Capital Markets Snapshot

Courtesy of The Davis Financial Group

Week ending January 30, 2026

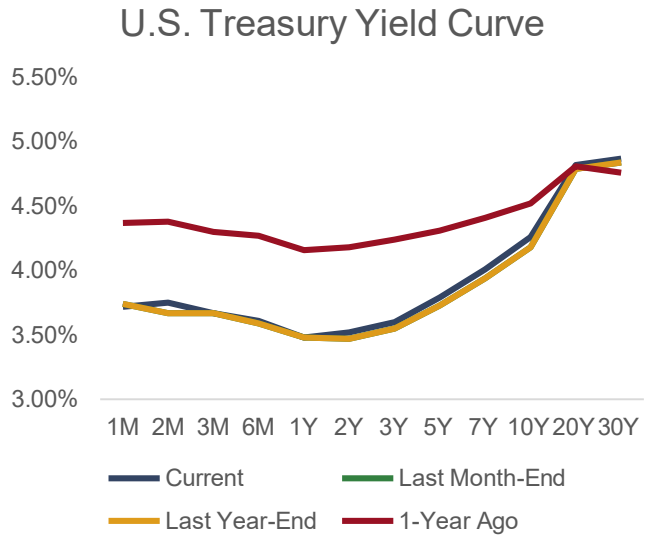
Capital markets were volatile last week as major stock indices swung between early week gains and a late week pullback driven largely by mixed mega-cap technology earnings. The Federal Reserve held rates steady at 3.50%–3.75%, signaling a slightly more hawkish stance while acknowledging solid economic activity and a stabilizing labor market. The stock market reacted sharply on Friday after President Trump nominated Kevin Warsh as the next Fed chair, a move perceived as modestly dovish relative to Chair Powell. Earnings season remained strong, with more than 90 S&P 500 companies reporting and showing broad-based revenue and earnings growth that reflects continued economic strength. Meanwhile, inflation data surprised to the upside, particularly the PPI report, suggesting potentially stickier price pressures. Small-cap equities underperformed during the week, marking a brief slowdown after an otherwise strong start to the year. Commodities saw significant fluctuations, with gold and silver swinging lower following the Fed chair nomination on Friday, while crude oil pushed to a four-month high. On balance, the week highlighted a market navigating mixed signals yet still showing steady resilience amid elevated volatility.

Fixed Income Markets Overview

- The Fed left the federal funds rate unchanged at 3.50%–3.75% during its January Federal Open Market Committee (FOMC) meeting. Two FOMC members dissented, preferring a 25-basis-point rate cut.
- Despite recent firmer inflation readings, the Fed's assessment of the economy as expanding at a "solid pace" supported the view that Fed policy is appropriately restrictive for now.
- The Treasury yield curve steepened as markets digested the FOMC meeting and hotter-than-expected inflation data. The 2-year yield modestly declined, and 10- and 30-year yields rose slightly versus last Friday.
- Market expectations for 2026 Fed rate cuts increased following the nomination of Kevin Warsh as the next Fed chair.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
Short	1-3 Year Govt/Credit	0.2%	0.2%	4.7%	2.0%
Core Plus	Intermediate Govt/Credit	0.2%	0.1%	4.5%	1.0%
	International Aggregate	0.8%	0.9%	3.2%	-1.8%
	US Aggregate	0.0%	0.1%	3.8%	-0.2%
	US Treasury	0.0%	-0.1%	2.9%	-0.8%
	US TIPS	0.2%	0.3%	3.7%	1.1%
	US Corporate	-0.1%	0.2%	4.9%	0.2%
	US Corporate High Yield	-0.2%	0.5%	8.9%	4.5%
Other	Emerging Markets Aggregate	0.1%	0.4%	8.0%	1.7%
Muni	US Municipals	0.3%	0.9%	3.2%	0.9%
	US Municipals High Yield	0.2%	1.0%	4.8%	2.0%

Source: Bloomberg as of January 30, 2026



Source: Bloomberg and U.S Treasury as of January 30, 2026

Interest Rates (%)

Date	1/30/2026	12/31/2025	12/31/2025	1/30/2025
1 Month Treasury	3.72%	3.74%	3.74%	4.37%
3 Month Treasury	3.67%	3.67%	3.67%	4.30%
6 Month Treasury	3.61%	3.59%	3.59%	4.27%
2 Year Treasury	3.52%	3.47%	3.47%	4.18%
5 Year Treasury	3.79%	3.73%	3.73%	4.31%
10 Year Treasury	4.26%	4.18%	4.18%	4.52%
30 Year Treasury	4.87%	4.84%	4.84%	4.76%
US Aggregate	4.36%	4.32%	4.32%	4.84%
US Corporate	4.84%	4.81%	4.81%	5.28%
US Corporate High Yield	6.58%	6.53%	6.53%	7.19%
US Municipal	3.45%	3.60%	3.60%	3.68%
US Municipal High Yield	5.52%	5.59%	5.59%	5.45%

