

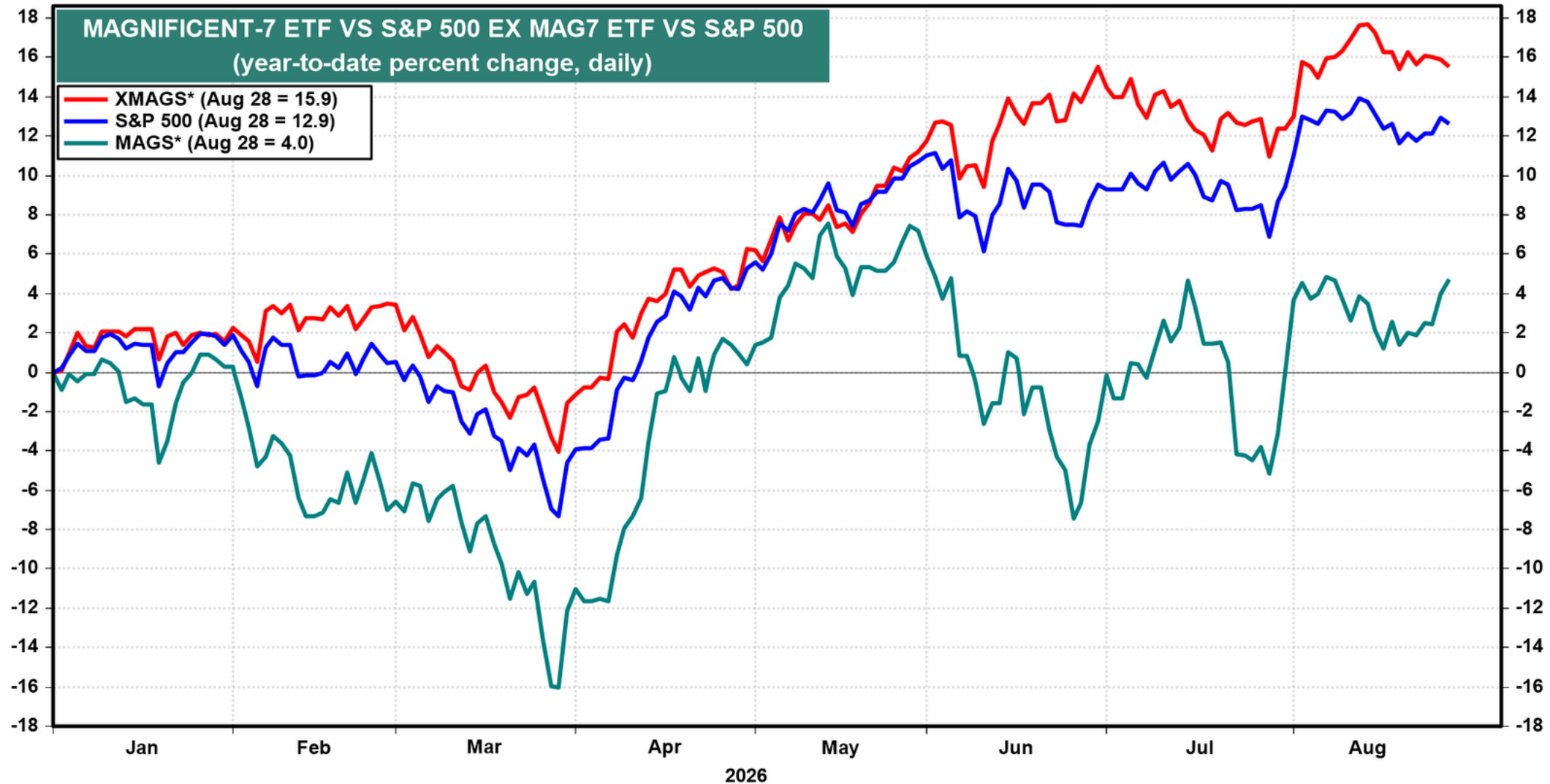
Market Update

3Q 2026



THE WEALTH GROUP
AUSTIN B. COLBY & ASSOCIATES

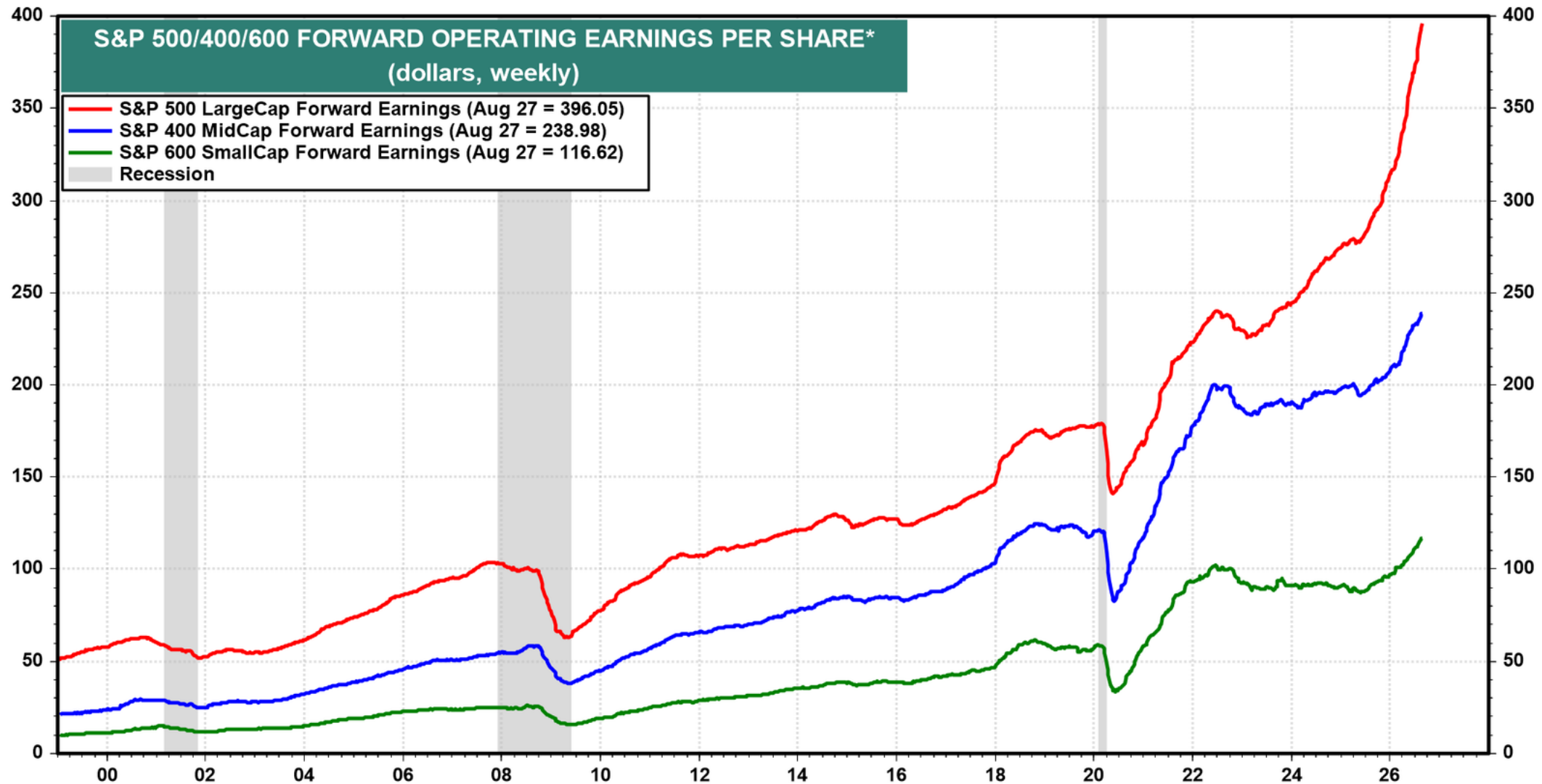
a strong market despite MAG7 struggles



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.

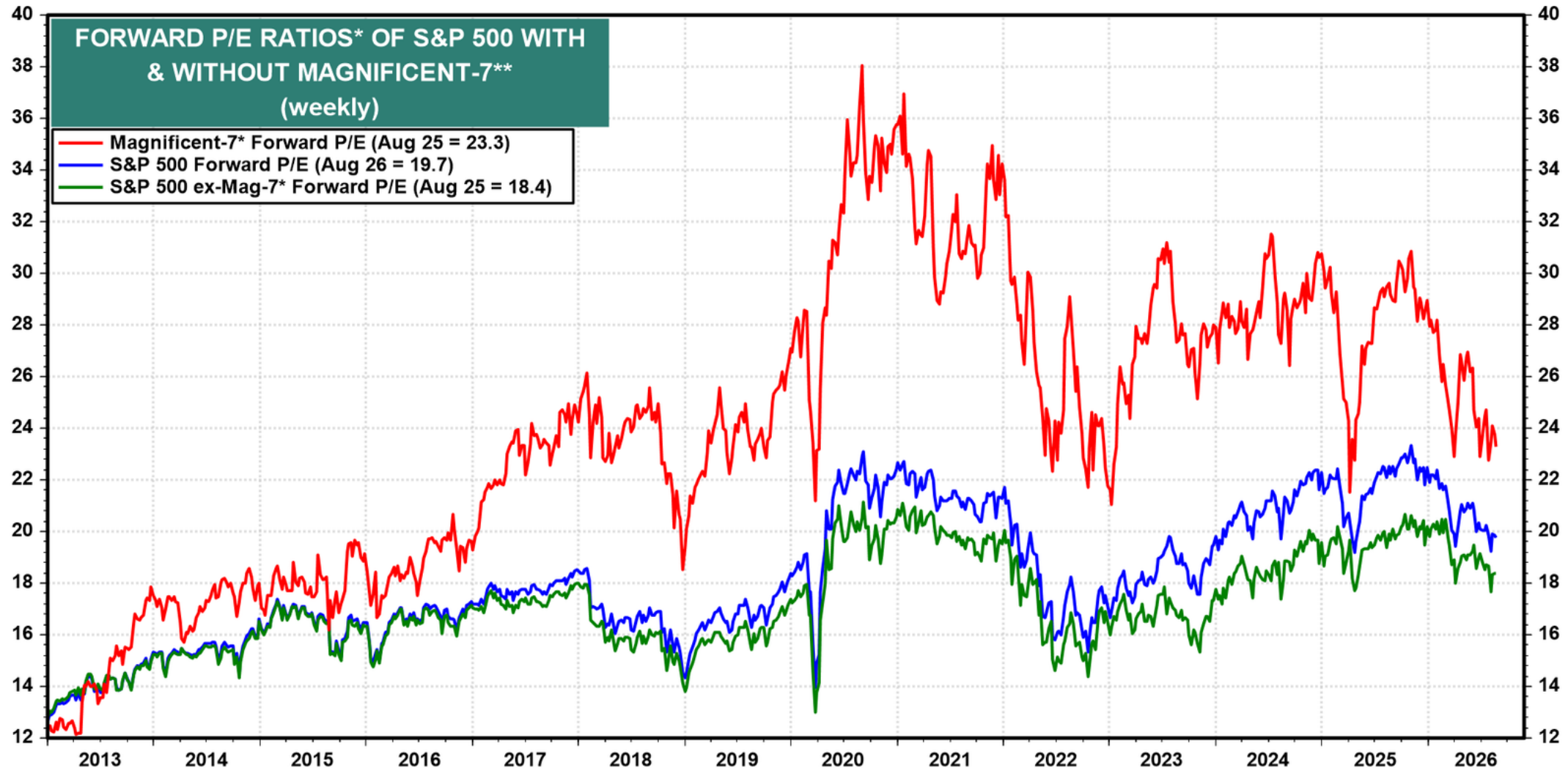
rising earnings are the market's big story



Source: LSEG Datastream and © Yardeni Research.

