HIGHTOWER
Simmons Investment Advisors

MONTHLY MARKET UPDATE
JUNE 2026

HEADLINES FROM LAST MONTH

US stocks were mixed in June with value stocks rising and growth/tech stocks declining:

- A move towards a resolution in Iran led to lower oil prices.
- Corporate earnings continued to shine with fundamentals remaining solid.
- AI and Semiconductor stocks experienced heavy volatility as investors again questioned the massive capital expenditures.
- In the S&P 500, ten stocks now account for almost 40% of the index.
- Small cap stocks continued their recent rally.
- The Dow finished the month at a new all-time high over 52,300.

The Nikkei gained another 5.63% last month, peaking above 72,350 on June 22nd. It is now up 39.18% for the year.

Federal Reserve:

- Kevin Warsh held his first meeting as Chairman of the Federal Reserve, with the FOMC voting to keep benchmark rates unchanged for the 4th consecutive meeting.

Iran:

- On June 17th, a 60-day, 14-point Islamabad Memorandum of Understanding was signed, outlining a path towards the end of the war.
- One of the major themes of the MoU was the attempt to restore commercial energy flows through the Strait of Hormuz, but there has been a lot of tension around this.

The price of Oil **(WTI spot)** dropped -20.48% last month, but is still up over 21% in 2026, closing the month at $69.52 a barrel:

- The further drop of the price of oil was driven by the easing of Middle East geopolitical risks and a significant restoration of oil flows through the Strait of Hormuz.
- The national average for a gallon of gas dropped from $4.43 at the end of May to $3.85.

Metals were very weak in June:

- **Gold (NY Spot)** fell -11.74%, now down -7.29% for the year.
- **Silver dropped** -22.69%. Year-to-date, it is down -18.22%.

Mortgage Rates (30-year fixed, conforming) slipped from 6.56% to 6.49%.

Sports:

- Golden Tempo won the Belmont Stakes on June 6th coming from last place. It won the Kentucky Derby, having skipped the Preakness in between those two races.
- The NY Knicks defeated the San Antonio Spurs in 5 games, to win the championship for the first time in 53 years.
- The Carolina Hurricanes captured the Stanley Cup, beating the Vegas Golden Knights in game 6, winning their 2nd NHL title.
- In Paris at the French Open, Alexander Zverez (from Germany) won his first major title, beating Italy's Flavio Cobolli in 5 sets.
- On the women's side at Roland Garros, Russia's Mirra Andreeva (the 8th seed), beat unseeded Maja Chwalinska 6-3, 6-2, capturing her first major title.
- Nelly Korda, currently the top female golfer, won the US Women's Open by 1 stroke at The Riviera Country Club. She is the daughter of former #2 tennis player, Petr Korda.
- Wyndham Clark won his 2nd US Open title, going wire-to-wire at Shinnecock Hills Golf Club on Long Island to win by 1 stroke.
- The World Cup is well underway, with games taking place in Mexico, Canada, and all over the United States, now into the knockout stages.

Other news:

- Alan Greenspan, economist and longtime head of the Federal Reserve, died on June 22nd at the age of 100. He served as Chairman of the FOMC for 18 years, guiding the central bank through several difficult times, including the 1987 Black Monday crash and the dot-com bubble of 2000.
- Clive Davis, monumental music producer and record industry titan, also passed away on the 22nd, at the age of 94.
- Twin earthquakes of magnitudes of 7.2 and 7.5 (39 seconds apart) struck northern Venezuela on June 24th causing widespread destruction and killing nearly 2,000 people.

Economic Data:

- **GDP** for Q1 was revised upward from the previously reported 1.6% to an annualized rate of 2.1%, as anticipated.
- **Employment/Unemployment:**
  - US Nonfarm Payrolls rose by 172K in May, above the expected 80K-100K (i).
  - Unemployment remained again at 4.3%, as anticipated (i).
- **Retail Sales** rose 0.9% in May, vs estimates of only 0.5%, and up 6.9% from a year ago (i).
- **Inflation:**
  - **Consumer Price Index:**
    - **CPI** rose 0.5% in May and 4.2% on an annual basis, as expected (i).
    - **Core CPI** rose 0.2%, below the expected 0.3%, and 2.9% annually (i).
  - **Producer Price Index:**
    - **PPI** rose 1.1 % in May, vs the expected rise of 0.7%. On a 12-month basis, it increased 6.5%, the most since November 2022 (i).
      - Core PPI (ex. food and energy) rose 0.4%, vs estimates for a rise of 0.5%, and up 4.9% year over year vs estimates for 5.4% (i).
  - **Personal-Consumption Expenditures Index:**
    - **PCE** rose 0.4% last month, vs estimates of 0.5%, and rose 4.1% from 3.8% on an annual basis, as anticipated (i).
    - **Core PCE** (ex. food and energy prices) rose 0.3% in May and 3.4% year-over-year, both as expected (i).
  - **Personal Income** rose 0.7% for May, above estimates for 0.4% (i).
  - **Personal Spending** also rose 0.7% for the month, above the expected 0.6% i).

US Equities:

- **Sector performance:**
    - Industrials was top sector, rallying 7.19%, followed by Health Care (6.46%), Financials (4.22%), and Utilities (2.44%). On the downside, Comm Srvcs lost -7.86%, Energy fell -5.14%, Cons Disc fell -4.78%, and Info Tech lost -3.33% (vii).
    - Year-to-date, Industrials is now the leader (up 19.46%), followed by Info Tech (19.43%), Energy (17.98%), Materials (11.09%), Real Estate (9.67%), Consumer Staples (6.72%), Utilities (6.19%), and Health Care (2.56%). On the downside, Financial is down -2.06% and Cons Disc is off by -1.11% (vii).
- **Growth vs Value:**
    - Growth (Russell 1000 Growth Index) fell -2.74% while Value (Russell 1000 Value Index) gained 2.10%. For the year, Growth is up 5.02% and Value is up 15.19%.

- **Small-cap stocks** (Russell 2000 Index) gained 3.60% in June, up 21.86% in 2026.
- **Monthly performance,** calculated on a price-return basis:
  - Dow gained 2.52%
  - S&P 500 fell -1.06%
  - Nasdaq lost -2.81%
- **Year-to-Date performance,** calculated on a price-return basis:
  - Dow - +8.85%
  - S&P 500 - +9.55%
  - Nasdaq - +12.79%

US Fixed Income – Yields continued to rise on the shorter end last month:

- **Yields on US Treasuries at the end of June:**
  - 1 year – 3.96% (iv)
  - 2 year – 4.15% (iv)
  - 10 year – 4.43% (iv)
- **As a point of reference, at May month-end, yields were at:**
  - 1 year – 3.77% (iv)
  - 2 year – 4.00% (iv)
  - 10 year – 4.43% (iv)

Regards,
Mike & Steve

DISCLOSURE: All data is as of previous month-end (June 30th, 2026). Sources include www.cnbc.com (i), https://www.cnn.com/business (ii), https://finance.yahoo.com (iii), other public websites, Hightower Advisors, LLC (iv), FactSet (v), Barron's (vi) and www.spglobal.com (vii).

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