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Market Week: May 4, 2026



The Markets (as of market close May 1, 2026)

Wall Street continued to rally with equities ending last week on a strong note. The S&P 500 and the NASDAQ closed at record highs, driven by robust corporate earnings, a potential end to the U.S. military involvement in Iran, and easing crude oil prices. Each of the benchmark indexes listed here posted notable gains as stocks maintained momentum following their strongest monthly performance in years. Last week capped a solid week of corporate earnings. With over two-fifths of the S&P 500 companies reporting, 83% beat earnings expectations and 78% exceeded revenue forecasts. Market sectors were led by communication services, energy, information technology, and consumer discretionary. Materials, industrials, and health care lagged.

Stock Market Indexes

Market/Index	2025 Close	Prior Week	As of 5/1	Weekly Change	YTD Change
DJIA	48,063.29	49,230.71	49,499.27	0.55%	2.99%
NASDAQ	23,241.99	24,836.60	25,114.44	1.12%	8.06%
S&P 500	6,845.50	7,165.08	7,230.12	0.91%	5.62%
Russell 2000	2,481.91	2,787.00	2,812.82	0.93%	13.33%
Global Dow	6,169.34	6,583.92	6,665.45	1.24%	8.04%
fed. funds target rate	3.50%-3.75%	3.50%-3.75%	3.50%-3.75%	0 bps	0 bps
10-year Treasuries	4.16%	4.31%	4.37%	6 bps	21 bps
US Dollar-DXY	98.26	98.52	98.22	-0.30%	-0.04%
Crude Oil-CL=F	\$57.46	\$95.43	\$102.60	7.51%	78.56%
Gold-GC=F	\$4,323.90	\$4,721.60	\$4,622.40	-2.10%	6.90%

Chart reflects price changes, not total return. Because it does not include dividends or splits, it should not be used to benchmark performance of specific investments.

Key Dates/Data Releases

5/5: *International trade in goods and services, new home sales, S&P Global Services PMI*