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

reasonable valuations on stocks



Source: LSEG Datastream, © Yardeni Research. IBES.

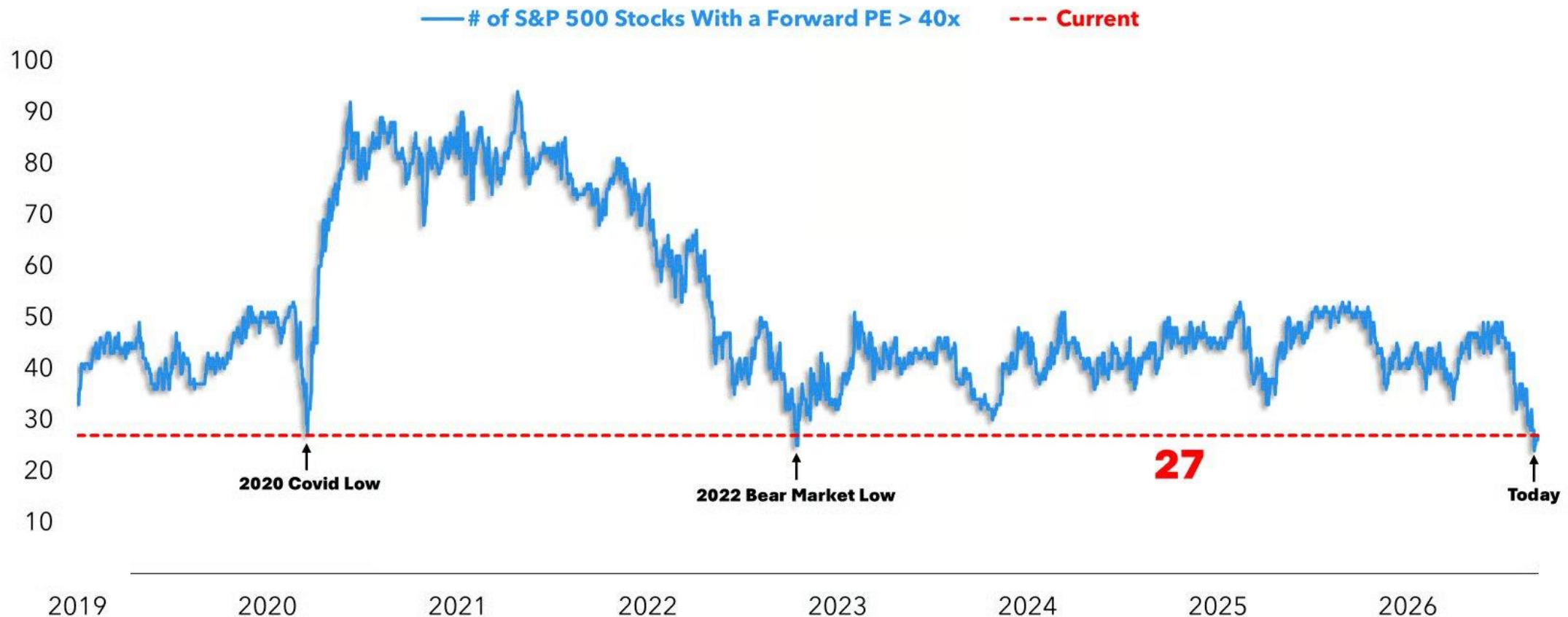
* Price divided by consensus forward earnings forecast

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

Where's The Speculation?

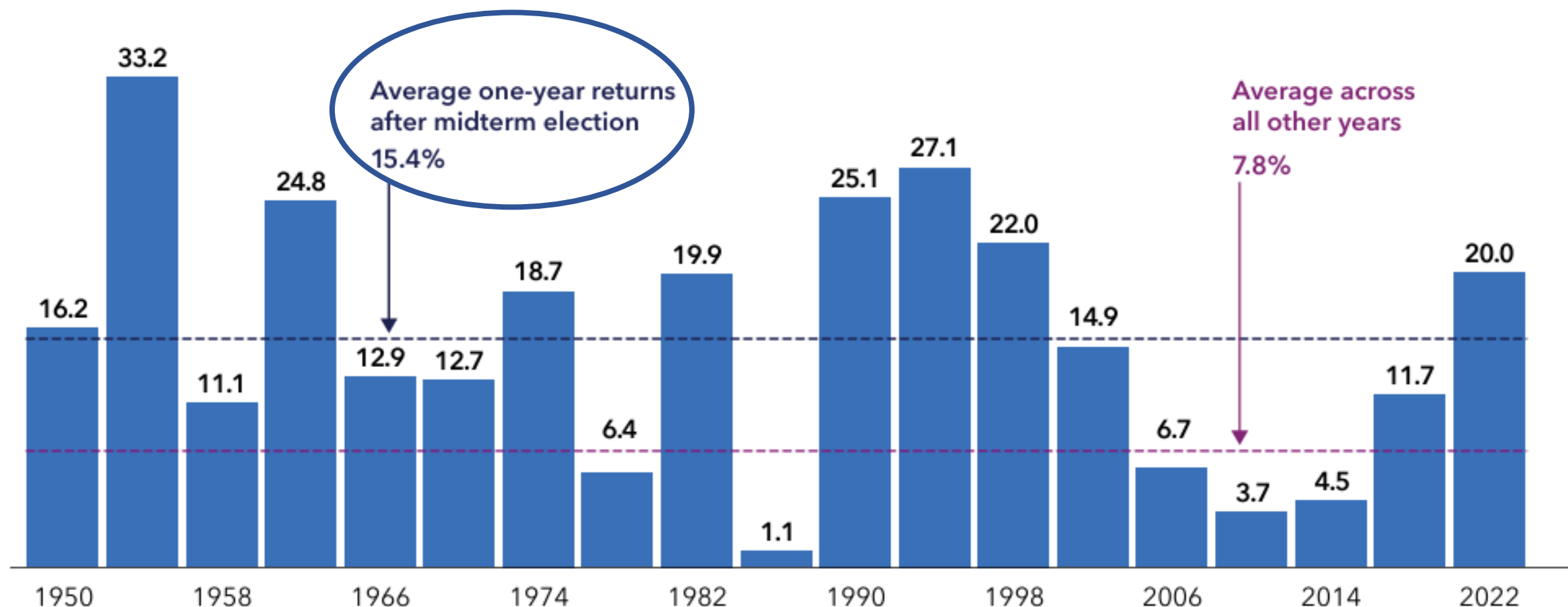
of S&P 500 Stocks With a Forward PE > 40x

Since 2019.



strong returns after midterm elections

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

S&P 500 Index

— All-time high

10,000

Since 1950, the S&P 500 Index has reached

1,530 new all-time highs

After reaching new highs, the S&P 500 was higher one year later **72%** of the time, with an average return of **16%**

1,000

100

10

1950

1960

1970

1980

1990

2000

2010

2020

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.

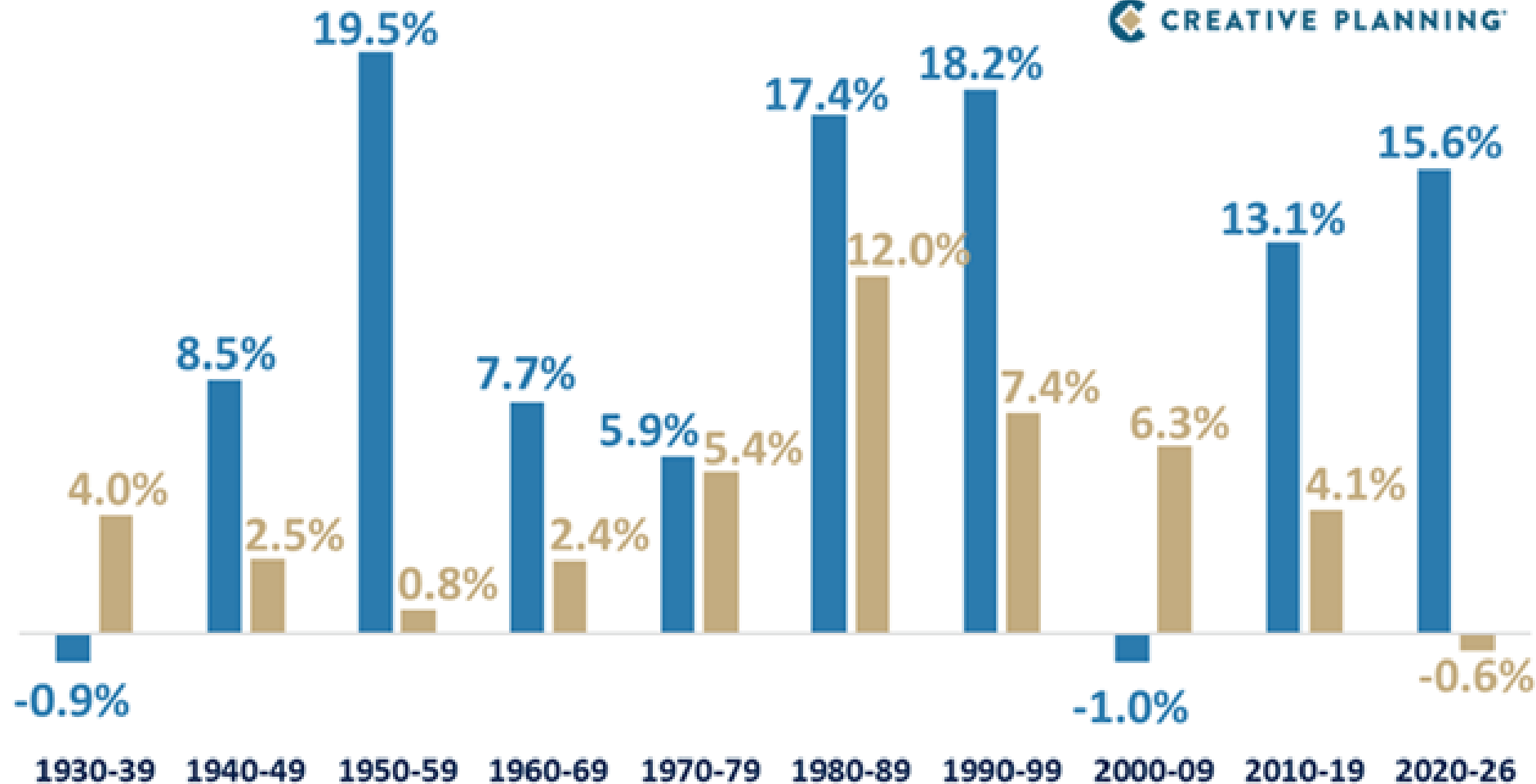
Annualized Total Returns by Decade

(Data Sources: NYU.edu, YCharts - 1930 - 2026 - As of 6/30/26)

