

# Weekly Market Perspectives

March 23, 2026



## Anthony Saglimbene

Chief Market Strategist  
Ameriprise Financial

“Investors should be prepared for continued volatility. Whether that comes from traders searching for new technical levels in the market or near-term fundamental conditions across the global economy evolving due to conflict in the Middle East. But regardless of the near-term direction of stocks, we remain confident that equities will eventually work through this difficult period, especially if fundamental conditions don’t buckle under global stress. As most investors know, stocks have a long history of weathering unexpected shocks and dislocations. Nevertheless, it’s sometimes helpful to remind ourselves of this point when conditions don’t feel so certain.”

## Why the Conflict in the Middle East Is Bigger Than Just Oil.

*And Some Historical Perspective on Recent Stock Stress.*

U.S. stocks finished lower for the fourth straight week, as ongoing conflict across the Middle East and strikes on key oil infrastructure kept upward pressure on energy prices. Central banks across the world delivered as expected rate decisions but noted increasing concerns about higher inflation. This week brings a quiet economic calendar, with investors' focus remaining locked on Middle East developments and quarter-end positioning.

### **Last week in review:**

- Major U.S. stock averages closed the week lower by roughly 2.0%.
- U.S. Treasury yields moved higher. The U.S. Dollar Index moved lower. Gold posted its worst week since 2011.
- West Texas Intermediate (WTI) oil ended essentially flat, though Brent crude pushed higher by nearly +9.0%.
- The Federal Reserve left its rate policy unchanged. However, the committee raised its inflation targets and growth forecasts for this year and pushed back against expectations for near-term rate cuts given current inflation dynamics.
- February producer inflation came in hotter than expected, while pending home sales posted a surprise gain and new home sales fell to their lowest level since October 2022. Jobless claims remained muted.
- By the numbers: \$1 trillion plus in datacenter revenue orders through 2027 seen by NVIDIA; 33.3% is the increase in the average national price of a gallon of gasoline over the last month (AAA); 13 is the number of consecutive weeks the Energy sector has posted a gain.

### **Why the conflict in the Middle East is bigger than just oil.**

As the first quarter winds down, major U.S. stock averages are on pace for losses, which likely comes as no surprise to anyone. Although the quarter isn’t over yet, weaker momentum in Big Tech, AI disruption fears, elevated energy prices, and growing anxiety about the growth outlook are weighing on investor sentiment. That said, President Trump, in a Truth Social Post, appears to be opening a door for de-escalation in the conflict in Iran, which could see asset prices rebound if conflict soon subsides. That said, we thought we would highlight one item that adds to the list of investor worries and one that offers a longer-term “positive” perspective amid a growing set of concerns.

In an item that piles on the negative vibes, as the Iran conflict drags on, investors are considering global economic impacts beyond the current energy shock. While the well-documented risks to crude oil and liquid natural gas that flows through the Strait of Hormuz have caused prices to spike, it’s important to note that the Middle East is also a major supplier of industrial and agricultural commodities deeply embedded in global supply chains. According to the *Center on Global Energy Policy at Columbia University SIPA*, the Persian Gulf produces globally significant levels of commodities such as urea (45%), helium (39%), methanol (35%), ammonia (30%), sulfur (22%), aluminum, polyethylene, and polypropylene. These commodities support activities ranging from fertilizer production and semiconductor manufacturing to packaging, automotive manufacturing, construction materials, and medical imaging. And as *Barron’s* recently noted, the Iran conflict and the

effective closure of the Strait of Hormuz are starting to pressure parts of the global economy that are not immediately associated with oil. For example, fertilizer prices are rising into the spring planting season, helium shortages are becoming a growing concern for semiconductor production in Asia, and aluminum exports from the Gulf are becoming harder to move. **Bottom line: We believe global economic risks are rising as basic materials and chemical inputs that support food production, electronics, manufacturing, and health care experience increasing supply chain disruptions due to the conflict in Iran.** It's a growing issue that has been overshadowed by the larger headlines regarding higher oil, gas, and LNG prices, but may start to attract more attention if the conflict wears on.

