HB Wealth | Market Sense: Weekly Market Recap

For the Week Ending: August 21st, 2026

Week in Review

Long Yields hit 19-Year Highs Before an Unexpected Treasury Intervention. The 30-year Treasury yield climbed above 5.33% on Tuesday, its highest level since 2007, elevated by the same drivers we have outlined in the past - sticky inflation worries, heavy supply, and unease over a ballooning deficit. The U.S. Treasury announced it would "at least" double the size of its long-end buybacks (from $2B to at least $4B) on Wednesday, sparking a short-lived rally in both stocks and bonds. The intervention was the same day that total public debt crossed $40T for the first time.

The Brief Bond Rally Fizzled Out Quickly, Gold and Bitcoin Spiked and Stocks Churned. The move reflects concerns that the Treasury plan will not materially alter the path of higher yields. Gold and bitcoin both surged, hitting their highest levels since May. The S&P 500 spent most of the week in the red, dragged lower by concerns over the consumer. Walmart sunk on the slowest sales growth in six years. See our video update on the risks to the consumer outlook **here**. Despite the rocky week, the S&P 500 remains within 2% of its new all-time high reached mid-August.

Oil is Still a Wildcard but is Keeping Value Stocks in the Driver's Seat. Crude oil remains a swing factor for the near-term inflation story as it remains elevated and headline-driven around Hormuz talks. Unsurprisingly, energy stocks continued to lead equities over the last week and remain the top performing sector across capitalizations over the last month and year to date. Value stocks remain on pace to top growth stocks performance again in August, extending their streak. See this week's note on the topic **here**.

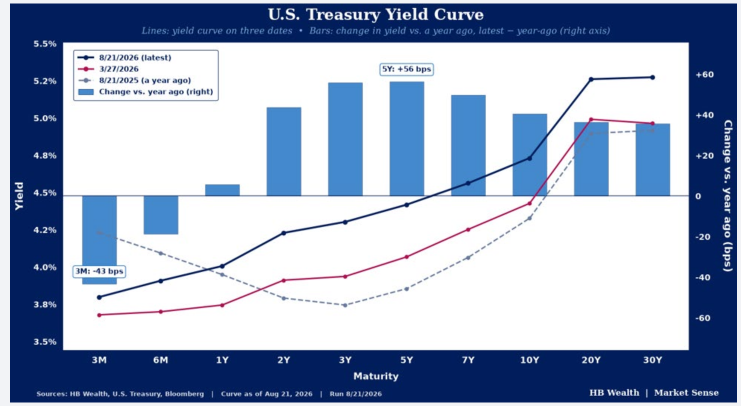
FOMC Minutes Confirmed a Divided Committee, but September is a Coinflip. Minutes from the July meeting reinforced a committee split between those who see inflation risk demanding higher rates and those worried about tightening given worries underlying the labor market. Since the market does not receive forward guidance under Warsh, the minutes carry more weight but did not move the needle much regarding expectations for the September meeting. A month ago, markets were assigning ~65% odds of a rate hike in September. Late July payroll and CPI data pulled that down to ~35%. The August Jobs report (9/5) and CPI (9/11) may offer more direction.

The Week Ahead

All Eyes on Jackson Hole. The Fed's annual symposium is the big economic event next week, with Warsh delivering his first keynote as chair on Friday. Even with his anti-guidance stance, the speech may still carry a lot of weight as market participants will analyze every line for clues as to how the committee considers the balance between weak employment and stubborn inflation. We discuss our expectations for the event **here**.

Markets Get Another Dose of Consumer Data, NVDA Closes Out 2Q Earnings Season. Consumer confidence, consumption and PCE price data will provide context on how the consumer is faring now that tax refunds have largely run their course. Durable goods orders and trade data are also on deck. An extremely strong earnings season will come to a close this week, with Nvidia's report on Wednesday. S&P 500 earnings are on track for 33% earnings growth year-over-year, powered by tech sector earnings growth of greater than 70%. After SK Hynix announced a major share repurchase program this past week, the willingness of NVDA to likewise share the wealth of the AI-investment windfall may be the focus.

Chart of the Week & Commentary



Mind the Middle of the Curve! Treasury intervention to stem the yield rise at the long end of the curve combined with speculation on the near-term direction of the Fed funds rate may continue to create fireworks on both the short and long ends of the curve but also leave opportunity in the belly. This week, markets solidified our thinking around duration and supported hiding-out in the intermediate part of the curve.

