Market Update

3Q 2026

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a strong market despite MAG7 struggles

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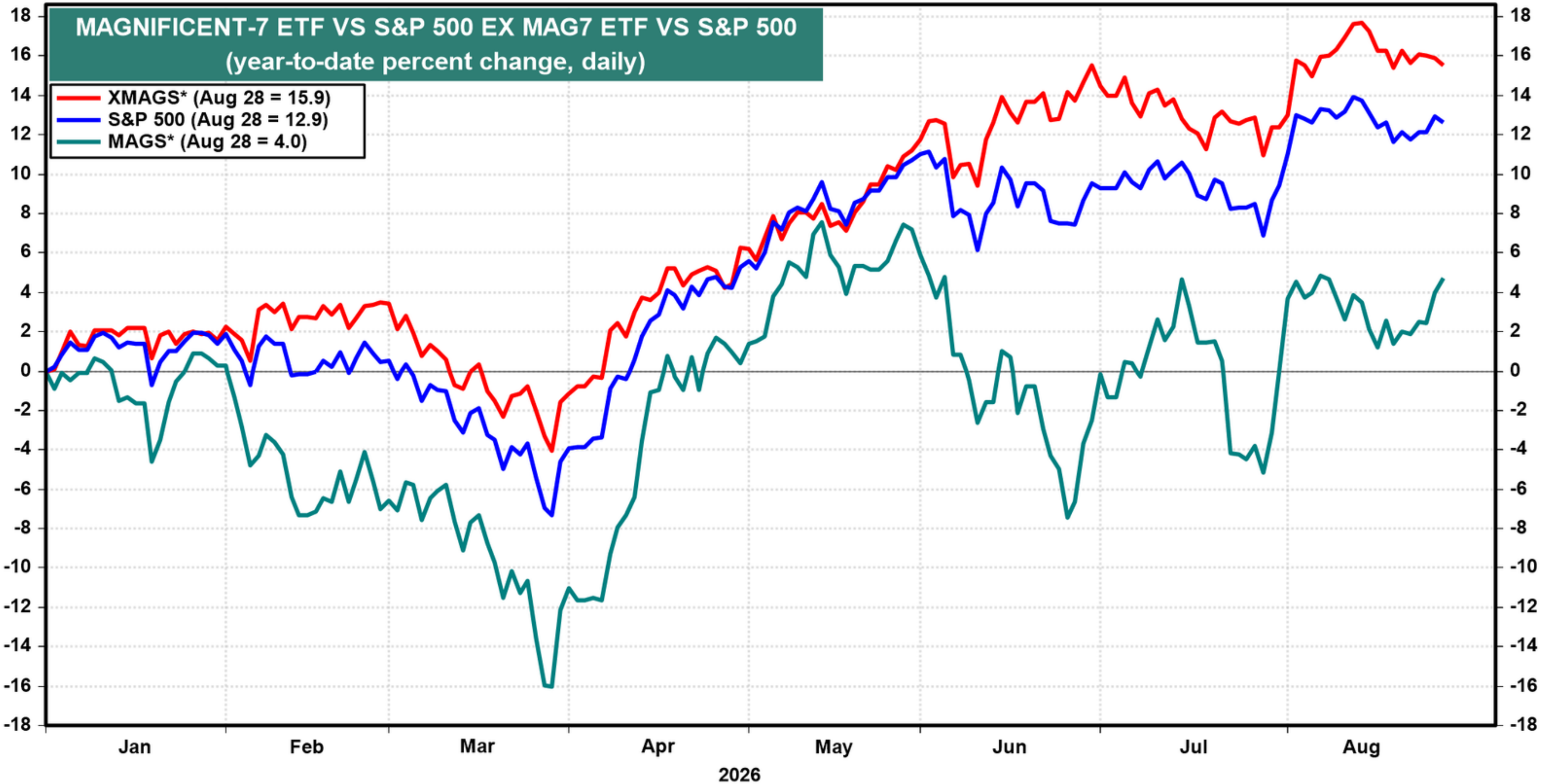

Source: LSEG Datastream and © Yardeni Research. Standard & Poor's, BATS Exchange, NASDAQ.
* Roundhill Magnificent Seven ETF (equal weighted) and S&P 500 Ex-Magnificent Seven ETF (free float cap weighted). Both are rebalanced quarterly.

rising earnings are the market's big story

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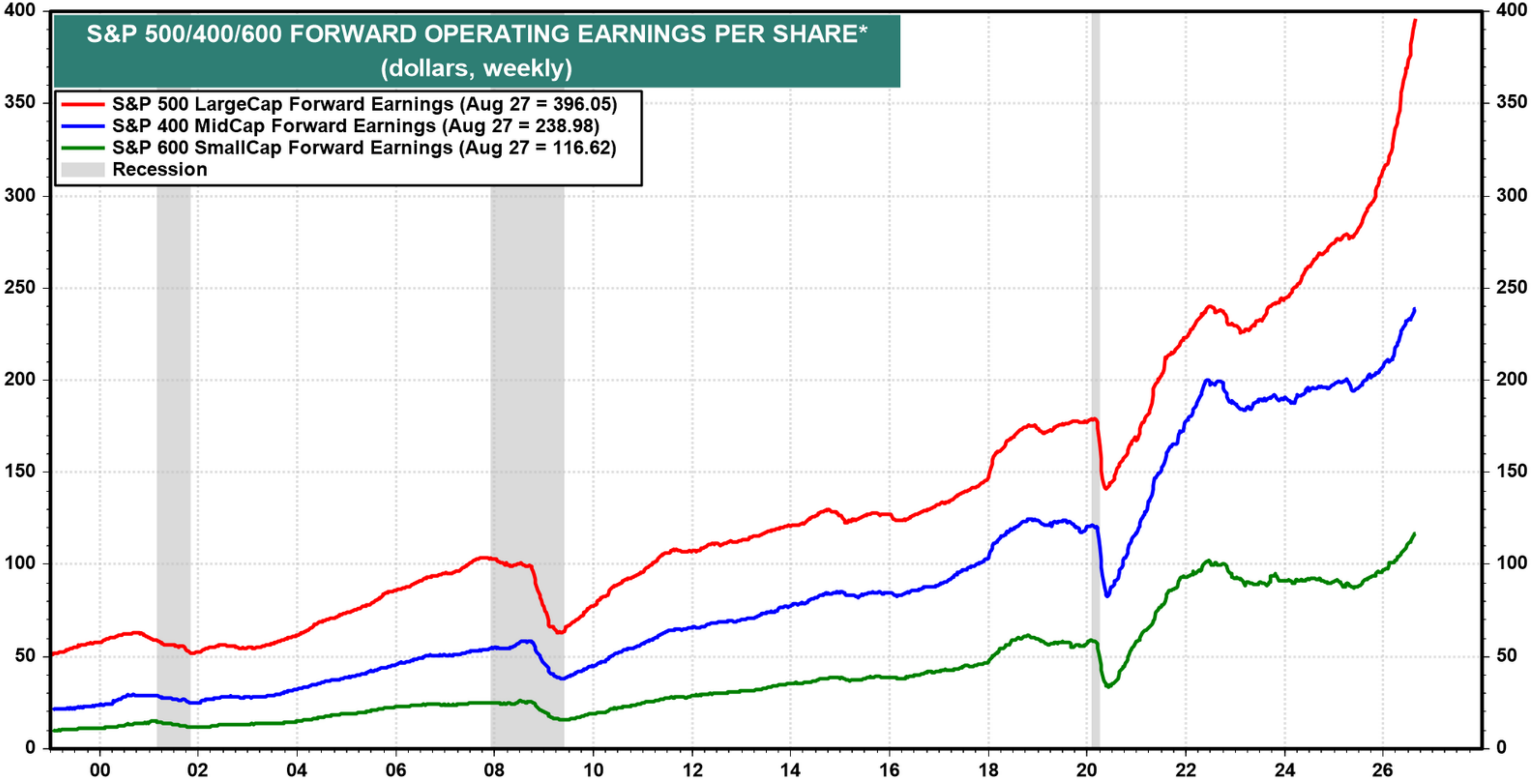

Source: LSEG Datastream and © Yardeni Research.

* Time-weighted average of consensus estimates for current year and next year.

reasonable valuations on stocks

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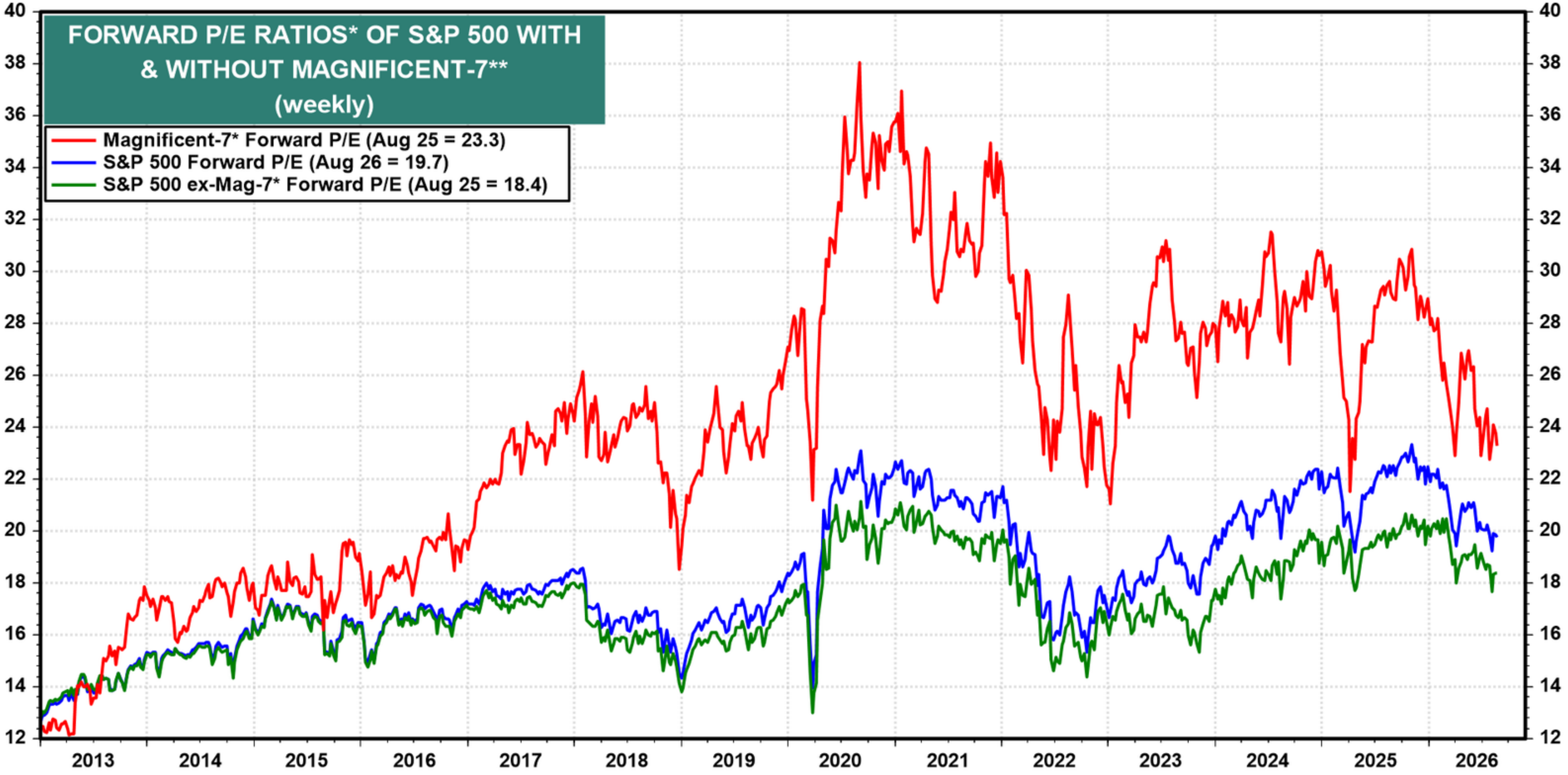

Source: LSEG Datastream, © Yardeni Research. IBES.

