

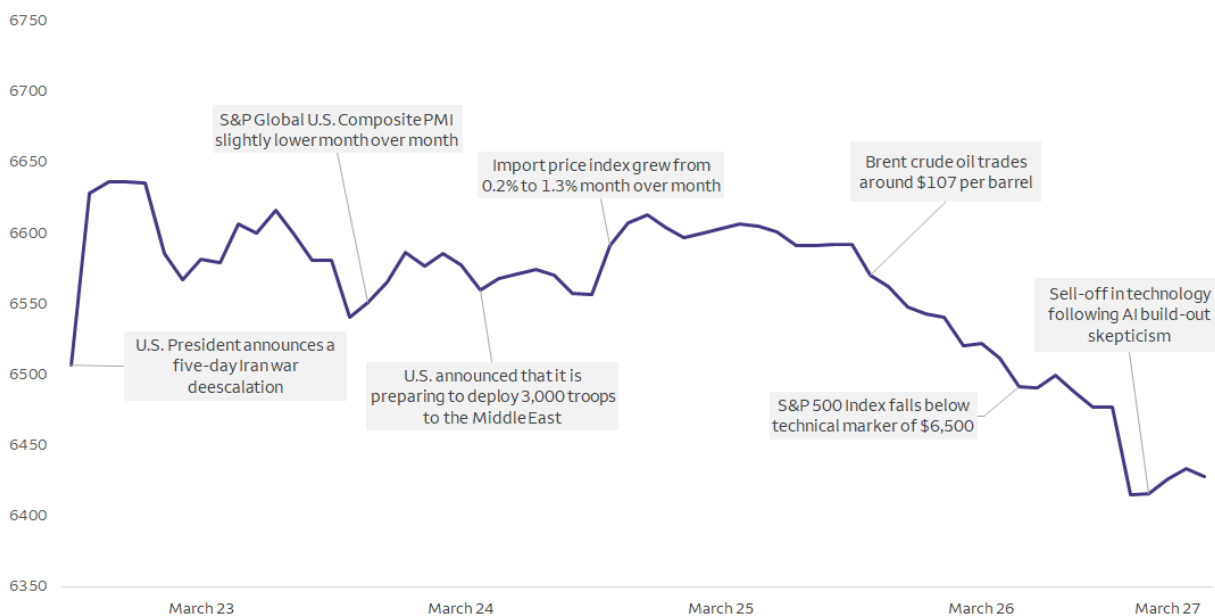
Looking Ahead

March 27, 2026

Iran war dragging on investor sentiment

Stocks saw another week of volatility, driven by ongoing uncertainty around the Iran war. Late in the week, stocks fell as President Donald Trump pushed back his deadline for a deal with Iran until April 6, provoking further market concerns about the duration of the conflict. Intermediate duration U.S. Treasury yields increased. S&P Global’s manufacturing and services Purchasing Managers’ Indexes (PMIs) for March overall indicated slowing growth and rising inflation, and while both manufacturing and services PMIs remained in expansionary territory, markets saw the reports as adding to stagflation concerns. Meanwhile, the final prints of fourth-quarter productivity and unit labor costs both saw significant revisions, with productivity lower and unit labor costs higher than originally reported. Looking ahead to next week, investors will be watching any developments related to the Iran war. The labor market will be another focal point, with the March jobs report due out along with Job Openings and Labor Turnover Survey (JOLTS) data, the ADP Employment Report, and Challenger job cuts. Other key updates will include retail sales, consumer confidence from The Conference Board, and manufacturing PMI from the Institute for Supply Management (ISM). Please note, we will not be publishing this report next Friday, April 3, due to the holiday.

S&P 500 Index performance week of March 23 – 27



Sources: Bloomberg, Wells Fargo Investment Institute. Data from March 23, 2026, through March 27, 2026, at 12:00 p.m. ET. Past performance is no guarantee of future results. An index is unmanaged and not available for direct investment.

