Weekly Market Brief

NOTABLE MARKET EVENTS

Macroeconomic Data: Existing home sales unexpectedly rose +1.5% in September after falling -3.2% in the prior month. September CPI came in hotter than expected. Headline prices rose +0.6% on the month, lifting the annual rate to +3.7% from +3.4%, with gasoline (+9.1%) driving over half the gain. Core rose +0.30%, above expectations, led by firmer shelter along with travel services, autos, and recreation. September PPI came in well above expectations. Headline producer prices rose +1.3% on the month versus the +0.6% consensus, and core rose +0.7% versus +0.3%. The surprise was concentrated in services, especially trade services (+1.4%) and transportation (+3.4%), as higher jet fuel and diesel costs passed through. Passenger transportation, mostly airfares, is up +16% from a year ago. September retail sales rose +0.8%, well above the +0.3% consensus, but gasoline did most of the work. Sales at gas stations jumped +6.4%, while sales excluding autos and gas rose a modest +0.2% and the control group, which feeds into GDP, rose just +0.1%. Food services stayed strong at +1.1%, and auto dealer sales rose +0.2% even as unit vehicle sales fell. Initial jobless claims for the week ending October 10th came in at 199,000, which was lower than the 200K estimate.

Economic Policy: Several Fed officials spoke this week. 1) New York Fed President John Williams said he sees no reason for additional hikes in 2027 after one more increase this year. He added that the Fed should focus on "underlying trends" in inflation amid price shocks tied to energy and AI. 2) San Francisco Fed President Mary Daly said further tightening is more likely than not, but sees no urgent need to act at the October meeting. 3) Boston Fed President Susan Collins said she favors raising rates "a bit further" before year end to ensure a durable return to the Fed's 2% target. As of Thursday's close, markets continue to price in 1 hike by year end.

Business: Earnings season kicked off with several notable moves. 1) Goldman Sachs **(GS)** finished flat on Tuesday despite beating estimates on a historic quarter in equities trading, with fixed income the soft spot. 2) JPMorgan Chase **(JPM)** finished nearly –1% after posting its first earnings miss since late 2023. Strong equities trading was offset by weaker fixed income and scaled back buybacks, though analysts viewed its net interest income outlook as a positive. 3) BlackRock **(BLK)** finished nearly +1% on Wednesday after beating on both revenue and earnings, as assets under management hit another record. 4) ASML **(ASML)** finished –4% on Wednesday as a slight revenue miss overshadowed a raised full year sales forecast, with AI investment continuing to drive demand for chipmaking equipment. 5) Taiwan Semiconductor **(TSM)** finished –1.8% on Thursday as weaker gross margins overshadowed an earnings beat driven by strong demand for AI and high performance computing chips.

Markets: Commodities finished the week mostly negative. Precious metals declined as spot gold and silver fell -0.6% and -5.6%, respectively. Crude oil was the outlier, rising +6.3% after Iran stepped up tanker attacks in the Strait of Hormuz, and the Houthis attacked Saudi Aramco's headquarters on Wednesday. Bitcoin fell -0.11% and the Dollar fell -0.18% after yields pulled back during the back-half of this week.

SUMMARY

Equities were mixed this week, with the Dow up +1.85% while the S&P 500 (–0.27%) and Nasdaq (–1.77%) fell as AI names sold off. Inflation ran hot, with September CPI rising to +3.7% annually as gasoline drove over half the gain, and core CPI firming on shelter and travel services. PPI also beat, with core up +0.7% versus the +0.3% consensus as higher fuel costs passed through to transportation. Retail sales beat on gasoline, but the control group rose just +0.1%, while existing home sales unexpectedly rose +1.5%. Fed officials Williams, Daly, and Collins all signaled another hike is likely this year, though without urgency in October, and markets continue to price in 1 hike by year end. In earnings, Goldman Sachs **(GS)** finished flat despite a historic quarter in equities trading, JPMorgan Chase **(JPM)** finished nearly –1% on its first miss since 2023, and BlackRock (BLK) finished nearly +1% on a beat and record assets. ASML **(ASML)** finished –4% and Taiwan Semiconductor **(TSM)** –1.8% as a revenue miss and weaker margins overshadowed strong AI demand. Crude oil rose +6.3% after Iran stepped up tanker attacks and the Houthis struck Saudi Aramco's headquarters, while gold (–0.6%) and silver (–5.6%) fell. The 10 year yield dropped 15 bps to 5.08% as yields pulled back late in the week, and the dollar slipped 0.18%.

ETF	Description	1 Week	YTD
XLY	Cons Disc	+1.52%	-5.02%
XLP	Cons Stap	+3.91%	+11.59%
XLE	Energy	+2.02%	+48.87%
XLF	Financials	+1.92%	+0.91%
XLV	Health Care	+5.37%	+14.46%
XLI	Industrials	-0.30%	+8.23%
XLB	Materials	+2.62%	+11.49%
XLRE	Real Estate	+2.79%	+4.06%
XLK	Technology	-4.34%	+31.41%
XLC	Comm Services	+0.33%	-4.49%
XLU	Utilities	+1.41%	-2.44%
SMH	Semis	-7.98%	+55.18%

10-YEAR TREASURY YIELD

Current Rate: 5.08% (as of October 15, 2026)

Week-to-Date Movement: -15bps (from 5.23% on October 8, 2026)

MAJOR U.S. EQUITY INDICES PERFORMANCE

S&P 500: 7,765.36 → 7,744.06 (-0.27% WTD)

Dow Jones Industrial Avg: 51,231.64 → 52,177.69 (+1.85% WTD)

Nasdaq Composite: 27,193.34 → 26,713.03 (-1.77% WTD)

All performance figures and market events are sourced from Bloomberg as of market close 10/15/26 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.