1H 2026 in Review

James H. Lee, CFA®, CMT®, CFP®

Data as of: 7/1/2026

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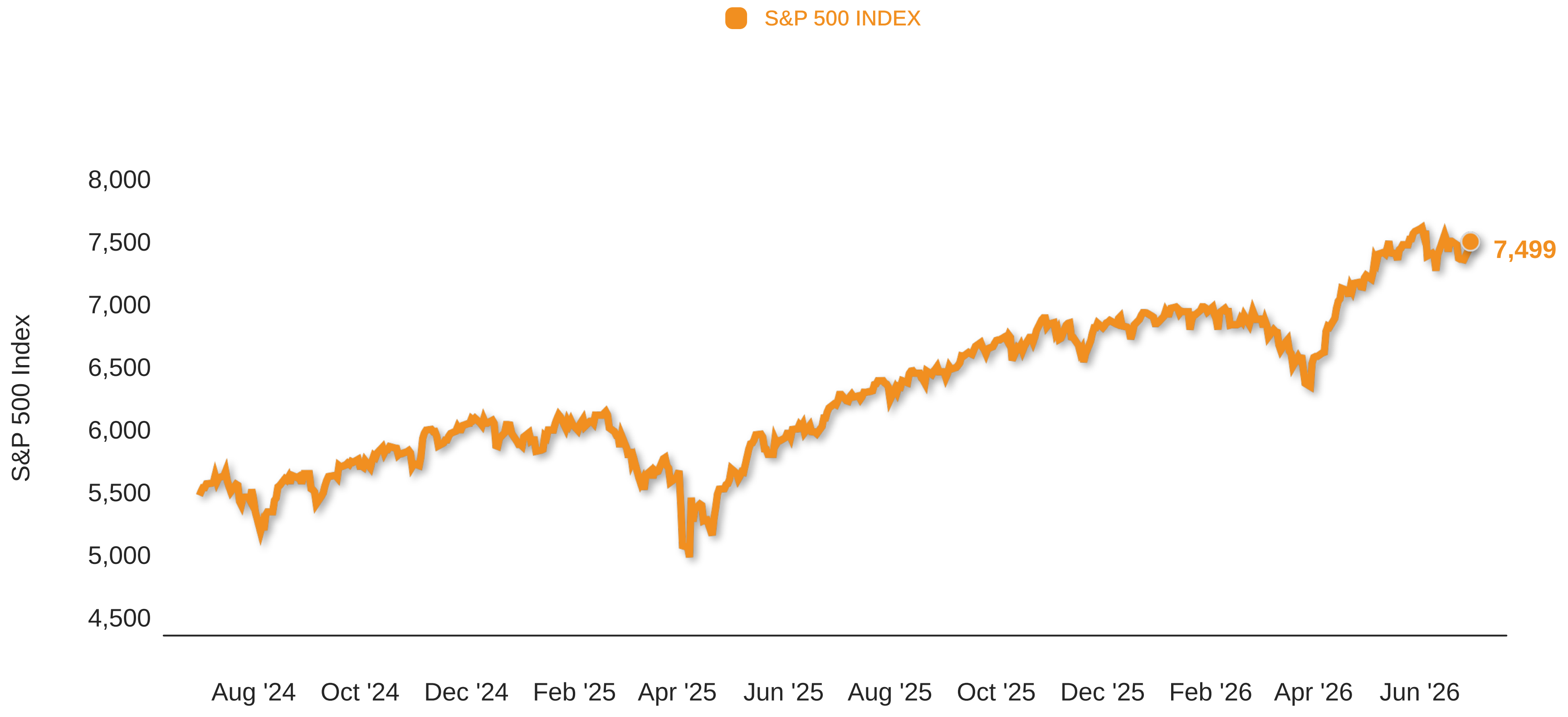
A Short-Term View Of Stocks

