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Monthly Market Recap

April 2026

From the Investment Committee

April delivered a strong rebound across equity markets, reversing much of the weakness seen earlier in the year and underscoring the market's resilience in the face of macro uncertainty. After enduring their weakest quarter since 2022, stocks surged in April. The S&P 500 advanced roughly 10%, its strongest monthly gain since November 2020, while the Nasdaq Composite climbed approximately 15%, marking its best performance since April 2020. The rally was driven by a combination of improved investor sentiment, stabilization in interest rate expectations, and better-than-anticipated corporate fundamentals.

First-quarter earnings season has played a central role in supporting this market strength. According to FactSet, blended earnings growth for the S&P 500 has reached approximately 27.1%, with 84% of companies exceeding earnings expectations. Sector performance has been particularly strong in Communications Services, Technology, Consumer Discretionary, and Materials, all of which have delivered meaningful upside surprises. Additionally, net profit margins have been reported near 14.7%, representing the highest level in roughly 15 years—a signal that corporate efficiency and pricing power remain intact despite lingering cost pressures.

On the monetary policy front, the Federal Reserve held interest rates steady at its April meeting in an 8–4 vote. It was the last meeting as Fed Chair for Jerome Powell, whose second four-year term ends on May 15. Powell noted in his final press conference that he will remain on the Federal Reserve Board as a Governor, even as leadership transitions to Kevin Warsh. The impending leadership change was marked by the highest level of dissent since 1992. Of the four dissents, one vote favored a rate cut, while three opposed the meeting statement's bias toward continued easing. The divergence in views highlights growing uncertainty around the path of inflation and the appropriate timing of policy adjustments.

From a macroeconomic standpoint, the US economy continues to expand at a moderate pace. Data from the Bureau of Economic Analysis showed first-quarter real GDP growth at an annualized rate of 2.0%, supported primarily by a sharp increase in business investment, particularly in AI-related software and equipment. However, consumer spending—a key engine of the economy—rose just 1.6%, coming in below expectations and suggesting some cooling in household demand. Altogether, April's data paints a picture of an economy that remains fundamentally sound but increasingly uneven, with strength in corporate investment offset by more cautious consumer behavior.

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Key Takeaways

S&P 500 Has Largest Monthly Gain Since 2020	• After experiencing the worst quarter since 2022, stock prices rebounded in April. • The S&P 500 rose more than 10%, its best month since November 2020. • The Nasdaq gained more than 15%, its best month since April 2020.
Q1 Earnings Impress	• First-quarter earnings came in stronger than expected. • According to FactSet, the reported blended earnings growth rate stands at 27.1%, with 84% of S&P 500 companies reporting a positive EPS surprise. • Communications Services, Technology, Consumer Discretionary, and Materials sectors have had the largest upside earnings surprises. • Net profit margins were reported at 14.7% – the highest level in 15 years.
Q1 GDP Reported At 2%	• The US economy grew at an annualized, inflation-adjusted rate of 2% in Q1. • Business investment surged to its fastest pace in nearly three years, largely driven by AI-related spending on software and equipment. • Consumer spending was lower than expected, rising only 1.6% in Q1.
Expect Continued Dissention Within The FOMC	• The Fed voted 8-4 to keep the fed funds rate unchanged at the conclusion of its April meeting, which was Jerome Powell's last as Fed Chair. • Powell announced he will stay on the Board as a Governor but didn't say for how long. He could step down before his term ends in early 2028. • The days of FOMC consensus around monetary policy are likely over once Warsh is Chair. While this sounds alarming, the impact to markets should be minimal — any action still requires a majority from the 12 voting members. • Of the four dissents at April's meeting, one was in favor of a 25 bps cut, and three opposed language in the Fed's statement that reflected an easing bias.

