

## **WEEKLY MARKET COMMENTS – MARCH 23, 2026 – EXTERNAL**

The market just ended a horrible week, with the Dow lower for the fourth straight week to its lowest price since September 2022. The S&P and Nasdaq also were down for the fourth straight week as well with the former down to its worst level since September 2025 while the Russell 2000 Index of small stocks has now entered into correction territory with declines in excess of 10% from its highs.

Meanwhile, the Dow is off by 8.2% during this time, while the S&P is off by 5.8% during these last four weeks while the Nasdaq is lower by 5.4% so these numbers are nothing to be proud of either.

And taking about real misery, the much- beloved bitcoin has collapsed by 44% while gold and silver have been awful as well with the former off by 19% while the latter has taken it on the chin with a 43% downside drubbing.

The best area lately has been in energy, for obvious reasons as it is higher by 32% while financials have done

the worst at 10.8% down. Technology is not doing so great either with an 8.5% drawdown.

Bond yields have been rising with the 10-year yield up by 11% to 4.37% which has resulted in mortgage rates going from 5.99% to a current 6.53% at the present time, so this is not helping either.

As I always mention ahead of a Fed meeting, especially during these uncertain times like we are in now, people should wait until after the Fed Chair speaks his mind. This time when Powell started to say that the F.O.M.C. will keep rates at their current level and are in no hurry to lower them anytime soon, the S&P was trading around 6700. It ended the week near its lows at 6506. If a person followed this advice, they would have saved around 200 lower points for this average and wait until today to see if things do stabilize from here.

This advice is sort of consistent with the advice of one large investment house to now lower their end of year price target for the S&P to 7200 from the 7500 that it had previously predicted before this current downside

debacle, and let us see how this will play out given the current downside pattern.

The defining narrative for the U.S. economy over the past several years has been that of remarkable resilience due to inflation, tariffs and other items of uncertainty.

But the war with Iran appears to be sharply reversing that pattern with the rise in oil prices to over \$100 a barrel lowering every economic variable in the wrong direction as inflation will now be higher, growth will be slower and unemployment should be higher as well.

On the other hand, unless the situation takes a significant turn for the worse, the impact of all this should be more modest, with only nominal decreases of economic growth coming lower by tenths of a percentage points.

The Federal Reserve made only small adjustments to their economic yearly forecast and left interest rates unchanged. Chair Powell said that it is too early to predict how the war would change the economy, which had exceeded expectations in recent years.

Unfortunately, believe currently in that optimistic sense, as inflation and high interest rates have made it difficult

for household finances. The cost of gasoline has increased by a dollar and seems destined to go higher while prices of food and electricity should follow to the upside.

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