* Price divided by consensus forward earnings forecast

** Magnificent-7 stocks include Alphabet (Google), Amazon, Apple, Meta (Facebook), Microsoft, NVIDIA, and Tesla. Both classes of Alphabet are included.

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Where's The Speculation?

THE COMPOUND

of S&P 500 Stocks With a Forward PE > 40x

Since 2019.

Source: The Compound Media, data via Bloomberg Finance L.P.

strong returns after midterm elections

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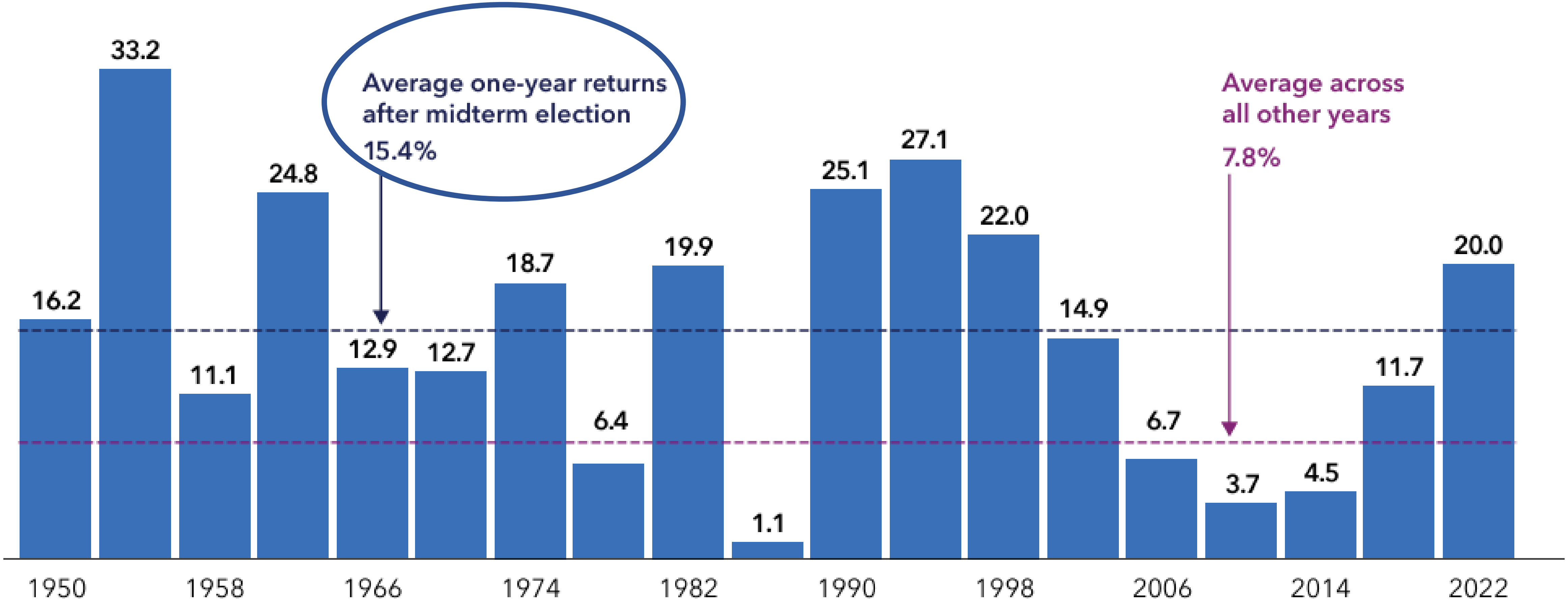
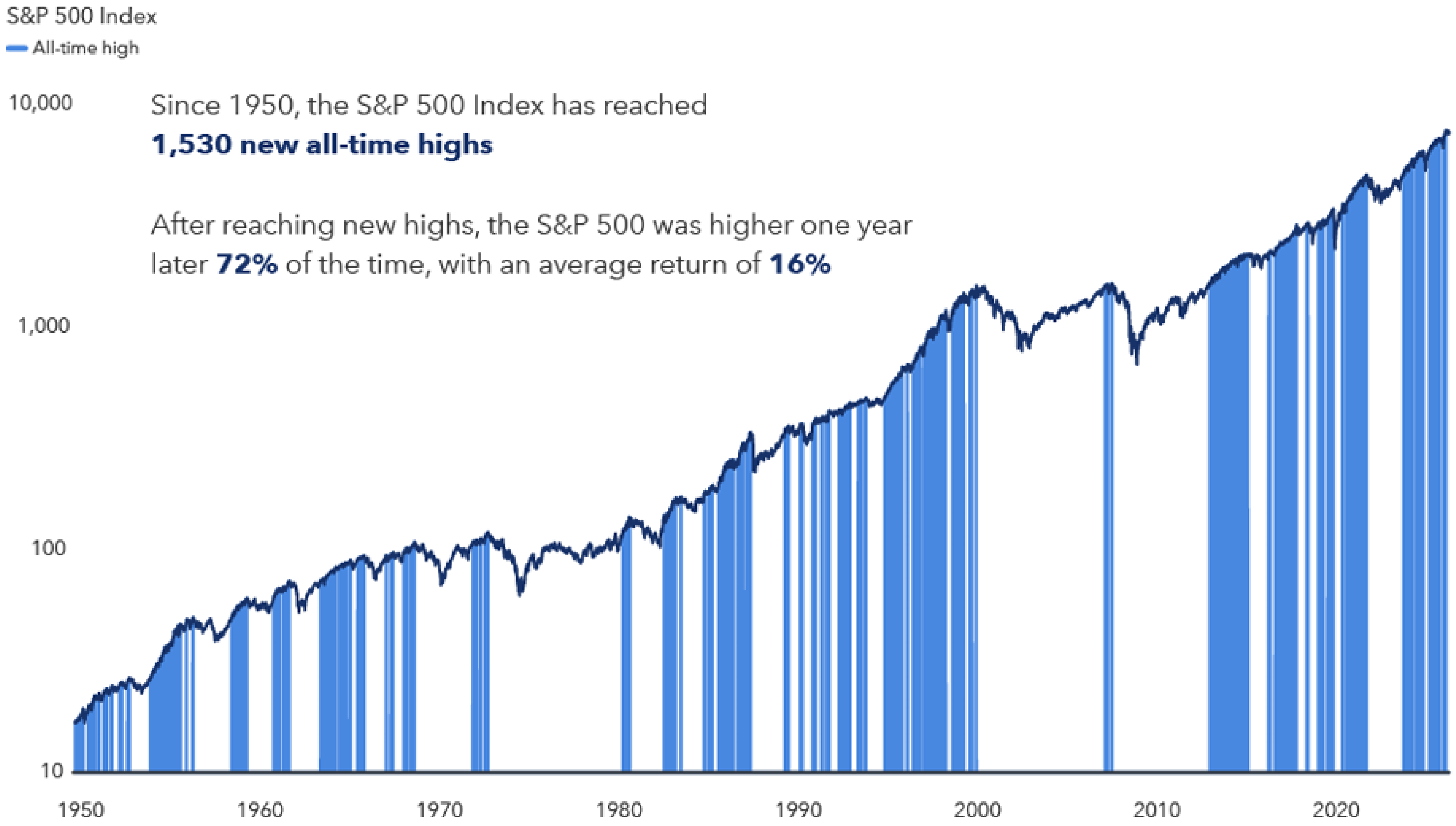
S&P 500 Index price return one year after midterm election

