



A WEEKLY NEWSLETTER PUBLICATION OF BECKER WEALTH MANAGEMENT LLC

## Ample volatility across energy and metals in commodities.

**K**ey drivers in the markets last week included an announcement by POTUS for the next Fed Chair to succeed Jerome Powell and a heavy dose of 4Q earnings reports.

Other items of note were a tentative short-term deal to avoid another U.S. government shutdown and reports of expanded military options regarding Iran. U.S. markets (Russell 3,000) closed unchanged on the week while weakness in the USD helped developed and emerging markets into the black. Bond yields were relatively unchanged last week but we saw ample volatility across energy and precious metals in the commodity patch.

### Financial Market Highlights

- A large slate of companies reported 4Q earnings last week putting the S&P 500 at 11.9% blended growth, another slow growth quarter from Europe (1%), and gradual improvement in emerging markets.
- RenMac made note of a softening technical backdrop with regard to momentum in the tech space as well as the relative behaviors of consumer discretionary and consumer staples, echoing some caution.
- The parabolic move in precious metals is rather bubbly with gold adding the equivalent of NVIDIA's market cap in three days and silver trading with extreme volatility.

### Economic Highlights

- Last week was a relatively quiet economic calendar consisting of a strong durable goods report on the manufacturing sector and a notable fall in the Conference Board consumer



Photo Source: www.bigstock.com

confidence survey in both current and expected conditions.

- Debt delinquencies, falling savings rates, and the sluggish labor market reinforce the idea that, in order to maintain strong personal consumption, we will need to see an increase in real income growth which has been flat since mid 2025.

### Policy Highlights

- The Fed held rates steady as expected last week, and POTUS announced Kevin Warsh as the forthcoming nominee for Fed Chair a very conventional choice of a hawkish leaning establishment candidate but with a well-documented Fed reform mindset.
- Markets are paying attention to snap elections taking place in Japan on February 8th with currency and JGB bond markets eagerly anticipating a possible FDR style revival in Japanese fiscal policy.

### Bullish Asset Allocation Narratives

- Healthy consumption with room for the consumer to re-lever and market-related wealth effects.

- AI boom including infrastructure buildouts, projected productivity gains, and earnings potential.
- Growth conducive policies including fiscal stimulus, a less restrictive Fed, and broad deregulation.
- Robust U.S. corporate earnings growth, profit margins, and forward guidance.

### Bearish Asset Allocation Narratives

- Weakening AI momentum given narrow equity market reliance, unproven ROI, and industry specific concerns (circular transactions, increased debt financing, more asset intensive business models).
- Risks to consumption due to falling savings rates, high price fatigue (cumulative inflation), firm interest rates (sluggish housing market), and cool labor markets.
- Policy uncertainty and longer-term headwinds on global trade, aggregate demand, labor supply from tariff and immigration policies along with shorter-term goods and sectoral level labor inflation.

## INSIGHT

## SUMMARY OF ECONOMIC REPORTS

Economic Report	Release	Period	Prior	Estimate Range	Consensus	Actual
Case-Shiller HPI (YoY)	1/27/26	Nov	0.4%	N/A	N/A	0.5%
Consumer Confidence	1/27/26	Jan	94.2	87.0 to 92.7	90.0	84.5
Durable Goods Orders	1/26/26	Nov	-2.1%	0.2% to 5.4%	3.0%	5.3%
PCE YoY (Headline/Core)	1/22/26	Nov	2.9% / 2.9%	2.7% to 2.8%	2.7% / 2.8%	2.8% / 2.8%
PCE MoM (Headline/Core)	1/22/26	Nov	0.2% / 0.2%	0.1% to 0.2%	0.2% / 0.2%	0.2% / 0.2%
PMI Services	1/23/26	Jan	52.9	52.3 to 54.0	52.8	52.5
PMI Manufacturing	1/23/26	Jan	52.5	52.3 to 54.0	52.8	52.5
UofM Consumer Sentiment	1/23/26	Jan	52.9	53.8 to 54.5	54.0	56.4
Pending Home Sales	1/21/26	Dec	5.7%	N/A	N/A	-9.3%
Housing Starts & Permits (M)	1/21/2026	Dec	1.25M / 1.41M	N/A	N/A	DELAYED
CPI (Headline/Core YoY)	1/13/2026	Dec	2.7% / 2.6%	2.6% to 2.8%	2.6% / 2.7%	2.7% / 2.6%
CPI (Headline/Core MoM)	1/13/2026	Nov	0.2% / 0.2%	0.2% to 0.4%	0.3% / 0.3%	0.3% / 0.2%
Industrial Production	1/16/2026	Dec	0.43%	0.1% to 0.3%	0.30	0.37%
Retail Sales (Headline/Core)	1/14/2026	Nov	0.0%	-0.5 to 0.4%	0.2% / 0.2%	0.6% / 0.4%
Housing Market Index	1/16/2026	Jan	39	37 to 40	40	37
Existing Home Sales	1/14/2026	Dec	4.1M	4.06M to 4.3.0M	4.23M	4.35M
New Home Sales	1/13/26	Oct	738K	665K to 740K	714K	737K
Payrolls (MoM)	1/9/2026	Dec	64,000	40k to 100k	55,000	50,000
Unemployment Rate	1/5/2026	Dec	4.5%	4.5% to 4.6%	4.6%	4.4%
JOLTS	1/7/2026	Nov	7.67M	7.60M to 7.734M	7.65M	7.15
ISM Services	1/7/2026	Dec	52.6	51.0 to 52.8	52.2	54.4
ISM Manufacturing	1/5/2026	Dec	48.2	48.0 to 48.8	48.3	47.9
U.S. GDP (QoQ AR)	12/23/25	Q3	3.8%	2/5% to 3.8%	3.2%	4.4%
PCE (QoQ AR)	12/23/25	Q3	2.5%	2.7% to 3.1%	2.7%	3.5%
Employment Cost Index	12/10/2025	Q3	3.60%	3.7% to 3.7%	3.7%	3.5%
NFIB Small Biz Optimism	12/9/2025	Nov	98.2	97.6 to 98.2	98.0	99.0
Personal Income	12/5/2025	Sept	0.4%	0.3% to 0.5%	0.4%	0.4%