5/8: *Employment Situation*

Last Week's Economic News

- The Federal Open Market Committee decided to maintain the target range for the federal funds rate at 3.50%-3.75%. In reaching its decision, the Committee noted that economic activity has been expanding at a solid pace. Job gains have remained low, on average, and the unemployment rate has been little changed in recent months. Inflation is elevated, in part reflecting the recent increase in global energy prices. Further, the developments in the Middle East are contributing to a high level of uncertainty about the economic outlook. Finally, the Committee indicated that it would be prepared to adjust the stance of monetary policy as appropriate if risks emerge that could impede the attainment of the Committee's goals of maximum employment and returning inflation to its 2.0% objective.
- There was improvement in U.S. manufacturing in April, according to the latest S&P Global report. However, the acceleration in manufacturing is likely driven by companies trying to stockpile product in anticipation of price increases and supply shortages. Despite the rise in production, employment has fallen as higher costs influenced hiring decisions. Nevertheless, the S&P Global US Manufacturing Purchasing Managers' Index™ recorded 54.5 in April, up from 52.3 in March, marking the strongest expansion in the manufacturing sector since May 2022.
- Gross domestic product increased at an annual rate of 2.0% in the first quarter of 2026, according to the advance estimate released by the Bureau of Economic Analysis. GDP rose 0.5% in the fourth quarter of 2025. Compared to the fourth quarter of 2025, the acceleration in GDP in the first quarter of 2026 reflected upturns in government spending (4.4%) and exports (12.9%), and an acceleration in investment (8.7%) that were partly offset by a deceleration in consumer spending (1.6%). Imports, which are a negative in the calculation of GDP, were up (21.4%).
- Both personal income and disposable personal income (personal income less personal current taxes) increased 0.6% in March, according to estimates released by the Bureau of Economic Analysis. Personal consumption expenditures (PCE), a measure of consumer spending, increased 0.9% last month. From the preceding month, the PCE price index for March increased 0.7%. Excluding food and energy, the PCE price index increased 0.3%. From the same month one year ago, the PCE price index rose 3.5%. Excluding food and energy, the PCE price index increased 3.2% from one year ago.
- The international trade in goods deficit for March was \$87.9 billion, up \$4.4 billion, or 5.3%, from the February estimate. Exports of goods were \$5.2 billion, or 2.5%, above the February figure. Imports of goods were \$9.6 billion, or 3.3%, more than February imports.
- New orders for manufactured durable goods in March, up following three consecutive monthly decreases, increased \$2.6 billion, or 0.8%, according to the Census Bureau. This followed a 1.2% February decrease. Excluding transportation, new orders increased 0.9%. Excluding defense, new orders decreased 0.3%. Computers and electronic products, up 11 of the last 12 months, led the increase, climbing \$1.0 billion, or 3.7%.
- In March, the number of issued residential building permits fell 10.8% from February and 7.4% from March 2025. Last month, single-family permits fell 3.8%. The number of housing starts in March was 10.8% above the revised February estimate and 10.8% above the March 2025 rate. Single-family housing starts in March were 9.7% above the revised February figure. The number of housing completions in March was 0.1% above the revised February estimate but 12.8% below the March 2025 rate. Single-family housing completions in March were 4.8% below the revised February estimate.
- For the week ended April 25, there were 189,000 new claims for unemployment insurance, a decrease of 26,000 from the previous week's level, which was revised up by 1,000. According to the Department of Labor, the advance rate for insured unemployment claims for the week ended April 18 was 1.2%, unchanged from the previous week's rate. The advance number of those receiving unemployment insurance benefits during the week ended April 18 was 1,785,000, a decrease of 23,000 from the previous week's level, which was revised down by 13,000. States and territories with the highest insured unemployment rates for the week ended April 11 were New Jersey (2.5%), Massachusetts (2.2%), Washington (2.2%), California (2.1%), Rhode Island (2.1%), New York (2.0%), Minnesota (1.9%), Illinois (1.8%), Oregon (1.8%), Nevada (1.7%), and Puerto Rico (1.7%). The largest increases in initial claims for unemployment insurance for the week ended April 18 were in New York (+2,885), California (+1,590), Tennessee (+1,562), Kentucky (+1,179), and South Carolina (+1,115), while the largest decreases were in New Jersey (-4,280), Pennsylvania (-2,742), Virginia (-1,528), Wisconsin (-1,248), and Indiana (-1,150).
- The national average retail price for regular gasoline was \$4.123 per gallon on April 27, \$0.079 per gallon above the prior week's price and \$0.990 per gallon higher than a year ago. Also, as of April 27, the East Coast price increased \$0.070 to \$3.958 per gallon; the Midwest price rose \$0.095 to \$3.884 per gallon; the Gulf Coast price advanced \$0.058 to \$3.675 per gallon; the Rocky Mountain price ticked up \$0.080 to \$4.016 per gallon; and the West Coast price increased \$0.092 to \$5.412 per gallon.

Eye on the Week Ahead

The labor report for April is available this week. Employment had been waning over the past several months prior to March, when job growth exceeded expectations.

Data sources: Economic: Based on data from U.S. Bureau of Labor Statistics (unemployment, inflation); U.S. Department of Commerce (GDP, corporate profits, retail sales, housing); S&P/Case-Shiller 20-City Composite Index (home prices); Institute for Supply Management (manufacturing/services). Performance: Based on data reported in WSJ Market Data Center (indexes); U.S. Treasury (Treasury yields); U.S. Energy Information Administration/Bloomberg.com Market Data (oil spot price, WTI, Cushing, OK); www.goldprice.org (spot gold/silver); Oanda/FX Street (currency exchange rates).

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The Dow Jones Industrial Average (DJIA) is a price-weighted index composed of 30 widely traded blue-chip U.S. common stocks. The S&P 500 is a market-cap weighted index composed of the common stocks of 500 largest, publicly traded companies in leading industries of the U.S. economy. The NASDAQ Composite Index is a market-value weighted index of all common stocks listed on the Nasdaq stock exchange. The Russell 2000 is a market-cap weighted index composed of 2,000 U.S. small-cap common stocks. The Global Dow is an equally weighted index of 150 widely traded blue-chip common stocks worldwide. The U.S. Dollar Index is a geometrically weighted index of the value of the U.S. dollar relative to six foreign currencies. Market indexes listed are unmanaged and are not available for direct investment.

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