OpenArc
CORPORATE ADVISORY

Weekly Market Brief

NOTABLE MARKET EVENTS

Macroeconomic Data: Inflation data released during the week was broadly favorable, with CPI declining -0.4% month over month and rising +3.5% year over year, while Core CPI was flat at 0.0% month over month and increased +2.6% year over year. Producer prices also eased, with PPI Final Demand declining -0.3% month over month and rising +5.5% year over year, while Core PPI Ex Food and Energy increased +0.2% month over month and +4.7% year over year. Consumer spending remained resilient as Retail Sales increased +0.2% month over month, while Retail Sales Ex Auto declined -0.2% and the Control Group increased +0.5%. Labor market conditions remained stable, with Initial Jobless Claims falling to 208k from 215k and Continuing Claims declining to 1.805 million from 1.814 million. Elsewhere, MBA Mortgage Applications fell -2.7%, the NFIB Small Business Optimism Index increased to 97.4 from 95.3, Empire Manufacturing rose to 15.6 from 5.7, and the Philadelphia Fed Business Outlook Index improved to 41.4 from 10.3, indicating strengthening business sentiment.

Economic Policy: Federal Reserve Bank of Kansas City President Jeff Schmid said inflation is his biggest worry given the risk of further acceleration in the months ahead. Schmid noted that inflationary pressures extend beyond energy to a broad basket of goods and services, including food prices, which he pointed out are rising faster than their pre-pandemic average. Still, he offered an upbeat assessment of the broader economy, noting that the labor market is in balance and growth remains resilient. Separately, Federal Reserve Bank of Dallas President Lorie Logan called for higher interest rates, arguing that inflation does not appear to be heading sustainably back to the central bank's 2% target and that modestly higher rates would better balance the outlook and risks around the Fed's dual mandate of price stability and full employment. As of Thursday's close, markets continue to price in +1 rate hike by the December meeting.

Business: Shares of Taiwan Semiconductor Manufacturing Co. **(TSM)** fell roughly -3% on Thursday despite reporting a +77.4% surge in second-quarter profit year over year. TSMC announced it will invest an additional $100 billion in Arizona to meet strong customer demand, bringing its total investment in the state to $265 billion. Dutch semiconductor equipment maker ASML **(ASML)** rose over +2% on Wednesday after raising its 2026 guidance for the second time this year and reporting stronger than expected quarterly results, as customers continue to ramp up production of AI chips. IBM **(IBM)** cratered -25% on Tuesday, its worst day on record, after second-quarter results fell short of expectations, with CEO Arvind Krishna noting that clients shifted spending toward hardware purchases such as memory chips. JPMorgan Chase & Co. **(JPM)** rose over +2% on Tuesday after reporting its highest quarterly profit ever, including a second-quarter equities haul of $6.03 billion, though CEO Jamie Dimon struck a cautious tone on the outlook, citing geopolitical tensions and wars, sticky inflation, and elevated asset prices. Goldman Sachs **(GS)** soared +9% on Tuesday after posting $7.42 billion in profit on record results in its equities unit, driven by financing and profit-taking in arranging trades, while its investment bankers posted their highest advisory and underwriting fees since 2021. Alphabet **(GOOGL)** plummeted over -4% late Thursday following reports that Google is running months behind on its Gemini 3.5 Pro launch as it continues to improve the model.

Markets: Commodities were mixed on the week, as escalating US-Iran hostilities and renewed disruption in the Strait of Hormuz drove volatility. WTI Crude surged +10.75% after US forces struck Iranian targets and Washington revoked its Iranian oil sanctions waiver, with Iran re-closing the Strait of Hormuz. Precious metals spot gold and spot silver sold off, falling -3.58% and -7.28% respectively. Bitcoin edged up +0.56%, while the dollar slipped roughly -0.20%.

