

Executive Summary:

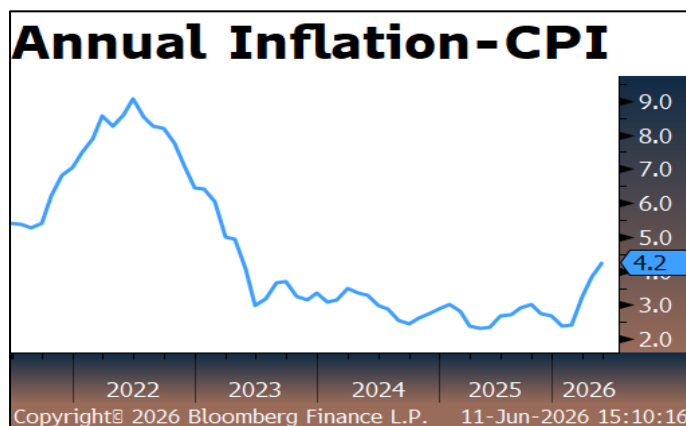
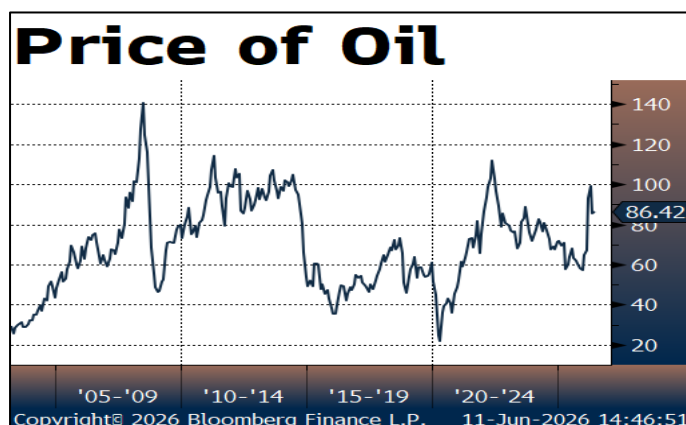
- The stock market continued to forge ahead in May, setting all-time highs before hitting a speedbump in June.
- The Iranian conflict continues and has kept upward pressure on energy prices which threatens to bring higher inflation.
- The new Fed chairman would like lower rates but increasing inflation makes that difficult.

In May, the stock market extended its rebound from the mild March correction, with the S&P 500 reaching new record highs on 10 trading days. As the calendar turned to June, however, the market encountered a modest pause as investors weighed whether the enthusiasm surrounding AI remains justified or has become excessive. Even so, equities are up roughly 7% year to date, supported by continued earnings growth and expanding profit margins.

The prolonged conflict in Iran has created unease on several fronts, though its most immediate economic effect has been the rise in oil prices. Because the United States is a net exporter of oil, domestic consumers are somewhat insulated from the full impact, even though most households have felt higher costs at the gas pump. While the disruption to global oil supply is likely to prove temporary, we expect prices may take some time to normalize even after the conflict subsides.

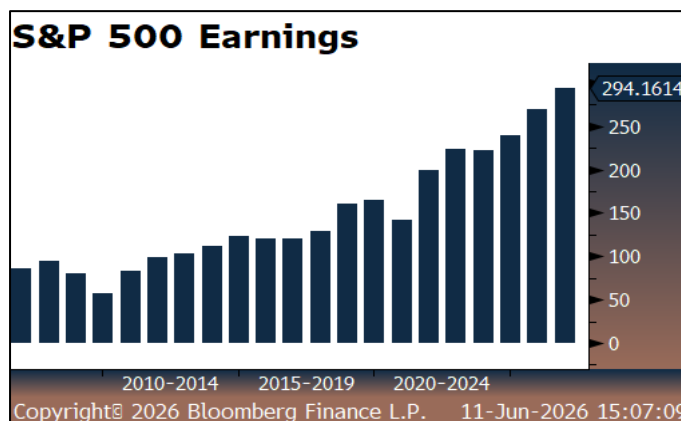
Higher energy costs typically ripple through the broader economy. Although underlying fundamentals have remained solid, we will be watching closely for signs of weakening should the oil supply shock persist.