■ Stocks (S&P 500) ■ Bonds (10-Year Treasury)

@CharlieBilello

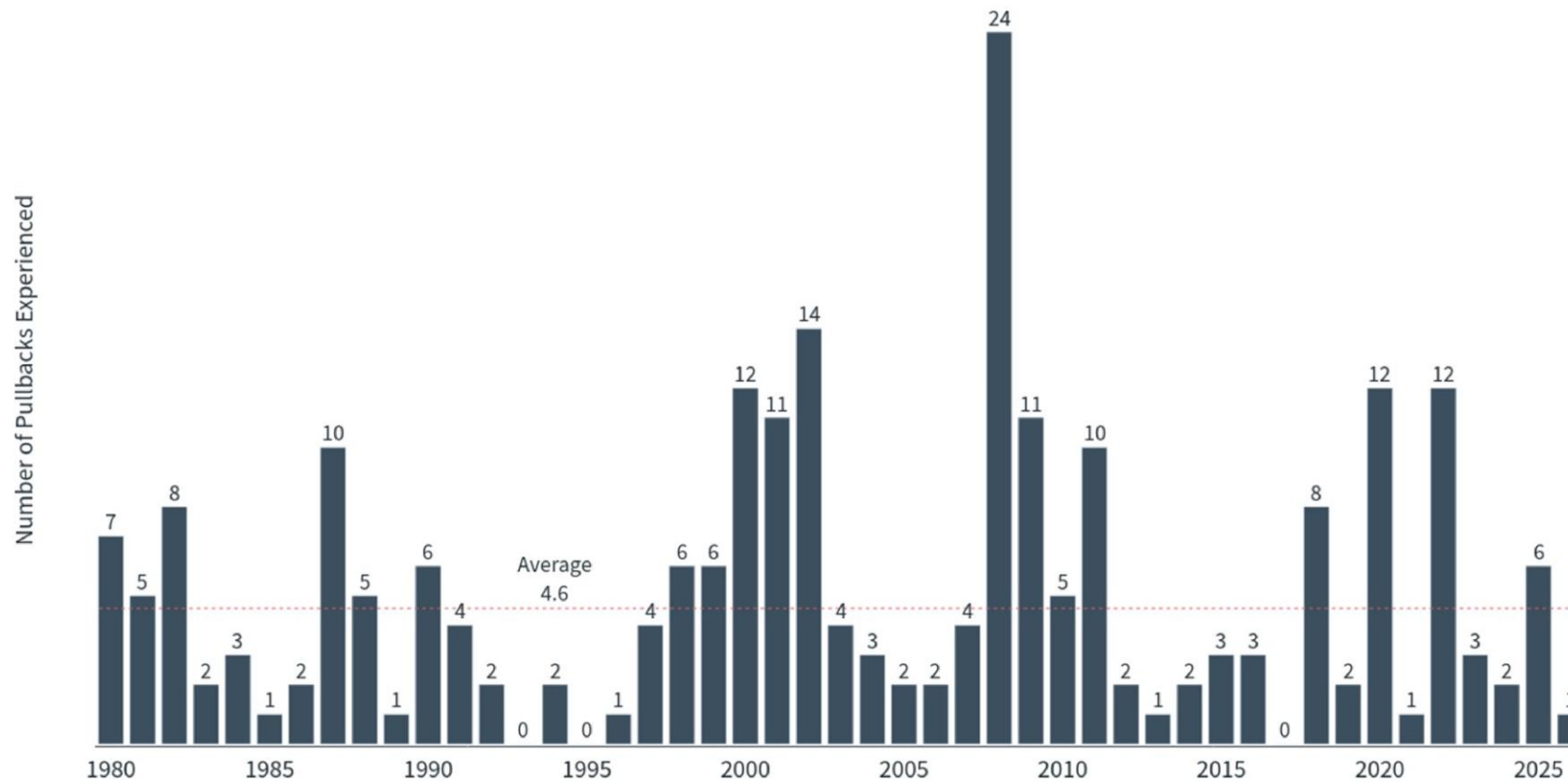
CREATIVE PLANNING



pullbacks of 5% happen on average 4.6 times per year

Stock Market Pullbacks

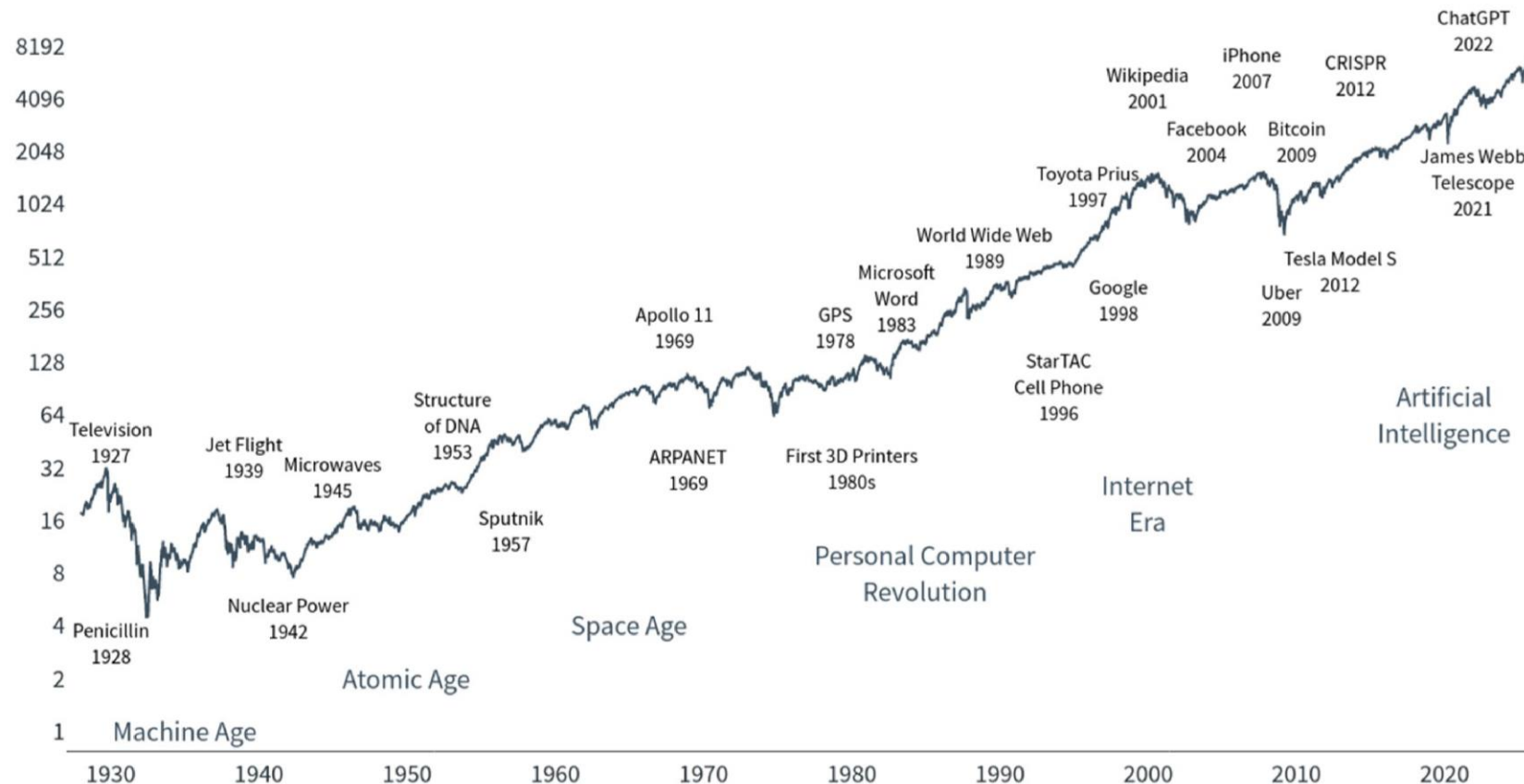
The Number Of 5% S&P 500 Pullbacks Experienced By Investors Each Year



