SMITH SHELLNUT WILSON
AN AFFILIATE OF 61BANK

Financial Week Newsletter

Summarized by Smith Shellnut Wilson

March 2, 2026

"Opinion has caused more trouble than plagues or earthquakes." Francois-Marie Arouet De Voltaire

MARKETS

Macro Recap: The U.S. economy saw another round of hotter-than-expected inflation data, raising renewed concerns about lingering price pressures. The Producer Price Index for January rose 0.8%, more than double economists' expectations of 0.3%, marking its strongest monthly increase since mid-2025 and reinforcing the theme of unexpectedly firm inflation readings.

This followed the previous week's Personal Consumption Expenditures inflation report, which also exceeded forecasts, adding to the sense that inflation remains sticky despite easing in other areas of the economy.

In commodity markets, investors again sought safety amid rising inflation worries. After a brief pause, the year-to-date rally in gold resumed, with prices climbing back toward January's record above $5,500 per ounce; by Friday, gold futures traded around $5,290. Silver prices also moved higher over the course of the week.

Equity Recap: The week opened with a sharp risk-off tone driven by renewed tariff uncertainty and rising AI-disruption fears, especially in software and financials. Early-week selling reflected mounting concerns about AI's impact on established business models across key sectors. NVIDIA's earnings were a major focal point; despite reporting another strong quarter with record data-center revenue and solid guidance, the stock fell 6.7% as investors focused on valuation and the sustainability of AI-related spending. This reaction reinforced the broader risk-off mood. Overall, U.S. indexes surrendered most of the prior week's gains, continuing early-2026's choppy pattern. The Dow fell 1.31%, the NASDAQ declined 0.9%, and the S&P 500 slipped 0.44%.

Bond/Rate Recap: In the bond market, government securities rallied into the end of the week, pushing yields lower and closing out a notably strong month for fixed income. The 10-year Treasury yield fell to about 3.96%, its lowest level in more than four months, down from 4.26% at the end of January. The move reflected steady safe-haven demand and reinforced the month's broad strength across Treasuries.

Week Ahead: Markets will be focused on Friday's upcoming monthly labor market report, which will indicate whether January's stronger-than-expected momentum carried into February. Last month, the economy added 130,000 jobs, more than double what most economists had forecast and a sharp increase from 48,000 in December. January also saw the unemployment rate edge down to 4.3% from 4.4% in the prior month. This week's report will help clarify whether hiring strength is broadening and whether labor-market resilience may complicate the Federal Reserve's path on interest rates.

INDICES

	Feb 23 Open	Feb 27 Close	Weekly Change	Dec 31 2025	YTD Change
DJIA	49,626	48,978	-1.3%	48,063	1.9%
S&P 500	6,910	6,879	-0.4%	6,846	0.5%
NASDAQ	22,886	22,668	-1.0%	23,242	-2.5%
Russell 2000	2,664	2,632	-1.2%	2,482	6.1%
KBW Bank Indx	169.2	159.2	-5.9%	164.0	-2.9%
Bitcoin	$68,461	$66,435	-3.0%	$87,648	-24.2%
Oil (WTI)	$66.48	$67.02	0.8%	$57.42	16.7%
Gold	$5,107	$5,279	3.4%	$4,319	22.2%
Prime	6.75	6.75	0.00	6.75	0.00
Effective Fed Funds	3.64	3.64	0.00	3.64	0.00
3m Tbill	3.67	3.66	-0.02	3.63	0.03
2yr UST	3.48	3.37	-0.10	3.47	-0.10
10yr UST	4.08	3.94	-0.15	4.17	-0.23
2-10yr UST Spread	60	56	-5	69	-13
2y AAA Muni/10y UST	59.2%	59.6%	0.4%	70.3%	-10.7%
10y AAA Muni/10y UST	61.5%	62.4%	0.9%	65.4%	-3.1%
5yr Inflation Forecast	2.46	2.45	-0.01	2.27	0.18

Week Ahead

- **Monday:** ISM manufacturing index
- **Tuesday:** No major reports
- **Wednesday:** ADP Employment Report, ISM nonmanufacturing index, Factory orders
- **Thursday:** Productivity and labor costs, Import and export prices
- **Friday:** Jobs report, Retail sales, Business inventories, Consumer credit

***Could be delayed or canceled**

ALL CONTENT IS FOR INFORMATIONAL PURPOSES ONLY AND SHOULD IN NO WAY BE CONSTRUED OR INTERPRETED AS A SOLICITATION TO SELL OR AN OFFER TO SELL ADVISORY SERVICES OR PRODUCTS.

in Share

✉ Forward

Chad McKeithen | Research Department
Smith Shellnut Wilson, LLC

661 Sunnybrook Rd., Ste 130
Ridgeland, MS 39157
601.605.1776
www.ssw1776.com
Preferences | Unsubscribe