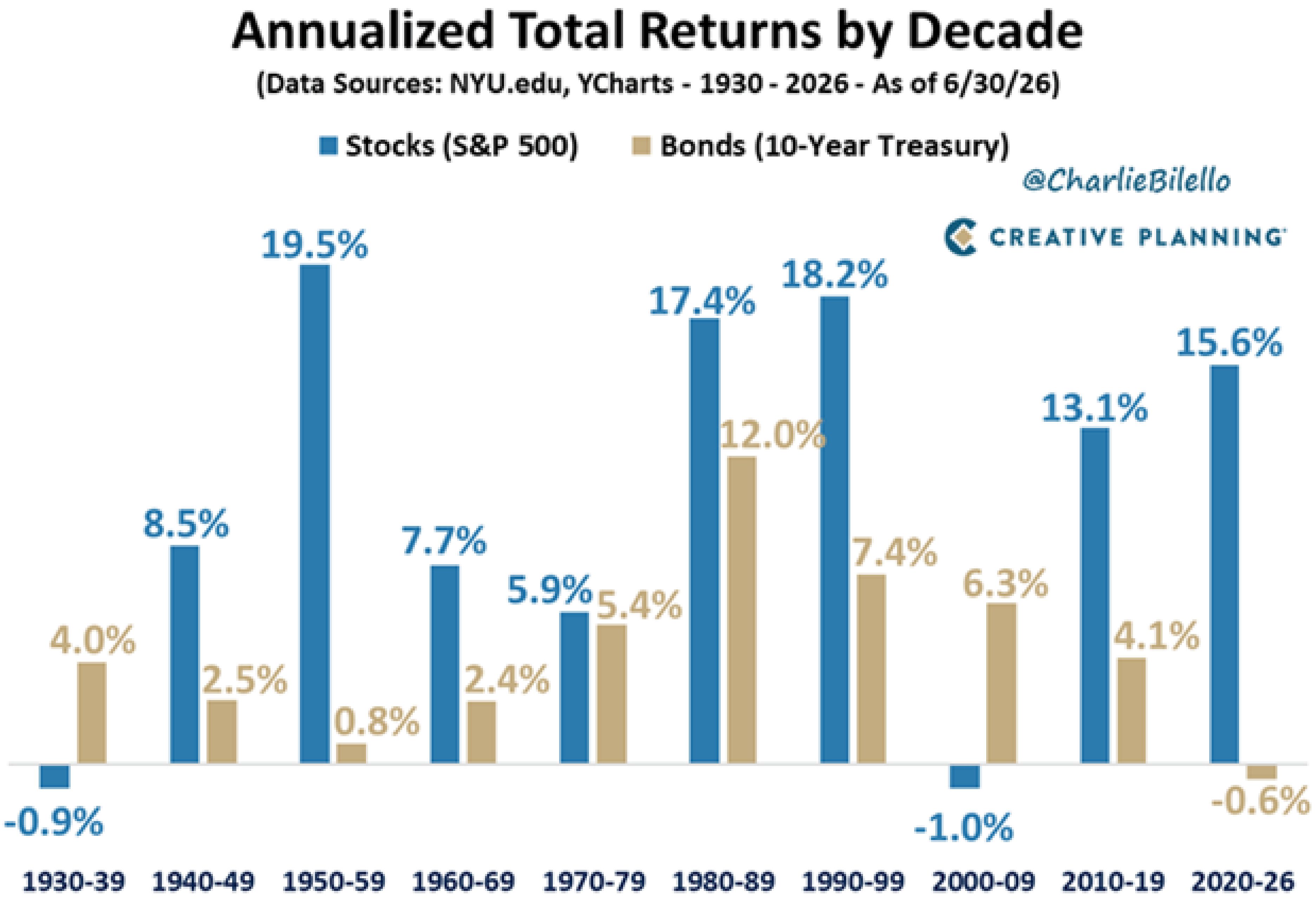


Sources: Capital Group, RIMES, S&P Global. Calculations use Election Day as the starting date in all election years, and November 5 as a proxy for the starting date in other years. Only midterm election years are shown in the chart. As of December 31, 2025. Price returns exclude the reinvestment of dividends and capital distributions. Past results are not predictive of results in future periods.

all-time highs are typically a great time to invest



Sources: Capital Group, RIMES, S&P Global. Includes all daily periods between January 1, 1950, and July 31, 2026. Returns are price returns which exclude the reinvestment of dividends and capital distributions. Chart shown on a logarithmic scale.


Annualized Total Returns by Decade
(Data Sources: NYU.edu, YCharts - 1930 - 2026 - As of 6/30/26)
Stocks (S&P 500)
Bonds (10-Year Treasury)
@CharlieBilello
CREATIVE PLANNING
-0.9%
4.0%
8.5%
2.5%
19.5%
0.8%
7.7%
2.4%
5.9%
5.4%
17.4%
12.0%
18.2%
7.4%
-1.0%
6.3%
13.1%
4.1%
15.6%
-0.6%
1930-39
1940-49
1950-59
1960-69
1970-79
1980-89
1990-99
2000-09
2010-19
2020-26

pullbacks of 5% happen on average 4.6 times per year

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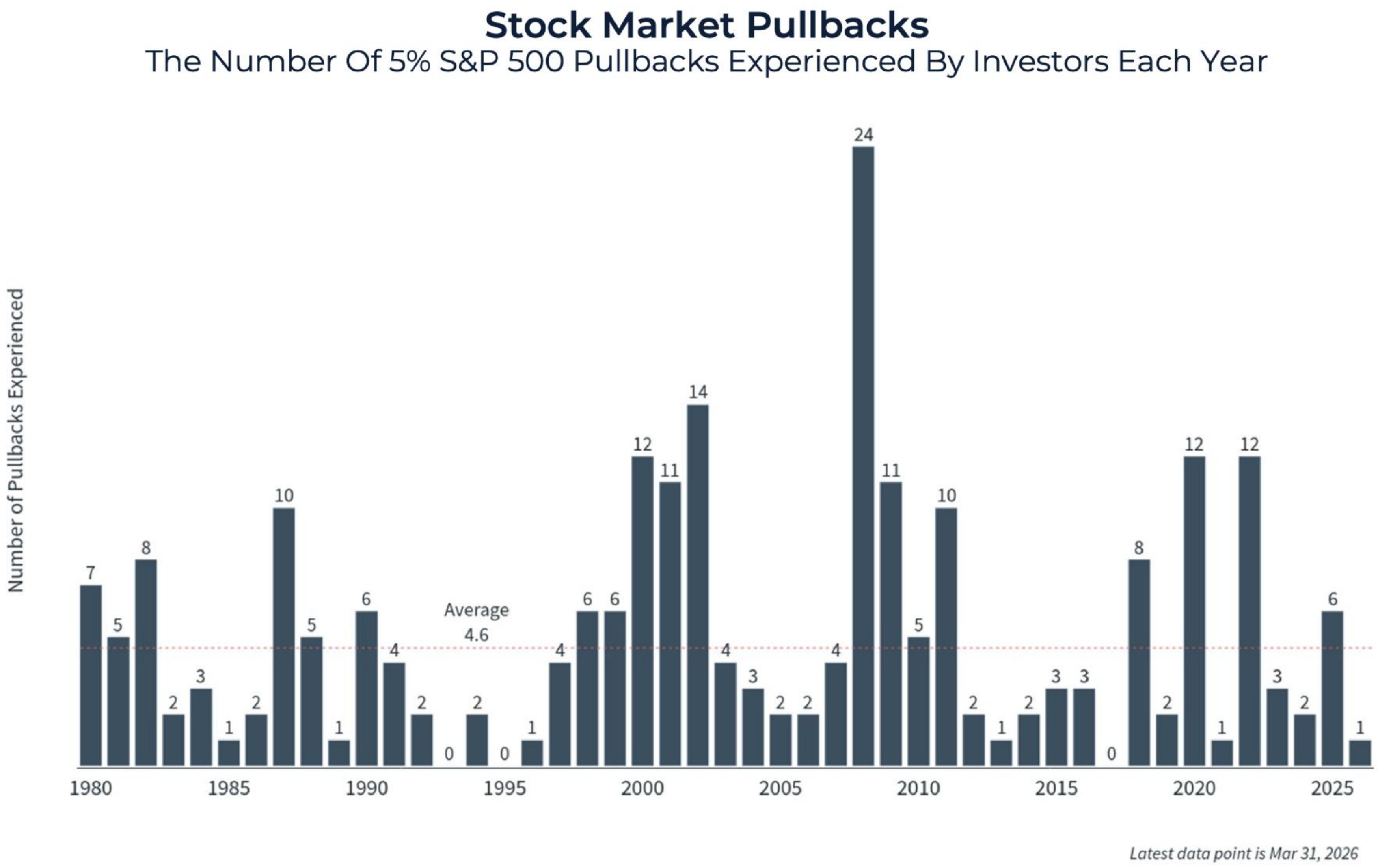

Sources: Clearnomics, Standard & Poor's

the innovation keeps coming, the market keeps climbing

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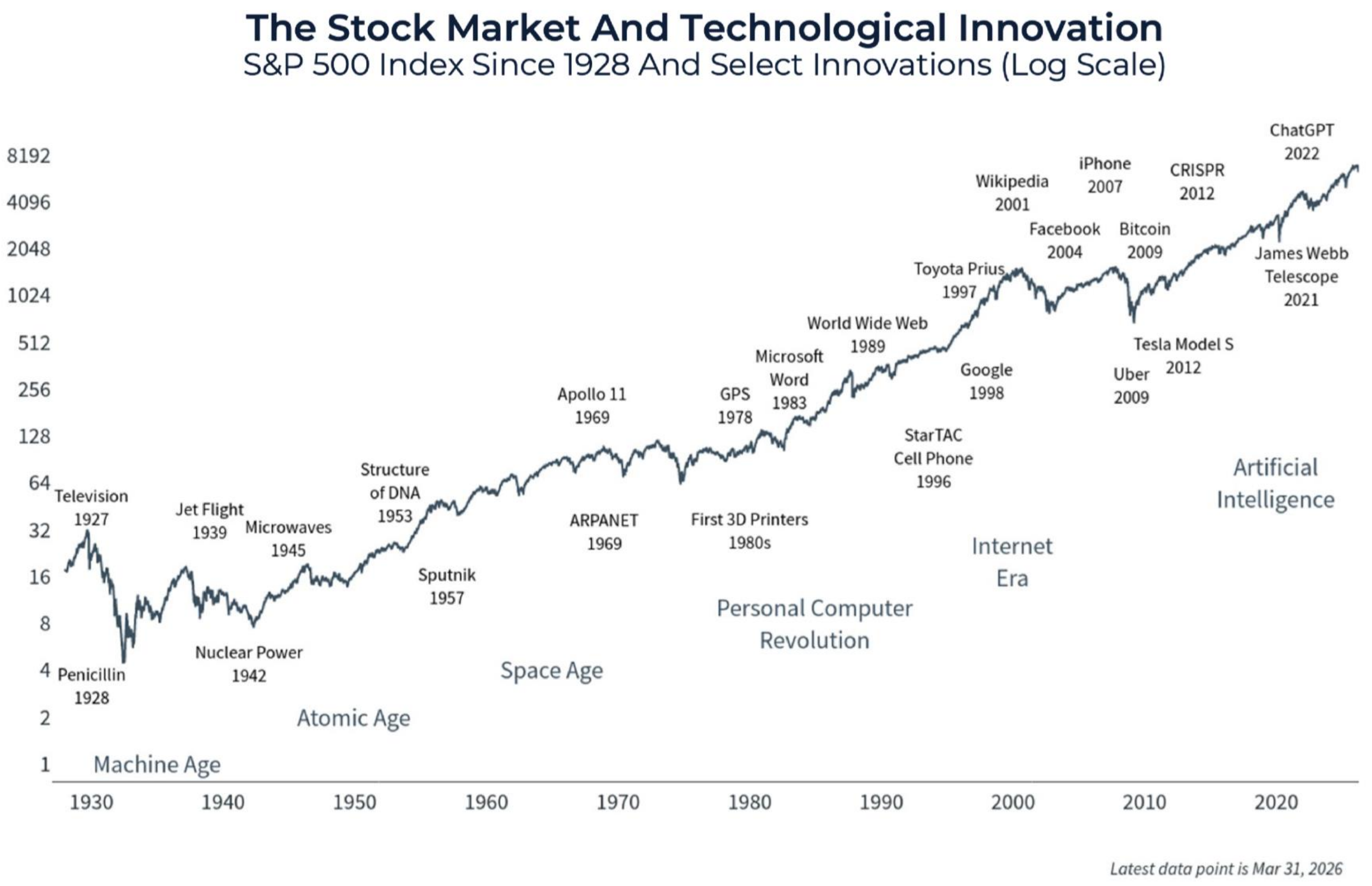

