HB Wealth | Market Sense: Weekly Market Recap

For the Week Ending: June 18th, 2026

Week in Review

Another Strong Week of Economic Data. While manufacturing data kicked off the week a bit weaker than expected, economic data was generally strong. Inflation cues are still hot - import prices rose 6.7% year-over-year while export prices jumped 11.2%, both above consensus. Housing starts and building permits were a bit softer than expected but pending home sales blew out the forecast, up 3.8% month-on-month vs. the 0.9% expectation. Retail sales likewise eclipsed consensus, and jobless claims fell slightly.

Warsh's First Meeting Stresses Commitment to Price Stability. In the first FOMC meeting of his tenure, Kevin Warsh introduced substantial regime changes while the committee tilted more hawkishly but held the policy rate steady for now. Of the 18 participants on the committee (excluding the chair), 9 saw a need for one or two hikes this year while the other half indicated a need to hold rates steady or cut. The Summary of Economic Projections now sees year-end core PCE inflation at 3.3% vs. the 2.7% forecast from the prior meeting. The chair himself did not indicate his leaning and refrained from contributing to the dot plot but stressed the central bank's commitment to its price stability mandate. Additionally, Warsh announced 5 task forces to examine key areas of monetary policymaking. One and a half hikes are now priced in by the December meeting and short yields moved higher on the news.

Oil Sinks but Remains Well Above Start of Year Levels. Thanks to the interim peace deal with Iran, WTI oil prices have quickly retreated to about $76/bbl. While that's significant improvement from the roughly $113/bbl peak it's still roughly39% above the December low and in the 73rd percentile of readings back to 1995.

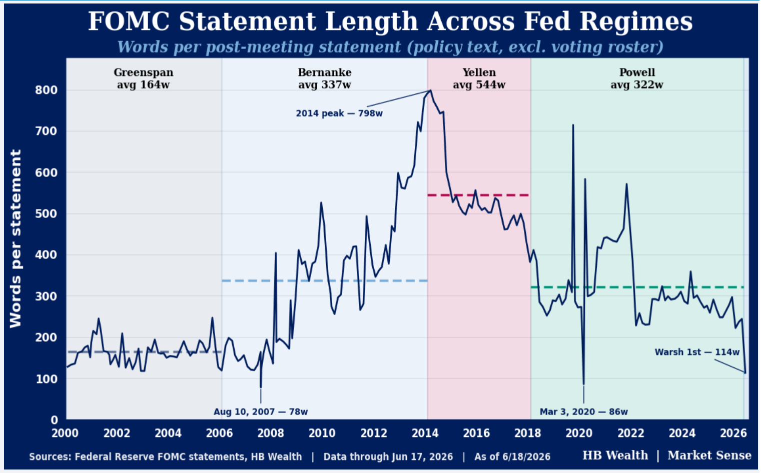
Stocks Shake Off Initial Fed Jitters. The Fed's hawkish tone sent shivers through equities, though major indices reversed losses on Friday. For the week, the Russell 2000 led followed by the S&P 500 and Russell 3000. Growth led value across capitalizations though only tech, industrials and discretionary rose across the Russell 3000 while energy, telecom and real estate lagged most. Emerging markets led developed counterparts, with both rising on a USD basis.

The Week Ahead

Fed's Favorite Inflation Measure Highlights the Week Ahead. Next week will kick off with S&P's purchasing managers index (PMIs) on Tuesday. Wednesday will feature MBA Mortgage Applications, New Home Sales, and Building Permits. The real star of the show will be the Personal Income and Outlays report that features PCE inflation on Thursday – the Fed's preferred gauge – with consensus expecting 4.1% year-over-year on the headline and 3.5% in the core. Initial jobless claims, capital goods orders and the third estimate of GDP will also release on Thursday. Friday will feature University of Michigan Sentiment which continues to hover near lows.

All Eyes on the Strait. With the US-Iran interim peace deal signed, tankers began flowing through the Strait of Hormuz, unwinding some of the energy-driven component of inflation problems. Oil price reprieve may further enable cyclicals and heavy commodity users to recover in stocks and could pull the long end of the bond market lower.

Chart of the Week & Commentary



Kevin Warsh's first meeting as Chair of the FOMC resulted in no change to current rate policy, but plenty for markets to chew on, nonetheless. Hawkish shifts in rate expectations, votes and language from the Fed meeting all resulted in some skittishness across markets despite the lack of direct policy change. Half of the committee now sees a likelihood for hikes later this year, and the group bumped up their aggregate expectation for PCE inflation as well as the Fed funds rate. With growth generally solid and the unemployment rate trending better than they expected at the start of the year, maintaining price stability is the clear focus in the near term.

