



Capital Markets Snapshot

Courtesy of Sage Advisors

Week ending June 5, 2026

US equity markets ended the week significantly lower, as a strong May jobs report on Friday triggered a broad selloff driven by rising expectations that the Federal Reserve may raise interest rates later this year. The S&P 500 fell 2.5% for the week as mega-cap technology names that had powered the index to record highs earlier in the week reversed course sharply. Treasury yields rose across the curve, with the front-end leading gains as the stronger-than-expected labor market data reinforced concerns that inflation, already elevated in part due to the ongoing conflict in the Middle East, may prove more persistent. WTI crude oil rose 3.6% on the week, supported by continued disruptions to supply through the Strait of Hormuz. The May Nonfarm Payrolls report showed the U.S. economy added 172,000 jobs—nearly double the consensus estimate of 88,000—while the unemployment rate held steady at 4.3%, marking the strongest three-month advance in hiring in more than two years. Taken together, last week's data painted a picture of a resilient but inflation-pressured economy, leaving investors navigating a more uncertain rate environment just as the AI-driven equity rally showed signs of fatigue.

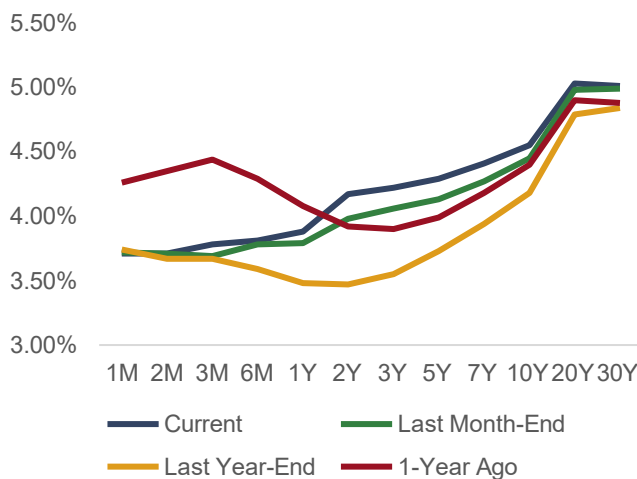
Fixed Income Markets Overview

- The Treasury yield curve flattened modestly, as short-term yields rose more sharply than long-term yields, driven by a significant repricing of Federal Reserve policy expectations.
- The 2-year Treasury yield rose 19 basis points to 4.17%, the 10-year Treasury yield rose 10 basis points to 4.55%, and the 30-year Treasury yield increased 2 basis points to 5.01%.
- The primary driver of the yield move was the May payrolls report, which, together with the Fed's Beige Book released Wednesday—showing inflation rising across most Fed districts, largely tied to energy costs from the Middle East conflict—reinforced concerns that price pressures remain elevated.
- The Fed's GDPNow estimate for Q2 GDP declined over the past week, easing from 3.8% to 3.0%.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
Short	1-3 Year Govt/Credit	-0.2%	0.5%	4.5%	2.1%
	Core Plus				
	Intermediate Govt/Credit	-0.5%	-0.2%	4.3%	1.1%
	Global Aggregate	-0.9%	-0.4%	3.4%	-1.7%
	US Aggregate	-0.5%	-0.2%	3.9%	0.0%
	US Treasury	-0.5%	-0.5%	2.8%	-0.5%
	US TIPS	-0.7%	1.0%	3.8%	1.1%
	US Corporate	-0.6%	0.1%	5.2%	0.5%
	US Corporate High Yield	-0.4%	1.3%	8.9%	4.2%
Other	Emerging Markets Aggregate	-0.2%	1.2%	8.6%	2.0%
Muni	US Municipals	0.4%	1.7%	3.8%	1.0%
	US Municipals High Yield	0.3%	3.0%	5.9%	1.8%

Source: Bloomberg as of June 5, 2026

U.S. Treasury Yield Curve



Source: Bloomberg and U.S. Treasury as of June 5, 2026

Interest Rates (%)

Date	6/5/2026	5/29/2026	12/31/2025	6/5/2025
1 Month Treasury	3.71%	3.72%	3.74%	4.26%
3 Month Treasury	3.78%	3.69%	3.67%	4.44%
6 Month Treasury	3.81%	3.78%	3.59%	4.29%
2 Year Treasury	4.17%	3.98%	3.47%	3.92%
5 Year Treasury	4.29%	4.13%	3.73%	3.99%
10 Year Treasury	4.55%	4.45%	4.18%	4.40%
30 Year Treasury	5.01%	4.99%	4.84%	4.88%
US Aggregate	4.80%	4.67%	4.32%	4.71%
US Corporate	5.26%	5.13%	4.81%	5.21%
US Corporate High Yield	7.19%	6.96%	6.53%	7.42%
US Municipal	3.62%	3.67%	3.60%	4.04%
US Municipal High Yield	5.49%	5.53%	5.59%	5.87%

