Weekly Market Commentary

August 10, 2026

Breathing Room

A combination of a weaker July employment report, strong corporate earnings results, and lower oil prices pushed equity markets back into record territory last week. For the week, the S&P 500 Index was +3.6%, the Dow Jones Industrials +3.0%, and the NASDAQ +5.1%. The Technology, Materials, and Industrial sectors led the S&P 500 Index for the week, while the Energy, Utilities, and Real Estate sectors lagged. The 10-year U.S. Treasury note yield was 4.641% at Friday's close versus 4.712% the previous week.

The July Employment Situation report showed a net loss of 23,000 jobs versus expectation for a gain of 97,500 jobs. The private sector gained 30,000 jobs and government entities shed 53,000 jobs. The July unemployment rate was unchanged at 4.1%. June jobs were revised down by 37,000 to a 20,000 net gain and May jobs were revised down by 66,000 to a 63,000 net gain.

The weaker labor market could allow the Federal Reserve to hold off on raising interest rates. CME Fed funds futures now show a 0.25% increase at the October Federal Open Market Committee meeting versus the September meeting previously. This week provides a look at July inflation with the Consumer Price Index report scheduled for Wednesday and the Producer Price Index for Thursday.

We enter the last part of the second quarter earnings reporting season with 88% of companies having reported results. Of the companies that have reported results, 86% have exceeded consensus estimates which is above the 76% historical average. Nine companies in the S&P 500 Index are scheduled to report earnings this week. Second quarter earnings are expected to grow by 50.4% and quarterly revenue growth is expected at 15.0%. Full-year 2026 earnings are expected to grow by 30.0% with revenue growth of 11.5%.

In our Dissecting Headlines section, we look at the shift in the CNN Fear and Greed Index.

Financial Market Update

MARKET DATA	Weekly Return	YTD Return		Weekly Return	YTD Return
S&P 500 Index	3.6%	14.1%	Aggregate Bond Index	0.5%	0.2%
Dow Jones Industrial Average	3.0%	13.4%	U.S. Dollar Index	-0.4%	1.2%
NASDAQ 100	5.1%	18.1%	WTI Crude Oil	-7.7%	36.2%
Russell 2000 (Small Cap Index)	3.5%	23.1%	Gold	7.4%	0.6%
International Stocks (MSCI ex-US)	1.5%	16.1%	Real Estate (US REIT Index)	-0.7%	19.6%

Sources: S&P Global, FactSet

Dissecting Headlines: Fear and Greed

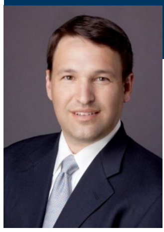
One of the market sentiment indicators we follow is the CNN Fear & Greed Index. Last week, the Index jumped to the Greed zone from the Fear or Neutral zones where it has been for the past two months. The Index is measured on a scale of 0 to 100 with Extreme Fear at 0 and Extreme Greed at 100. The Index ended Friday at 64, indicating a good level of Greed, versus bottoming out in late June at a Fearful level of 25.

The index compiles seven different indicators that measure stock market behavior: market momentum, stock price strength, stock price breadth, put and call options, junk bond demand, market volatility, and safe haven demand.

Several of these indicators improved last week. Market momentum strengthened along with market breadth, while volatility declined and investors became more willing to hold riskier assets. Options positioning also became less defensive, as measured by the put/call ratio.

From an interpretive standpoint, we don't necessarily think investors have suddenly become much greedier. Rather, they appear to have become less fearful. Economic data supports the Federal Reserve standing pat on interest rates, corporate earnings have exceeded expectations, and the conflict in the Middle East has not escalated further. Together, these developments have given investors fewer reasons to remain defensive.

The NovaPoint Team



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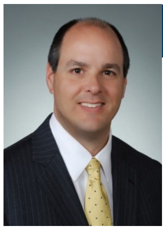
Joe has over 20 years of experience in the investment management industry. Prior to founding NovaPoint, he was a portfolio manager at Spectrum Advisory Services and GMT Capital in Atlanta, and Epoch Investment Partners in New York. He has also worked as an equity research analyst at Merrill Lynch and ABN Amro. Before beginning his investment career, Joe was an Infantry officer in the U.S. Army. Joe holds a BS from the U.S. Military Academy at West Point and an MBA from the University of Chicago. He is both a Chartered Financial Analyst (CFA) and a Chartered Market Technician (CMT).



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Alan has over 20 years of experience in the investment management industry. Prior to founding NovaPoint, he was a fixed income manager at both Spectrum Advisory Services and a private family office. Alan was also with the Bank Group division of Countrywide Capital Markets where he developed balance sheet strategies for depository institutions. He holds a BS in Banking and an MBA in Finance from Nova Southeastern University. Alan is an endurance athlete and three-time IRONMAN finisher.

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Frederick has over 30 years of experience in the investment management industry. Prior to joining NovaPoint, Frederick was a Partner and Investment Advisor at Brightworth where he advised high net worth investors. Frederick began his investment career in 1991 at Balentine & Co where he rose to Partner. He also co-founded and served as Chief Investment Officer at Wright Investment Management and at Smith & Howard Wealth Management . Prior to beginning his investment career, Frederick served as an Engineer officer in the U.S. Army. He holds a BS from the U.S. Military Academy at West Point and an MBA from Emory University. Frederick is a Chartered Financial Analyst (CFA).

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Larry leads NovaPoint's accounting, tax and outsourced CFO business. He built his previous company, Atlas Solutions, as a solo entrepreneur before merging into NovaPoint CFO. Larry began his career as a Field Artillery officer in the United States Army. Larry earned his Bachelor of Science degree from the U.S. Military Academy at West Point, where he was a four-year letterman on the football team. Larry is a certified Enrolled Agent, recognized by the U.S. Department of the Treasury to represent taxpayers before the Internal Revenue Service.

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Meghan is an Investment Associate focusing on financial planning. Prior to joining NovaPoint, Meghan spent 18 years in government service as an Operations Officer in military intelligence. She holds two Bachelor of Science degrees from the University of Maryland and a Master of Science from the Joint Military Intelligence College. Meghan has additional education specializing in financial planning and currently holds the Federal Retirement Consultant designation.