Notably, these pressures could create supply chain problems outside the Middle East. In our view, Asian economies are especially exposed because of their dependence on Gulf energy and industrial inputs, but the fallout is also affecting American farmers and European drugmakers, according to insights from *Barron's*. For instance, U.S. farmers are quickly seeing pressure from higher diesel and fertilizer costs, which could raise the risk of weaker crop yields and higher food prices here at home. In addition, semiconductor producers in South Korea and Taiwan could face intermediate-term helium constraints, potentially squeezing the global electronics supply chain. And in Europe, pharmaceutical logistics are becoming more complicated as drug shipments that normally pass through Gulf cold-chain hubs are rerouted. **Bottom line: If conflict persists, global growth is likely to come in lower than most have forecast for at least the first half of the year as input and supply pressures widen beyond oil and fuel. Unfortunately, this could feed broader inflationary pressures through food, manufacturing, and medical supply channels, while reinforcing the need for more diversified sourcing and transportation networks in the longer term, especially across Asia and Europe.** These dynamics harken back to the early days of the COVID-19 pandemic, in our view.

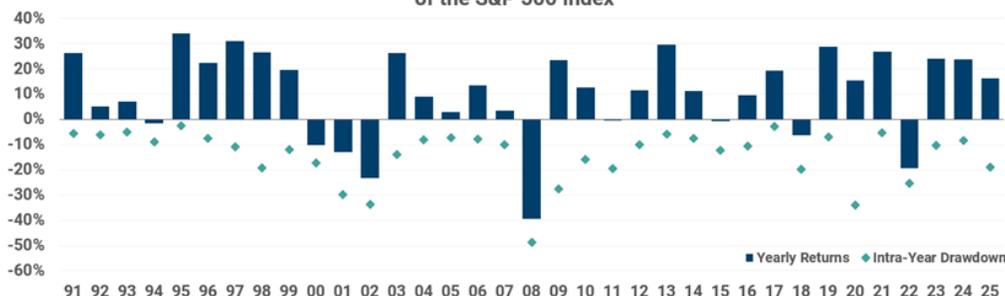
Importantly, following last week's Federal Reserve, European Central Bank, Bank of England, and Bank of Japan meetings, the world's largest central banks all communicated a very similar message. Each is watching inflation pressures very closely and monitoring evolving conditions in the Middle East, and if the situation becomes more impactful for inflation or growth, they stand ready to adjust policy. However, for now, central bank messages are leaning toward a more hawkish stance, in our view, as each wants to show it's attentive to rising inflation pressures, which means rate cuts without a larger deterioration in growth are likely to stand off to the side for now.

### *Some historical perspective on recent stock stress.*

Closer to home, we decided to devote a little space this week to drawing investors' attention back to the longer term. Interestingly, the S&P 500 broke below its 200-day moving average last week for the first time in over a year. The threshold represents the longer-term trend line in stock direction, which has been sloping higher for several months. Importantly, despite sideways trading and periods of market stress over recent months, the S&P 500 remained firmly above its longer-term trend line, which helps add confidence that well-entrenched trading dynamics remain firm. But larger price declines in the Index as of late, driven by AI disruption and private-market fears as well as rising anxiety over conflict in the Middle East, have now pushed the U.S. stock barometer below all its key trading levels. Thus, with the Index finally breaking below the 200-day moving average last week, traders may become concerned that a more negative near-term shift in stock direction could occur. That said, other technical indicators suggest that stocks may be approaching "oversold" territory, which historically provides solid longer-term buying signals for traders and investors, at least eventually. President Trump's Truth Social Post indicating substantive talks with Iran are underway could provide a positive catalyst for near-term stock momentum. **Bottom line: That said, investors should be prepared for continued volatility. Whether that comes from traders searching for new technical levels in the market or near-term fundamental conditions across the global economy evolving due to conflict in the Middle East. But regardless of the near-term direction of stocks, we remain confident that equities will eventually work through this difficult period, especially if fundamental conditions don't buckle under global stress. As most investors know, stocks have a long history of weathering unexpected shocks and dislocations. Nevertheless, it's sometimes helpful to remind ourselves of this point when conditions don't feel so certain.**