Sources: Clearnomics, Standard & Poor's

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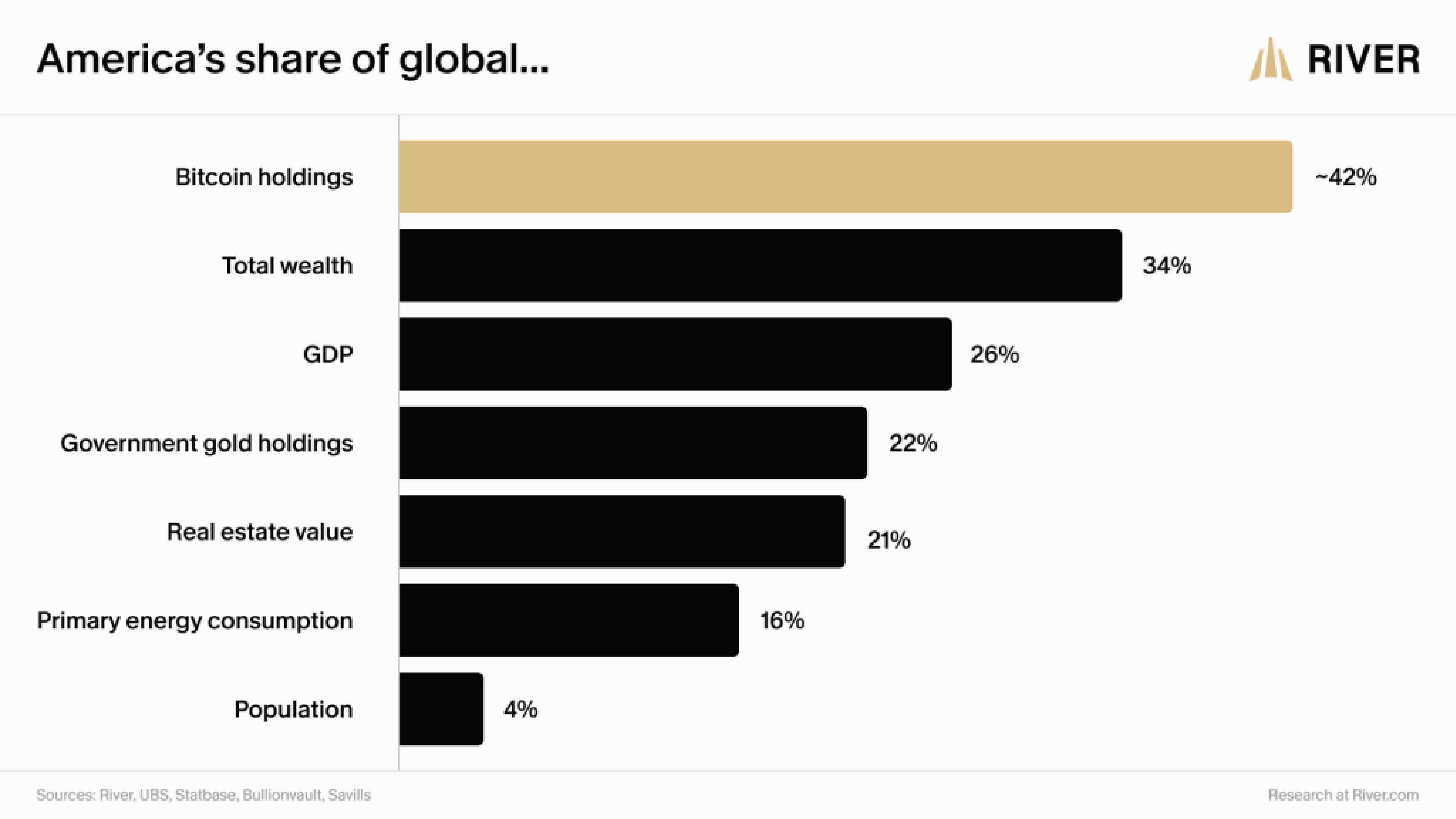
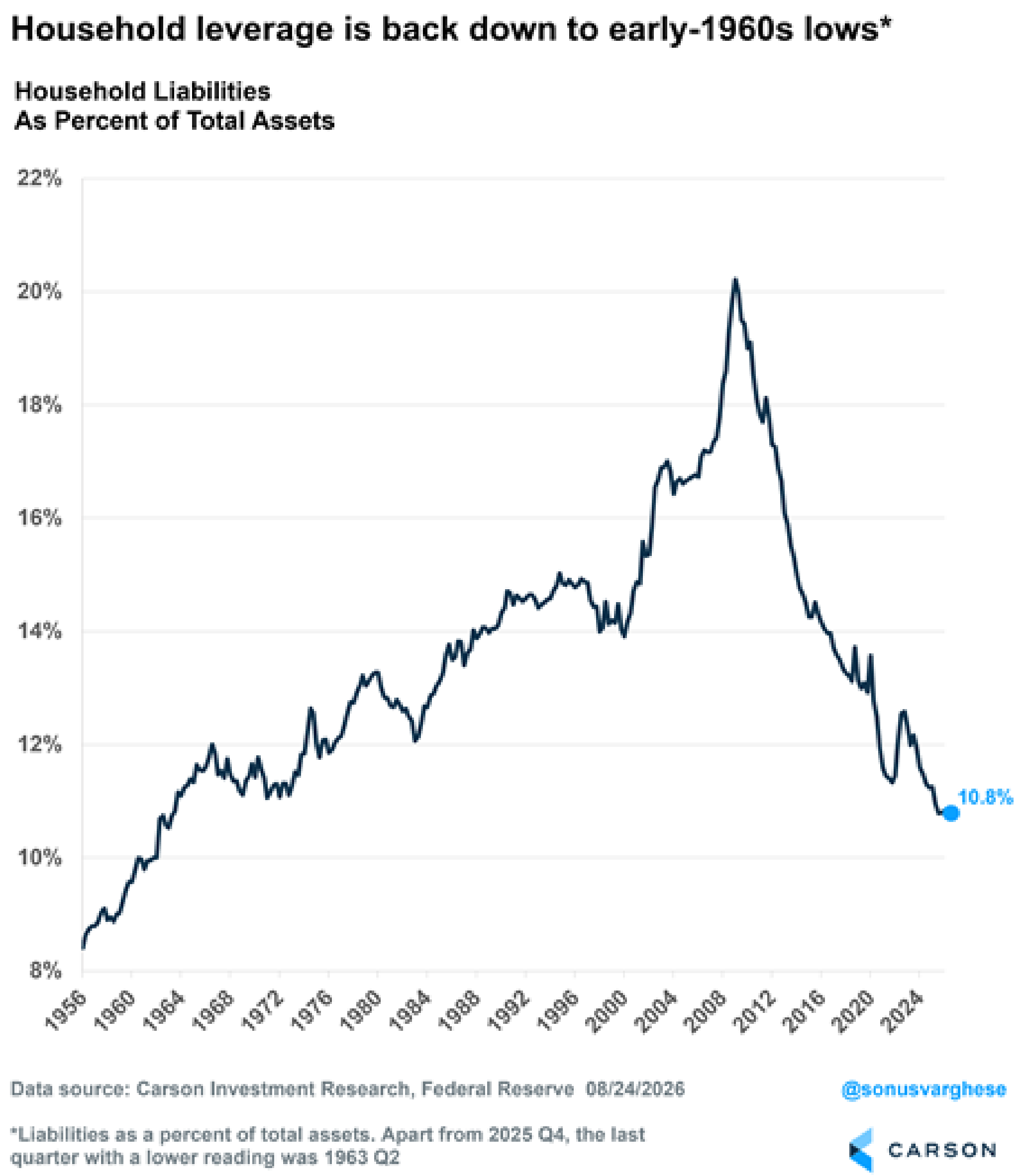


American households carry low total debt



strongest growth since 2022

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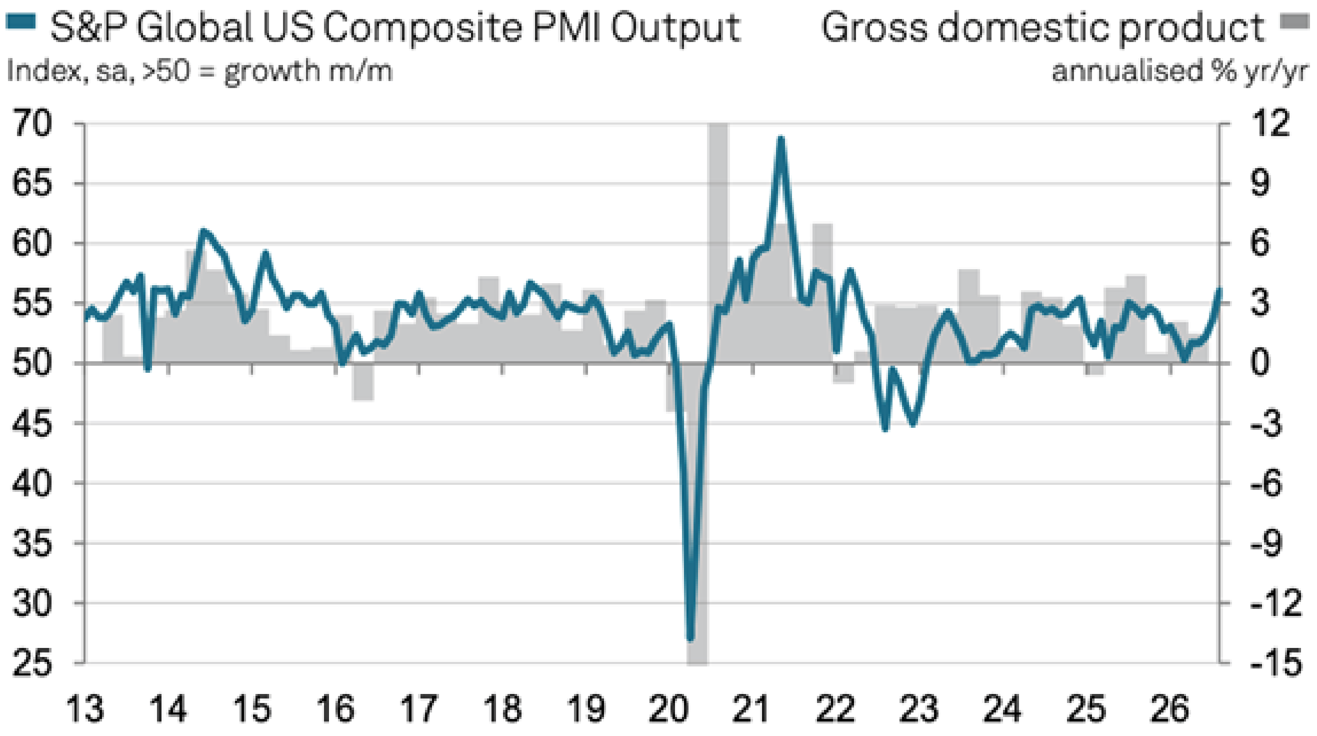
1. US Flash PMIs. "US business is booming, with firms reporting the fastest output growth for over four years so far in the third quarter as the expansion picked up further momentum in August. The survey data for [Q3] are currently pointing to annualized growth approaching 3.0%, up solidly from the 1.5% pace seen in [Q2]".



