



A WEEKLY NEWSLETTER PUBLICATION OF BECKER WEALTH MANAGEMENT LLC

Capital markets respond accordingly as Iran war intensifies.

Last week the Iran war intensified through both rhetorical and military lenses including damage to regional energy infrastructure. Capital markets responded accordingly with a fourth consecutive drawdown in equity markets and inflation risks pressuring bond yields higher. For the week, U.S. stocks lost 2% with growth underperforming value and non-U.S. stocks fell 2.5%. U.S. equity markets are off approximately 6% since the war began and bond yields up nearly 50bps. Non-U.S. equity markets continued to shoulder more downside given the strengthening USD and more direct energy supply implications relative to the United States.

Financial Market Highlights

- The war in Iran and associated risks to global energy infrastructure delivered a third down week for equity and bond markets driven by commodity price risks to the global economy.
- While high yield credit spreads have remained sanguine, investor sentiment measures including growth outlooks and fund manager positioning have begun to deteriorate.
- Private credit, high yield's first cousin, continues to garner substantial financial media coverage, but risks are likely to evolve very slowly, and the degree of systematic risk remains an open question.

Economic Highlights

- Last week's economic calendar was light on the surface; government shut-down impacted, and again largely irrelevant given overwhelming risk drivers coming from the Strait of Hormuz.



Photo Source: www.bigstock.com

- Economists put recession probability at 32% with elevated oil prices the key factor. Despite positive real wage gains since 2023, more is needed to catch up from the post pandemic inflation surge.

Policy Highlights

- All major global central banks met last week (Fed, BoE, ECB, BoJ) with very similar takeaways amounting to inflation concern surrounding oil price shock and a wait and see approach.
- Analysis on a recent Fed banking sector deregulation initiative is expected to have a material positive impact on capital ratios intended to increase banks' appetite and ability to extend loans in the market.
- Polls suggest the decision to go to war is increasingly likely to come with political consequences.

Bullish Asset Allocation Narratives

- Robust U.S. corporate earnings growth, strong profit margins, and positive forward guidance.
- Growth conducive policies across

both fiscal (elevated deficit spending) and regulatory landscapes.

- Resilient consumption with low unemployment and under levered consumer balance sheets.
- AI implementation including infrastructure buildouts, productivity gains, and earnings potential.

Bearish Asset Allocation Narratives

- Energy price shock resulting from U.S. foreign policy in Iran and associated risks to inflation and economic growth, particularly given soft labor market hiring/wage gains, cumulative inflation dynamics, and depressed consumer savings rates.
- AI trends given the current equity market profile, shifts toward asset and capex intensive business models, concerns surrounding circular transactions, increased debt financing, and disruptive forces across labor markets and business models.
- Tariff (trade) policy uncertainty and impacts on business uncertainty, price levels, and supply chains.

INSIGHT

SUMMARY OF ECONOMIC REPORTS

Economic Report	Release	Period	Prior	Estimate Range	Consensus	Actual
Industrial Production (MoM)	3/16/26	Feb	0.7%	-0.3% to 0.7%	0.1%	0.2%
Housing Market Index (MoM)	3/16/26	Mar	37	32 to 38	37	38
Pending Home Sales (MoM)	3/17/26	Feb	-1.0%	-1.0% to 0.2%	-1.0%	1.8%
New Home Sales (AR)	3/19/26	Jan	712k	710k to 800k	728k	587k
CPI (Headline/Core YoY)	3/11/26	Feb	2.4% / 2.5%	2.4% to 2.6%	2.4% / 2.5%	2.4% / 2.5%
CPI (Headline/Core MoM)	3/11/26	Feb	0.2% / 0.3%	.02% to 0.3%	0.3% / 0.2%	0.3% / 0.2%
PCE YoY (Headline/Core)	3/13/26	Jan	2.9% / 3.0%	2.7% to 3.1%	2.9% / 3.0%	2.8% / 3.1%
PCE MoM (Headline/Core)	3/13/26	Jan	0.4% / 0.4%	0.0% to 0.4%	0.3% / 0.4%	0.3% / 0.4%
JOLTS	3/13/26	Jan	6.542M	6.675M to 6.8M	6.75M	6.946M
Housing Starts & Permits (M)	3/12/26	Jan	1.40M / 1.45M	1.31M to 1.43M	1.34M / 1.41M	1.49M / 1.38M
Existing Home Sales	3/10/26	Feb	3.91M	3.81M to 3.98M	3.88M	4.09M
UoFM Consumer Sentiment	3/13/26	March	57.3	53.0 to 57.5	56.2	55.5
NFIB Small Biz Optimism	3/10/26	Feb	99.3	99.1 to 100.0	99.7	98.8
Durable Goods Orders	3/13/26	Jan	-1.4%	-2.0% to 1.7%	0.5%	0.0%
Payrolls (MoM)	3/6/26	Feb	130,000	35,000 to 125,000	60,000	-92,000
Unemployment Rate	3/6/26	Feb	4.3%	4.3% to 4.4%	4.4%	4.4%
Retail Sales (Headline/Core)	3/6/26	Jan	0.0% / 0.0%	-0.8 to 0.4%	-0.4% / 0.1%	-0.2% / 0.0%
ISM Services	3/4/26	Feb	53.8	52.0 to 54.2	53.6	56.1
ISM Manufacturing	3/2/26	Feb	52.6	50.5 to 53.0	51.8	52.3
Case-Shiller HPI (YoY)	2/24/26	Dec	0.5%	0.2% to 0.3%	0.3%	0.5%
Consumer Confidence	2/24/26	Feb	89.0	85.0 to 90.5	88.0	91.2
Personal Income / PCE (MoM)	2/20/26	Dec	0.3% / 0.5%	0.0% to 0.7%	0.3% / 0.3%	0.3% / 0.4%
U.S. GDP (QoQ AR)	2/20/26	Q4	4.4%	1.7% to 3.6%	2.8%	0.7%
PCE (QoQ AR)	2/20/26	Q4	0.5%	0.0% to 0.5%	0.3%	2.4%
PMI Services	2/20/236	Feb	52.7	N/A	N/A	52.3
PMI Manufacturing	2/20/26	Feb	52.4	51.8 to 52.1	51.9	52.4
Employment Cost Index	2/10/26	Q4	3.5%	3.4% to 3.5%	3.5%	3.4%



