Weekly Market Recap

The week in review

- FOMC kept rates unchanged at 3.50-3.75%
- Consumer confidence fell to 90.8 in July

The week ahead

- July jobs report
- JOLTS job openings
- Mfg. and services PMIs

Thought of the week

Last week's 2Q26 GDP report showed annualized real growth of 1.5% in 2Q26, down from 1Q26's pace of 2.1%. While consumer spending stayed elevated and business fixed investment remained strong amid the AI capex buildout, a few key areas led to the weaker print. In particular, a 11.5% q/q jump in imports, 89.4 million barrels of oil released from the Strategic Petroleum Reserve (which is counted as reduced government spending) and a $50.8bn annualized fall in private inventories all cut reported growth. However, all these factors should be temporary. The surge in imports could reflect an attempt by businesses to import goods after the IEEPA tariffs were declared illegal and before they could be fully replaced. The U.S. has reduced oil stockpiles sharply to cushion the impact of the Iran war on consumers but with the SPR now at its lowest level since 1983, this drawdown will have to end soon. Additionally, private sector inventories can't keep falling this fast.

2Q26 marked the fifth consecutive quarter of declining private inventories. However, as shown in this week's chart, these stockpiles are now at very lean levels. Indeed, the inventory/sales ratio (measured as the number of days it would take to clear the shelves) has now fallen to 67.9 days, lower than at the trough of each of the last three recessions. We don't see a recession around the corner and, consequently, expect inventory growth to return to its average pace over the last 10 years of $41.9bn. If that had occurred in the second quarter, economic growth would have been 3.06% – twice the actual reported rate. This, along with the other distortions, suggests the economy is stronger than implied by headline GDP growth and should continue to expand steadily in the quarters ahead, providing further support to risk assets.

Please see important disclosures on next page.

Weekly Data Center

Equities	Level	1 week	QTD	YTD	1 year	3-yr. Cum.	NTM P/E	P/B	Div. Yld.	Mkt. Cap (bn)
		Index Returns (%)					Index Characteristics			
S&P 500	7490	1.06	-0.06	10.14	19.56	69.90	19.59	5.15	1.03	64375
Dow Jones 30	52485	1.04	0.38	10.17	20.91	55.83	19.46	5.49	1.53	24416
Russell 2000	7285	0.05	-3.03	18.85	34.18	52.46	25.01	2.10	1.16	3018
Russell 1000 Growth	3150	0.57	-4.76	0.32	8.03	69.69	22.73	11.52	0.40	32018
Russell 1000 Value	1528	1.41	3.82	20.67	31.19	63.85	17.58	3.22	1.58	36851
MSCI EAFE	3176	2.02	1.97	12.00	24.92	58.24	15.43	2.27	2.50	21983
MSCI EM	1666	2.37	-3.03	20.27	37.06	72.34	10.44	2.28	1.69	11954
NASDAQ	25374	1.60	-3.19	9.53	20.86	80.57	22.15	6.74	0.49	44357

Fixed Income	Yield	1 week	QTD	YTD	1 year	3-yr. Cum.
U.S. Aggregate	4.98	-0.12	-1.30	-0.69	2.71	11.60
U.S. Corporates	5.46	-0.06	-1.67	-0.83	2.53	14.37
Municipals (10yr)	3.78	0.07	-1.88	-0.81	3.87	7.95
High Yield	7.68	0.18	-0.25	1.71	5.17	26.93

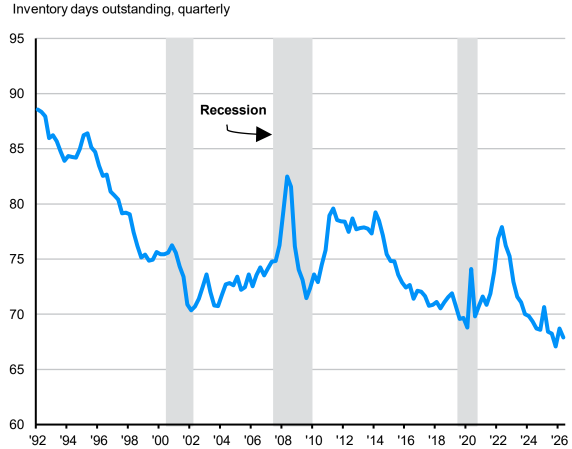
Currencies	Levels 7/31/26	12/31/25	7/31/25
$ per €	1.15	1.17	1.14
$ per £	1.35	1.35	1.32
¥ per $	159.23	156.75	150.50

Key Rates	Levels (%) 7/31/26	7/24/26	6/30/26	12/31/25	7/31/25	7/31/23
2-yr U.S. Treasuries	4.28	4.33	4.14	3.47	3.94	4.88
10-yr U.S. Treasuries	4.75	4.69	4.44	4.18	4.37	3.97
30-yr U.S. Treasuries	5.27	5.16	4.91	4.84	4.89	4.02
10-yr German Bund	3.21	3.20	2.86	2.86	2.70	2.49
SOFR	3.65	3.64	3.68	3.87	4.39	5.31
3-mo. EURIBOR	2.48	2.49	2.32	2.03	2.01	3.72
6-mo. CD rate	1.83	1.82	1.83	1.88	1.89	2.19
30-yr fixed mortgage	6.73	6.66	6.55	6.25	6.78	7.26
Prime Rate	6.75	6.75	6.75	6.75	7.50	8.50

Commod.	Levels 7/31/26	12/31/25	7/31/25
Oil (WTI)	83.56	57.26	70.36
Gasoline	4.10	2.81	3.12
Natural Gas	2.76	4.00	2.99
Gold	4027	4368	3299
Silver	57.73	71.99	36.22
Copper	13834	12504	9606
Corn	4.45	4.37	4.04
BBG Idx	339.73	276.25	250.67

Chart of the Week

Businesses continue to work through inventories, dragging down GDP.
Inventory days outstanding, quarterly



Style Returns

1 Week

	V	B	G
L	1.4	1.1	0.6
M	0.4	0.3	0.2
S	-0.1	0.1	0.2

YTD

	V	B	G
L	20.7	10.1	0.3
M	19.3	14.6	0.3
S	23.0	18.9	15.0

S&P 500 Sector Returns

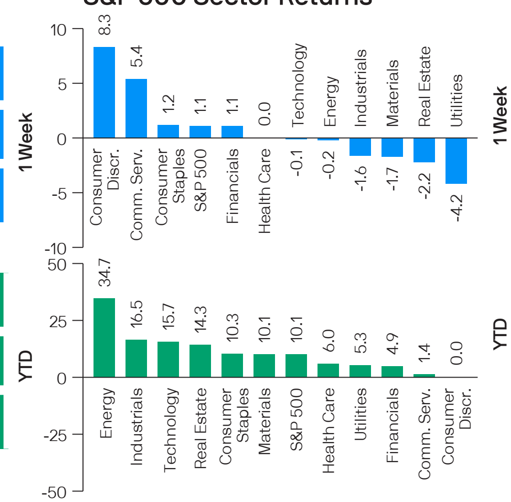


Chart of the Week: Source: BEA, J.P. Morgan Asset Management.

Thought of the week: Source: BEA, J.P. Morgan Asset Management.

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-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).

Past performance does not guarantee future results.

Diversification does not guarantee investment returns and does not eliminate the risk of loss.

Unless otherwise stated, all data is as of August 3, 2026 or as of most recently available.

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