WEEKLY UPDATE | August 28, 2026

U.S. & World News

On Monday, Treasury Secretary Scott Bessent announced Operation Economic Outcast against Iran, comparing the effort to D-Day and saying the U.S. aims to "sever every economic lifeline" sustaining the regime. The campaign is designed to isolate Iran financially and warn countries or companies that continue doing business with Tehran that they could face consequences. The U.S. said it would sanction more than 60 entities, individuals, and vessels globally, while Iranian officials dismissed the effort as ineffective. The notable omission in Bessent's speech was China. As Iran's largest trading partner and biggest buyer of discounted oil, China remains a critical lifeline for Tehran's economy. Without confronting China's role, the campaign may face structural limits. However, broader sanctions on China would carry significant economic and geopolitical risks, including supply-chain disruption, financial-market volatility, and potential retaliation from Beijing. In the long run, the effectiveness of Operation Economic Outcast will hinge on whether Washington is willing to address China's central role in sustaining Iran's economy.

Markets

- Equity markets rose this week with the S&P 500 up 0.49% closing at 7,711. The Dow was up 0.55% and closed at 53,559. The year to date returns for the S&P 500 and the Dow are 13.48% and 12.57%, respectively.

- Bond markets rose despite rising yields, resulting in a 0.14% increase for the US Aggregate Bond Index. The year-to-date return for the US Aggregate Bond Index is -0.09%.

- The yield on 2-year treasuries rose to 4.35% and the yield on 10-year treasuries remained relatively the same this week but fell to 4.72%.

- The spot price of WTI Crude Oil fell -3.92% this week and closed at $83.47/barrel. Oil prices this year have risen 45.33%

- The spot price of Gold fell -3.61% this week to close at $4,455/ounce. So far this year, gold has risen 3.20%.

Economic Data

- Initial jobless claims declined to 203,000, below the median forecast of 206,000 and last week's figure of 207,000.
- New Home Sales were 607,000 for July falling short of the 619,000 estimate. June's reading was revised upward to 678,000 from 628,000.
- Personal Income rose 0.4% in July, the median consensus was a 0.2% rise. In June Personal Income rose 0.2%.

Fact of the Week

$40 TRILLION. Gross US debt surpassed a record $40 trillion last Tuesday (8/18). Publicly held debt, which excludes Social Security trust fund holdings, is now approaching World War II levels at about 100% of GDP, up from just 31.5% in 2001 after four consecutive years of budget surpluses. The US hasn’t run a surplus since.

(Source: WSJ)

Questions?

Your Wealth Management team is here to answer.

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