Asset Class Performance

Equities

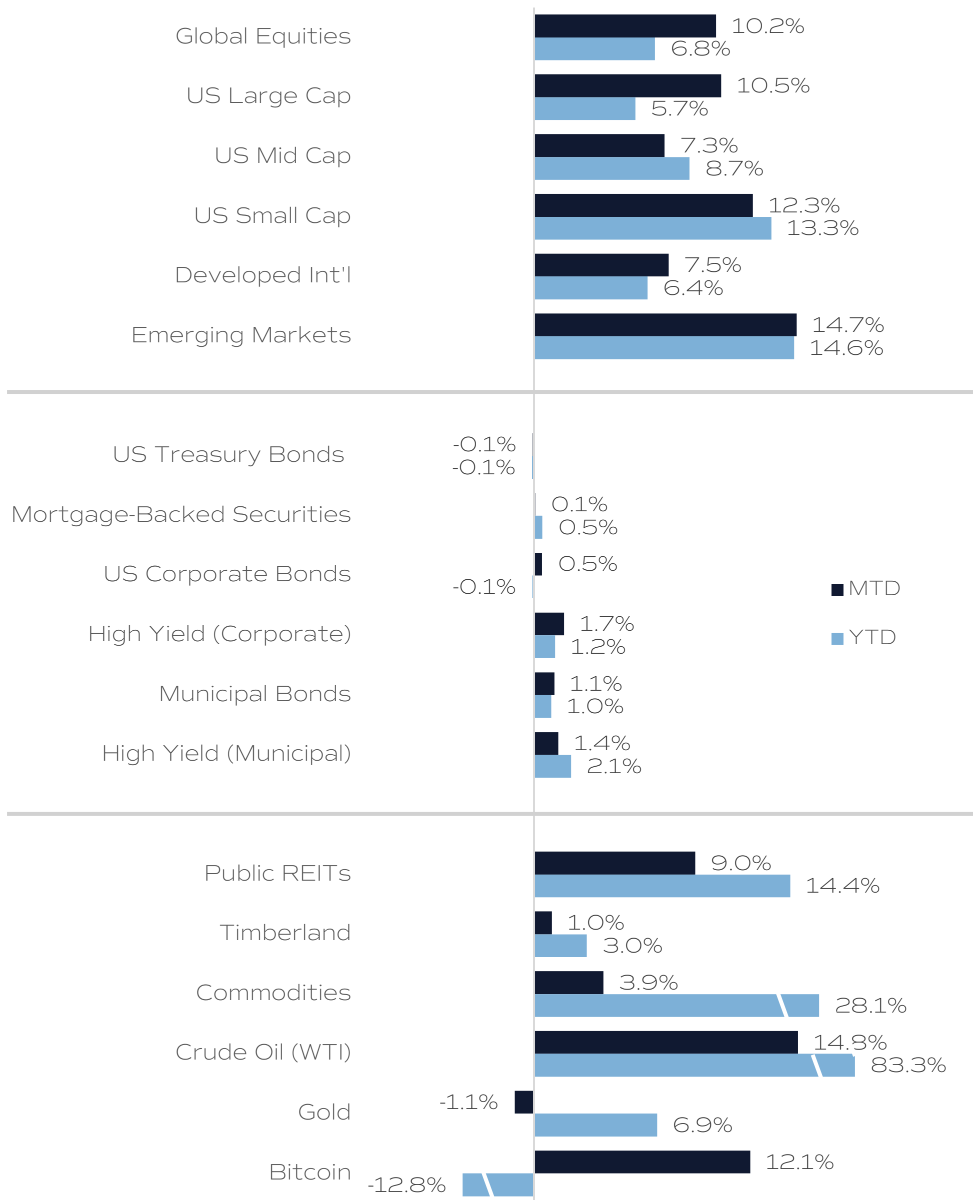
- After a disappointing end to the first quarter, Q2 started off strong. The S&P 500 was up better than 10% in April, one of the strongest monthly performances for the index over the last five years.
- Equity markets have all but dismissed the geopolitical concerns in the Middle East and in global energy markets, with US large-cap, mid-cap, and small-cap names all setting new all-time highs.

Fixed Income

- Despite the rise in Treasury bond interest rates, fixed-income returns were mostly positive. The best-performing taxable indexes were the corporate bond and high yield indexes. Mortgage-backed and US Treasury bonds lagged other sectors.
- Municipal bonds posted strong monthly returns, both investment-grade and high yield.
- April's positive performance moved YTD total returns into the black for a majority of indexes except for the US Treasury Bond Index and corporate bonds.

Real Assets

- Uncertainty over the Strait of Hormuz has left energy prices elevated. With peace talks on pause, it looks like this will continue for the near term.
- Crypto rebounded after a rough first quarter for the market, with bitcoin ETFs receiving their strongest inflows since late 2025.



Source: Bloomberg as of April 30, 2026.

