

Weekly Market Update



Market Data as of Week Ending: 2/13/2026 unless noted otherwise

U.S. equities finished the week lower as concerns about the disruptive impact of artificial intelligence spread beyond the technology sector and into a broad range of industries. Investors grappled with questions around earnings durability, capital spending requirements and competitive positioning, as companies across sectors faced rising pressure to adapt to rapidly evolving AI capabilities. The uncertainty contributed to heightened volatility and weighed on overall market sentiment. Despite the uncertainty, fundamentals have remained strong as overall earnings growth has come in well above expectations. Earnings growth for the S&P 500 is now expected to be 13.2%, about 5% above forecasts at the beginning of the quarter. Mid-cap companies were the relative outperformer for the week, with mid-cap value being the only segment in the positive. Meanwhile, value outpaced growth for the seventh consecutive week, widening its year-to-date advantage to more than 11%. Sector performance was mixed as defensives and cyclicals outperformed once again. Utilities, real estate, materials, energy and consumer staples led, while financials, communication services, consumer discretionary and information technology lagged. International equities were positive on the week, outperforming U.S. stocks.

Bonds had another positive week as Treasury yields fell across the curve on soft U.S. economic data and a cooler-than-expected inflation print. The 2-year Treasury yield fell by 10 basis points to 3.40%, while the 10-year yield fell by 16 basis points to 4.04%. Long-duration government bonds were once again the best-performing sector, while short-duration high-yield bonds lagged. Investment-grade and high-yield corporate bond yields ended the week at 4.74% and 7.06%, respectively.

U.S. economic data last week was mostly positive, highlighting labor market resilience. The NFIB Small Business Optimism Index fell 0.2 points in January to 99.3 and remained above its 52-year average of 98. The Uncertainty Index rose 7 points from December to 91. U.S. retail sales were flat in December, missing expectations for a 0.4% increase, as eight of the 13 major retail categories declined, including clothing, furniture and electronics, while building materials and gas station sales rose. The Bureau of Labor Statistics (BLS) announced the U.S. added 130,000 jobs in January, well ahead of forecasts and the largest gain in 13 months. The unemployment rate fell for the second month in a row to 4.3% from 4.4% in December. The consumer price index for January showed prices rose by 0.2% month over month, bringing the annual inflation rate to 2.4%, the lowest rate since May 2025.

U.S. Equity Returns (Size & Style - Russell)												
	Value	<u>Week</u> Core	Growth	Value	<u>MTD</u> Core	Growth	Value	<u>QTD</u> Core	Growth	Value	<u>YTD</u> Core	Growth
Large	-0.40%	-1.30%	-2.08%	1.78%	-1.23%	-4.00%	6.42%	0.13%	-5.45%	6.42%	0.13%	-5.45%
Mid	0.21%	-0.05%	-0.93%	3.61%	2.55%	-1.00%	8.05%	5.69%	-1.86%	8.05%	5.69%	-1.86%
Small	-0.29%	-0.85%	-1.38%	3.14%	1.31%	-0.40%	10.21%	6.73%	3.56%	10.21%	6.73%	3.56%

U.S. Fixed Income Returns (Quality & Duration - Bloomberg)												
		<u>Week</u>			<u>MTD</u>			<u>QTD</u>			<u>YTD</u>	
	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long
Govt	0.37%	0.55%	2.24%	0.53%	0.78%	2.97%	0.65%	0.79%	2.49%	0.65%	0.79%	2.49%
Corp	0.29%	0.49%	1.46%	0.43%	0.68%	1.88%	0.77%	0.90%	1.97%	0.77%	0.90%	1.97%
HY	0.04%	0.10%	0.94%	0.08%	0.21%	1.13%	0.54%	0.71%	1.93%	0.54%	0.71%	1.93%

Index Returns					S&P 500 Sector Returns				
	Week	MTD	QTD	YTD		Week	MTD	QTD	YTD
Equities (Stocks)					Consumer Disc	-2.07%	-6.54%	-4.94%	-4.94%
S&P 500	-1.35%	-1.43%	0.00%	0.00%	Consumer Staples	1.42%	7.54%	15.83%	15.83%
S&P MidCap 400	-0.62%	3.73%	7.93%	7.93%	Energy	1.92%	6.42%	21.78%	21.78%
Russell 2000	-0.85%	1.31%	6.73%	6.73%	Financials	-4.79%	-3.32%	-5.65%	-5.65%
MSCI EAFE	1.94%	2.46%	7.81%	7.81%	Health Care	-0.01%	1.90%	1.88%	1.88%
MSCI Emerging Markets	3.25%	1.80%	10.81%	10.81%	Industrials	0.60%	5.33%	12.35%	12.35%
MSCI EAFE Small Cap	2.54%	2.53%	8.47%	8.47%	Info Technology	-1.96%	-3.29%	-4.90%	-4.90%
Fixed Income (Bonds)					Materials	3.67%	7.30%	16.64%	16.64%
Bloomberg Int Gov/Credit	0.54%	0.76%	0.83%	0.83%	Real Estate	3.88%	5.48%	8.49%	8.49%
Bloomberg US Agg	0.89%	1.17%	1.28%	1.28%	Communication Svcs	-3.53%	-7.74%	-2.39%	-2.39%
Bloomberg US High Yield	0.12%	0.22%	0.73%	0.73%	Utilities	7.29%	7.52%	8.99%	8.99%
Other									
Bloomberg Commodity	-0.45%	-2.64%	7.45%	7.45%	Bond Yields				
S&P Dev Property	3.41%	5.41%	9.51%	9.51%		2/13/26	1/31/26	12/31/25	12/31/25
Commodities and Currency					SOFR 3Mo Swap	3.65%	3.66%	3.65%	3.65%
	2/13/26	1/31/26	12/31/25	12/31/25	2Yr Treasury	3.40%	3.52%	3.47%	3.47%
Oil (\$/barrel)	62.89	65.21	57.42	57.42	10Yr Treasury	4.04%	4.26%	4.18%	4.18%
Gold (\$/oz.)	5042.04	4894.23	4319.37	4319.37	2-10 Slope	0.64%	0.74%	0.71%	0.71%

Past performance is not a guarantee of future results. We believe the information presented is reliable, but we do not guarantee its accuracy.