The Treasury curve moved at both ends this week for opposite reasons. The 30-year touched a new 19-year high at 5.33%, prompting the Treasury to double its 10-30-yr buyback cap from $2B to "at least" $4B per operation from Sept. 9th until Nov. 4th. It fell 9bps on the announcement but retraced most of that within a day. The curve is flat past 20 years, providing roughly 1.5bps for another decade of duration risk to go out to 30 years. At the front, the 2-yr sits 43bps above the 3-mo Bills as hikes are pricing in. September is near a coin toss - the meeting is shortly after Warsh's Jackson Hole debut late next week and prospects for rate hikes remain a source of considerable uncertainty on the short end. The belly has done quieter work, with 5yr yields up 56bps since a year ago. This is the largest move on the curve, and at 4.42% it captures 84% of the 30-yr yield with less than a third of the duration.

HB Wealth | Market Sense: Weekly Market Recap

For the Week Ending: August 21st, 2026 | Source: Bloomberg

Equities

	Level	1 Wk %	QTD %	YTD %	1 Yr %	3-Yr Cum
S&P 500	7,674	-1.4%	2.5%	12.9%	22.0%	81.5%
NASDAQ	26,180	-2.0%	-0.1%	13.1%	24.9%	98.2%
Dow Jones 30	53,277	-0.8%	2.0%	12.0%	21.1%	63.2%
Russell 3000	4,372	-1.4%	2.3%	13.4%	22.3%	80.2%
Russell 1000	4,186	-1.4%	2.4%	13.0%	21.7%	80.8%
Russ. 1000 Growth	4,927	-2.3%	-1.5%	3.8%	12.4%	83.9%
Russ. 1000 Value	2,526	-0.5%	6.1%	23.3%	32.0%	74.4%
S&P 400	3,830	-2.4%	-0.4%	16.8%	22.6%	55.2%
S&P 600	1,778	-2.7%	-1.3%	22.4%	30.0%	56.4%
Russell 2000	3,018	-1.6%	-0.1%	22.6%	34.5%	69.5%
Russ. 2000 Growth	1,978	-2.1%	-1.7%	20.2%	31.2%	69.5%
Russ. 2000 Value	3,358	-1.1%	1.7%	25.2%	38.1%	69.6%
MSCI ACWI Ex US	483	-0.6%	2.6%	17.0%	27.6%	80.7%
MSCI Developed Ex US	3,316	-0.9%	4.3%	14.4%	23.3%	75.7%
MSCI EM	1,700	0.0%	-0.9%	22.9%	37.7%	91.7%

Index Characteristics

	NTM P/E	P/B	Div. Yld.	Mkt Cap (B)
S&P 500	19.7	5.8	1.1	68183
NASDAQ	24.1	7.9	0.5	48247
Dow Jones 30	20.4	6.2	1.5	26232
Russell 3000	20.4	5.3	1.1	79011
Russell 1000	19.8	5.5	1.1	75352
Russ. 1000 Growth	22.4	13.1	0.4	50193
Russ. 1000 Value	18.0	3.5	1.6	49358
S&P 400	16.7	2.9	1.3	3834
S&P 600	15.4	2.2	1.5	1964
Russell 2000	76.3	2.6	1.3	3659
Russ. 2000 Growth	43.9	4.9	0.5	2441
Russ. 2000 Value	164.0	1.5	2.2	2240
MSCI ACWI Ex US	13.4	2.5	2.4	61074
MSCI Developed Ex US	15.9	2.5	2.6	31566
MSCI EM	10.0	2.4	2.0	29508

Fixed Income

	Yield	Spread	1 Wk %	QTD %	YTD %	1 Yr %	3-Yr Cum
U.S. Aggregate	4.93	--	0.1%	-0.8%	-0.2%	2.7%	14.8%
U.S. Municipal	3.90	--	-0.6%	-1.6%	0.6%	5.0%	11.2%
U.S. Agency MBS	5.21	26	0.1%	-0.6%	0.3%	4.1%	16.9%
U.S. IG Corporates	5.45	80	0.0%	-1.3%	-0.5%	2.3%	18.2%
U.S. High Yield	7.30	273	-0.2%	0.4%	2.4%	5.5%	29.3%
EM $ Corporates	6.39	206	0.0%	0.0%	1.7%	3.7%	24.2%

Factor Returns - US (Russell 3000)

