INVESTMENT MANAGEMENT

By the numbers

Chart of the week (Apr. 17, 2026)

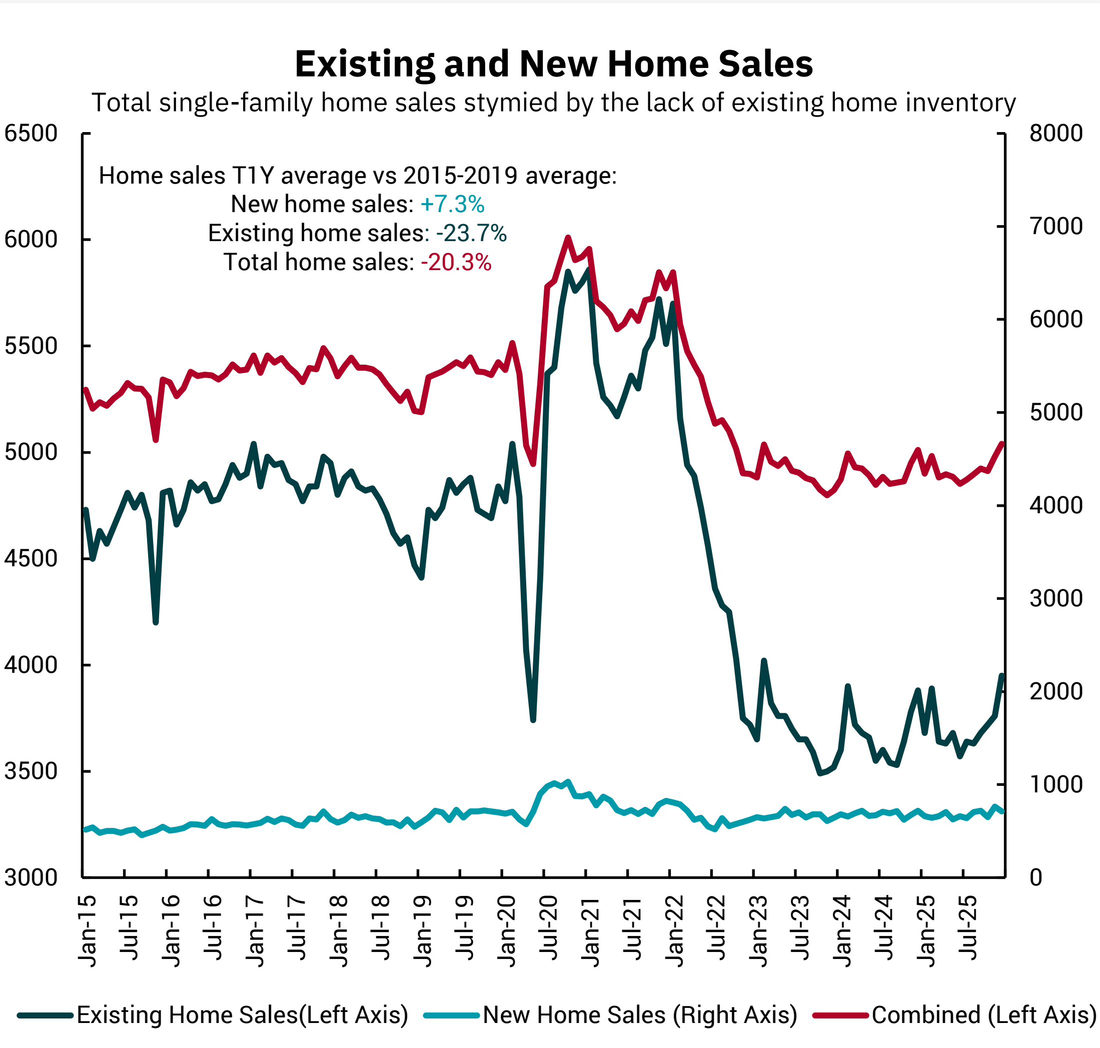

Chart data source: National Association of Realtors, Dec. 2025.

BOK FINANCIAL

The housing market can't seem to catch a break. Just as 30-year mortgage rates broke below 6% for the first time since 2022, the conflict in Iran led to surging oil prices, higher rates and removed any chance of lower rates from the Federal Reserve in the short- to intermediate-term. The timing of something like this can never be good, but happening just as the important spring homebuying season was getting started would seem to be especially cruel.