Latest data point is Mar 31, 2026

the innovation keeps coming, the market keeps climbing

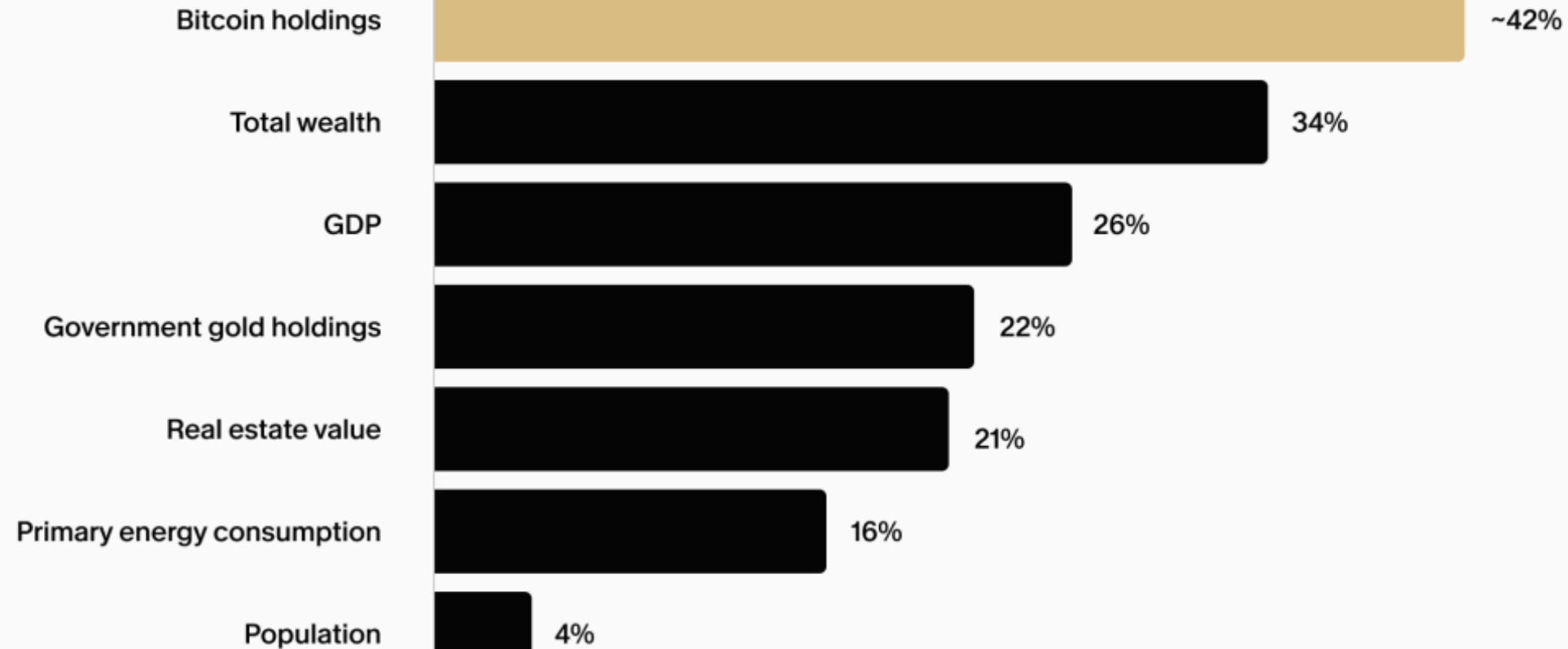
The Stock Market And Technological Innovation S&P 500 Index Since 1928 And Select Innovations (Log Scale)



Latest data point is Mar 31, 2026



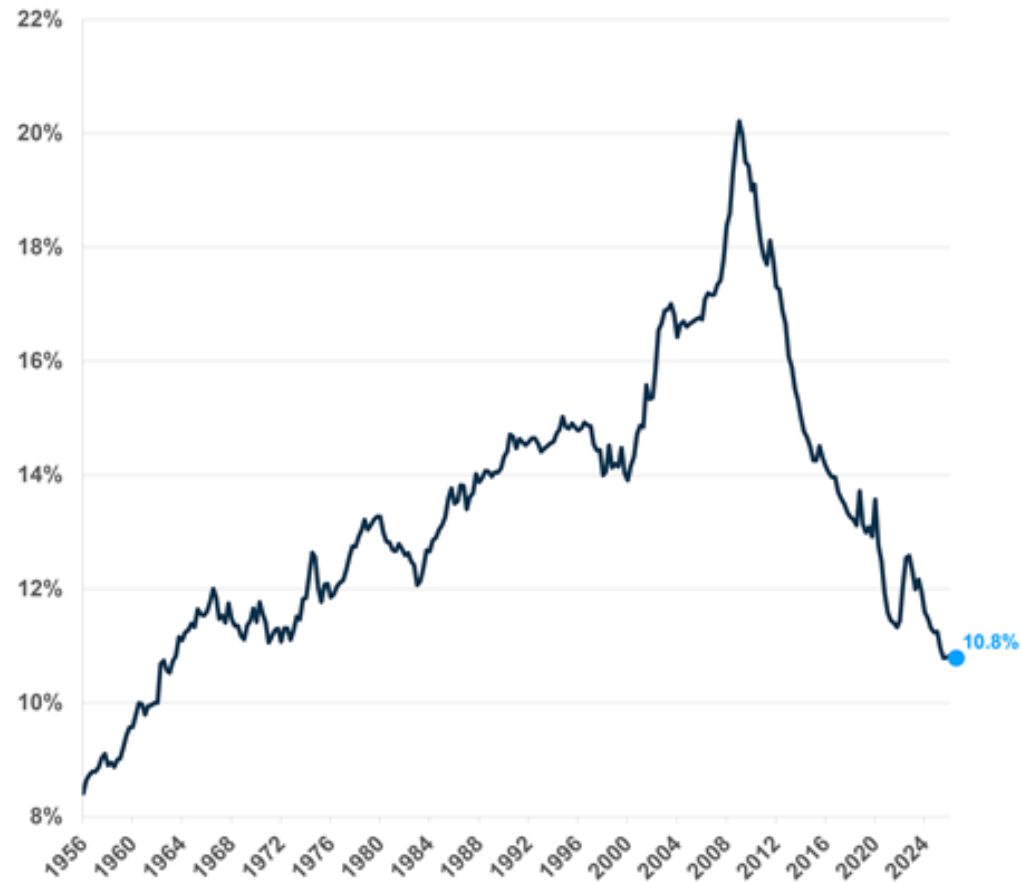
America's share of global...



American households carry low total debt

Household leverage is back down to early-1960s lows*

Household Liabilities
As Percent of Total Assets



Data source: Carson Investment Research, Federal Reserve 08/24/2026

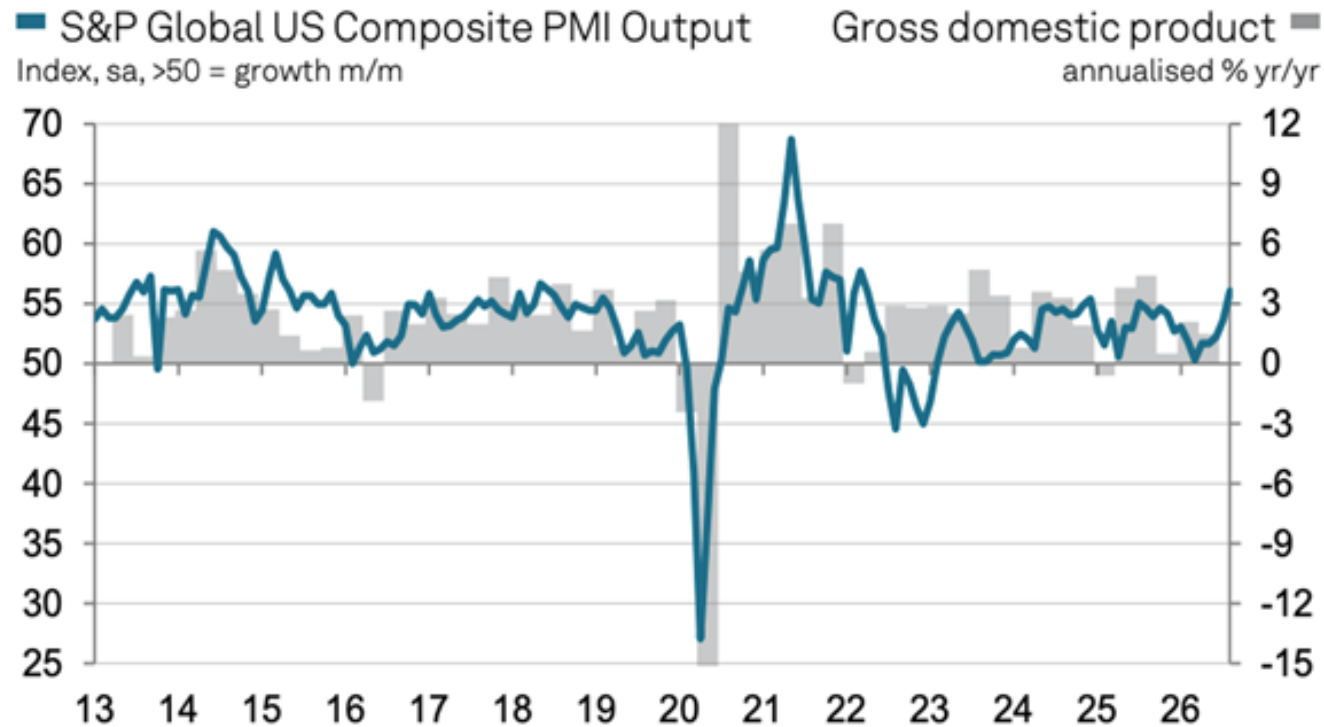
@sonusvarghese

*Liabilities as a percent of total assets. Apart from 2025 Q4, the last quarter with a lower reading was 1963 Q2



strongest growth since 2022

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.

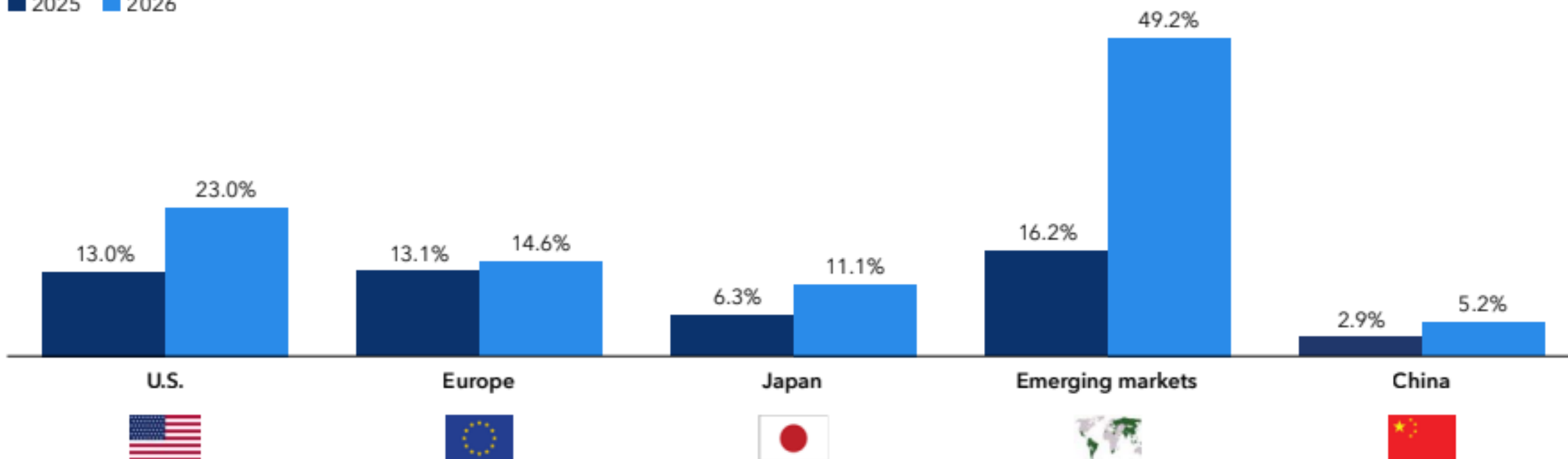
©2026 S&P Global.

