



## Market in a Minute

July 7, 2026

### Index Performance: As of June 30, 2026

Index	Price	Last Week	YTD
S&P 500	7,499.36	1.98%	9.55%
Dow Jones	52,319.20	0.85%	8.85%
NASDAQ	26,213.72	3.62%	12.79%
Russell 2000	16,674.97	0.51%	22.57%
Russell 2000 Growth	14,893.73	1.34%	21.60%
Russell 2000 Value	24,331.32	-0.36%	21.75%
Russell 1000 Growth Total Return	5,206.59	4.34%	4.61%
SPDR Gold Shares	368.38	-1.41%	-7.05%
Powershares US \$ Index	28.41	-0.18%	5.11%
Ishares EAFE Index	103.88	1.31%	8.17%
Barclays Aggregate Bond Index	98.98	-0.36%	-0.90%
iShares Barclays 20+ Yr Treasury Bond	86.42	-1.08%	-0.85%
Utilities Select Sector ETF	45.34	-1.86%	6.21%
Vanguard REIT ETF	96.43	-2.27%	8.97%
iShares Mortgage Real Estate	22.05	0.46%	-0.59%
Alerian MLP ETF	51.85	0.80%	10.27%
iShares Global Telecom	112.85	0.60%	-6.90%
ETFMG Alternative Harvest ETF	25.75	5.40%	-13.56%
Grayscale Bitcoin Trust	45.52	-1.64%	-33.41%
Shanghai SE Index	4,094.40	1.67%	3.16%

Source: Bloomberg & Yahoo.com, Returns are appreciation only.

### A Word on the Market

By: Patrick Adams, CFA



### Review of First Half:

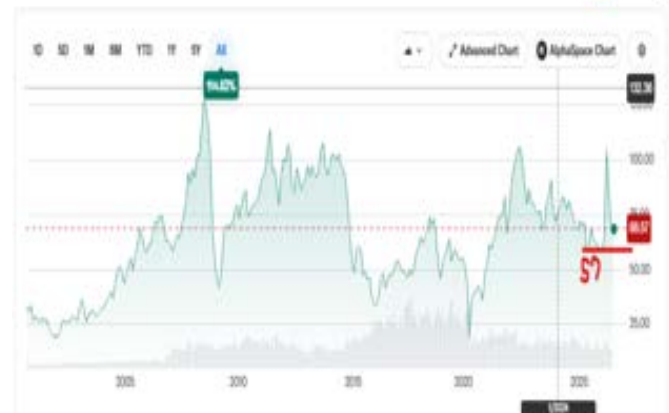
The market (S&P 500) fell by about - 9.2% from the high in the first quarter to the bottom in April from the Iran war, and fear of rising inflation. Oil prices got to about \$113 per barrel in April and now about \$68 per barrel. Generally, after these types of moves over the past 20 plus years when oil goes above \$100 per barrel, the price tends to go below the most recent low, which was \$57 in January.

### Oil Prices From 2000-2026

Crude Oil Aug 26 (CL=F) ☆

68.57 -0.12 (-0.17%)

As of 2:56:09 PM EDT, Market Open



Pre Settlement	-	Open	68.68	Last Price	68.68	Volume	182,096
Settlement Date	2026-07-21	Set	68.54	Day's Range	67.82 - 69.26	Ask	68.60

- Once the market concluded there was no significant risk from Iran the market began to advance with the Russell 2000 (small cap stocks) performed strongly up over 25% from the bottom in April. As you may well know we like having some

### S&P Sector Performance: As of June 30, 2026

Index	Price	Last Week	YTD
Information Technology	6,788.21	4.28%	19.43%
Consumer Disc.	1,907.11	2.76%	-1.11%
Consumer Staples	923.02	-1.92%	6.72%
Health Care	1,852.15	-1.14%	2.56%
Financials	892.84	-0.03%	-2.06%
Industrials	185.23	2.22%	19.41%
Energy	810.95	-1.25%	17.98%
Communications Services	454.4	3.12%	0.44%
Utilities	460.68	-1.96%	6.19%
Materials	638.08	-1.32%	11.08%
Real Estate	279.7	-2.91%	9.67%

Source: Bloomberg website, Returns are appreciation only

### PVG Strategies

Tactical Strategies	QTD	YTD	Average Annual Return as of 3/31/26
Tactical Total Return	0.32%	-1.29%	8.76%
Dynamic Core	0.26%	7.79%	8.61%
Tactical Growth	0.49%	-1.28%	18.03%
<b>Loss Averse</b>			
Loss Averse Equity Income	-0.18%	8.92%	4.00%
<b>Specialty</b>			
Emerging Healthcare	1.41%	-12.22%	63.25%
<b>Focus</b>			
High Income Focus 10	-0.67%	1.49%	7.64%
Growth Focus 10	-0.13%	2.13%	10.47%
Emerging Healthcare Focus 10	1.20%	-20.10%	11.53%
<b>Strategic</b>			

exposure to the small cap stocks as they are very attractive on a relative basis.