The reasons for the dysfunctional market are varied but both have to do with the Fed's rate setting policies—namely, the extended period of ultra-low rates, followed by the Fed's extraordinary support during the pandemic.

Taking a closer look at the second factor: During the fourth round of quantitative easing (QE4), which began in 2020, the Fed bought billions in mortgage-backed securities to stabilize markets, which sent mortgage rates to record lows. While the intent was good, it introduced a level of distortion within the market to which we are still paying a price.

Our chart this week shows new home sales, existing home sales and total home sales. As the chart shows, the biggest change in the housing market has been the downshift in existing homes sales. New home sales have been relatively stable with a measurable increase based upon the aforementioned rate and QE policies, but the real volatility has been in existing home sales. Importantly, the existing home sales market has always been the biggest part of the equation. A longer-term chart would show a downshift in new homes as the economy recovered from the Great Financial Crisis, but existing homes are the crux of the issue.

As Christopher Maloney, a mortgage strategist with BOK Financial Capital Markets put it- "Another contributing factor to the paucity of existing home sales comes from the Fed's ultra-aggressive monetary policy during QE4, which sent mortgage rates to record lows. So, as of this time, 53% of the unpaid balance on all 30-year conventional and Ginnie Mae mortgages sport rates of 4% or less. That's a total of 17.7 million homeowners who are not about to move (or refinance) anytime soon."

In many ways the housing market is bifurcated. For those already in the housing market, it is hard to see what the problem is. Many have fixed-rate mortgages with low rates and materially higher home values. However, for anyone trying to get into the housing market, it is a mess.

This mess isn't because there has been a lack of ideas on what might be done from a federal government standpoint. These ideas have included: restricting single family home purchases by private equity firms, 50-year mortgages, mortgage portability, opening federal lands for construction, rent controls, additional tax incentives, increased domestic timber production, additional purchases by Ginnie Mae (GNMA) and Fannie Mae (FNMA) and a new tax credit for home ownership.

However, real solutions must address both supply and demand. In the meantime, many first-time homebuyers, who now average 40 years of age, will be getting help from their parents or grandparents to buy a home.

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By the numbers

Commentary (Apr. 17, 2026)

Domestic Equities

- U.S. equities surged this week as geopolitical tensions eased in the Middle East. All major indices have recouped recent losses and are now showing gains year-to-date. The S&P 500 Index broke past 7,000 for the first time mid-week and continued to mark record highs into the end of the week.
- The Nasdaq Composite Index outperformed for the week as technology stocks led market gains with strength concentrated in semiconductors and software. Investors continued to favor companies levered to artificial intelligence (AI) infrastructure and data-center spending, reflecting ongoing upward revisions for earnings expectations in these areas.
- Early first-quarter earnings reports, especially from major U.S. financial institutions, came in better than feared, reinforcing confidence that corporate fundamentals remain resilient despite geopolitical uncertainty. This helped justify equity valuations and encouraged rotation back into risk assets.
- Energy stocks have given up all of their gains since the Iran conflict began following the announcement from Trump that the Iranian foreign minister declared the Strait of Hormuz open. Oil prices fell below $90 a barrel.

Bonds

- U.S. Treasury yields dropped on news that the Strait of Hormuz was open to commercial traffic and Trump claiming progress on a deal. Across the U.S. Treasury market, bonds around the belly of the curve experienced the biggest drop in yields. Additionally, Federal Reserve rate-cut expectations also increased, with Fed Fund futures pricing in around half a cut by year-end.
- Short-term inflation expectations continued to decline following the move lower in energy prices with the Two-Year U.S. Treasury Breakeven Inflation Rate ending the week below 2.8%. Long-term inflation expectations continue to remain well anchored.
- Hybrid securities and lower-quality credit continued to outperform this week, tracking the rallying in global equities.
- In international markets, short-dated German bunds had a strong week with the minutes from last month's European Central Bank meeting adding to the view that the central bank would keep rates unchanged later this month. However, the market continues to price in rate hikes for later in the year.