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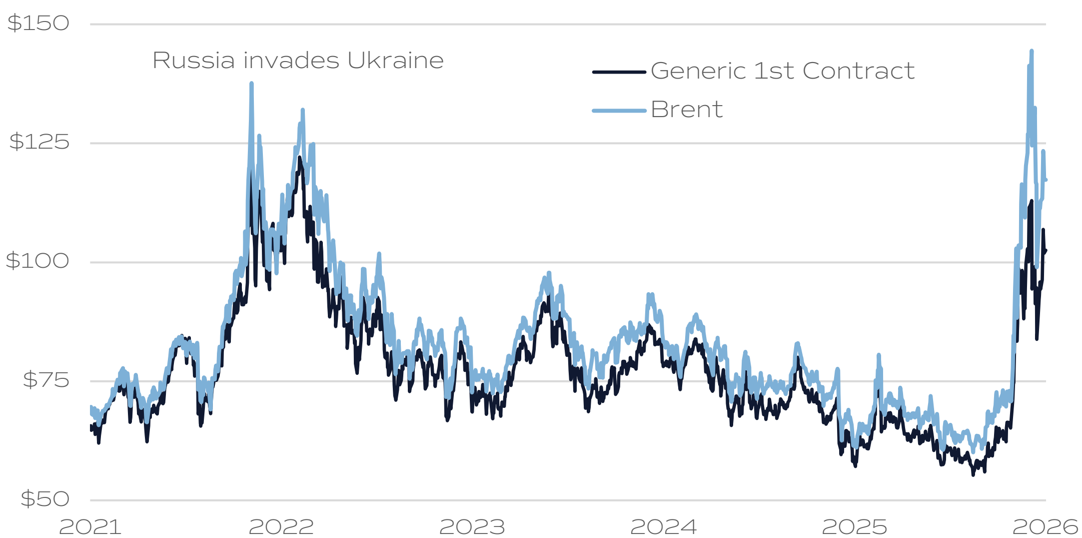
Macroeconomic Overview

	Year End 2025 %	Recent Period %	Prior Period %	YTD Change %
GDP (YoY Change)*	2.00	2.70	2.00	0.70
Conference Board - LEI*	(0.20)	(0.60)	0.30	(0.40)
Unemployment Rate*	4.40	4.30	4.40	(0.10)
CPI (YoY Change)*	2.70	3.30	2.40	0.60
CPI ex. Food & Energy*	2.60	2.60	2.50	0.00
PCE*	2.97	3.20	3.00	0.23
Effective Fed Funds Rate	3.64	3.64	3.64	0.00
10-Year U.S. Treasury	4.17	4.37	4.32	0.20

Crude Oil Prices Over the Last 5 Years



- With the Strait of Hormuz still closed, oil prices may be higher for longer. As a result, 10-year Treasury yields have ticked higher to 4.40%. Historically, 4.50% has been a challenge for equities. Yields are rising globally in the developed markets.
- Q1 earnings season has begun with better-than-expected results. Banks report that the consumer remains healthy, and Big Tech continues to surprise to the upside, although meaningful increases in AI capital expenditures are worrisome.
- The Iran war and higher inflation driven by oil prices will be in focus as we head into the US summer driving season. Additionally, annual refinery maintenance shutdowns will add to pressure on oil and diesel prices.
- The Middle East remains atop headlines given the Iran war and the UAE's announcement that it is dropping out of OPEC. Conflict among the remaining members over production limits will only add to volatility.
- While oil prices remain above $100 per barrel, the December futures contract trades at $79-$84 per barrel, suggesting the war could end sooner rather than later.

Source: Bloomberg as of April 30, 2026. *March 31, 2026.

US Equity Markets

	MTD %	YTD %	1 Yr %
Communications Services	18.54	10.32	55.91
Technology	17.47	6.75	49.17
Consumer Discretionary	11.73	1.47	25.23
S&P 500	*10.49*	*5.69*	*31.02*
Real Estate	8.76	11.76	12.64
Industrials	7.93	12.91	34.67
Financials	5.56	(4.43)	8.43
Consumer Staples	3.10	11.01	8.28
Materials	2.70	12.69	23.85
Utilities	2.09	10.52	22.10
Health Care	(0.45)	(5.31)	5.77
Energy	(3.46)	33.46	52.40

MTD (%)

	Value	Core	Growth
Large	8.2	10.1	11.9
Mid	7.6	7.3	6.5
Small	9.7	12.3	14.8

YTD (%)

	Value	Core	Growth
Large	10.4	5.5	1.0
Mid	11.5	8.7	-0.3
Small	15.2	12.3	11.5

Best

- Tech-oriented companies led the charge higher in April, with ***Communications Services*** and ***Technology*** up more than 18% and 17%, respectively. Communications performance was driven largely by the +30% return for Alphabet, Inc. (Google), and Technology's was driven by Intel's +100% monthly return.