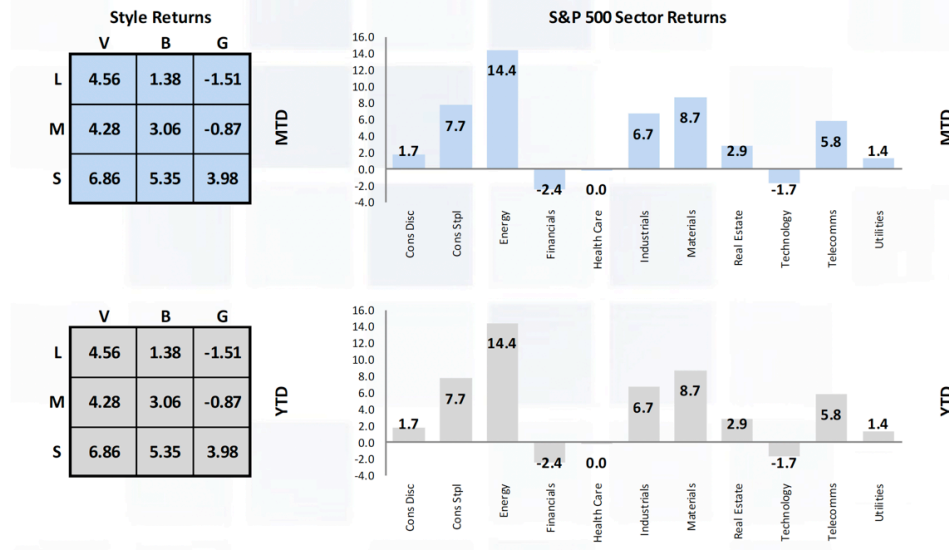
949.724.4575 | [www.beckerwealthmanagementllc.com](http://www.beckerwealthmanagementllc.com)

Investment Advisory Services are offered through Virtue Capital Management, LLC, an SEC Registered Investment Advisor. This newsletter is not to give investment advice. Before investing in any advisory product please carefully read the firm's ADVs before investing. See full disclaimer on page 2 of this document.