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							Commodities				
Level	1 Wk	1 Mo	3 Mo	YTD	1 Yr	Current	12/31/25	9/30/25	6/30/25		
Dow Jones	45577	(2.09)	(7.95)	(4.93)	(4.79)	10.51	Oil (WTI)	93.39	57.26	63.17	66.30
NASDAQ	21648	(2.06)	(5.34)	(6.98)	(6.73)	23.13	Gold (Mo-End)	5019.53	5019.53	3665.20	3352.00
S&P 500	6506	(1.87)	(5.72)	(4.50)	(4.68)	16.34	Currencies				
Russell 1000 Growth		(2.38)	(5.71)	(9.60)	(9.54)	16.79	Current	12/31/25	9/30/25	6/30/25	
Russell 1000 Value		(1.28)	(5.87)	1.05	0.84	14.52	USD/Euro (\$/€)	1.16	1.18	1.17	1.17
Russell 2000		(1.65)	(8.33)	(3.30)	(1.52)	19.45	USD/GBP (\$/£)	1.32	1.32	1.34	1.37
Russell 3000		(1.83)	(5.94)	(4.51)	(4.52)	16.12	Yen/USD (¥/\$)	159.54	159.54	147.97	144.17
MSCI EAFE		(2.05)	(9.34)	(0.26)	(1.41)	17.18	Treasury Rates				
MSCI Emg Mkts		(0.33)	(6.43)	7.33	4.52	31.78	Current	12/31/25	9/30/25	6/30/25	
Fixed Income							3 Month				
Δ Yield	1 Wk	1 Mo	3 Mo	YTD	1 Yr	3 Month	3.74	3.67	4.02	4.41	
US Aggregate	3.95	0.02	0.10	0.06	0.06	0.23	2 Year	3.88	3.47	3.60	3.72
High Yield	6.72	0.02	0.18	0.15	0.18	0.11	5 Year	4.01	3.73	3.74	3.79
Municipal	3.43	0.04	0.11	0.10	0.11	0.36	10 Year	4.39	4.18	4.16	4.24
Treasury	3.55	0.16	0.23	0.22	0.23	0.48	30 Year	4.96	4.84	4.73	4.78

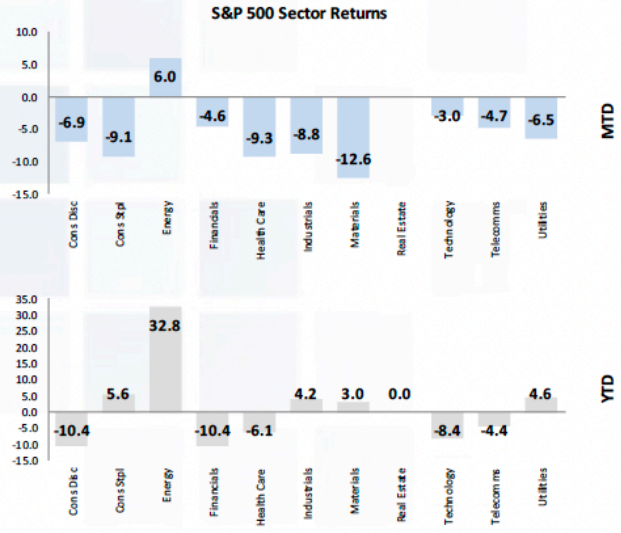
Style Returns

	V	B	G
L	-6.00	-5.45	-4.96
M	-7.07	-6.89	-6.27
S	-6.87	-7.26	-7.64

MTD

	V	B	G
L	0.84	-4.66	-9.54
M	1.49	-0.38	-6.35
S	1.44	-1.52	-4.20

YTD



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/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.