

Primary Market Drivers

Earnings & Economic Data

Last week's results from chip giant Nvidia put an exclamation point on an historic earnings season. The company reported revenues of \$81.62B (vs \$78.91B), guided Q2 revenue to \$91B (vs \$87.29B), announced an \$80B share repurchase authorization, increased its quarterly dividend by 2,400% to \$0.25, and did it all while not assuming any revenue from China. Though the stock itself didn't move much (which is nothing new at this stage), it was another confirmation that the AI ecosystem acceleration thesis remains strong. This week, there are a handful of important announcements. We will see results from HP Inc (HPQ 5/27), Salesforce (CRM 5/27), Synopsys (SNPS 5/27), Dollar Tree (DLTR 5/28), Hormel Foods (HRL 5/28), Costco (COST 5/28), and Dell Technologies (DELL 5/28), among a few others. Expect some scrutiny on the tech names and Costco as proxies for software and the consumer. Earnings season officially wraps up in early June as we still await big announcements from Palo Alto Networks (PANW 6/2), Broadcom (AVGO 6/3), and Oracle (ORCL 6/16). On the economic data front, this week is busy. We will see FHFA House Price Index (5/26), Consumer Confidence (5/26), April Core PCE (5/28), Durable Goods Orders (5/28), Q1 US GDP (5/28), Personal Spending & Income (5/28), New Home Sales (5/28), Wholesale Inventories (5/29), and Chicago PMI (5/29). Expect focus on the Core PCE inflation figure and Q1 US GDP.

Fed Policy

No change from last week outside of policy probability updates. The Fed kept interest rates steady at its last meeting, as expected, in Jerome Powell's farewell as Fed Chair. While Kevin Warsh is not a known commodity in his new role yet, expectations for his first policy decision on 6/17 appear to be. CME's FedWatch Tool indicates a nearly-certain 98.2% probability of "no change," so don't expect any surprises next month. Warsh's first press conference, on the other hand, should be filled with questions regarding his viewpoints, philosophy, and plans as Fed Chair. We will be watching that closely as it will be the first real glimpse into who and what we can come to expect over the next four years. Meanwhile, rate cut probabilities by year end have shifted back to favoring rate hikes as the Iran conflict drags on. We're now sitting at a 54.5% chance of higher rates by year end. Once again, we advise taking these odds with a grain of salt as they shift considerably week-to-week.

Iran Conflict

Just as the conflict entered the "no end in sight" territory last week, it appears there is light at the end of the tunnel once again. While US strikes continue and Strait of Hormuz tensions remain, negotiations have resumed and both sides are citing "progress" once again. President Trump described talks as "proceeding nicely" towards a memorandum/deal to end hostilities, reopen the Strait, ease the naval blockade, and release some frozen assets. Iran has communicated some optimism surrounding the latest round of talks as well, though both sides have said nuclear questions have been deferred to later stages. Nevertheless, it's progress following weeks of the conflict trending in the wrong direction. We will continue to update this section with the latest each week.

All referenced market information, statistics, and economic data were gathered from StreetAccount, a paid subscription data service provided by FactSet Research Systems Inc.

Market Returns 5/23/2026

Category	Ticker	YTD%
Domestic Equity		
S&P 500	SPY	9.65%
Dow Jones	DIA	5.82%
Large-Cap Growth	QQQ	16.95%
Large-Cap Value	IVE	7.92%
Mid Caps	MDY	11.43%
Small Caps	IWM	16.03%
International Equity		
Developed Intl	EFA	8.28%
Emerging Markets	EEM	20.42%
Fixed Income		
Core Bonds	AGG	-0.14%
Corporate Bonds	LQD	-0.15%
High Yield Bonds	HYG	1.09%
ST Treasuries	IEI	-0.67%
LT Treasuries	TLT	-1.39%
International Bonds	BNDX	0.36%



Current Environment Summary

What's Working	What's Not	What's Next
Historically Strong Earnings Growth	Rate Cut Expectations Diminished	Earnings: HPQ, CRM, DLTR, COST, DELL
AI & Tech Revolution Long-Term Theme	Iran Conflict	Iran Negotiation Headlines
Stable Labor Market	Oil Prices Remain Elevated	April Core PCE (5/28)
Strong US GDP	Inflation Expectations Elevated	Q1 US GDP (5/28)
Stocks Trading at All-Time-Highs		Earnings Continue to Dominate
		Oil, Yields Retreating

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