Weekly Market Dashboard: *January 2, 2026*

Market overview

Sluggish Start

In a holiday-shortened trading week, the major U.S. equity indices pulled back from record high levels, entering the new year with losses. The Nasdaq and S&P 500 retreated 1.5% and 1.0%, respectively, while the Dow gave back 0.7%.

Year in Review

The close of 2025 marked yet another robust year for the U.S. equity market, with all three major U.S. stock indices posting double-digit gains for the third consecutive year. Despite delivering the most modest advances since 2023, the Nasdaq, S&P 500, and Dow still rallied 21.1%, 17.9%, and 14.9%, respectively. Meanwhile, U.S. core bonds, as measured by the Bloomberg US Aggregate Bond index, saw their strongest year since 2020, rising 7.3%.

Trend Rotation

While tech- and AI-centric growth continued to lead markets in 2025, U.S. large-cap growth's dominance narrowed meaningfully versus its value counterpart. The Russell 1000 Growth and Value indices returned 18.6% and 15.9% for the year, respectively – a 2.7% gap far smaller than the 31.2% and 19.0% advantages recorded in 2023 and 2024. Regional leadership also reversed sharply, as international equities outperformed U.S. stocks. The MSCI EAFE surged 31.2% for the year, topping the S&P 500 by over 13% – a dramatic swing from its more than 21% underperformance the prior year.

Choppy Dissent

The yield on the 10-year U.S. Treasury bond endured a volatile grind lower in 2025, peaking at 4.79% in January before retracting to 3.97% in October – including a 16% plunge from January 13th to April 4th. Despite this turbulence, the 10-year ended just 0.39% lower, closing 2025 at 4.18% from 4.57% on January 2nd.

Market returns

Index	1 Week	YTD	1 Year	3 Year
S&P 500	-1.00%	0.21%	18.39%	23.09%
Nasdaq	-1.50%	-0.02%	21.30%	31.42%
DJIA	-0.66%	0.68%	16.12%	15.62%
Russell 2000	-0.98%	1.06%	13.93%	14.14%
Russell Mid Cap	-0.48%	1.11%	11.90%	14.78%
MSCI EAFE	0.55%	0.60%	32.11%	17.21%
MSCI EM	2.33%	1.79%	36.43%	17.10%
Russell 1000 Value	-0.11%	0.90%	17.14%	14.24%
Russell 1000 Growth	-1.76%	-0.27%	18.44%	31.03%
U.S. Agg. Bond	-0.21%	-0.20%	7.04%	4.59%
Domestic 60/40 [1]	-0.62%	0.21%	12.81%	14.16%
Global 60/40 [2]	-0.28%	0.28%	15.92%	13.52%

The week ahead

ISM Manufacturing PMI (Dec)
(Monday, January 5)

ISM Services PMI (Dec)
(Wednesday, January 7)

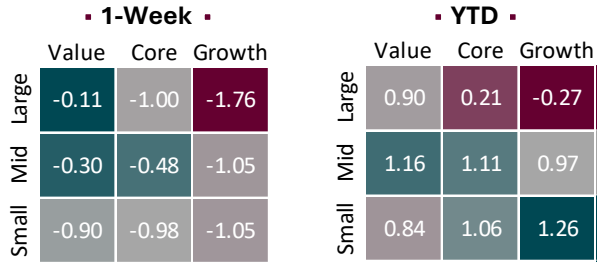
JOLTS Job Openings (Nov)
(Wednesday, January 7)

Nonfarm Payrolls (Dec)
(Friday, January 9)

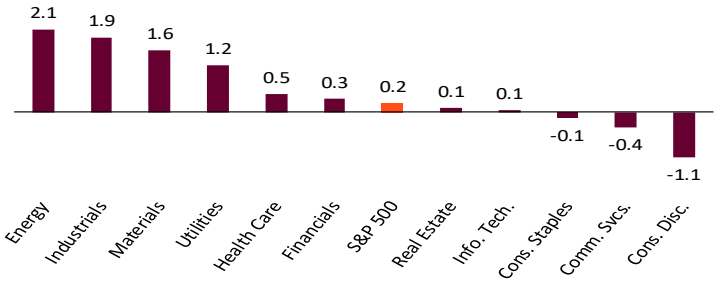
Unemployment Rate (Dec)
(Friday, January 9)

Michigan Consumer Sentiment *P* (Jan)
(Friday, January 9)

Equity style returns (%)



YTD equity sector returns (%)



U.S. Treasury yields

Date	2-Yr	5-Yr	10-Yr	30-Yr
1/2/2026	3.47%	3.74%	4.19%	4.86%
12/2/2025	3.51%	3.66%	4.09%	4.74%
1/2/2025	4.25%	4.38%	4.57%	4.79%

See page 2 for complete sources and important disclosures.

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Disclosure

U.S. Treasury Data from U.S. Department of the Treasury. Equity, Index, and Sector returns from Morningstar. Equity Style Returns: Large Core – S&P 500 TR, Large Value – Russell 1000 Value TR, Large Growth – Russell 1000 Growth TR, Mid Core – Russell Midcap Index TR, Mid Value – Russell Midcap Value TR, Mid Growth – Russell Midcap Growth TR, Small Core – Russell 2000 TR, Small Value – Russell 2000 Value TR, Small Growth – Russell 2000 Growth TR, U.S. Agg. Bond – Bloomberg U.S. Aggregate Bond Index. Equity Sector Returns: Utilities – S&P 500 Sec/Utilities TR USD, Cons. Disc. – S&P 500 Sec/Cons Disc TR USD, Cons. Staples – S&P 500 Sec/Cons Staples TR USD, Energy – S&P 500 Sec/Energy TR USD, Financials – S&P 500 Sec/Financials TR USD, Real Estate – S&P 500 Sec/Real Estate TR USD, Health Care – S&P 500 Sec/Health Care TR USD, Industrials – S&P 500 Sec/Industrials TR USD, Info. Tech. – S&P 500 Sec/Information Technology TR USD, Materials – S&P 500 Sec/Materials TR USD, Comm. Services – S&P 500 Sec/Comm. Services TR USD, S&P 500 – S&P 500 TR USD. *P* = Preliminary Release.

[1] Domestic 60/40: 42% S&P 500 TR, 6% Russell 2000 TR, 12% Russell Mid Cap TR, 40% Bloomberg U.S. Aggregate Bond Index.

[2] Global 60/40: 29% S&P 500 TR, 4% Russell 2000 TR, 8% Russell Mid Cap TR, 40% Bloomberg U.S. Aggregate Bond Index, 15% MSCI EAFE NR, 4% MSCI EM NR

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