



WEEKLY ECONOMIC UPDATE APRIL 27, 2026

Stocks were mixed last week as investors gauged potential outcomes of the Middle East conflict amid an ongoing ceasefire.

The Standard & Poor's 500 Index rose 0.55 percent, while the Nasdaq Composite Index advanced 1.50 percent. By contrast, the Dow Jones Industrial Average fell 0.44 percent. The MSCI EAFE Index, which tracks developed overseas stock markets, declined 2.75 percent.^{1,2}

Mixed Markets As Investors Look Ahead

Stocks began the week lower after tensions in the Middle East escalated over the weekend. They remained under pressure through Tuesday's close as Wednesday's expiration of the ceasefire loomed.³

Markets opened higher on Wednesday as investors cheered a ceasefire extension, while solid Q1 corporate earnings results boosted market momentum. Oil prices rose above \$100/barrel, and all three major stock averages closed higher, with the S&P 500 and Nasdaq logging new all-time highs.⁴

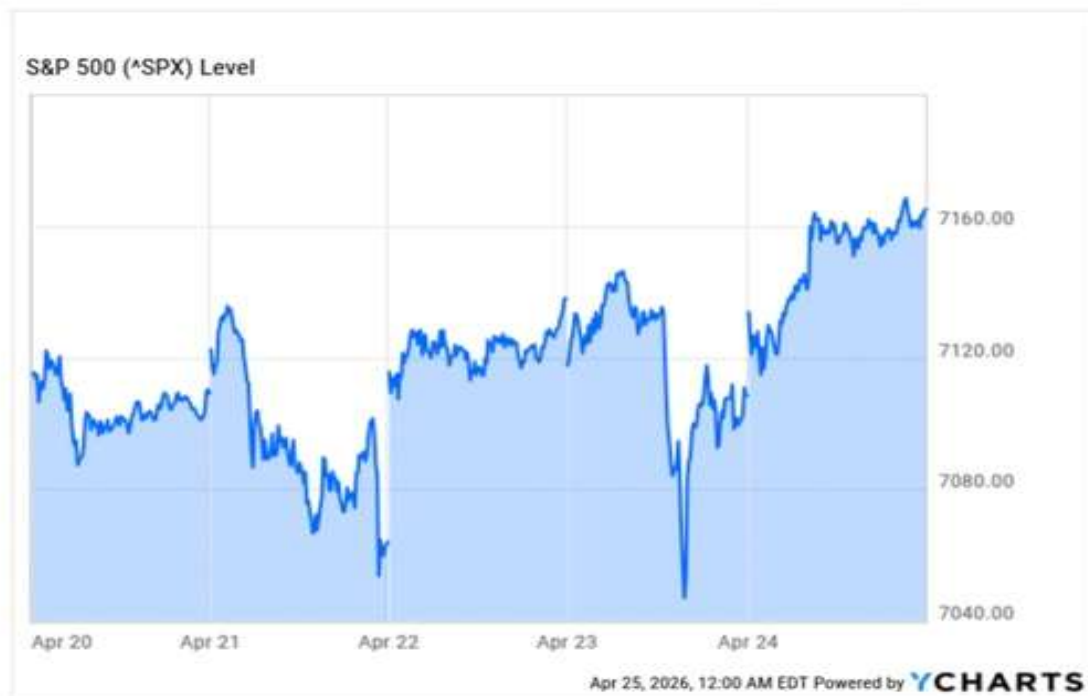
The S&P and Nasdaq recovered from a slump in software stocks, while higher oil prices put stocks under pressure, logging fresh intraday highs along the way. Investors appeared increasingly desensitized to the Middle East conflict.^{5,6}

Weekly Market Insights (WMI)

Major Index Return Summary

Name	1M TR	YTD TR	1Y TR	5Yr TR
<u>Nasdaq Composite</u>	11.38%	5.33%	47.19%	80.90%
<u>S&P 500</u>	8.09%	4.22%	33.87%	82.86%
<u>MSCI EAFE</u>	7.94%	6.11%	28.33%	55.03%
<u>Dow Jones Industrial Average</u>	6.79%	3.08%	26.60%	59.38%

S&P 500 Daily Close



10-Year Note Review

Indicator Name	Latest Value	1M Ago	1M Change
<u>10 Year Treasury Rate</u>	4.31%	4.39%	-1.82% ▼
Date		3M Ago	3M Change
04/24/26		4.24%	1.65% ▲
		1Y Ago	1Y Change
		4.32%	-0.23% ▼

Consumer Paradox

Fresh news on Friday showed consumer sentiment slipped to an all-time low in April. Consumers may be thinking about inflation, the job market, and geopolitical tensions.⁷

However, the paradox is that consumers keep spending. Last Tuesday's retail sales report showed consumer spending rose 1.7 percent in March, the highest monthly rise in more than 3 years.⁸

This Week: Key Economic Data

Tuesday: S&P Case-Shiller Home Price Index. Consumer Confidence.