S&P 500 Index Over The Short-Term

Past 2 Years



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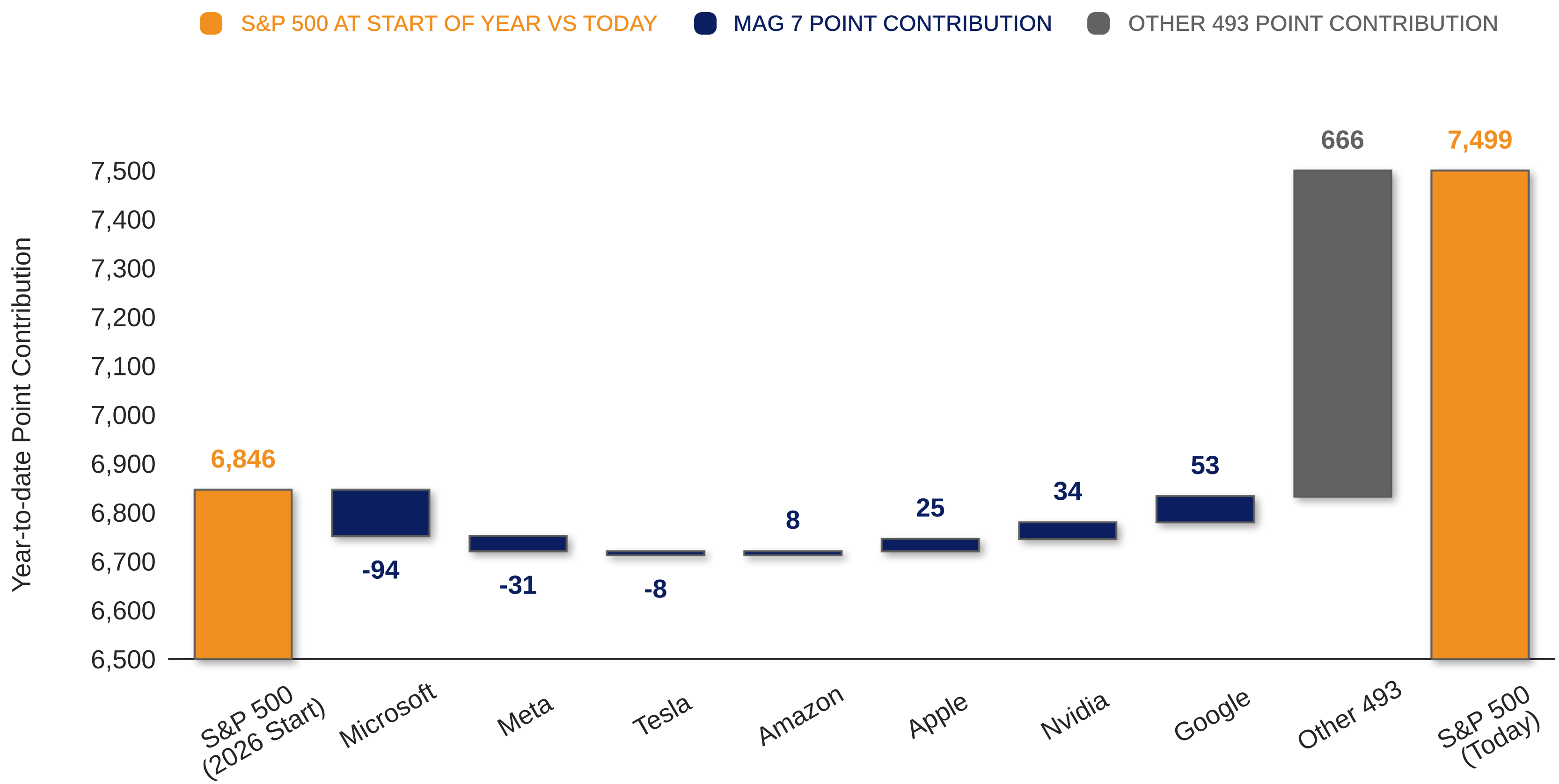
Illustrating the Mag 7's Outsized Impact on the S&P 500