Investment and Insurance Products: > NOT FDIC Insured > NO Bank Guarantee > MAY Lose Value

Week in review: March 23 – 27

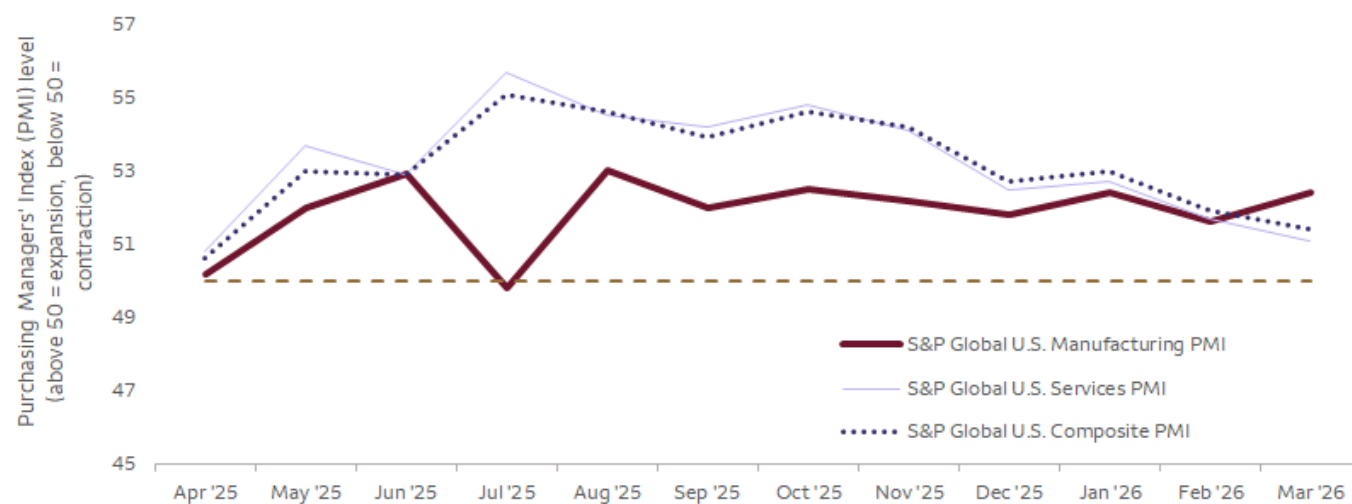
Economic data

- S&P Global’s manufacturing and services PMIs for March evidenced the impact of the Iran war, with the data signaling slower growth coupled with a spike in prices and demand pulled forward due to supply concerns.
 - Though all components remained in expansionary territory, the composite and services measures slowed month over month (M/M) to their lowest levels in 11 months at 51.4 and 51.1, respectively.
 - Meanwhile, the manufacturing print increased to 52.4 as new orders and input inventories increased, signaling improved factory business conditions.
 - Employment across both manufacturing and services dragged on overall prints. Given the uncertain economic backdrop, firms saw a decline in employment as well as a greater reluctance to hire.
 - The Iran war led to supply delays, increased purchasing by factories, and higher energy prices, all of which pushed prices upward. Input costs continued their uptrend, and the largest increase in selling prices since August 2022 indicated an uptick in passthrough to consumers.
- Construction spending for January declined M/M by 0.3%, surprising to the downside.
- The final prints of fourth-quarter unit labor costs and productivity both saw unexpected revisions, with productivity decreasing while unit labor costs increased.
 - Labor productivity was revised downward a full percentage point, from 2.8% to 1.8% quarter-over-quarter, as output decreased while hours worked remained unchanged.
 - Unit labor costs were revised upward to a 4.4% annualized pace, from the prior print of 2.8%, driven by a combination of lower productivity and higher compensation.
- Initial jobless claims for the week ended March 21 remained relatively steady at low levels by historical standards, while continuing claims for the week ended March 14 declined to their lowest level in nearly two years. The report suggested that despite economic concerns, the labor market has remained stable.

Stock market recap

By Friday morning, the major averages were lower than at the start of the week. As of 12:00 p.m. ET, the S&P 500 Index decreased by 1.2%, the Nasdaq shrank by 2.2%, while the Dow was relatively flat (-0.02%)

Composite PMI declines on economic growth concerns



Sources: Bloomberg, S&P Global, Wells Fargo Investment Institute. Monthly data from April 2025, through March 2026. An index value over 50 indicates expansion; below 50 indicates contraction. The values for the index can be between 0 and 100. **Past performance is no guarantee of future results.** An index is not managed and not available for direct investment.

Looking ahead to next week: March 30 – April 3

U.S.

