

## Performance Update

as of 01/31/2026

Fixed Income	January	YTD	Equity Sectors	January	YTD
US Treasury Index	▼ -0.09%	▼ -0.09%	Energy	▲ 14.05%	▲ 14.05%
Core Bonds	▲ 0.11%	▲ 0.11%	Materials	▲ 8.75%	▲ 8.75%
Aa Corporate Bonds	▼ -0.05%	▼ -0.05%	Consumer Staples	▲ 7.46%	▲ 7.46%
High Yield Corporate	▲ 0.48%	▲ 0.48%	Industrials	▲ 6.67%	▲ 6.67%
<b>US Equities</b>			Real Estate	▲ 2.69%	▲ 2.69%
S&P 500	▲ 1.45%	▲ 1.45%	Communication Services	▲ 2.04%	▲ 2.04%
US Mid Caps	▲ 3.06%	▲ 3.06%	Consumer Discretionary	▲ 1.48%	▲ 1.48%
US Small Caps	▲ 5.35%	▲ 5.35%	Utilities	▲ 1.37%	▲ 1.37%
<b>Non-US Equities</b>			Health Care	▼ -0.02%	▼ -0.02%
International Developed	▲ 5.22%	▲ 5.22%	Technology	▼ -0.03%	▼ -0.03%
ACWI ex-US	▲ 5.98%	▲ 5.98%	Financials	▼ -2.41%	▼ -2.41%
Emerging Market Equities	▲ 8.85%	▲ 8.85%			

Equity Style: Month | Year-to-Date

Large Cap	4.56%	1.45%	-1.51%
	4.56%	1.45%	-1.51%
Mid Cap	4.28%	3.06%	-0.87%
	4.28%	3.06%	-0.87%
Small Cap	6.86%	5.35%	3.98%
	6.86%	5.35%	3.98%
	Value	Core	Growth

## Commentary & Outlook

### Insider Sentiment

What are the odds Raleigh, NC sees 8–10 inches of snow? For any random weekend, the answer is essentially zero. Narrow the window to winter weekends? Still near zero. Even if meteorologists *call* for 8–10 inches? History says... still zero.

This is a lighthearted way to introduce a serious concept—**conditional probability**—and it frames the first installment of our multi-part series on using empirical data to **identify market regimes** {performance and/or risk conditions}. This month, we begin with **insider sentiment**, examining the *collective actions* of executives and owners of S&P 500 companies. While insiders sell for many reasons, they tend to buy for just one: perceived undervaluation. Can insider actions provide insight into market conditions?

By law, insiders are required to file a report of their transactions to the SEC. After analyzing more than 700,000 filings, the takeaway is clear: insider sentiment is a weak standalone signal, but at **extremes** it can help flag future market volatility. On its own, it is unreliable—but when layered with other conditions, it becomes useful. (This week, insider sentiment is neutral, rather than extreme, offering no useful insight.)

Next month: financial conditions.

Forward 12-Month Total Return  
S&P 500 Index, Feb. 1970 - Jan. 2026

