

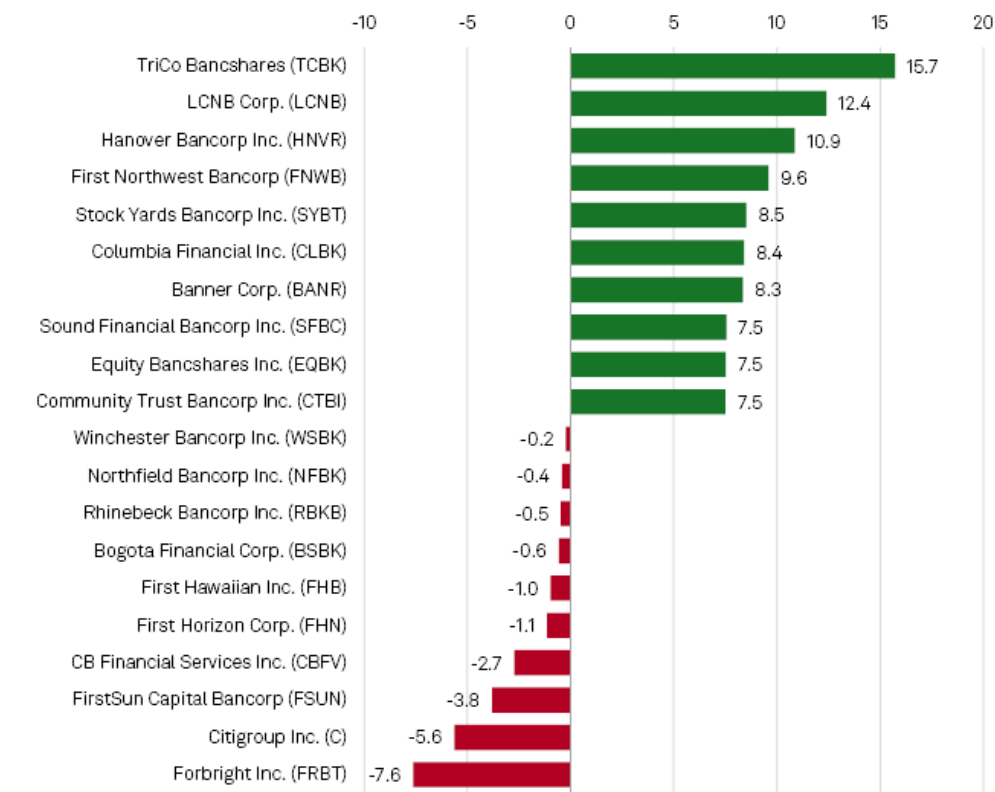
DATA DISPATCH
US bank stocks hit all-time highs, analysts see more room to run

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By Sheikh Rishad
Market Intelligence

Bank stocks extended their outperformance streak against the broader market again this week. The KBW Nasdaq Bank index rose 2.94% between the July 9 and July 16 market closes, sharply outpacing the S&P 500's 0.13% decline. The outperformance extended a trend in which [bank stocks have beaten the broader market](#) in five of the prior six weeks. Brean Capital analysts think the sector has more room to run even as US bank indices reach all-time highs. The Nasdaq Bank Index reached an all-time high this week while the SPDR S&P Regional Banking ETF approached an all-time high, according to the note. "We feel there is slowly 'sector rotation' into the bank sector and the valuation improvement has not yet ended," the analysts wrote in a July 16 note.

Best-, worst-performing US bank stocks
Total return calculated from July 10, 2026, to July 16, 2026 (%)



Data compiled July 17, 2026.
Includes public banks that have a primary listing on major US exchanges with a market capitalization greater than \$100 million as of July 16, 2026.
Source: S&P Global Market Intelligence.
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Best performers

Of the 281 banks included in the S&P Global Market Intelligence analysis, 268 posted positive returns between the July 9 and July 16 market closes. Chico, California-based [TriCo Bancshares](#) was the best-performing bank stock of the week with a total return of 15.7%. The holding company for [Tri](#)

[Counties Bank](#) agreed to be [acquired](#) by Honolulu-based [First Hawaiian Inc.](#), the parent company of [First Hawaiian Bank](#), in an all-stock transaction worth about \$2.04 billion. Meanwhile, First Hawaiian was the sixth-worst-performing bank stock of the week with a total return of negative 1.0%.

"This seems like the best deal" for TriCo, Brean Capital analyst Timothy Coffey said in a July 15 research note. Transaction multiples were at the high end of [the range](#) in the last three years for both nationwide M&A and deals in just the Western region, he added.

"The decision for [TriCo] to sell also seemed inevitable. Management had run out of runway," Coffey said. The bank's total assets were around \$9.9 billion at the end of the last four years, he noted, and "although the 'no-growth' strategy was successful ..., it limited profitability by inherently limiting loan growth, creating a headwind to better valuations and exhausting investor interest in the stock."

[LCNB Corp.](#) was the second-best performing bank stock of the week with a total return of 12.4%, while [Hanover Bancorp Inc.](#) rounded out the top-three bank stocks with a total return of 10.9%.

Hanover Bancorp's "improving profitability coupled with more consistent credit performance can act as a positive catalyst to narrow shares' discount to peers over time," Piper Sandler analyst Andrew Kroll said in a July 10 note.

Worst performers

[Forbright Inc.](#), which [completed](#) its initial public [offering](#) in June, was the worst-performing bank stock of the week with a total return of negative 7.6%, reversing its position from last week when it was the top performer.

[Citigroup Inc.](#) was the second-worst performer of the week with a total return of negative 5.6%. Citigroup's stock price closed down by around 5.3% on July 14 as the bank [maintained its guidance](#) after a strong first half of 2026, suggesting a step-down in profitability in the second half of the year. The bank executives said in a July 14 [conference call](#) that the bank could accelerate spending as it focuses on near-term and medium-term return targets.

Morgan Stanley analysts viewed the pullback as an attractive entry point. "Citi is playing the long game with regard to structural efficiency and long-term share gains, and a conducive market backdrop provides an opportunity for more offense," they wrote in a July 15 research note, adding that near-term spending sets Citigroup up for stronger 2027 and 2028.

[FirstSun Capital Bancorp](#) was the third-worst-performing bank stock of the week with a total return of negative 3.8%.

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