ResourceTrust
A DEPARTMENT OF RESOURCE BANK, N.A.

Weekly Insight

September 11, 2026

Markets Pause as Strong Labor Data Reinforces Economic Stability

Key Takeaways

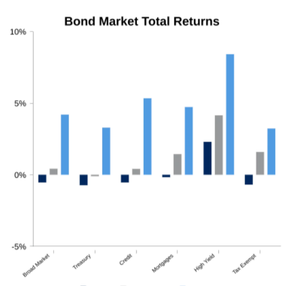
- Markets were largely flat, but performance varied beneath the surface.
- Strong labor market data continues to support the economic outlook.
- Interest rates moved higher despite Treasury intervention efforts.

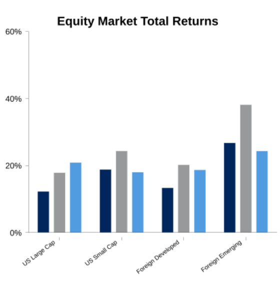
The financial markets provided muted performance for the week with stocks and bonds both providing returns that were essentially flat. Under the surface of the equity markets there was some performance dispersion beyond the broadest measure of 0.09% for the Russell 3000 Index of domestic equities. Growth stocks advanced 1.0%, driven by strength from the Information Technology and Industrial sectors, while value stocks lagged materially with a return of -0.7%. Despite trailing for the week, value stocks continue to maintain significant outperformance relative to growth stocks quarter-to-date and year-to-date. International equities were the lone bright spot in terms of weekly performance as the MSCI EAFE Index returned 0.5% and the MSCI Emerging Market Index returned a stellar 3.3%. Strength for the emerging markets was provided by the Information Technology sector, specifically semiconductors.

The bond market return of -0.2% provides an almost perfect mirror image of the equity market returns for the week as the 10-year U.S. Treasury issue saw its yield rise from 4.78% to 4.84%. In regard to the bond markets this week, Treasury Secretary Scott Bessent announced another buyback of U.S. government debt. This amount was triple the prior buyback and is part of an effort to bring longer-term interest rates down. Fixed income markets responded to the announcement by actually pushing yields higher. In part, this reaction was due to the expectation that the buyback would be even larger than what was indicated in the announcement.

Updated labor market statistics were the highlight of this week's economic data releases. The unemployment rate remained unchanged in August, registering a level of 4.1%. The outlier data point was the 162,000 increase in nonfarm payrolls. This result was almost 75,000 higher than the consensus expectation, according to FactSet. Gains were seen across multiple sectors of the economy including Leisure & Hospitality, Construction, Manufacturing and Healthcare. In addition to the strong showing for August, upward revisions were made to the figures reported in June and July. The labor market has proven to be very stable this year and that view is solidified by the weekly reports of initial and continuing jobless claims. This week's numbers, 206,000 for initial claims and 1,779,000 for continuing claims, both continue to reside in relatively tight ranges over the last several months.

And finally, Consumer Credit for the month of July was reported at a level of $18.1 billion, significantly higher than the FactSet consensus estimate of $10.8 billion. The primary driver of the increase was nonrevolving credit which includes student and auto loans. On a year-over-year basis Consumer Credit has increased 2.6%.





Interest Rates (%)	Current	12M Ago	3YR Ago
Fed Funds Rate (Upper b	3.75	4.50	5.50
3-Month T-Bill	3.89	4.03	5.44
10-Year Treasury	4.84	4.05	4.26
30-Year Treasury	5.29	4.70	4.34
10-Year Corporate AA	5.63	4.76	5.37
10-Year High Yield Corp.	6.81	6.08	7.33
Commodity Prices ($)	**Current**	**12M Ago**	**3YR Ago**
Gold ($/oz.)	4,399	3,641	1,919
Oil (WTI, $/barrel)	96.05	63.67	87.51
Currencies	**Current**	**12M Ago**	**3YR Ago**
USD (Dollar Index Spot)	98.82	97.78	105.09
USD/EUR	0.86	0.86	0.93
USD/JPY	153.56	147.46	147.83

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