Capital Markets Snapshot

Courtesy of Sage Advisors
Week ending April 3, 2026

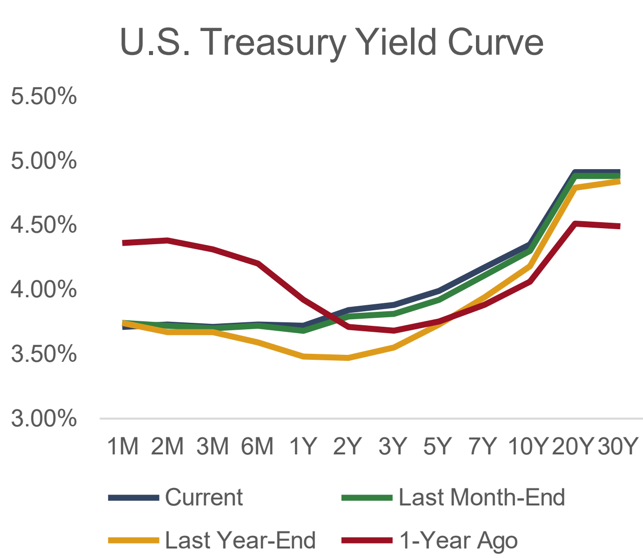
Markets stabilized last week as investors responded to signs that tensions in the Middle East could eventually ease. This allowed U.S. equities to recover after a difficult stretch. Even so, the path forward remains uncertain, as elevated oil prices, no clear developments in way of a ceasefire agreement, and continued disruption in the Strait of Hormuz has kept volatility higher than normal. The S&P 500 finished the week in positive territory, ending a five-week losing streak, while broader U.S. equity markets posted solid gains despite the ongoing geopolitical headlines. At the same time, Treasury yields moved lower and market expectations for additional Federal Reserve tightening softened, helping improve sentiment across risk assets. Importantly, U.S. economic data remained constructive, with stronger retail sales, manufacturing activity, and payroll trends reinforcing the view that the economy entered this period of stress from a position of relative strength. Looking ahead, the duration of the oil shock remains a key issue for markets. A shorter disruption would likely keep growth intact, while a more prolonged closure could place greater pressure on inflation, earnings, and global economic activity.

Fixed Income Markets Overview

- U.S. Treasury yields declined last week, reversing part of the recent rise in rates and offering support to broader markets. The yield curve flattened modestly as shorter-term yields moved lower more quickly than long-term rates.
- Two-year yields fell by 4 basis points to 3.84%, 10-year yields decreased 9 bps to 4.35%, while 30-year yields declined by 7 bps to 4.91%.
- Markets also scaled back concerns about further Fed tightening, with rate expectations shifting modestly back toward eventual cuts.
- Economic data was generally supportive, with retail sales, ADP payrolls, and consumer confidence all coming in above expectations.
- The Atlanta Fed's GDPNow estimate moved from 1.9% to 1.6% for first-quarter real GDP growth, pointing to continued but moderate expansion.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
Short	1-3 Year Govt/Credit	0.2%	0.3%	4.3%	2.1%
Core Plus	Intermediate Govt/Credit	0.4%	-0.1%	4.1%	1.3%
	Global Aggregate	0.8%	-0.8%	2.5%	-1.4%
	US Aggregate	0.8%	0.0%	3.5%	0.3%
	US Treasury	0.5%	-0.1%	2.4%	-0.2%
	US TIPS	0.9%	0.5%	3.2%	1.5%
	US Corporate	1.1%	-0.3%	4.6%	0.7%
	US Corporate High Yield	1.2%	-0.1%	8.6%	4.3%
Other	Emerging Markets Aggregate	0.6%	-1.0%	7.6%	2.0%
Muni	US Municipals	0.7%	0.1%	2.9%	0.9%
	US Municipals High Yield	0.8%	1.0%	5.3%	1.9%

Source: Bloomberg as of April 3, 2026



Source: Bloomberg and U.S Treasury as of April 3, 2026

Interest Rates (%)

Date	4/3/2026	3/31/2026	12/31/2025	4/3/2025
1 Month Treasury	3.71%	3.74%	3.74%	4.36%
3 Month Treasury	3.71%	3.70%	3.67%	4.31%
6 Month Treasury	3.73%	3.72%	3.59%	4.20%
2 Year Treasury	3.84%	3.79%	3.47%	3.71%
5 Year Treasury	3.99%	3.92%	3.73%	3.75%
10 Year Treasury	4.35%	4.30%	4.18%	4.06%
30 Year Treasury	4.91%	4.88%	4.84%	4.49%
US Aggregate	4.59%	4.57%	4.32%	4.45%
US Corporate	5.14%	5.14%	4.81%	5.06%
US Corporate High Yield	7.27%	7.40%	6.53%	7.95%
US Municipal	3.73%	3.77%	3.60%	3.71%
US Municipal High Yield	5.64%	5.66%	5.59%	5.48%

