

By the numbers

Chart of the week (May 15, 2026)



The divide between the haves and the have-nots continues. That's as April's recently released inflation data will do little to help narrow the gap between the upper and lower halves of the national income brackets, both in terms of income and net worth.

Getting more granular, this is really a story of the widening gap between the top 10% and everyone else. According to recent data from the Federal Reserve, the top 10% of income earners in the U.S. are responsible for roughly half of all consumer spending. Expanding that to the top 20% of wage earners, 59% of all spending is being driven by this group and this disparity has been widening over the last 30 years.

To put these into perspective: In 1995, the top 20% and the bottom 80% spent roughly the same amount. This means spending was heavily weighted to the top 20% already, but since then, the top 20% have seen their share of spending increase while the bottom 80% now account for only about 41% of spending and the spread between the top 10-20% and the bottom 50% is very wide.

Our charts this week reveal another way this disparity is being revealed within the U.S. economy. The top chart shows 90-days-plus credit card delinquencies against the unemployment rate, and the bottom chart shows the percentage of borrowers 60+ days delinquent on auto loans, broken out by prime and subprime borrowers. Both charts show trends that indicate the impact of inflation and the widening gap between high- and low-income earners.

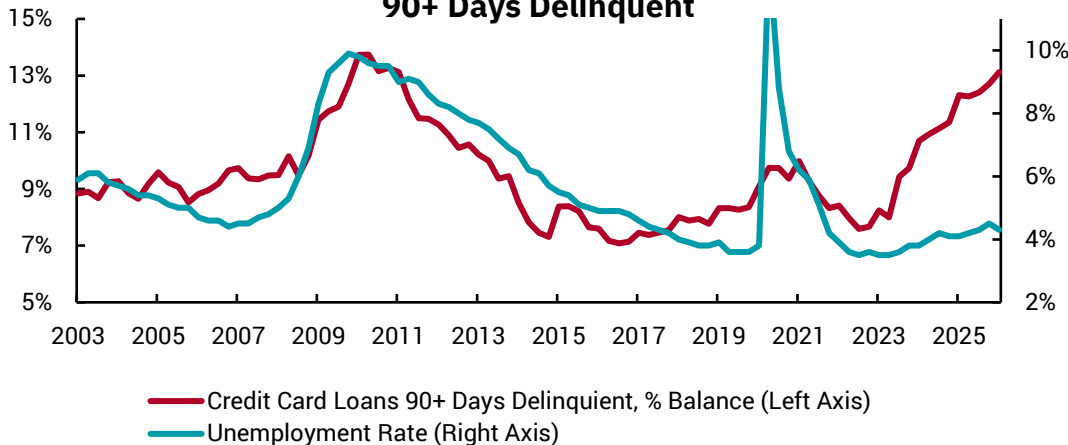
Until recently, the correlation between delinquencies and the unemployment rate was reasonably tight, which made sense as we know having a job is the most important aspect of overall consumer health.

Yet, over the last couple of years a clear divergence has appeared. Despite the overall unemployment rate remaining historically low, delinquencies have trended higher. This would seem to reflect the impacts of the aggregate level of inflation versus wages over the period coming out of the pandemic. In short, aggregate inflation has exceeded aggregate wage gains over this period leading to lower-income consumers leaning more heavily on credit card debt to make ends meet. We would note credit card delinquencies are now at levels last seen during the Financial Crisis when unemployment rates were materially higher.

The bottom chart shows another perspective on this issue. Prime borrowers have seen auto delinquencies remain low and stable while subprime borrowers have seen a steady upward trend and are now at levels which exceed past periods of economic stress. Higher car prices are an important part of this equation as borrowers have had to take on more debt just to have a means of transportation while higher interest rates have made the average car loan payment a much larger part of consumer budgets.

Both charts show why getting inflation down is, and should continue to be, a key goal for the Fed. Inflation is an insidious tax which hurts those who can least afford it the most. The Iran conflict is going to complicate this process for the next few months but should not alter the longer-term goal of lower inflation.

