

Quarterly Recap

Market Indices

Market Indices ¹	March	1Q 2026	YTD
S&P 500	-4.98%	-4.33%	-4.33%
Russell 3000	-4.97%	-3.96%	-3.96%
Russell 2000	-5.00%	0.89%	0.89%
MSCI EAFE	-10.29%	-1.24%	-1.24%
MSCI Emerging Markets	-13.06%	-0.17%	-0.17%
Bloomberg US Aggregate Bond	-1.76%	-0.05%	-0.05%
Bloomberg US Municipal Bond	-2.32%	-0.18%	-0.18%
Bloomberg US Corporate High Yield	-1.18%	-0.50%	-0.50%

¹ FactSet (all equity performance is total return based, which include reinvested dividends).

At-A-Glance

For the Month

All three major indices declined in March, with the Dow Jones Industrial Average leading the sell-off, down 5.2%. The S&P 500 fell 5.0%, while the tech-heavy Nasdaq Composite fared slightly better, declining 4.7%.

Small-cap stocks also ended the month lower, with the Russell 2000 down 5.0%.

For the Quarter

- The Dow Jones Industrial Average performed relatively better for the quarter, declining 3.2%, while the S&P 500 fell 4.3%. The tech-heavy Nasdaq Composite underperformed, down 7.0% for the quarter. In contrast, small-cap stocks posted gains, with the Russell 2000 up 0.9%.

- The Bloomberg Commodity Index rose 11.5% in March and gained 24.4% for the quarter, building on a strong 15.8% advance in 2025.

- After surging over 64% in 2025, gold futures leapt a further 7.8% in the first quarter and ended at \$4,678/ounce.

- U.S. WTI Crude Oil rose a staggering 51.2% in March and 76.6% in the quarter to end at \$101.38 per barrel. This is the best Q1 performance for Crude Oil since 1990.

First Quarter 2026

In a stark resemblance to last year, the S&P 500 reached an all-time high in the first half of the quarter before retracing and ending down 4.3% amid escalating Middle East tensions. The quarter began with Technology stocks underperforming the broader market after an AI company launched an enterprise-focused model capable of replacing core workflow functions, reviving concerns about disruption to traditional software providers.

This sector-specific weakness later spread to the broader market following a U.S.–Israel coalition strike on Iranian military targets, which triggered a wider regional escalation as Iran targeted neighboring Gulf countries and restricted shipping through the Strait of Hormuz. With more than 20% of global oil supply effectively disrupted, investor sentiment shifted from confidence supported by a strong economy to concerns that rising energy prices and supply-chain disruptions could fuel inflation and weigh on economic momentum.

Tariffs re-emerged as a market focus this quarter. The Supreme Court ruled that President Trump's emergency tariffs were an overreach and decided to invalidate a large portion of existing global tariffs. In response, the administration announced a temporary additional 10% tariff under Section 122 of the Trade Act of 1974, to remain in effect for 150 days.

On the economic front, the Federal Reserve held interest rates steady this quarter at 3.50%–3.75%, citing elevated inflation risks stemming from higher energy prices and a stabilizing labor market. The U.S. economy added 38,000 jobs over the first two months of the year, with the unemployment rate holding at 4.4%.

Maintaining a diversified portfolio with exposure to mid and small-cap equities as well as international markets helped limit losses and reduce volatility during the quarter. The Russell 2000 Index outperformed the broader markets increasing 0.9% and outperformed the S&P 500 by 5.2%. International equities also held up relatively well, with the MSCI EAFE Index down 1.2% but still outperforming the S&P 500 by 3.1%. Emerging markets were relatively flat for the quarter, as strong gains in Brazil (+19.1%) and Korea (+16.5%) were largely offset by a sharp decline in India which fell 18.1%.

Value stocks outperformed in both March and over the quarter. Large-cap Value gained 2.1% for the quarter, outperforming Large-cap Growth, which declined 9.8. Concerns that AI could disrupt traditional software business models drove a sharp correction in Growth stocks, while more defensive Value stocks proved relatively resilient amid rising market volatility. In small-caps, Value continued to lead Growth, outperforming by 7.8%.

	March Returns			Quarterly Returns			Year-to-Date Returns		
	Value	Blend	Growth	Value	Blend	Growth	Value	Blend	Growth
Large Cap	-4.82%	-4.97%	-5.21%	2.10%	-4.18%	-9.78%	2.10%	-4.18%	-9.78%
Mid Cap	-5.00%	-5.33%	-6.27%	3.69%	1.29%	-6.35%	3.69%	1.29%	-6.35%
Small Cap	-3.64%	-5.00%	-6.30%	4.90%	0.89%	-2.81%	4.96%	0.89%	-2.81%

Source: Cetera Investment Management, FactSet, FTSE Russell. Returns shown are total return, which include dividends. Investors cannot invest directly in indexes. Data as of 3/31/2026.

Top & Bottom Performers

Energy sector was the top performing sector for the first quarter, up 38.3%. Materials and Utilities were up 9.7% and 8.3%, reinforcing a rotation away from growth. Financials and Consumer Discretionary were the worst performing sectors, down 9.4% and 9.2% for the quarter.