Policy responses, particularly any interest rate adjustments by the Federal Reserve, will also shape both stock and bond market performance. Over the past nine months, the Fed has lowered short-term rates while longer-term yields have moved modestly higher, effectively eliminating the inverted yield curve that had left lenders earning less on two-year loans than on two-month loans. The Fed now has a new chair, Kevin Warsh, who has signaled support for President Trump's preference for lower interest rates. Still, if inflation proves more persistent than a temporary uptick, additional rate cuts are likely to remain off the table.



Turning to the labor market, the unemployment rate has remained steady at roughly 4.3%. The latest jobs report also showed a surprisingly strong level of job openings, which for now has tempered concerns that AI-driven displacement is having a broad impact on employment.

Thank you for allowing us to be part of your financial journey. We wish you a wonderful summer.



SECTORS	2025	YTD	EQUITY INDICES	TICKER	2025	YTD	COMM. & CURRENCIES	LAST CLOSE	YTD
S&P 500 COMM SVC	33.56%	2.48%	S&P 500 INDEX	SPX	17.86%	8.21%	WTI CRUDE FUTURE Jul26	90.03	53.87%
S&P 500 CONS DISCRET IDX	6.04%	-2.21%	DOW JONES INDUS. AVG	INDU	14.92%	6.52%	BRENT CRUDE FUTR Aug26	93.10	50.29%
S&P 500 CONS STAPLES IDX	3.90%	11.32%	NASDAQ COMPOSITE	CCMP	21.17%	10.86%	NATURAL GAS FUTR Jul26	3.19	-15.80%
S&P 500 ENERGY INDEX	8.68%	29.02%	S&P 400 MIDCAP INDEX	MID	7.48%	14.10%	LME COPPER 3MO (\$)	13,515.50	8.79%
S&P 500 FINANCIALS INDEX	14.97%	-3.38%	RUSSELL 1000 GROWTH INDX	RLG	18.55%	2.49%	Gold Spot \$/Oz	4,072.31	-3.11%
S&P 500 HEALTH CARE IDX	14.60%	0.57%	RUSSELL 1000 VALUE INDEX	RLV	15.88%	14.35%	Silver Spot \$/Oz	63.36	-6.85%
S&P 500 INDUSTRIALS IDX	19.27%	13.15%	RUSSELL MIDCAP RT INDEX	RMC	10.59%	11.90%	Euro Spot	1.15	-1.48%
S&P 500 INFO TECH INDEX	24.04%	16.67%	RUSSELL 2000 INDEX	RTY	12.79%	17.73%	British Pound Spot	1.34	-0.45%
S&P 500 MATERIALS INDEX	10.54%	11.55%	MSCI ACWI ex US	NDUEACWZ	32.39%	10.51%	Japanese Yen Spot	160.55	-2.00%
S&P 500 REAL ESTATE IDX	3.15%	13.27%	MSCI EAFE	MXEA	32.03%	6.82%	DOLLAR INDEX SPOT	99.95	1.52%
S&P 500 UTILITIES INDEX	16.04%	4.61%	MSCI EM	MXEF	34.33%	19.80%			

Source: Bloomberg

As of: 6/11/2026

Total Return

Bloomberg Barclays Bond Indices	2024	2025	YTD	Effective Duration	Avg. Maturity	Yield-to-Worst	Key Rates	
U.S. Aggregate	1.25%	7.30%	-0.08%	6.01	8.29	4.79%	Effective Fed Funds	3.62%
Intermediate	3.00%	6.97%	-0.06%	3.85	4.33	4.47%	2-yr Treasury	4.06%
Global Agg ex USD	-4.22%	8.85%	-0.82%	6.64	8.19	3.11%	10-yr Treasury	4.46%
Inv Grade Corporate	2.13%	7.77%	0.10%	6.93	10.50	5.26%	10-yr German Bond	3.03%
U.S. Corporate High Yield	8.19%	8.62%	1.27%	3.29	4.78	7.26%	Prime Rate	6.75%
Tax Exempt							30 Year Fixed Mortgage	6.57%
Muni 1-10 Yr Blend (1-12)	0.91%	5.14%	0.77%	4.16	6.32	3.12%		

Source: Bloomberg

As of: 6/11/2026

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