PACIFIC GLOBAL
Investment Management Company

WeeklyRecap

July 10, 2026

MarketReturns

INDEX[1]	CLOSE	WEEKLY CHANGE	YTD CHANGE
Dow Jones Industrial Avg.	52,637.01	-263.06 / -0.50%	9.52%
S&P 500®	7,575.39	92.15 / 1.23%	10.66%
Nasdaq	26,281.61	448.94 / 1.74%	13.08%
Russell 2000®	2,977.81	-18.30 / -0.61%	19.98%

	07/10/26 CLOSE	07/10/25 CLOSE
10-Year U.S. Treasury	4.56%	4.35%

Data: The Wall Street Journal, Federal Reserve

TheBottomLine

The ceasefire in Iran fell apart this week after Iran struck ships in the Strait of Hormuz which triggered response bombings by the U.S. and retaliatory strikes by Iran. Talks may continue but the sides disagree on fundamental terms of the Memorandum of Understanding (MoU). Despite the rising tensions in the conflict, the Nasdaq (1.74%) and S&P 500® Index (1.23%) gained on rising investor confidence in **AI-**related companies. The Dow Jones Industrial Average (-0.50%) and Russell 2000® Index (-0.61%) declined as investors shifted to **AI-**related stocks. The yield on the 10-Year U.S. Treasury Note increased to 4.56% from 4.49% last Thursday.

The limited economic reports this week included a slight decline in the **June ISM Services Index**, to 54.0 from 54.5 in May. **Initial Jobless Claims** of 215,000 were slightly below expectations of 218,000; similarly, **Continuing Claims** (1.814 million) were below estimates of 1.820 million. A noteworthy report on North American Class 8 commercial truck sales (which rose 241% year-over-year in June) highlights the effect of increased economic activity on the transportation industry.

Oil prices, which declined sharply following the June MoU between the U.S. and Iran, have since stabilized at prices somewhat higher than before the war. Analysts' projections on oil supply and demand differ; some suggest that today's lower oil prices would suggest lowered overall demand. The larger picture, though, taking into account the aggressive use of strategic oil reserves, may obscure factors which have distorted prices. For example, the **U.S. Strategic Petroleum Reserve is at its lowest level since 1983.** Stockpiles at the U.S. storage hub in Cushing, OK have reached levels at which additional withdrawals become difficult. Other countries face similar situations; these stockpile deficiencies may heighten oil price volatility for some time.

Investors will closely monitor quarterly reports from major banks as earnings season begins next week. Commentaries should provide insight into developing trends and the health of the economy. Economic data next week include retail sales and consumer sentiment as well as June **CPI** and **PPI** results; also, Fed Chair

Warsh testifies before Congress on Tuesday and Wednesday. The equity markets have continued to advance as analysts raise target prices for several companies on the expectation of better economic growth. Volatility remains muted despite the uncertainty of events in the Middle East.

[1]The Dow Jones Industrial Average is an unmanaged, price weighted measure of 30 U.S. stocks selected by the Averages Committee to represent the performance of all U.S. stocks outside the Transportation and Utilities sectors. The S&P 500® Index is an unmanaged, market capitalization weighted index which measures the performance of the large cap segment of the U.S. equities market, covering approximately 75% of the U.S. equities market. The Index includes 500 leading companies in leading industries of the U.S. economy. The Nasdaq Composite Index is an unmanaged, market capitalization weighted measure of all domestic and international common stocks listed on The Nasdaq Stock Market. The Russell Midcap® Index measures the 800 smallest companies within the Russell 1000® Index based on a combination of their market cap and current index membership. The Russell 2000® Index is an unmanaged, market-weighted measure of stock market performance. It contains stocks of the 2,000 smallest publicly traded companies of the Russell 3000® Index. It is not possible to invest in the Indices.