Benefit Financial Services Group

MONDAY MORNING RECAP - August 31, 2026

Last Week

Dow Jones Industrial Average (DJIA)	53,559.99	+282.98	+0.53%
S&P 500 Index	7,711.76	+37.39	+0.49%
NASDAQ Composite Index	26,402.42	+221.97	+0.85%
U.S. 10 yr. Treasury Note Yield	4.73%	-1 Basis Point	
Gold ($ per troy oz.)	$4,478.10	-$150.20	-3.25%
WTI Oil ($ per barrel)	$83.40	-$3.66	-4.20%

Market Summary

Global Equities: US equities rose last week as strong earnings from Nvidia and other major tech companies quelled doubts about the strength of AI demand. While mega-cap tech companies have driven a large share of index-level EPS growth this quarter, strong earnings growth has been broad-based, with the S&P 500 ex. Mag 7 seeing 32% YoY EPS growth. The S&P 500 ended the week up 0.49%. European equities were little changed, giving back gains from earlier in the week amid concerns about France's fiscal outlook ahead of next year's election. The STOXX 600 ended the week up 0.17%. In Asia, Japanese equities benefited from AI enthusiasm, with the TOPIX ending up 1.95%, but Korea's KOSPI fell by –1.79% on worries about new US tariffs on semiconductors.

Fixed Income: US Treasury yields were mixed last week, with the 2-Year jumping and the 10-Year little changed. Yields initially fell as oil prices moved lower but rebounded after Fed Chair Kevin Warsh's Jackson Hole speech, where he emphasized the Fed's commitment to fighting inflation. The 2-Year and 10-Year yields ended the week at 4.34% and 4.73%, respectively. The 10-Year German Bund yield also initially declined but later rose to 3.28%, its highest level since May 2011, due to French fiscal worries.

Commodities: Oil prices fell last week on news that Iran and Oman are restarting talks about joint management of the Strait of Hormuz. WTI and Brent Crude ended down at $83.40 and $89.31/bbl, respectively. Gold hit a three-month high of $4,651/troy oz on Tuesday on US fiscal concerns but slipped as the market's attention turned to persistent inflation. It ended the week down at $4,478.10/troy oz.

FX: The US dollar index rose by 0.91% last week after Warsh struck a hawkish tone in his speech, with markets pricing a near 60% probability of a hike at the September FOMC meeting. The dollar strengthened against both the euro and the yen, ending at $1.16 and ¥160.09, respectively.

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Economic Summary

Inflation: US PCE inflation rose by slightly more than expected in July, coming in at 0.2% MoM and 3.7% YoY. However, core PCE, which strips out volatile food and energy prices, was in line with forecasts at 0.2% MoM and 3.3% YoY and better than toplines suggest. Portfolio management fees contributed almost half of this month's increase (0.11pp) due to the rise in equity prices in Q2. This print marks the 65th consecutive month that inflation has been above the Fed's 2% target.

Activity: The latest estimate of US GDP growth in Q2 remained unchanged from the initial estimate of 1.5%, which was down from 2.1% in Q1. However, growth in consumer spending, which is responsible for around two-thirds of US economic activity, was revised up from 3.2% to 3.4%. Meanwhile, spending increased by 0.2% MoM and personal income by 0.4% MoM in July, both of which were stronger than consensus expected. The second estimate for Germany's GDP growth in Q2 came in at 0.3%, which was above both the preliminary reading and the 0.2% consensus estimate, and represents a slight improvement from Q1's 0.2% expansion. Meanwhile, the Ifo Business Climate Index rose from 86.7 in July to 88.8 in August, significantly above the 87.2 consensus expectation and indicating a broad improvement in German business sentiment.

Sentiment: Despite strong US activity data, the Conference Board's Consumer Confidence Index fell slightly from 90.2 in July to 89.4 in August. Euro area consumer confidence improved modestly from -15.9 in July to -15.5 in August but remains well below its long-run average. The stabilization is marginally supportive of household demand but is unlikely to materially alter the ECB's policy outlook.

Labor: US initial jobless claims fell by 4k to 203k in the week ending August 22, having been expected to rise slightly to 208k. Claims remain mostly range-bound at historically low levels between 200k and 230k.

Key Economic Releases

Monday, August 31: No economic releases	**Thursday, September 3:** US S&P Global Composite PMI (Prior: 52.1) US Initial Jobless Claims (Prior: 203k) UK Composite PMI (Prior: 52.5)
Tuesday, September 1: US JOLTS Job Openings (Prior: 7.359M) Euro Area CPI YoY (Prior: 2.9%) Euro Area Unemployment Rate (Prior: 6.3%)	**Friday, September 4:** US Unemployment Rate (Prior: 4.1%) US Nonfarm Payrolls (Prior: -23k)
Wednesday, September 2: No economic releases	

Source: Goldman Sachs Asset Management: “Market Monitor”, 8/28/2026

“AI” refers to Artificial Intelligence. “EPS” refers to earnings per share. “S&P 500 ex. Mag 7” refers to S&P 500, excluding the Mag 7. “Mag 7” refers to Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia, and Tesla. “Fed” refers to Federal Reserve. “Hawkish” refers to restrictive monetary policy. “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. “FOMC” refers to Federal Open Market Committee. “EUR” refers to euro. “USD” refers to US dollar. “JPY” refers to the Japanese yen. "PCE" refers to Personal Consumption Expenditures. “Core PCE” refers to Personal Consumption Expenditures, excluding food and energy prices. “MoM refers to month-over-month. “YoY” refers to year-over-year. “GDP” refers to Gross Domestic Product.