

MARKET VIEW WEEKLY

Ladenburg Asset Management



ECONOMIC REVIEW¹

- As expected, the Consumer Price Index (CPI) came in hot again last month, rising 0.6% in April after increasing 0.9% in March. Consecutive months of sharply rising prices have pushed the annual headline figure to 3.8%, the highest level in three years.
 - Higher energy prices resulting from the Iran conflict accounted for 40% of the overall monthly increase.
- “Core” CPI, which excludes volatile energy and food prices, rose 0.4% in April, notching the highest monthly core reading in more than a year.
 - Core prices are up 2.8% from a year ago, noticeably higher than the 2.6% reading from just a month earlier, and still well above the Federal Reserve’s 2% target.
- The Producer Price Index (PPI) spiked 1.4% in April, significantly exceeding expectations of 0.5% and accelerating at the fastest pace in more than four years. The reading followed and upwardly revised 0.7% increase in March and pushed the year-ago headline comparison to 6.0%.
 - Although energy prices alone increased 7.8%, inflation pressures proved more broad-based than just oil.
- Producer prices excluding food and energy prices rose 1.0% in the largest move since early 2022.
 - Nearly 60% of the April increase in PPI can be attributed to a 1.2% advance in the services index, which measures the margins received by wholesalers and retailers.
 - Transportation and warehousing services, which are impacted by higher fuel costs that companies are passing along to customers, also increased notably.
- Retail sales rose 0.5% last month, matching expectations, and were revised higher for previous months.
 - While sales at gas stations jumped due to higher gas prices, gains were broad with nine out of thirteen major sales categories rising for the month.
 - “Core” sales, which strip out autos, building materials, and gas stations, and are important for estimating GDP, rose a healthy 0.5% (0.8% when including revisions to earlier months).

How does the most recent economic data impact you?

- Although most market participants expect the effects of higher energy costs to reverse once the Iran conflict winds down and traffic through the Strait of Hormuz normalizes, the timing of such a de-escalation remains uncertain, leaving the Fed with little conviction on monetary policy in the near term.
- Housing rents were the primary driver of core inflation last month, but most of the increase reflected a one-off adjustment by the BLS to correct for distortions caused by the government shutdown last fall, and other recent data suggested that rents might finally be starting to turn over.



A LOOK FORWARD¹

- This week, investors will be monitoring a collection of housing market data, the final consumer sentiment reading for May, and U.S. leading economic indicators (LEI).

How does this week’s slate of economic data impact you?

- The sentiment reading will provide a critical look at the consumer after two months with higher gas prices.



MARKET UPDATE²

Market Index Returns as of 5/15/26	WTD	QTD	YTD	1 YR	3 YR	5 YR
S&P 500	0.17%	13.62%	8.70%	25.85%	23.37%	13.80%
NASDAQ	-0.06%	21.54%	13.07%	37.33%	29.46%	15.17%
Dow Jones Industrial Average	-0.11%	7.05%	3.63%	18.05%	16.62%	9.65%
Russell Mid-Cap	-1.46%	6.63%	8.01%	15.90%	17.06%	7.73%
Russell 2000 (Small Cap)	-2.34%	12.00%	12.99%	33.86%	18.81%	6.09%
MSCI EAFE (International)	-1.56%	7.25%	5.92%	21.55%	15.39%	8.51%
MSCI Emerging Markets	-2.45%	19.70%	19.51%	45.06%	22.26%	7.60%
Bloomberg US Agg Bond	-1.14%	-0.66%	-0.71%	4.44%	3.45%	0.04%
Bloomberg High Yield Corp.	-0.49%	1.38%	0.88%	6.99%	9.02%	4.28%
Bloomberg Global Agg	-1.52%	0.27%	-0.81%	2.98%	2.79%	-1.69%



