BECKER WEALTH MANAGEMENT, LLC

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# The equal-weighted S&P 500 notches a new all time high.


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Last week saw equity markets come under pressure with weakness in the growth/momentum areas and heightened geopolitical (and oil) turmoil between Iran and the U.S. In the U.S., both the S&P 500 and Nasdaq sold off due to pressure in the tech complex, specifically with semiconductor names. The equal-weighted S&P actually notched a new all-time high as investors rotate within, as opposed to out of, risk assets.

**Financial Market Highlights**

• Q2 earnings season began last week (10% reported) on a relatively constructive note with strong beat rates (88%) and beat margins (16.4%) and top/bottom line growth at 12.8% and 24.7% respectively.

• Selling pressure in the AI/momentum space saw the SOX index hit bear market territory. Valuations, persistence of corporate capex, and competition from China all contributing to the risk off sentiment.

**Economic Highlights**

• Last week's economic calendar brought investors readings on declining inflation in June, the housing market, and consumer health indications from UofM Sentiment and Retail Sales.

• An FT survey last week highlighted a constructive outlook for AI and associated impacts on the labor market with over 1/3 of entry level tasks being newly tasked to AI models but entry level job profiles simply evolving into other areas.

**Policy Highlights**

• Continued kinetic activity in Iran over the weekend alongside reports that the U.S. is sending additional infrastructure to the region has diplomacy hopefuls on edge but still the overall consensus.

**Bullish Asset Allocation Narratives**

• Robust U.S. corporate fundamentals including strong earnings growth, upward street revisions, and positive guidance from management.

• Resilient consumption with low unemployment and under levered consumer balance sheets.

• Artificial intelligence infrastructure buildout, earnings momentum, and productivity gains.

• Growth conducive policies across fiscal (elevated deficit spending) and regulatory landscapes.

**Bearish Asset Allocation Narratives**

• Artificial intelligence equity market concentration, narrow earnings breadth, asset/capex intensive business models, circular investment deals, debt financing, and labor/business model disruptions.

• Potential re-emergence of an energy price shock with associated risks to inflation (bond yields) and growth (demand destruction).

• Protectionist trade policy impact on business uncertainty, price levels, and supply chains.

# INSIGHT

## SUMMARY OF ECONOMIC REPORTS

| Economic Report | Release | Period | Prior | Estimate Range | Consensus | Actual |
|---|---|---|---|---|---|---|
| CPI (Headline/Core YoY) | 7/14/26 | June | 4.2% / 2.9% | 2.8% to 4.0% | 3.8% / 2.9% | 3.5% / 2.6% |
| CPI (Headline/Core MoM) | 7/14/26 | June | 0.5% / 0.2% | -0.3% to 0.3% | -0.1% / 0.2% | -0.4% / 0.0% |
| Retail Sales (Headline/Core) | 7/16/26 | June | 1.0% / 0.8% | -0.4% to 0.5% | 0.3% / 0.3% | 0.2% / 0.4% |
| Housing Starts & Permits (M) | 7/17/26 | June | 1.19M / 1.41M | 1.14M to 1.43M | 1.32M / 1.40M | 1.43M / 1.37M |
| Pending Home Sales (MoM) | 7/16/26 | June | 3.5% | -0.5% to 0.9% | 0.0% | -5.4% |
| Housing Market Index (MoM) | 7/16/26 | July | 36 | 34 to 37 | 35 | 34 |
| Industrial Production (MoM) | 7/17/26 | June | 0.1% | -0.3% to 0.4% | 0.2% | 0.1% |
| UofM Consumer Sentiment | 7/17/26 | July | 49.5 | 50.0 to 52.0 | 51.3 | 54.4 |
| NFIB Small Biz Optimism | 7/14/26 | June | 95.3 | 95.0 to 96.0 | 95.6 | 97.4 |
| Existing Home Sales | 7/9/26 | June | 4.17M | 4.07M to 4.24M | 4.20M | 4..09M |
| ISM Services | 7/6/26 | June | 54.5 | 52.0 to 55.0 | 54.1 | 54.0 |
| ISM Manufacturing | 7/1/26 | June | 54.0 | 53.0 to 54.2 | 53.9 | 53.3 |
| Payrolls (MoM) | 7/2/26 | June | 172,000 | 70,000 to 145,000 | 114,000 | 57,000 |
| Unemployment Rate | 7/2/26 | June | 4.3% | 4.3% to 4.5% | 4.3% | 4.2% |
| JOLTS | 6/30/26 | May | 7.618M | 6.98M to 7.60M | 7.298M | 7.594 |
| Consumer Confidence | 6/30/26 | June | 93.1 | 92.5 to 97.5 | 94.8 | 91.2 |
| Case-Shiller HPI (YoY) | 6/30/26 | April | -0.2% | -0.2% to 0.1% | -0.1% | 0.0% |
| PCE YoY (Headline/Core) | 6/23/26 | May | 3.8% / 3.3% | 3.3% to 4.1% | 4.1% / 3.4% | 4.1% / 3.4% |
| PCE MoM (Headline/Core) | 5/28/26 | May | 0.4% / 0.2% | 0.2% to 0.5% | 0.4% / 0.3% | 0.4% / 0.3% |
| Personal Income / PCE (MoM) | 5/28/26 | May | 0.0% / 0.5% | 0.1% to 0.5% | 0.4% / 0.5% | 0.7% / 0.7% |
| PMI Services | 6/25/26 | June | 50.7 | 50.4 to 51.3 | 51.0 | 51.2 |
| PMI Manufacturing | 6/25/26 | June | 55.1 | 54.5 to 55.3 | 54.7 | 53.9 |
| Durable Goods Orders (Orders) | 6/25/26 | May | 7.9% | -6.9% to –3.2% | -4.7% | -4.5% |
| New Home Sales (AR) | 6/24/26 | May | 622k | 600k to 650k | 640k | 580k |
| U.S. GDP (QoQ AR) | 6/25/26 | Q1 | 0.7%% | 1.9% to 2.2% | 2.0% | 2.1% |
| Personal Consumption (QoQ AR) | 5/28/26 | Q1 | 1.6% | 1.6% to 1.7% | 1.7% | 2.1% |
| Employment Cost Index (QoQ/YoY) | 4/30/26 | Q1 | 0.7% / 3.4% | 0.7% to 0.9% | 0.8% / N/A | 0.9% / 3.4% |

