OpenArc
CORPORATE ADVISORY

Weekly Market Brief

NOTABLE MARKET EVENTS

Macroeconomic Data: Incoming U.S. data over the past week point to a clearer deceleration in growth, though broader conditions remain stable. February labor data weakened meaningfully, with nonfarm payrolls declining by -92k and private payrolls down -86k, signaling cooling hiring momentum, with the unemployment rate rising to 4.4% and claims remaining contained near 213k. Inflation continued to ease at a gradual pace, with February CPI rising +0.3 percent month over month, core CPI up +0.2 percent, and year over year measures moderating to 2.4 percent headline and 2.5 percent core. Consumer and housing indicators were mixed but showed early signs of stabilization, as retail sales posted modest gains and mortgage applications rebounded sharply, suggesting demand may be responding to lower rates despite softer sentiment.

Economic Policy: Escalating geopolitical tensions in the Middle East have clouded the macro backdrop, with rising oil prices posing a fresh challenge to the Fed's inflation objectives. As crude surges past $100 per barrel, traders have begun pricing out year-end rate cuts, leaving the timing of the first reduction increasingly uncertain. The Fed convenes on the 18th and is widely expected to hold rates steady, with markets closely watching for any commentary on the path forward.

Business: Oracle (NYSE: ORCL) surged +9% on Wednesday after reporting a +44% year-over-year increase in cloud revenue and reassuring analysts that the company has no plans to raise additional debt in 2026 beyond what was previously announced. Airlines (NYSE: JETS) retreated over the week as rising oil prices and headwinds from restricted international travel weighed on the sector. Dick's Sporting Goods (NYSE: DKS) edged up +1% following better-than-expected holiday season earnings, though weak profit guidance tempered enthusiasm as the pending Foot Locker acquisition pressured its bottom line. Deutsche Bank (NYSE: DB) tumbled -6% on Thursday after disclosing a $30 billion exposure to private credit — an asset class facing mounting pressure from fund redemptions, heightened scrutiny of underwriting standards, and the disruptive impact of AI on software-sector borrowers.

Markets: Commodity markets were increasingly driven by geopolitical risk, with price action reflecting a rapid repricing of supply security rather than broad based macro trends. Bitcoin stabilized following recent weakness, trading roughly flat to modestly higher at around +1% on a normalized basis, while the U.S. dollar strengthened, with DXY up approximately +0.4%. Precious metals failed to sustain early strength, with gold drifting lower by roughly -0.2% and silver underperforming at about +2.9%, suggesting that safe haven demand softened despite escalating headlines tied to the conflict involving Iran. Oil remained the clear outlier, with WTI elevated by roughly +22.8% as markets continued to price in heightened supply risk, reinforcing pressure on oil import dependent economies while supporting energy linked assets.

SUMMARY

Markets were broadly weaker on the week as Treasury yields continued to move higher, with the 10-year rising +11bps to 4.25%, while U.S. equities declined amid mounting macro and geopolitical crosscurrents. The S&P 500 fell -0.75% WTD and the Dow Jones Industrial Average declined -1.61%, while the Nasdaq Composite proved relatively resilient with a smaller -0.23% pullback. Incoming economic data increasingly pointed to a deceleration in growth, as February labor reports showed a notable contraction in payrolls along with an uptick in the unemployment rate to 4.4%, while inflation continued to cool gradually with headline CPI easing to 2.4% year over year. Policy expectations grew more cautious as surging crude prices tied to escalating Middle East tensions complicated the Fed's inflation outlook, prompting markets to price out near-term rate cuts ahead of next week's FOMC meeting. Commodity performance reflected heightened geopolitical risk, with the U.S. dollar strengthening, Bitcoin stabilizing near flat at roughly +1%, gold modestly lower, and WTI crude standing out sharply with a +22.8% surge, supporting energy equities even as most equity sectors traded lower for the week.

ETF	Description	1 Week	YTD
XLY	Cons Disc	-2.30%	-6.36%
XLP	Cons Stap	-1.71%	+8.54%
XLE	Energy	+1.92%	+28.95%
XLF	Financials	-3.31%	-10.73%
XLV	Health Care	-1.43%	-2.77%
XLI	Industrials	-2.63%	+6.67%
XLB	Materials	-0.38%	+9.53%
XLRE	Real Estate	-1.75%	+4.44%
XLK	Technology	+0.46%	-4.20%
XLC	Comm Services	-1.75%	-1.96%
XLU	Utilities	-0.37%	+9.08%
SMH	Semis	+2.07%	+7.86%

10-YEAR TREASURY YIELD

Current Rate: 4.25% (as of 3.12.26)

Week-to-Date Movement: +11bps (from 4.14% on 3.6.26)

MAJOR U.S. EQUITY INDICIES PERFORMANCE

S&P 500: 6,740.02 → 6,689.49 (-0.75% WTD)

Dow Jones Industrial Avg: 47,501.55 → 46,737.11 (-1.61% WTD)

Nasdaq Composite: 22,387.68 → 22,337.25 (-0.23% WTD)

All performance figures and market events are sourced from Bloomberg as of market close 3/12/2026, using the prior Friday's market open as the start date.

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