

Summary

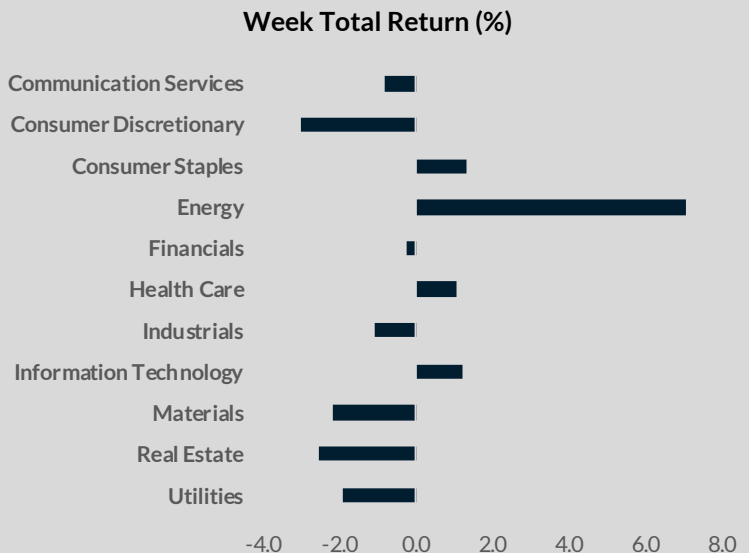
U.S. equity markets were mixed this week, with the S&P 500 rising 0.17%, while the DJIA slipped 0.11% and the NASDAQ declined 0.06%. Value and small-cap stocks moved lower, with the Russell 1000 Value down 0.76% and the Russell 2000 falling 2.34%. At the sector level, Energy (+7.03%) and Consumer Staples (+1.30%) were the top performers, while Consumer Discretionary (-3.04%) and Real Estate (-2.54%) were the weakest sectors this week. Overseas, stock returns were even worse, with the EAFE shedding 1.53% thanks to negative returns in France and Germany, while EM fell 2.45%, dragged down by South Korea, Taiwan, and Brazil.

Higher inflation numbers spooked the Treasury market. The 2-Year Note rose 18 basis points to close out the week at 4.07%, while the 10-Year Note gained 24 basis points to finish at a yield of 4.59%. In other markets, the VIX rose 1.24 to end at 18.43. Gold continued to trade lower, with the precious metal shedding \$175.17 to end at \$4,540.08, while crude oil gained \$10.00 to finish at \$105.42 a barrel. In currencies, the trade-weighted U.S. dollar moved up 1.4%, while Bitcoin fell 3.6% to finish the week around \$77,900.

Inflation dominated the economic news of the week. While headline CPI came in line with expectations, core CPI and every PPI index and sub-index exceeded forecasts, suggesting that the Fed will not be cutting rates for the foreseeable future. Other major data releases were also positive and hinted that the economy is running hot. Retail sales came in as forecast, while industrial production and capacity utilization both beat forecasts. Next week will be fairly quiet for major data releases, but keep an eye out for pending home sales, housing starts and mortgage applications, the release of the FOMC minutes, S&P Global PMIs, and the University of Michigan Consumer Sentiment numbers later in the week.

Index	Level	Total Return (%)	
		1 Week	YTD
S&P 500	7,408.50	0.17	8.68
DJIA	49,526.17	-0.11	3.63
NASDAQ	26,225.14	-0.06	13.08
MSCI EAFE	3,024.90	-1.53	6.29
MSCI EM	1,668.17	-2.45	19.61
Bloomberg US Agg	2,332.14	-1.14	-0.71

	Level	Value Change	
		1 Week	YTD
US 2 Year Yield	4.07	0.18	0.60
US 10 Year Yield	4.59	0.24	0.43
US 30 Year Yield	5.12	0.18	0.27
VIX Index	18.43	1.24	3.48
Gold Spot Price	4,540.08	-175.17	220.71
WTI Crude Oil Spot	105.42	10.00	48.41



