

Weekly Market Update



Market Data as of Week Ending: 10/2/2026 unless noted otherwise

Stocks were mixed last week, with growth outperforming value across all three capitalization segments. Markets initially came under pressure from elevated Treasury yields and concerns over inflation and energy prices, but a weaker-than-expected September jobs report late in the week eased expectations for another Fed rate hike and helped technology stocks rebound. The S&P 500 slipped 0.25%, while the S&P MidCap 400 gained 0.61% and the Russell 2000 fell 0.11%. Technology and energy were the strongest S&P 500 sectors, rising 1.45% and 1.42%, respectively, while financials and health care lagged. Overseas markets were weaker, with emerging markets declining 1.23% and developed international stocks falling 1.51%. Despite the mixed week, year-to-date gains remain strong, with the S&P 500 up 13.81%, the Russell 2000 up 15.18% and emerging markets up 23.68%. Oil ended the week at \$91.11 per barrel, while gold reached \$4,141.19 per ounce.

Bonds remained under pressure last week, with longer-term bonds bearing the brunt of the weakness. The Bloomberg U.S. Aggregate fell 0.60% for the week, bringing its year-to-date return to -2.86%. The 10-year Treasury yield ended the week at 5.28%, an increase of 11 bps from the prior week, while the 2-year yield edged up to 4.83% from 4.81%. The yield curve steepened, with the gap between the 10-year and 2-year yields widening to 45 bps from 36 bps. Credit markets also showed some signs of stress, as spreads widened last week. High-yield spreads moved above 300 bps and reached their highest level since April, signaling somewhat greater investor caution toward lower-quality borrowers.

Economic data presented a mixed picture. The September employment report showed payrolls increasing by only 29,000, well below expectations, while unemployment edged up to 4.2%; prior-month payroll growth was also revised down by a combined 60,000. Average hourly earnings increased 3.0% year over year, reinforcing the view that labor-market conditions are cooling. At the same time, consumer activity remained solid: August real PCE increased 0.6% and nominal PCE rose 0.9%, while headline and core PCE inflation stood at 3.4% and 3.0%, respectively. Manufacturing also remained firmly in expansion, with the ISM Manufacturing PMI at 54.5 in September for its ninth consecutive month above 50. However, the prices-paid index jumped to 77.9 from 71.1, highlighting renewed input-cost pressures. Following the weak September jobs report, fed funds futures now price roughly an 80% probability that the Fed will leave rates unchanged at its October meeting, a sharp reversal from expectations for another hike just a week earlier.

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	-1.03%	-0.22%	0.66%	0.61%	1.02%	1.46%	0.61%	1.02%	1.46%	19.99%	13.45%	7.86%
Mid	-0.41%	0.02%	1.28%	1.14%	1.50%	2.55%	1.14%	1.50%	2.55%	16.56%	13.53%	3.58%
Small	-0.50%	-0.11%	0.28%	1.39%	1.30%	1.20%	1.39%	1.30%	1.20%	18.58%	15.18%	12.04%

U.S. Fixed Income Returns (Quality & Duration - Bloomberg)

	Short	<u>Week</u> Interm	Long	Short	<u>MTD</u> Interm	Long	Short	<u>QTD</u> Interm	Long	Short	<u>YTD</u> Interm	Long
Govt	-0.01%	-0.15%	-1.69%	0.08%	0.07%	-0.11%	0.08%	0.07%	-0.11%	-0.42%	-1.39%	-7.71%
Corp	-0.13%	-0.35%	-1.49%	0.05%	0.02%	-0.08%	0.05%	0.02%	-0.08%	-0.07%	-1.55%	-6.53%
HY	-0.46%	-0.60%	-3.25%	0.09%	0.07%	-1.61%	0.09%	0.07%	-1.61%	0.82%	0.21%	-4.15%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-0.25%	0.94%	0.94%	13.81%
S&P MidCap 400	0.61%	2.01%	2.01%	12.09%
Russell 2000	-0.11%	1.30%	1.30%	15.18%
MSCI EAFE	-1.51%	-0.96%	-0.96%	9.27%
MSCI Emerging Markets	-1.23%	0.24%	0.24%	23.68%
MSCI EAFE Small Cap	-1.39%	-1.18%	-1.18%	9.46%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.21%	0.05%	0.05%	-1.44%
Bloomberg US Agg	-0.60%	0.05%	0.05%	-2.86%
Bloomberg US High Yield	-0.65%	0.04%	0.04%	0.14%
Other				
Bloomberg Commodity	-1.87%	-0.17%	-0.17%	32.64%
S&P Dev Property	-1.84%	-0.96%	-0.96%	2.30%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-0.19%	1.23%	1.23%	-4.66%
Consumer Staples	-1.81%	-0.03%	-0.03%	5.95%
Energy	1.42%	2.13%	2.13%	43.26%
Financials	-2.48%	0.18%	0.18%	-1.12%
Health Care	-2.70%	-1.32%	-1.32%	8.70%
Industrials	-0.32%	1.79%	1.79%	10.49%
Info Technology	1.45%	1.84%	1.84%	30.74%
Materials	-1.51%	0.58%	0.58%	9.46%
Real Estate	-1.73%	-0.25%	-0.25%	5.05%
Communication Svcs	-1.64%	-0.32%	-0.32%	4.14%
Utilities	0.75%	0.99%	0.99%	-4.72%

Bond Yields

	10/2/26	9/30/26	9/30/26	12/31/25
SOFR 3Mo Swap	4.02%	4.04%	4.04%	3.65%
2Yr Treasury	4.83%	4.88%	4.88%	3.47%
10Yr Treasury	5.28%	5.29%	5.29%	4.18%
2-10 Slope	0.45%	0.41%	0.41%	0.71%

Commodities and Currency

	10/2/26	9/30/26	9/30/26	12/31/25
Oil (\$/barrel)	91.11	90.42	90.42	57.42
Gold (\$/oz.)	4141.19	4157.41	4157.41	4319.37

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