International Equities

- Foreign stocks moved higher this week, benefiting from optimism about the potential end of the U.S. war with Iran, which sent oil prices lower and improved investor sentiment.
- Developed markets advanced this week as key markets across Asia and Europe rallied. The UK economy grew 0.5% in February, well above expectations, with strong contributions from its service sector and construction. However, the outlook is less positive, as the war in Iran threatens to hurt the UK economy due to higher inflationary pressures from the energy price shock. Singapore's central bank tightened its monetary policy for the first time in over three years, as it braces for higher inflation.
- Emerging markets rallied for the third straight week, with Asian technology stocks driving the index higher. China's economic growth rebounded more than expected in the first quarter, with its gross domestic product (GDP) expanding 5% from a year ago. Much of the strength came from the country's strong performance in manufacturing and export activity, but its domestic economy, powered by consumer spending, fell short of expectations.

Economics

- On Tuesday, the Producer Price Index (PPI) rose by 0.5% in March, significantly lower than the consensus estimate of 1.1%. This remains unchanged from February's revised gain of 0.5%, with the core PPI (excluding food and energy) rising just 0.1%. While energy price shocks from the Middle East conflict remain a catalyst for headline inflation, the report suggests that underlying wholesale price growth is cooling faster than anticipated.
- Also on Tuesday, the International Monetary Fund released its latest World Economic Outlook, downgrading its 2026 global growth forecast to 3.1%. This is a 0.2% decrease from the January estimate and sits below the 3.4% expansion seen in 2025. The report noted that the global economy has shown resilience but the geopolitical tensions in the Middle East have become headwinds for the year ahead.
- On Thursday, initial jobless claims remained steady at 219,000, aligning closely with recent labor market trends. While the pace of hiring may be moderating, the labor market has not yet seen a significant spike in layoffs.

Weekly Market Update

For Week Ending April 17, 2026

Markets

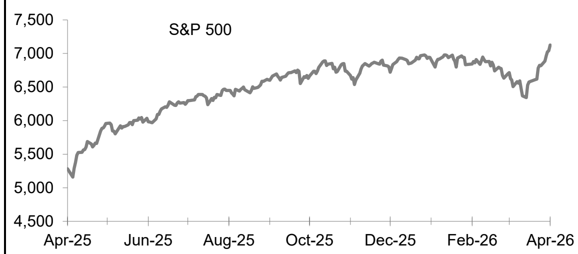
	Last Price	Change From Prior Week	Change From Year End	Change From Year Ago
Capital Markets				
Dow Jones Industrial Avg	49,447.43	3.2%	3.4%	28.5%
S&P 500 Index	7,126.06	4.5%	4.5%	36.5%
NASDAQ Composite	24,468.48	6.8%	5.5%	51.2%
S&P 400 Midcap Index	3,646.35	3.5%	10.7%	34.8%
S&P 600 Smallcap Index	1,648.19	4.1%	12.8%	42.7%
MSCI EAFE	11,497.63	2.2%	8.4%	33.5%
MSCI Emerging Markets	875.67	3.2%	14.2%	52.7%
Bloomberg US Agg	2,368.52	0.5%	0.8%	6.1%
Bloomberg Municipal 5 Yr	523.21	0.1%	0.7%	5.9%
Bloomberg US Corporate	3,572.82	0.7%	0.8%	7.6%
Bloomberg Glb Agg ex US Hdg	613.60	0.5%	0.7%	2.6%
Bloomberg High Yield	2,957.30	0.7%	1.5%	10.4%
MSCI US REIT Index	2,675.08	3.8%	13.9%	20.3%
Bloomberg Commodity Index	334.71	-0.4%	21.2%	32.9%

	Last Price/Yield	Prior Week	Year End	Year Ago
Key Rates				
Fed Funds Target	3.75%	3.75%	3.75%	4.50%
3-Month Treasury	3.68%	3.67%	3.63%	4.31%
1-Year Treasury	3.63%	3.67%	3.47%	3.96%
2-Year Treasury	3.71%	3.80%	3.47%	3.80%
5-Year Treasury	3.85%	3.94%	3.73%	3.94%
7-Year Treasury	4.03%	4.12%	3.94%	4.12%
10-Year Treasury	4.25%	4.32%	4.17%	4.32%
30-Year Treasury	4.88%	4.91%	4.84%	4.80%
Consumer Rates				
30-Year Mortgage	6.40%	6.51%	6.25%	5.83%
BOKF National Prime Rate	7.50%	7.50%	7.50%	8.25%
SOFR	3.65%	3.61%	3.71%	4.32%
Commodities				
Gold (spot)	4,830.34	4,749.75	4,319.37	3,326.85
Crude Oil WTI	83.85	96.57	57.42	64.68
Gasoline	4.06	4.14	2.83	3.16
Natural Gas	2.67	2.65	3.69	3.25
Copper	6.11	5.89	5.68	4.74

