

MARKET VIEW WEEKLY

Ladenburg Asset Management



ECONOMIC REVIEW¹

- Nonfarm Payrolls increased by 50,000 in December, less than expectations of an increase of 60,000.
 - The unemployment rate decreased to 4.4% from a downwardly revised 4.5% in November.
 - Average hourly earnings increased 0.1% in the month and are up 3.8% year-over-year.
- The Job Openings and Labor Turnover Survey (JOLTS) reaffirmed a cooling labor market environment.
 - Job openings decreased by 303,000 to roughly 7.1 million, the lowest level since September 2024.
 - Hiring also fell, with about 5.1 million workers finding new roles compared to 5.4 million in October.
- Nonfarm Productivity in Q3 increased to its highest rate since 2023, following an upwardly revised Q2 figure.
- The ISM Manufacturing Index decreased to 47.9 in December, down from its prior reading of 48.2 in November.
 - This marked the tenth consecutive month of contraction for the index.
- The ISM Services Index increased to 54.4 in December, up from 52.6 in November.
 - All four of the key drivers of ISM services (Business Activity, Supplier Deliveries, Employment, and New Orders) were positive for the month.

How does the most recent economic data impact you?

- Unemployment ticking down signals that the labor market remains stable despite the decrease in job openings and hiring.
- Demand in manufacturing continues to struggle as higher costs tied to tariffs weigh on both producers and customers, limiting the sector's ability to gain momentum.
- Rising nonfarm productivity, now at its highest level since 2023, leads to businesses operating more efficiently, helping support profit margins and earnings growth.



A LOOK FORWARD¹

- This week, investors will be closely watching the December Consumer Price Index (CPI) report, the December Producer Price Index (PPI), and the November retail sales data.

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

- CPI and PPI will help shed some light on the current state of inflation, which remains above the Federal Reserve's (Fed's) 2% target.
 - Preliminary data indicate that consumers have positive expectations for their own financial situation and for the economy over the near and long term.
- Retail sales data will help provide some insight into whether this optimism is translating to actual spending.



MARKET UPDATE²

Market Index Returns as of 1/9/26	WTD	QTD	YTD	1 YR	3 YR	5 YR
S&P 500	1.58%	1.80%	1.80%	21.08%	22.87%	14.41%
NASDAQ	1.88%	1.86%	1.86%	24.33%	31.08%	13.22%
Dow Jones Industrial Average	2.34%	3.03%	3.03%	20.07%	15.85%	11.88%
Russell Mid-Cap	2.70%	3.85%	3.85%	15.81%	14.54%	8.81%
Russell 2000 (Small Cap)	4.63%	5.75%	5.75%	21.50%	14.55%	6.06%
MSCI EAFE (International)	1.42%	2.03%	2.03%	34.86%	16.53%	8.69%
MSCI Emerging Markets	1.61%	3.44%	3.44%	40.45%	15.43%	3.92%
Bloomberg US Agg Bond	0.35%	0.15%	0.15%	8.55%	4.12%	-0.14%
Bloomberg High Yield Corp.	0.39%	0.39%	0.39%	9.01%	9.19%	4.54%
Bloomberg Global Agg	-0.03%	-0.16%	-0.16%	9.42%	3.34%	-2.09%



OBSERVATIONS

- Domestic equity indices finished the week positive, led by the Dow Jones up 2.34%, and the NASDAQ (+1.88%) and the S&P 500 (+1.58%) following behind.
- Mid-cap (+2.70%) and small-cap (+4.63%) equities finished the week ahead of the S&P 500, both positive on the week leading all the major indices.
- Both emerging (+1.61%) and developed international markets (+1.42%) finished the week positive, as investors continue to look abroad in the new year.
- Fixed income indices were mixed, as the U.S. Aggregate Bond index and high yield bonds both were both in the positive, the international bond index lagged behind falling -0.03%.



BY THE NUMBERS

The U.S. Trade Gap Narrowed to Its Smallest Since 2009: The trade deficit—a measurement by which the cost of a country’s imports is worth more than its exports—shrank to \$29.4 billion in October, the narrowest gap since June 2009 and a 39% decrease from September (\$48.1 billion), the Bureau of Economic Analysis reported. Imports decreased 3.2% in the month to \$331.4 billion from September, while exports jumped 2.6% to \$302 billion, according to the agency. Wall Street expected the trade gap to widen to \$60.6 billion, according to FactSet. The effective tariff rate imposed by the U.S. was 17.9% in October, the highest since 1934, according to the Budget Lab at Yale.³

Record Bluefin Tuna Sale: A massive 243-kilogram (535-pound) bluefin tuna sold for a record 510 million yen (\$3.2 million) at the first auction of 2026 at Tokyo’s Toyosu fish market. The top bidder for the prized tuna at the predawn auction on Monday was Kiyomura Corp., whose owner, Kiyoshi Kimura, runs the popular Sushi Zanmai chain. Kimura, who has won the annual auction many times in the past, broke the previous record of 334 million yen (\$2.1 million) he set in 2019. Hundreds of tunas are sold daily at the early morning auction, but prices are significantly higher than usual for the Oma tuna, especially at the celebratory New Year auction. Due to the popularity of tuna for sushi and sashimi, Pacific bluefin tuna was previously a threatened species due to climate change and overfishing, but its stock is recovering following conservation efforts.⁴

Economic Definitions

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

ISM Manufacturing Index: PMI Surveys track sentiment among purchasing managers at manufacturing, construction and/or services firms. An overall sentiment index is generally calculated from the results of queries on production, orders, inventories, employment, prices, etc.

Nonfarm Payrolls: This indicator measures the number of employees on business payrolls. It is also sometimes referred to as establishment survey employment to distinguish it from the household survey measure of employment.

Unemployment Rate: The unemployment rate tracks the number of unemployed persons as a percentage of the labor force (the total number of employed plus unemployed). These figures generally come from a household labor force survey.

ISM Services Index: PMI Surveys track sentiment among purchasing managers at manufacturing, construction and/or services firms. An overall sentiment index is generally calculated from the results of queries on production, orders, inventories, employment, prices, etc. Target Audience: supply management professionals Sample Size: 300 individuals Date of Survey: through the month The Services Index is a composite index of four indicators with equal weights: Business Activity, New Orders, Employment and Supplier Deliveries. An index reading above 50% indicates an expansion and below 50% indicates a decline in the non-manufacturing economy. Whereas per Supplier Deliveries Index, above 50% indicates slower deliveries and below 50% indicates faster deliveries.

Job Openings – JOLTS: This concept tracks the number of specific job openings in an economy. Job vacancies generally include either newly created or unoccupied positions (or those that are about to become vacant) where an employer is taking specific actions to fill these positions.

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.

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.

Index Definitions

&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 a 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> 8704039

¹ Data obtained from Bloomberg as of 1/9/26.

² Data obtained from Morningstar as of 1/9/26.

³ ['Buckle up!': CNBC anchor shocked as US trade deficit plunges to lowest since 2009. How to take advantage in 2026](#)

⁴ [Bluefin tuna gets record \\$3.2 million at first Tokyo auction | AP News](#)