Beacon Trust
INNOVATING WEALTH STRATEGY

July 20, 2026

Beacon Weekly Investment Insights

Stocks continued to be volatile as the conflict between Iran and the U.S. escalated following a brief cessation of hostilities. The S&P 500 fell 1.6% last week, but investors continued to rotate away from hardware-oriented technology stocks and into more value-oriented sectors, such as Healthcare and Financials. For example, SanDisk, a computer storage maker, fell 19% last week, but remains up a stratospheric 471% year-to-date (YTD). The Russell 1000 Growth Index fell 3.6% last week and remains up a paltry 1.0% YTD. In contrast, the Russell 1000 Value Index increased 0.6% last week and remains up a solid 17.7% YTD. In parallel to the escalation of the military activities in the Middle East, West Texas Intermediate crude oil prices increased nearly 15% last week to more than $82 per barrel.

Despite the rise in oil prices, reports of prior inflation data released last week trended in a positive direction. The Consumer Price Index (CPI) inflation rate declined from 4.2% to 3.5% in June. Core CPI, which excludes food and energy, was unchanged during June and increased 2.6% over the previous year. Similarly, the Producer Price Index (PPI), a measure of wholesale inflation, decreased from 6.0% to 5.5% on a year-over-year basis. The Retail Sales Report showed a healthy 6.7% gain over the past year, but it should be noted that this robust figure is not adjusted for inflation. The 10-Year U.S. Treasury Note yield remained largely rangebound in the 4.5% to 4.6% range, but the odds that the Federal Reserve will remain on hold with respect to short-term interest rates at its July 29th meeting increased to more than 85%.

Major financial firms, such as Goldman Sachs, Morgan Stanley, Citigroup, and Bank of America, all reported strong earnings last week. Taiwan Semiconductor Manufacturing Company (TSMC), a proxy for artificial intelligence (AI) computer chips, reported strong earnings, but its stock fell 5.5% last week on the fear of lower-than-expected future profit margins. Netflix also disappointed investors with a less-than-stellar earnings outlook, leading to its 6.6% share price decline last week.

We are in the middle of Q2 earnings reporting season. A broad cross-section of firms will report this week, led by Alphabet/Google on Wednesday. Other significant reports will be released by General Motors (GM) on Tuesday, and Tesla and AT&T on Wednesday. They will be followed by Intel and Lockheed Martin on Thursday and Verizon and American Express on Friday. Next week may be even more significant when Apple, Amazon, Meta/Facebook, and other leading firms report.

The economic calendar is a bit light this week, but several notable forward-looking reports will be released this week. The Conference Board's Leading Economic Index (LEI) report will be released on Monday and will provide some insight regarding how the military conflict with Iran and heightened levels of inflation are impacting the economy. S&P will release additional forward-looking data with its Purchasing Managers' Index (PMI) reports that will be released on Friday. The S&P PMI reports track both the manufacturing and services sectors of the economy, similar to the better-known Institute for Supply Management (ISM) PMI reports. The Weekly Jobless Claims report will be released on Friday, which ties into the monthly employment report. The unemployment rate remains at a relatively low 4.2%, but there are significant changes beneath the surface being driven by demographic trends and AI.

Market Scorecard:	7/17/2026	YTD Price Change
Dow Jones Industrial Average	$52,146.42	8.50%
S&P 500 Index	$7,457.69	8.94%
NASDAQ Composite	$25,520.24	9.80%
Russell 1000 Growth Index	$4,809.71	0.95%
Russell 1000 Value Index	$2,438.09	17.69%
Russell 2000 Small Cap Index	$2,962.22	19.35%
MSCI EAFE Index	$3,100.07	7.17%
US 10 Year Treasury Yield	4.55%	+39 basis points
WTI Crude Oil	$82.49	44.19%
Gold $/Oz.	$4,018.80	-8.51%

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