Worst

- While crude oil closed the month above $100 per barrel, crude's inability to surge to new highs put a damper on ***Energy*** stocks, which declined roughly 3%, making energy the worst-performing sector for the month of April.

- Equities were broadly positive, regardless of market capitalization, style, or country of origin. The strong risk-on sentiment was notably positive in small-cap US equities, which were up 10-15% across investment styles.

- International equities had a strong month as well, with the MSCI ACWI ex US Index up 9.72%, but non-US equities across developed markets lagged the US on a relative basis. Emerging markets were notably stronger than US markets, with the MSCI Emerging Markets Index up nearly 15% for the month.

Source: Bloomberg as of April 30, 2026.

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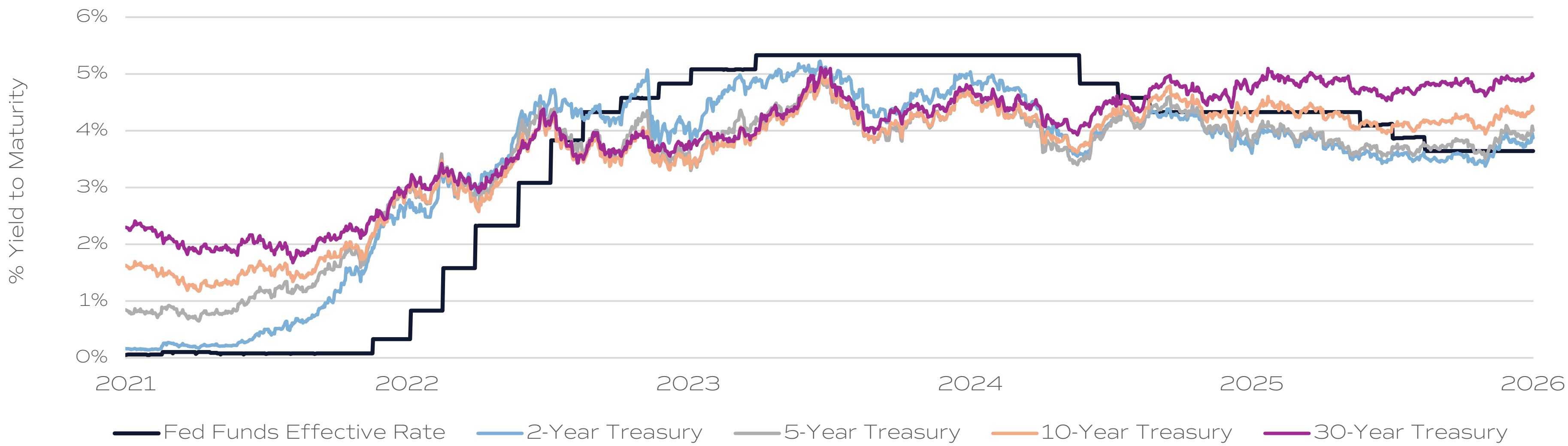
Fixed Income

Fed Funds Rate & Treasury Yields



Implied Inflation Expectations

- A key input for the FOMC in determining monetary policy is inflation expectations.
- Market-derived inflation expectations can be determined by comparing interest rates in nominal US Treasuries versus Treasury Inflation-Protected Securities.
- Inflation expectations have been on the rise since the Iran conflict started, approaching or exceeding the highs of 2022.
- Should inflation expectations continue to rise, the FOMC is likely to react by increasing rates.

Source: Bloomberg as of April 30, 2026.

