

# MARKET WEEKLY

July 03, 2026

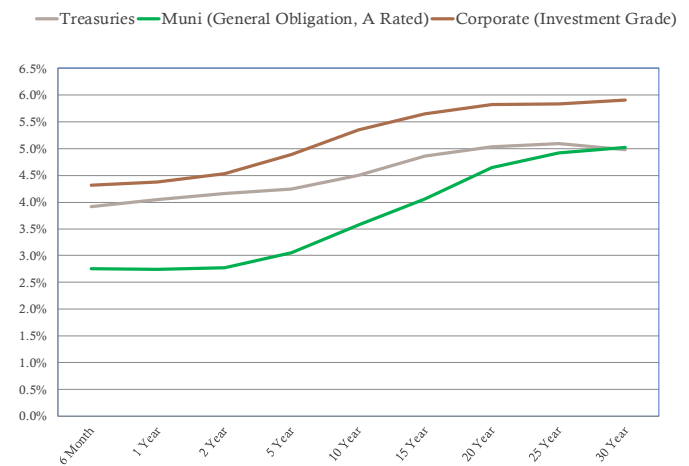
U.S. equities rose broadly, with the Nasdaq up 2.1%, the Dow 2.0%, and the S&P 500 1.8%. Small caps lagged, as the Russell 2000 declined 0.4% and the equal-weighted S&P 500 returned 1.1%. Developed international stocks outperformed, with Asia-Pacific up 1.4% and emerging markets down 1.2%. Leading sectors included communications (+5.0%), financials (+3.7%), and consumer discretionary (+2.8%). Lagging sectors were real estate (-1.3%), energy (-1.0%), and utilities (-1.0%). In fixed income, high-yield and municipals gained modestly, while long-duration bonds fell 4.1% and investment-grade corporates were flat. Silver surged 5.4%, and gold rose 1.9%. Crude oil fell 0.6% on normalized Persian Gulf supply; natural gas rose 0.3%. Alternative assets were mixed, with bitcoin and private equity outperforming REITs.

June nonfarm payrolls came in at 57,000, well below the Bloomberg consensus estimate of 135,000. Average hourly earnings were \$37.64. The K-shaped consumer narrative persisted, with wealth gains concentrated among asset owners, and survey quality remained a point of debate. Hormuz shipping recovered after the U.S.-Iran peace deal, with oil flows exceeding 10 million bpd. LNG flows stayed limited, keeping European gas prices high — futures rose 8% for the week. EU gas storage was 49% full on July 1, below the 5-year norm of 64%. Tariff burden-sharing remained contested.

Fed Chair Warsh reiterated at the ECB's Sintra forum that the Fed will not provide forward guidance, calling it a "new course" for the central bank. He signaled a preference for a gradual reduction in the balance sheet and announced that task force leaders will be named next week. Markets shifted rate-hike expectations toward December through March.

Throughout the week, main themes focused on AI capital discipline, emphasizing return on invested capital, token costs, and concentration risk. Structural themes included Hormuz energy security, leverage, retail flows, bitcoin ETF outflows, and the widening performance gap between AI and non-AI equities. Have a great weekend!

As of 07/03/26		Total Returns				
Equity Markets	Closing	1 Week	1 Mo	3 Mo	6 Mo	1 Year
Dow Jones	52900.07	2.0%	4.5%	14.2%	10.2%	20.9%
S&P500	7483.24	1.8%	-0.8%	14.0%	9.7%	21.6%
NASDAQ	25832.67	2.1%	-3.7%	18.2%	11.5%	27.5%
Styles	Closing	1 Week	1 Mo	3 Mo	6 Mo	1 Year
Large Cap (Russell)		1.8%	-0.4%	13.9%	9.8%	21.2%
Small Cap (Russell)		-0.4%	3.7%	18.8%	20.3%	36.4%
Value (Russell)		1.6%	3.7%	15.1%	17.5%	28.4%
Growth (Russell)		1.7%	-4.0%	13.3%	3.6%	15.7%
International (MSCI)		2.0%	1.5%	9.2%	10.2%	22.0%
Emerging Markets (MSCI)		-1.2%	-5.4%	18.3%	19.2%	40.1%
Currency/Commodities	Closing	1 Week	1 Mo	3 Mo	6 Mo	1 Year
US Dollar Index	100.86	-0.5%	1.3%	0.8%	2.4%	3.7%
Gold	4125.70	2.1%	-6.4%	-11.3%	-5.5%	19.6%
Bitcoin	62,255	4.5%	-4.1%	-6.8%	-31.2%	-43.4%
Natural Gas	3.196	-1.3%	-0.2%	-0.1%	-11.6%	-21.8%
Oil	68.69	-0.9%	-26.0%	-16.8%	20.3%	10.6%



		Historical Readings				
Economic Data	Last	Trend	1 Mo	3 Mo	6 Mo	1 Year
Unemployment %	4.2%	+	4.3%	4.3%	4.4%	4.1%
Jobless Claims	215	+	212	203	203	231
GDP Q/Q Annualized	2.1%	+	N/A	0.5%	4.4%	-0.6%
Headline CPI Y/Y	4.2%	+	3.8%	2.4%	2.7%	2.4%
Core CPI Y/Y	2.9%	+	2.8%	2.5%	2.6%	2.8%
FHFA Price Index Y/Y	2.0%	+	1.9%	1.9%	1.9%	3.3%
Existing Home Sales Y/Y	3.2%	+	0.5%	-0.5%	-1.2%	-0.5%
NAHB Homebuilder Index	35	-	37	38	39	32
Retail Sales Y/Y	6.9%	+	4.8%	4.2%	3.2%	3.1%
Consumer Confidence	91.2	+	90.6	92.2	94.2	95.2
ISM Manufacturing Index	53.3	-	54	52.7	47.9	49.0

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

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