

Weekly market update: Stocks gain on a yearning for earnings.



The market and economy

- Major U.S. equity market indexes moved higher during the week ending October 9. Investors' optimism that corporate earnings will remain resilient, as well as the continued strong performance of artificial intelligence (AI)-related technology stocks, offset concerns regarding higher U.S. Treasury yields. Both the tech-heavy Nasdaq Composite Index and the broad-market S&P 500 Index reached new record highs in intraday trading on Tuesday.
- Long-term Treasury yields reached multiyear highs again this week as rising oil prices and inflation worries led investors to anticipate higher interest rates for longer. In intraday trading on Wednesday morning, the yield on the 10-year Treasury note reached 5.36%—its highest level since April 2002—while the 30-year bond yield rose to a 24-year high of 5.73%. Yields on both securities declined on Wednesday afternoon and on Thursday in response to the U.S. government's successful auction of 10-year Treasuries, which sold at an average yield of 5.30%.
- In the Middle East, tensions increased after a series of attacks on commercial shipping and regional infrastructure raised concerns that Iran was attempting to regain leverage in negotiations over the Strait of Hormuz. An attack on an oil tanker near Qatar heightened fears that shipping disruptions could spread beyond the Strait, while separate strikes against targets in Saudi Arabia underscored the region's continued instability. Analysts cautioned that both Washington and Tehran appeared to be hardening their positions even as diplomatic discussions remained ongoing.
- Both Brent crude and West Texas Intermediate (WTI) crude oil prices rose during the week as renewed attacks on shipping and energy infrastructure heightened concerns about potential supply disruptions. Front-month Brent crude briefly traded above \$105 per barrel, while WTI crude traded near \$90 by week's end. Although alternative export routes and U.S.-backed shipping arrangements have helped keep regional exports flowing, traders grew increasingly concerned that escalating attacks could threaten oil shipments through the Persian Gulf and surrounding waterways.
- According to minutes from the Federal Open Market Committee's (FOMC) September 15-16 meeting, members cited persistent inflation, solid economic growth, and a relatively strong labor market as the main factors in the unanimous vote to raise the federal funds rate by 25 basis points (0.25%) to a range of 3.75%-4.00%. The meeting participants expressed concern that higher energy prices tied to geopolitical tensions in the Middle East, continued AI-related investment, and lingering effects from the Trump administration's import tariffs are keeping inflation elevated. The FOMC members generally described financial conditions as supportive of economic growth despite the ongoing rise in Treasury yields, and noted that economic activity and consumer spending have remained resilient. Most participants believed that another rate increase might be appropriate before year-end if inflation does not move meaningfully closer to the Fed's 2% target. According to the Department of Labor, the consumer-price index (CPI) advanced 3.4% year-over-year in August (the most recent reporting period), unchanged from the annual increase in July.
- In economic news, the Institute for Supply Management's (ISM) Manufacturing Purchasing Managers' Index (PMI) dipped 0.1 percentage point in September to 54.5% but indicated expansion in the U.S. manufacturing sector for the ninth consecutive month. (A PMI reading above 50% denotes an increase in manufacturing activity.) The Employment Index was up 1.5 percentage points to 52.7%, remaining in expansion territory for the third straight month. The New Orders Index increased 1.6 percentage points to 55.3% in September, extending its expansion streak to nine months. The ISM Services PMI decreased 0.5 percentage point to 54.9% in September but continued to indicate growth in the U.S. services sector. (A PMI reading above 50% indicates expansion in services-sector activity.) The Business Activity/Production Index fell 5.2 percentage points to 56.5% in September, while the Employment Index gained 2.3 percentage points to 50.1%, returning to expansion territory for the first time in four months.

Stocks

- Global equities were flat for the week. Emerging markets outperformed developed markets.
- U.S. stocks posted gains during the week. Consumer staples and utilities were the top-performing sectors within the broad-market S&P 500 Index, while industrials and information technology were the primary market laggards.
- Value stocks outperformed growth stocks, while large caps surpassed small caps.

Bonds

- The 10-year U.S. Treasury note yield dipped to 5.24% during the week.
- The U.S. bond market ended the week in positive territory.
- Investment-grade corporate bonds led the market, followed by government bonds and high-yield bonds.

