WEEKLY MARKET COMMENTARY

August 24, 2026

WEEK IN REVIEW

The week's economic data suggested the economy continues to grow at a moderate pace, while labor market conditions remained resilient and Federal Reserve policymakers maintained a cautious stance on inflation. Market attention centered on the release of the July Federal Open Market Committee (FOMC) meeting minutes, crude oil inventories, jobless claims, and business activity surveys.

On Wednesday, the Federal Open Market Committee released the minutes from its July meeting, where policymakers left rates unchanged at 3.50%–3.75%. The minutes showed officials generally viewed inflation as moving in the right direction but remained cautious about easing policy prematurely. The discussion reinforced the Fed's data-dependent approach ahead of the September meeting.

Also on Wednesday, the U.S. Energy Information Administration released its weekly crude oil inventory report. Crude oil inventories increased by 4.4 million barrels, significantly above expectations for a 0.2-million-barrel increase. The larger than expected build suggested near-term oil supplies were more ample than anticipated, helping ease some concerns about energy-driven inflation despite crude oil prices remaining elevated.

On Thursday, initial jobless claims fell to 206,000 from the prior week's revised 212,000 reading. The decline suggested layoffs remain limited despite evidence of moderating economic growth. Continuing claims rose to 1.799 million, indicating hiring conditions may be becoming more selective, though overall labor market conditions remain stable.

The week concluded with the release of the August Flash Purchasing Managers' Indexes (PMI). The Services PMI increased to 56.8 from 54.6, marking its highest reading since December 2024, while the Manufacturing PMI slipped to 53.2 from 53.9, a five-month low. The strength in the services sector more than offset slower manufacturing activity, lifting the Composite PMI to 56.0 from 54.5, its highest level since April 2022. The report suggested economic activity accelerated during August despite the headwinds from elevated interest rates and restrictive financial conditions.

Overall, the week's data reinforced the view that the economy is gradually cooling but remains on solid footing. Inflation pressures continue to moderate, labor market conditions remain healthy, and business activity continues to expand, supporting expectations that the Federal Reserve will closely monitor incoming data before making any further policy adjustments.

ECONOMIC AND CAPITAL MARKETS DASHBOARD

Broad Market Indices	1-week	1-month	3-month	YTD
Stock Market (Total Return)				
S&P 500	-1.39%	2.30%	3.36%	12.95%
Dow Jones 30	-0.78%	2.14%	6.36%	11.96%
NASDAQ	-2.02%	1.39%	-0.29%	13.07%
Russell 1000 Growth	-2.31%	0.87%	-1.70%	3.77%
Russell 1000 Value	-0.50%	4.00%	10.02%	23.34%
Russell 2000	-1.60%	1.13%	6.46%	22.48%
Wilshire 5000	-1.34%	2.41%	3.92%	13.55%
MSCI EAFE Index	-1.13%	2.00%	6.07%	14.57%
MSCI Emerging Market Index	0.54%	2.32%	2.08%	24.40%
VIX	6.18%	-11.26%	-9.73%	1.20%
FTSE NAREIT All Equity REITs	-0.36%	-1.76%	2.21%	16.74%
S&P U.S. Aggregate Bond Index	-0.10%	-0.04%	0.20%	0.00%
Interest Rates	**8/21/2026**	**8/14/2026**	**8/7/2026**	**7/31/2026**
3-month T-bill Yield (%)	3.80	3.79	3.80	3.76
10-year Treasury Yield (%)	4.73	4.69	4.64	4.71
10Y-2Y Treasury Spread (%)	0.50	0.52	0.45	0.44
30-year Fixed Mortgage Rate (%)	6.72	6.76	6.78	6.73
Commodities				
WTI Crude ($/bl)	87.07	83.99	79.77	86.16
Gold ($/Troy Oz)	4,582.10	4,390.70	4,335.55	4,026.60
Bitcoin	78,180.58	62,977.35	64,879.59	62,818.68

Weekly Indicators	8/21/2026	8/14/2026	8/7/2026	7/31/2026
Employment				
Initial Unemployment Claims (000's)	-	206.00	212.00	200.00