	P/E Forward	P/E Trailing	Price to Book	Current Div Yield
Index Characteristics				
Dow Jones Industrial Avg	20.80	22.11	5.67	1.60
S&P 500	20.88	25.67	5.56	1.18
S&P 500 Value	18.49	20.50	3.75	1.90
S&P 500 Growth	23.51	32.89	9.53	0.56
NASDAQ	25.10	36.00	7.76	0.62
S&P Midcap 400	17.21	20.31	2.90	1.59
S&P Smallcap 600	15.90	18.75	2.10	2.16
MSCI EAFE	16.16	18.24	2.35	2.94
MSCI Emerging Markets	11.83	18.27	2.40	2.42

Source: Bloomberg

Equity Style



1 Month*

	Value	Core	Growth
Large	3.62	6.19	8.48
Mid	7.15	7.54	7.92
Small	8.76	9.37	10.00

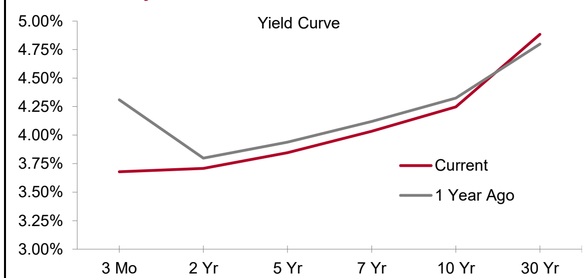
Year to Date*

	Value	Core	Growth
Large	4.62	4.45	4.30
Mid	7.92	10.74	13.46
Small	12.23	12.82	13.47

> 10% · 0% - 10% · <0%

*S&P Indices

Fixed Income Style



1 Month*

	Short (1-3 Yrs)	Interm. (1-10 Yrs)	Long (+10 Yrs)
Govt	0.27	0.19	0.00
Corp	0.53	0.72	1.64
HY	1.00	1.49	3.65

Year to Date*

	Short (1-3 Yrs)	Interm. (1-10 Yrs)	Long (+10 Yrs)
Govt	0.64	0.61	0.50
Corp	0.83	0.78	0.78
HY	1.28	1.44	2.51

> 10% · 0% - 10% · <0%

Economic Data

	Last Release	Year Ago
Inflation		
CPI Headline Inflation	3.3%	2.4%
CPI Core Inflation	2.6%	2.8%
Personal Consumption Exp (PCE) Core	3.0%	3.0%
Jobs		
Unemployment Rate (U3)	4.3%	4.2%
Broader Unemployment Rate (U6)	8.0%	7.9%
JOLT Survey (in millions)	6.88	7.24
Jobless Claims (000's)	207	217
Change in Non-Farm Payroll (000's)	178	67
Average Hourly Earnings (Y/Y % Change)	3.5%	4.2%
Consumer & Spending		
Consumer Confidence (Conf Board)	91.8	93.9
Consumer Spending ($ Bil)	21,615	20,520
Consumer Credit ($ Bil)	5,117	4,959
Retail Sales ($ Bil)	738	712
Housing		
Housing Starts (000's)	1,487	1,358
Case-Shiller Home Price Index	326.61	323.67
U.S. Productivity		
Real Gross Domestic Product ($ Bil)	24,056	23,587
Quarter over Quarter Change	0.5%	1.9%
Year Over Year Change	2.0%	2.4%
ISM Manufacturing	52.70	48.90
Capacity Utilization	75.66	76.13
Markit US Composite PMI	50.30	53.50
U.S. General		
Leading Economic Indicators	97.5	101.4
Trade Weighted Dollar Index	118.9	125.1
EUR / USD	1.18	1.14
JPY / USD	158.64	142.43
CAD / USD	0.73	0.72
AUD / USD	0.72	0.64

S&P 500 Sector Returns

	1 Month	YTD
Energy	-5.68%	23.58%
Materials	5.33%	14.51%
Industrials	4.51%	12.20%
Real Estate	4.99%	11.99%
Utilities	-1.37%	8.89%
Consumer Staples	-1.61%	8.26%
Communication Services	7.63%	6.33%
Information Technology	10.55%	4.89%
Consumer Discretionary	8.07%	1.87%
Health Care	-0.13%	-3.46%
Financials	6.37%	-3.73%

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