**Unemployment Rate & Credit Card Loans
90+ Days Delinquent**



**Percentage of Borrowers 60+ Days Delinquent
Auto Loans**

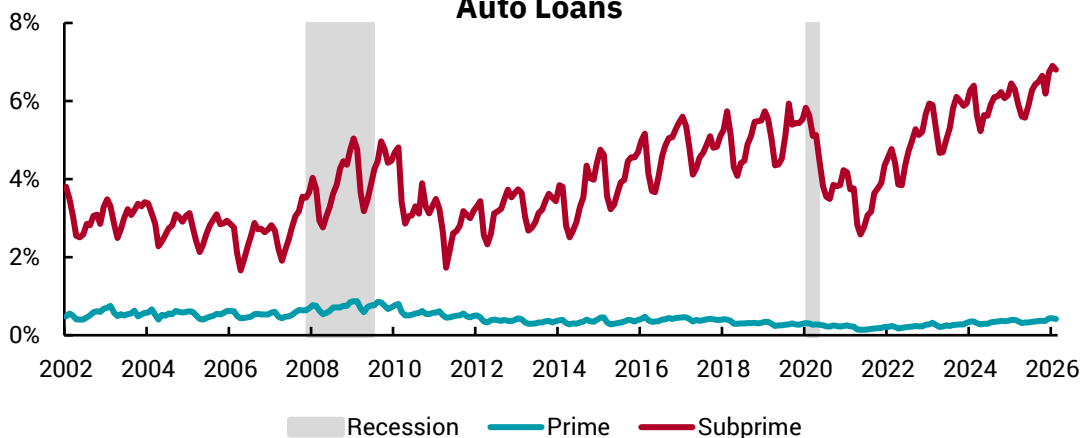


Chart data source: Federal Reserve Bank of New York, U.S. Bureau of Labor Statistics via FRED®, Fitch Ratings. BOK Financial® is a trademark of BOKF, NA. Member FDIC. Equal Housing Lender.

By the numbers

Commentary (May 15, 2026)

Domestic Equities

- U.S. stocks took a breather for the week after several weeks of hitting record highs. Rising oil prices and interest rates weighed on sentiment—particularly in small caps, with the Russell 2000 Index falling over 2% for the week.
- Investors took profits in the tech sector after sharp gains during the earnings season. Intel, Advanced Micro Devices, Micron Technology and Nvidia all fell over 5% at the open Friday morning. Conversely, Microsoft shares increased after attractive interest from an activist investor, and Cicco Systems jumped on an earnings beat. The tech-heavy Nasdaq Composite Index was flat for the week.
- The conclusion of the summit between Presidents Trump and Xi in China was somewhat underwhelming, as no major deals were announced. The two agreed that the Strait of Hormuz must remain open but did not provide a framework for ending the conflict with Iran. Both sides celebrated the visit as a reset in relations, which could make commerce between the world's two largest economies more predictable going forward, and end the tit-for-tat tariff war.

International Equities

- The week started on an optimistic note as investors sought clues about the future of U.S.-China relations following a summit between the presidents of both countries. That optimism gave way to mounting concerns about rising global inflation which could prompt central banks to raise policy rates.
- European stock markets stumbled as energy-driven inflation concerns tied to the U.S.-Iran conflict unsettled global markets. These inflation pressures pushed government bond yields in Japan and Europe to new highs, negatively impacting stock market sentiment. The U.K. economy expanded at 0.6% in the first quarter, but the outlook remains uncertain, given a sharp rise in energy costs. A stronger U.S. dollar also weighed on returns.
- Emerging markets gave back some of last week's gains as investor concerns over geopolitical and inflation risks depressed sentiment. Higher energy prices driven by the Middle East conflict are beginning to impact inflation data. India's inflation rose to 3.5%, primarily due to higher energy costs. Meanwhile Brazil's inflation hit 4.4% in April due to higher fuel and food costs.