Quarterly Data	6/30/2026	3/31/2026	12/31/2025	9/30/2025
Output				
Real GDP Growth (%q/q, saar)	1.50	2.10	0.50	4.40
Private Consumption (%q/q, saar)	3.20	0.50	1.90	3.50

Monthly Indicators	7/31/2026	6/30/2026	5/29/2026	4/30/2026
Consumption				
Consumer Expenditures (%m/m, sa)	-	0.29	0.85	0.54
Retail Sales (%m/m, sa)	-0.75	0.22	0.88	0.62
Personal Savings Rate (%)	-	2.70	2.80	3.00
Labor				
Civilian Unemployment Rate (%)	4.10	4.20	4.30	4.30
Nonfarm Employment (Chg, 000's)	-23	20	63	148
Real Average Hourly Earnings (%y/y)	-0.09	-0.11	-0.61	-0.11
JOLTS Job Openings (000's)	-	7359	7537	7585
Inflation				
Consumer Price Index (CPI) (%m/m, sa)	0.07	-0.42	0.47	0.64
Core CPI (%m/m, sa)	0.22	-0.02	0.21	0.38
Producer Price Index (PPI) (%m/m, sa)	-0.03	-0.11	0.45	1.09
Core PPI (%m/m, sa)	0.13	0.16	0.77	0.70
Personal Consumption Expenditures (PCE) (%m/m, sa)	-	-0.11	0.46	0.41
Core PCE (%m/m, sa)	-	0.13	0.33	0.25
Output and Capacity				
Industrial Production (%m/m, sa)	0.20	0.27	-0.01	0.75
Mfg New Orders (%m/m, sa)	-	-0.35	-1.06	5.25
Durable New Orders (%m/m, sa)	-	0.47	-4.00	8.51
Durable Inventories (%m/m, sa)	-	0.34	0.15	0.32
Survey Data and Composite Indicators				
Consumer Confidence (CB, 1985=100)	90.80	92.20	90.60	93.80
ISM Manufacturing Report (%)	55.60	53.30	54.00	52.70
ISM Non-Manufacturing Report (%)	54.10	54.00	54.50	53.60
Leading Economic Index (%m/m)	0.20	-0.10	0.20	0.20
Housing and Construction				
Building Permits (Mil. of Units, saar)	1.44	1.37	1.41	1.42
Housing Starts (Mil. of Units, saar)	1.24	1.42	1.18	1.41
New Home Sales (Mil. of Units, saar)	-	0.63	0.62	0.65

WEEK AHEAD

The week ahead will have multiple economic releases, with markets focused on consumer confidence, business investment, economic growth, and inflation. Investors will be looking for further evidence that inflation continues to moderate while the economy remains on stable footing.

On Tuesday, Consumer Confidence and New Home Sales will provide updates on household sentiment and housing market activity. The reports will help gauge how consumers are responding to elevated borrowing costs and whether housing demand is continuing to hold up despite affordability challenges.

Wednesday’s focus will be on Durable Goods Orders, the second estimate of second-quarter Gross Domestic Product (GDP), Personal Income and Outlays, and the Personal Consumption Expenditures (PCE) Price Index. As the Federal Reserve’s preferred measure of inflation, PCE will be closely watched for signs that price pressures continue to trend lower. Durable goods orders will also provide insight into business investment and manufacturing demand.

On Thursday, initial jobless claims will provide another update on labor market conditions. Claims have remained near historically low levels, and investors will be watching for signs that employment conditions are beginning to soften.

The week will also feature the Federal Reserve’s annual Jackson Hole Economic Symposium. Investors will closely monitor remarks from Fed Chair Kevin Warsh and other policymakers for clues regarding the outlook for inflation, economic growth, and monetary policy ahead of the September FOMC meeting.

Overall, inflation data and Jackson Hole commentary are likely to be the primary drivers of market sentiment. With Treasury yields remaining elevated and investors closely watching the outlook for Federal Reserve policy, the week’s releases could play an important role in shaping expectations for the remainder of 2026.

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 ($/bl): The price per barrel of West Texas Intermediate crude oil, a benchmark for U.S. oil prices.
17. Gold ($/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.

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.