Capital Markets Snapshot

Courtesy of Sage Advisors

Week ending September 4, 2026

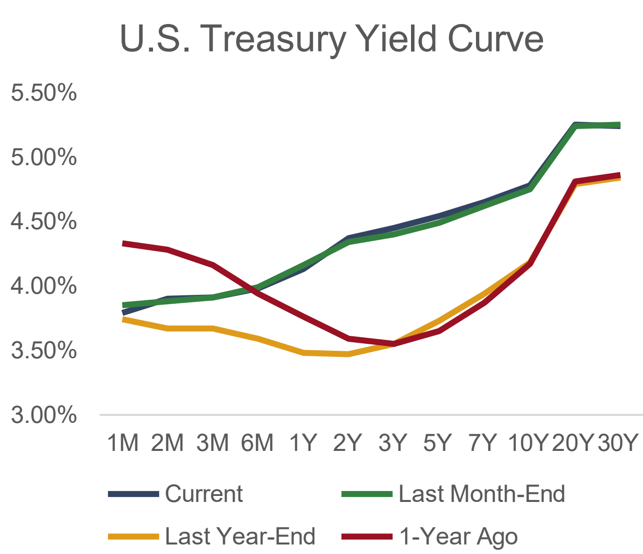
US markets posted mixed results last week after navigating a backdrop of rising long-term yields, escalating geopolitical tensions, and a stronger-than-expected labor market report. The S&P 500 edged up 0.13% for the week. Thursday’s strong session was largely offset by Friday’s selloff following a surprise jump in August Nonfarm payrolls, which surged to 162,000 as the unemployment rate held steady at 4.1%. Long-term Treasury yields moved higher, reflecting concerns that persistent inflation and a resilient labor market could prompt the Fed to tighten policy. In the alternatives space, U.S. crude oil surged as escalation of US-Iran hostilities stoked fears of prolonged disruptions to global energy flows. Meanwhile, gold slipped as rising yields and a stronger rate-hike narrative weighed on the non-yielding metal. Overall, last week's performance reflected a tug-of-war between resilient economic data and geopolitical uncertainty; next, markets are looking to this week’s PPI and CPI reports for key inflation data.

Fixed Income Markets Overview

- Longer-term treasury yields rose slightly during the week. The strongly positive payrolls surprise and the ISM Services’ price gauge hitting a four-year high helped drive yields higher due to concerns the economy remains too strong and inflation too persistent for the Fed to ease policy.
- The yield curve steepened modestly over the period, suggesting markets are pricing in both near-term rate risk and longer-term inflation and fiscal concerns.
- Following the payrolls surprise, market pricing shifted to reflect around a 60% probability of a Fed rate hike at next week’s FOMC meeting.
- The Atlanta Fed's GDPNow estimate for current-quarter GDP growth rose to 4.75%, up from 4.40%, suggesting the economy is tracking meaningfully above trend and adding further upward pressure on yields.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
Short	1-3 Year Govt/Credit	0.0%	1.2%	4.6%	2.2%
Core Plus	Intermediate Govt/Credit	-0.1%	0.1%	4.6%	1.0%
	Global Aggregate	0.1%	-0.1%	3.9%	-1.8%
	US Aggregate	-0.2%	-0.4%	4.2%	-0.3%
	US Treasury	-0.1%	-0.6%	3.3%	-0.8%
	US TIPS	0.0%	0.6%	4.2%	0.4%
	US Corporate	-0.3%	-0.6%	5.1%	-0.1%
	US Corporate High Yield	-0.1%	2.6%	8.5%	4.1%
Other	Emerging Markets Aggregate	-0.2%	1.3%	8.3%	1.7%
Muni	US Municipals	-0.8%	-0.3%	3.2%	0.4%
	US Municipals High Yield	-0.6%	2.3%	5.6%	1.2%

Source: Bloomberg as of September 4, 2026



Source: Bloomberg and U.S Treasury as of September 4, 2026

Interest Rates (%)

Date	9/4/2026	8/31/2026	12/31/2025	9/4/2025
1 Month Treasury	3.79%	3.85%	3.74%	4.33%
3 Month Treasury	3.91%	3.91%	3.67%	4.16%
6 Month Treasury	3.98%	3.99%	3.59%	3.94%
2 Year Treasury	4.37%	4.34%	3.47%	3.59%
5 Year Treasury	4.54%	4.49%	3.73%	3.65%
10 Year Treasury	4.78%	4.75%	4.18%	4.17%
30 Year Treasury	5.24%	5.25%	4.84%	4.86%
US Aggregate	5.04%	5.01%	4.32%	4.38%
US Corporate	5.54%	5.49%	4.81%	4.84%
US Corporate High Yield	7.37%	7.27%	6.53%	6.74%
US Municipal	4.07%	3.98%	3.60%	3.86%
US Municipal High Yield	5.74%	5.67%	5.59%	5.86%

