

WEEKLY MARKET COMMENTARY

April 20, 2026

WEEK IN REVIEW

This week's macro releases pointed to a still-resilient economy with pockets of persistent inflation, particularly at the producer level, alongside continued softness in housing activity. The March Producer Price Index (PPI) surprised to the upside, with headline PPI rising 0.5% month-over-month and 4.0% year-over-year, while the core measure (excluding food, energy, and trade services) increased 0.2% on the month and 3.6% year-over-year. The strength was largely driven by a sharp rebound in goods prices, particularly energy, where gasoline prices surged. From a policy perspective, this reinforces the view that inflation risks, especially from commodities, have not fully dissipated. While core trends remain more contained, the headline acceleration complicates the disinflation narrative and is unlikely to shift the Federal Reserve toward a more accommodative stance in the near term.

In energy markets, the U.S. Energy Information Administration (EIA) crude oil inventories report showed a draw of 0.9 million barrels, with total inventories remaining slightly above seasonal norms. Gasoline inventories declined more materially, suggesting steady end-user demand. The combination of modest crude draws and tighter refined product inventories points to a balanced, but not overly tight, supply-demand backdrop. For markets, this dynamic is neutral to mildly supportive of oil prices and suggests that energy will remain a variable, but not dominant, driver of inflation expectations in the near term.

The housing sector continues to reflect the impact of elevated mortgage rates. Existing home sales declined 3.6% in March to an annualized pace of 3.98 million, marking another month of subdued transaction activity. While inventory has gradually improved, it remains constrained by the "lock-in" effect, as homeowners with lower-rate mortgages are reluctant to sell. At the same time, home prices continue to show modest year-over-year gains, underscoring the imbalance between supply and demand. From a macro standpoint, housing remains a drag on growth rather than a source of incremental momentum.

Overall, the week's data reinforces a "stable but constrained" macro environment: inflation pressures are not fully resolved, energy remains a swing factor, and interest-rate-sensitive sectors continue to underperform.

ECONOMIC AND CAPITAL MARKETS DASHBOARD

Broad Market Indices	1-week	1-month	3-month	YTD
Stock Market (Total Return)				
S&P 500	4.55%	6.19%	2.99%	4.47%
Dow Jones 30	3.19%	5.28%	0.59%	3.35%
NASDAQ	6.84%	8.89%	4.22%	5.46%
Russell 1000 Growth	6.72%	7.39%	1.37%	0.80%
Russell 1000 Value	2.41%	4.82%	4.19%	8.51%
Russell 2000	5.57%	10.30%	4.02%	12.26%
Wilshire 5000	4.59%	6.41%	2.92%	4.94%
MSCI EAFE Index	1.31%	4.62%	3.03%	7.51%
MSCI Emerging Market Index	2.97%	6.15%	7.91%	14.75%
VIX	-9.10%	-21.86%	10.21%	16.92%
FTSE NAREIT All Equity REITs	3.63%	4.76%	8.08%	13.11%
S&P U.S. Aggregate Bond Index	0.52%	0.47%	0.86%	0.92%
Interest Rates	4/17/2026	4/10/2026	4/2/2026	3/27/2026
3-month T-bill Yield (%)	3.69	3.68	3.69	3.70
10-year Treasury Yield (%)	4.24	4.32	4.30	4.43
10Y-2Y Treasury Spread (%)	0.54	0.52	0.51	0.53
30-year Fixed Mortgage Rate (%)	6.41	6.51	6.50	6.50
Commodities				
WTI Crude (\$/bl)	94.71	98.34	113.23	101.26
Gold (\$/Troy Oz)	4,870.50	4,773.75	4,639.35	4,504.15
Bitcoin	77,221.01	72,987.54	66,944.67	66,389.97

Weekly Indicators	4/17/2026	4/10/2026	4/2/2026	3/27/2026
Employment				
Initial Unemployment Claims (000's)	-	207.00	218.00	203.00

Quarterly Data	3/31/2026	12/31/2025	9/30/2025	6/30/2025
Output				
Real GDP Growth (%q/q, saar)	-	0.50	4.40	3.80
Private Consumption (%q/q, saar)	-	1.90	3.50	2.50