Robust earnings growth may fuel stock market gains

Earnings growth is expected to rise across several markets

Estimated annual earnings growth across select global benchmarks

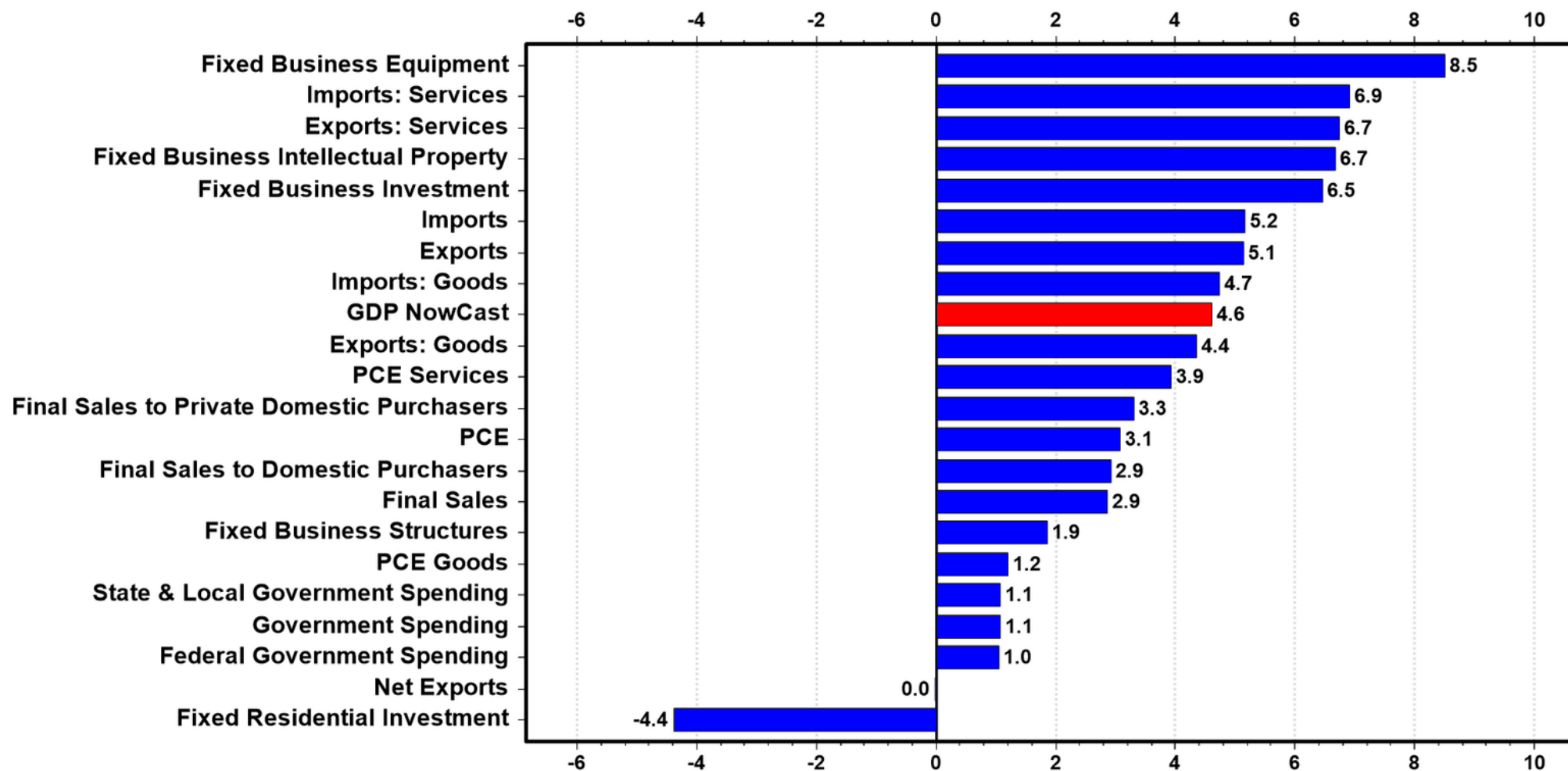
■ 2025 ■ 2026



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

ATLANTA FED GDPNOW ESTIMATE FOR Q2 2026
(quarterly percent change, saar, August 26)

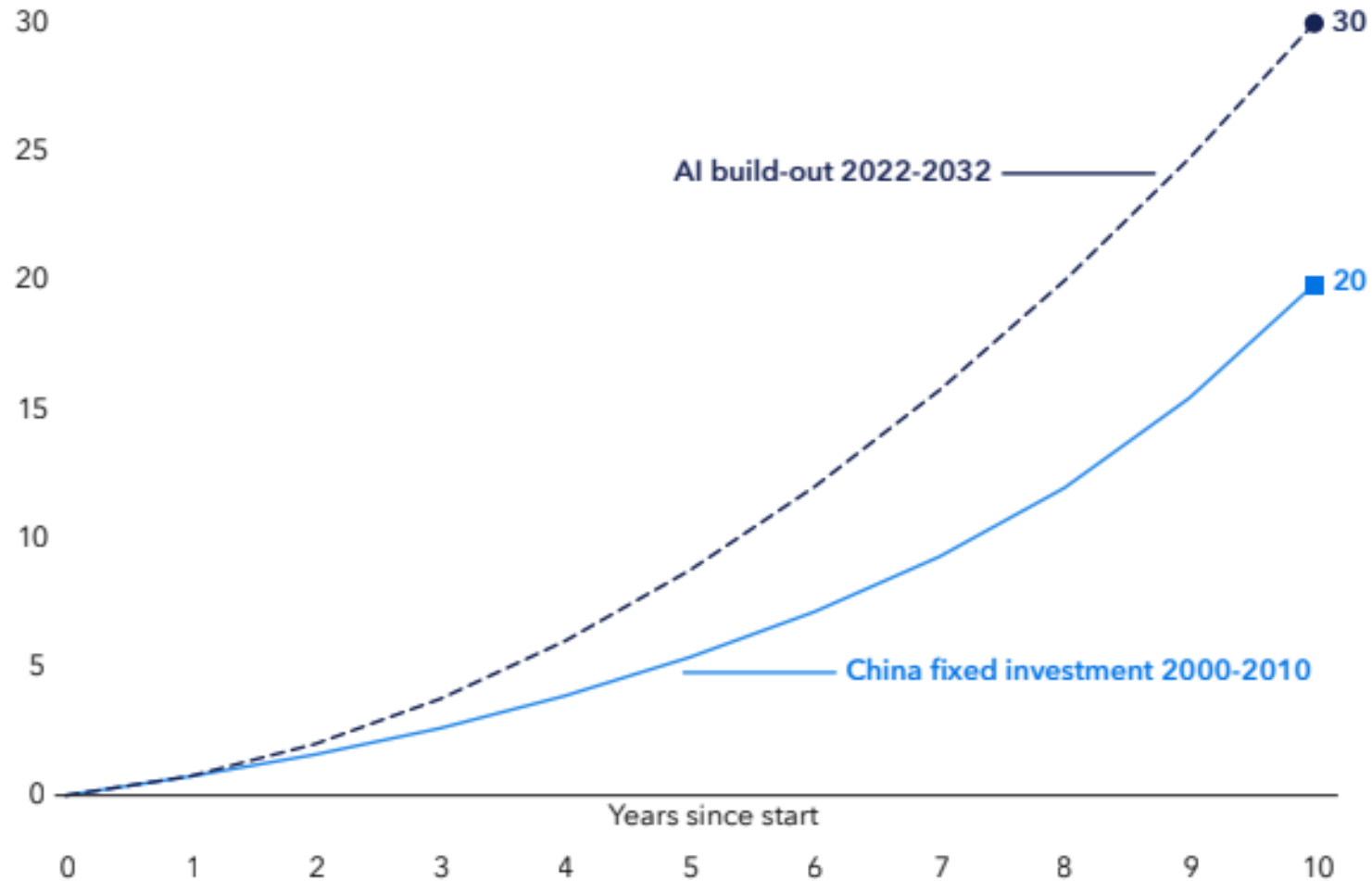


Source: LSEG Datastream and © Yardeni Research.

providing context on AI spending investment

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

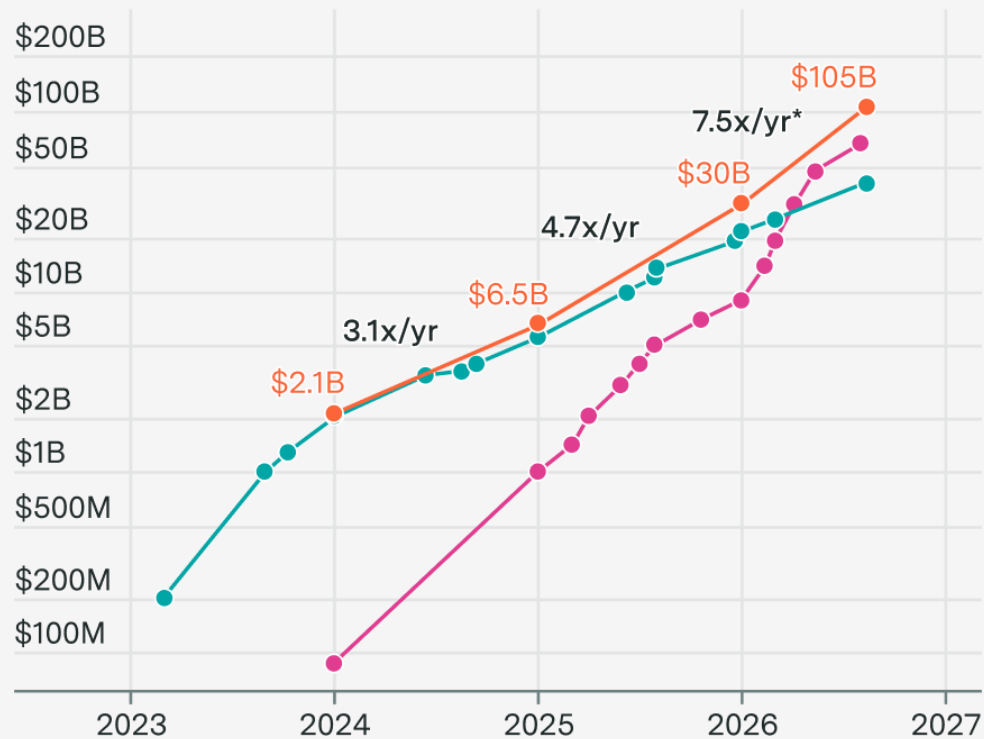
Cumulative investment (trillions inflation-adjusted USD)