Mag 7 vs "Other 493" Contribution (in Points) to S&P 500 YTD Price Change

Year-to-date 2026



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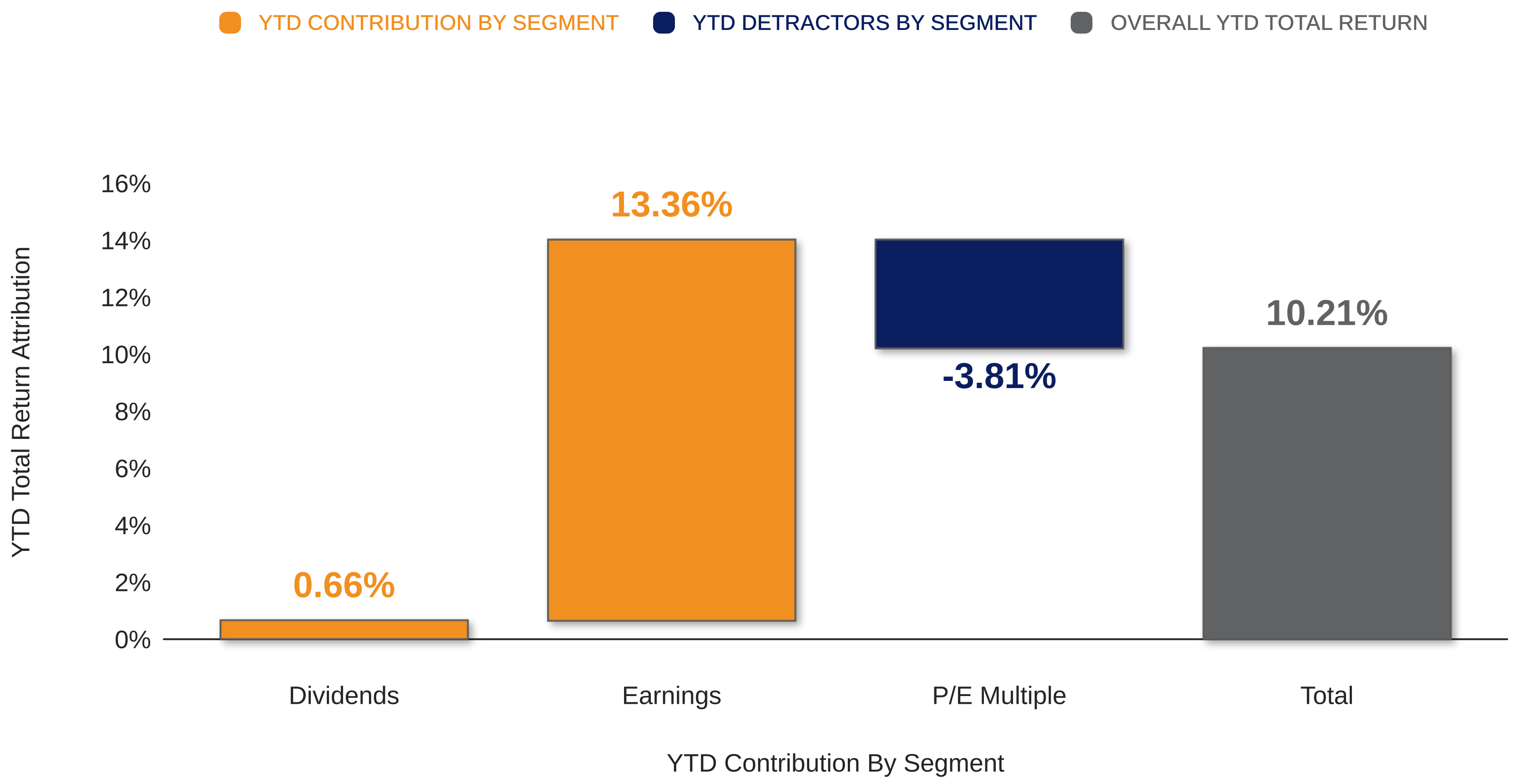
Where Are Equity Returns Coming From In 2026?

S&P 500 YTD Total Return Broken Down By Contribution From Earnings, P/E Multiple, and Dividends

Year-to-date 2026



Source: © Exhibit A, FactSet Research Systems Inc., Standard & Poor's | Latest: 2026-06-30

 Definitions & Methodology: The S&P 500 tracks the performance of 500 large-cap U.S. companies, serving as a benchmark for the U.S. stock market. The index is market cap weighted. Total return reflects price changes plus reinvested dividends. Year-to-date return attribution is broken into three components: earnings growth, which captures the impact of changes in trailing twelve-month earnings; P/E multiple expansion, which measures the effect of changes in the S&P 500's trailing 12-month price-to-earnings ratio; and dividends, which represent the return contribution from dividends paid.