Spreads Over 10-Year US Treasuries

Date	1/30/2026	12/31/2025	12/31/2025	1/30/2025
30 Year Treasury	0.61%	0.66%	0.66%	0.24%
US Aggregate	0.10%	0.14%	0.14%	0.32%
US Corporate	0.58%	0.63%	0.63%	0.76%
US Corporate High Yield	2.32%	2.35%	2.35%	2.67%
US Municipal	-0.81%	-0.58%	-0.58%	-0.84%
US Municipal High Yield	1.26%	1.41%	1.41%	0.93%

Source: Bloomberg and U.S. Treasury as of January 30, 2026

Equity Markets Overview

- US equities delivered mixed results, starting the week on solid footing before giving back most of those early gains.
- Market breadth contracted slightly this week, with 67% of S&P 500 constituents and 49% of the Nasdaq trading above their 200-day moving averages.
- Earnings season remained robust, with 79% of reporting S&P 500 companies beating EPS expectations and 60% beating revenue estimates.
- The "Magnificent 7" ended the week in positive territory as several of these companies reported earnings. Meta stock performed particularly well driven by strong earnings results, while Microsoft traded sharply lower due to concerns over slower cloud-computing growth.
- International stocks outperformed during the week and continue to show strong year-to-date leadership. U.S. small-cap stocks finished the week in negative territory, while U.S. large-cap stocks posted a modest weekly gain.

Asset Class	Name	1W	YTD	3Y(Ann.)	5Y(Ann.)
All-Cap	S&P 1500	0.2%	1.7%	20.8%	14.5%
Large-Cap	S&P 500	0.3%	1.5%	21.7%	15.0%
	S&P 500 Growth	0.3%	0.5%	27.8%	15.3%
	S&P 500 Value	0.4%	2.5%	14.7%	13.9%
Mid-Cap	S&P Midcap 400	-1.4%	4.1%	11.6%	9.7%
	S&P Midcap 400 Growth	-1.9%	4.0%	13.3%	7.6%
	S&P Midcap 400 Value	-0.9%	4.1%	9.9%	11.7%
Small-Cap	S&P Smallcap 600	-0.9%	5.6%	9.8%	7.2%
	S&P Smallcap 600 Growth	-1.3%	4.8%	10.6%	5.2%
	S&P Smallcap 600 Value	-0.4%	6.5%	8.8%	9.0%
Int'l.	MSCI ACWI ex-USA	1.3%	6.0%	16.4%	9.1%
	MSCI EM	1.8%	8.9%	16.3%	5.3%

Source: Bloomberg as of January 30, 2026

Alternative Markets Overview

- Precious metals experienced significant volatility as gold fell 5.4% last week. Amid geopolitical stress and policy uncertainty, gold has gained 9.3% year-to-date. Silver reached a new all-time high on Wednesday above $121 per ounce but closed the week below $90 after a sharp fall on Friday.
- Oil prices rose this week amid concerns that heightened geopolitical tensions involving Iran could disrupt global supplies. As a major global oil supplier, any developments that limit Iran's ability to produce or export oil would likely impact market prices.

Name	1W	YTD	3Y (Ann.)	5Y (Ann.)
S&P GSCI	2.5%	9.8%	7.6%	15.7%
Gold	-5.4%	9.3%	34.8%	20.7%
FTSE All Equity NAREIT	0.6%	2.8%	4.4%	5.4%
Bitcoin	-6.2%	-4.3%	54.6%	19.7%
Ethereum	-8.8%	-9.8%	19.8%	14.6%

Source: Bloomberg as of January 30, 2026

Upcoming Week

- Q4 earnings season continues with a busy week of earnings reports. Noteworthy releases include mega-cap technology firms Alphabet and Amazon, along with healthcare leader Eli Lilly.
- As for economic data, the week ahead features another full slate of releases. Markets will be closely monitoring the ISM report, the December JOLTS report, and the January nonfarm payrolls employment report.

Glossary and Disclosures

This commentary is brought to you courtesy of MML Investors Services, a subsidiary of Massachusetts Mutual Life Insurance Company. Securities, investment advisory, and wealth management solutions offered by MML Investors Services, LLC member SIPC, a registered broker-dealer, and a registered investment adviser.

Past performance is not indicative of future results. Indexes are unmanaged. You cannot invest directly in an index.

This material does not constitute a recommendation to engage in or refrain from a particular course of action. The information within has not been tailored for any individual. The opinions expressed herein are those of the author as of the date of writing and are subject to change. Also, this material may contain forward looking statements that are subject to certain risks and uncertainties. Actual results, performance, or achievements may differ materially from those expressed or implied.

Neither MML Investors Services, LLC, nor its representatives, can assist with digital asset purchases or sales or otherwise provide investment advice concerning digital assets, such as cryptocurrencies. Any information provided is educational in nature and should not be relied upon to make digital asset related decisions.

