Weekly Market Recap

The week in review

- ISM Services PMI fell to 54.0
- The trade deficit widened to $77.6bn

The week ahead

- CPI
- PPI
- Consumer Sentiment

Thought of the week

In a short and sweet statement, the FOMC left rates unchanged at 3.50% - 3.75% at their June meeting. Despite this decision and some expected easing in inflation, markets are still pricing in a 55% chance of a hike at the September meeting and pricing in at least one hike by the end of this year. That view likely reflects the hawkishly skewed June dot plot and was reinforced by the meeting minutes, which showed an upward revision to the inflation outlook, with inflation now expected to remain above 2% until the end of 2028. Officials also flagged AI-related spending as a potential source of current and future inflationary pressure.

While the committee seems hawkish, it is worth remembering that only 12 of the 19 FOMC participants who normally submit dot plots have voting power. Notably, Fed Chair Kevin Warsh holds voting power but did not submit a dot plot in June, consistent with his push for a shift in Fed communications. While the dot plot does not identify individual participants, this week's chart uses recent speeches on growth, labor and inflation to show that the voting members of the committee currently skew more dovish than nonvoting members. Our analysis suggests the majority sit firmly in the hold or cut camp, which points to a potential disconnect with market pricing for hikes.

As investors weigh the Fed's next move, paying attention to the outlook of the voting members of the committee can provide more helpful context than the dot plot alone.

Please see important disclosures on next page.

Weekly Data Center

		Index Returns (%)						Index Characteristics			
Equities	**Level**	**1 week**	**QTD**	**YTD**	**1 year**	**3-yr. Cum.**		**NTM P/E**	**P/B**	**Div. Yld.**	**Mkt. Cap (bn)**
S&P 500	7575	1.26	1.05	11.36	22.07	78.87		20.53	5.23	1.02	65108
Dow Jones 30	52637	-0.48	0.64	10.46	19.85	63.73		20.44	5.58	1.53	24457
Russell 2000	7401	-0.60	-1.52	20.71	33.20	63.70		25.79	2.11	1.15	3085
Russell 1000 Growth	3300	2.20	-0.24	5.08	16.26	85.65		24.97	12.18	0.38	33541
Russell 1000 Value	1499	-0.02	1.80	18.33	27.37	67.02		17.64	3.19	1.61	36163
MSCI EAFE	3125	-1.37	0.30	10.17	20.65	63.83		15.51	2.27	2.51	21631
MSCI EM	1691	-1.73	-1.70	21.91	40.47	86.53		11.15	2.33	1.65	12127
NASDAQ	26282	1.74	0.27	13.44	28.17	96.06		25.70	7.03	0.48	45891

Fixed Income	Yield	1 week	QTD	YTD	1 year	3-yr. Cum.
U.S. Aggregate	4.84	-0.44	-0.58	0.04	3.61	13.43
U.S. Corporates	5.32	-0.60	-0.76	0.08	3.89	17.11
Municipals (10yr)	3.47	-0.29	-0.36	0.73	5.23	10.40
High Yield	7.48	0.02	0.11	2.07	5.89	29.66

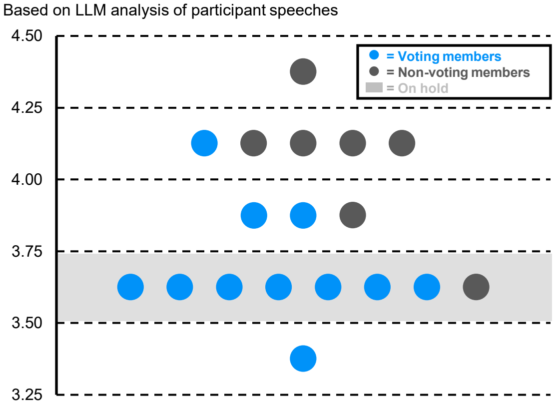
	Levels		
Currencies	**7/10/26**	**12/31/25**	**7/10/25**
$ per €	1.14	1.17	1.17
$ per £	1.34	1.35	1.36
¥ per $	161.83	156.75	146.51