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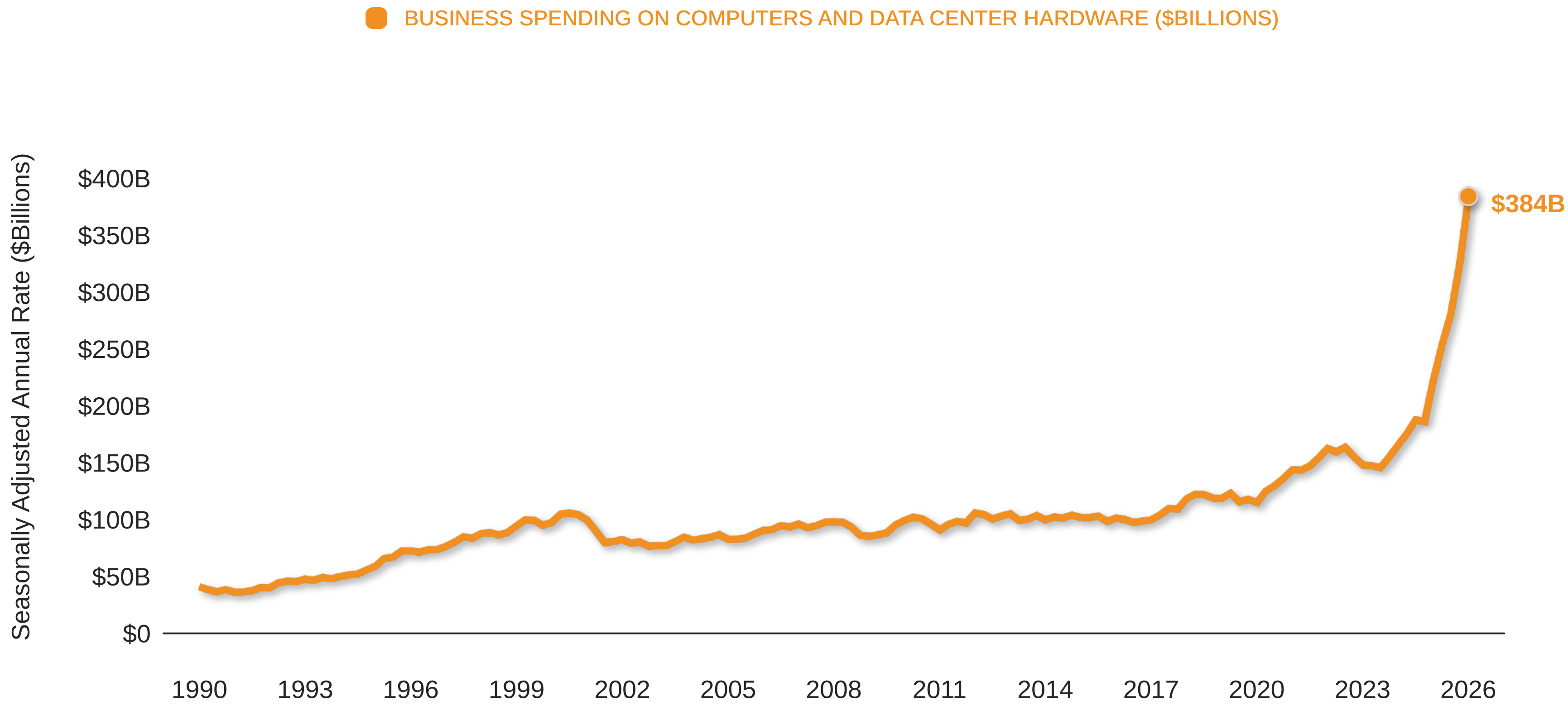
AI Spending Is Real, Not Just Hype

Business Spending On Computers And Data Center Hardware

Since 1990



Source: © Exhibit A, U.S. Bureau of Economic Analysis via FRED | Latest: 2026-01-01

