

CAPITAL MARKETS REPORT - MARCH 9, 2026



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SERVICE BEYOND COMPARISON

Labor Market Trips on Payrolls and Consumer Activity Markets Show Concern for Oil Spike and Fed Caution

- Global markets turned notably more pessimistic last week as geopolitical tensions intensified and economic data softened. Traders are increasingly doubtful about a quick resolution to the widening conflict with Iran, raising concerns about prolonged energy supply disruptions. The critical Strait of Hormuz is reportedly “effectively closed,” while NATO intercepted a ballistic missile fired by Iran that entered the airspace of Turkey, a NATO member. Oil prices surged as high as \$119.50 per barrel and global equities have shed more than \$6 trillion in market value, rekindling concerns about renewed inflation pressures even as global growth indicators soften, i.e. Stagflation. As of this writing, oil prices have retreated slightly on reports that the G7 is discussing a joint release of oil from their strategic reserves to mitigate the effects of the disruption.

- Domestically, equities moved sharply lower and Treasury yields climbed. Expectations for Fed rate cuts slowed, reflecting the mounting stagflation fear. Fed officials acknowledged emerging softness in the labor market and continued to emphasize caution, noting that inflation remains above the central bank’s target.

- February’s economic data marked a noticeable shift in tone. Nonfarm payrolls unexpectedly declined by 92,000 and the unemployment rate rose to 4.4%, challenging the recent narrative of a stabilizing labor market. While temporary factors such as healthcare strikes and severe winter weather likely contributed to the weakness, job losses were relatively broad-based and hiring momentum has cooled in recent months. Retail sales also slipped modestly in January, reflecting weather-related disruptions and softer auto purchases, though core consumer spending remained stable.

- For fixed income markets, the combination of geopolitical risk, softer labor data, and resilient service-sector activity has increased volatility in rate expectations. While inflation risks tied to higher energy prices remain a concern, markets are increasingly focused on signs that labor market conditions may be gradually weakening.

- This morning, the 2- and 10-year Treasury note yields are at 3.59% and 4.16%, respectively.

Market Last Week

	2/27/2026	3/6/2026	Weekly Change In Bps
2 yr. Note	3.37%	3.56%	19
5 yr. Note	3.50%	3.73%	23
10 yr. Note	3.94%	4.14%	20
30 yr. Bond	4.61%	4.76%	15
SOFR Rate	3.66727%	3.66736%	0.009

Data This Week

Date/Time (ET)	Economic Data	Market Estimate	Prior Report
3/10/2026 8:15 AM	ADP Weekly Employment Change (Feb 21)	--	12.750k
3/10/2026 10:00 AM	Existing Home Sales (Feb)	3.88m	3.91m
3/11/2026 8:30 AM	CPI YoY (Feb)	0.02	0.02
3/11/2026 8:30 AM	Core CPI YoY (Feb)	2.50%	2.50%
3/12/2026 8:30 AM	Initial Jobless Claims (Mar 7)	215k	213k
3/12/2026 8:30 AM	Continuing Claims (Feb 28)	1850k	1868k
3/13/2026 8:30 AM	Personal Income (Jan)	0.01	0.00
3/13/2026 8:30 AM	Personal Spending (Jan)	0.30%	0.40%
3/13/2026 8:30 AM	PCE Price Index YoY (Jan)	0.03	0.03
3/13/2026 8:30 AM	Core PCE Price Index YoY (Jan)	3.00%	3.00%
3/13/2026 8:30 AM	GDP Annualized QoQ (4Q)	1.40%	1.40%
3/13/2026 10:00 AM	U. of Mich. Sentiment (Mar P)	5500.00%	56.60

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