S&P 1500 Index combines three leading indices, the S&P 500, the S&P Midcap 400, and the S&P Smallcap 600, to cover approximately 90% of U.S. equity market capitalization.

S&P 500 Index includes approximately 500 leading companies that covers approximately 80% of available U.S. equity market capitalization.

S&P 500 Growth Index is a stock index that represents the fastest-growing companies in the S&P 500 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P 500 Value Index is a stock index that represents the companies in the S&P 500 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

S&P Midcap 400 Index is distinct from the large-cap S&P 500 and designed to measure the performance of 400 U.S. mid-sized companies, which have differing liquidity and growth potential than large and small cap companies.

S&P Midcap 400 Growth Index is a stock index that represents the fastest-growing companies in the S&P Midcap 400 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P Midcap 400 Value Index is a stock index that represents the companies in the S&P Midcap 400 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

S&P Smallcap 600 Index measures the performance of 600 small-sized U.S. companies to reflect the small-cap segment of the U.S. equity market, which is typically known for less liquidity than large cap stocks.

S&P Smallcap 600 Growth Index is a stock index that represents the fastest-growing companies in the S&P Smallcap 600 based on three factors: sales growth, ratio of earnings change to price, and momentum.

S&P Smallcap 600 Value Index is a stock index that represents the companies in the S&P Smallcap 600 with the most attractive valuations based on three factors: book value, earnings, and sales to price.

MSCI ACWI ex-US Index captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 24 Emerging Markets (EM) countries.

MSCI Emerging Markets Index captures large and mid-cap representation across 24 Emerging Markets (EM) countries.

S&P GSCI is broad-based and production weighted to represent the global commodity market beta. The index is designed to be investable by including the most liquid commodity futures.

S&P GSCI Gold a sub-index of the S&P GSCI, provides investors with a reliable and publicly available benchmark tracking the COMEX gold future.

FTSE All Equity NAREIT Index contains all tax-qualified REITs with more than 50 percent of total assets in qualifying real estate assets other than mortgages secured by real property that also meet minimum size and liquidity criteria.

Bitcoin USD Spot Exchange Rate measures the last price of 1 Bitcoin in USD.

Bloomberg Galaxy Bitcoin Index is designed to measure the performance of a single bitcoin traded in USD.

Ethereum USD Spot Exchange Rate measure the last price of 1 Ethereum in USD.

Bloomberg Galaxy Ethereum Index is designed to measure the performance of a single Ethereum traded in USD.

Bloomberg Barclays 1-3 Year Govt/Credit Index is the 1-3 Yr. component of the U.S. Government/Credit index, which includes securities in the Government, which includes treasuries and agencies debt securities, and Credit Indices, which includes publicly issued U.S. corporate and foreign debt that meet specified maturity, liquidity, and quality requirements.

Bloomberg Intermediate US Government/Credit Bond Index is a broad-based flagship benchmark that measures the non-securitized component of the US Aggregate Index with less than 10 years to maturity; this includes investment grade, US dollar-denominated, fixed-rate treasuries, government-related and corporate securities

Bloomberg Barclays Global Aggregate Bond Index provides a broad-based measure of the global investment-grade fixed income markets, with three major components of this index are the U.S. Aggregate, the Pan-European Aggregate, and the Asian-Pacific Aggregate Indices.

Bloomberg Barclays U.S. Aggregate Bond Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

Bloomberg Barclays U.S. Treasury Aggregate Bond Index is the U.S. Treasury component of the U.S. Government index and represents public obligations of the U.S. Treasury with a remaining maturity of one year or more.

Bloomberg US TIPS Index consists of Inflation-Protection securities issued by the U.S. Treasury.

Bloomberg Barclays US Corporate Bond Index is the Corporate component of the U.S. Credit index and represents publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements.

Bloomberg Barclays U.S. Corporate High Yield Index covers the universe of fixed rate, non-investment grade debt.

Bloomberg Barclays Emerging Markets Bond Index is broad-based with country eligibility and classification as an Emerging Market being rules-based and reviewed on an annual basis using World Bank income group and International Monetary Fund (IMF) country classifications.

Bloomberg Barclays U.S. Municipal Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market.

Bloomberg Barclays US High Yield Municipal Index is an unmanaged index of noninvestment-grade municipal debt securities, which provides a representation of the performance of US high-yield tax-exempt bonds.

Federal Funds Rate is the interest rate at which depository institutions trade federal funds (balances held at Federal Reserve Banks) with each other overnight.

U.S. Treasury Securities are issued by the federal government and are considered to be among the safest investments you can make, because all Treasury securities are backed by the "full faith and credit" of the U.S. government.

CBOE Volatility Index (VIX) is a real-time market index that represents the market's expectation of 30-day forward-looking volatility. Derived from the price inputs of S&P 500 index options, it provides a measure of market risk and investor sentiment.

©2022 Massachusetts Mutual Life Insurance Company, Springfield, MA 01111-0001 All Rights Reserved. www.massmutual.com

MM202902-314906