Wednesday: Durable Goods. Housing Starts (Feb+Mar)*. Building Permits (Feb+Mar)*. U.S. Trade Balance in Goods. Retail & Wholesale Inventories. FOMC Interest Rate Decision. Fed Chair Press Conference.

Thursday: GDP (Q1). Weekly Jobless Claims. Employment Cost Index. Personal Consumption Expenditures (PCE) Index. Leading Economic Indicators.

Quote of the Week



“Fiction is the lie through which we tell the truth.”

– **Albert Camus**

Of Note



While both the S&P and Nasdaq rose last week, it was anything but a full-throttled affair. The lack of color on Iran negotiations - which have once again collapsed, but only after the market closed of course - kept risk appetite at bay. As a result, Friday's record close happened with the second worst breadth for an all-time high on record: 324 stocks closed lower for a -148 net breadth reading (only October 2025 was worse, with 80% of the S&P down on a record day).⁹

What is market breath? Market breadth is typically calculated using several different methods that measure participation across stocks within an index. The most common approaches include:

- 1) Advance-Decline Ratio: The simplest form compares the number of stocks advancing (rising in price) to those declining (falling in price) within an index. For example, if 300 stocks in the S&P 500 rise and 200 decline on a given day, the net advance-decline would be 100 (300 minus 200).
- 2) Advance-Decline Line: This cumulative indicator tracks the net difference between advancing and declining stocks over time, adding or subtracting the daily net value to create a running total.
- 3) Percentage Above Moving Averages: This method calculates what percentage of stocks in an index are trading above key moving averages, such as the 50-day or 200-day moving average. For instance, if 400 out of 500 S&P 500 stocks are above their 50-day moving average, that represents 80% breadth, which is considered strong bullish breadth.

4) TRIN (Arms Index): A more sophisticated calculation that incorporates volume: $TRIN = (\text{Advancing Stocks} / \text{Declining Stocks}) / (\text{Advancing Volume} / \text{Declining Volume})$.

5) New Highs-New Lows: This indicator measures the difference between the percentage of stocks making new 52-week highs versus those making new 52-week lows.

6) Equal-Weight vs. Market-Cap Weighted Comparison: Comparing an equal-weighted index to its market-cap weighted counterpart reveals whether smaller stocks are participating as much as large-cap stocks. These indicators are valuable because major indexes like the S&P 500 are cap-weighted, meaning a few large companies can heavily influence the index direction while breadth gives equal weight to all constituents, providing a more democratic view of market health.

7) McClellan Oscillator: This momentum indicator measures the speed of money moving in or out of the market by calculating the difference between two exponential moving averages of advancing and declining stocks. Readings above +100 suggest overbought conditions, while readings below -100 indicate oversold conditions.

How do analysts use these indicators? The most powerful signal to watch for is divergence —when the S&P 500 moves in one direction while breadth indicators move in the opposite direction. For example, if the index hits new highs but the number of stocks making new highs is shrinking, it signals the rally's foundation is weakening.

Market breadth indicators work best when combined together rather than relying on a single metric. Professional traders often check their breadth dashboard once daily to track evolving trends in market health and spot shifts in underlying dynamics before they become obvious in price action.

Footnotes And Sources

1. WSJ.com, April 17, 2026
2. Investing.com, April 24, 2026
3. CNBC.com, April 21, 2026
4. CNBC.com, April 22, 2026
5. CNBC.com, April 23, 2026
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9. [zerohedge.com/markets/hedge-funds-brace-reversal-dump-tech-stocks-fastest-pace-2-years](https://www.zerohedge.com/markets/hedge-funds-brace-reversal-dump-tech-stocks-fastest-pace-2-years)

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The market indexes discussed are unmanaged, and generally, considered representative of their respective markets. Index performance is not indicative of the past performance of a particular investment. Indexes do not incur management fees, costs, and expenses. Individuals cannot directly invest in unmanaged indexes. Past performance does not guarantee future results.

The Dow Jones Industrial Average is an unmanaged index that is generally considered representative of large-capitalization companies on the U.S. stock market. The Nasdaq Composite is an index of the common stocks and similar securities listed on the Nasdaq stock market and considered a broad indicator of the performance of stocks of technology and growth companies. The MSCI EAFE Index was created by Morgan Stanley Capital International (MSCI) and serves as a benchmark of the performance of major international equity markets, as represented by 21 major MSCI indexes from Europe, Australia, and Southeast Asia. The S&P 500 Composite Index is an unmanaged group of securities that are considered to be representative of the stock market in general.

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