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

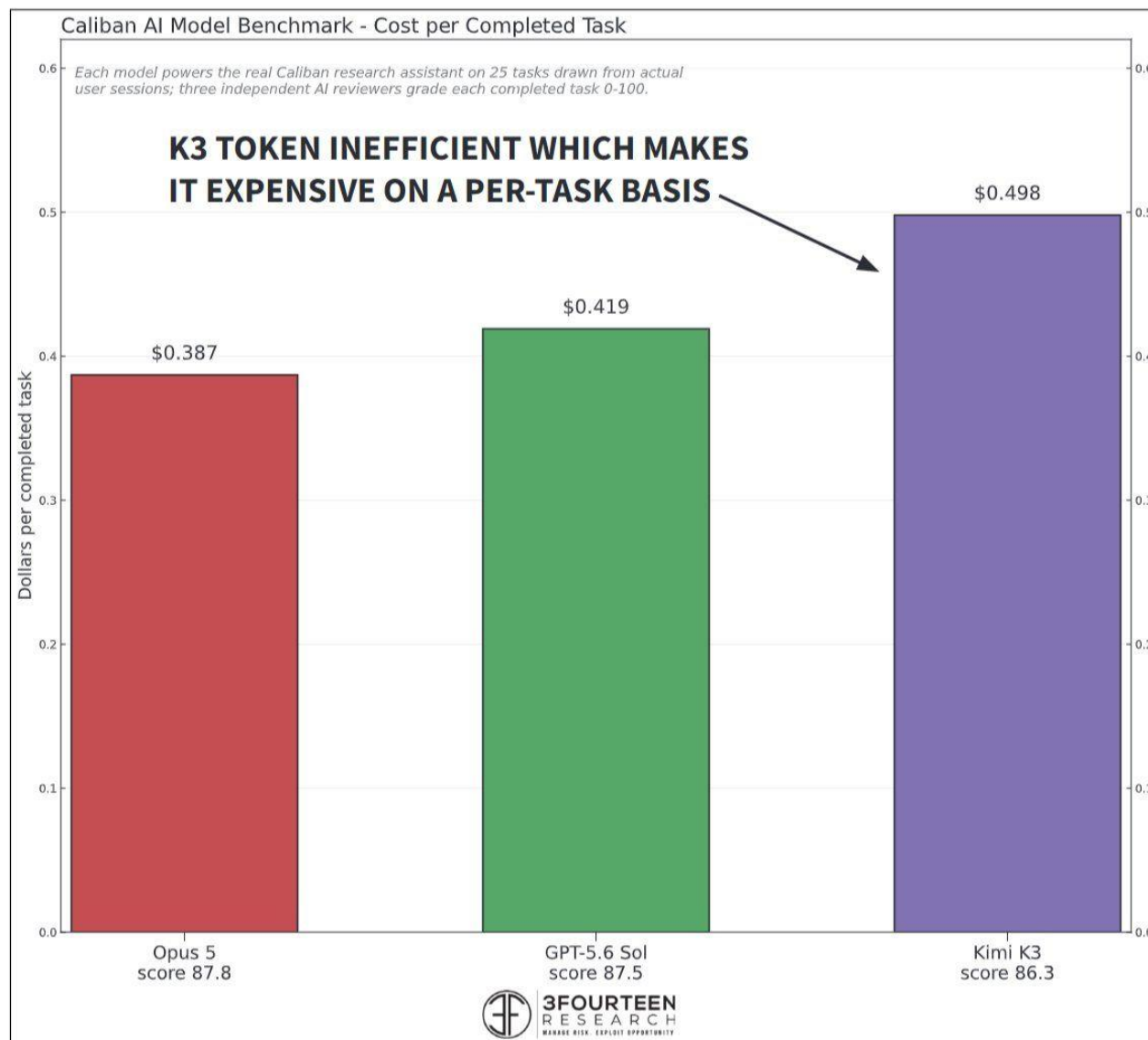
■ OpenAI ■ Anthropic ■ Combined

Annualized revenue (USD), log scale

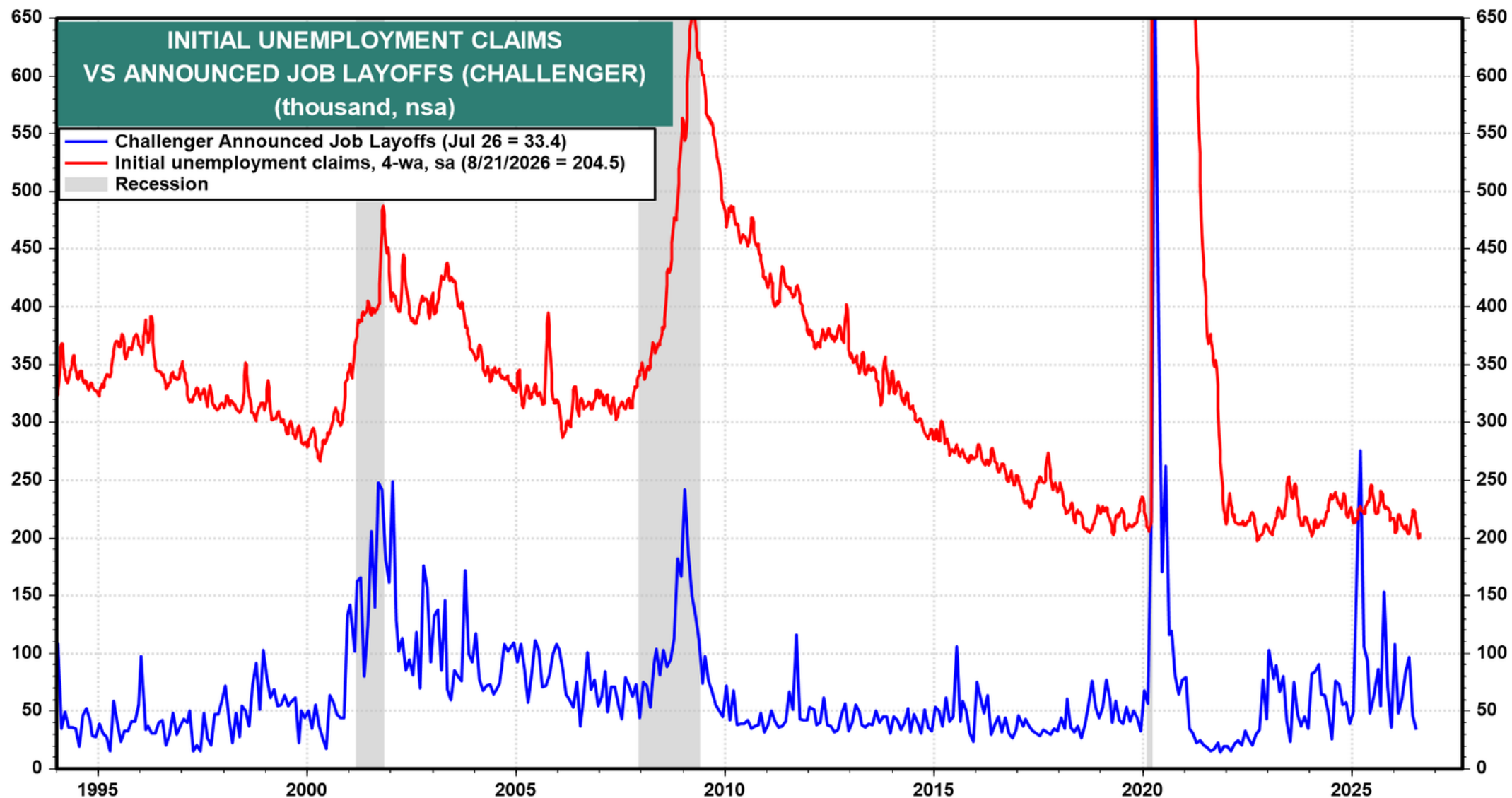


Combined = OpenAI + Anthropic at end-2023, end-2024, end-2025, and Aug 13, 2026 (latest reported values). *The 2026 growth rate is the implied annual growth if the pace so far continued, compounded, over the rest of the year. This is not a forecast. Excluded: Anthropic Oct 2023 \$100M (rounded) and OpenAI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