- The highlight will be Wednesday's March manufacturing PMI from the Institute for Supply Management, followed by the jobs report on Friday. Other reports include March's ADP survey of private employment and Challenger job cuts report, along with February's retail sales, trade balance, and the JOLTS report.
- Also on tap: March's consumer confidence, vehicle sales, Market News International Chicago PMI, and measures of economic activity from the Federal Reserve Bank of Dallas.
- Rounding out the docket are January's business inventories and dual measures of home prices.

Asia

- In China, the focus will be on private and official government releases of March PMIs for both the manufacturing and service sectors.
- From Japan, look for first-quarter business activity updates from Tankan; February's jobless rate, retail sales, housing starts, and preliminary industrial production; and March's Tokyo Consumer Price Index (CPI), monetary base, and finalized PMIs.
- Elsewhere, South Korea's February industrial production and March CPI, trade balance, and manufacturing PMI hit the tape, along with Australia's trade balance, private sector credit, and building approvals.

Europe

- In Europe, the highlight will be March CPI readings and finalized manufacturing PMIs, along with the eurozone's February unemployment rate.
- From France, watch for February's industrial production, Producer Price Index, consumer spending, and budget balance, while Germany releases their February retail sales and March unemployment claims.
- Also be on the lookout for the U.K.'s finalized fourth-quarter gross domestic product, in addition to March's house prices and February's mortgage approvals and consumer credit.

Scheduled economic releases for week of March 30, 2026

Date	Time	Country	Release	For	Consensus	Prior
Monday, 3/30	7:30 PM	Japan	Jobless Rate	February	2.7	2.7
Monday, 3/30	9:30 PM	China	Manufacturing PMI	March	50	49
Monday, 3/30	9:30 PM	China	Non-manufacturing PMI	March	49.9	49.5
Tuesday, 3/31	5:00 AM	Eurozone	CPI Y/Y	March Prelim	2.6	1.9
Tuesday, 3/31	8:30 AM	Canada	GDP Y/Y	January		1
Tuesday, 3/31	10:00 AM	U.S.	Conf. Board Consumer Confidence	March	88.0	91.2
Tuesday, 3/31	10:00 AM	U.S.	JOLTS Job Openings	February	6,845k	6,946k
Tuesday, 3/31	8:30 PM	South Korea	S&P Global South Korea PMI Mfg	March		51.1
Wednesday, 4/1	5:00 AM	Eurozone	Unemployment Rate	February	6.1	6.1
Wednesday, 4/1	8:15 AM	U.S.	ADP Employment Change	March	40k	63k
Wednesday, 4/1	8:30 AM	U.S.	Retail Sales Advance M/M	February	0.4	-0.2
Wednesday, 4/1	9:30 AM	Canada	S&P Global Canada Manufacturing PMI	March		51
Wednesday, 4/1	10:00 AM	U.S.	ISM Manufacturing	March	52.3	52.4
Wednesday, 4/1	7:00 PM	South Korea	CPI Y/Y	March	2	2
Friday, 4/3	8:30 AM	U.S.	Change in Nonfarm Payrolls	March	51k	-92k
Friday, 4/3	8:30 AM	U.S.	Unemployment Rate	March	4.4	4.4
Friday, 4/3	8:30 AM	U.S.	Average Hourly Earnings M/M	March	0.3	0.4
Friday, 4/3	10:00 AM	U.S.	ISM Services Index	March	55.0	56.1

Source: Bloomberg. Data as of March 27, 2026, as of 12:00 P.M. ET. Times in table are in Eastern Time. Year over year (Y/Y)

Scheduled earnings releases for week of March 30, 2026

Ticker	Company	Report date	Call time	Revenue est. (billions)	EPS est.	EPS year ago
NKE	NIKE, Inc. Class B	Tuesday, 3/31	5:00 PM	\$11.23	\$0.29	\$0.54
MKC	McCormick & Company, Incorporated	Tuesday, 3/31	8:00 AM	\$1.79	\$0.60	\$0.60
FDS	FactSet Research Systems Inc.	Tuesday, 3/31	9:00 AM	\$0.60	\$4.38	\$4.28
LW	Lamb Weston Holdings, Inc.	Wednesday, 4/1	10:00 AM	\$1.49	\$0.61	\$1.10
CAG	Conagra Brands, Inc.	Wednesday, 4/1	Unspecified	\$2.77	\$0.41	\$0.51

Source: FactSet. Data as of March 27, 2026, as of 8:30 A.M. ET. Times shown in table are in Eastern Time. EPS = earnings per share.