Bonds

- U.S. Treasury yields made new highs across most of the curve with inflation data coming in higher than expected and increasing evidence of economic damage from the U.S.-Iran war prompting investors to assume that interest rates will rise faster than expected. Federal Reserve rate hike expectations also rose with the market pricing in a 60% probability of a hike by year-end.
- The broader fixed income market, as measured by the Bloomberg US Aggregate Bond Index, was lower for the week, driven largely by the rise in rates. Shorter duration bonds and the asset-backed sector showed the most resilience in the face of higher rates.
- Lower quality corporate credit was down slightly for the week, with leverage loans outperforming the broader high yield market.
- Developed market foreign bonds were broadly lower, with government bond yields making new highs across a host of markets on inflation fears and a stronger U.S. dollar. This move higher was led by a rise in U.K. Gilts, with the 30-year hitting its highest level since 1998 after the government looked to reverse planned tax hikes and spending cuts.

Economics

- On Tuesday, the Consumer Price Index (CPI) rose 3.8% year-over-year. While this matched expectations, it marked a significant increase from last month's 3.3% reading. Core CPI rose 2.8% year-over-year, slightly exceeding the 2.7% consensus estimate and last month's 2.6% print. The sharp divergence between headline and core CPI highlights that energy price surges, driven by the conflict with Iran, fueled most of the growth.
- On Thursday, initial jobless claims reached 211,000 for the week. This figure aligned with the consensus estimate of 208,000 and rose slightly from the previous week's 199,000 report. Overall, initial claims indicate that the labor market remains stable.
- Also on Thursday, retail sales increased 0.5% month-over-month. This growth matched expectations but slowed from last month's 1.6% gain. While this marks the third consecutive monthly increase, rising commodity costs drove most of the gains, even though several discretionary spending categories declined.

Weekly Market Update

For Week Ending May 15, 2026

Markets

	Last Price	Change From Prior Week	Change From Year End	Change From Year Ago
Capital Markets				
Dow Jones Industrial Avg	49,526.17	-0.1%	3.6%	19.0%
S&P 500 Index	7,408.50	0.2%	8.7%	26.7%
NASDAQ Composite	26,225.14	-0.1%	13.1%	38.1%
S&P 400 Midcap Index	3,609.80	-2.4%	9.7%	19.8%
S&P 600 Smallcap Index	1,629.28	-3.2%	11.6%	26.3%
MSCI EAFE	11,232.69	-1.6%	5.9%	21.7%
MSCI Emerging Markets	916.03	-2.4%	19.5%	45.0%
Bloomberg US Agg	2,332.14	-1.1%	-0.7%	4.5%
Bloomberg Municipal 5 Yr	520.43	-0.3%	0.2%	4.4%
Bloomberg US Corporate	3,523.74	-1.0%	-0.6%	5.5%
Bloomberg Glb Agg ex US Hdg	608.48	-0.8%	-0.2%	1.9%
Bloomberg High Yield	2,940.12	-0.5%	0.9%	7.1%
MSCI US REIT Index	2,631.53	-2.1%	12.0%	14.4%
Bloomberg Commodity Index	359.71	1.9%	30.2%	44.2%

	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	3.66%	3.68%	3.63%	4.36%
1-Year Treasury	3.81%	3.73%	3.47%	4.09%
2-Year Treasury	4.07%	3.88%	3.47%	3.96%
5-Year Treasury	4.26%	4.00%	3.73%	4.05%
7-Year Treasury	4.43%	4.18%	3.94%	4.24%
10-Year Treasury	4.59%	4.35%	4.17%	4.43%
30-Year Treasury	5.12%	4.93%	4.84%	4.89%

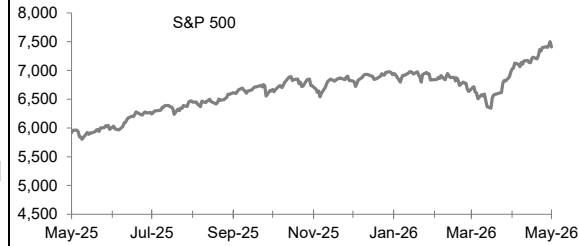
Consumer Rates				
30-Year Mortgage	6.46%	6.44%	6.25%	5.83%
BOKF National Prime Rate	7.50%	7.50%	7.50%	8.25%
SOFR	3.55%	3.60%	3.71%	4.31%

Commodities				
Gold (spot)	4,540.08	4,715.25	4,319.37	3,240.10
Crude Oil WTI	105.42	95.42	57.42	61.62
Gasoline	4.52	4.53	2.83	3.19
Natural Gas	2.96	2.76	3.69	3.36
Copper	6.25	6.25	5.68	4.64

