Benefit Financial Services Group

MONDAY MORNING RECAP - May 4, 2026

Last Week

Dow Jones Industrial Average (DJIA)	49,499.29	+268.56	+0.55%
S&P 500 Index	7,230.12	+65.04	+0.91%
NASDAQ Composite Index	25,114.44	+277.84	+1.12%
U.S. 10 yr. Treasury Note Yield	4.39%	+8 Basis Points	
Gold ($ per troy oz.)	$4,629.90	-$94.50	-2.00%
WTI Oil ($ per barrel)	$101.94	+$7.54	+7.99%

Market Summary

Global Equities: US equities rose further last week despite elevated energy prices, reaching new all-time highs on the back of strong corporate earnings and economic data. The S&P 500 ended the week up 0.91%. European equities saw smaller gains amid mixed earnings reports and data releases that suggested the conflict in the Middle East is affecting the European economy. The STOXX 600 rose 0.31% over the week. Korean equities continued to rally, benefitting from investor interest in stocks linked to the AI infrastructure buildout. The KOSPI ended the week up 1.90% and rose by 31% in April – its biggest monthly gain since 1998.

Fixed Income: US Treasury yields rose further last week, as surging oil prices and a resilient labor market reduced expectations of rate cuts later this year. The 2-Year and 10-Year US Treasury yields ended the week up at 3.88% and 4.39%, respectively. European yields also increased, with the 10-year German Bund yield surpassing 3.1% at one point, its highest level since 2011. It ended the week higher at 3.04%.

Commodities: Oil prices continued to climb higher, with Brent Crude hitting $126/bbl intraday on Thursday following a report that President Trump might be considering new military options against Iran. With the Strait of Hormuz still effectively closed, WTI and Brent Crude ended the week up at $101.94 and $108.17/bbl, respectively. Gold fell further at the prospect of tighter monetary policy, ending the week down at $4,629.90/troy oz.

FX: The US dollar index fell by –0.38% last week after Q1 US GDP growth came in lower than expected and Iran presented the US with a new peace proposal, stoking hopes of a potential resolution to the conflict. The dollar was roughly flat against the euro but fell against the Japanese yen, with the yen rallying sharply after Japan's currency intervention. The dollar ended the week at $1.17 and ¥157.01, respectively.

Economic Summary

Monetary Policy: The Federal Reserve kept rates unchanged at 3.5-3.75% last week, as expected. Four FOMC members dissented – the highest number since 1992 – with Presidents Hammack, Kashkari and Logan dissenting against the unchanged reference to the “easing bias” in the post-meeting statement and Governor Miran dissenting in favor of a 25bp cut. The ECB held its policy rate unchanged at 2.00% in a unanimous decision and President Christine Lagarde signaled that the next six weeks will be crucial for a potential June hike. In the UK, the BoE's MPC voted 8-1 to maintain the Bank Rate at 3.75%. The Committee described the move as an "active hold" as the pause exerts tightening pressure by defying previous market expectations of a cut. The BoJ kept its short-term rate at 0.75%, as expected. Despite the hold, the tone was hawkish as the BoJ sharply revised its FY2026 core inflation forecast up from 1.9% to 2.8% and three members voted for an immediate hike to 1.0%.

Activity: US GDP rose to 2.0% annualized in Q1, up from 0.5% in Q4 but below consensus expectations of 2.2%. Growth was driven largely by business spending, with AI-related equipment and software spending accounting for 1.5 pp of the expansion. The S&P Global US Manufacturing PMI for April came in at 54.5, up from 52.3 in March, marking its highest level since May 2022. However, this reading was largely due to inventory buildup amid surging raw materials prices and supply chain disruptions. Meanwhile, Euro area real GDP preliminary flash estimates came in at just 0.1% QoQ in Q1, below expectations of 0.2%.

Inflation: US core PCE inflation came in at 0.3% MoM in March, resulting in an annual rate of 3.2%, with both figures in line with expectations. The headline rates, which include volatile food and energy prices, were 0.7% MoM and 3.5% YoY. Euro area headline inflation rose to 3.0% YoY in April, above expectations, primarily driven by a 10.9% surge in energy prices. However, core inflation decelerated to 2.2% YoY.

Key Economic Releases

Monday, May 4: Euro Area Manuf. PMI (Prior: 52.2)	**Thursday, May 7:** US Initial Jobless Claims (Prior: 189k)
Tuesday, May 5: US Composite PMI (Prior: 52.0)	**Friday, May 8:** US Nonfarm Payrolls (Cons: 73k, Prior: 178k) US Unemployment Rate (Cons: 4.3%, Prior: 4.3%)
Wednesday, May 6: Euro Area Composite PMI (Prior: 48.6)	

Source: Goldman Sachs Asset Management: “Market Monitor”, 5/1/2026

“AI” refers to Artificial Intelligence. “ECB” refers to European Central Bank. “WTI” refers to West Texas Intermediate crude oil, a common US benchmark for oil prices. “Brent” refers to a global benchmark for oil prices worldwide. “Bbl” refers to barrel. “Oz” refers to ounce. “FX” refers to foreign exchange. “GDP” refers to Gross Domestic Product. “FOMC” refers to Federal Open Market Committee. “BoE” refers to Bank of England. ”BoJ” refers to Bank of Japan. “GDP” refers to Gross Domestic Product. “AI” refers to Artificial Intelligence. “pp” refers to percentage points. “PMI refers to Purchasing Managers' Index. “PCE” refers to Personal Consumption Expenditures. “Core PCE” refers to Personal Consumption Expenditures, less food and energy. “MoM” refers to month-over-month. “YoY” refers to year-over-year.