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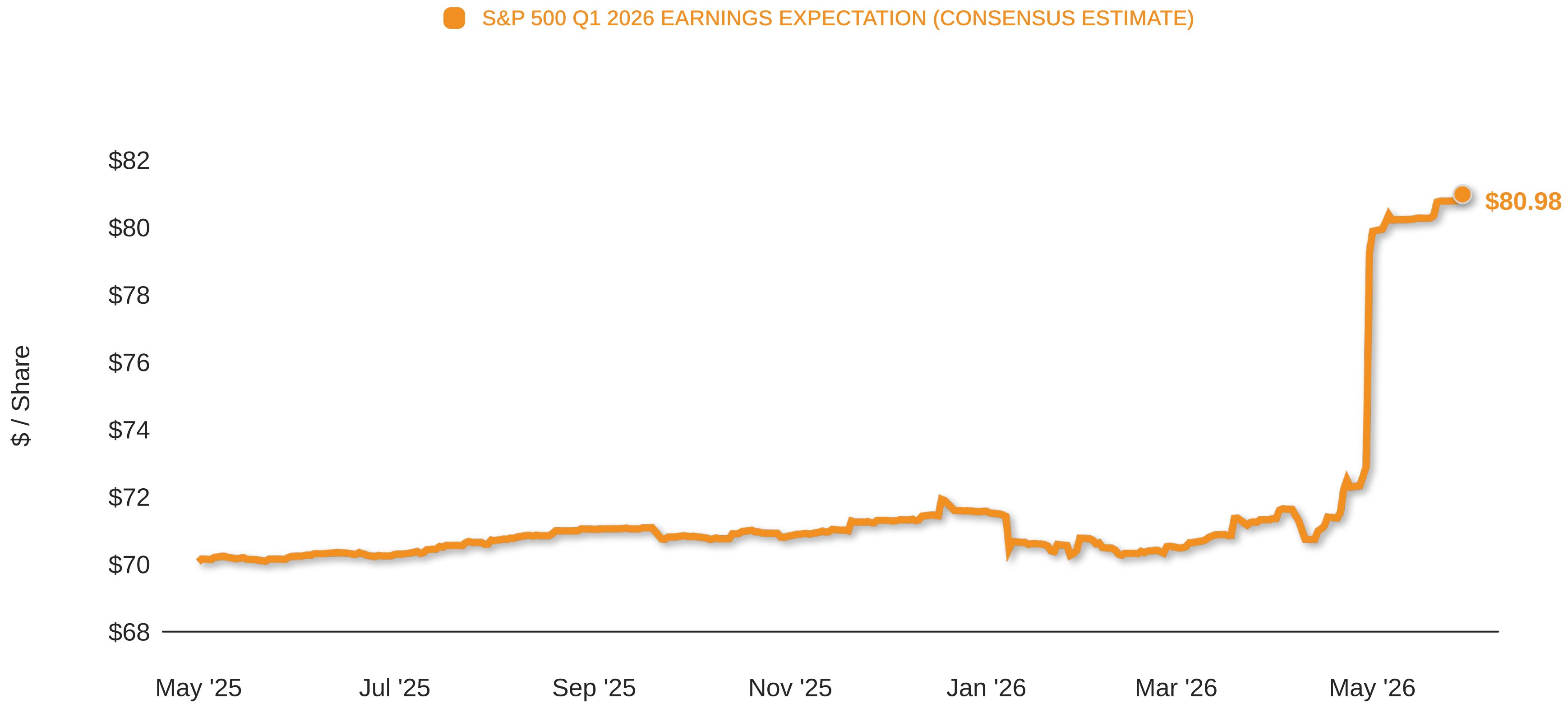
Strong Earnings Growth Has Supported Stocks

S&P 500 Q1 2026 Earnings Expectation (Consensus Estimate)

Since May, 2025



Source: © Exhibit A, FactSet Research Systems Inc., Standard & Poor's | Latest: 2026-05-29

 Definitions & Methodology: The chart shows the bottom-up consensus Q1 2026 earnings per share (EPS) estimate for the S&P 500, compiled by FactSet from sell-side analyst forecasts and updated as estimates are revised. The latest datapoint reflects the most recent consensus as of the previous trading day's close.