OBSERVATIONS

- Although most major indices were positive through Thursday's close, further uncertainty around a resolution to the conflict in Iran, a couple of hot inflation prints, and a lack of any material developments from Trump's visit to China collectively took their toll on the last trading day of the week.
 - All but the S&P 500 (0.17%) finished the week in negative territory.
- The Dow (-0.11%) and the NASDAQ (-0.06%) both pulled back modestly, while Mid- (-1.46%) and Small-Cap (-2.34%) stocks suffered more significant losses.
- Developed market international (-1.56%) and emerging market (-2.45%) stocks also declined meaningfully.
- Treasury yields rose significantly over the course of the week, driving bond prices lower domestically (-1.14%), internationally (-1.52%), and across the credit spectrum (-0.49%).
 - Greater carry delivered by high yield bonds has led lower-quality credit to outperform YTD.



BY THE NUMBERS

Mark Rothko Abstract Sells for \$85.8 Million: A luminous, red rectangular abstract by Mark Rothko sold for \$85.8 million on Thursday, a solid kickoff to what's poised to be ebullient spring auctions in New York. The seller of the 1957 work, "Brown and Blacks in Red," was the estate of former Goldman Sachs banker turned art dealer Robert Mnuchin, who paid \$6.7 million for the work in 2003. The winning telephone bidder at Sotheby's was anonymous. Following last fall's art-market turnaround, collectors have descended on New York for this weeklong series of auctions at Sotheby's, Christie's, and Phillips, feeling increasingly confident about art values.³

He Plays Golf with Two Gloves – and This Oddball Just Carried Off a Major Title: Aaron Rai wasn't known to most golf fans before last weekend, but there has always been an easy way to pick him out on any course. Rai is the oddball wearing not one, but two gloves. Rai, 31, picked up the unusual habit as a kid in England, where his hands would get cold in the winter. [...] To this day, no matter the conditions, he wears a pair of heavy-duty black gloves meant to help players grip their clubs in wet weather. And even though there wasn't a single drop of rain on Sunday of the PGA Championship, Rai's methods paid off on one of golf's biggest stages. He's now a major champion. At Aronimink Golf Club outside of Philadelphia, Rai surged ahead of a crowded leaderboard in the final round to take home the Wanamaker Trophy at 9-under par.⁴

Economic Definitions

Federal Reserve (Fed): The Federal Reserve System is the central banking system of the United States of America.

Producer Prices - PPI (headline and core): Producer prices (output) are a measure of the change in the price of goods as they leave their place of production (i.e. prices received by domestic producers for their outputs either on the domestic or foreign market).

CPI (headline and core): Consumer prices (CPI) are a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly (or monthly) growth rates represent the inflation rate.

University of Michigan Consumer Sentiment Index: Consumer confidence tracks sentiment among households or consumers. The results are based on surveys conducted among a random sample of households. Target Audience: representative sample of US households (excluding Alaska and Hawaii). Surveys of Consumers collects data on consumer attitudes and expectations summarized in the Consumer Sentiment, in order to determine the changes in consumers' willingness to buy and to predict their subsequent discretionary expenditures. This Index is comprised of measures of attitudes toward personal finances, general business conditions, and market conditions or prices. Components of the Index of Consumer Sentiment are included in the Leading Indicator Composite Index. Unit: Index (Q1 1966=100)

Retail Sales: Retail sales (also referred to as retail trade) tracks the resale of new and used goods to the general public, for personal or household consumption. This concept is based on the value of goods sold.

Conference Board Leading Economic Index: Leading indicators include economic variables that tend to move before changes in the overall economy. These indicators give a sense of the future state of an economy.

Index Definitions

S&P 500: The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities and serves as the foundation for a wide range of investment products. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

NASDAQ: The NASDAQ Composite Index is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market. The index was developed with a base level of 100 as of February 5, 1971.

Dow Jones Industrial Average: The Dow Jones Industrial Average is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry. It has been a widely followed indicator of the stock market since October 1, 1928.

Russell Mid-Cap: Russell Midcap Index measures the performance of the 800 smallest companies in the Russell 1000 Index, which represent approximately 25% of the total market capitalization of the Russell 1000 Index.

