SMITH SHELLNUT WILSON
AN AFFILIATE OF 61 BANK

Financial Week Newsletter

Summarized by Smith Shellnut Wilson

September 14, 2026

"Courage, determination, and hard work are all very nice, but not so nice as an oil well in the back yard." Mason Cooley

MARKETS

Macro Recap: Inflation remained a primary focus for markets last week ahead of the Federal Reserve's upcoming meeting. The Consumer Price Index (CPI) showed inflation holding at a 3.4% annual rate in August, unchanged from July and still well above the Fed's 2% target. Producer prices also remained elevated, signaling that underlying inflation pressures have yet to fully subside.

Energy prices added to those concerns. Although oil pulled back slightly on Friday, U.S. crude finished the week more than 8% higher and traded above $100 per barrel for the first time in nearly four months. The recent rise in energy costs could create additional challenges for the inflation outlook in the months ahead.

Consumer confidence weakened as inflation concerns resurfaced. The University of Michigan's Consumer Sentiment Index fell to a preliminary September reading of 47.8 from 51.7 in August, reflecting ongoing concerns about affordability and future economic conditions.

Higher interest rates also continued to pressure the housing market. Existing home sales declined 2.0% in August from the prior month and were down 1.2% from a year ago. One positive development was improving inventory levels, with housing supply rising above 1.6 million units for the first time since 2019.

Equity Market Recap: U.S. equities struggled for much of the week as investors weighed persistent inflation and rising rate expectations. After four consecutive daily declines, stocks rebounded modestly on Friday. Even so, the S&P 500 and Nasdaq finished slightly lower for the week, while the Dow Jones Industrial Average fell 1.6%.

Small-cap stocks were hit harder than large caps as higher borrowing costs weighed on more rate-sensitive companies. The Russell 2000 declined 2.4% for the week, compared with a 0.9% decline for large-cap benchmarks.

Fixed Income and Rates Recap: Treasury yields moved higher following firmer-than-expected inflation data and shifting expectations for Fed policy. The 10-year Treasury yield climbed to 4.97%, its highest level since October 2023 and just shy of the 5.00% mark. The 2-year Treasury yield rose to 4.63%, while the 30-year Treasury reached 5.35%, approaching levels not seen in nearly two decades.

Rate futures also reflected growing expectations for additional Fed tightening. Investors are pricing in an 88% probability of a hike this week and possibly up to four hikes over the next year.

INDICES

	Sep 7 Close	Sep 11 Close	Weekly Change	Dec 31 2025	YTD Change
DJIA	53,414	52,573	-1.6%	48,063	9.4%
S&P 500	7,719	7,657	-0.8%	6,846	11.8%
NASDAQ	26,507	26,333	-0.7%	23,242	13.3%
Russell 2000	2,976	2,904	-2.4%	2,482	17.0%
KBW Bank Indx	189.6	188.1	-0.8%	164.0	14.7%
Bitcoin	$79,391	$77,391	-2.5%	$87,648	-11.7%
Oil (WTI)	$92.39	$100.05	8.3%	$57.42	74.2%
Gold	$4,437	$4,349	-2.0%	$4,319	0.7%
Prime	6.75	6.75	0.00	6.75	0.00
Effective Fed Funds	3.63	3.63	0.00	3.64	-0.01
3m Tbill	3.84	4.00	0.16	3.63	0.37
2yr UST	4.37	4.63	0.26	3.47	1.15
10yr UST	4.78	4.97	0.19	4.17	0.80
2-10yr UST Spread	41	34	-7	69	-35
2y AAA Muni/2y UST	59.3%	60.3%	1.0%	70.3%	-9.9%
10y AAA Muni/10y UST	72.6%	74.4%	1.8%	65.4%	9.0%
5yr Inflation Forecast	2.38	2.41	0.03	2.27	0.14

Week Ahead

- **Monday:** No major U.S. reports
- **Tuesday:** No major U.S. reports
- **Wednesday:** FOMC rate decision, Retail sales, Export/Import, Housing mkt idx
- **Thursday:** Housing starts, Pending home sales
- **Friday:** LEI, Industrial production

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