



WEEKLY UPDATE | January 2, 2026



U.S. & World News

January 1st marked the end of an era as legendary investor Warren Buffett officially stepped down as CEO of Berkshire Hathaway after an extraordinary 60-year tenure. Buffett, now 95 years old, transformed a struggling New England textile mill acquired in 1962 for \$7.60/share into a \$1 trillion conglomerate. Under his leadership, Berkshire outperformed the market through acquisitions like Geico, the BNSF railroad, and Dairy Queen, alongside other significant long-term investments in Apple, Coca-Cola and American Express. Despite stepping down as CEO, Buffett will remain chairman at Berkshire and will continue advising on investments. Greg Abel, 63, a Canadian executive who joined Berkshire in 1999, has taken on the CEO role with full authority over the firm's capital allocation. Abel previously managed noninsurance operations for Berkshire since 2018 and was named successor in 2021 after praise from the late Charlie Munger for preserving the company's culture. In an interview, Buffett expressed his confidence in Abel and the future of Berkshire Hathaway saying, "It has a better chance I think of being here in 100 years from now than any company I can think of." Buffett also added, "...I'd rather have Greg handling my money than an of the top investment advisors or any of the top CEOs in the United States."



Markets

- Equity markets fell this week closing out 2025 and starting the new year. The S&P 500 fell during the week by -1.01% and closed at 6,858. The Dow Jones decreased -0.66% and closed at 48,382. The 2025 returns for the S&P 500 and Dow were 17.86% and 14.92%, respectively.
- Bond markets declined this week as yields drifted higher. The US Aggregate Bond Index was down -0.19% for the week. The 2025 return for the US Aggregate Bond Index was 7.19%.
- The yield on 2-year treasuries remained at 3.47% and yields on 10-year treasuries rose slightly this week to 4.19%.
- The spot price of WTI Crude Oil rose 0.99% this week and closed at \$57.31/barrel. The price of Crude Oil fell by -20.09% in 2025.
- The spot price of Gold fell -4.46% this week to close at \$4,331.14/ounce. The price of Gold rose by 64.57% this year.



Economic Data

- Initial Jobless Claims came in at 199,000, lower than the median analyst estimate that called for a 218,000 reading. Last week's report was revised slightly upward to 215,000.
- The minutes from the December Federal Reserve meeting were released and showed that "most" participants see further rate cuts "over time", while "some" see policy "unchanged for some time" after cutting rates for the 3rd time of 2025. "Participants generally" thought that upside risks to inflation "remained elevated," while the downside risks to employment "were elevated and had increased since the middle of 2025."

Fact of the Week

POWELL THE PROVIDER. December's Fed rate cut was the 11th time since 1994 – when the FOMC first began announcing policy decisions on the day of their meetings – that the Federal Reserve cut rates when the S&P 500 was within 1% of a 52-week high. Nine of those 11 cuts with the stock market near 52-week highs occurred with Jerome Powell as Fed Chair.

(Source: MFS)

Questions?

Your Wealth Management team is here to answer.

Richard Gartelmann, CFP®
(630) 844-5730
rgartelmann@oldsecond.com

Jacqueline Runnberg, CFP® CDFP®
(630) 966-2462
jrunnberg@oldsecond.com

Steve Meves, CFA
(630) 801-2217
smeves@oldsecond.com

Brad Johnson, CFA, CFP®
(630) 906-5545
bjohnson@oldsecond.com

Chris LaPorta, AFIM, CTFA
(630) 264-3002
claporta@oldsecond.com

Mike Cava, CFA, CFP®
(630) 281-4522
mcava@oldsecond.com

Travis Buoy
(630) 906-5488
tbuoy@oldsecond.com

Yamilet Suarez
(630) 844-8633
ysuarez@oldsecond.com

Amy Lynch
(630) 906-5478
alynch@oldsecond.com

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