The Warsh regime is just beginning but is already differentiated from predecessors. If the statement offers a guide to the future, this may be a Fed of significantly fewer words - the statement released after Warsh's first meeting was shorter than 99% of statements since 2000, and a length more consistent with statements in the Greenspan era. Meanwhile, Warsh announced the creation of 5 task forces in the press conference following the statement. As we mentioned in our note in early May: New Fed Chair May Create New Regime for Financial Markets (**here**), the Warsh Fed is most likely to focus on (1) conducting monetary policy via rates instead of with the balance sheet, (2) utilizing new measures of inflation, and (3) altering the way the Fed communicates policy to the public. Each of these issues has a designated task force, as do two others - (4) productivity and jobs and (5) data sources.

HB Wealth | Market Sense: Weekly Market Recap

For the Week Ending: June 18th, 2026 | Source: Bloomberg

Equities

	Level	1 Wk %	QTD %	YTD %	1 Yr %	3-Yr Cum
S&P 500	7,501	1.0%	15.2%	10.2%	26.9%	77.9%
NASDAQ	26,518	2.4%	23.0%	14.4%	36.5%	98.3%
Dow Jones 30	51,565	0.8%	11.7%	8.2%	24.3%	59.9%
Russell 3000	4,263	0.9%	15.0%	10.4%	26.9%	76.1%
Russell 1000	4,081	0.9%	14.8%	9.9%	26.1%	76.7%
Russ. 1000 Growth	4,965	1.4%	15.8%	4.5%	22.1%	85.1%
Russ. 1000 Value	2,383	0.3%	13.7%	16.0%	30.3%	65.7%
S&P 400	3,791	-0.1%	12.6%	15.4%	27.1%	54.8%
S&P 600	1,713	-1.8%	13.6%	17.6%	34.2%	50.4%
Russell 2000	2,980	1.2%	19.7%	20.8%	42.9%	66.4%
Russ. 2000 Growth	1,990	2.5%	24.3%	20.8%	41.6%	66.7%
Russ. 2000 Value	3,250	-0.2%	15.0%	20.8%	44.3%	65.9%
MSCI ACWI Ex US	482	2.4%	17.0%	16.3%	33.8%	71.8%
MSCI Developed Ex US	3,230	1.6%	11.9%	11.1%	25.8%	63.8%
MSCI EM	1,783	3.9%	28.3%	28.2%	53.0%	89.5%

Index Characteristics

	NTM P/E	P/B	Div. Yld.	Mkt Cap (B)
S&P 500	20.5	5.7	1.1	66083
NASDAQ	25.7	7.9	0.5	46955
Dow Jones 30	21.0	6.0	1.5	22824
Russell 3000	20.6	5.1	1.1	75468
Russell 1000	20.4	5.4	1.1	71493
Russ. 1000 Growth	24.8	13.1	0.5	47034
Russ. 1000 Value	17.4	3.4	1.7	45529
S&P 400	17.1	3.0	1.3	3731
S&P 600	15.7	2.2	1.5	1874
Russell 2000	26.9	2.6	1.2	3975
Russ. 2000 Growth	35.3	5.2	0.5	2719
Russ. 2000 Value	21.2	1.7	1.9	2396
MSCI ACWI Ex US	14.4	2.5	2.3	61576
MSCI Developed Ex US	16.0	2.4	2.6	30901
MSCI EM	11.9	2.6	1.8	30676

Fixed Income

	Yield	Spread	1 Wk %	QTD %	YTD %	1 Yr %	3-Yr Cum
U.S. Aggregate	4.78	--	-0.1%	0.3%	0.3%	4.5%	12.2%
U.S. Municipal	3.61	--	0.3%	2.1%	1.9%	6.9%	11.6%
U.S. Agency MBS	5.02	24	-0.2%	0.2%	0.6%	6.0%	13.5%
U.S. IG Corporates	5.24	73	-0.1%	1.1%	0.6%	5.3%	16.3%
U.S. High Yield	7.15	257	0.1%	2.3%	1.8%	7.0%	28.9%
EM $ Corporates	6.36	198	0.1%	2.6%	1.7%	6.4%	21.9%

Factor Returns - US (Long Only)