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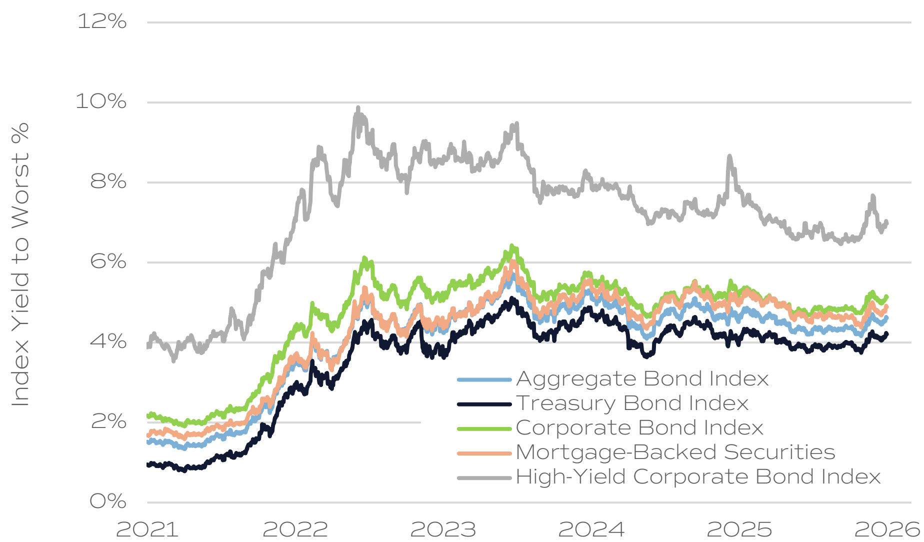
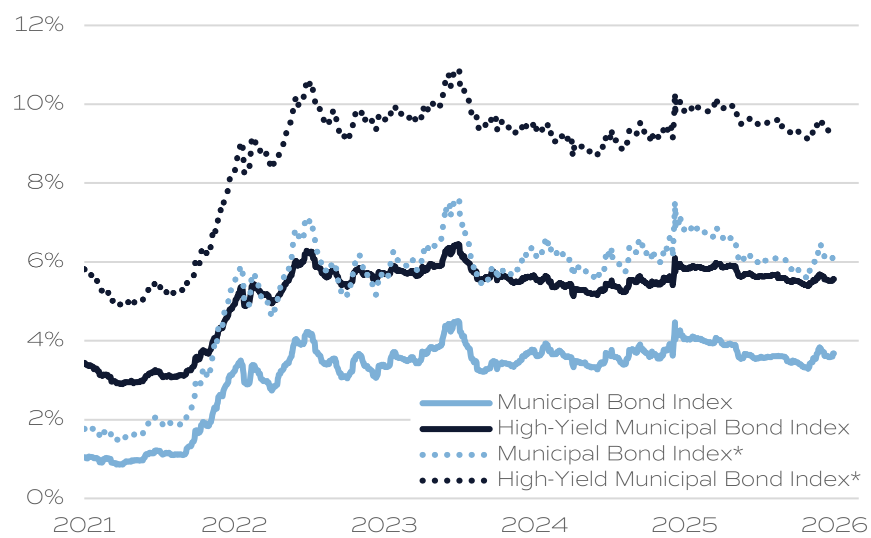
Fixed Income Yields

Taxable Bond Indexes Yield to Worst



Tax-Exempt Bond Indexes Yield to Worst*



US Treasury Yield Curves

- Fixed-income yields in both taxable and tax-exempt markets remain attractive on both a nominal and real (inflation-adjusted) basis. Yield levels across all sectors and maturities were little changed in April but higher for the year.
- Rising inflation fears from the Iran war have pushed yields higher across all sectors and maturities.
- While corporate bond spread levels increased in March, they reversed course in April, providing the backdrop for the sector's positive performance.
- Municipal bond yields remain attractive to those in higher tax brackets. Despite the expected increase in supply, yields should remain stable in the near term as demand is expected to remain solid in the coming months.

Source: Bloomberg, Bloomberg BVAL as of April 30, 2026. *Tax-equivalent yield. Assumes a federal income tax rate of 37% and Medicaid surtax of 3.8%.

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Real Assets

	Price USD	MTD %	YTD %	1 Yr %
Real Assets				
FTSE NAREIT	828.87	9.04%	14.38%	19.81%
FTSE NAREIT - Timberland	127.04	1.01%	2.97%	-1.33%
Bloomberg Commodity Index	140.51	3.89%	28.10%	39.22%
Crude Oil (WTI) [bbl.]	105.07	12.78%	84.30%	83.43%
Natural Gas [MMBtu]	2.64	-15.92%	-33.83%	-15.38%
Copper [MT]	12,987.00	5.28%	4.54%	42.32%
Gold [oz.]	4,617.85	-1.08%	6.91%	40.42%
Silver [oz.]	73.75	-1.89%	2.91%	126.10%
Bitcoin	76,466.34	12.13%	-12.76%	-19.15%
Ethereum	2,263.65	7.48%	-23.98%	26.13%

Fertilizer Prices Spike As Strait of Hormuz Remains Closed*

Source: Bloomberg as of April 30, 2026. *May 1, 2026.