Weekly Data Releases

Data	As of Date	Value	1Y Ago	% Change
US Existing Home Months' Supply	04/30/26	4.40	4.30	2.33%
US Existing Home Sales	04/30/26	4,020,000	4,020,000	0.00%
US Consumer Price Index	04/30/26	332.41	320.30	3.78%
US Producer Price Index	04/30/26	156.50	147.66	5.99%
US Nonstore Retailer Sales	04/30/26	137,558	123,854	11.06%
30 Year Mortgage Rate	05/14/26	6.36%	6.89%	-7.69%
US Retail Sales	04/30/26	656,115	623,635	5.21%

The Week Ahead

Monday (5/18)
Net Long-term TIC Flows
Tuesday (5/19)
Pending Home Sales MoM
Wednesday (5/20)
MBA Mortgage Applications
Thursday (5/21)
Initial Jobless Claims
Housing Starts
Philadelphia Fed Business Outlo
Friday (5/22)
U. of Mich. Sentiment

Please see important disclosures on last page.
Source: Bloomberg, YCharts, Modelist

How We're Talking About Markets

1

Inflation Becomes the Market's Gatekeeper

Markets had been debating when the Fed could cut. This week shifted the question toward whether policy may need to stay restrictive, or even tighten, after hotter CPI and PPI readings pushed Treasury yields higher. The key watch item is whether inflation remains isolated to energy and supply chains or broadens into services, wages, and consumer expectations.

2

AI Is Still Carrying the Earnings Story

Stocks remain resilient because investors are balancing macro pressure against a powerful earnings narrative. AI-linked spending, cloud infrastructure, and mega-cap profitability continue to offset the drag from higher oil, higher yields, and supply disruptions. That does not mean risk has disappeared. It means valuation support increasingly depends on earnings revisions staying strong enough to absorb the rate shock.

3

Global Dispersion Is Back

This is becoming less of a “stocks up or down” market and more of a market sorting winners and losers by exposure. Energy-sensitive regions, long-duration bonds, small caps, and import-dependent economies are under pressure, while AI-linked markets and sectors have held up better. Going forward, leadership may depend less on geography and more on who benefits from AI versus who absorbs higher input costs.

S&P 500 Top & Bottom Performing Stocks for the Week

Top 10

Ticker	Name	Price	Total Return
CSCO	Cisco Systems Inc	115.53	22.4%
PANW	Palo Alto Networks Inc	238.21	16.8%
ZBRA	Zebra Technologies Corp	258.10	14.7%
COHR	Coherent Corp	404.94	14.1%
CRWD	CrowdStrike Holdings Inc	579.95	12.6%
OXY	Occidental Petroleum Corp	56.84	12.4%
HUM	Humana Inc	301.35	11.0%
PM	Philip Morris International Inc	191.86	10.9%
F	Ford Motor Co	14.48	10.1%
TTWO	Take-Two Interactive Software Inc	242.41	10.0%

Bottom 10

Ticker	Name	Price	Total Return
CRL	Charles River Laboratories International Inc	159.12	-15.1%
CVNA	Carvana Co	69.53	-13.8%
INTC	Intel Corp	115.93	-12.9%
SMCI	Super Micro Computer Inc	33.03	-12.2%
CEG	Constellation Energy Corp	275.26	-11.9%
ALB	Albemarle Corp	191.10	-11.4%
GPC	Genuine Parts Co	97.19	-11.3%
CBRE	CBRE Group Inc	132.45	-11.2%
PSKY	Paramount Skydance Corp	10.11	-10.8%
TECH	Bio-Techne Corp	44.74	-10.5%

Please see important disclosures on next page.

