Beacon Trust
INNOVATING WEALTH STRATEGY

April 20, 2026

Beacon Weekly Investment Insights

Last week ended with a robust equity market rally based upon the “re-opening” of the Strait of Hormuz and agreement for further negotiations between the US and Iran. We came to find out about 24 hours later, the Strait was closed, hostile activities increased, and the prospect of further negotiations faded. The current “cease-fire” remains tentatively in place through Wednesday and there is still a constructive outlook that the worst of this conflict may be over. However, the longer these tensions continue, the more pressure on global economies builds.

For the week, the Dow Industrials posted a 3.2% gain, the S&P 500 rose 4.5%, while the NASDAQ Composite increased 6.8%. Down the cap scale, the S&P 400 (mid-cap) and S&P 600 (small cap) posted gains of 3.5% and 4.0% respectively. Benchmark 10-Year Treasury yields fell 7 basis points to end the week with a yield of 4.32%. In the strongest sign of positive hope for resolution, global energy prices fell sharply with US benchmark WTI crude prices falling 13.2% and Global Brent crude falling 3.6%. With tensions higher through the weekend, energy prices look higher to start the week, but not near the decline from last week.

It can be difficult to manage the emotions surrounding geopolitical events and parse through the various commentary on both sides of the argument. This solidifies our strategy of reaffirming appropriate asset allocation, diversification, and liquidity in our recommendations and not engaging in market timing activities. Historically, there is precedent to remaining invested prudently through periods of geopolitical stress and not making rash portfolio decisions and missing out on opportunities for market rallies.

Economic data reported last week was relatively sparse, but we did get important inflation data. Prices at the wholesale level rose in March, but at a slightly more moderate pace than expected. Month over month, input costs rose 0.5% versus consensus estimates for a 1.2% rise. Also, February’s release was downwardly revised to a 0.5% increase versus the initial 0.7% rise reported. As was stated above, the longer the duration of the Middle East tensions, the more pressure on economies via pricing pressures and supply issues.

We have entered first quarter earnings season with about 9% of the S&P constituents having reported with an emphasis on major financial companies. A key takeaway from the money center banks like Bank of America, Citigroup, and JP Morgan was that consumer spending data remained quite strong. Capital markets activity, such as equity trading and investment banking, also remains on a strong trajectory. This is a good sign for the resilient economy we expect for the balance of 2026, even with the current turmoil. Over the coming weeks, we will see a flurry of reports from S&P 500 constituents and will keep you informed. Expectations remain positive for corporate earnings growth for the first quarter with expectations of approximately 13.2% growth.

This week, the economic calendar again is light for release. Tuesday we will see the Advance Retail Sales figures which hopefully will confirm the resiliency in consumer spending trends. Also pending home sales data is released. Thursday will be the jobless claims data which continues to point to stability within US employment along with the data on continuing claims. Friday will finish the economic week with the University of Michigan consumer sentiment survey. Also, this week, Fed Chair nominee Kevin Warsh will appear on Tuesday in front of the Senate banking Committee as his confirmation hearings start. As a reminder, current Chair Jerome Powell’s term expires in May. If Warsh is not confirmed by then, Chair Powell has stated that he will remain until a successor is confirmed.

Market Scorecard:	4/17/2026	YTD Price Change
Dow Jones Industrial Average	$49,447.43	2.88%
S&P 500 Index	$7,126.06	4.10%
NASDAQ Composite	$24,468.48	-4.89%
Russell 1000 Growth Index	$4,749.81	0.64%
Russell 1000 Value Index	$2,235.29	7.90%
Russell 2000 Small Cap Index	$2,776.90	11.89%
MSCI EAFE Index	$3,111.50	7.56%
US 10 Year Treasury Yield	4.25%	8 basis points
WTI Crude Oil	$83.85	46.54%
Gold $/Oz.	$4,830.34	11.83%

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