	Levels (%)					
Key Rates	**7/10/26**	**7/3/26**	**6/30/26**	**12/31/25**	**7/10/25**	**7/10/23**
2-yr U.S. Treasuries	4.21	4.14	4.14	3.47	3.86	4.85
10-yr U.S. Treasuries	4.56	4.49	4.44	4.18	4.35	4.01
30-yr U.S. Treasuries	5.06	4.98	4.91	4.84	4.86	4.05
10-yr German Bund	3.07	2.93	2.86	2.86	2.70	2.64
SOFR	3.53	3.64	3.68	3.87	4.31	5.06
3-mo. EURIBOR	2.41	2.32	2.32	2.03	2.00	3.66
6-mo. CD rate	1.81	1.82	1.83	1.88	1.88	2.16
30-yr fixed mortgage	6.56	6.57	6.55	6.25	6.73	7.37
Prime Rate	6.75	6.75	6.75	6.75	7.50	8.25

	Levels		
Commod.	**7/10/26**	**12/31/25**	**7/10/25**
Oil (WTI)	72.10	57.26	67.78
Gasoline	3.78	2.81	3.13
Natural Gas	3.01	4.00	3.11
Gold	4099	4368	3313
Silver	59.35	71.99	36.81
Copper	13409	12504	9752
Corn	4.44	4.37	4.12
BBG Idx	325.64	276.25	254.79

Chart of the Week

June FOMC dots assigned to voting and non-voting participants
Based on LLM analysis of participant speeches



Style Returns

1 Week

	V	B	G
L	0.0	1.3	2.2
M	-0.3	-0.3	-0.3
S	-0.6	-0.6	-0.6

YTD

	V	B	G
L	18.3	11.4	5.1
M	18.2	14.9	4.4
S	22.3	20.7	19.3

S&P 500 Sector Returns

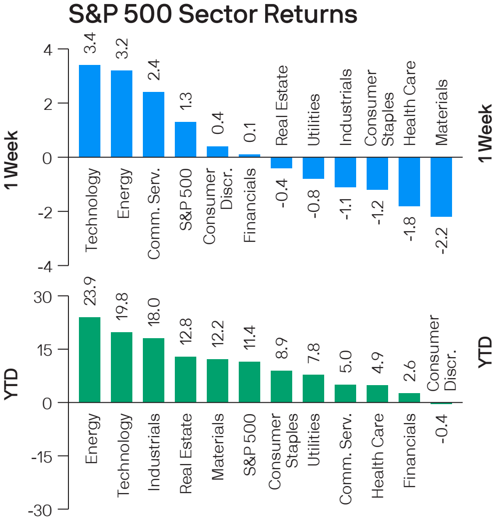


Chart of the Week: Source: J.P. Morgan Asset Management. Output derived by machine learning's assessment of recent Fed speech, public remarks and dissents. Assessment is based on a qualitative judgement of each committee member's stance on growth, inflation and labor markets, and thus an assumed view of near-term policy changes.

Thought of the week: Source: J.P. Morgan Asset Management. Assessment is based on a qualitative judgement of each committee member's stance on growth, inflation and labor markets, and thus an assumed view of near-term policy changes.

Abbreviations: Cons. Sent.: University of Michigan Consumer Sentiment Index; CPI: Consumer Price Index; EIA: Energy Information Agency; FHFA HPI: - Federal Housing Finance Authority House Price Index; FOMC: Federal Open Market Committee; GDP: gross domestic product; HPI: Home Price Index; HMI: Housing Market Index; ISM Mfg. Index: Institute for Supply Management Manufacturing Index; PCE: Personal consumption expenditures; Philly Fed Survey: Philadelphia Fed Business Outlook Survey; PMI: Purchasing Managers' Manufacturing Index; PPI: Producer Price Index; SAAR: Seasonally Adjusted Annual Rate

Equity Price Levels and Returns: All returns represent total return for stated period. Index: S&P 500; provided by: Standard & Poor's. Index: Dow Jones Industrial 30 (The Dow Jones is a price-weighted index composing of 30 widely-traded blue chip stocks.) ; provided by: S&P Dow Jones Indices LLC. Index: Russell 2000; provided by: Russell Investments. Index: Russell 1000 Growth; provided by: Russell Investments. Index: Russell 1000 Value; provided by: Russell Investments. Index: MSCI – EAFE; provided by: MSCI – gross official pricing. Index: MSCI – EM; provided by: MSCI – gross official pricing. Index: Nasdaq Composite; provided by: NASDAQ OMX Group.

