PEAPACK PRIVATE

The Weekly

Economic & Market Recap

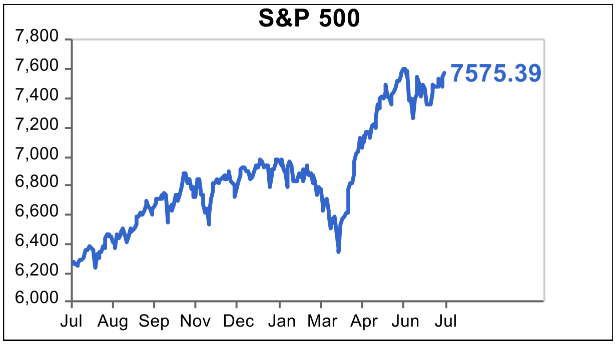
July 10, 2026

Weekly Recap

Investors returned from the shortened Independence Day week to a renewed escalation in tensions between the United States and Iran. Iran reportedly struck multiple vessels in the Strait of Hormuz, prompting the United States to revoke licenses permitting Iranian oil sales and launch a series of retaliatory strikes. The heightened geopolitical risk pushed crude oil prices up more than 4% during the week. Despite the increase in global tensions, the AI-driven market rally continued to gain traction, fueled by persistent optimism surrounding elevated capital expenditure (CAPEX) expectations. This helped lift the S&P 500 higher for the week, with growth stocks outperforming value stocks by more than 200 basis points. The June FOMC meeting was largely uneventful, though the minutes revealed that some policymakers favored a rate hike in June and highlighted ongoing disagreement within the Committee regarding the need for additional tightening in the second half of 2026. New York Fed President John Williams reiterated that inflation remains a key concern for the Federal Reserve and noted uncertainty about the ultimate size of the Fed's balance sheet. Meanwhile, one-year inflation expectations rose to 3.7%, their highest level since September 2023. Economic data continued to reflect labor market resilience. Initial jobless claims totaled 215,000, below expectations, while continuing claims came in at 1.814 million, also better than forecast. In housing, seasonal softness persisted, with existing home sales declining 2.4% month over month. Second-quarter earnings season has begun. Several major banks report second quarter earnings, which should provide an important insight into the health of the economy and the broader corporate earnings outlook.

Key Points for Investors to Consider:

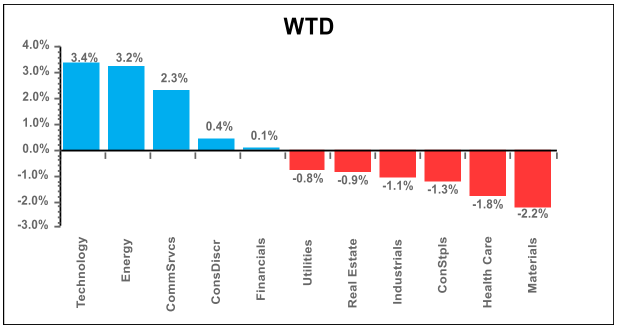
- The second quarter earnings reports begin next week with the major banks
- Investors will be focused on important inflation and retail sales data
- New Fed Chair Warsh is providing semiannual monetary policy testimony



INDICES	Close	Wk Net Change	Wk % Change	Div Yield	YTD % Change	12 Mos % Change
DJII-USA	52,637.01	-263.06	-0.50	1.64	9.52	17.89
S&P 500	7,575.39	92.15	1.23	1.37	10.66	20.62
NASDAQ	26,281.61	448.94	1.74	0.87	13.08	27.39
S&P MidCap 400	3,780.11	-22.70	-0.60	2.15	14.37	18.16
EAFE	104.33	-0.04	-0.04	3.02	8.64	16.17
Emerging Markets	81.32	1.48	1.85	2.55	20.98	35.02

COMMODITIES	Price	Wk % Change
Copper	6.28	1.88
Gold	4,119.20	-0.16
WTI	71.55	4.16
Brent	76.00	5.38
Natural Gas	2.94	-8.07

FOREX	Price	Wk % Change
EUR/USD	1.14	-0.16
USD/JPY	161.83	0.39
GBP/USD	1.34	0.35
USD/CAD	1.42	-0.16



TREASURIES	Current Yield	12/31/25 Yield
1 - Year	4.05	3.47
2 - Year	4.20	3.48
5 - Year	4.30	3.73
10 - Year	4.56	4.17
30 - Year	5.06	4.84

RUSSELL STYLE RETURNS

WTD	Value	Blend	Growth
Large	0.01%	1.07%	2.30%
Medium	-0.37%	-0.29%	-0.29%
Small	-0.61%	-0.53%	-0.54%

YTD	Value	Blend	Growth
Large	18.17%	11.11%	4.94%
Medium	18.01%	14.89%	4.26%
Small	22.16%	20.74%	19.27%

SECTORS - Large Cap	Close	Wk Net Change	WTD	MTD	QTD	YTD
Defensive						
Staples	930.18	-11.92	(1.3%)	0.8%	0.8%	7.5%
Health Care	1,876.76	-35.28	(1.8%)	1.3%	1.3%	3.9%
CommServices	472.98	10.57	2.3%	4.1%	4.1%	4.6%
Eco Sensitive						
Consumer Disc	1,914.80	7.56	0.4%	0.4%	0.4%	(0.7%)
Energy	839.58	26.23	3.2%	3.5%	3.5%	22.1%
Industrials	1,539.79	-17.23	(1.1%)	(1.8%)	(1.8%)	17.3%
Info Tech	6,790.70	224.24	3.4%	0.0%	0.0%	19.5%
Materials	639.02	-14.51	(2.2%)	0.1%	0.1%	11.2%
Interest Rate Sensitive						
Financials	926.80	0.54	0.1%	3.8%	3.8%	1.7%
Utilities	461.13	-3.84	(0.8%)	0.1%	0.1%	6.3%
REIT	285.04	-2.46	(0.9%)	0.4%	0.4%	13.3%

COMING UP NEXT WEEK		Consensus	Prior
07/14 CPI ex-Food & Energy SA M/M	(Jun)	0.22%	0.20%
07/14 CPI ex-Food & Energy NSA Y/Y	(Jun)	2.8%	2.9%
07/14 CPI NSA Y/Y	(Jun)	3.8%	4.2%
07/15 Empire State Index SA	(Jul)	11.5	5.7
07/15 PPI ex-Food & Energy SA M/M	(Jun)	0.40%	0.40%
07/15 PPI SA M/M	(Jun)	0.05%	1.1%
07/16 Philadelphia Fed Index SA	(Jul)	7.0	10.3
07/16 Retail Sales ex-Auto SA M/M	(Jun)	-0.05%	0.80%
07/16 Retail Sales SA M/M	(Jun)	0.25%	0.90%
07/17 Housing Starts SAAR	(Jun)	1,310K	1,177K
07/17 Industrial Production SA M/M	(Jun)	0.40%	0.10%
07/17 Michigan Sentiment NSA (Preliminary)	(Jul)	51.5	49.5

Source: FactSet