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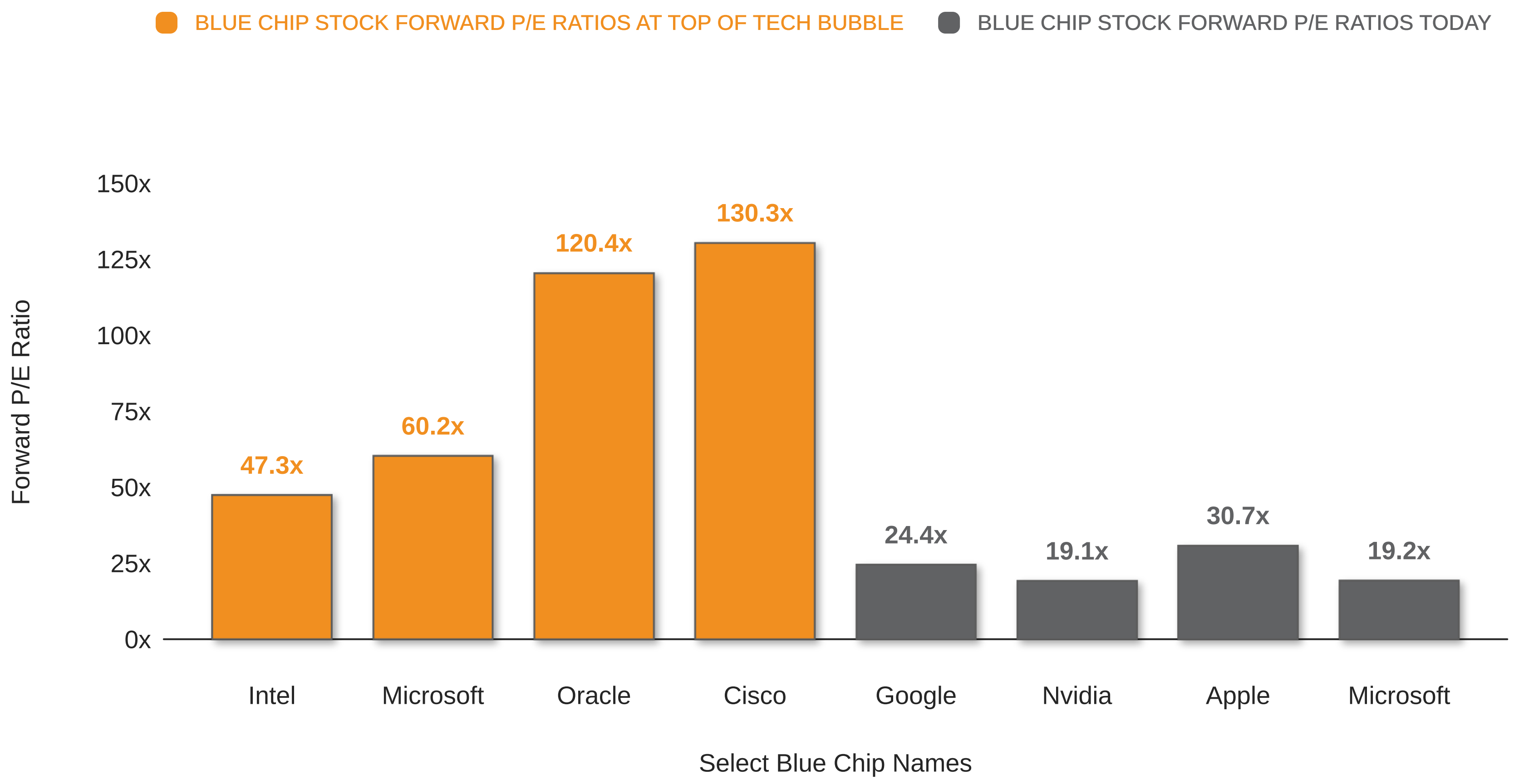
Are We In A Bubble? Valuations In Dotcom Bubble vs Today

Forward P/E Ratios For Blue Chip Stocks in Dotcom Bubble vs Today.

Dotcom Peak = 3/24/2000.