SUMMARY

Equities were mixed this week, with the Dow edging up +0.12% while the S&P 500 slipped -0.13% and the Nasdaq underperformed at -1.24%, as the 10-year Treasury yield rose +1 basis point to 4.56%. Inflation data was broadly favorable, with CPI declining -0.4% month over month and Core CPI flat on the month, while PPI Final Demand fell -0.3%, offering some relief on the inflation front. Consumer spending held up as Retail Sales rose +0.2% with the Control Group up +0.5%, and the labor market remained stable as Initial Jobless Claims fell to 208k from 215k. Business sentiment strengthened notably, with the NFIB Small Business Optimism Index climbing to 97.4, Empire Manufacturing jumping to 15.6 from 5.7, and the Philadelphia Fed Business Outlook surging to 41.4 from 10.3. On policy, Fed officials struck a hawkish tone, with Kansas City's Jeff Schmid flagging inflation as his biggest worry and Dallas's Lorie Logan calling for higher rates; markets continue to price in +1 rate hike by December. On the corporate side, Goldman Sachs **(GS)** soared +9% on record equities results, JPMorgan **(JPM)** rose over +2% on its highest quarterly profit ever, ASML **(ASML)** gained over +2% after raising guidance, TSMC **(TSM)** fell roughly -3% despite a +77.4% profit surge as it unveiled an additional $100 billion Arizona investment, Alphabet **(GOOGL)** plummeted over -4% on reports its Gemini 3.5 Pro launch is running behind, and IBM **(IBM)** cratered -25% in its worst day on record after a disappointing quarter. Commodities were mixed as escalating US-Iran hostilities drove volatility, with WTI Crude surging +10.75% after US strikes on Iranian targets and the re-closure of the Strait of Hormuz, while spot gold fell -3.58%, spot silver dropped -7.28%, Bitcoin edged up +0.56%, and the dollar slipped roughly -0.20%.

ETF	Description	1 Week	YTD
XLY	Cons Disc	+0.42%	-1.73%
XLP	Cons Stap	+3.14%	+10.47%
XLE	Energy	+3.99%	+27.51%
XLF	Financials	+2.18%	+3.62%
XLV	Health Care	-0.23%	+4.52%
XLI	Industrials	-0.53%	+16.14%
XLB	Materials	+1.25%	+12.22%
XLRE	Real Estate	+2.78%	+12.66%
XLK	Technology	-4.26%	+23.26%
XLC	Comm Services	+1.94%	-4.31%
XLU	Utilities	+0.78%	+6.54%
SMH	Semis	-6.39%	+57.98%

10-YEAR TREASURY YIELD

Current Rate: 4.56% (as of July 16, 2026)

Week-to-Date Movement: +1bps (from 4.55% on July 9, 2026)

MAJOR U.S. EQUITY INDICES PERFORMANCE

S&P 500: 7,543.64 → 7,533.77 (-0.13% WTD)

Dow Jones Industrial Avg: 52,487.41 → 52,552.97 (+0.12% WTD)

Nasdaq Composite: 26,206.89 → 25,881.95 (-1.24% WTD)

All performance figures and market events are sourced from Bloomberg as of market close 07/16/26 using the prior Friday's market open as the start date.

DISCLOSURES

OpenArc Corporate Advisory, LLC, ("OpenArc") is a registered investment adviser with the Securities and Exchange Commission. This material is presented for informational purposes only and should not be construed as an attempt to sell or solicit any products or services of OpenArc nor should it be construed as legal, accounting, tax or other professional advice. Past performance of model performance shown is no guarantee of future results. The model portfolio performance does not reflect actual trading or any advisory, management, or transaction fees, all of which could result in substantially lower results. This does not reflect the impact that material economic and market factors may have had on decision making. You cannot invest directly in an index.

This investment strategy is based on a model portfolio developed by Dynasty Wealth Management, LLC ("Model provider"), a registered investment adviser with the Securities and Exchange Commission. OpenArc retains full discretion over the implementation, customization, and management of client accounts using this model. The Model provider does not manage client accounts, does not provide individualized investment advice, and is not responsible for investment decisions, performance outcomes, or suitability determinations. The Model provider receives compensation from the underlying investments. Outsourcing costs range from 2 – 4 bps (program fee) and can be discounted based on assets under management. Outsourcing includes investment management, trading, billing, and communications. This fee will be absorbed by OpenArc.

Performance data does not reflect the deduction of advisory fees or any other expenses clients may incur in the management of their advisory account, which will result in a reduction of client's returns. It is the responsibility of OpenArc to disclose the advisory fees charged and how it affects the returns shown in this document. Additionally, the effect of income taxes is not shown. The performance reflects reinvestment of dividends and interest, as applicable.

This material does not take into consideration an investor's specific investment objectives or risk tolerance. Performance analysis is based on information provided by Morningstar, or other third parties. The information contained in this presentation has been gathered from sources we believe to be reliable, but we do not guarantee the accuracy or completeness of such information, and we assume no liability for damages resulting from or arising out of the use of such information.

Historical performance results for investment indices and/or product benchmarks have been provided for general comparison purposes only, and do not include the charges that might be incurred in an actual portfolio, such as transaction and/or custodial charges, investment management fees, or other fees applicable to the account, all of which could result in substantially lower results. It should not be assumed that your account holdings correspond directly to any comparative indices.

The information presented does not reflect the impact of taxes on non-qualified accounts. Any tax considerations do not constitute tax advice and are not intended to be used to avoid federal, state or local income tax, or related tax liability. We do not provide legal, accounting or tax advice. You are encouraged to discuss the tax and legal implications of any transactions contemplated with a professional legal, accounting or tax advisor.