WEST SHORE BANK

WEEKLY RECAP - November 9, 2026

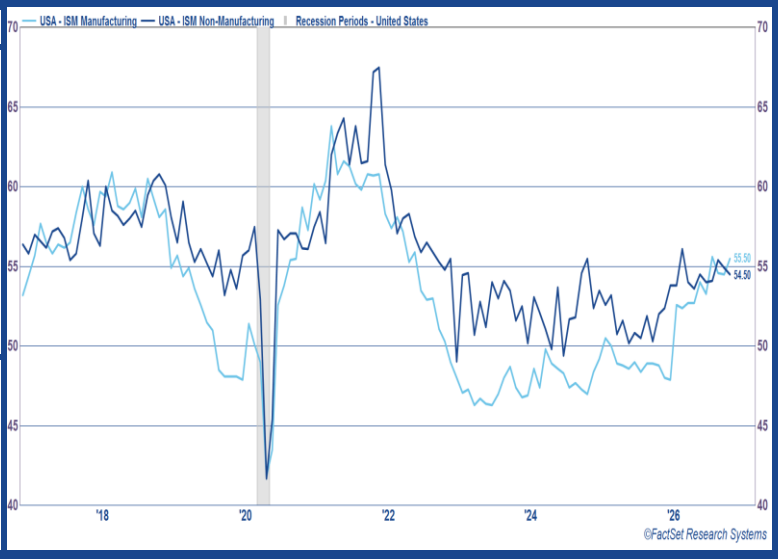
Economic & Market Commentary

Stocks declined in a volatile week as investors navigated post-election uncertainty and renewed scrutiny of the artificial intelligence trade. Selling pressure was most pronounced among technology and AI-related companies, where questions surrounding elevated valuations, significant capital spending, and the timing of returns on AI investment weighed on sentiment. The pullback contributed to broader market weakness as investors reassessed some of the leadership that has driven equity returns. Energy markets were also under pressure as oil prices posted their largest weekly decline since April falling from $100 to $90. The decline reflected shifting expectations around global supply and demand and could provide some relief to inflationary pressures if sustained. Despite the volatility in financial markets, incoming economic data continued to point to underlying strength in the U.S. economy. The ISM survey data remained in expansionary territory, while October nonfarm payrolls increased much more than expected (165,000 vs 65,000), reinforcing the view that economic growth and labor demand remain resilient. The stronger employment report increased expectations for a December Federal Reserve rate hike as investors weighed continued economic strength against the outlook for inflation. Corporate fundamentals provided another constructive signal. With approximately 80% of S&P 500 companies having reported, third-quarter earnings growth stands near 30%, highlighting strong profit growth despite concerns surrounding valuations and investment spending. Taken together, the week illustrated a divergence between market sentiment and underlying fundamentals. Post-election uncertainty and a sharp reassessment of the AI trade drove volatility, while economic activity, employment, and corporate earnings continued to indicate a generally healthy fundamental backdrop.

Index Total Returns - November 6, 2026

	1-Wk	YTD	1-Yr
Russell 2000	-2.03	12.05	15.27
S&P 400	-1.61	10.17	13.87
MSCI-Emerging	-4.08	8.83	9.99
S&P 500	-2.67	8.78	11.05
Dow Jones	-0.94	8.06	11.09
MSCI-Developed	-1.84	7.50	11.90
NASDAQ	-3.37	6.25	7.25
Barclay's U.S. Bond Index			
5-year Muni	0.57	1.11	1.55
High Yield	0.40	0.80	2.20
Municipal	0.92	0.43	0.68
Int. Gov. Credit	0.29	0.40	1.05
Aggregate	0.40	-0.15	0.27

ISM Manufacturing and Service Activity



U.S. Treasury Yields

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	4.32	4.36	3.65
U.S. 2-Yr	4.52	4.57	3.56
U.S. 3-Yr	4.58	4.64	3.57
U.S. 5-Yr	4.65	4.70	3.69
U.S. 10-Yr	4.86	4.91	4.09
U.S. 30-Yr	5.26	5.29	4.68

Municipal Yields - Bloomberg/Barclays Index

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	3.91	4.04	3.42
U.S. AA	3.98	4.11	3.44
U.S. A	4.31	4.44	3.82
U.S. Baa	4.84	4.93	4.45
U.S. Municipal	4.09	4.21	3.57
Michigan	4.17	4.27	3.73

S&P 500 Sector Total Returns - November 6, 2026

Sector	1-Wk	YTD	1-Yr
Energy	-11.88	40.92	44.69
Health Care	-0.07	20.93	28.89
Consumer Staples	0.97	19.44	22.84
Materials	-0.44	15.46	24.02
Real Estate	1.89	12.75	12.87
Info Tech	-6.93	11.36	10.65
Industrials	-2.83	5.80	7.92
Financials	1.14	5.72	10.88
Utilities	-0.68	3.24	0.39
Con. Discretion	2.68	0.51	0.47
Comm. Services	2.26	-9.31	-3.62

Index Characteristics	P/E NTM	P/E NTM 10yr-Avg.	Dividend Yield
S&P 500 - Large Cap	17.94	19.56	1.06
S&P 400 - Mid Cap	14.24	16.33	1.35
S&P 600 - Small Cap	13.70	16.63	1.51

Sources: FactSet, FactSet Earnings Insight