Source: Bloomberg, YCharts, Modelist

Equity Data

Style Box	1 Week	MTD	YTD	1 Year	3 Year	5 Year	10 Year	Dividend		
								Yield	P/E Ratio	P/B Ratio
Russell 1000	-0.01	2.46	8.08	25.58	22.27	12.74	15.07	1.17	28.77	5.45
Russell 1000 Value	-0.76	0.41	10.84	25.31	18.41	9.84	11.07	1.87	21.55	3.25
Russell 1000 Growth	0.66	4.32	5.31	25.19	25.30	15.10	18.53	0.54	38.81	14.26
Russell Midcap	-1.46	-0.66	8.01	18.19	17.09	7.39	11.31	1.67	22.33	3.22
Russell 2000	-2.34	-0.19	13.10	36.96	18.50	5.66	10.70	1.89	72.95	2.47
S&P 500 Sector										
Communications	-0.84	0.98	11.40	43.62	34.76	15.32	13.79	0.67	25.66	5.84
Consumer Disc.	-3.04	-0.84	0.62	13.47	18.54	7.83	13.04	0.69	31.81	8.68
Consumer Staples	1.30	1.03	12.16	7.45	11.11	8.56	8.87	2.43	24.65	7.28
Energy	7.03	0.03	33.50	50.94	19.52	22.65	10.16	2.74	22.64	2.55
Financials	-0.28	-1.94	-6.28	1.83	19.13	7.99	12.37	1.88	16.17	2.26
Health Care	1.06	-0.59	-5.86	11.33	6.16	5.03	9.31	1.83	19.66	4.68
Industrials	-1.10	-1.84	10.84	21.46	22.75	11.97	13.53	1.30	31.52	7.42
Information Tech	1.21	9.83	17.24	47.75	32.78	23.28	25.98	0.46	43.38	14.83
Materials	-2.21	-1.99	10.45	17.82	12.29	4.87	10.12	1.60	25.06	3.25
Real Estate	-2.54	-2.72	8.72	8.51	10.49	3.69	6.80	3.34	45.70	3.25
Utilities	-1.93	-6.36	3.49	10.11	14.08	9.48	9.50	2.94	19.44	2.23

Fixed Income Data

Bloomberg Index	1 Week	MTD	YTD	1 Year	3 Year	5 Year	10 Year	Yield to Worst	Modified Duration	Credit Rating
US Universal	-1.09	-0.71	-0.55	4.38	4.19	0.32	1.99	5.00	5.82	
Multiverse	-1.51	-0.95	-0.76	2.20	3.52	-1.60	0.83	4.13	6.19	
US T-Bills: 1-3 M	0.07	0.17	1.36	3.87	4.73	3.52	2.31	3.66	0.19	AA1/AA1
Short Treasury	0.06	0.16	1.30	3.87	4.72	3.37	2.32	3.73	0.43	AA1/AA1
US Treasury	-1.11	-0.84	-0.96	2.72	2.49	-0.54	0.96	4.41	5.87	AA1/AA1
US Long Treasury	-2.60	-1.80	-2.86	2.00	-1.57	-5.57	-1.07	5.13	14.27	AA1/AA1
US TIPS	-0.71	-0.47	0.94	4.19	3.79	1.09	2.77	4.51	6.56	AA1/AA1
Municipal Bond	-0.58	-0.37	0.59	5.88	3.51	0.77	2.13	3.77	6.31	AA2/AA3
US Corporate	-1.04	-0.52	-0.60	4.75	4.92	0.37	2.67	5.27	6.90	A3/BAA1
US Corp HY	-0.49	-0.30	0.88	6.72	9.07	4.23	5.80	7.17	3.32	BA3/B1
Global-Aggregate	-1.52	-0.96	-0.81	1.92	3.21	-1.84	0.61	3.92	6.30	
EM USD Aggregate	-0.99	-0.41	0.32	8.25	8.39	1.82	3.56	6.15	6.03	BAA2/BAA3
U.S. Convertibles	-0.02	3.72	18.10	33.95	18.75	6.87	12.98	Field Not Applicable		

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