



**Economic & Market Commentary**

Equity markets finished the week with modest gains, though the path higher was anything but smooth as volatility was high. Markets experienced wide swings driven largely by geopolitical developments, while underlying economic data and earnings trends continued to provide support. The primary driver of volatility was the ongoing Iran conflict, which influenced both energy markets and investor sentiment. Early in the week, escalating uncertainty led to increased market swings as oil prices moved higher and concerns around global supply disruption intensified. However, sentiment improved later in the week following reports of a memorandum of understanding (MOU), which proved true as an agreement was reached on Sunday. As has been seen in recent periods, markets reacted quickly to incremental developments, ultimately finishing the week on a more constructive note. From an economic perspective, May CPI and PPI inflation data came in largely in line with expectations, with softer core readings offset by still elevated headline figures driven primarily by energy prices. This dynamic reinforces the view that while underlying inflation may be stabilizing, external factors—particularly energy—continue to influence the broader inflation outlook. Corporate fundamentals remained supportive, as the earnings growth theme continues to hold, providing a key anchor for equity markets. Strong results and ongoing contributions from growth-oriented sectors, particularly those tied to structural trends, have helped maintain market resilience despite macro uncertainty. Indeed, S&P 500 1Q26 earnings grew +21.9% y/y and full-year 2026 earnings are estimated to grow +23.2% y/y, trending up almost ten points over the past few months. This week the focus will shift towards monetary policy, as the new Federal Reserve Chair is set to lead his first FOMC meeting this week. Expectations are for no change in rates, though the tone and guidance around inflation and policy trajectory will be closely watched given recent developments.

**Index Total Returns - June 12, 2026**

	1-Wk	YTD	1-Yr
MSCI-Emerging	0.02	23.21	45.34
Russell 2000	3.93	19.22	39.31
S&P 400	2.81	15.51	26.04
NASDAQ	0.71	11.71	32.49
S&P 500	0.66	9.15	24.44
MSCI-Developed	0.97	8.90	20.22
Dow Jones	0.68	7.36	21.18
<b>Barclay's U.S. Bond Index</b>			
High Yield	0.45	1.71	6.97
Municipal	-0.12	1.62	6.80
5-year Muni	-0.06	0.78	4.05
Aggregate	0.52	0.35	4.47
Int. Gov. Credit	0.38	0.21	3.78

**Consumer Price Index - CPI**



**U.S. Treasury Yields**

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	3.85	3.84	4.05
U.S. 2-Yr	4.08	4.16	3.90
U.S. 3-Yr	4.13	4.22	3.86
U.S. 5-Yr	4.21	4.28	3.96
U.S. 10-Yr	4.48	4.54	4.35
U.S. 30-Yr	4.97	5.01	4.84

**S&P 500 Sector Total Returns - June 12, 2026**

Sector	1-Wk	YTD	1-Yr
Energy	-0.35	28.73	37.00
Info Tech	0.53	17.77	42.02
Materials	3.00	13.99	18.87
Industrials	1.14	13.97	24.21
Real Estate	1.45	13.93	12.42
Consumer Staples	2.59	11.43	8.34
Utilities	0.42	5.09	11.90
Comm. Services	-1.86	3.09	28.68
Health Care	0.54	-0.18	14.50
Con. Discretion	0.73	-1.54	10.73
Financials	2.04	-2.05	6.29

**Municipal Yields - Bloomberg/Barclays Index**

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	3.50	3.47	3.83
U.S. AA	3.53	3.50	3.90
U.S. A	3.88	3.85	4.29
U.S. Baa	4.44	4.43	4.79
U.S. Municipal	3.65	3.62	4.02
Michigan	3.77	3.77	4.18

Index Characteristics	P/E	P/E NTM	Dividend
	NTM	10yr-Avg.	Yield
S&P 500 - Large Cap	20.76	19.40	1.04
S&P 400 - Mid Cap	16.44	16.40	1.20
S&P 600 - Small Cap	15.86	16.63	1.39