

# MARKET WEEKLY

PlainsCapital Bank  
The Private Bank



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Equities experienced another week of broad strength, with the S&P 500 climbing modestly and small caps outperforming. International markets also gained ground, led by emerging markets, particularly Latin America, which continues to outperform the wider MSCI Emerging Markets Index. Sector performance was mixed but slightly tilted defensive, with Energy, Real Estate, and Consumer Staples advancing, while Technology and Communications declined. Commodities were stronger, highlighted by a notable jump in silver along with steady support from gold. Treasury yields remained within a range despite increasing macroeconomic uncertainty, with the 10-year near 4.2%.

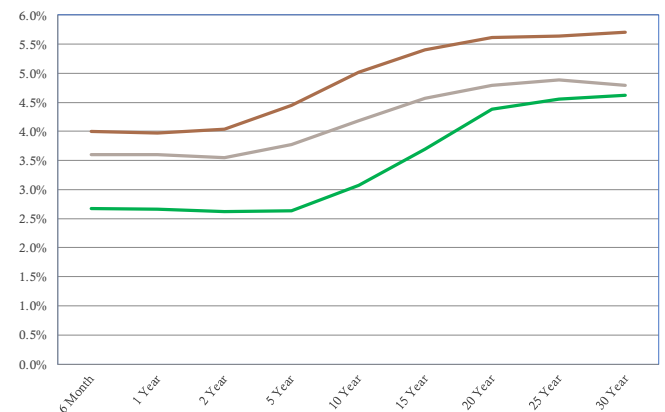
Political risk dominated discussions as the conflict between President Trump and Fed Chair Powell worsened. Powell's unprecedented public statement in response to a Department of Justice subpoena highlighted concerns about political interference in monetary policy, drawing unanimous criticism from former Fed chairs and Treasury secretaries. Markets have so far managed the conflict well, but investors remain cautious about the possibility that Fed independence could gradually weaken instead of collapsing suddenly. This risk has started to appear in debates about curve steepening and dollar weakness. Housing policy developments were another main focus. The administration's push for \$200 billion in GSE mortgage-bond purchases and proposals to limit institutional homebuyers aim to improve affordability but might stimulate demand more than supply, raising the risk of renewed upward pressure on prices. Mortgage activity briefly increased as rates fell, but levels remain low compared to historic standards.

Corporate earnings expectations stay positive, with guidance at their highest since 2021 and mid-teens growth forecasted by mid-2026. However, leadership remains focused on technology, and upcoming results will test whether the recent shift toward small caps and cyclicals can persist.

Have a great weekend!

As of 01/16/26		Total Returns				
Equity Markets	Closing	1 Week	1 Mo	3 Mo	6 Mo	1 Year
Dow Jones	49359.33	-0.3%	2.6%	7.3%	13.3%	16.4%
S&P500	6940.01	-0.4%	2.1%	4.4%	11.9%	18.2%
NASDAQ	23515.39	-0.7%	1.8%	4.0%	14.1%	21.4%
Styles	Closing	1 Week	1 Mo	3 Mo	6 Mo	1 Year
Large Cap (Russell)		-0.3%	2.3%	4.3%	11.7%	17.6%
Small Cap (Russell)		2.1%	6.4%	6.5%	22.1%	19.8%
Value (Russell)		0.7%	4.7%	8.1%	14.4%	18.3%
Growth (Russell)		-1.0%	0.4%	1.0%	10.0%	16.8%
International (MSCI)		1.5%	5.0%	8.3%	15.2%	36.6%
Emerging Markets (MSCI)		1.8%	9.4%	8.7%	20.3%	43.9%
Currency/Commodities	Closing	1 Week	1 Mo	3 Mo	6 Mo	1 Year
US Dollar Index	99.32	0.2%	1.2%	1.0%	1.0%	-8.8%
Gold	4595.40	2.0%	5.9%	5.8%	33.3%	58.5%
Bitcoin	95,528	5.4%	8.9%	-11.5%	-20.4%	-4.6%
Natural Gas	3.103	-1.7%	-14.7%	-17.3%	-33.2%	-32.5%
Oil	59.44	0.5%	7.8%	4.6%	-5.2%	-14.3%

— Treasuries — Muni (General Obligation, A Rated) — Corporate (Investment Grade)



		Historical Readings				
Economic Data	Last	Trend	1 Mo	3 Mo	6 Mo	1 Year
Unemployment %	4.4%	+	4.5%	4.4%	4.1%	4.1%
Jobless Claims	198	-	237	220	228	217
GDP Q/Q Annualized	4.3%	+	N/A	3.8%	-0.6%	3.3%
Headline CPI Y/Y	2.7%	~	2.7%	3.0%	2.7%	2.9%
Core CPI Y/Y	2.6%	~	2.6%	3.0%	2.9%	3.2%
FHFA Price Index Y/Y	1.7%	-	1.8%	2.5%	3.3%	4.7%
Existing Home Sales Y/Y	1.4%	+	-0.7%	3.9%	0.0%	9.7%
NAHB Homebuilder Index	37	-	39	37	33	47
Retail Sales Y/Y	3.3%	~	3.3%	5.0%	3.4%	3.9%
Consumer Confidence	89.1	-	92.9	95.6	95.2	109.5
ISM Manufacturing Index	47.9	-	48.2	49.1	49.0	49.2

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\*All economic release data referenced from public sources believed to be accurate

\*The source of data for all charts/graphs included in this presentation is Bloomberg LP.

\*Figures quoted represent monthly changes (m/m) and are seasonally adjusted