Spreads Over 10-Year US Treasuries

Date	6/5/2026	5/29/2026	12/31/2025	6/5/2025
30 Year Treasury	0.46%	0.54%	0.66%	0.48%
US Aggregate	0.25%	0.22%	0.14%	0.31%
US Corporate	0.71%	0.68%	0.63%	0.81%
US Corporate High Yield	2.64%	2.51%	2.35%	3.02%
US Municipal	-0.93%	-0.78%	-0.58%	-0.36%
US Municipal High Yield	0.94%	1.08%	1.41%	1.47%

Source: Bloomberg and U.S. Treasury as of June 5, 2026

Equity Markets Overview

- US equity markets declined over the week, reversing earlier gains as a sharp Friday selloff erased what had been a promising start driven by AI spending optimism. The S&P 500 fell 2.5% for the week, the Nasdaq Composite dropped 4.7%, and the Dow Jones Industrial Average declined 0.2% for the week.
- A key theme was the underperformance in technology stocks, with the Nasdaq posting its worst weekly decline in over a year as the sector absorbed the bulk of the selling pressure. Losses were led by sharp declines in semiconductor names, including Micron (-13.3%) and Nvidia (-6.2%) on Friday alone, which dragged the broader tech complex lower.
- Energy led sector performance with a 2.5% gain, followed by Healthcare with a 2.3% advance, while Consumer Discretionary declined 6.2% and Technology fell 5.4% to rank as the week's worst performers.
- Investor risk appetite deteriorated sharply by week's end, as the prospect of Federal Reserve rate hikes and weakening market breadth combined to reset sentiment from the optimism that had characterized much of the prior two months.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
All-Cap	S&P 1500	-2.4%	8.8%	21.2%	12.9%
Large-Cap	S&P 500	-2.5%	8.4%	21.6%	13.4%
	S&P 500 Growth	-4.1%	9.4%	26.6%	15.2%
	S&P 500 Value	-0.7%	7.3%	15.8%	10.7%
Mid-Cap	S&P Midcap 400	-0.8%	12.3%	16.0%	7.9%
	S&P Midcap 400 Growth	-1.4%	16.2%	17.6%	8.2%
	S&P Midcap 400 Value	-0.2%	8.4%	14.3%	7.5%
Small-Cap	S&P Smallcap 600	-0.7%	14.7%	15.0%	5.6%
	S&P Smallcap 600 Growth	-1.0%	14.8%	15.1%	5.5%
	S&P Smallcap 600 Value	-0.3%	14.7%	14.9%	5.7%
Int'l.	MSCI ACWI ex-USA	-1.6%	12.5%	19.0%	8.2%
	MSCI EM	-1.9%	23.2%	23.1%	7.0%

Source: Bloomberg as of June 5, 2026

Alternative Markets Overview

- Commodity markets were mixed over the week, with energy prices supported by ongoing geopolitical tensions while precious metals and digital assets sold off decisively in response to the shifting interest rate outlook.
- WTI crude oil rose 3.6% over the week, ending Friday at \$90.54 per barrel, as OPEC output fell to its lowest level in at least 37 years driven largely by ongoing disruptions to shipping through the Strait of Hormuz.
- Gold fell 5% over the week, erasing its year-to-date gains, as the stronger-than-expected May jobs report drove bond yields and the US dollar sharply higher, reducing the appeal of the non-yielding metal.
- Bitcoin declined 18% over the week, falling below \$60,000 for the first time since October 2024.

Name	1W	YTD	3Y (Ann.)	5Y (Ann.)
S&P GSCI	0.2%	37.9%	18.9%	16.1%
Gold	-5.0%	0.6%	30.3%	18.2%
FTSE All Equity NAREIT	1.1%	14.5%	11.2%	3.6%
Bitcoin	-17.9%	-31.1%	33.0%	11.0%
Ethereum	-22.1%	-47.1%	-4.6%	-10.2%

Source: Bloomberg as of June 5, 2026



Upcoming Week

- Earnings season continues this week, with notable reports expected from Oracle, Adobe, and Campbell's Company.
- The economic calendar is also busy, featuring a full slate of inflation data, including the Consumer Price Index (CPI), Producer Price Index (PPI), and the Federal Reserve's inflation expectations.

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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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