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# INSIGHT

## MARKET ANALYSIS

| Equity | Level | 1 Wk | 1 Mo | 3 Mo | YTD | 1 Yr |
|---|---|---|---|---|---|---|
| Dow Jones | 52146 | (0.93) | 1.31 | 5.88 | 9.43 | 19.18 |
| NASDAQ | 25520 | (2.90) | (1.90) | 4.45 | 10.15 | 22.93 |
| S&P 500 | 7458 | (1.55) | 0.57 | 4.95 | 9.64 | 19.85 |
| Russell 1000 Growth | | (3.64) | (1.76) | 0.45 | 1.25 | 10.65 |
| Russell 1000 Value | | 0.45 | 3.19 | 9.54 | 18.86 | 28.84 |
| Russell 2000 | | (0.51) | 1.60 | 6.97 | 20.09 | 33.07 |
| Russell 3000 | | (1.48) | 0.74 | 4.93 | 10.00 | 19.85 |
| MSCI EAFE | | (0.81) | (1.74) | 0.63 | 9.29 | 21.32 |
| MSCI Emg Mkts | | (4.10) | (8.79) | 2.27 | 16.92 | 33.56 |
| **Fixed Income** | **Δ Yield** | **1 Wk** | **1 Mo** | **3 Mo** | **YTD** | **1 Yr** |
| US Aggregate | 4.01 | (0.00) | 0.03 | 0.09 | 0.12 | 0.16 |
| High Yield | 6.61 | (0.00) | (0.00) | 0.05 | 0.07 | 0.03 |
| Municipal | 3.52 | 0.01 | 0.03 | 0.10 | 0.20 | 0.29 |
| Treasury | 3.60 | 0.10 | 0.11 | 0.18 | 0.28 | 0.38 |

| Commodities | Current | 6/30/26 | 3/31/26 | 12/31/25 |
|---|---|---|---|---|
| Oil (WTI) | 79.20 | 70.56 | 102.86 | 57.26 |
| Gold (Mo-End) | 4587.52 | 4587.52 | 4862.17 | 4289.48 |

| Currencies | Current | 6/30/26 | 3/31/26 | 12/31/25 |
|---|---|---|---|---|
| USD/Euro ($/€) | 1.14 | 1.14 | 1.15 | 1.18 |
| USD/GBP ($/£) | 1.34 | 1.34 | 1.32 | 1.34 |
| Yen/USD (¥/$) | 161.31 | 161.31 | 159.08 | 156.80 |

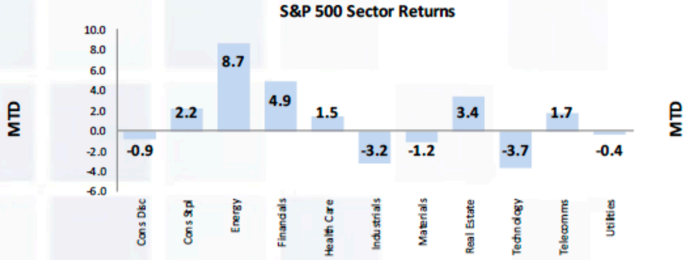
| Treasury Rates | Current | 6/30/26 | 3/31/26 | 12/31/25 |
|---|---|---|---|---|
| 3 Month | 3.85 | 3.87 | 3.70 | 3.67 |
| 2 Year | 4.18 | 4.14 | 3.79 | 3.47 |
| 5 Year | 4.28 | 4.19 | 3.92 | 3.73 |
| 10 Year | 4.55 | 4.44 | 4.30 | 4.18 |
| 30 Year | 5.06 | 4.91 | 4.88 | 4.84 |

**Style Returns**

MTD

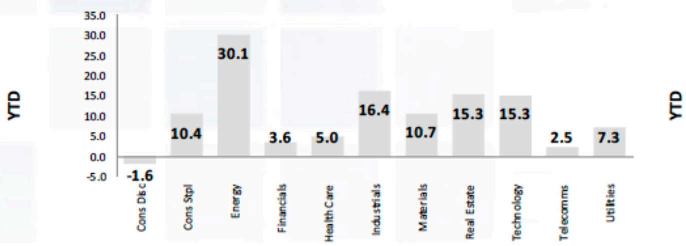
| | V | B | G |
|---|---|---|---|
| L | 2.24 | -0.73 | -3.87 |
| M | 0.93 | -0.90 | -5.99 |
| S | 0.53 | -2.03 | -4.40 |

**S&P 500 Sector Returns**




YTD

| | V | B | G |
|---|---|---|---|
| L | 18.86 | 9.52 | 1.25 |
| M | 18.68 | 14.26 | 0.84 |
| S | 23.65 | 20.09 | 16.80 |

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