

The Data

- Equity markets ended the week in positive territory following positive developments in Iran.
 - S&P 500 +0.57% Dow +0.66% Russell 2000 +4.01%, Nasdaq +0.70%¹
 - The All-Country World Index rose +1.32%¹
 - S&P 500 sub-sectors were mostly higher.
 - Tech & Consumer Staples led to the upside.¹
 - Energy led to the downside with a loss of almost 3%.¹
 - The CBOE Volatility Index (VIX) sank 18% to end at 17.63.¹
- US Treasury bond yields moved lower on the week.
 - US 2yr -0.08% at 4.08%, 10yr -0.06% to 4.48%, 30yr -0.04% to 4.97%.¹
 - All eyes will be on the Federal Reserve meeting this week.
- Commodities as an aggregate asset class moved lower last week.
 - WTI Crude declined -7.02%.¹
 - Gold went lower by -2.67%.¹
 - The US Dollar index lost -0.27%.¹
- In our opinion, U.S. economic data was mixed last week.
 - The Small Business Optimism Index ticked lower on rising prices concerns.¹
 - The Consumer & Producer Price indices both rose to their highest levels in 3 years as inflation continued to rise.¹
 - Consumer Sentiment improved in its latest release for the first time in 4 months.¹
- An index of equities outside the US (FTSE All-World ex-US) gained +3.22%.¹

¹ Source: Bloomberg – 6/12/2026

Conclusion

- Equities bounced back with gains last week as the SpaceX IPO launched on Friday.
 - News of a deal with Iran boosted equities late in the week.
 - The deal appears to open the Strait of Hormuz and ends Iran's nuclear weapons ambitions.
 - All major indices ended the week in positive territory with small-caps leading to the upside, posting a gain of over 4%.¹
 - For almost 2 decades, a defining feature of the US stock market has been scarcity.
 - Year after year, shares disappeared from public hands, with buybacks by S&P 500 companies alone erasing nearly \$12 trillion worth.¹
 - SpaceX's record-breaking IPO ended Friday's session up 19% from its opening price.¹
 - This is the beginning of what could be a change of character to the supply of equity shares available as an estimated \$1.5 trillion in new shares are poised to be issued over the next 2 years.¹
 - This would be the strongest period of net equity issuance since the late 90s.¹
- S&P 500 sub-sectors were mostly higher last week.
 - Consumer Staples surprised to the upside and lead sectors with a gain of +3.94%.¹
 - Other interest rate sensitive sectors also saw solid gains as did the Tech sector.
- US Treasury yields moved lower last week.
 - The Federal Reserve will meet this week for new Fed Chair Warsh's first meeting.
 - Expectations are for rates to be maintained but that outlook has become cloudy with recent data releases pointing to rising inflation at the consumer & producer levels.
 - If these price pressures persist, policymakers may have to consider raising rates.
- Non-US equities outperformed their domestic alternatives.
 - The US Dollar index slid slightly which helped foreign equities.
 - A drop in oil prices and a possible increase in supply from the US/Iran possible deal helped boost many of the Int'l areas that are overly reliant on crude from the Middle East.
- While the week ended with equity markets in positive territory, it didn't come without some significant price swings throughout the week.
 - Tuesday saw a wild 200-point intraday swing set the mood for the week, which continued into Wednesday with a 1.6% open-to-close drop.¹
 - The market then adopted a bullish tone Thursday and Friday, driven by conflict de-escalation and enthusiasm surrounding SpaceX.
 - Under the surface, the foundation of the market, dealers, are in a transitional state that could see them become supporters of equities rising OR a headwind to this.
 - On top of the Fed meeting, markets will experience another large options expiration next week.
 - This expiration will remove a significant amount of positioning and could leave the market with little cushion if either event generates more volatility than expected.

Justin Greenhill - Chief Investment Officer – justin@sollinda.com

Ryan A. Mumy, CFP® - CEO – ryan@sollinda.com

Phone: 844/662-1211