Data were collected 12-20 August 2026.
Sources: S&P Global PMI, Bureau of Economic Analysis via S&P Global Market Intelligence.

Robust earnings growth may fuel stock market gains

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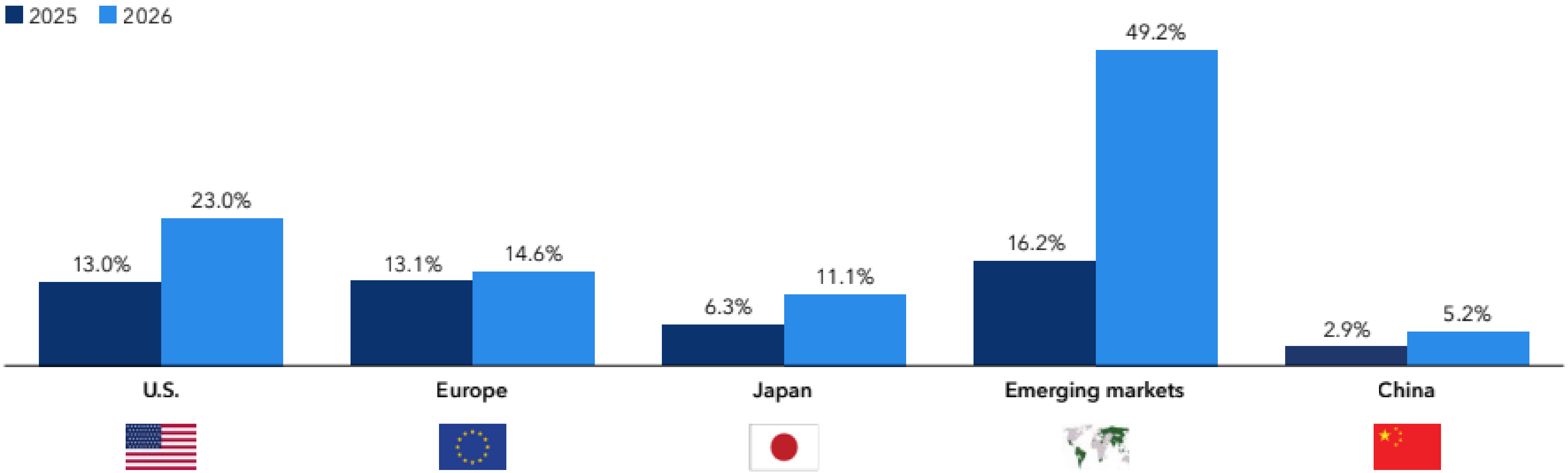
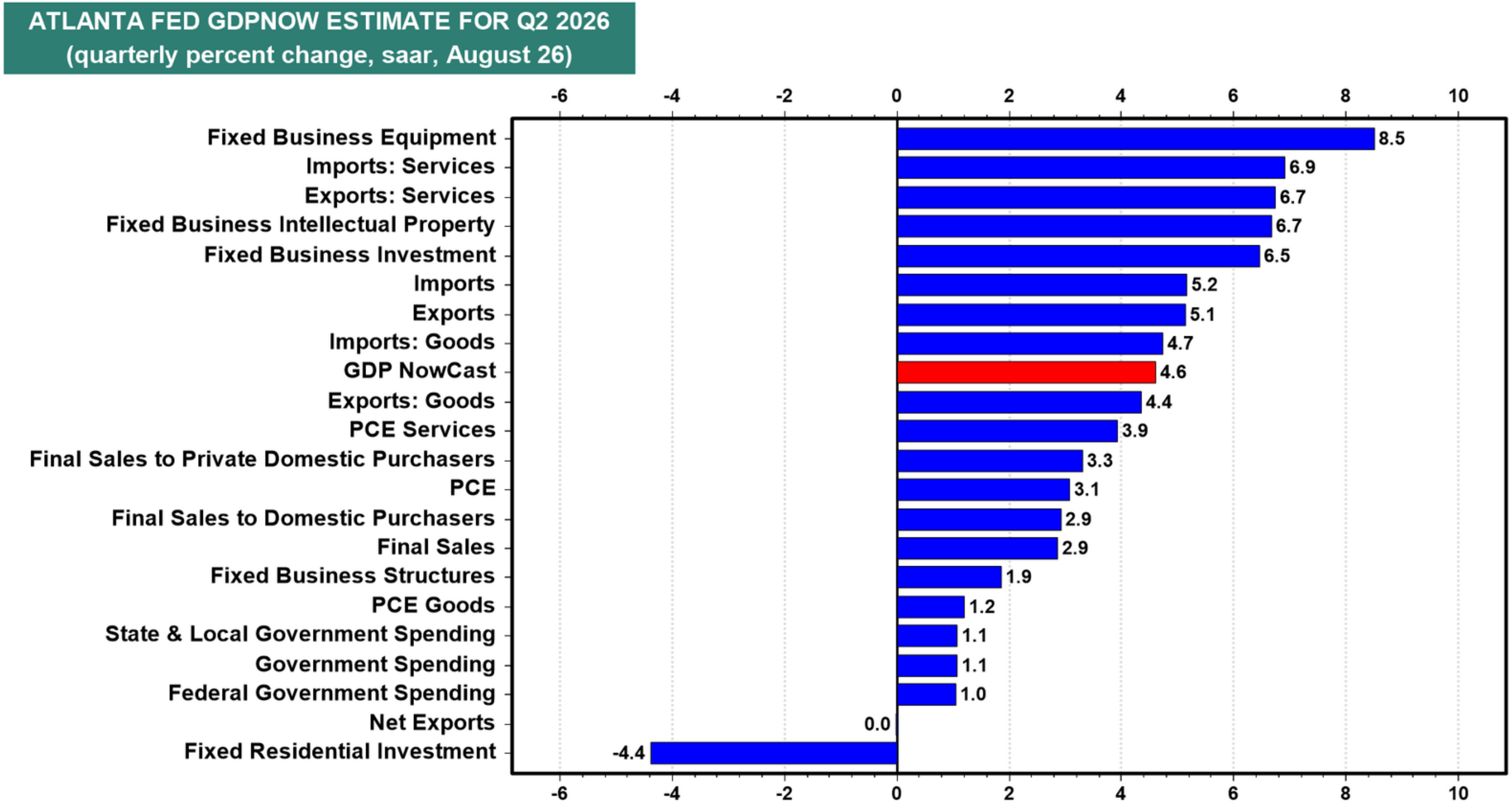
Earnings growth is expected to rise across several markets

Estimated annual earnings growth across select global benchmarks



Sources: Capital Group, FactSet, MSCI, S&P Global. Estimated annual earnings growth is represented by the mean industry analyst consensus earnings per share estimates for the year ending December 2026 across the S&P 500 Index (U.S.), the MSCI Europe Index (Europe), the MSCI Japan Index (Japan), the MSCI EM Index (Emerging markets) and the MSCI China Index (China). Earnings growth represented in USD. Estimates are as of May 31, 2026.

GDP strength



Source: LSEG Datastream and © Yardeni Research.

providing context on AI ~~spending~~ *investment*

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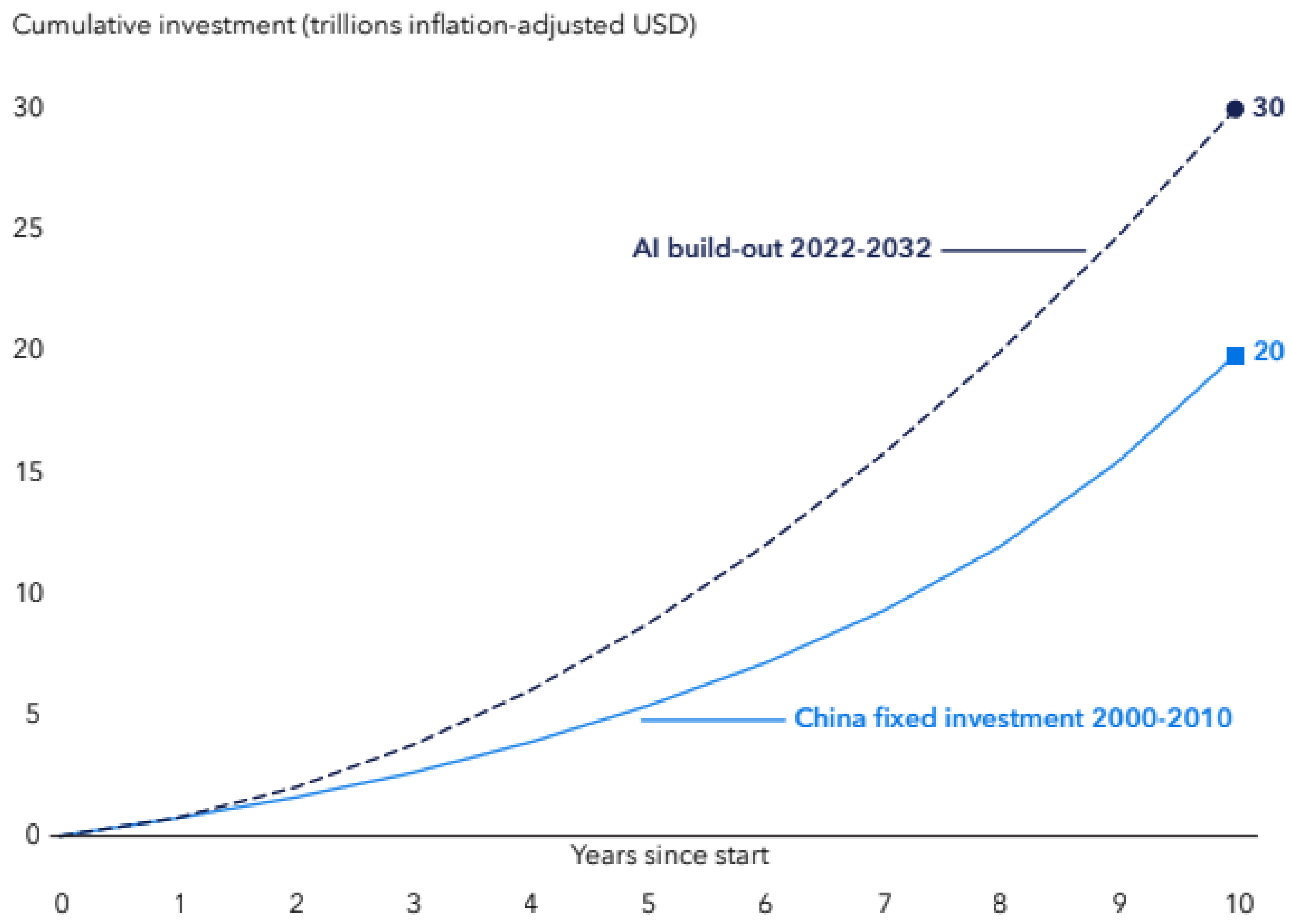
AI investment is on pace to exceed China's 10-year industrial boom