	P/E Forward	P/E Trailing	Price to Book	Current Div Yield
Index Characteristics				
Dow Jones Industrial Avg	20.36	22.36	5.64	1.60
S&P 500	20.92	26.73	5.78	1.14
S&P 500 Value	18.26	20.70	3.79	1.88
S&P 500 Growth	23.76	35.19	10.15	0.54
NASDAQ	29.14	38.75	8.32	0.60
S&P Midcap 400	16.54	18.12	2.82	1.64
S&P Smallcap 600	15.52	16.62	2.04	2.28
MSCI EAFE	15.39	17.35	2.25	3.02
MSCI Emerging Markets	11.64	17.54	2.45	2.36

Source: Bloomberg

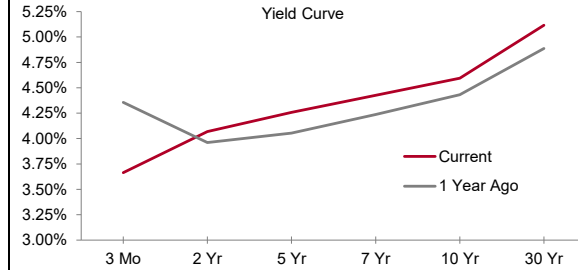
Equity Style



1 Month*			Year to Date*			
Value	Core	Growth	Value	Core	Growth	
Large	2.50	5.57	8.21	5.84	8.68	11.08
Mid	-0.29	1.24	2.70	5.30	9.71	14.03
Small	0.88	1.29	1.70	10.69	11.61	12.59

*S&P Indices

Fixed Income Style



1 Month*			Year to Date*			
Short	Interm.	Long	Short	Interm.	Long	
Govt	-0.23	-0.84	-3.06	0.28	-0.45	-2.85
Corp	-0.10	-0.75	-2.08	0.62	-0.17	-1.53
HY	0.20	-0.33	-1.76	1.30	0.87	0.61

1-3 Yrs 1-10 Yrs +10 Yrs

Economic Data

	Last Release	Year Ago
Inflation		
CPI Headline Inflation	3.8%	2.3%
CPI Core Inflation	2.8%	2.8%
Personal Consumption Exp (PCE) Core	3.2%	2.7%

Jobs		
Unemployment Rate (U3)	4.3%	4.2%
Broader Unemployment Rate (U6)	8.2%	7.8%
JOLT Survey (in millions)	6.87	6.95
Jobless Claims (000's)	211	226
Change in Non-Farm Payroll (000's)	115	108
Average Hourly Earnings (Y/Y % Change)	3.6%	3.9%

Consumer & Spending		
Consumer Confidence (Conf Board)	92.8	85.7
Consumer Spending (\$ Bil)	21,861	20,683
Consumer Credit (\$ Bil)	5,141	5,023
Retail Sales (\$ Bil)	757	722

Housing		
Housing Starts (000's)	1,502	1,355
Case-Shiller Home Price Index	327.31	325.14

U.S. Productivity		
Real Gross Domestic Product (\$ Bil)	24,175	23,548
Quarter over Quarter Change	2.0%	-0.6%
Year Over Year Change	2.7%	2.0%
ISM Manufacturing	52.70	48.80
Capacity Utilization	76.12	76.10
Markit US Composite PMI	51.70	50.60

U.S. General		
Leading Economic Indicators	97.3	100.4
Trade Weighted Dollar Index	118.0	122.8
EUR / USD	1.16	1.12
JPY / USD	158.74	145.67
CAD / USD	0.73	0.72
AUD / USD	0.72	0.64

S&P 500 Sector Returns

	1 Month	YTD
Energy	6.50%	33.50%
Information Technology	14.44%	17.24%
Consumer Staples	5.32%	12.16%
Communication Services	5.96%	11.40%
Industrials	0.09%	10.84%
Materials	-2.55%	10.45%
Real Estate	-0.52%	8.72%
Utilities	-4.73%	3.49%
Consumer Discretionary	0.47%	0.62%
Health Care	-1.84%	-5.86%
Financials	-2.00%	-6.16%

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