frontier models vs. open-source models

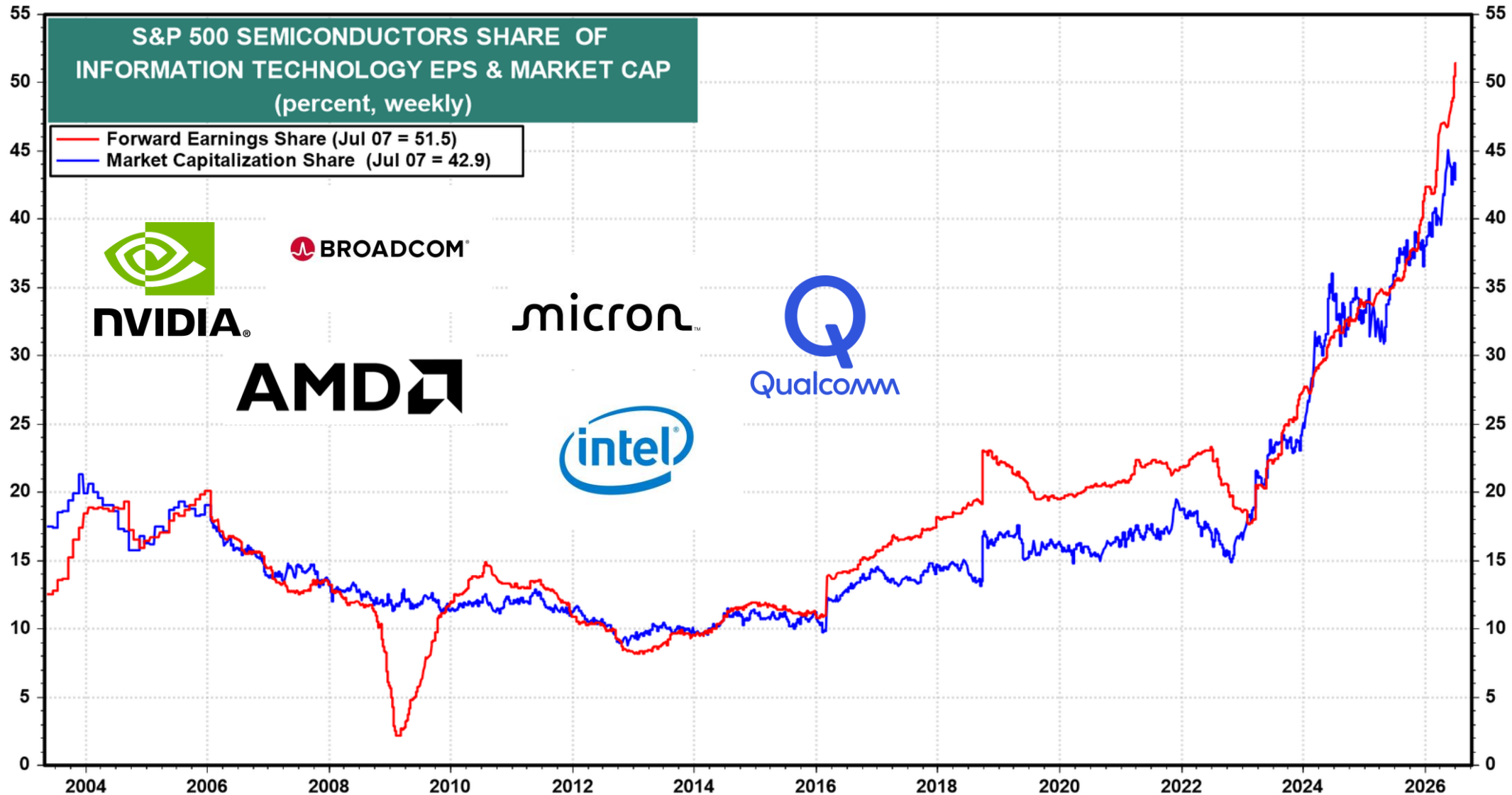


AI not yet causing job market worries



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

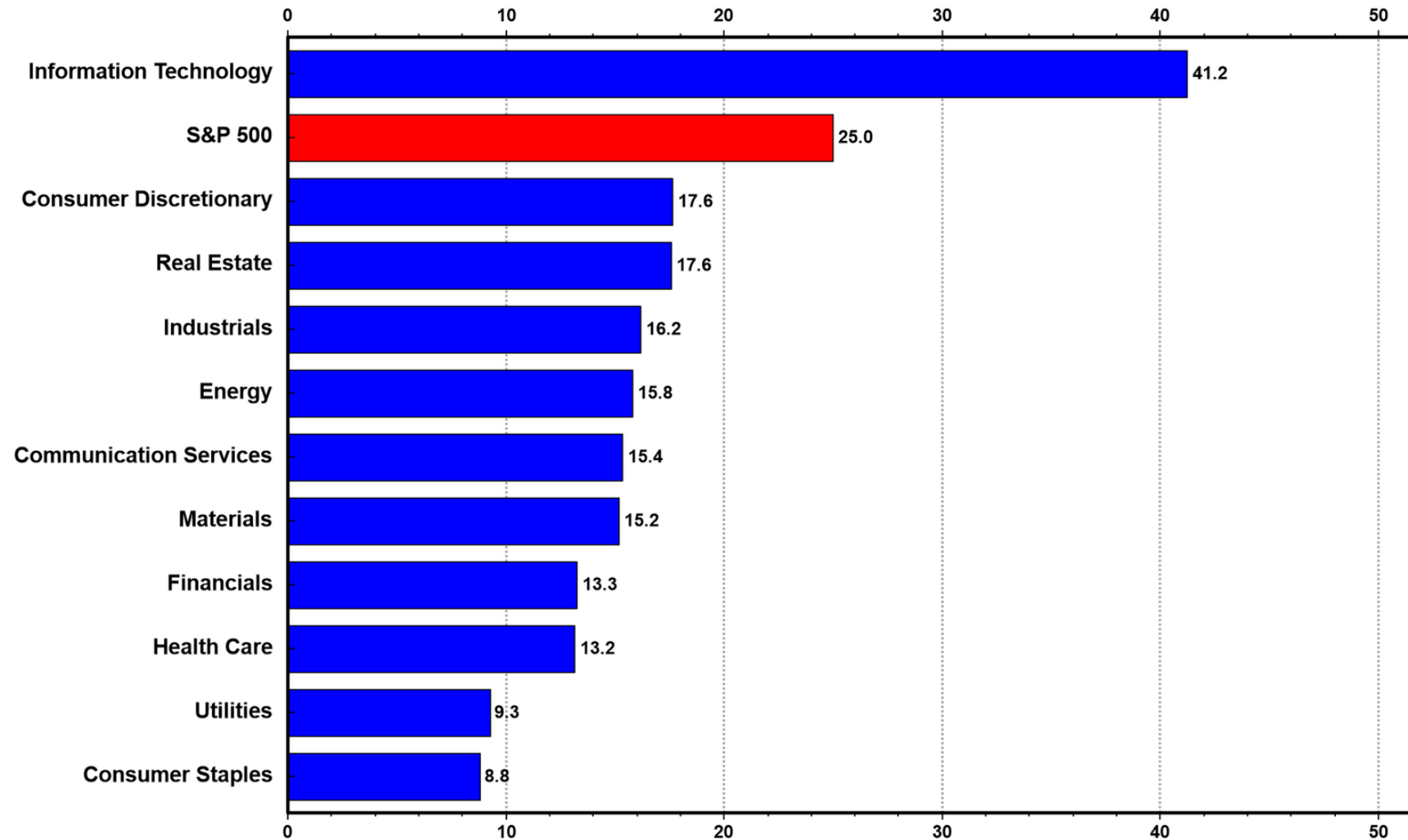
are semiconductor stocks a bubble?



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

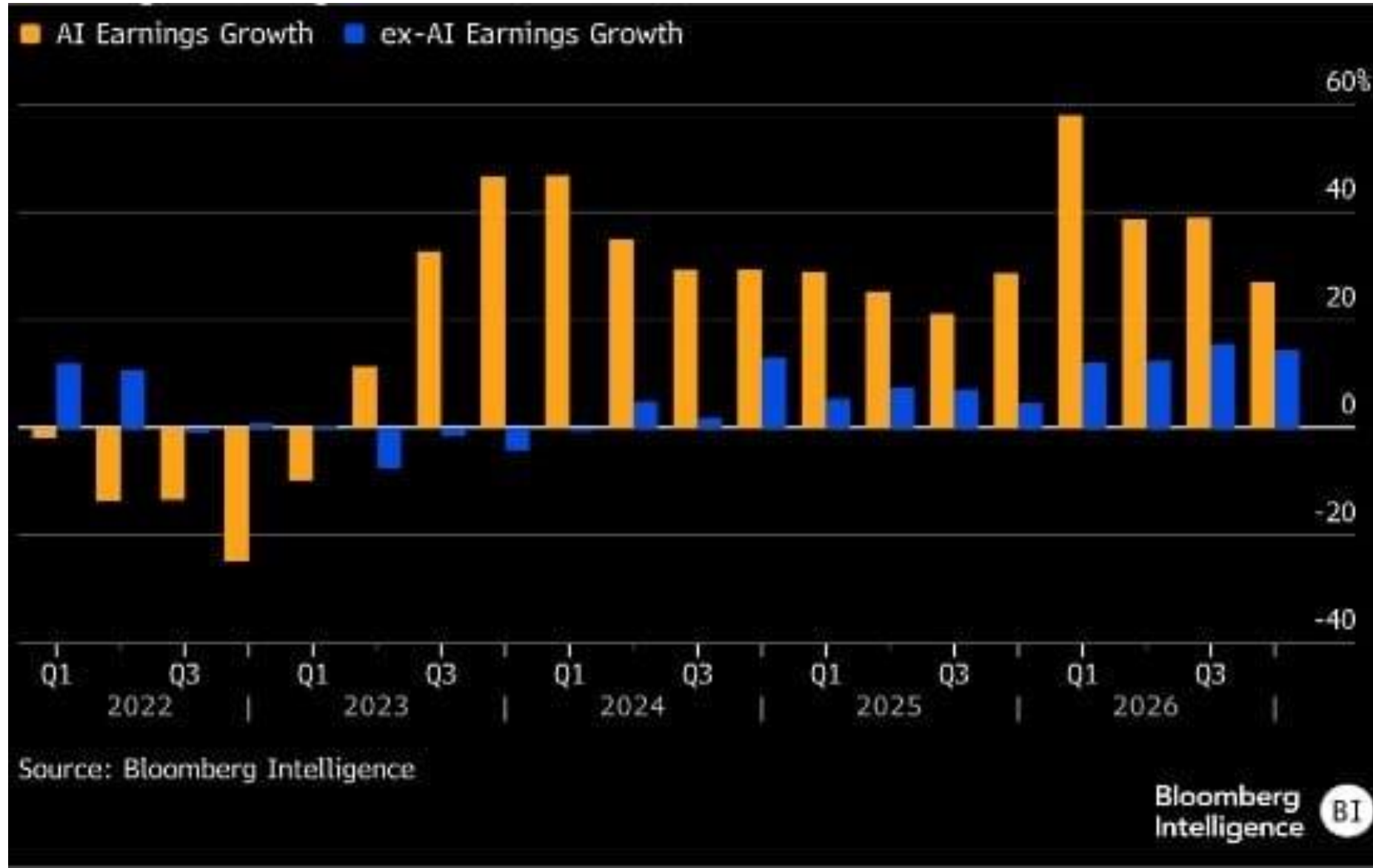
tech earnings still expected to surge

S&P 500 SECTORS LONG-TERM EARNINGS GROWTH
(Aug 21, 2026)