Finally, it can also be helpful to frame the uncertainty of the day and recent negative stock reactions within a historical context. As the chart below shows, throughout history, the S&P 500 can tumble lower during certain points in any given year but not always finish the year lower (2025 being the most recent example). And while yes, there's a risk this year could turn out not so pleasant for investors if fundamental conditions worsen due to some of the concerns of the day, history is littered with examples of positive annual finishes for the S&P 500 and intra-year declines much more aggressive than those experienced thus far. Something to keep in mind if the days ahead remain challenging to navigate.

Yearly Return and Maximum Intra-Year Drawdown of the S&P 500 Index



Sources: Bloomberg and American Enterprise Investment Services Inc.

**The week ahead:**

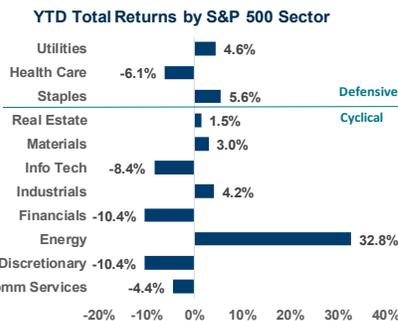
- Preliminary looks at March S&P Global manufacturing and services activity will be released on Tuesday.
- January consumer spending, February import/export prices, and weekly jobless claims will be other points of interest.

Stock Market Recap							
Benchmark	Total Returns			LTM PE		Yield %	
	Weekly	MTD	YTD	Current	5-Year Median	Current	5-Year Median
S&P 500 Index: 6,506	-1.9%	-5.3%	-4.7%	25.8	25.7	1.2	1.3
Dow Jones Industrial Average: 45,577	-2.1%	-6.8%	-4.8%	21.6	22.4	1.7	1.8
Russell 2000 Index: 6,060	-1.7%	-7.3%	-1.5%	56.0	45.0	1.2	1.3
NASDAQ Composite: 21,648	-2.1%	-4.4%	-6.7%	35.2	38.0	0.6	0.7
Best Performing Sector (weekly): Energy	2.8%	6.0%	32.8%	21.6	13.1	2.6	3.5
Worst Performing Sector (weekly): Utilities	-5.0%	-6.5%	4.6%	22.8	21.6	2.7	3.0

Source: Factset. Data as of 03/20/2026

Bond/Commodity/Currency Recap			
Benchmark	Total Returns		
	Weekly	MTD	YTD
Bloomberg U.S. Universal	-0.5%	-2.3%	-0.7%
West Texas Intermediate (WTI) Oil: \$98.12	-0.4%	46.5%	71.4%
Spot Gold: \$4,497.48	-10.4%	-14.8%	4.0%
U.S. Dollar Index: 99.65	-0.7%	2.1%	1.3%
Government Bond Yields	Yield Chg		
	Weekly	MTD	YTD
2-year U.S. Treasury Yield: 3.88%	17 bps chg	51 bps chg	40 bps chg
10-year U.S. Treasury Yield: 4.39%	11 bps chg	43 bps chg	21 bps chg

Source: Factset. Data as of 03/20/2026. bps = basis points



Source: S&P Global, Factset. Data as of 03/20/2026

These figures are shown for illustrative purposes only and are not guaranteed. They do not reflect taxes or investment/product fees or expenses, which would reduce the figures shown here. An index is a statistical composite that is not managed. It is not possible to invest directly in an index. Past performance is not a guarantee of future results.

