

## Primary Market Drivers

### Earnings & Economic Data

Earnings season is over and we will have to wait until the week of July 13th for the next round to begin. However, there will be a few companies reporting each week over the next month, including a rather important announcement from Micron (MU) next Wednesday (6/24) with major implications for semis and memory. This week, we see results from Jabil (JBL 6/17), Accenture (ACN 6/18), and Kroger (KR 6/18). Turning to economic data, it's a busy calendar this week though lacking in major releases. We will get Imports & Exports (6/16), Building Permits & Housing Starts (6/16), Retail Sales (6/17), Business Inventories (6/17), Pending Home Sales (6/17), Philadelphia Fed Index (6/18), and Leading Indicators (6/18). While the market may react to KR's earnings, Retail Sales, or some of the housing data, expect this week's focus to be centered on the peace deal with Iran (with all eyes on Friday's signing), Kevin Warsh's first presser as new Fed Chair, and SpaceX's first full week of trading.

### Fed Policy

The Fed is set to release its policy decision on Wednesday, June 17th - its first with Kevin Warsh as Fed Chair. The decision is a foregone conclusion, with no change in rates (98.6% probability according to CME's FedWatch Tool). What will be extremely interesting is hearing Warsh take his first press conference. While many believe they have Warsh's philosophies all figured out based on his history, Wednesday's press conference will be the first real insight into how he plans to put those philosophies into practice and how they may differ from his previous stances. Turning to policy path, odds are still favoring one rate hike by the end of the year. Currently, we sit at a 56.5% chance of higher rates by the end of 2026, though expect these projections to change drastically over the next few weeks if Friday's Iran peace deal gets signed.

### Iran Conflict

The market has been rather tense of late surrounding the conflict in Iran, primarily because it has dragged on far longer than most had expected after a resolution seemed imminent last month. Just when things seemed to be heading towards major escalation, Trump announced that a full peace deal was imminent. The deal is expected to be signed on Friday, 6/19 in Switzerland. Highlights of the agreement include the Strait of Hormuz reopening and the US blockade lifted, a 60-day nuclear negotiations window, phased sanctions and frozen assets relief, and more. Time will tell if this is "the deal," but with how long this conflict has been dragging on, it appears the US is ready to move on. We will keep this section updated each week with the latest, but Friday's events could finally spell the end of the Iran conflict moving the market.

*All referenced market information, statistics, and economic data were gathered from StreetAccount, a paid subscription data service provided by FactSet Research Systems Inc.*

### Market Returns 6/12/2026

Category	Ticker	YTD%
<b>Domestic Equity</b>		
S&P 500	SPY	9.08%
Dow Jones	DIA	7.27%
Large-Cap Growth	QQQ	17.57%
Large-Cap Value	IVE	8.25%
Mid Caps	MDY	15.28%
Small Caps	IWM	19.22%
<b>International Equity</b>		
Developed Intl	EFA	9.36%
Emerging Markets	EEM	24.07%
<b>Fixed Income</b>		
Core Bonds	AGG	0.52%
Corporate Bonds	LQD	0.82%
High Yield Bonds	HYG	1.65%
ST Treasuries	IEI	-0.30%
LT Treasuries	TLT	0.27%
International Bonds	BNDX	1.02%



*Performance data and stock chart were gathered from eSignal, a paid market screening application provided by Intercontinental Exchange, Inc.*

## Current Environment Summary

What's Working	What's Not	What's Next
Historically Strong Earnings Growth	Rate Cut Expectations Diminished	<b>Fed Policy Decision (6/17)</b>
AI & Tech Revolution Long-Term Theme	Iran Conflict Dragging On	<b>Kevin Warsh's First Press Conference</b>
Stable Labor Market	Oil Prices Remain Elevated	<b>Iran Peace Deal Expected to be Signed 6/19</b>
Strong US GDP	Inflation Creeping Higher	Kroger (KR) Earnings (6/18)
Stocks Trading Near All-Time-Highs	Interest Rates Remain Elevated	Housing Data, Retail Sales
		First Full Week of Trading for SPCX

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