Spreads Over 10-Year US Treasuries

Date	4/3/2026	3/31/2026	12/31/2025	4/3/2025
30 Year Treasury	0.56%	0.58%	0.66%	0.43%
US Aggregate	0.24%	0.27%	0.14%	0.39%
US Corporate	0.79%	0.84%	0.63%	1.00%
US Corporate High Yield	2.92%	3.10%	2.35%	3.89%
US Municipal	-0.62%	-0.53%	-0.58%	-0.35%
US Municipal High Yield	1.29%	1.36%	1.41%	1.42%

Source: Bloomberg and U.S. Treasury as of April 3, 2026

Equity Markets Overview

- U.S. equities rebounded last week, snapping a 5-week streak of consecutive losses. The major indices all finishing higher by roughly 3% to 4.5%. Much of the week's advance came from a sharp rally on Tuesday, when the NASDAQ rose 3.8%, the S&P 500 gained 2.9%, and the Dow advanced 2.5%.
- That said, the recent rebound follows a difficult March and a weak first quarter overall, underscoring that volatility has not fully passed. Even with the rebound, markets remain sensitive to geopolitical developments and energy-related headlines.
- From a size and style perspective, large caps outpaced their mid- and small-cap peers but are still lagging both on a YTD basis. Similarly, growth outpaced value across all size segments. On a YTD basis, style performance is mixed with growth lagging drastically in the large-caps, outpacing in mid-caps, and modestly lagging in small-caps.
- After leading markets for much of March and despite upward pressure on oil prices, Energy stocks fell over 5% and was the only sector to post a loss on the week. Telecommunications and Technology stocks led the pack and reversed some of their recent struggles by posting weekly gains of 6.4% and 4.6%, respectively.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
All-Cap	S&P 1500	3.4%	-3.0%	18.0%	11.5%
Large-Cap	S&P 500	3.4%	-3.5%	18.5%	12.0%
	S&P 500 Growth	4.6%	-6.8%	22.2%	12.6%
	S&P 500 Value	2.0%	0.3%	14.0%	10.6%
Mid-Cap	S&P Midcap 400	3.0%	3.5%	12.5%	6.8%
	S&P Midcap 400 Growth	3.3%	5.2%	13.5%	6.1%
	S&P Midcap 400 Value	2.7%	1.6%	11.3%	7.4%
Small-Cap	S&P Smallcap 600	3.0%	4.5%	10.8%	4.4%
	S&P Smallcap 600 Growth	4.0%	4.2%	11.3%	3.6%
	S&P Smallcap 600 Value	2.1%	4.7%	10.3%	5.0%
Int'l.	MSCI ACWI ex-USA	2.2%	2.1%	15.4%	7.4%
	MSCI EM	0.3%	3.0%	16.1%	4.0%

Source: Bloomberg as of April 3, 2026

Alternative Markets Overview

- Oil remained a major market driver last week, with U.S. crude trading around $112 per barrel on Friday. Even with spot prices elevated, futures market prices suggest an expectation for oil prices to moderate over time, with U.S. crude currently projected to move back toward the low $70s by year-end.
- Energy markets continued to react to concerns that tensions in the Middle East could prolong supply disruptions through the Strait of Hormuz. The length of the disruption matters significantly, with a short-lived shock likely more manageable and a prolonged closure posing broader risks to growth and inflation globally.
- Gold rebounded during the week, rising nearly 3.5% to around $4,700. Though it remains below its recent record high of over $5,400.

Name	1W	YTD	3Y (Ann.)	5Y (Ann.)
S&P GSCI	4.5%	45.1%	18.5%	20.1%
Gold	3.4%	7.8%	32.7%	22.0%
FTSE All Equity NAREIT	3.8%	5.7%	7.8%	3.9%
Bitcoin	1.3%	-23.6%	33.5%	2.7%
Ethereum	3.6%	-30.5%	4.5%	0.9%

Source: Bloomberg as of April 3, 2026

Upcoming Week

- It is a slow week for earnings releases, but two notable reports include Delta Air Lines and WD-40.
- It is another full week for economic releases. We will be watching ISM Services, Personal Income, as well as PCE and CPI reports.

Glossary and Disclosures

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S&P 1500 Index combines three leading indices, the S&P 500, the S&P Midcap 400, and the S&P Smallcap 600, to cover approximately 90% of U.S. equity market capitalization.