- The continued closure of the Strait of Hormuz added to increased crude oil volatility in April. Ultimately, as peace talks stalled, oil rose nearly 13% on the month. Energy prices remain elevated, and it looks as though this will continue for the near future.
- Crypto rebounded in April after many bitcoin ETFs received their strongest inflows since late 2025. These inflows come after a rough Q1 for the space, and the overall crypto market being generally oversold.
- Gold and silver remained relatively flat on the month as inflation expectations continue to hang in the balance and investors continued to take profits.
- Agriculture remains sensitive to exogenous shocks, including weather variability and geopolitical chokepoints.
- Urea, a common compound in farming fertilizers, has been volatile throughout the Iran conflict, much like during the early days of the Russia-Ukraine war.
- Using corn futures as an example, prices during the onset of the Russia-Ukraine war were nearly double today's price. This suggests that any prolonged disruption of the Strait of Hormuz could have a greater impact on global farming.

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Financial Markets Performance

	Price USD	MTD %	QTD %	YTD %	1 Yr %	3 Yr %	5 Yr %
Global Equity							
MSCI ACWI	1,077.10	10.21%	10.21%	6.79%	31.54%	20.34%	11.21%
U.S. Equity							
S&P 500	7,209.01	10.49%	10.49%	5.69%	31.02%	21.64%	13.11%
Russell 1000	3,923.58	10.11%	10.11%	5.49%	30.38%	21.45%	12.29%
Russell Mid Cap	4,161.47	7.33%	7.33%	8.73%	25.77%	16.22%	7.70%
Russell 2000	2,799.91	12.29%	12.29%	13.32%	44.55%	18.18%	5.74%
International Equity							
MSCI ACWI ex US	454.69	9.72%	9.72%	9.07%	32.88%	17.97%	9.01%
MSCI EAFE	3,038.64	7.55%	7.55%	6.36%	25.22%	15.87%	9.52%
MSCI Europe	203.71	7.03%	7.03%	4.42%	23.07%	15.03%	10.06%
MSCI Japan	2,293.43	9.13%	9.13%	10.96%	31.10%	19.40%	9.16%
MSCI Emerging Markets	1,600.21	14.73%	14.73%	14.60%	47.45%	21.18%	6.50%
Global Fixed Income							
Bloomberg U.S. Aggregate	2,350.39	0.11%	0.11%	0.07%	4.06%	3.46%	0.18%
Bloomberg Gov't/Credit	2,710.65	0.12%	0.12%	-0.08%	3.55%	3.23%	0.09%
Bloomberg US Treasury Total Return	2,432.04	-0.07%	-0.07%	-0.12%	2.53%	2.38%	-0.30%
Bloomberg US Corporate Total Return	3,542.11	0.45%	0.45%	-0.09%	5.29%	4.59%	0.63%
Bloomberg US Corporate High Yield	2,949.11	1.69%	1.69%	1.19%	8.84%	8.84%	4.35%
Bloomberg Global Aggregate	502.09	1.25%	1.25%	0.16%	2.55%	2.86%	-1.46%
Bloomberg Municipal Bond Index	1,405.96	1.15%	1.15%	0.97%	6.34%	3.34%	0.90%
Bloomberg High Yield Municipal Bond Index	479.15	1.36%	1.36%	2.09%	5.63%	5.53%	1.88%

Source: Bloomberg as of April 30, 2026.

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Tactical Views

Asset Class	Underweight		Neutral		Overweight
Cash	•	●	•	•	•
Equities	•	•	•	●	•
U.S. Large Cap	•	•	•	●	•
U.S. Mid Cap	•	•	●	•	•
U.S. Small Cap	•	•	●	•	•
Developed Int'l	•	●	•	•	•
Emerging Markets	•	•	•	●	•
Fixed Income	•	•	•	●	•
U.S. Government	•	●	•	•	•
MBS	•	●	•	•	•
Corporates	•	•	•	●	•
Municipals	•	•	•	●	•
Muni High Yield	•	•	•	●	•
Taxable High Yield	•	•	•	●	•
Developed Int'l	•	●	•	•	•
Emerging Markets	•	•	•	●	•
Real Assets	•	•	●	•	•
Commodities	•	•	•	●	•
Timberland	•	•	●	•	•
Private Real Estate	•	•	●	•	•
Alternatives	•	•	●	•	•
Hedge Funds	•	•	●	•	•
Private Equity	•	•	•	●	•
Private Debt	•	●	•	•	•

