

Stocks posted solid gains in an action-packed week of market-moving economic data, geopolitical news, and bullish new year sentiment.

The Standard & Poor's 500 Index gained 1.57 percent, while the Nasdaq Composite Index added 1.88 percent. The Dow Jones Industrial Average rose 2.32 percent. The MSCI EAFE Index, which tracks developed overseas stock markets, advanced 1.41 percent.¹

Santa Visits Dow, But Not S&P, Nasdaq

Stocks rose early Monday, led by the Dow Industrials, as investors looked past the news from Venezuela.

By Monday's close, the Dow Industrials had gained enough to make the "Santa Claus Rally" a reality, pushing the Average to a 1.1 percent gain for the seven-session period (the last five trading days of 2025 and the first two of 2026). However, the S&P and Nasdaq came up short.³

All three major averages continued their rise through midweek as the AI trade—led by chip manufacturers—helped momentum. The Dow Industrials crossed the 49,000 level for the first time, and both the S&P 500 and Dow hit record closes as well as all-time intraday highs.⁴

The Dow then moved back into the "pole position" over the next session as investors appeared to rotate out of technology stocks and into other sectors, including cyclical stocks. Defense stocks got a boost from the president's call for a \$1.5 trillion annual defense budget in 2027—higher than the Pentagon's target.⁵

The December jobs report, released on Friday, showed modest job gains and a slight decline in the unemployment rate. Investors cheered the news, believing the update gave the Fed some flexibility with rates at its January meeting.⁷