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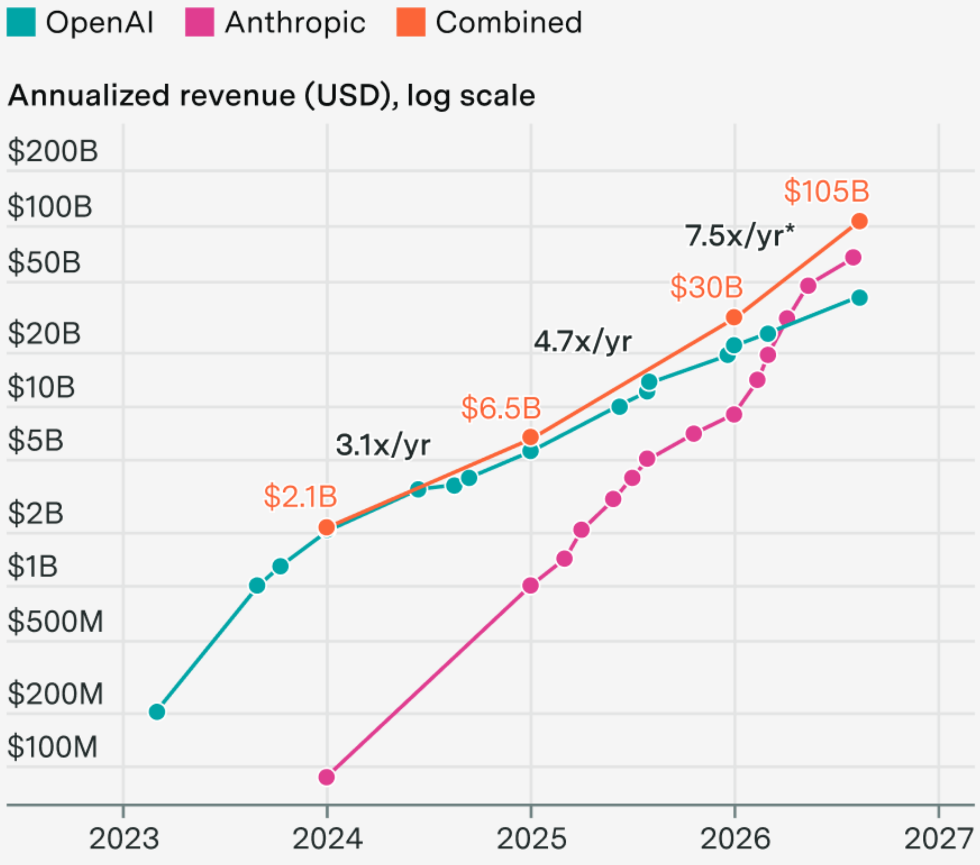
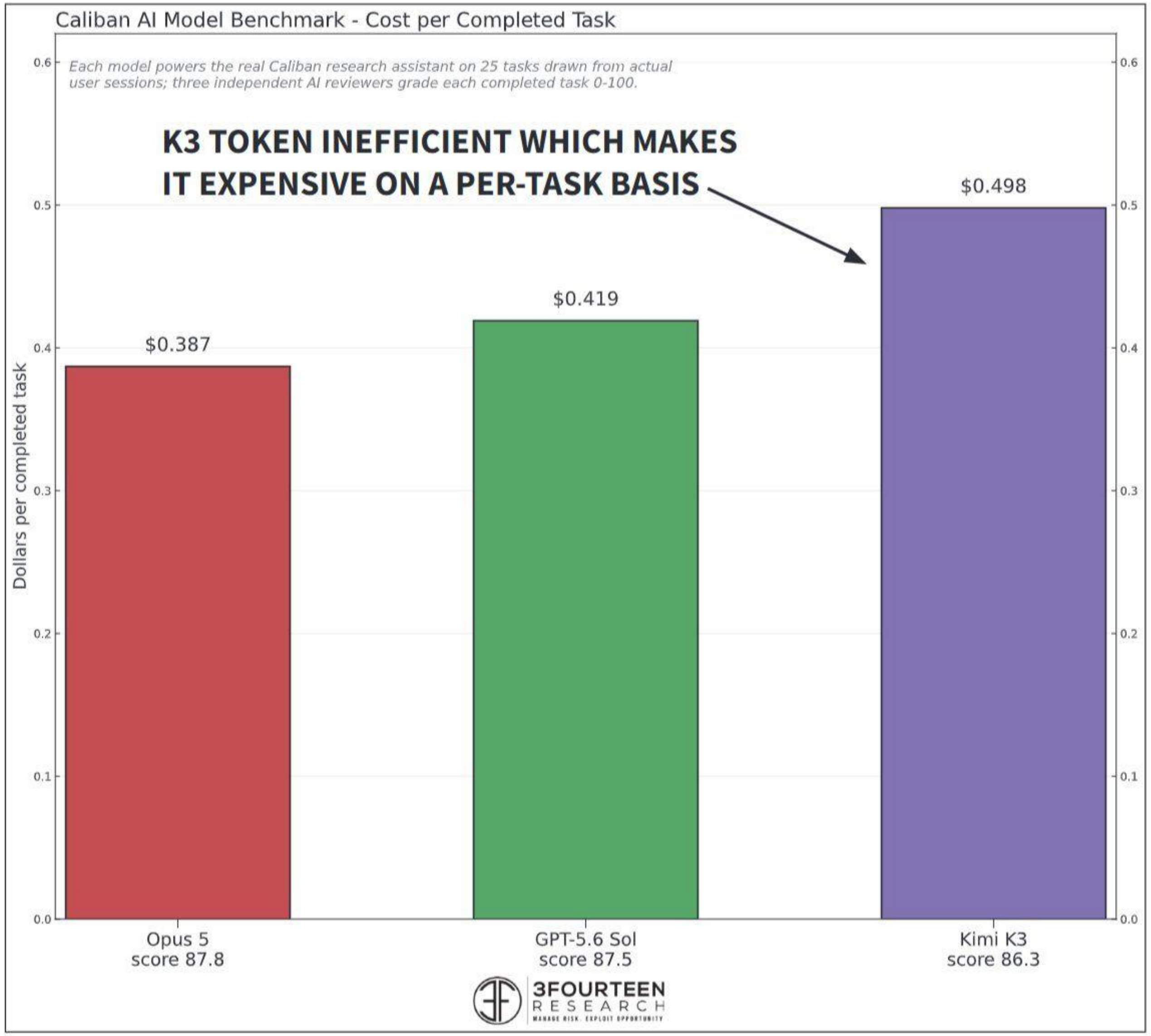
Anthropic and OpenAI's revenue growth has exceeded 3x/year since 2024, and accelerated in 2026



Combined = OpenAI + Anthropic at end-2023, end-2024, end-2025, and Aug 13, 2026 (latest reported values). *The 2026 growth rate is the implied annual growth if the pace so far continued, compounded, over the rest of the year. This is not a forecast. Excluded: Anthropic Oct 2023 $100M (rounded) and OpenAI Dec 30, 2023 $1.6B (superseded next day).

EPOCH AI | epoch.ai

frontier models vs. open-source models



AI not yet causing job market worries

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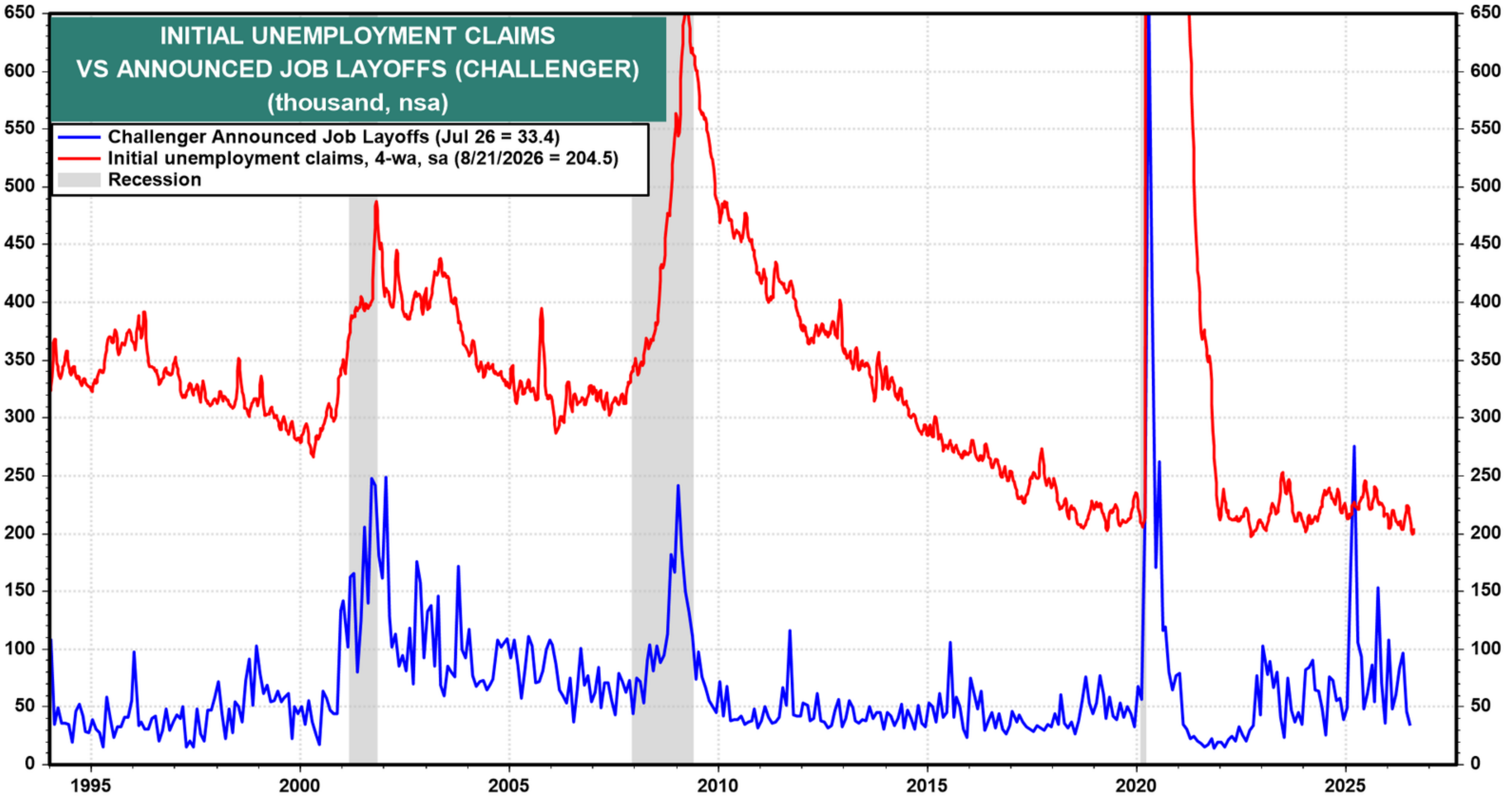

