



A WEEKLY NEWSLETTER PUBLICATION OF BECKER WEALTH MANAGEMENT LLC

Early mixed reports and a heavy dose of political headlines.

Last week gave us early innings earnings reports (mixed) and a heavy dose of political headlines

Including DOJ criminal investigations of the Fed, Greenland takeover talks, associated E.U. and retaliatory tariff threats, several market interventionist policy indications. In the end, financial markets maintained a longer-term perspective where strong earnings, economic growth, and market-oriented policies continue to translate to sound returns. Global equity markets closed higher on the week as did interest rates, the USD, and commodities, all of which sit marginally higher thus far in 2026.

Financial Market Highlights

- The S&P 500 closed down slightly on the week but not before marking a new record high. The new year is seeing leadership from small caps, non-U.S., and value stocks while growth stocks lag.
- Fourth quarter earnings season kicked off last week with expectations of double-digit earnings growth, particularly from the technology sector, and positive forward guidance from management.

Economic Highlights

- Last week's economic calendar featured November inflation coming in at expectations along with data on retail sales, housing market, and industrial production. Inflation data reinforced the downward year over year trend, bolstering the more dovish voices within the FOMC.



Policy Highlights

- The uncertain policy backdrop continues to add uniquely Trump layers with DOJ legal actions against the Federal Reserve and state politicians, unorthodox foreign policy developments, a looming SCOTUS tariff decision, and interventionist proposals across housing, consumer, and corporate sectors.
- Trump commented he wants to keep Hasset at the White House which shifted Fed chair probabilities to Warsh who is seen as potentially more hawkish, trimming 2026 rate cut expectations to 43bps.

Bullish Asset Allocation Narratives

- Strong consumption with ample room for the consumer to re-lever and market-related wealth effects.
- AI boom including substantial infrastructure buildouts, projected productivity gains, and earnings potential.
- Growth conducive policy backdrops including a less restrictive Fed, fiscal stimulus, and deregulation.

- Robust U.S. corporate earnings growth, profit margins, and forward guidance.

Bearish Asset Allocation Narratives

- Risks to consumption due to lower/middle class price fatigue (cumulative inflation), higher interest rates (sluggish housing market), and slowing labor markets.
- AI bust given unproven ROI/monetization profile, narrow equity markets, and industry specific concerns (circular transactions, increased debt financing, more asset intensive business models).
- Monetary policy mistakes given prevailing labor market dynamics and inflation trends.
- Tariff and immigration policies introducing longer-term structural headwinds on aggregate demand, trade, and hiring alongside shorter-term goods and sectoral level labor inflation.

INSIGHT

SUMMARY OF ECONOMIC REPORTS

Economic Report	Release	Period	Prior	Estimate Range	Consensus	Actual
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 4.30M	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
UoM Consumer Sentiment	1/9/2026	Jan	52.9	52.7 to 55.0	53.5	54.0
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
Housing Starts & Permits (M)	1/9/2026	Oct	1.31M / 1.42M	1.30M to 1.40M	1.33M / 1.34M	1.25M / 1.41M
Case-Shiller HPI (YoY)	12/30/25	Oct	1.4%	1.0% to 1.2%	1.1%	1.3%
Pending Home Sales	12/29/25	Nov	2.4%	0.7% to 1%	0.8%	3.3%
U.S. GDP (QoQ AR)	12/23/25	Q3	3.8%	2/5% to 3.8%	3.2%	4.3%
PCE (QoQ AR)	12/23/25	Q3	2.5%	2.7% to 3.1%	2.7%	3.5%
Consumer Confidence	12/23/25	Dec	92.9	89.0 to 94.5	91.9	89.1
Durable Goods Orders	12/23/25	Oct	0.1%	-0.4% to 0.3%	0.1%	0.2%
PCE YoY (Headline/Core)	12/19/2025	Nov	2.8% / 2.8%	2.8% to 3.0%	2.8% / 2.9%	DELAYED
PCE MoM (Headline/Core)	12/19/2025	Nov	0.3% / 0.2%	0.2% to 0.3%	0.3% / 0.3%	DELAYED
PMI Services	12/16/2025	Dec	54.1	53.0 to 55.1	53.9	52.9
PMI Manufacturing	12/16/2025	Dec	52.2	52.0 to 52.5	52.0	51.8
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%
JPM Global Manufacturing PMI	11/3/25	Oct	50.7	n/a	n/a	XX / 50.8



949.724.4575 | 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

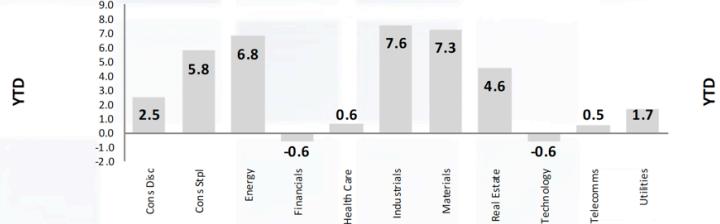
MARKET ANALYSIS

Equity	Level	1 Wk	1 Mo	3 Mo	YTD	1 Yr	Commodities	Current	12/31/25	9/30/25	6/30/25
Dow Jones	49359	(0.28)	2.64	7.86	2.74	16.35	Oil (WTI)	59.39	57.26	63.17	66.30
NASDAQ	23515	(0.66)	1.78	4.38	1.19	22.39	Gold (Mo-End)	4053.28	4053.28	3665.20	3352.00
S&P 500	6940	(0.36)	2.15	5.01	1.44	18.39	Currencies	Current	12/31/25	9/30/25	6/30/25
Russell 1000 Growth		(1.19)	0.15	1.35	(0.56)	17.76	USD/Euro (\$/€)	1.16	1.18	1.17	1.17
Russell 1000 Value		0.65	4.62	9.07	4.14	17.44	USD/GBP (\$/£)	1.34	1.34	1.34	1.37
Russell 2000		2.05	6.39	8.89	7.92	19.74	Yen/USD (¥/\$)	158.07	158.07	147.97	144.17
Russell 3000		(0.20)	2.45	5.14	1.90	17.79	Treasury Rates	Current	12/31/25	9/30/25	6/30/25
MSCI EAFE		1.40	4.91	7.08	3.45	35.14	3 Month	3.67	3.67	4.02	4.41
MSCI Emg Mkts		2.27	9.92	8.16	5.78	43.14	2 Year	3.59	3.47	3.60	3.72
Fixed Income	Δ Yield	1 Wk	1 Mo	3 Mo	YTD	1 Yr	5 Year	3.82	3.73	3.74	3.79
US Aggregate	3.88	0.00	0.02	0.09	(0.01)	0.14	10 Year	4.24	4.18	4.16	4.24
High Yield	6.50	(0.01)	(0.07)	(0.08)	(0.04)	(0.07)	30 Year	4.83	4.84	4.73	4.78
Municipal	3.30	0.00	0.02	0.10	(0.02)	0.28					
Treasury	3.49	0.19	0.20	0.29	0.17	0.47					

Style Returns			
	V	B	
L	4.14	1.63	-0.56
M	5.19	4.72	3.24
S	7.72	7.92	8.10



	V	B	G
L	4.14	1.63	-0.56
M	5.19	4.72	3.24
S	7.72	7.92	8.10



949.724.4575 | 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/indexes/ 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.