

WEEKLY INSIGHT

April 29, 2026

Strong Earnings Propel Markets to Record Highs

The S&P 500 finished the week flat as it digests what is likely to be the largest monthly gain since August of 2020. Semiconductors posted a 4% weekly gain as a historic 18-day winning streak came to an end. Semiconductors would rally 49% during the winning streak and are set to post their second highest monthly return on record. Emerging markets were up in the week, but foreign developed equities fell more than 1%. Interest rates moved higher, which resulted in core bonds declining 0.6%.

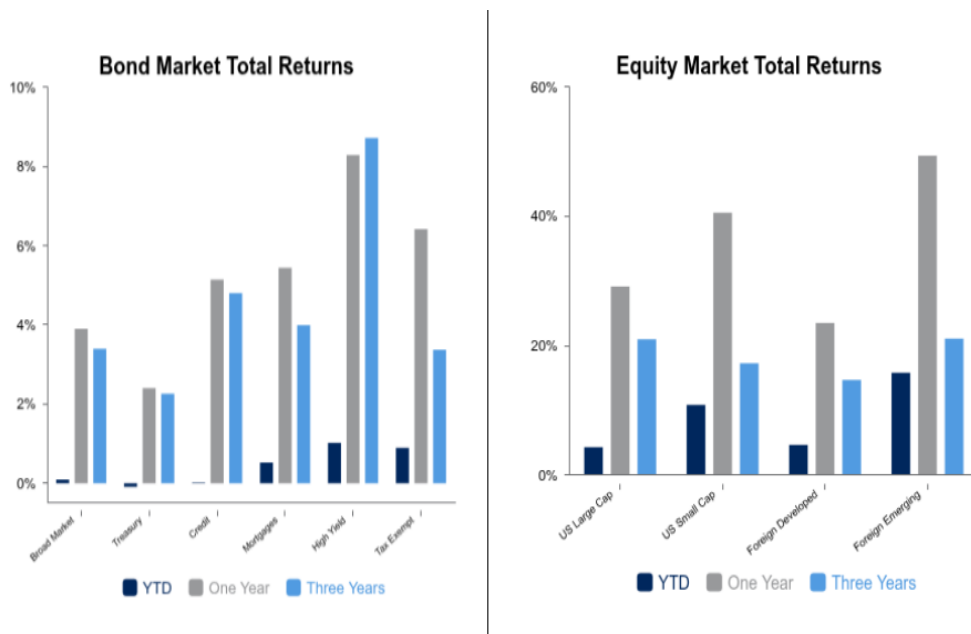
Oil flow out of the Middle East showed no resolution this week. West Texas Intermediate prices traded under \$80 per barrel mid-month but now sit near \$110. Global benchmark prices went above \$120 per barrel and briefly exceeded the levels reached in March. When WTI first peaked above \$110, June, September, and December contracts were all materially lower. The recent rise in oil has seen the front month's price get near its prior high but all the back-end prices have exceeded their prior peaks. The market is pricing higher oil prices for longer.

Jerome Powell chaired his last Federal Open Market Committee meeting. There were no changes to interest rates with the Federal Funds rate left at 3.75%. There were four dissents, which last occurred in 1992. Three of the dissents centered on modifying the language to remove the easing bias. At one point the market was pricing three interest cuts this year, but they have all been erased. The 30-year Treasury yield closed the week at 5.0% and sits just 11 basis points below the cycle high that occurred in October of 2023.

Strong earnings and economic momentum

Manufacturing and Services PMI showed monthly improvements according to S&P Global. Jobless claims remain exceptionally low. Core capital goods orders came in at +3.3% versus the prior month. This was well above expectations of +0.5% and followed a strong month in February. These numbers helped the Atlanta Fed GDPNow start its 2Q26 GDP forecast at +3.7%, which is well above the consensus economic forecast.

It was a heavy earnings week, which has been a catalyst for some large stock reactions to the upside. So far, about 80% of companies are beating earnings estimates. The blended growth rate is on pace for a sixth consecutive quarter of double-digit growth.



Interest Rates (%)	Current	12M Ago	3YR Ago
Fed Funds Rate (Upper)	3.75	4.50	5.00
3-Month T-Bill	3.67	4.29	5.03
10-Year Treasury	4.43	4.16	3.42
30-Year Treasury	5.00	4.68	3.67
10-Year Corporate AA	5.17	5.12	4.48
10-Year High Yield Corp	6.47	6.72	7.08

Commodity Prices (\$)	Current	12M Ago	3YR Ago
Gold (\$/oz)	4,548	3,289	1,990
Oil (WTI, \$/barrel)	106.88	58.21	76.78

Currencies	Current	12M Ago	3YR Ago
USD (Dollar Index Spot)	98.96	99.47	101.66
USD/EUR	0.86	0.88	0.91
USD/JPY	160.41	143.07	136.30

Sources: BTC Capital Management, Bloomberg, S&P Global

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