Equity Sectors	Underweight		Neutral		Overweight
Energy	•	•	●	•	•
Healthcare	•	●	•	•	•
Consumer Discretionary	•	•	●	•	•
Industrials	•	•	•	●	•
Technology	•	•	•	●	•
Communications	•	•	●	•	•
Financials	•	•	•	●	•
Real Estate	•	•	●	•	•
Utilities	•	•	•	●	•
Materials	•	•	●	•	•
Consumer Staples	•	●	•	•	•

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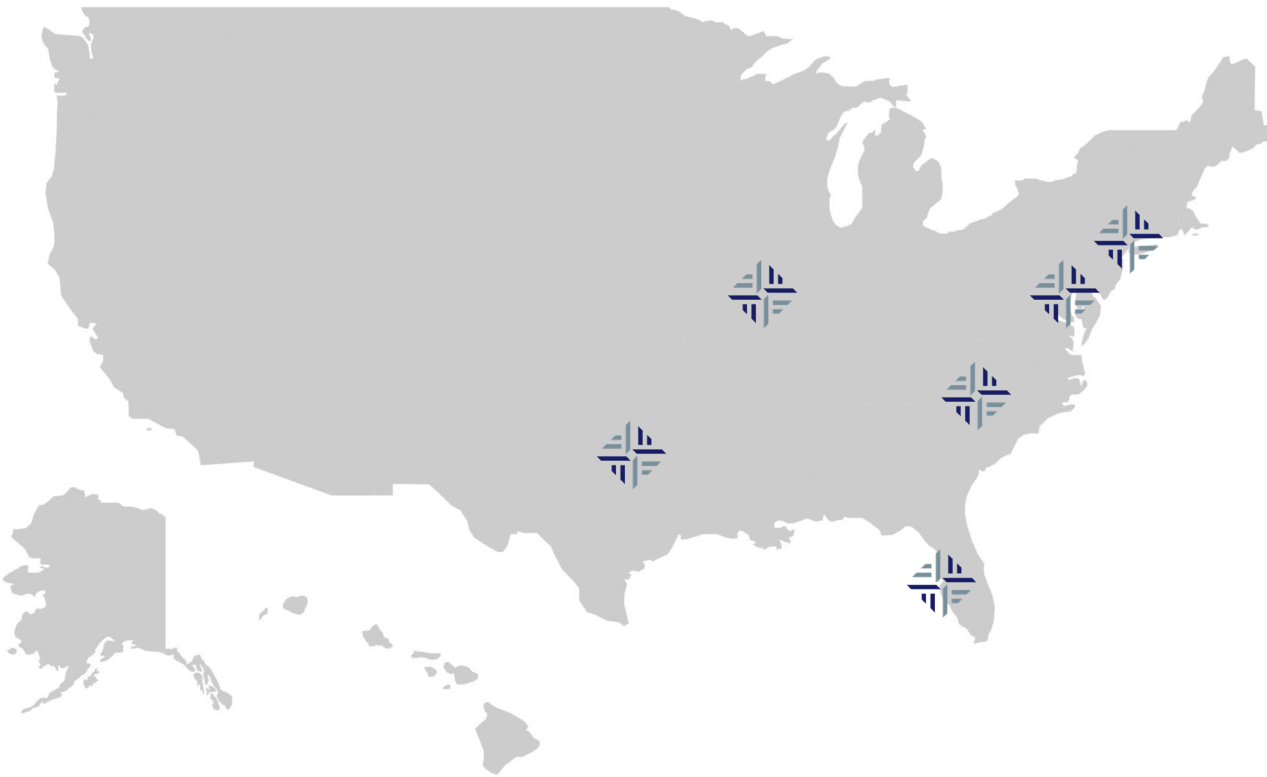

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When referencing asset class returns or statistics, the following indices are used to represent those asset classes, unless otherwise notes. Each index is unmanaged, and investors can not actually invest directly into an index:

TIPS: Bloomberg Global Inflation-Linked: U.S. TIPS Total Return Index Unhedged
Municipals 5-Year: Bloomberg Municipal Bond 5 Year (4-6) Total Return Index Unhedged USD
Core Bond: Bloomberg US Aggregate Total Return Index USD
High Yield Municipals: Bloomberg Muni High Yield Total Return Index Value Unhedged USD
High Yield: Bloomberg US Corporate High Yield Total Return Index USD
U.S. Long Duration: Bloomberg US Aggregate Government & Credit - Long
Foreign Bond: Bloomberg Global Aggregate ex-USD Total Return Index Value USD (50/50 blend of hedged and unhedged)
Real Assets: S&P Real Assets
U.S. Large Cap: Russell 1000 Total Return Index
U.S. Small Cap: Russell 2000 Total Return Index
International Developed: MSCI EAFE Net Total Return USD Index
Emerging Markets: MSCI Emerging Markets Net Total Return USD Index
U.S. Equity REITs: FTSE Nareit Equity REITs Total Return Index USD
Commodities: Bloomberg Commodity Total Return Index
Hedge Funds: Hedge Fund Research HFRI Fund of Funds Composite Index
Foreign Bond: Bloomberg Global Aggregate x USD Total Return Unhedged
U.S. Core Bond: Bloomberg U.S. Aggregate Total Return Index USD

U.S. High Yield: Bloomberg US Corporate High Yield Total Return Index USD
U.S. MBS: Bloomberg U.S. MBS (30Y) Total Return Index
U.S. All Cap: Russell 3000 Total Return Index
U.S. Large Cap: Russell 1000 Total Return Index
U.S. Small Cap: Russell 2000 Total Return Index
US Value: Russell 3000 Value Total Return Index
US Growth: Russell 3000 Growth Total Return Index
Int'l Developed All Cap: MSCI EAFE IMI Net Total Return USD Index
Int'l Developed Large Cap: MSCI EAFE Large Cap Net Total Return USD Index
Int'l Developed Small Cap: MSCI EAFE Small Cap Net Total Return USD Index
Int'l Developed Value: MSCI EAFE Value Net Total Return USD Index
Int'l Developed Growth: MSCI EAFE Growth Net Total Return USD Index
EM All Cap: MSCI Emerging Markets IMI Net Total Return USD Index
EM Large Cap: MSCI Emerging Markets Large Cap Net Total Return USD Index
EM Small Cap: MSCI Emerging Markets Small Cap Net Total Return USD Index
EM Value: MSCI Emerging Markets Value Net Total Return USD Index
EM Growth: MSCI Emerging Markets Growth Net Total Return USD Index

Material Risks & Limitations

Fixed Income securities are subject to interest rate risks, the risk of default and liquidity risk. U.S. investors exposed to non-U.S. fixed income may also be subject to currency risk and fluctuations.

Cash may be subject to the loss of principal and over longer period of time may lose purchasing power due to inflation.

Domestic Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry factors, or other macro events. These may happen quickly and unpredictably.

International Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry impacts, or other macro events. These may happen quickly and unpredictably. International equity allocations may also be impact by currency and/or country specific risks which may result in lower liquidity in some markets.

Real Assets can be volatile and may include asset segments that may have greater volatility than investment in traditional equity securities. Such volatility could be influenced by a myriad of factors including, but not limited to overall market volatility, changes in interest rates, political and regulatory developments, or other exogenous events like weather or natural disaster.

Private Equity involves higher risk and is suitable only for sophisticated investors. Along with traditional equity market risks, private equity investments are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility and/or the potential loss of capital.

Private Credit involves higher risk and is suitable only for sophisticated investors. These assets are subject to interest rate risks, the risk of default and limited liquidity. U.S. investors exposed to non-U.S. private credit may also be subject to currency risk and fluctuations.

Private Real Estate involves higher risk and is suitable only for sophisticated investors. Real estate assets can be volatile and may include unique risks to the asset class like leverage and/or industry, sector or geographical concentration. Declines in real estate value may take place for a number of reasons including, but are not limited to economic conditions, change in condition of the underlying property or defaults by the borrow.

Marketable Alternatives involves higher risk and is suitable only for sophisticated investors. Along with traditional market risks, marketable alternatives are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility or the potential for loss of capital. Additionally, short selling involved certain risks including, but not limited to additional costs, and the potential for unlimited loss on certain short sale positions.