As of October 9, 2026	1 Week	YTD	1 Year	Friday's close
Global Equity Indexes				
MSCI ACWI (\$)	0.0%	12.4%	14.8%	1140.1
MSCI EAFE (\$)	-1.2%	5.8%	9.6%	3059.5
MSCI Emerging Mkts (\$)	-0.6%	20.9%	23.4%	1698.5
US & Canadian Equities				
Dow Jones Industrials (\$)	0.9%	7.5%	11.4%	51655.0
S&P 500 (\$)	1.2%	14.1%	16.0%	7813.3
NASDAQ (\$)	0.6%	17.7%	18.9%	27366.2
S&P/TSX Composite (C\$)	0.5%	12.5%	17.9%	35673.4
UK & European Equities				
FTSE All-Share (£)	0.8%	6.4%	10.8%	5693.9
MSCI Europe ex UK (€)	-1.3%	5.4%	8.7%	2164.4
Asian Equities				
Topix (¥)	0.3%	20.4%	26.0%	4104.8
Hong Kong Hang Seng (\$)	1.0%	-5.5%	-9.5%	24211.4
MSCI Asia Pac. Ex-Japan (\$)	-1.2%	20.4%	21.5%	869.7
Latin American Equities				
MSCI EMF Latin America (\$)	8.1%	22.7%	34.5%	3324.7
Mexican Bolsa (peso)	2.4%	2.8%	8.7%	66084.2
Brazilian Bovespa (real)	8.9%	29.8%	47.6%	209145.9
Commodities (\$)				
West Texas Intermediate Spot	0.4%	59.3%	48.7%	91.5
Gold Spot Price	1.3%	-3.0%	5.6%	4190.9
Bond Indices (\$)				
Bloomberg U.S. Aggregate	0.4%	-2.5%	-1.5%	2291.1
Bloomberg Global Aggregate	0.0%	-2.8%	-1.9%	487.3
JPMorgan Emerging Mkt Bond	0.7%	-1.0%	1.5%	1007.8
10-Year Yield Change (basis points*)				
US Treasury	-3	107	110	5.24%
UK Gilt	8	97	70	5.44%
German Bund	2	63	78	3.48%
Japan Govt Bond	-8	95	132	3.02%
Canada Govt Bond	-7	44	67	3.88%
Currency Returns**				
US\$ per euro	-0.5%	-4.6%	-3.1%	1.120
Yen per US\$	0.2%	1.0%	3.4%	158.24
US\$ per £	0.0%	-1.7%	-0.5%	1.324
C\$ per US\$	0.1%	3.9%	1.7%	1.426

Source: Bloomberg. Equity index returns are price only; others are total returns. *100 basis points = 1 percentage point. **Increases in U.S. dollars (USD) per euro or pound indicate a decline in the value of the USD; increases in yen or Canadian dollars per USD indicate an increase in the value of the USD.

IMPORTANT INFORMATION

Index returns are for illustrative purposes only and do not represent actual investment performance. Index performance returns do not reflect any management fees, transaction costs, or expenses. Indexes are unmanaged, and one cannot invest directly in an index. Past performance does not guarantee future results.

This material is provided by SEI Investments Management Corporation (SIMC) for educational purposes only and is not meant to be investment advice. The reader should consult with his/her financial advisor for more information. This material represents an assessment of the market environment at a specific point in time and is not intended to be a forecast of future events or a guarantee of future results. There are risks involved with investing, including possible loss of principal. SIMC is a wholly owned subsidiary of SEI Investments Company.

The information contained herein is for general and educational information purposes only and is not intended to constitute legal, tax, accounting, securities, research or investment advice regarding the strategies or any security in particular, nor an opinion regarding the appropriateness of any investment. This information should not be construed as a recommendation to purchase or sell a security, derivative or futures contract. You should not act or rely on the information contained herein without obtaining specific legal, tax, accounting, and investment advice from an investment professional. Information in the U.S. is provided by SEI Investments Management Corporation (SIMC), a wholly owned subsidiary of SEI Investments Company (SEI).



ABOUT SEI

SEI® (NASDAQ:SEIC) is a leading global provider of financial technology, operations, and asset management services within the financial services industry. SEI tailors its solutions and services to help clients more effectively deploy their capital—whether that's money, time, or talent—so they can better serve their clients and achieve their growth objectives.

1 Freedom Valley Drive
P.O. Box 1100
Oaks, PA 19456
610-676-1000