**Important Disclosures**

Sources: FactSet and Bloomberg. FactSet and Bloomberg are independent investment research companies that compile and provide financial data and analytics to firms and investment professionals such as Ameriprise Financial and its analysts. They are not affiliated with Ameriprise Financial, Inc.

The views expressed are as of the date given, may change as market or other conditions change, and may differ from views expressed by other Ameriprise Financial associates or affiliates. Actual investments or investment decisions made by Ameriprise Financial and its affiliates, whether for its own account or on behalf of clients, will not necessarily reflect the views expressed. This information is not intended to provide investment advice and does not account for individual investor circumstances.

Some of the opinions, conclusions and forward-looking statements are based on an analysis of information compiled from third-party sources. This information has been obtained from sources believed to be reliable, but accuracy and completeness cannot be guaranteed by Ameriprise Financial. It is given for informational purposes only and is not a solicitation to buy or sell the securities

mentioned. The information is not intended to be used as the sole basis for investment decisions, nor should it be construed as advice designed to meet the specific needs of an individual investor.

**Diversification** does not assure a profit or protect against loss.

There are risks associated with **fixed-income** investments, including credit (issuer default) risk, interest rate risk, and prepayment and extension risk. In general, bond prices rise when interest rates fall and vice versa. This effect is usually more pronounced for longer term securities.

**Stock** investments involve risk, including loss of principal. High-quality stocks may be appropriate for some investment strategies. Ensure that your investment objectives, time horizon and risk tolerance are aligned with investing in stocks, as they can lose value.

Investments in **small cap companies** involve risks and volatility greater than investments in larger, more established companies.

Generally, **large-cap** companies are more mature and have limited growth potential compared to smaller companies. In addition, large companies may not be able to adapt as easily to changing market conditions, potentially resulting in lower overall performance compared to the broader securities markets during different market cycles

The products of **technology** companies may be subject to severe competition and rapid obsolescence, and their stocks may be subject to greater price fluctuations.

**Past performance is not a guarantee of future results.**

An index is a statistical composite that is not managed. It is not possible to invest directly in an index.

Definitions of individual indices and sectors mentioned in this article are available on our website at [ameriprise.com/legal/disclosures](http://ameriprise.com/legal/disclosures) in the Additional Ameriprise research disclosures section.

The **S&P 500 Index** is a basket of 500 stocks that are considered to be widely held. The S&P 500 index is weighted by market value (shares outstanding times share price), and its performance is thought to be representative of the stock market as a whole. The S&P 500 index was created in 1957 although it has been extrapolated backwards to several decades earlier for performance comparison purposes. This index provides a broad snapshot of the overall US equity market. Over 70% of all US equity value is tracked by the S&P 500. Inclusion in the index is determined by Standard & Poor's and is based upon their market size, liquidity, and sector.

The **NASDAQ Composite** index measures all NASDAQ domestic and international based common type stocks listed on the Nasdaq Stock Market.

The **Dow Jones Industrial Average (DJIA)** is an index containing stocks of 30 Large-Cap corporations in the United States. The index is owned and maintained by Dow Jones & Company.

The **Russell 2000 Index** measures the performance of the small-cap segment of the US equity universe. The Russell 2000 is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set. The Russell 2000 includes the largest 2000 securities in the Russell 3000.

The **US Dollar Index (USDIX)** indicates the general international value of the USD. The USDIX does this by averaging the exchange rates between the USD and major world currencies. This is computed by using rates supplied by approximately 500 banks.

**West Texas Intermediate (WTI)** is a grade of crude oil commonly used as a benchmark for oil prices. WTI is a light grade with low density and sulfur content.

Third party companies mentioned are not affiliated with Ameriprise Financial, Inc.

**Investment products are not insured by the FDIC, NCUA or any federal agency, are not deposits or obligations of, or guaranteed by any financial institution, and involve investment risks including possible loss of principal and fluctuation in value.**

Securities offered by Ameriprise Financial Services, LLC. Member FINRA and SIPC.

© 2026 Ameriprise Financial, Inc. All rights reserved.