Source: LSEG Datastream and © Yardeni Research. BLS, Challenger, Gray & Christmas.

are semiconductor stocks a bubble?

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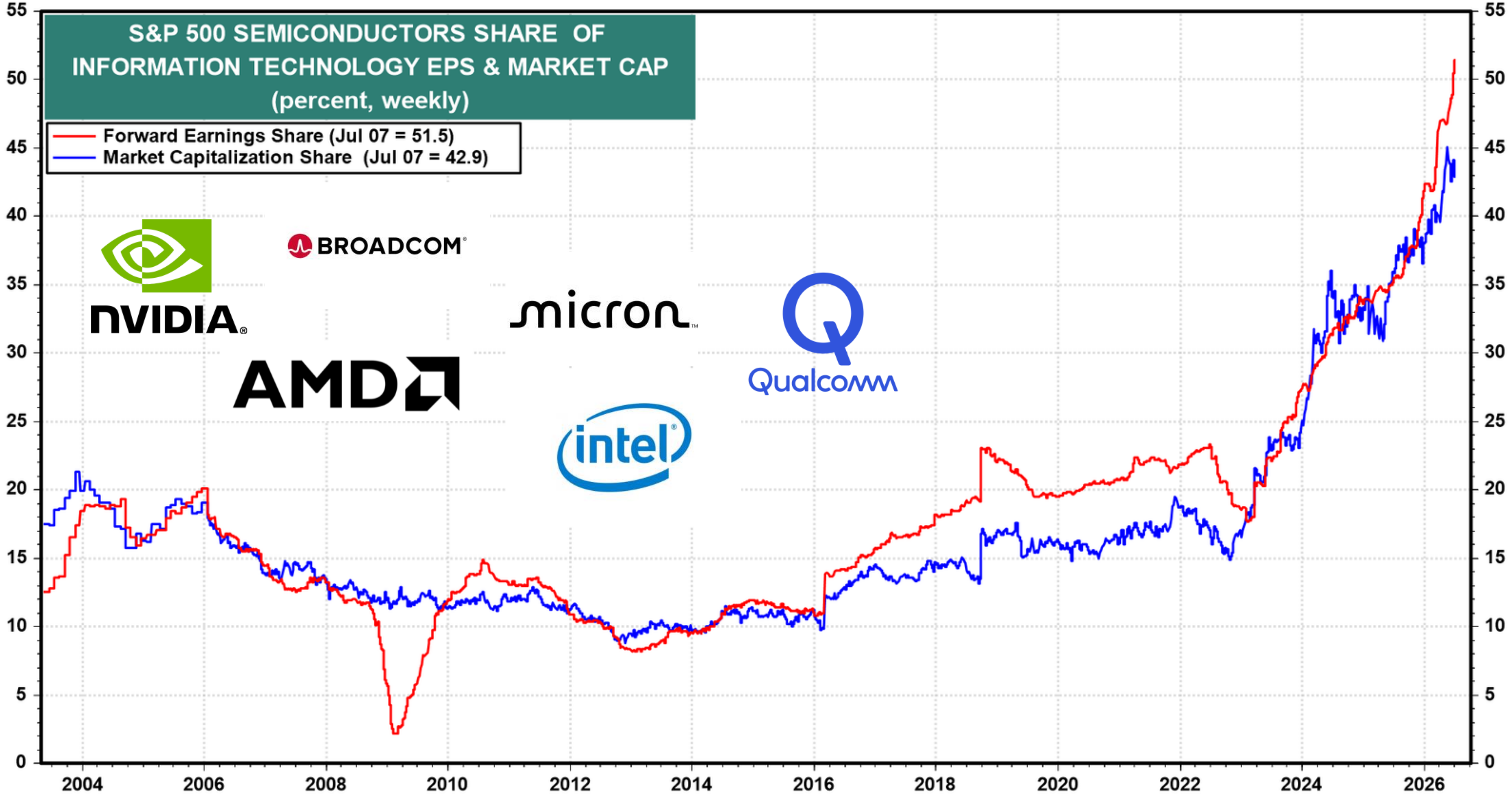

Source: LSEG Datastream and © Yardeni Research. Standard & Poor's and I/B/E/S.

tech earnings still expected to surge

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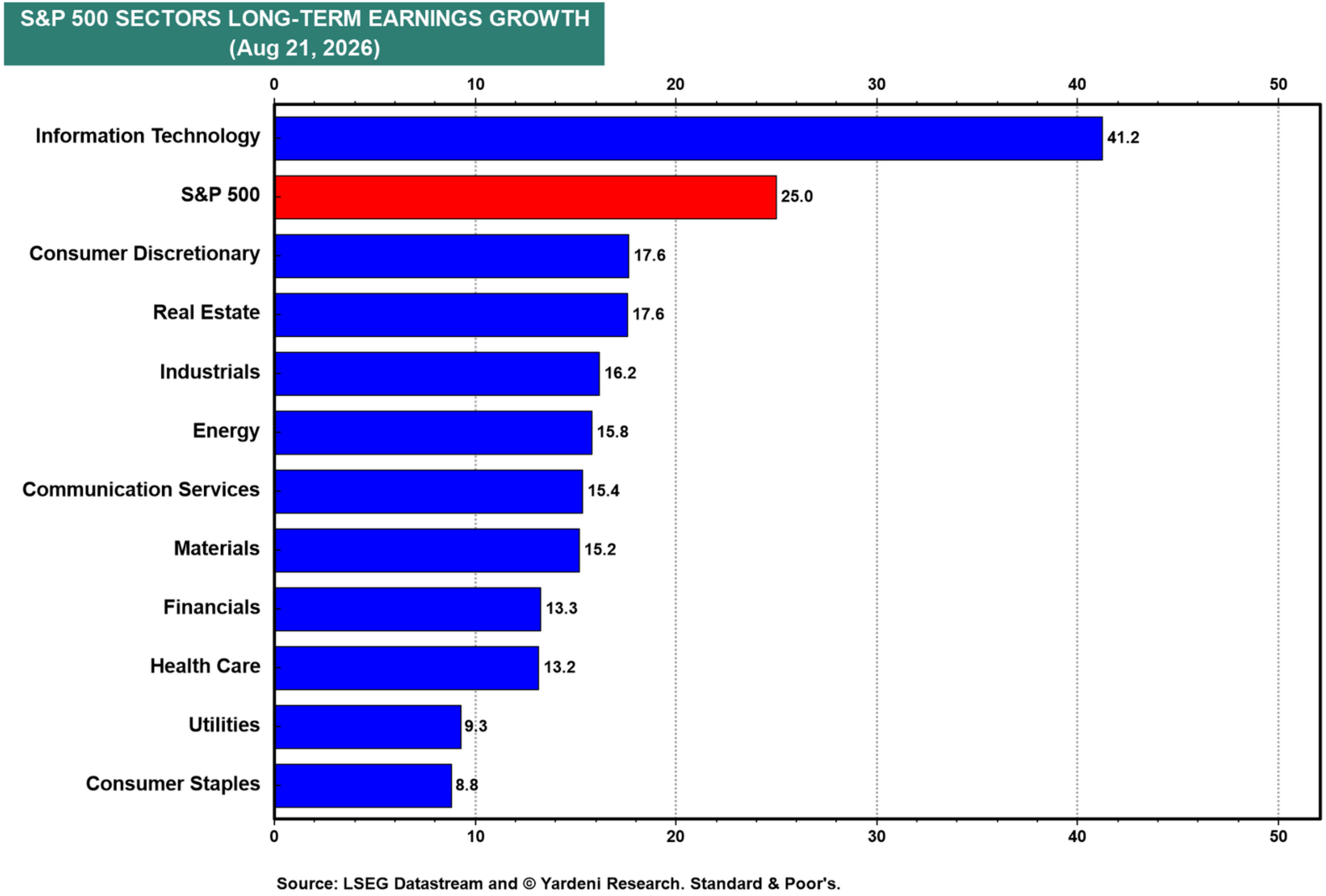

non-AI companies are growing, too

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US government bond yields still in the “old normal range”

