Weekly Market Recap

Week ending July 10, 2026

Authored By: Jason Marino, CFA

MassMutual Investments

Broad Market:

Last week, U.S. equities rebounded strongly, led by technology and consumer discretionary stocks, with the S&P 500® Index gaining over2% and the NASDAQ hitting a new record high. Corporate earnings continued to deliver upside surprises, especially among AI-related firms. Overall, reported EPS growth for Q2 climbed to 11.4%. Treasuries experienced slightly weaker demand at auctions. Yields experienced a modest steepening as short-term rates continue to tick lower while long-term rates higher. Renewed expectations of an impending rate cut appear to be part of the causes of falling short-term yields. Uncertainty on U.S. monetary, trade, and taxation policies are contributing to rising long-term rates. The services sector, which accounts for around 70% of U.S. GDP, showed mixed signals but still appears to be signaling the sector is expanding, albeit at a slowing rate. Tariffs increased from the April 10% baseline for more than 90 countries, including a new 100% rate on semiconductors, though exemptions softened the impact. Tariffs vary widely from 10% to 50%, but most countries are facing rates within the 10% -20% range.

Fixed Income Markets:

U.S. Treasury yields rose broadly across the curve during the week, as the re-escalation of U.S.-Iran hostilities pushed oil prices sharply higher and revived concerns energy-driven inflation could remain elevated. The yield curve steepened modestly over the period, with longer-dated maturities rising slightly more than shorter-dated ones, consistent with growing concerns about longer-term inflation persistence. Minutes from the Federal Open Market Committee's June 16–17 meeting revealed that a few officials saw a case for raising rates at that meeting, and that the committee broadly agreed it would need to hike if inflation remains elevated. The Atlanta Federal Reserve's GDPNow estimate for current-quarter real GDP growth rose to 1.26% up from 1.14% the prior week, suggesting a modest improvement in the near-term economic growth outlook. The Bloomberg Municipal Bond Index declined -0.32% for the week, brining year-to-date returns to 1.91% which is well ahead of the Bloomberg U.S. Aggregate Bond Index.

Broad Market: Performance

Index Names	Yield to Worst (YTM)	Option-adjusted Spread (OAS)	Effective Duration	1 Week Total Return	MTD Total Return	YTD Total Return
Bloomberg US Aggregate	4.84	0.27	5.91	-0.44	-0.58	0.04
Bloomberg US High Yield - Corporate	7.16	2.63	2.93	0.02	0.11	2.07
Bloomberg US Aggregate (1-3 Y)	4.34	0.12	1.90	-0.05	0.01	0.83
Bloomberg US Treasury Inflation Protected Notes (TIPS)	4.53	0.03	5.14	-0.12	-0.28	0.87
Bloomberg Municipal Bond	3.65	-	6.56	-0.32	-0.40	1.91
Bloomberg Municipal Bond High Yield	5.49	-	7.18	-0.35	-0.40	3.67
Bloomberg US Corporate Investment Grade	5.32	0.76	6.73	-0.60	-0.76	0.08
Bloomberg Global Aggregate	3.89	0.27	6.25	-0.43	-0.47	-0.69
S&P 500 Index	-	-	-	1.26	1.05	11.36
Dow Jones Industrial	-	-	-	-0.48	0.64	10.46
Nasdaq	-	-	-	1.74	0.27	13.44
MSCI EAFE	-	-	-	-0.59	0.30	10.17

US Treasury Data	Yield	1 Week Total Return	MTD Total Return	YTD Total Return
2-year	4.21	-0.02	-0.04	0.01
5-year	4.30	-0.08	-0.14	-0.11
10-year	4.56	-0.88	-0.99	-0.04
30-year	5.06	-1.08	-1.98	2.96

Source: Bloomberg via FactSet

Past Performance is No Guarantee of Future Results

Yield to worst (YTM) is a measure of the lowest possible yield that can be received on a bond that fully operates within the terms of its contract without defaulting.

Option-adjusted spread (OAS) is the measurement of the spread of a fixed-income security rate and the risk-free rate of return, which is then adjusted to take into account an embedded option.

Effective duration is a duration calculation for bonds that have embedded options.

Indexes are unmanaged, do not incur fees or expenses, do not reflect any deduction for taxes, and cannot be purchased directly by investors.

Bloomberg U.S. Aggregate Bond Index is an unmanaged index of fixed-rate investment-grade securities with at least one year to maturity, combining the Bloomberg U.S. Treasury Bond Index, the Bloomberg U.S. Government-Related Bond Index, the Bloomberg U.S. Corporate Bond Index, and the Bloomberg U.S. Securitized Bond Index.

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

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 U.S. Treasury Inflation Protected Securities (TIPS) Index (Series-L) measures the performance of rules-based, market value-weighted inflation-protected securities issued by the U.S. Treasury. It is a subset of the Global Inflation-Linked Index (Series-L)

Bloomberg U.S. Municipal Bond Index - covers the USD-denominated long-term tax-exempt bond market.

Bloomberg Municipal Yield Index - is designed to measure the performance of U.S. dollar-denominated high-yield municipal bonds issued by U.S. states, the District of Columbia, U.S. territories, and local governments or agencies

The Bloomberg U.S. Corporate Investment Grade index - measures the investment grade, fixed-rate, taxable corporate bond market with one to five years left to maturity

Bloomberg Barclays Global Aggregate Index - is a flagship measure of global investment grade debt from twenty-five local currency markets

S&P 500® Index is a market-capitalization-weighted index of 500 leading publicly traded companies in the U.S.

Dow Jones Industrial Average (DJIA) is a stock market index that tracks 30 large, publicly owned blue-chip companies trading on the New York Stock Exchange (NYSE) and Nasdaq.

Nasdaq Composite Index is a market capitalization-weighted index of more than 2,500 stocks listed on the Nasdaq stock exchange.

MSCI EAFE Index is an equity index which captures large and mid cap representation across 21 Developed Markets countries* around the world, excluding the US and Canada.

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