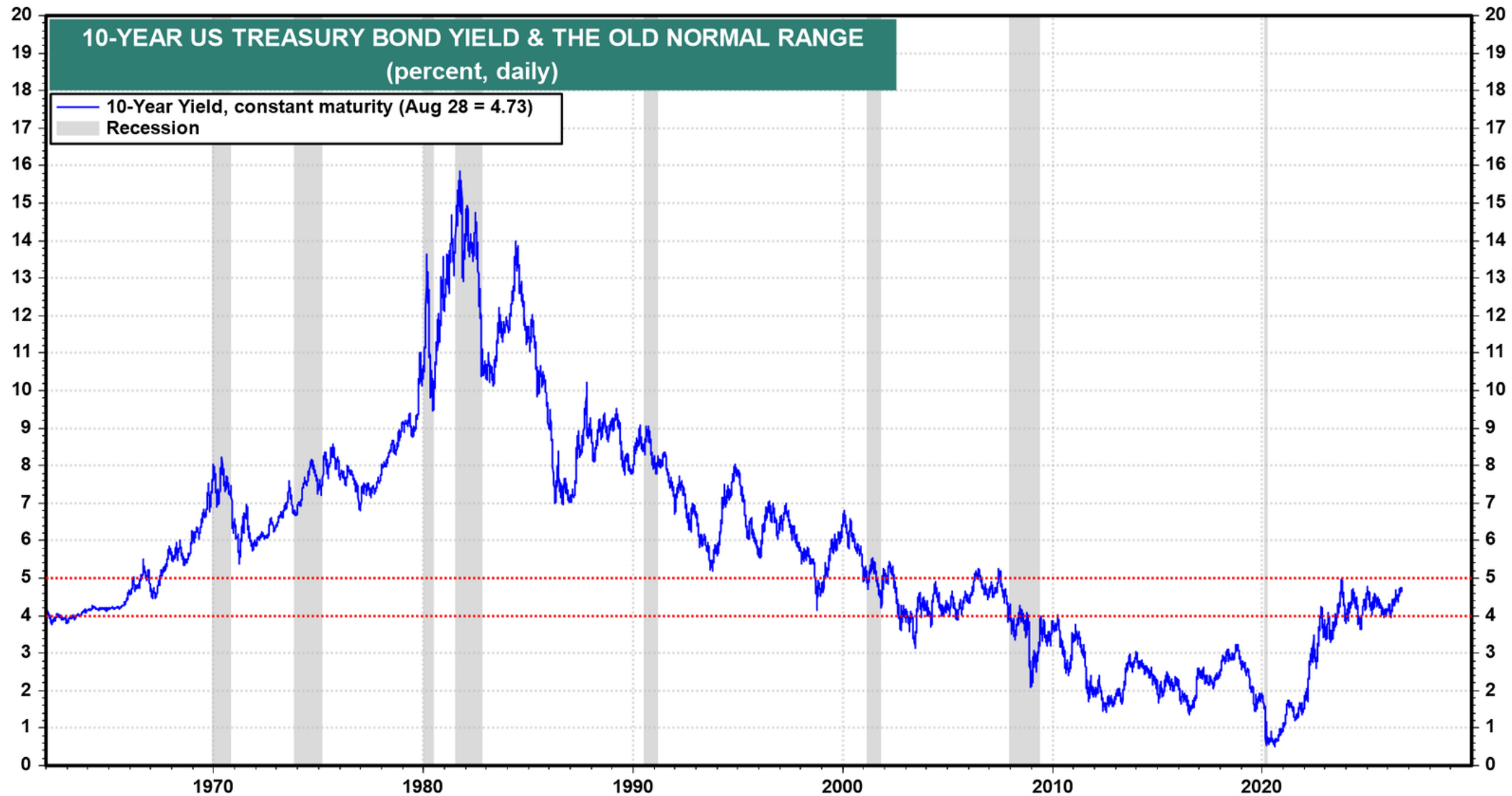


Source: LSEG Datastream and © Yardeni Research. Standard & Poor's.

non-AI companies are growing, too



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

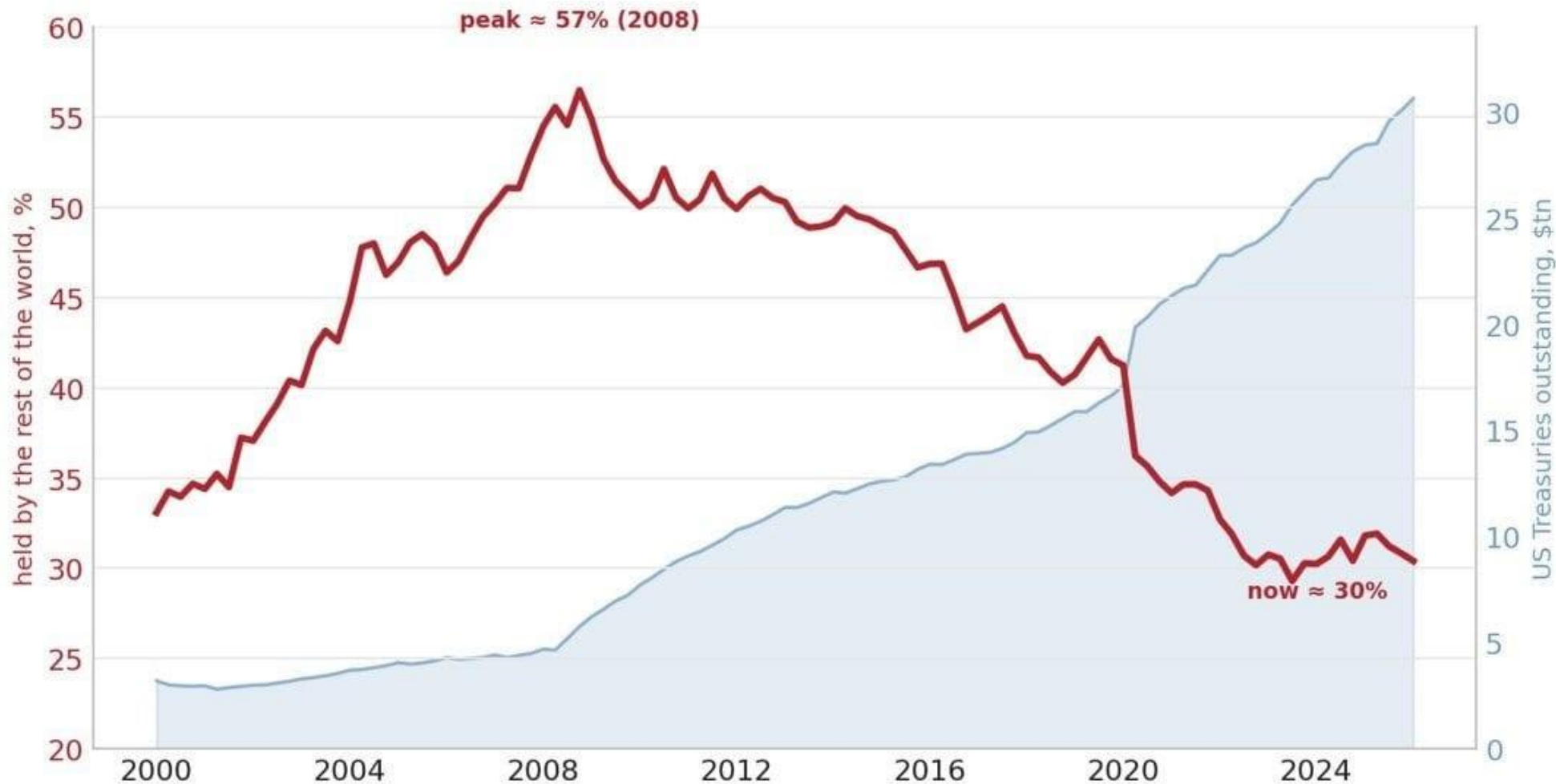


Source: LSEG Datastream and © Yardeni Research. Federal Reserve Board.

but debt worries are legitimate

The rest of the world funds a shrinking share of US debt

US Treasury securities: share held by the rest of the world (%), left) and total stock outstanding (\$tn, right)

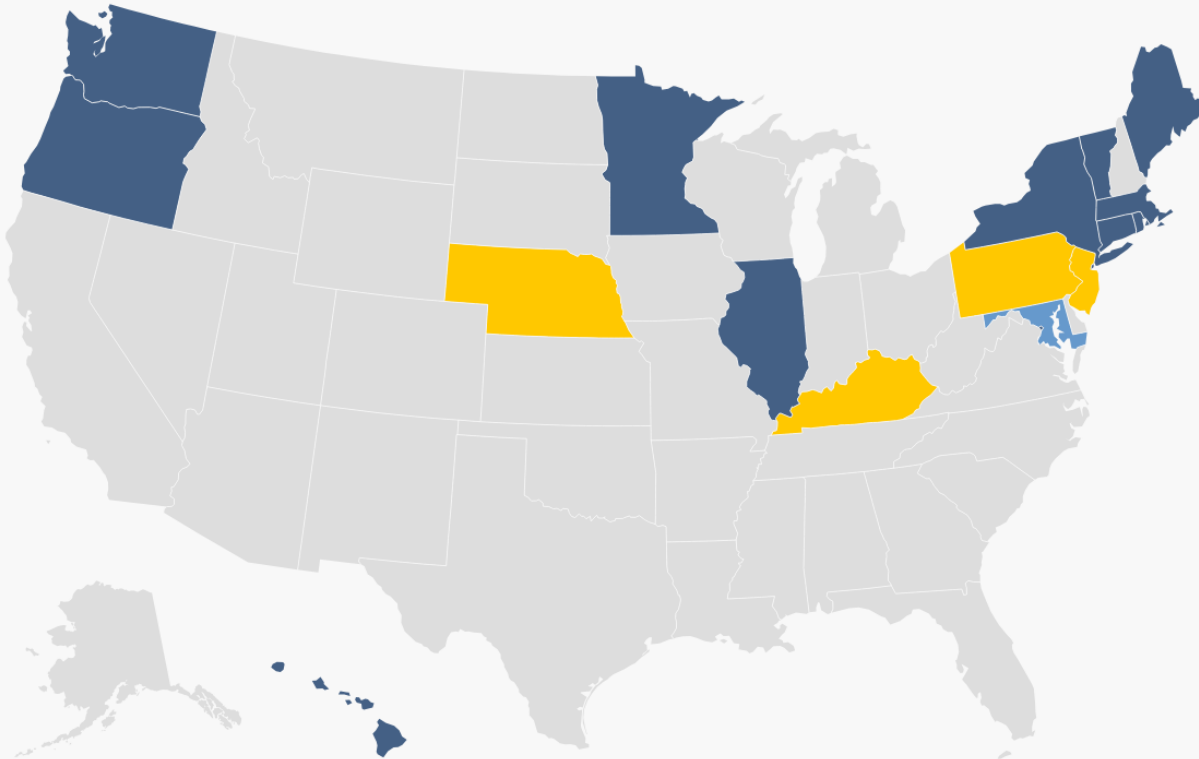


Source: Federal Reserve Z.1 via Haver Analytics (FFUNDS). Holdings by the rest of the world as a share of all US Treasury securities outstanding.

Minnesota: one of 12 states with estate taxes

State Estate & Inheritance Tax Rates and Exemptions as of October 1, 2025

■ State Has an Estate Tax ■ State Has an Inheritance Tax
■ State Has Both an Estate Tax & an Inheritance Tax



Source: Bloomberg Tax; state statutes.

- *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%.*