Monthly Indicators	3/31/2026	2/27/2026	1/30/2026	12/31/2025
Consumption				
Consumer Expenditures (%m/m, sa)	-	0.48	0.31	0.42
Retail Sales (%m/m, sa)	-	0.63	-0.09	0.06
Personal Savings Rate (%)	-	4.00	4.50	3.90
Labor				
Civilian Unemployment Rate (%)	4.30	4.40	4.30	4.40
Nonfarm Employment (Chg, 000's)	178	-133	160	-17
Real Average Hourly Earnings (%y/y)	0.10	1.22	1.34	1.16
JOLTS Job Openings (000's)	-	6882	7240	6550
Inflation				
Consumer Price Index (CPI) (%m/m, sa)	0.87	0.27	0.17	0.30
Core CPI (%m/m, sa)	0.20	0.22	0.30	0.23
Producer Price Index (PPI) (%m/m, sa)	0.51	0.50	0.55	0.38
Core PPI (%m/m, sa)	0.25	0.32	0.70	0.40
Personal Consumption Expenditures (PCE) (%m/m, sa)	-	0.38	0.30	0.33
Core PCE (%m/m, sa)	-	0.37	0.39	0.33
Output and Capacity				
Industrial Production (%m/m, sa)	-0.54	0.74	-0.02	0.52
Mfg New Orders (%m/m, sa)	-	0.04	0.03	-0.44
Durable New Orders (%m/m, sa)	-	-1.28	-0.43	-0.91
Durable Inventories (%m/m, sa)	-	0.13	0.25	0.24
Survey Data and Composite Indicators				
Consumer Confidence (CB, 1985=100)	91.80	91.00	89.00	94.20
ISM Manufacturing Report (%)	52.70	52.40	52.60	47.90
ISM Non-Manufacturing Report (%)	54.00	56.10	53.80	53.80
Leading Economic Index (%m/m)	-	-	-0.10	-0.20
Housing and Construction				
Building Permits (Mil. of Units, saar)	-	-	1.39	1.46
Housing Starts (Mil. of Units, saar)	-	-	1.49	1.39
New Home Sales (Mil. of Units, saar)	-	-	0.59	0.71

WEEK AHEAD

In the week ahead, market attention will turn to key indicators of consumer demand and business activity, which will help shape expectations around the durability of economic growth. On Tuesday, retail sales will provide a critical read on the health of the U.S. consumer. A firm print would suggest that spending remains resilient despite elevated borrowing costs, supporting the case for continued economic expansion and potentially delaying expectations for policy easing. Conversely, a softer outcome would indicate that higher rates are beginning to weigh more meaningfully on household demand, reinforcing a more cautious growth outlook.

On Thursday, the preliminary Manufacturing Purchasing Managers' Index (PMI) and Services PMI releases will offer timely insight into business conditions across the goods-producing and services sectors. The manufacturing survey will be closely watched for signs of stabilization following a prolonged period of weakness, while the services index will serve as a key gauge of underlying domestic demand and inflation persistence. Strength across both measures would reinforce the narrative of economic resilience, while any broad-based softening could signal emerging cracks in activity and support a shift toward a more dovish policy outlook.

Taken together, next week's data will be central in assessing whether the economy continues to exhibit resilience under restrictive financial conditions or is beginning to transition toward a slower growth trajectory.

DISCLOSURES AND DEFINITIONS

Economic Indicators:

1. CPI: Consumer Price Index measures the average change in prices paid by consumers for goods and services over time. Source: Bureau of Labor Statistics.
2. Core CPI: Core Consumer Price Index excludes food and energy prices to provide a clearer picture of long-term inflation trends. Source: Bureau of Labor Statistics.
3. PPI: Producer Price Index measures the average change in selling prices received by domestic producers for their output. Source: Bureau of Labor Statistics.
4. Core PPI: Core Producer Price Index excludes food and energy prices to provide a clearer picture of long-term inflation trends. Source: Bureau of Labor Statistics.
5. PCE: Personal Consumption Expenditures measure the average change in prices paid by consumers for goods and services. Source: Bureau of Economic Analysis.
6. Core PCE: Core Personal Consumption Expenditures exclude food and energy prices to provide a clearer picture of long-term inflation trends. Source: Bureau of Economic Analysis.
7. Industrial Production: Measures the output of the industrial sector, including manufacturing, mining, and utilities. Source: Federal Reserve.
8. Mfg New Orders: Measures the value of new orders placed with manufacturers for durable and non-durable goods. Source: Census Bureau.
9. Durable New Orders: Measures the value of new orders placed with manufacturers of durable goods. Source: Census Bureau.
10. Durable Inventories: Measures the value of inventories held by manufacturers for durable goods. Source: Census Bureau.
11. Consumer Confidence (CB, 1985=100): Measures the degree of optimism that consumers feel about the overall state of the economy and their personal financial situation. Source: Conference Board.
12. ISM Manufacturing Report: Measures the economic health of the manufacturing sector based on surveys of purchasing managers. Source: Institute for Supply Management.
13. ISM Non-Manufacturing Report: Measures the economic health of the non-manufacturing sector based on surveys of purchasing managers. Source: Institute for Supply Management.
14. Leading Economic Index: Measures overall economic activity and predicts future economic trends. Source: Conference Board.
15. Building Permits (Mil. of Units, saar): Measures the number of new residential building permits issued. Source: Census Bureau.
16. Housing Starts (Mil. of Units, saar): Measures the number of new residential construction projects that have begun. Source: Census Bureau.
17. New Home Sales (Mil. of Units, saar): Measures the number of newly constructed homes sold. Source: Census Bureau.
18. SA: Seasonally adjusted.
19. SAAR: Seasonally adjusted annual rate.

Market Indices & Indicators:

1. S&P 500: A market-capitalization-weighted index of 500 leading publicly traded companies in the U.S., widely regarded as one of the best gauges of large U.S. stocks and the stock market overall.
2. Dow Jones 30: Also known as the Dow Jones Industrial Average, it tracks the share price performance of 30 large, publicly traded U.S. companies, serving as a barometer of the stock market and economy.
3. NASDAQ: The world's first electronic stock exchange, primarily listing technology giants and operating 29 markets globally.
4. Russell 1000 Growth: Measures the performance of large-cap growth segment of the U.S. equity universe, including companies with higher price-to-book ratios and growth metrics.
5. Russell 1000 Value: Measures the performance of large-cap value segment of the U.S. equity universe, including companies with lower price-to-book ratios and growth metrics.
6. Russell 2000: A market index composed of 2,000 small-cap companies, widely used as a benchmark for small-cap mutual funds.
7. Wilshire 5000: A market-capitalization-weighted index capturing the performance of all American stocks actively traded in the U.S., representing the broadest measure of the U.S. stock market.
8. MSCI EAFE Index: An equity index capturing large and mid-cap representation across developed markets countries around the world, excluding the U.S. and Canada.
9. MSCI Emerging Market Index: Captures large and mid-cap representation across emerging markets countries, covering approximately 85% of the free float-adjusted market capitalization in each country.
10. VIX: The CBOE Volatility Index measures the market's expectations for volatility over the coming 30 days,

often referred to as the «fear gauge.»

11. FTSE NAREIT All Equity REITs: Measures the performance of all publicly traded equity real estate investment trusts (REITs) listed in the U.S., excluding mortgage REITs.
12. S&P U.S. Aggregate Bond Index: Represents the performance of the U.S. investment-grade bond market, including government, corporate, mortgage-backed, and asset-backed securities.
13. 3-Month T-bill Yield (%): The yield on U.S. Treasury bills with a maturity of three months, reflecting short-term interest rates.
14. 10-Year Treasury Yield (%): The yield on U.S. Treasury bonds with a maturity of ten years, reflecting long-term interest rates.
15. 10Y-2Y Treasury Spread (%): The difference between the yields on 10-year and 2-year U.S. Treasury bonds, often used as an indicator of economic expectations.
16. WTI Crude (\$/bbl): The price per barrel of West Texas Intermediate crude oil, a benchmark for U.S. oil prices.
17. Gold (\$/Troy Oz): The price per troy ounce of gold, a standard measure for gold prices.
18. Bitcoin: A decentralized digital currency without a central bank or single administrator, which can be sent from user to user on the peer-to-peer bitcoin network.

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The Dow Jones Industrial Average (DJIA) is a price-weighted index composed of 30 widely traded blue-chip U.S. common stocks. The S&P 500 is a market-cap weighted index composed of the common stocks of 500 leading companies in leading industries of the U.S. economy. The NASDAQ Composite Index is a market-value weighted index of all common stocks listed on the NASDAQ stock exchange.

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