Risk Considerations

Different investments offer different levels of potential return and market risk. The level of risk associated with a particular investment or asset class generally correlates with the level of return the investment or asset class might achieve. **Stock markets**, especially foreign markets, are volatile. Stock values may fluctuate in response to general economic and market conditions, the prospects of individual companies, and industry sectors. **Foreign investing** has additional risks including those associated with currency fluctuation, political and economic instability, and different accounting standards. These risks are heightened in emerging markets. **Bonds** are subject to market, interest rate, price, credit/default, liquidity, inflation and other risks. Prices tend to be inversely affected by changes in interest rates. **Treasuries** are considered free from credit risk they are subject to other types of risks. These risks include interest rate risk, which may cause the underlying value of the bond to fluctuate.

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Definitions

An index is unmanaged and not available for direct investment.

The S&P 500 Index is a market capitalization-weighted index composed of 500 widely held common stocks that is generally considered representative of the US stock market.

The Dow Jones Industrial Average is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry. It has been a widely followed indicator of the stock market since October 1, 1928.

The NASDAQ Composite Index is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.

The ADP employment change (private employment or payrolls) report measures the number of employees on business payrolls. It is also sometimes referred to as establishment survey employment to distinguish it from the household survey measure of employment.

Building permits (or building approvals) track the number of permits that have been issued for new construction, additions to pre existing structures, or major renovations. These statistics are based on the number of construction permits approved.

Challenger job cuts track involuntary job separations initiated by employers.

Construction spending generally refers to the value of new construction activity on residential and nonresidential projects.

Consumer or household credit tracks the outstanding amount of credit (or loans) used by consumers to finance purchases of goods or services. It can include everything from credit card lending, to auto loans, to lines of credit but it excludes mortgage loans.

Consumer confidence (or consumer sentiment) tracks sentiment among households or consumers.

The Consumer Price Index (CPI) is a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly or monthly growth rates represent the inflation rate.

Continuing claims track the total number of people who have filed jobless claims with the appropriate government labor office, typically in order to receive unemployment benefits.

Gross domestic product (GDP) measures the final market value of all goods and services produced within a country. It is the most frequently used indicator of economic activity and is adjusted for inflation.

House prices track changes in residential property prices.

Import price indexes track changes in the prices of goods produced abroad and sold domestically (imports).

Industrial production measures the output of industrial establishments in mining and quarrying, manufacturing, and public utilities. Production is based on the volume of output.

Initial jobless claims track the number of people who have filed jobless claims for the first time during a specified period with the appropriate government labor office. This number represents an inflow of people receiving unemployment benefits.

The international trade balance (or foreign trade) measures the difference between the value of goods and services leaving a country and those entering a country.

The Job Openings and Labor Turnover Survey (JOLTS) tracks the number of job openings in an economy, including newly created positions and unfilled vacancies where employers are actively recruiting.

Jobless (or unemployment) claims tracks the total number of people who have filed jobless claims with the appropriate government labor office; typically, in order to receive unemployment benefits.

Mortgage approvals track the number or value of mortgage loans that have been approved by lenders.

Nonfarm productivity tracks the total output that can be produced with a given input of labor. Generally it is measured by dividing total real gross domestic product by either total employment or total hours worked.

Personal spending (or consumer or household spending), also referred to as consumption, tracks consumer expenditures on goods and services. This concept is not adjusted for inflation.

Private sector credit tracks the outstanding amount of credit (or loans) extended to businesses and consumers.

The Producer Price Index (PPI) measures changes in the prices received by domestic producers for their output as goods leave the place of production.

Purchasing Managers' Indexes (PMIs) track sentiment among purchasing managers at manufacturing, construction, and service firms. The indexes are typically based on survey responses covering production, orders, inventories, employment, and prices.

Retail sales track the resale of new and used goods to the general public for personal or household consumption. This concept is based on the value of goods sold.

Unit labor costs measure the cost of labor required to produce one unit of output and are generally calculated as employee compensation relative to productivity.

The unemployment (or jobless) rate measures the number of unemployed persons as a percentage of the labor force, which includes both employed and unemployed individuals.

Vehicle sales track the number of motor vehicles newly registered with a government authority.

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