Factor	1 Wk %	QTD %	YTD %	1 Yr %
Multi Factor	0.3%	5.7%	9.7%	18.7%
Size	1.3%	7.7%	14.6%	28.4%
Value	-0.5%	5.4%	9.5%	22.2%
Quality	0.5%	5.7%	5.3%	14.1%
Dividend Yield	-0.3%	5.1%	9.4%	19.0%
Momentum	4.6%	12.3%	23.8%	46.2%
Low Volatility	-1.5%	3.0%	-0.9%	1.6%

Key Rates

Rate	Yield	Prior Wk	Qtr-End	Yr-End	1 Yr Ago	Expectations
SOFR	3.63	3.60	3.68	3.87	4.28	3.32
2-yr U.S. Treasury	4.18	4.06	3.79	3.47	3.94	3.63
5-yr U.S. Treasury	4.23	4.18	3.94	3.73	3.99	3.80
10-yr U.S. Treasury	4.45	4.46	4.32	4.17	4.39	4.27
30-yr U.S. Treasury	4.90	4.96	4.91	4.84	4.89	4.81
10-yr German Bund	2.93	3.03	3.00	2.85	2.50	2.96
10-yr UK Gilts	4.76	4.90	4.92	4.48	4.49	
30-yr Fixed Mortgage	6.57	6.57	6.48	6.25	6.88	
1-yr Breakeven	1.87	2.41	5.20	2.29	2.67	
5-yr Breakeven	2.33	2.40	2.60	2.27	2.37	

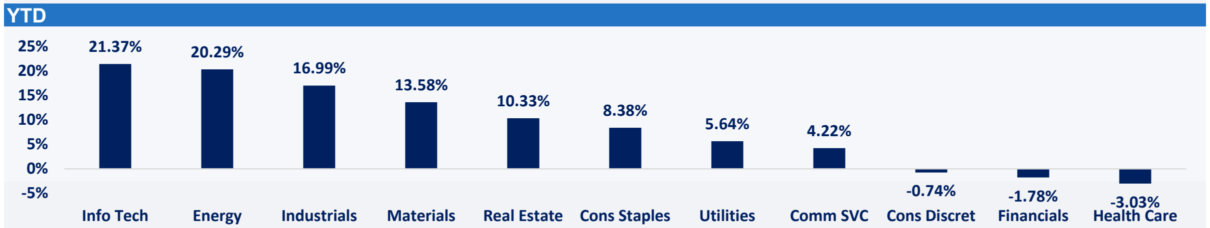
Currencies & Commodities

	Current	Prior Wk	Yr-End	1 Yr
$ per € (EUR/USD)	1.15	1.16	1.17	1.15
$ per £ (GBP/USD)	1.32	1.34	1.35	1.34
¥ per $ (USD/JPY)	161.38	159.93	156.71	145.13
Dollar Index	100.83	99.86	98.32	98.91
Gold ($/oz)	4209.97	4212.26	4319.37	3369.38
Silver ($/oz)	65.67	67.31	71.66	36.73
Copper	637.80	627.50	568.20	485.30
WTI Oil ($/bbl)	76.61	87.71	57.42	75.14
Brent Oil ($/bbl)	79.45	90.38	60.85	76.70

S&P 500 Sector Returns

WTD

YTD



Style Returns (Russell Indices)

WTD

	Value	Blend	Growth
Large	0.3%	0.9%	1.4%
Mid	-0.2%	0.1%	1.0%
Small	-0.2%	1.2%	2.5%

YTD

	Value	Blend	Growth
Large	16.0%	9.9%	4.5%
Mid	16.4%	13.4%	4.0%
Small	20.8%	20.8%	20.8%

Disclosure:

This material is provided for informational purposes only and is not intended as personalized investment advice or a recommendation to buy or sell any security. The views expressed are based on current market conditions as of the date of publication and are subject to change without notice. Market and economic data are derived from sources believed to be reliable, but accuracy and completeness cannot be guaranteed. Any forward-looking statements, forecasts, or expectations are based on assumptions and may not be realized. Past performance is not indicative of future results. All investments involve risk, including the possible loss of principal. References to indices or benchmarks are for illustrative purposes only. Indices are unmanaged, do not reflect the deduction of fees or expenses, and cannot be invested in directly. This information does not consider the specific investment objectives, financial situation, or needs of any individual. You should consult your financial advisor regarding your personal circumstances before making investment decisions. HB Wealth Management, LLC is a registered investment adviser. Registration does not imply a certain level of skill or training.