Russell 2000: The Russell 2000 Index is comprised of the smallest 2000 companies in the Russell 3000 Index, representing approximately 8% of the Russell 3000 total market capitalization. The real-time value is calculated with a base value of 135.00 as of December 31, 1986. The end-of-day value is calculated with a base value of 100.00 as of December 29, 1978.

MSCI EAFE: The MSCI EAFE Index is a free-float weighted equity index. The index was developed with a base value of 100 as of December 31, 1969. The MSCI EAFE region covers DM countries in Europe, Australasia, Israel, and the Far East.

MSCI EM: The MSCI EM (Emerging Markets) Index is a free-float weighted equity index that captures large and mid-cap representation across Emerging Markets (EM) countries. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

Bloomberg US Agg Bond: The Bloomberg US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).

Bloomberg High Yield Corp: The Bloomberg US Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Bloomberg's EM country definition, are excluded.

Bloomberg Global Agg: The Bloomberg Global Aggregate Index is a flagship measure of global investment grade debt from twenty-four local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

Bloomberg Municipal Bond Index: The Bloomberg U.S. Municipal Index covers the USD-denominated long-term tax-exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds and prerefunded bonds.

Disclosures

The statements provided herein are based solely on the opinions of the Ladenburg Thalmann Asset Management (Ladenburg) Research Team and are being provided for general information purposes only. Neither the information nor any opinion expressed constitutes an offer or a solicitation to buy or sell any securities or other financial instruments. Any opinions provided herein should not be relied upon for investment decisions.

Certain information may be based on information received from sources the Ladenburg Research Team considers reliable; however, the accuracy and completeness of such information cannot be guaranteed. Certain statements contained herein may constitute “projections,” “forecasts” and other “forward-looking statements” which do not reflect actual results and are based primarily upon applying retroactively a hypothetical set of assumptions to certain historical financial information. Any opinions, projections, forecasts and forward-looking statements presented herein reflect the judgment of the Ladenburg Research Team only as of the date of this document and are subject to change without notice. Ladenburg has no obligation to provide updates or changes to these opinions, projections, forecasts and forward-looking statements. Ladenburg is not soliciting or recommending any action based on any information in this document.

Investing involves risk, including the potential loss of principal. No investment strategy can guarantee a profit or protect against loss. In general, the bond market is volatile; bond prices rise when interest rates fall and vice versa. This effect is usually pronounced for longer-term securities. Any fixed-income security sold or redeemed prior to maturity may be subject to a substantial gain or loss. Vehicles that invest in lower-rated debt securities (commonly referred to as junk bonds or high-yield bonds) involve additional risks because of the lower credit quality of the securities in the portfolio. International investing involves special risks not present with U.S. investments due to factors such as increased volatility, currency fluctuation, and differences in auditing and other financial standards. These risks can be accentuated in emerging markets.

Index performance does not reflect the deduction of any fees and expenses, and if deducted, performance would be reduced. Indexes are unmanaged and investors are not able to invest directly into any index. Past performance cannot guarantee future results.

Ladenburg is an SEC Registered Investment Adviser under the Investment Advisers Act. Registration does not imply a certain level of skill or training. Ladenburg provides investment advisory services and may serve as a sub-adviser for accounts managed by third-party advisers or may be included in advisory platforms sponsored or administered by affiliates or third parties. Ladenburg does not provide tax or legal advice. Please consult your tax advisor or attorney. For additional information, please see the Program Disclosure Brochure or ADV Part II for full details, which are available upon request or please visit <https://adviserinfo.sec.gov/firm/summary/108604> 8933766

¹ Data obtained from Bloomberg as of 5/15/26.

² Data obtained from Morningstar as of 5/15/26.

³ [Mark Rothko abstract sells for \\$85.8 million](#)

⁴ [He plays golf with two gloves—and this oddball just carried off a major title](#)