PEAPACK PRIVATE

The Weekly
Economic & Market Recap

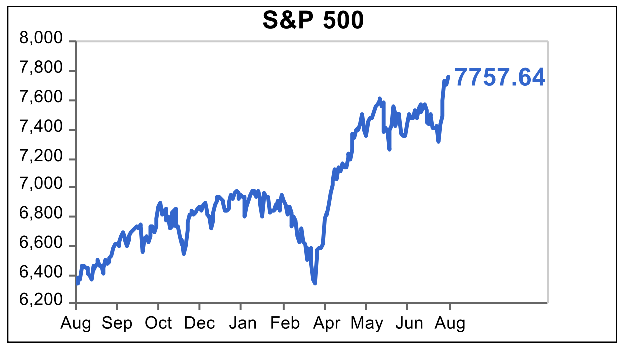
August 7, 2026

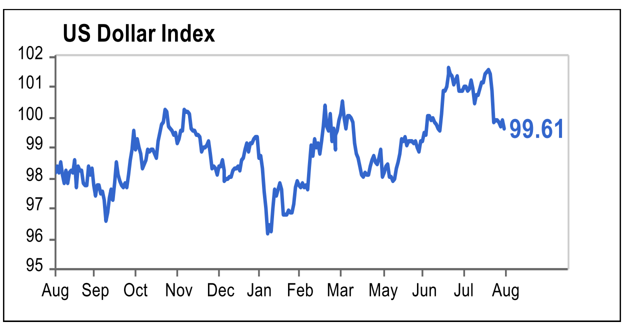
Weekly Recap

All major indices moved higher for the week, with much of the advance occurring before Friday's employment report. Investors were encouraged by a strong earnings season, particularly among technology and AI-related companies, where results and forward guidance continue to exceed expectations. Economic data also supported sentiment, as manufacturing activity expanded at its strongest place in several years, reinforcing the view that the economy remains resilient despite signs of slower hiring. Improving risk sentiment surrounding Middle East tensions and expectations that inflation remains contained further supported equity markets. The labor market became the primary focus late in the week. Initial jobless claims came in at 199,000, slightly better than expected, suggesting layoffs remain limited. However, the July employment report was significantly weaker than anticipated. Nonfarm payrolls declined by 23,000 versus expectations for an increase of roughly 80,000 jobs, while employment gains for May and June were revised materially lower. Wage growth also moderated, with average hourly earnings rising just 0.1% during the month and 3.2% over the prior year, the slowest pace since 2021. Although unemployment rate declined to 4.1%, the drop was driven largely by lower labor force participation rather than stronger hiring. Investors nevertheless welcomed the report, viewing it as evidence that labor market conditions are cooling and reducing the likelihood of additional Federal Reserve rate hikes in the near term. Treasury yields moved lower following the release as markets scaled back expectations for further tightening. Looking ahead, attention shifts to next week's CPI and PPI reports, which should provide further insight into inflation trends and the future path of Fed policy.

Key Points for Investors to Consider:

- Stocks rallied broadly as strong corporate earnings and continued enthusiasm regarding AI companies helped lift investor sentiment
- The July jobs report disappointed, with payrolls declining by 23,000, signaling a cooling labor market
- Markets interpreted the weak employment data as Fed-friendly, pushing Treasury yields lower

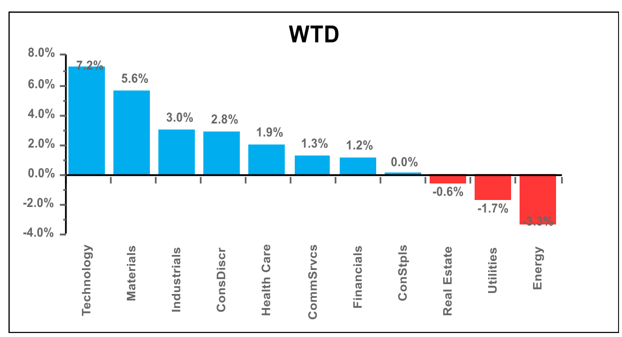




INDICES	Close	Wk Net Change	Wk % Change	Div Yield	YTD % Change	12 Mos % Change
DJII-USA	54,036.93	1551.90	2.96	1.61	12.43	22.90
S&P 500	7,757.64	267.92	3.58	1.34	13.32	22.36
NASDAQ	26,690.62	1316.76	5.19	0.84	14.84	25.65
S&P MidCap 400	3,885.57	126.93	3.38	2.11	17.56	24.36
EAFE	108.55	2.97	2.81	2.98	13.04	20.85
Emerging Markets	79.99	2.38	3.07	3.02	19.00	30.09

COMMODITIES	Price	Wk % Change
Copper	6.58	1.84
Gold	4,399.00	7.11
WTI	77.15	-8.88
Brent	82.26	-6.45
Natural Gas	2.67	-2.80

FOREX	Price	Wk % Change
EUR/USD	1.16	0.24
USD/JPY	157.94	0.27
GBP/USD	1.35	0.07
USD/CAD	1.39	-0.53



TREASURIES	Current Yield	12/31/25 Yield
1 - Year	4.00	3.47
2 - Year	4.19	3.48
5 - Year	4.35	3.73
10 - Year	4.64	4.17
30 - Year	5.20	4.84

RUSSELL STYLE RETURNS

WTD	Value	Blend	Growth
Large	2.28%	3.69%	5.31%
Medium	2.47%	3.12%	5.17%
Small	1.93%	3.56%	5.26%

YTD	Value	Blend	Growth
Large	23.30%	13.89%	5.49%
Medium	22.12%	18.12%	5.41%
Small	25.25%	23.01%	20.97%

SECTORS - Large Cap	Close	Wk Net Change	WTD	MTD	QTD	YTD
Defensive						
Staples	941.38	0.42	0.0%	0.0%	2.0%	8.8%
Health Care	1,930.59	36.92	1.9%	1.9%	4.2%	6.9%
CommServices	462.46	5.85	1.3%	1.3%	1.8%	2.2%
Eco Sensitive						
Consumer Disc	1,976.96	54.60	2.8%	2.8%	3.7%	2.5%
Energy	882.47	-30.14	(3.3%)	(3.3%)	8.8%	28.4%
Industrials	1,566.62	45.87	3.0%	3.0%	(0.1%)	19.3%
Info Tech	7,027.16	473.21	7.2%	7.2%	3.5%	23.6%
Materials	662.40	35.18	5.6%	5.6%	3.8%	15.3%
Interest Rate Sensitive						
Financials	957.92	11.13	1.2%	1.2%	7.3%	5.1%
Utilities	442.60	-7.57	(1.7%)	(1.7%)	(3.9%)	2.0%
REIT	288.35	-1.81	(0.6%)	(0.6%)	1.6%	14.6%

Source: FactSet

COMING UP NEXT WEEK		Consensus	Prior
08/11 Existing Home Sales SAAR	(Jul)	4,075K	4,090K
08/12 CPI ex-Food & Energy SA M/M	(Jul)	0.20%	0.0%
08/12 CPI NSA Y/Y	(Jul)	3.4%	3.5%
08/13 PPI ex-Food & Energy SA M/M	(Jul)	0.30%	0.20%
08/13 PPI SA M/M	(Jul)	0.10%	-0.30%
08/14 Retail Sales SA M/M	(Jul)	0.10%	0.20%
08/14 Michigan Sentiment NSA (Preliminary)	(Aug)	53.5	55.2