Capital Markets Snapshot

Courtesy of Sage Advisors

Week ending August 28, 2026

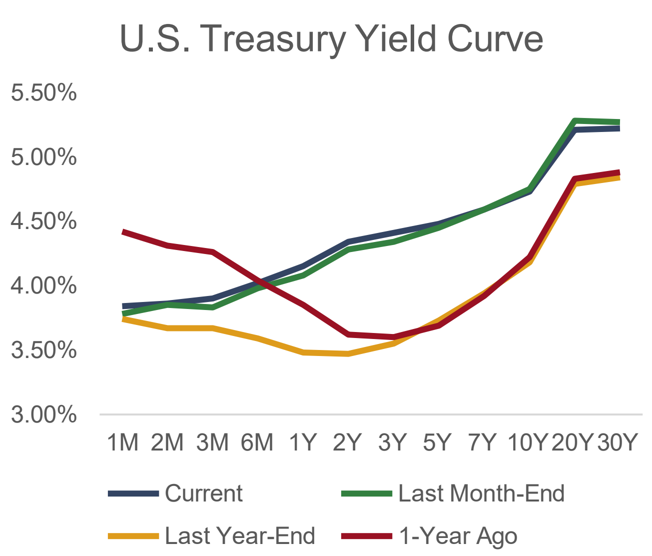
US equity markets posted modest gains for the week, as a blowout earnings report and outlook from Nvidia bolstered confidence in the artificial intelligence trade, though those gains were partially offset on Friday after Federal Reserve Chairman Kevin Warsh delivered hawkish remarks at the Jackson Hole conference, warning that inflation is not meaningfully slowing and that the Fed has "work to do." The S&P 500 rose 0.5% for the week, with technology-led mega-cap stocks driving the bulk of the index's gains. Treasury yields were mixed on the week, with short-term yields moving higher amid concerns that persistent inflation could require additional Fed tightening, while longer-term yields declined modestly. WTI crude oil fell approximately 4.2% on the week as rising US crude inventories weighed on prices. The July Personal Consumption Expenditures (PCE) Price Index, the Fed's preferred inflation gauge, rose 0.2% month-over-month and 3.7% year-over-year, indicating that inflation remains above the Fed's 2% target.

Fixed Income Markets Overview

- US Treasury yields were mixed over the week, with short-term yields rising meaningfully while longer-term yields declined modestly, reflecting a shift in expectations around Fed policy following Chairman Warsh's hawkish Jackson Hole remarks.
- The 2-year Treasury yield rose 10 basis points (from 4.24% to 4.34%), the 10-year yield declined 1 basis point (from 4.74% to 4.73%), and the 30-year yield declined 5 basis points (from 5.27% to 5.22%).
- The primary driver of yield moves was the July PCE inflation report, which showed PCE rising 0.2% month-over-month and 3.7% year-over-year, reinforcing concerns that inflation remains well above the Fed's 2% target.
- Markets have shifted toward pricing in a potential rate hike at the September Fed meeting, with market-implied odds of a hike rising to approximately 60% following Chairman Warsh's vow to return inflation to target.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
Short	1-3 Year Govt/Credit	-0.1%	1.2%	4.7%	2.2%
Core Plus	Intermediate Govt/Credit	-0.1%	0.2%	4.7%	1.1%
	Global Aggregate	-0.1%	-0.2%	3.9%	-1.7%
	US Aggregate	0.1%	-0.2%	4.4%	-0.3%
	US Treasury	0.1%	-0.5%	3.5%	-0.8%
	US TIPS	-0.1%	0.6%	4.2%	0.4%
	US Corporate	0.3%	-0.3%	5.3%	-0.1%
	US Corporate High Yield	0.3%	2.7%	8.8%	4.2%
Other	Emerging Markets Aggregate	0.3%	1.5%	8.5%	1.7%
Muni	US Municipals	-0.2%	0.5%	3.6%	0.6%
	US Municipals High Yield	0.1%	3.0%	6.0%	1.4%

Source: Bloomberg as of August 28, 2026



Source: Bloomberg and U.S Treasury as of August 28, 2026

Interest Rates (%)

Date	8/28/2026	7/31/2026	12/31/2025	8/28/2025
1 Month Treasury	3.84%	3.78%	3.74%	4.42%
3 Month Treasury	3.90%	3.83%	3.67%	4.26%
6 Month Treasury	4.02%	3.98%	3.59%	4.04%
2 Year Treasury	4.34%	4.28%	3.47%	3.62%
5 Year Treasury	4.48%	4.45%	3.73%	3.69%
10 Year Treasury	4.73%	4.75%	4.18%	4.22%
30 Year Treasury	5.22%	5.27%	4.84%	4.88%
US Aggregate	4.99%	4.98%	4.32%	4.43%
US Corporate	5.48%	5.46%	4.81%	4.89%
US Corporate High Yield	7.27%	7.41%	6.53%	6.73%
US Municipal	3.93%	3.93%	3.60%	3.89%
US Municipal High Yield	5.65%	5.65%	5.59%	5.89%