MSCI EAFE is a Morgan Stanley Capital International Index that is designed to measure the performance of the developed stock markets of Europe, Australasia, and the Far East.

Bond Returns: All returns represent total return. Index: Bloomberg US Aggregate; provided by: Bloomberg Capital. Index: Bloomberg Investment Grade Credit; provided by: Bloomberg Capital. Index: Bloomberg Municipal Bond 10 Yr; provided by: Blomberg Capital. Index: Bloomberg Capital High Yield Index; provided by: Bloomberg Capital.

Key Interest Rates: 2 Year Treasury, FactSet; 10 Year Treasury, FactSet; 30 Year Treasury, FactSet; 10 Year German Bund, FactSet. 3 Month LIBOR, British Bankers' Association; 3 Month EURIBOR, European Banking Federation; 6 Month CD, Federal Reserve; 30 Year Mortgage, Mortgage Bankers Association (MBA); Prime Rate: Federal Reserve.

Commodities: Gold, FactSet; Crude Oil (WTI), FactSet; Gasoline, FactSet; Natural Gas, FactSet; Silver, FactSet; Copper, FactSet; Corn, FactSet. Bloomberg Commodity Index (BBG Idx), Bloomberg Finance L.P.

Currency: Dollar per Pound, FactSet; Dollar per Euro, FactSet; Yen per Dollar, FactSet.

S&P Index Characteristics: Dividend yield provided by FactSet Pricing database. Fwd. P/E is a bottom-up weighted harmonic average using First Call Mean estimates for the "Next 12 Months" (NTM) period. Market cap is a bottom-up weighted average based on share information from Compustat and price information from FactSet's Pricing database as provided by Standard & Poor's.

MSCI Index Characteristics: Dividend yield provided by FactSet Pricing database. Fwd. P/E is a bottom-up weighted harmonic average for the "Next 12 Months" (NTM) period. Market cap is a bottom-Unless otherwise stated, all data is as of July 13, 2026 or as of most recently available.

up weighted average based on share information from MSCI and Price information from FactSet's Pricing database as provided by MSCI.

Russell 1000 Value Index, Russell 1000 Growth Index, and Russell 2000 Index Characteristics: Trailing P/E is provided directly by Russell. Fwd. P/E is a bottom-up weighted harmonic average using First Call Mean estimates for the "Next 12 Months" (NTM) period. Market cap is a bottom-up weighted average based on share information from Compustat and price information from FactSet's Pricing database as provided by Russell.

Sector Returns: Sectors are based on the GICS methodology. Return data are calculated by FactSet using constituents and weights as provided by Standard & Poor's. Returns are cumulative total return for stated period, including reinvestment of dividends.

Style Returns: Style box returns based on Russell Indexes with the exception of the Large-Cap Blend box, which reflects the S&P 500 Index. All values are cumulative total return for stated period including the reinvestment of dividends. The Index used from L to R, top to bottom are: Russell 1000 Value Index (Measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values), S&P 500 Index (Index represents the 500 Large Cap portion of the stock market, and is comprised of 500 stocks as selected by the S&P Index Committee), Russell 1000 Growth Index (Measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values), Russell Mid Cap Value Index (Measures the performance of those Russell Mid Cap companies with lower price-to-book ratios and lower forecasted growth values), Russell Mid Cap Index (The Russell Midcap Index includes the smallest 800 securities in the Russell 1000), Russell Mid Cap Growth Index (Measures the performance of those Russell Mid Cap companies with higher price-to-book ratios and higher forecasted growth values), Russell 2000 Value Index (Measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values), Russell 2000 Index (The Russell 2000 includes the smallest 2000 securities in the Russell 3000), Russell 2000 Growth Index (Measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values).

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