Factor	1 Wk %	QTD %	YTD %	1 Yr %
Multi Factor	-1.1%	3.5%	18.9%	24.6%
Size	-1.4%	1.1%	19.3%	28.8%
Value	-1.8%	4.4%	22.5%	30.2%
Quality	-1.1%	4.7%	17.1%	22.2%
Dividend Yield	-1.2%	5.4%	23.4%	28.4%
Momentum	-2.1%	-6.8%	19.9%	36.7%
Low Volatility	-0.9%	3.8%	13.2%	15.4%

Key Rates

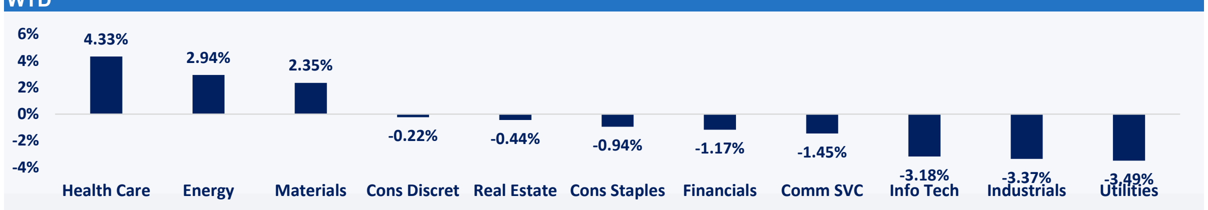
Rate	Yield	Prior Wk	Qtr-End	Yr-End	1 Yr Ago	Expectations
SOFR	3.63	3.62	3.68	3.87	4.32	3.47
2-yr U.S. Treasury	4.23	4.17	4.17	3.47	3.79	3.79
5-yr U.S. Treasury	4.42	4.36	4.23	3.73	3.86	3.98
10-yr U.S. Treasury	4.73	4.69	4.47	4.17	4.33	4.36
30-yr U.S. Treasury	5.27	5.26	4.95	4.84	4.92	4.86
10-yr German Bund	3.26	3.20	2.86	2.85	2.76	
10-yr UK Gilts	5.06	5.04	4.76	4.48	4.73	
30-yr Fixed Mortgage	6.73	6.76	6.55	6.25	6.66	
1-yr Breakeven	2.04	1.67	1.42	2.29	2.68	
5-yr Breakeven	2.34	2.25	2.27	2.27	2.47	

Currencies & Commodities

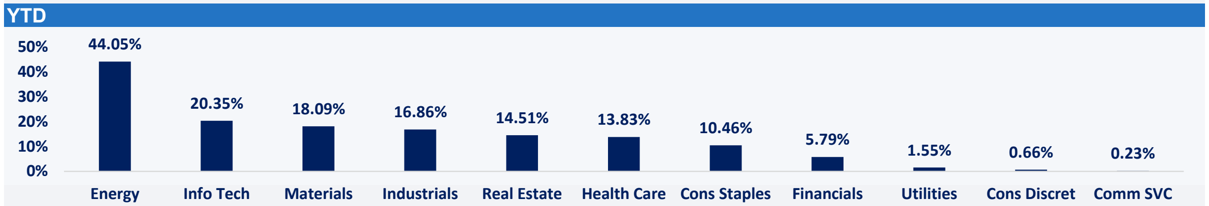
	Current	Prior Wk	Yr-End	1 Yr
$ per € (EUR/USD)	1.17	1.16	1.17	1.16
$ per £ (GBP/USD)	1.36	1.35	1.35	1.34
¥ per $ (USD/JPY)	158.99	159.32	156.71	148.37
Dollar Index	98.83	99.67	98.32	98.62
Gold ($/oz)	4612.96	4376.40	4319.37	3338.71
Silver ($/oz)	69.12	64.68	71.66	38.15
Copper	658.15	661.30	568.20	444.35
WTI Oil ($/bbl)	86.68	82.40	57.42	63.52
Brent Oil ($/bbl)	93.94	88.52	60.85	67.67

S&P 500 Sector Returns

WTD



YTD



Style Returns

YTD

	Value	Blend	Growth
Large	23.3%	13.0%	3.8%
Mid	22.9%	18.5%	5.3%
Small	25.2%	22.6%	20.2%

WTD

	Value	Blend	Growth
Large	-0.5%	-1.4%	-2.3%
Mid	-0.8%	-1.2%	-2.4%
Small	-1.1%	-1.6%	-2.1%

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.