Spreads Over 10-Year US Treasuries

Date	8/28/2026	7/31/2026	12/31/2025	8/28/2025
30 Year Treasury	0.49%	0.52%	0.66%	0.66%
US Aggregate	0.26%	0.23%	0.14%	0.21%
US Corporate	0.75%	0.71%	0.63%	0.67%
US Corporate High Yield	2.54%	2.66%	2.35%	2.51%
US Municipal	-0.80%	-0.82%	-0.58%	-0.33%
US Municipal High Yield	0.92%	0.90%	1.41%	1.67%

Source: Bloomberg and U.S. Treasury as of August 28, 2026

Equity Markets Overview

- US equity markets finished the week with modest gains, as strong AI-related earnings early in the week were enough to offset a Friday selloff driven by hawkish Fed commentary.
- The S&P 500 returned 0.5%, the Nasdaq Composite gained 0.9%, and the Dow Jones Industrial Average rose 0.6% for the week.
- The top two performing sectors were Information Technology (+1.8%) and Communication Services (+1.6%), both benefiting from Nvidia's strong results and renewed confidence in AI spending.
- The bottom two performing sectors were Energy (-2.0%) and Health Care (-2.0%), with energy weighed down by falling crude oil prices and rising inventories.
- With Q2 2026 earnings per share approximately 50% above Q2 2025 levels, the current earnings season has reflected strong year-over-year corporate profit growth, though the bar for future beats remains elevated.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
All-Cap	S&P 1500	0.4%	13.8%	21.3%	12.5%
Large-Cap	S&P 500	0.5%	13.5%	21.9%	12.9%
	S&P 500 Growth	0.9%	14.0%	26.6%	13.4%
	S&P 500 Value	0.1%	12.9%	16.3%	11.6%
Mid-Cap	S&P Midcap 400	-1.3%	15.3%	15.0%	8.1%
	S&P Midcap 400 Growth	-1.5%	17.6%	15.9%	7.6%
	S&P Midcap 400 Value	-1.1%	12.9%	13.9%	8.5%
Small-Cap	S&P Smallcap 600	-1.2%	21.6%	15.5%	6.9%
	S&P Smallcap 600 Growth	-1.7%	21.6%	15.5%	6.0%
	S&P Smallcap 600 Value	-0.7%	21.6%	15.4%	7.8%
Int'l.	MSCI ACWI ex-USA	0.0%	17.4%	20.8%	9.7%
	MSCI EM	0.0%	24.3%	23.4%	8.8%

Source: Bloomberg as of August 28, 2026

Alternative Markets Overview

- Commodity markets broadly declined over the week, with crude oil and gold both pulling back from recent highs amid a hawkish Fed tone and rising US crude inventories.
- WTI crude oil fell approximately 4.2% over the week, ending at $83.40 per barrel, pressured by a reported 4.2 million barrel rise in US crude stockpiles.
- Gold declined approximately 3.2% for the week, closing near $4,500 per troy ounce, as Chairman Warsh's hawkish Jackson Hole remarks boosted rate-hike expectations and weighed on the non-yielding metal.
- Bitcoin rose modestly on the week, gaining 0.7% to close near $78,000.

Name	1W	YTD	3Y (Ann.)	5Y (Ann.)
S&P GSCI	-1.5%	45.8%	17.1%	17.2%
S&P GSCI Crude Oil Spot	-4.2%	45.2%	1.4%	3.9%
Gold	-3.2%	4.3%	32.5%	20.0%
FTSE All Equity NAREIT	-1.2%	15.3%	11.0%	2.8%
Bitcoin	0.7%	-11.4%	44.0%	9.8%
Ethereum	0.8%	-18.0%	14.0%	-5.6%

Source: Bloomberg as of August 28, 2026

Upcoming Week

- Notable earnings reports this week include Broadcom, Dell Technologies, and Palo Alto Networks.
- On the economic front, investors will be closely monitoring the ISM Manufacturing PMI, Durable Goods Orders, and the unemployment rate.

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.

S&P GSCI Crude Oil Spot Index, a sub-index of the S&P GSCI, serves as a publicly available benchmark for tracking U.S. crude oil price performance through the futures market.

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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