Seacoast
WEALTH MANAGEMENT

Market Update

FEBRUARY 2026

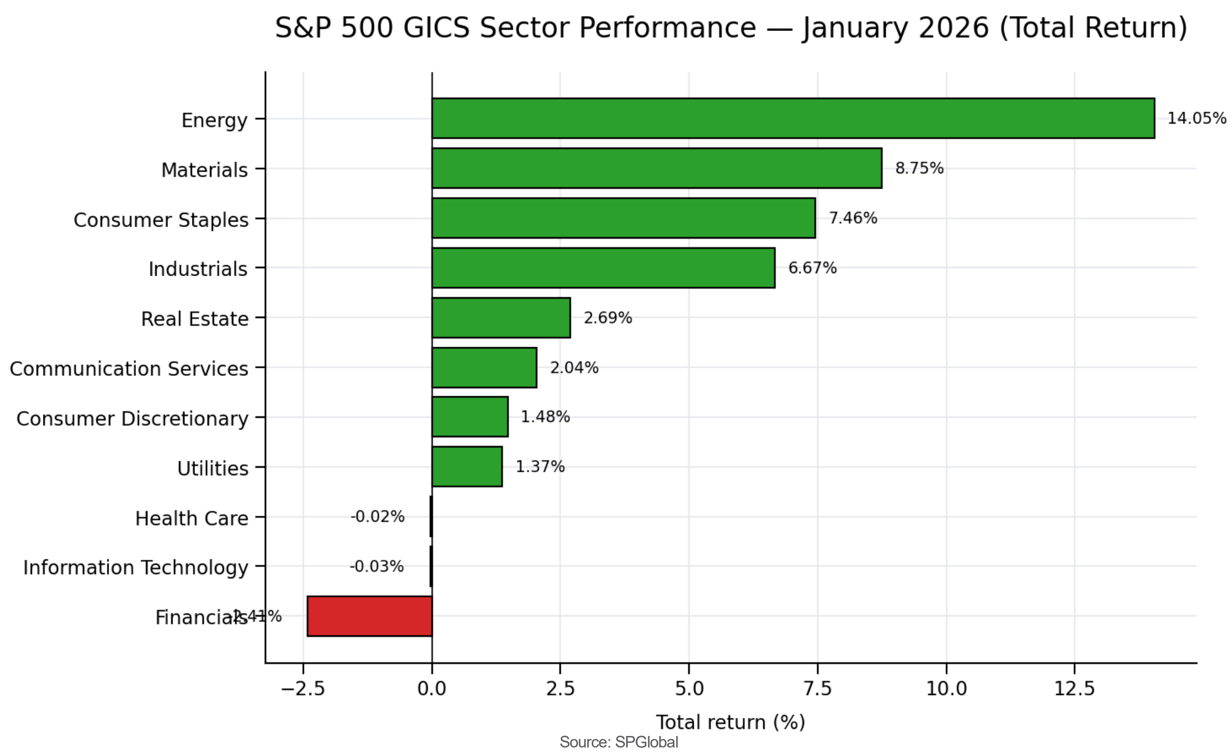
January 2026: Off to a Good Start

Index	January 2026*	2026 YTD
S&P 500	1.5%	1.5%
Russell 2000	5.5%	5.5%
MSCI World, Ex-US	4.7%	4.7%
Bloomberg AGG Bond	0.1%	0.1%

*Total Returns Source: Factset Data

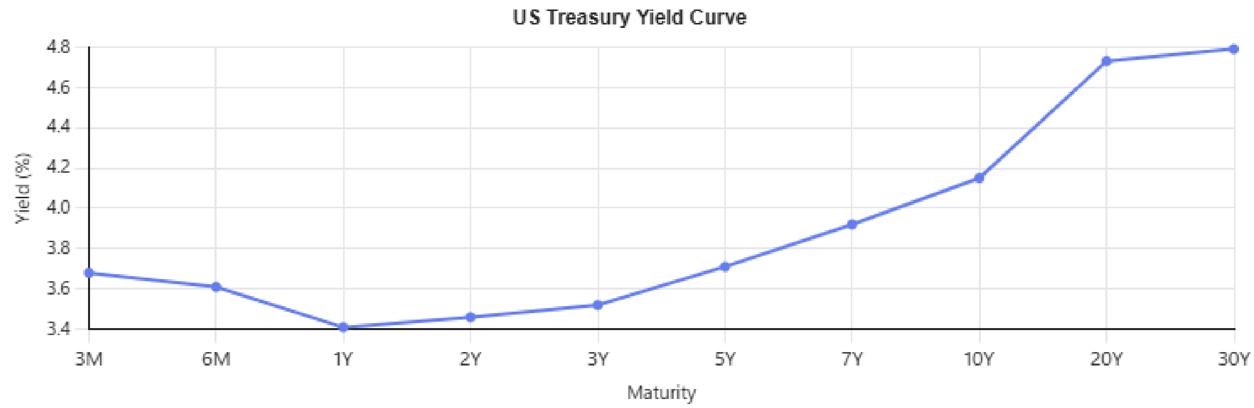
Financial markets entered 2026 with a constructive tone as both stocks and bonds navigated a complex backdrop of moderating inflation, steady economic growth, and evolving geopolitical developments. While volatility persisted, January ultimately delivered positive equity performance alongside stabilizing bond markets.

U.S. equities advanced in January, extending the late 2025 momentum and benefiting from improved market breadth. Smaller-weighted cyclical sectors -including Energy and Materials, plus Consumer Staples - led the advance, supported by improving global demand indicators and commodity strength. Conversely, Health Care, Financials, and Information Technology lagged the broader market.



At Seacoast Wealth Management strong stock selection in the Communications Services, Consumer Discretionary, Healthcare, Industrials, and Materials sectors generated incrementally positive returns in January. Exposures to US small and mid-cap stocks also contributed.

The U.S. bond market was essentially flat for the month. January opened with upward pressure on yields as markets digested heavy US Treasury issuance, stronger than expected labor indicators, and resilient employment data.



Source: St. Louis FED

However, the backdrop improved following the January 28 FOMC meeting, where the Federal Reserve held interest rates steady at 3.50%–3.75% and signaled patience amid mixed economic signals. Treasury yields subsequently eased, with the 10-year stabilizing near 4.25%–4.26% into month end.

Our continued emphasis on investment grade corporate bonds is generating 50-100 basis points of incremental returns versus the yield curve above within our favored 1–6-year maturity range.

Despite cross currents, the early year backdrop remains supportive of positive investment returns. While volatility around economic data and policy headlines is likely to persist, the underlying earnings fundamentals of US corporations point to a constructive setup for diversified portfolios as 2026 progresses.

As always, we appreciate the opportunity to work with you, and if you have any questions, please do not hesitate to reach out to your Seacoast Wealth Management Associate.