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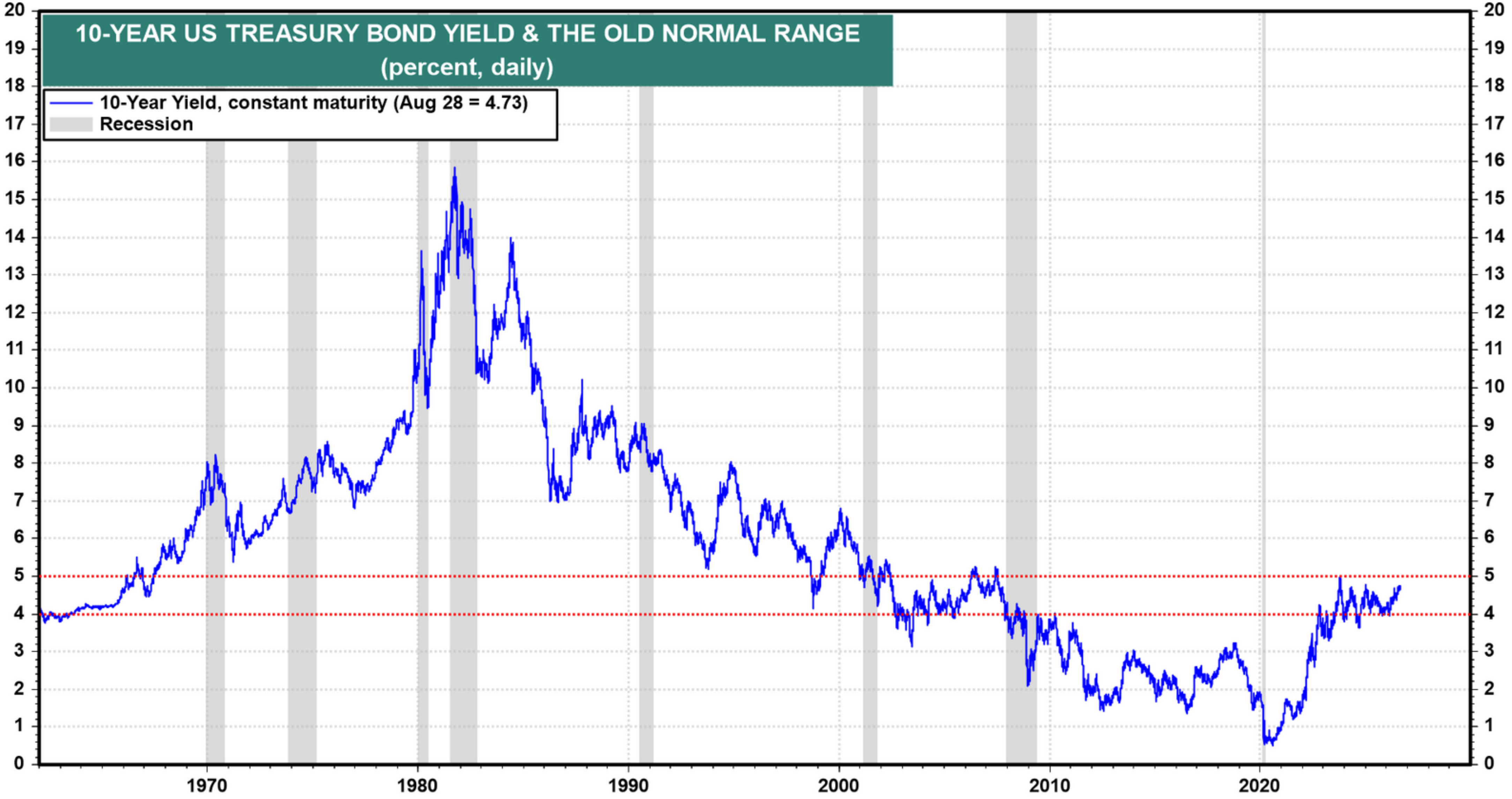

Source: LSEG Datastream and © Yardeni Research. Federal Reserve Board.

but debt worries are legitimate

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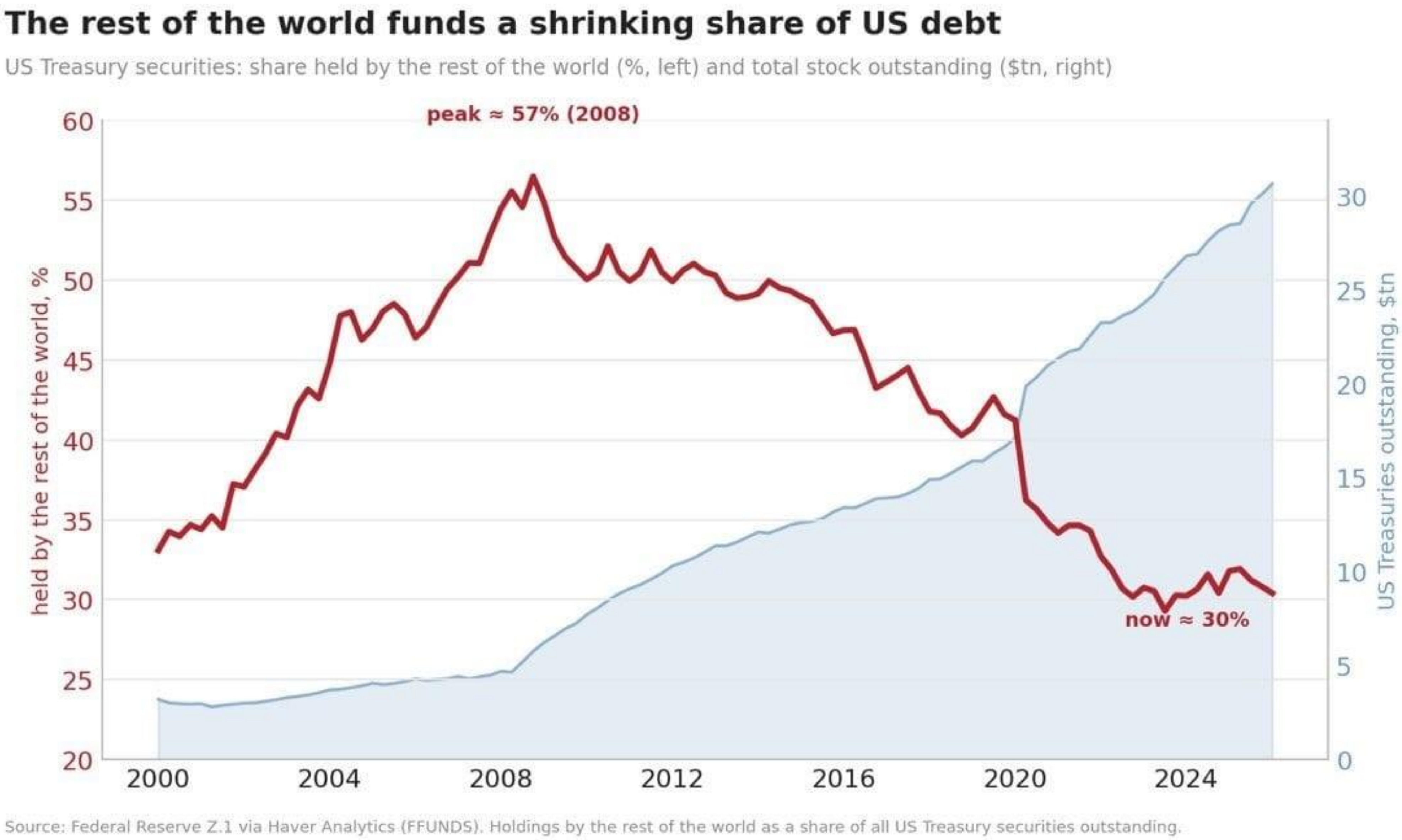

Minnesota: one of 12 states with estate taxes

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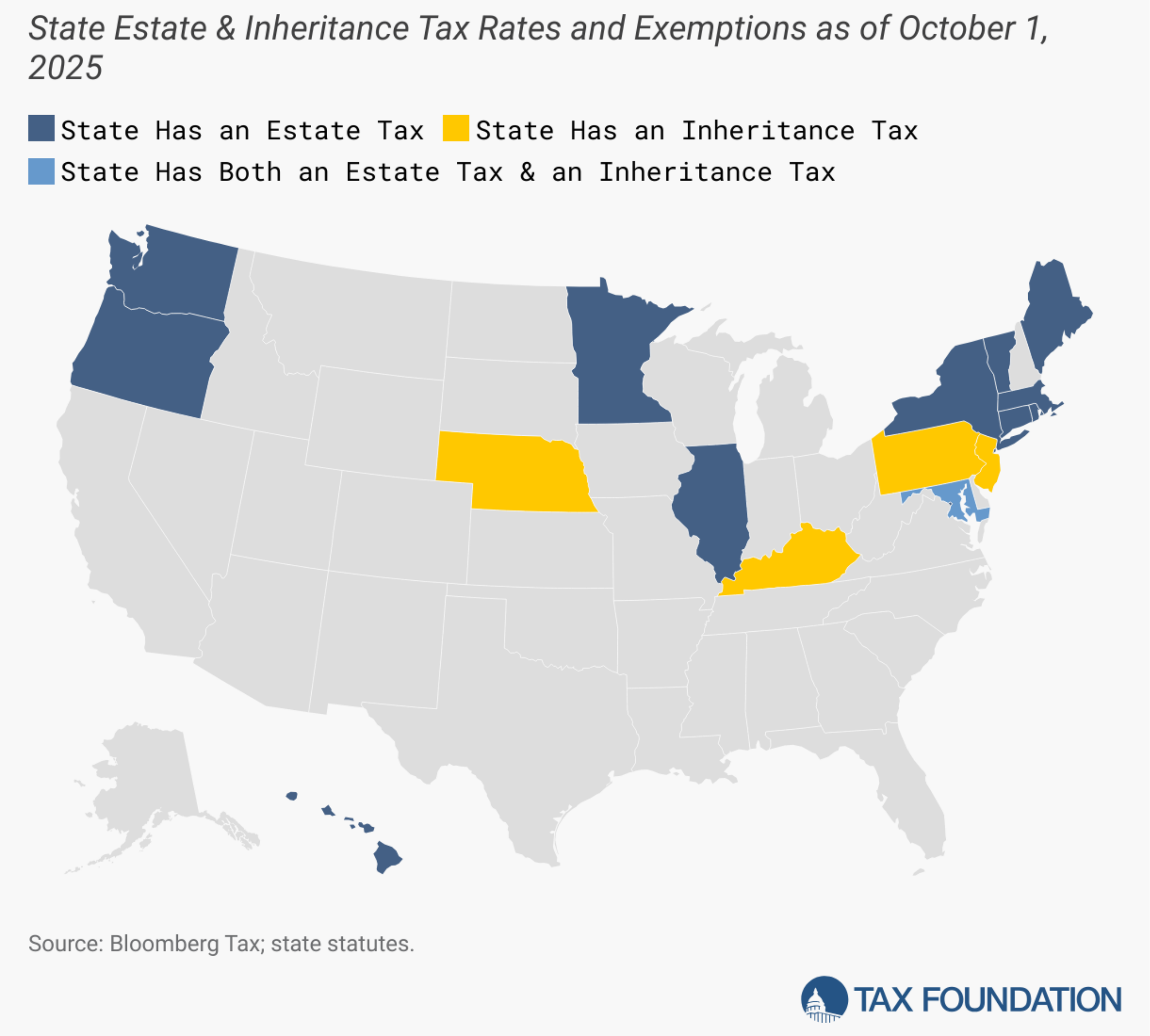

- *Minnesota estate tax is levied on wealth greater than $3M (or $6M for married couples that have proper estate plans in place).*
- *The tax rate starts at 13% and climbs to 16%.*