# INSIGHT

## MARKET ANALYSIS

Equity	Level	1 Wk	1 Mo	3 Mo	YTD	1 Yr	Commodities	Current	12/31/25	9/30/25	6/30/25
Dow Jones	48892	(0.42)	1.16	3.31	1.80	10.81	Oil (WTI)	60.46	57.26	63.17	66.30
NASDAQ	23462	(0.16)	0.21	(0.35)	0.97	19.99	Gold (Mo-End)	4053.28	4053.28	3665.20	3352.00
S&P 500	6939	0.35	0.71	2.03	1.45	15.77					
Russell 1000 Growth		(0.48)	(2.27)	(3.61)	(1.51)	14.13	<b>Currencies</b>	<b>Current</b>	<b>12/31/25</b>	<b>9/30/25</b>	<b>6/30/25</b>
Russell 1000 Value		0.62	3.79	8.48	4.56	15.04	USD/Euro (\$/€)	1.19	1.18	1.17	1.17
Russell 2000		(2.07)	4.61	6.33	5.35	14.82	USD/GBP (\$/£)	1.36	1.36	1.34	1.37
Russell 3000		0.00	0.79	2.18	1.55	14.74	Yen/USD (¥/\$)	157.57	157.57	147.97	144.17
MSCI EAFE		1.57	4.96	8.87	5.22	31.66					
MSCI Emg Mkts		1.80	9.01	8.70	8.86	43.36	<b>Treasury Rates</b>	<b>Current</b>	<b>12/31/25</b>	<b>9/30/25</b>	<b>6/30/25</b>
<b>Fixed Income</b>	<b>Δ Yield</b>	<b>1 Wk</b>	<b>1 Mo</b>	<b>3 Mo</b>	<b>YTD</b>	<b>1 Yr</b>	3 Month	3.67	3.67	4.02	4.41
US Aggregate	3.88	(0.00)	(0.00)	0.07	(0.01)	0.16	2 Year	3.52	3.47	3.60	3.72
High Yield	6.50	0.00	(0.03)	(0.05)	(0.04)	(0.03)	5 Year	3.79	3.73	3.74	3.79
Municipal	3.30	(0.01)	(0.02)	0.09	(0.02)	0.30	10 Year	4.26	4.18	4.16	4.24
Treasury	3.49	0.18	0.17	0.28	0.17	0.49	30 Year	4.87	4.84	4.73	4.78



949.724.4575 | [www.beckerwealthmanagementllc.com](http://www.beckerwealthmanagementllc.com)

Investment Advisory Services are offered through Virtue Capital Management, LLC, an SEC Registered Investment Adviser. Becker Wealth Management LLC and VCM are independent of one another. This newsletter is not to give investment advice. Before investing in any advisory product please carefully read any disclosure documents, including without limitation, the firm's Form ADVs. Indices do not reflect the deduction of any fees or expenses. They are not available for direct investment. Exposure to an asset class represented by an index is available through investable instruments based on that index. The Dow Jones Industrial Average (DJIA) is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange (NYSE) and the Nasdaq. The DJIA was designed to serve as a proxy for the broader U.S. economy. The Nasdaq Composite Index is the market capitalization-weighted index of over 3,300 common equities listed on the Nasdaq stock exchange. It is used as a broad-based market index. The S&P 500 index is designed to be a broad based unmanaged leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe or representative of the equity market in general. The Russell 3000® Index measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market. Total Return assumes dividends are reinvested. The Russell 1000 is a subset of the Russell 3000 Index. It represents the top companies by market capitalization. The Russell 1000 measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 2000 index is an index measuring the performance of approximately 2,000 small-cap companies in the Russell 3000 Index, which is made up of 3,000 of the biggest U.S. stocks. The Russell 2000 serves as a benchmark for small-cap stocks in the United States. Visit [www.russell.com/indices/](http://www.russell.com/indices/) for more information regarding Russell indices. The MSCI EAFE Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The information published herein is provided for informational purposes only, and does not constitute an offer, solicitation or recommendation to sell or an offer to buy securities, investment products or investment advisory services. Nothing contained herein constitutes financial, legal, tax, or other advice. These opinions may not fit your financial status, risk and return profile or preferences. Investment recommendations may change, and readers are urged to check with their investment adviser before making any investment decisions. Estimates of future performance are based on assumptions that may not be realized. Past performance is not necessarily indicative of future returns or results. No representation is made as to the accuracy, completeness or timeliness of the information in this material since certain information herein is based on or derived from information provided by independent third-party sources. All enclosed material including market analysis data provided Taiber Kosmala & Associates, LLC. There is no duty to update this information. The Wilshire 5000 Total Market Index represents the broadest index for the U.S. equity market, measuring the performance of all U.S. headquartered equity securities with readily available price data. The PHLX Semiconductor Sector Index (SOX) is a capitalization-weighted index composed of 30 semiconductor companies. The companies in the Index have primary business operations that involve the design, distribution, manufacture and sale of semiconductors. The index is designed to track the performance of listed semiconductors. The Case-Shiller Index, formally known as the S&P/Case-Shiller Home Price Index is made up of several indexes that track the value of single-family detached residences using the arms-length and repeat-sales methods. It is used as a barometer not just of the housing market, but also of the health of the broader economy. For more information on the index, please visit <https://www.spglobal.com/>. All information obtained from Taiber Kosmala & Associates (2020). The secured overnight financing rate (SOFR) is a benchmark interest rate for dollar-denominated derivatives and loans that is replacing the London interbank offered rate (LIBOR). Interest rate swaps on more than \$80 trillion in notional debt switched to the SOFR in October 2020.