- **Technology had a big reversal of leadership with semiconductors performing strongly and the Mega Cap stocks lagging. Software found a bottom, but the group has a major cloud over it.**
- **Semiconductors now make up 19.7% of the S&P 500, this is insane and simply not sustainable. To give you some sense of history, during the Dot-Com Bubble of 2000 semiconductors were just over 8% of the S&P 500 and generally averages 2% to 5%.**
- **Commodities fell significantly, including silver - 15%, gold -7%, and Bitcoin -33%, but copper rose about 10%, which may be signaling that inflation is clearly declining and the economy is improving.**
- **New Federal Reserve Chairman Warsh's timing to start could not have been better right at a start of a declining inflationary trend. He signaled that fighting inflation was a high priority.**
- **Private credit is pressuring the markets more on perception than reality. Non-performing loans have popped up but from very low levels. Retail investors that were pushed into these private credit funds found that they were not liquid.**
- **Real estate prices are beginning to fall, by our estimate -5% to -10%, no buyers. This may be just a pause due to high oil prices, and the employment market more in balance. A.I. may be freezing hiring.**

### Russell 2000 YTD Performance



### Outlook for Second Half:

- We expected a correction in the first half or even potentially a brief bear market, we got it, in

Tactical Aggressive	0.24%	0.26%	14.23%
Tactical Moderate	0.13%	4.18%	10.43%
Tactical Conservative	0.22%	4.80%	8.48%
Tactical Income	1.41%	4.23%	7.56%

### Interest Rates

Fed Fund	3.63 %	5-Year	4.24%
3-Month	3.85%	10-Year	4.48%
6-Month	4.00%	30-Year	4.97%
2-Year	4.14%		

Source: Bloomberg.com

### Economic Events This Week

Date	Report	Forecast	Previous
Jul 7	Trade Balance	-\$78.8B	-\$55.9B
Jul 8	Wholesale Inventories	0.3%	0.6%
Jul 8	Consumer Credit	\$18.9B	\$20.7B
Jul 9	Existing Home Sales	4.2M	4.17M

### Economic Events Last Week

July 1	ADP says Businesses added 90,000 jobs in June
July 1	U.S. manufacturers keep on trucking despite a road littered with obstacles. ISM shows its growth is strongest in 4 years
July 2	U.S. unemployment rate fell to a 14-month low

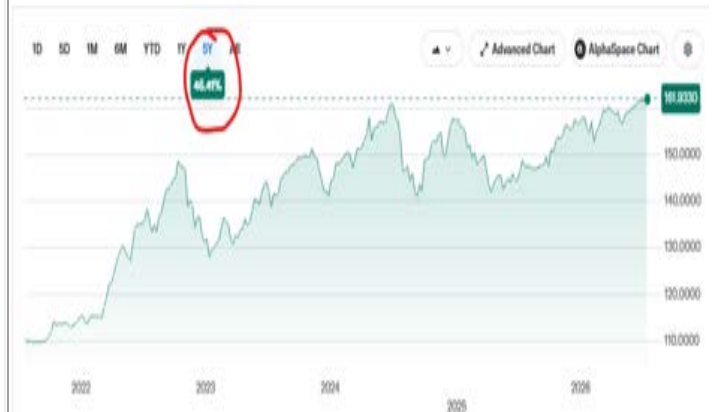
particular in the technology sector, but that quickly resolved itself as we expected!

- **We expect more volatility in the second half, but again to bounce back.** The bubble created in technology will likely take a while to deflate.
- **The bond market has been discounting at least one rate increase, which could come in July,** but do not believe it will as inflation should be contracting in a big way.
- **What generally kills market cycles is the Federal Reserve.** It would be a huge mistake for the Fed to cut rates now. We would be very surprised and disappointed if the Fed raised rates in front of significantly lower inflation.
- **A major systemic risk is if there was a pause in technology spending, much like what hit the economy in 2000-2002**
- **The market will begin to focus on the midterm elections.** With gasoline prices likely to fall significantly and the democrats with candidates that are too far off the scale of left, the market may begin to think the risk of the election is low.
- **Earnings momentum has been very strong** but mostly concentrated in semiconductors. The market will not pay much of a multiple for commodity memory semiconductor earnings. **This momentum will begin to slow.**
- **Likely to see another large rotation** as companies that benefit directly or indirectly from lower gas prices, lower inflation, and lower interest rates have a knee jerk reaction to broader economic growth, not just datacenter building.
- **Leverage for buying stocks is at an all-time high, it is becoming a significant amount that could move the market if stocks fall. The hot money has now moved from cryptocurrency to semiconductors. This high amount of leverage makes the market much more volatile.**
- **Japanese Yen** has been very weak relative to the dollar, if that gets unwound again, it will hit our markets. **The yen versus the dollar has been crushed over the past 5 years, down -46%.**

## Margin Debt



## U.S. Dollar vs Yen



## Conclusion:

- **The bond market should be better as inflation drops and takes the pressure off the Fed.**
- **This should allow the market to reduce the weighting in technology as the market broadens.**
- **The markets are exposed to a significant amount of risk due to leverage and valuation, and volatility will likely remain high.**
- **We are focused on attractively valued stocks with improving fundamentals, some technology, healthcare is full of big potential stocks, retailers, restaurants, travel, transportation, financial services, and industrials.**

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