Benefit Financial Services Group

MONDAY MORNING RECAP - May 18, 2026

Last Week

Dow Jones Industrial Average (DJIA)	49,526.17	-82.99	-0.17%
S&P 500 Index	7,408.50	+9.57	+0.13%
NASDAQ Composite Index	26,225.14	-21.93	-0.08%
U.S. 10 yr. Treasury Note Yield	4.59%	+21 Basis Points	
Gold ($ per troy oz.)	$4,555.80	-$164.60	-3.49%
WTI Oil ($ per barrel)	$105.42	+$10.00	+10.48%

Market Summary

Global Equities: US equities rose further last week on strong corporate earnings, ongoing enthusiasm for artificial intelligence, and hopes of improved US-China relations as Presidents Trump and Xi called for better ties. The S&P 500 ended the week up 0.13%. European equities fell, dragged down by the region's reliance on energy imports as hopes of a US-Iran peace deal dimmed. The STOXX 600 ended the week down -0.66%. After rising for most of the week, UK equities fell sharply on Friday on speculation about a potential change in Prime Minister. The FTSE 100 ended the week down –0.19%.

Fixed Income: US Treasury yields rose last week, hitting their highest levels in around a year on fears about the impact of Middle East conflict on inflation. The 2-Year and 10-Year US Treasury yields ended the week at 4.09% and 4.59%, respectively, while the government held a 30-year Treasury auction at a 5% yield for the first time since 2007. German yields also rose, remaining near multi-year highs on expectations of ECB rate hikes, with the 10- Year German Bund yield ending the week at 3.17%.

Commodities: Oil prices rose last week as President Trump stated that he was losing patience with Iran, sparking fears that the situation in the Middle East could escalate again. With the Strait of Hormuz still effectively closed, global oil inventories being drawn down at a record pace, and concern that a full energy crisis may be weeks away, WTI and Brent Crude ended the week up at $105.42 and $109.26/bbl, respectively. Gold fell last week on high inflation readings, a stronger US dollar, and dwindling hopes of Fed rate cuts, ending the week at $4,555.80/troy oz.

FX: The US dollar index rose by 1.41% last week, hitting a five-week high on the back of higher Treasury yields and signs that the US economy remains solid, increasing expectations of tighter Fed policy. The dollar rose against both the euro and the yen, ending the week at $1.16 and ¥158.74, respectively.

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Economic Summary

Inflation: There was clear evidence of rising inflationary pressures last week. US CPI hit 0.6% MoM and 3.8% YoY in April, with the one-year rate at its highest level since May 2023. While largely driven by high energy prices, the core rate, which excludes food and energy, came in at 0.4% MoM and 2.8% YoY, above consensus expectations and showing pressures are coming from a range of sources. Producer prices have risen as well, with PPI inflation hitting 1.4% MoM in April, well above consensus expectations of 0.5%. The 6.0% YoY figure is the highest level since 2022. Chinese CPI rose from 1.0% YoY in March to 1.2% in April, above consensus expectations of 0.8%, while producer price inflation accelerated to 2.8% – well above consensus expectations of 1.5% YoY. In Japan, producer price inflation rose from 2.9% YoY in March to 4.9%, well above consensus expectations of 3.0%, reinforcing expectations that the BoJ will continue gradually raising interest rates.

Activity: Despite indicators suggesting consumer confidence is low, US retail sales rose 0.5% MoM in April, as expected, implying high gasoline prices are not yet forcing consumers to cut back elsewhere. Meanwhile, US existing home sales edged up 0.2% in April to 4.02m units, marginally below the expected 4.05m. UK Q1 GDP growth came in at 0.6% QoQ, in line with expectations and up from 0.2% in Q4. However, UK industrial production fell from 0.3% MoM in February to -0.2% in March, highlighting weakness in manufacturing despite resilient headline growth. The Euro area economy grew by 0.1% QoQ in Q1, the same as in Q4, showing growth remains subdued. Euro area industrial production rose 0.2% MoM in March, below expectations of 0.3% and unchanged from February. Chinese exports surged 14.1% YoY in April, well above expectations of 7.9% and the March figure of 2.5%.

Labor: Initial jobless claims in the US rose by 12k in the week ending May 9 to 211k, above the expected 205k, while continuing claims rose by 24k to 1.78m. Both figures are still well below their 2025 averages.

Key Economic Releases

Monday, May 18: Japan GDP Q1 QoQ (Cons: 0.4%, Prior: 0.3%	**Thursday, May 21:** US Manufacturing PMI (Prior: 54.5) US Services PMI (Prior: 51.0)
Tuesday, May 19: No economic releases	**Friday, May 22:** No economic releases
Wednesday, May 20: FOMC Minutes UK CPI YoY (Prior: 3.3%) Euro Area CPI YoY (Cons: 3.0%, Prior: 3.0%)	

Source: Goldman Sachs Asset Management: “Market Monitor”, 5/15/2026

“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. “CPI” refers to Consumer Price Index. “MoM” refers to month-over-month. “YoY” refers to Year-over-Year. “PPI” refers to the Producer Price Index. “GDP” refers to Gross Domestic Product. ”BoJ” refers to Bank of Japan. “QoQ” refers to quarter-over-quarter.