PEAPACK PRIVATE

The Weekly
Economic & Market Recap

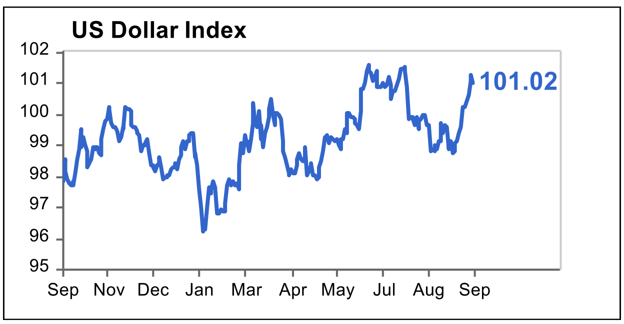
September 25, 2026

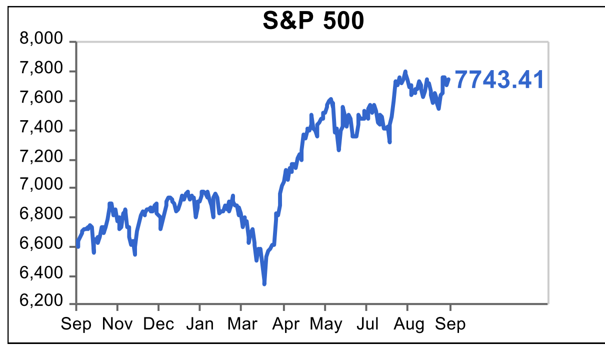
Weekly Recap

Ongoing uncertainty in the Middle East and rising interest rates continued to shape market sentiment this week. Large-cap stocks extended their advance, while small-cap equities moved lower as higher borrowing costs increased pressure on smaller companies. Federal Reserve officials maintained a hawkish stance, emphasizing that inflation remains a key concern and signaling that at least one additional rate hike could occur before the end of 2026. Markets are currently pricing in roughly a 70% chance of an October increase, helping push the 10-year Treasury yield above 5% for the first time since 2007. Richmond Fed President Tom Barkin noted that the effects of higher energy prices and tariffs have yet to fully dissipate and that underlying economic conditions remain firm. Meanwhile, President Trump and Chinese President Xi Jinping held talks that produced few major developments, though both leaders discussed artificial intelligence and agreed to extend the current trade truce by an additional two months. Economic data painted a mixed but generally resilient picture. August new home sales came in at 684,000, comfortably above expectations despite mortgage rates climbing to approximately 7%, their highest level since early 2025. Consumer sentiment, as measured by the University of Michigan survey, also exceeded forecasts, although it remained below August's level. Looking ahead, investors will closely monitor JOLTS job openings, ISM manufacturing data, and the September employment report for further insight into the economy and the path of monetary policy.

Key Points for Investors to Consider:

- Brent oil moved lower to $91 per barrel as the U.S. and Iran continue to discuss the reopening of the Strait of Hormuz
- Concerns around AI data-center spending intensified amid rising regulatory scrutiny and financing risk
- Sticky inflation remains a concern for the Fed, making additional rate hikes increasingly likely



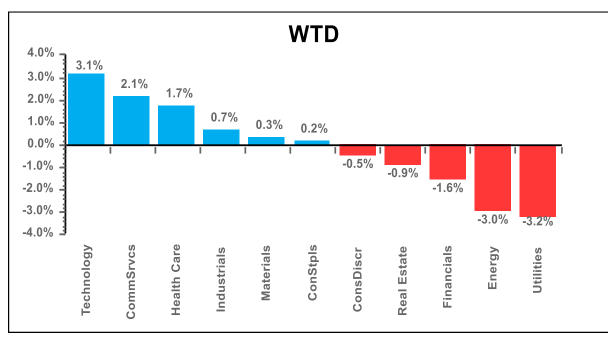


INDICES	Close	Wk Net Change	Wk % Change	Div Yield	YTD % Change	12 Mos % Change
DJII-USA	51,828.62	145.98	0.28	1.69	7.83	12.80
S&P 500	7,743.41	92.91	1.21	1.37	13.12	17.24
NASDAQ	27,068.72	546.17	2.06	0.84	16.46	20.93
S&P MidCap 400	3,648.57	-2.16	-0.06	2.35	10.39	12.80
EAFE	105.56	0.59	0.56	3.10	9.92	14.84
Emerging Markets	82.55	0.89	1.09	3.04	22.81	26.26

COMMODITIES	Price	Wk % Change
Copper	6.78	1.29
Gold	4,322.70	-2.31
WTI	92.42	-3.81
Brent	97.42	-6.21
Natural Gas	3.24	11.40

FOREX	Price	Wk % Change
EUR/USD	1.14	-0.80
USD/JPY	157.17	0.26
GBP/USD	1.32	-1.08
USD/CAD	1.41	1.13

TREASURIES	Current Yield	12/31/25 Yield
1 - Year	4.47	3.47
2 - Year	4.85	3.48
5 - Year	4.98	3.73
10 - Year	5.16	4.17
30 - Year	5.49	4.84



RUSSELL STYLE RETURNS

WTD	Value	Blend	Growth
Large	0.09%	1.25%	2.43%
Medium	-0.57%	0.08%	1.75%
Small	-0.97%	-0.75%	-0.54%

YTD	Value	Blend	Growth
Large	21.04%	13.57%	6.98%
Medium	16.87%	13.43%	2.13%
Small	19.05%	15.32%	11.79%

SECTORS - Large Cap	Close	Wk Net Change	WTD	MTD	QTD	YTD
Defensive						
Staples	917.18	1.86	0.2%	(1.7%)	(0.6%)	6.0%
Health Care	1,992.06	33.25	1.7%	0.4%	7.6%	10.3%
CommServices	476.49	10.01	2.1%	5.7%	4.9%	5.3%
Eco Sensitive						
Consumer Disc	1,832.82	-9.86	(0.5%)	(4.6%)	(3.9%)	(5.0%)
Energy	951.21	-29.31	(3.0%)	(2.1%)	17.3%	38.4%
Industrials	1,443.46	9.52	0.7%	(2.5%)	(8.0%)	9.9%
Info Tech	7,295.25	220.36	3.1%	4.8%	7.5%	28.3%
Materials	630.94	1.95	0.3%	(4.9%)	(1.1%)	9.8%
Interest Rate Sensitive						
Financials	912.96	-14.71	(1.6%)	(4.7%)	2.3%	0.1%
Utilities	401.64	-13.28	(3.2%)	(5.9%)	(12.8%)	(7.4%)
REIT	270.66	-2.55	(0.9%)	(4.6%)	(4.6%)	7.6%

COMING UP NEXT WEEK		Consensus	Prior
09/29 Consumer Confidence	(Sep)	90.0	89.4
09/29 JOLTS Job Openings	(Aug)	7,150K	7,271K
09/30 GDP SAAR Q/Q (Final)	(Q2)	1.5%	1.5% P
09/30 Personal Income SA M/M	(Aug)	0.45%	0.40%
09/30 Chicago PMI SA	(Sep)	53.2	47.1
10/01 Initial Claims SA	(09/26)	201.5K	197.0K
10/02 Hourly Earnings SA M/M (Preliminary)	(Sep)	0.30%	0.30%
10/02 Nonfarm Payrolls SA	(Sep)	82.5K	162.0K
10/02 Unemployment Rate	(Sep)	4.1%	4.1%
10/02 Durable Orders SA M/M (Final)	(Aug)	-0.30%	0.0% P

Source: FactSet