Spreads Over 10-Year US Treasuries

Date	9/4/2026	8/31/2026	12/31/2025	9/4/2025
30 Year Treasury	0.46%	0.50%	0.66%	0.69%
US Aggregate	0.26%	0.26%	0.14%	0.21%
US Corporate	0.76%	0.74%	0.63%	0.67%
US Corporate High Yield	2.59%	2.52%	2.35%	2.57%
US Municipal	-0.71%	-0.77%	-0.58%	-0.31%
US Municipal High Yield	0.96%	0.92%	1.41%	1.69%

Source: Bloomberg and U.S. Treasury as of September 4, 2026

Equity Markets Overview

- US equities posted a mixed and largely flat performance for the week. Gains in technology and energy sectors were offset by broad weakness in cyclical and rate-sensitive sectors as rising yields and geopolitical uncertainty weighed on markets.
- Technology stocks carried the market for much of the week following Broadcom's strong earnings and bullish AI semiconductor outlook.
- Energy was the top-performing sector, benefiting from the sharp rally in crude oil prices, while Information Technology was the second-best performer, supported by AI-related optimism.
- Consumer Discretionary was the worst-performing sector partly due to a sharp drop in Lululemon shares, while Materials also lagged as rising yields and a stronger dollar weighed on commodity-linked equities.
- Q2 earnings results show of reported S&P 500 companies roughly 57% beat earnings estimates with blended year-over-year EPS growth tracking at over 20%.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
All-Cap	S&P 1500	0.1%	13.9%	20.6%	12.4%
Large-Cap	S&P 500	0.1%	13.7%	21.2%	12.8%
	S&P 500 Growth	0.4%	14.4%	25.8%	13.2%
	S&P 500 Value	-0.2%	12.7%	15.7%	11.7%
Mid-Cap	S&P Midcap 400	0.2%	15.5%	14.0%	8.2%
	S&P Midcap 400 Growth	-0.1%	17.5%	15.0%	7.4%
	S&P Midcap 400 Value	0.5%	13.5%	13.1%	8.8%
Small-Cap	S&P Smallcap 600	-0.1%	21.5%	14.5%	7.0%
	S&P Smallcap 600 Growth	-0.3%	21.2%	14.4%	5.8%
	S&P Smallcap 600 Value	0.1%	21.8%	14.5%	8.1%
Int'l.	MSCI ACWI ex-USA	0.0%	17.4%	20.2%	9.2%
	MSCI EM	0.3%	24.6%	22.8%	8.2%

Source: Bloomberg as of September 4, 2026

Alternative Markets Overview

- Commodity markets were dominated by a sharp surge in energy prices, while gold retreated modestly and digital assets gained ground over the week.
- WTI crude oil recorded its largest weekly gain since late July, as escalation of US-Iran hostilities increased fears of prolonged disruptions to shipping through the Strait of Hormuz.
- Gold prices fell 1.2% over the week as the stronger-than-expected jobs report and rising rate-hike expectations lifted real yields and reduced the appeal of the non-yielding metal.
- Bitcoin gained nearly 3% over the week, outperforming most traditional asset classes as digital assets benefited from improved risk sentiment mid-week.

Name	1W	YTD	3Y (Ann.)	5Y (Ann.)
S&P GSCI	4.3%	52.1%	17.8%	18.0%
S&P GSCI Crude Oil Spot	9.7%	59.3%	2.3%	5.7%
Gold	-1.2%	3.1%	31.5%	19.5%
FTSE All Equity NAREIT	-1.1%	14.0%	10.3%	1.8%
Bitcoin	2.9%	-8.8%	45.5%	9.8%
Ethereum	0.9%	-17.3%	14.9%	-9.0%

Source: Bloomberg as of September 4, 2026

Upcoming Week

- It is a lighter week for earnings releases as the end of the quarter approaches, two noteworthy releases include Adobe Inc. and Kroger Co.
- Similarly, it is a slimmer week for economic data leading up to next week's Fed meeting. However, the PPI and CPI reports will provide key inflation data leading into next week's rate decision.

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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