

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	3.679 (-2.1 bps)	Bond Buyer 40 Yield:	4.78 (3 bps)
6 Mo. T-Bill:	3.700 (-4.4 bps)	Crude Oil Futures:	99.64 (1.32)
1 Yr. T-Bill:	3.745 (-5.2 bps)	Gold Spot:	4,494.09 (1.67)
2 Yr. T-Note:	3.912 (1.2 bps)	Merrill Lynch High Yield Indices:	
3 Yr. T-Note:	3.937 (1.9 bps)	US High Yield:	7.83 (17 bps)
5 Yr. T-Note:	4.068 (6.0 bps)	BB:	6.58 (16 bps)
10 Yr. T-Note:	4.428 (4.8 bps)	B:	8.17 (13 bps)
30 Yr. T-Bond:	4.965 (2.7 bps)		

Treasury yields ended the week mixed, with shorter-duration yields slipping while longer duration yields edged higher. The week began with some optimism regarding an end to the war in Iran, as President Donald Trump stated he would postpone strikes on Iranian energy infrastructure after engaging in productive talks to end the hostilities. On Wednesday, the United States presented Iran with a 15-point proposal including provisions requiring Iran to dismantle its nuclear program, end uranium enrichment, limit its missile capabilities, and ensure safe passage through the Strait of Hormuz, among other demands. Iran almost immediately dismissed the ceasefire proposal and issued their own 5-point counterproposal in response. While the negotiations remain ongoing, oil prices continue to soar and ended the week just shy of \$100 per barrel. Meanwhile, the University of Michigan Consumer Sentiment Index fell sharply to 53.3 in the final reading for March. The Index has fallen for the third consecutive month as inflation concerns and financial market volatility continue to weigh on consumers. Major economic reports (related consensus forecasts, prior data) for the upcoming holiday-shortened week include: Tuesday: March MNI Chicago PMI (54.6, 57.7), March Conference Board Consumer Confidence (88.0, 91.2); Wednesday: March 27 MBA Mortgage Applications (n/a, -10.5%), March ADP Employment Change (40k, 63k), February Retail Sales Advance MoM (0.5%, -0.2%), March Final S&P Global US Manufacturing PMI (52.4, 52.4), March ISM Manufacturing (52.4, 52.4); Thursday: February Trade Balance (-\$59.4b, -\$54.5b), March 28 Initial Jobless Claims (212k, 210k); Friday: March Change in Nonfarm Payrolls (60k, -92k), March Unemployment Rate (4.4%, 4.4%)

US Equities			
Weekly Index Performance:		Market Indicators:	
DJIA:	45,166.64 (-0.90%)	Strong Sectors:	Energy, Materials, Utilities
S&P 500:	6,368.85 (-2.10%)	Weak Sectors:	Financials, Info. Tech, Comm. Services,
S&P Midcap:	3,310.82 (0.45%)	NYSE Advance/Decline:	1,318 / 1,491
S&P Smallcap:	1,483.36 (1.15%)	NYSE New Highs/New Lows:	156 / 308
NASDAQ Comp:	20,948.36 (-3.22%)	AAll Bulls/Bears:	32.1% / 49.1%
Russell 2000:	2,449.69 (0.47%)		

The S&P 500 fell approximately 2.1% for the week ended March 27, its fifth consecutive weekly decline and its lowest close in over six months. Three catalysts shared the blame: Iran's continued blockade of the Strait of Hormuz, which has disrupted roughly 17.8 million barrels per day of oil flow and pushed Brent above \$110; **Alphabet's** mid-week introduction of its TurboQuant compression algorithm, which the company claims can reduce large language model memory requirements sixfold; and an overnight data leak revealing that **Anthropic** is testing a new model called 'Claude Mythos' — described in the exposed draft as a "step change" in cyber security capability — which sent the S&P 500 Software index down 7% last week and rattled cybersecurity names on fears the model outpaces existing defenses. Energy was the week's unambiguous winner. U.S. refiners **Valero Energy**, **Marathon Petroleum**, and **HF Sinclair** surged on wide crack spreads, while **ExxonMobil** gained nearly 3.4% on Friday alone as WTI topped \$99. **Clear Secure** (+20% on the two weeks) was the other standout, as lengthening TSA lines during the government shutdown tripled app downloads and prompted a price target raise from DA Davidson. Memory chips absorbed the worst of it: **Micron Technology** fell nearly 23% from its March 18 all-time high — the same day it reported fiscal Q2 revenue up 196% year-over-year — as the market sold the capex guidance and then sold again on TurboQuant, with **SanDisk** off 20% for the same reasons. **Nvidia**, **Microsoft**, and **Meta Platforms** all fell meaningfully, with **Meta** down roughly 12% from Wednesday on layoff announcements and an adverse court ruling on social media addiction liability. The index is now 8.5% off its January 27 all-time high, with the arithmetic of stagflation — rising energy, a Fed that cannot cut, and tech multiple compression — weighing on market sentiment.

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