S&P 500 Index includes approximately 500 leading companies that covers approximately 80% of available U.S. equity market capitalization.

S&P 500 Growth Index is a stock index that represents the fastest-growing companies in the S&P 500 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P 500 Value Index is a stock index that represents the companies in the S&P 500 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

S&P Midcap 400 Index is distinct from the large-cap S&P 500 and designed to measure the performance of 400 U.S. mid-sized companies, which have differing liquidity and growth potential than large and small cap companies.

S&P Midcap 400 Growth Index is a stock index that represents the fastest-growing companies in the S&P Midcap 400 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P Midcap 400 Value Index is a stock index that represents the companies in the S&P Midcap 400 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

S&P Smallcap 600 Index measures the performance of 600 small-sized U.S. companies to reflect the small-cap segment of the U.S. equity market, which is typically known for less liquidity than large cap stocks.

S&P Smallcap 600 Growth Index is a stock index that represents the fastest-growing companies in the S&P Smallcap 600 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P Smallcap 600 Value Index is a stock index that represents the companies in the S&P Smallcap 600 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

MSCI ACWI ex-US Index captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 24 Emerging Markets (EM) countries.

MSCI Emerging Markets Index captures large and mid-cap representation across 24 Emerging Markets (EM) countries.

S&P GSCI is broad-based and production weighted to represent the global commodity market beta. The index is designed to be investable by including the most liquid commodity futures.

S&P GSCI Gold a sub-index of the S&P GSCI, provides investors with a reliable and publicly available benchmark tracking the COMEX gold future.

FTSE All Equity NAREIT Index contains all tax-qualified REITs with more than 50 percent of total assets in qualifying real estate assets other than mortgages secured by real property that also meet minimum size and liquidity criteria.

Bitcoin USD Spot Exchange Rate measures the last price of 1 Bitcoin in USD.

Bloomberg Galaxy Bitcoin Index is designed to measure the performance of a single bitcoin traded in USD.

Ethereum USD Spot Exchange Rate measure the last price of 1 Ethereum in USD.

Bloomberg Galaxy Ethereum Index is designed to measure the performance of a single Ethereum traded in USD.

Bloomberg Barclays 1-3 Year Govt/Credit Index is the 1-3 Yr. component of the U.S. Government/Credit index, which includes securities in the Government, which includes treasuries and agencies debt securities, and Credit Indices, which includes publicly issued U.S. corporate and foreign debt that meet specified maturity, liquidity, and quality requirements.

Bloomberg Intermediate US Government/Credit Bond Index is a broad-based flagship benchmark that measures the non-securitized component of the US Aggregate Index with less than 10 years to maturity; this includes investment grade, US dollar-denominated, fixed-rate treasuries, government-related and corporate securities

Bloomberg Barclays Global Aggregate Bond Index provides a broad-based measure of the global investment-grade fixed income markets, with three major components of this index are the U.S. Aggregate, the Pan-European Aggregate, and the Asian-Pacific Aggregate Indices.

Bloomberg Barclays U.S. Aggregate Bond Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

Bloomberg Barclays U.S. Treasury Aggregate Bond Index is the U.S. Treasury component of the U.S. Government index and represents public obligations of the U.S. Treasury with a remaining maturity of one year or more.

Bloomberg US TIPS Index consists of Inflation-Protection securities issued by the U.S. Treasury.

Bloomberg Barclays US Corporate Bond Index is the Corporate component of the U.S. Credit index and represents publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements.

Bloomberg Barclays U.S. Corporate High Yield Index covers the universe of fixed rate, non-investment grade debt.

Bloomberg Barclays Emerging Markets Bond Index is broad-based with country eligibility and classification as an Emerging Market being rules-based and reviewed on an annual basis using World Bank income group and International Monetary Fund (IMF) country classifications.

Bloomberg Barclays U.S. Municipal Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market.

Bloomberg Barclays US High Yield Municipal Index is an unmanaged index of noninvestment-grade municipal debt securities, which provides a representation of the performance of US high-yield tax-exempt bonds.

Federal Funds Rate is the interest rate at which depository institutions trade federal funds (balances held at Federal Reserve Banks) with each other overnight.

U.S. Treasury Securities are issued by the federal government and are considered to be among the safest investments you can make, because all Treasury securities are backed by the "full faith and credit" of the U.S. government.

CBOE Volatility Index (VIX) is a real-time market index that represents the market's expectation of 30-day forward-looking volatility. Derived from the price inputs of S&P 500 index options, it provides a measure of market risk and investor sentiment.

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