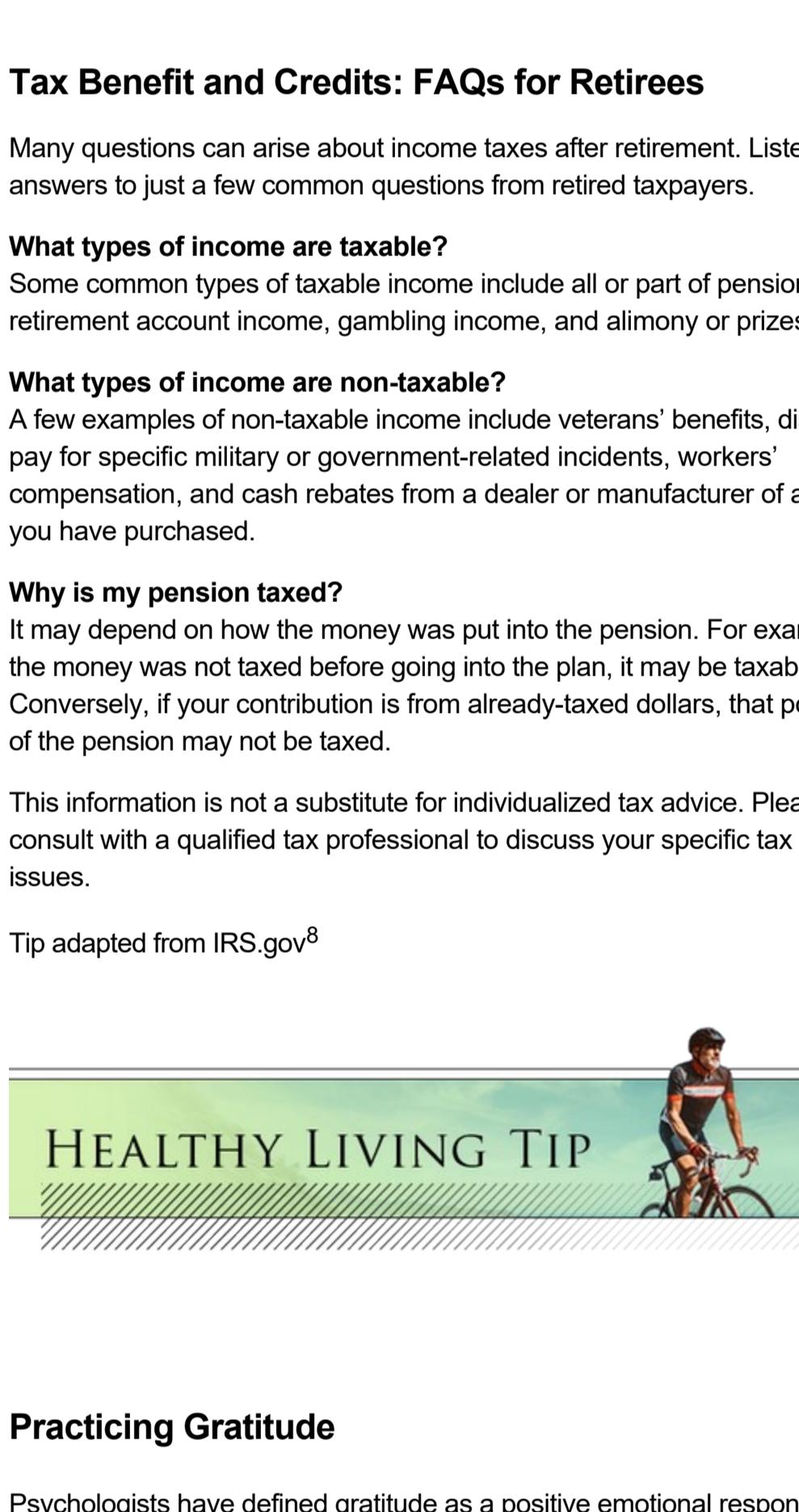
YCHARTS

Weekly Market Insights (WMI)

Major Index Return Summary

Name	1M TR	YTD TR	1Y TR	5Yr TR
MSCI EAFE	3.92%	1.47%	33.24%	54.62%
Dow Jones Industrial Average	3.28%	2.54%	17.55%	74.44%
S&P 500	1.19%	1.14%	18.46%	94.73%
Nasdaq Composite	-0.24%	1.03%	21.32%	84.54%

S&P 500 Daily Close



10-Year Note Review

Indicator Name	Latest Value	1M Ago	1M Change
Date		3M Ago	3M Change
		1Y Ago	1Y Change
10 Year Treasury Rate	4.18%	4.18%	0.00% □
01/09/26		4.14%	0.07% ▲
		4.68%	-10.88% ▼

Source: YCharts.com, January 10, 2026. Weekly performance is measured from Monday, January 5, to Friday, January 9. TR = total return for the index, which includes any dividends as well as any other cash distributions during the period. Treasury note yield is expressed in basis points.

Jobs Report

The Labor Department's latest employment report showed a net gain of 50,000 jobs last month while unemployment ticked down to 4.4 percent, missing economists' expectations of 73,000 jobs.⁷

Over the full year, net job growth averaged 49,000 per month—the lowest monthly pace in 22 years and a drop from 168,000 per month in 2024. Federal job cuts were a primary reason for the sluggish labor market in 2025, with 277,000 government positions eliminated.⁷

This Week: Key Economic Data

Monday: Fed Presidents Tom Barkin (Richmond), Raphael Bostic (Atlanta), and John Williams (New York) speak.

Tuesday: NFIB Small Business Optimism Index, Consumer Price Index (CPI), New Home Sales* (Oct), Fed Presidents Alberto Musalem (St. Louis) and Barkin (Richmond) speak, Federal Budget Deficit.

Wednesday: Retail Sales* (Nov), Producer Price Index (PPI)* (Nov), Business Inventories* (Oct), Existing Home Sales, Federal Reserve's Beige Book, Fed Presidents Neel Kashkari (Minneapolis), Bostic (Atlanta), and Williams (New York) speak, Fed Governor Stephen Miran speaks.

Thursday: Weekly Jobless Claims, Import Prices* (Nov), Fed Governor Michael Barr and Fed Presidents Jeff Schmid (Kansas City) and Barkin (Richmond) speak.

Friday: Industrial Production, Capacity Utilization, Fed Vice Chair Philip Jefferson and Fed President Barkin (Richmond) speak.

* indicates publication of a report delayed by the government shutdown in October and November

Source: Investors Business Daily - Econoday economic calendar, January 9, 2025.

