12 months. **Forward EPS** is an estimate of a company's profit allocated to each share of common stock over a future period, usually the next 12 months or the next fiscal year. A **futures market** is where financial products are bought and sold for delivery at a predetermined date and price in the future. 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 **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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