Top Sector Performers – March ¹	Bottom Sector Performers – March ¹
Energy (+10.4%)	Consumer Staples (-7.4%)
Utilities (+8.3%)	Health Care (-8.1%)
Financials (+3.3%)	Industrials (-8.6%)

Top Performers – First Quarter ¹	Bottom Performers – First Quarter ¹
Energy (+38.3%)	Information Technology (-9.1%)
Materials (+9.7%)	Consumer Discretionary (-9.2%)
Utilities (+8.3%)	Financials (-9.4%)

Top Performers – YTD 2026 ¹	Bottom Performers – YTD 2026 ¹
Energy (+38.3%)	Information Technology (-9.1%)
Materials (+9.7%)	Consumer Discretionary (-9.2%)
Utilities (+8.3%)	Financials (-9.4%)

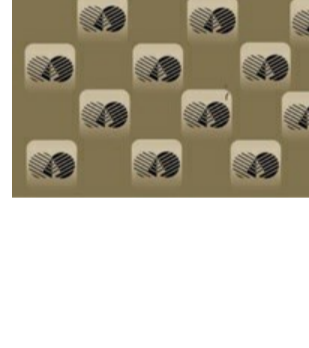
¹ FactSet (all S&P 500 sector performance percentages are total return based, which include reinvested dividends). Data as of 3/31/2026.

In fixed-income markets, U.S. Treasuries—as measured by the Bloomberg U.S. Government Bond Index—fell 1.7% in March but remained relatively flat for the quarter. Longer-term bonds underperformed, declining 4.0% during the month and 0.4% for the quarter, as rising energy prices reignited inflation concerns.

In other fixed-income assets, investment-grade bonds of all types (as measured by the Bloomberg U.S. Aggregate Bond Index) remained flat for the first quarter while High-Yield corporate bonds fell 0.5%.

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Glossary

The **Bloomberg Barclays Capital U.S. Aggregate Bond Index**, is a broad based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate debt securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency) debt securities that are rated at least Baa3 by Moody's and BBB- by S&P. Taxable municipals, including Build America bonds and a small amount of foreign bonds traded in U.S. markets are also included.

The **Bloomberg Barclays US Municipal Bond Index** covers the USD-denominated long-term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds. Eligible securities must be rated investment grade (Baa3/BBB- or higher) by Moody's and S&P and have at least one year until final maturity, but in practice the index holding have a fluctuating average life of around 12.8 years.

The **Bloomberg Barclays US Corporate High Yield Index** measures the USD-denominated, non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+ or below, excluding emerging market debt. Payment-in-kind and bonds with predetermined step-up coupon provisions are also included. Eligible securities must have at least one year until final maturity, but in practice the index holdings has a fluctuating average life of around 6.3 years.

The **Barclays U.S. Government Bond Index** is comprised of the U.S. Treasury and U.S. Agency Indices. The index includes U.S. dollar-denominated, fixed-rate, nominal US Treasuries and US agency debentures (securities issued by US government owned or government sponsored entities, and debt explicitly guaranteed by the US government).

The **Bloomberg Commodity Index** is a broadly diversified index that allows investors to track commodity futures through a single, simple measure. It is composed of futures contracts on physical commodities and is designed to minimize concentration in any one commodity or sector. It currently includes 19 commodity futures in five groups. No one commodity can comprise less than 2% or more than 15% of the index, and no group can represent more than 33% of the index (as of the annual reweightings of the components).

The **Cboe Volatility Index[®] (VIX[®])** is a key measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices.

The **MSCI EAFE** is designed to measure the equity market performance of developed markets (Europe, Australasia, Far East) excluding the U.S. and Canada. The Index is market-capitalization weighted.

The **MSCI Emerging Markets** is designed to measure equity market performance in global emerging markets. It is a float-adjusted market capitalization index.

The **MSCI All-Country World Index (ACWI)** is a market cap weighted index designed to measure performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 26 emerging markets, covering more than 2,700 companies across 11 sectors and approximately 85% of the free float-adjusted market capitalization in each market.

The **Russell 1000 Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 1000 Value Index** measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 Index companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe and is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership.

The **Russell 3000 Index** measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market.

The **Russell Midcap Index** measures the performance of the mid-cap segment of the U.S. equity universe and is a subset of the Russell 1000 Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap represents approximately 31% of the total market capitalization of the Russell 1000 companies.

The **S&P BSE SENSEX Index** is a free-float market-weighted index of 30 well-established and financially sound stocks on the Bombay Stock Exchange, representative of various industrial sectors of the Indian economy.

The **S&P 500** is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The **Dow Jones Industrial Average** is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the NASDAQ.

The **NASDAQ Composite Index** includes all domestic and international based common type stocks listed on The NASDAQ Stock Market. The NASDAQ Composite Index is a broad-based capitalization-weighted index.

The **Shanghai Composite Index** is a stock market index of all stocks (A shares and B shares) that are traded at the Shanghai Stock Exchange.

The **U.S. Dollar Index** is a weighted geometric mean that provides a value measure of the United States dollar relative to a basket of major foreign currencies. The index, often carrying a USDX or DXY moniker, started in March 1973, beginning with a value of the U.S. Dollar Index at 100.000. It has since reached a February 1985 high of 164.720, and has been as low as 70.698 in March 2008.

West Texas Intermediate (WTI) is a crude oil stream produced in Texas and southern Oklahoma which serves as a reference or "marker" for pricing a number of other crude streams. WTI is the underlying commodity of the New York Mercantile Exchange's oil futures contracts.

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