

WEEKLY MARKET COMMENTS – MARCH 9, 2026 – EXTERNAL

The market ended one of its worst weeks ever as the Dow Jones plunging by as much 945 points before ending down with a loss of 453, or 0.9%, which totaled a 3% collapse for the week. This was its worst decline since last April.

The S&P faded 2% for the week which was its worst weekly showing since last February 12 and near its lowest levels since mid- December. The Nasdaq actually did the least harm of all with a decline of “only” 1.24% due to a rise in IGV stocks such as MSFT, PLTR and CRM, and these are leaders in the software and technology areas.

The combination of employers cutting more jobs than expected last month at 92,000 and after crude oil prices spiked above \$90 a barrel for its largest weekly gain on record. Each \$10 increase in crude prices raises the inflation rate, currently at 2.4%, by an estimated 0.2 to 0.4 point.

This report has put the Federal Reserve in a tough position as it deals with increased concerns about inflation amid the escalating Middle East conflict.

The unemployment rate rose to 4.4% and December and January jobs growth was lowered down by 69,000.

The President of the Chicago Fed said that the February jobs report was a “tough” one, but he warned against reading too much into one month’s results. He mentioned that bad weather and strikes were the causes and mentioned that 4.4% is the same level at this time a year ago. But he added that “if you start to see that number rising the way it does traditionally at the beginning of recession, that would be a bad sign.”

The President of the San Francisco Fed mentioned that the labor market remained vulnerable and we have to keep our eyes on it.

The Fed is worried that the weakening labor market and elevated inflation would pit the Fed’s goals against each other. This concern began when the President began a series of tariffs against our trading partners at the start of his new term. “If the jobs market is getting worse and

inflation is also getting worse, it is not obvious to me what the immediate response should be”, added the Chicago Fed President. A longer-term conflict could be problematic, given that inflation has remained above the Fed’s goal of 2% for about five years.

There will be two new inflation reports released ahead of the next meeting, with February C.P.I. on Wednesday and next Friday the Fed’s P.C.E. Index and January jobs openings.

The Boston Fed President said that she did not see any urgency to cut rates unless they moved slightly toward the 2% target, which might take place during the latter part of the year.

One dissenter was Stephen Mirran, who is basically a Presidential loyalist and said that the labor market could use the Fed’s support, pointing out that younger workers are feeling the most pain. He concluded that elevated inflation does not seem to him to be a risk.

Earnings season is winding down with: Tuesday – KSS; Thursday – ADBE, DKS, DG, ULTA.

Economic reports will see: Wednesday – February C.P.I.; Thursday – January housing starts; Friday – January durable goods orders, 4Q GDP., January personal income, January JOLTS job openings, March U. of Michigan Preliminary Consumer Sentiment.

**WEEKLY MARKET COMMENTS – MARCH 9, 2026 –
EXTERNAL – DONALD M. SELKIN – CHIEF MARKET
STRATEGIST**