The Econoday economic calendar lists upcoming U.S. economic data releases (including key economic indicators), Federal Reserve policy meetings, and speaking engagements of Federal Reserve officials. The content is developed from sources believed to provide accurate information. The forecasts or forward-looking statements are based on assumptions and may not materialize. The forecasts are also subject to revision.

This Week: Companies Reporting Earnings

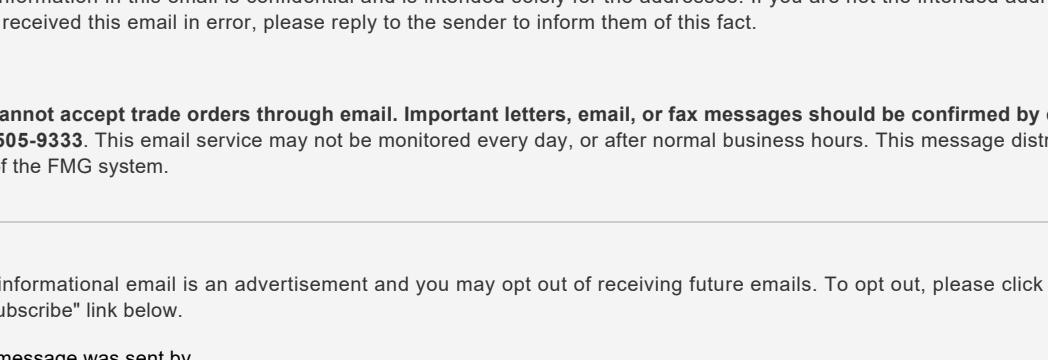
Tuesday: JPMorgan Chase & Co. (JPM), The Bank of New York Mellon Corporation (BK), Delta Air Lines, Inc. (DAL)

Wednesday: Bank of America Corporation (BAC), Wells Fargo & Company (WFC), Citigroup Inc. (C)

Thursday: Morgan Stanley (MS), The Goldman Sachs Group, Inc. (GS), BlackRock (BLK), Infosys (INFY)

Friday: The PNC Financial Services Group, Inc. (PNC)

Source: Zacks, January 9, 2025. Companies mentioned are for informational purposes only. It should not be considered a solicitation for the purchase or sale of the securities. Investing involves risks, and investment decisions should be based on your goals, time horizon, and risk tolerance. The return and principal value of investments will fluctuate as market conditions change. When sold, investments may be worth more or less than their original cost. Companies may reschedule their earnings reports without notice.



"It has always been easy to hate and destroy. To build and to cherish is much more difficult."

— Queen Elizabeth II

TAX BENEFIT AND CREDITS: FAQS FOR RETIREES

Many questions can arise about income taxes after retirement. Listed are answers to just a few common questions from retired taxpayers.

What types of income are taxable?

Some common types of taxable income include all or部分 of pensions and retirement account distributions, charitable contributions, and gifts or prizes.

What types of income are non-taxable?

Pay for specific military or government-related incidents, veterans' benefits, disability compensation, and health care benefits from a former employer or manufacturer of an item you purchased, and rebates from a dealer or manufacturer of an item you purchased.

Why is my pension taxed?

It may depend on how the money was put into the pension. For example, if the money was not taxed before it went into the pension, it may be taxable. Conversely, if your contribution is going into a tax-exempt plan, that portion of the pension may not be taxable.

This information is not a substitute for individualized tax advice. Please consult with a qualified tax professional to discuss your specific tax issues.

Tip adapted from IRS.gov⁸

HEALTHY LIVING TIP

What starts with P and ends with E and has thousands of letters in it?

Ans: Post Office.

PHOTO OF THE WEEK

Niterói

Rio de Janeiro, Brasil

Photo: iStockphoto.com

FOOTNOTES AND SOURCES

1. WSJ.com, January 9, 2026

2. CNBC.com, January 6, 2026

3. CNBC.com, January 5, 2026

4. CNBC.com, January 7, 2026

5. WSJ.com, January 8, 2026

7. CNBC.com, January 9, 2026

8. IRS.gov, August 18, 2025

9. Mindful.org, January 2025

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