Source: © Exhibit A, FactSet Research Systems Inc. | Latest: 2026-06-30

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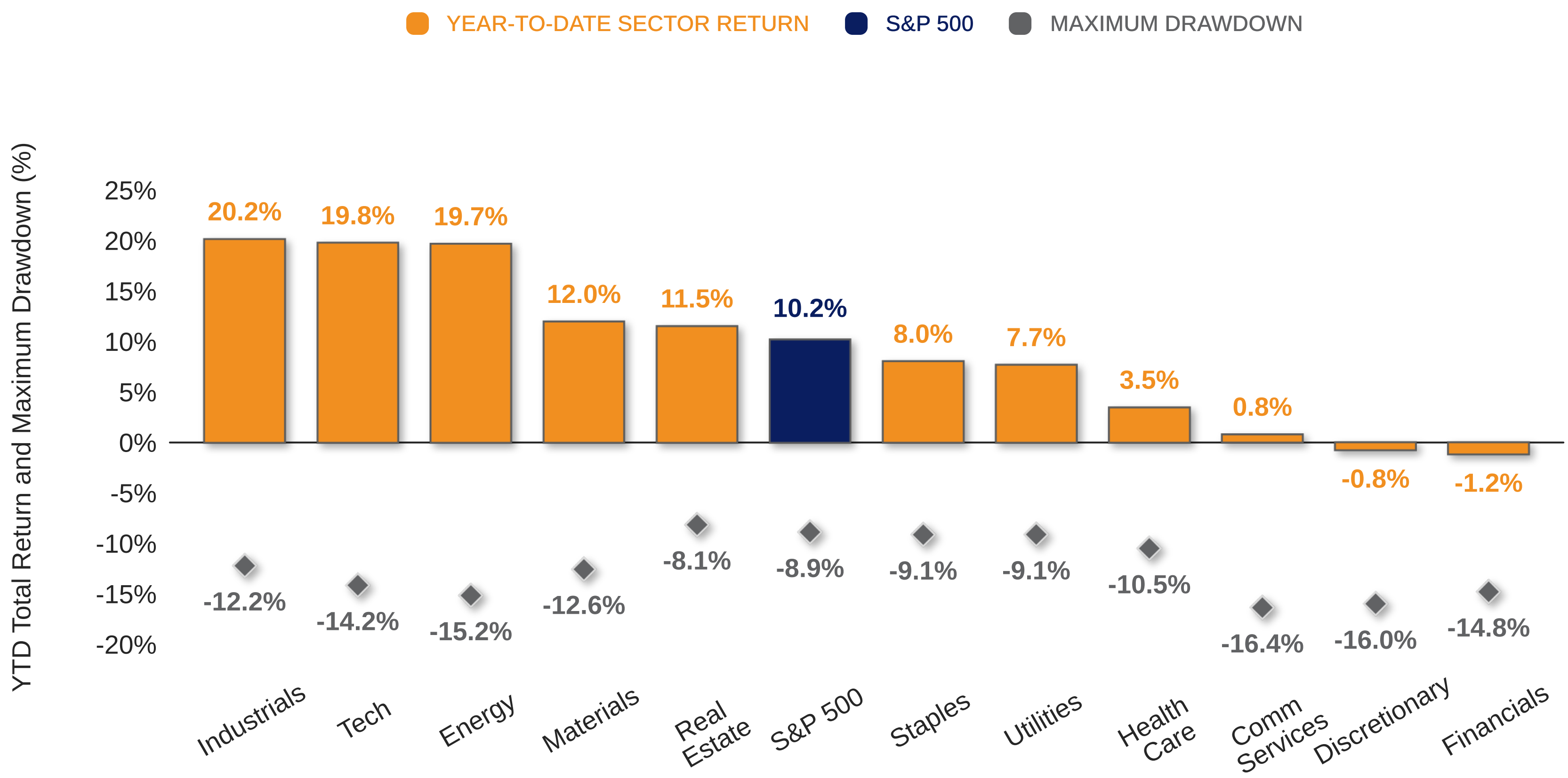
S&P 500 Sector Performance in 2026

S&P 500 year-to-date (YTD) Sector Performance in 2026 (including dividends) with maximum drawdown

YTD 2026



Source: © Exhibit A, FactSet Research Systems Inc., Standard & Poor's | Latest: 2026-06-30

 Indices, if presented, do not include fees, are unmanaged, and not available for direct investment. Definitions & Methodology: The S&P 500 tracks the performance of 500 large-cap U.S. companies, serving as a benchmark for the U.S. stock market. The index is weighted by market capitalization. The 11 S&P 500 Sectors represent the 11 distinct categories of companies within the S&P 500 index, each reflecting a specific area of the economy. The chart shows the S&P 500 and its sector index total returns year-to-date with maximum drawdowns as diamonds. Total returns include dividends. Dividends are payments made by companies to shareholders, typically from profits, as a return on investment. The chart is sorted highest to lowest by year-to-date return. The maximum drawdown measures the largest decline in the value of each sector index, calculated as the difference between the peak and the trough within the year.

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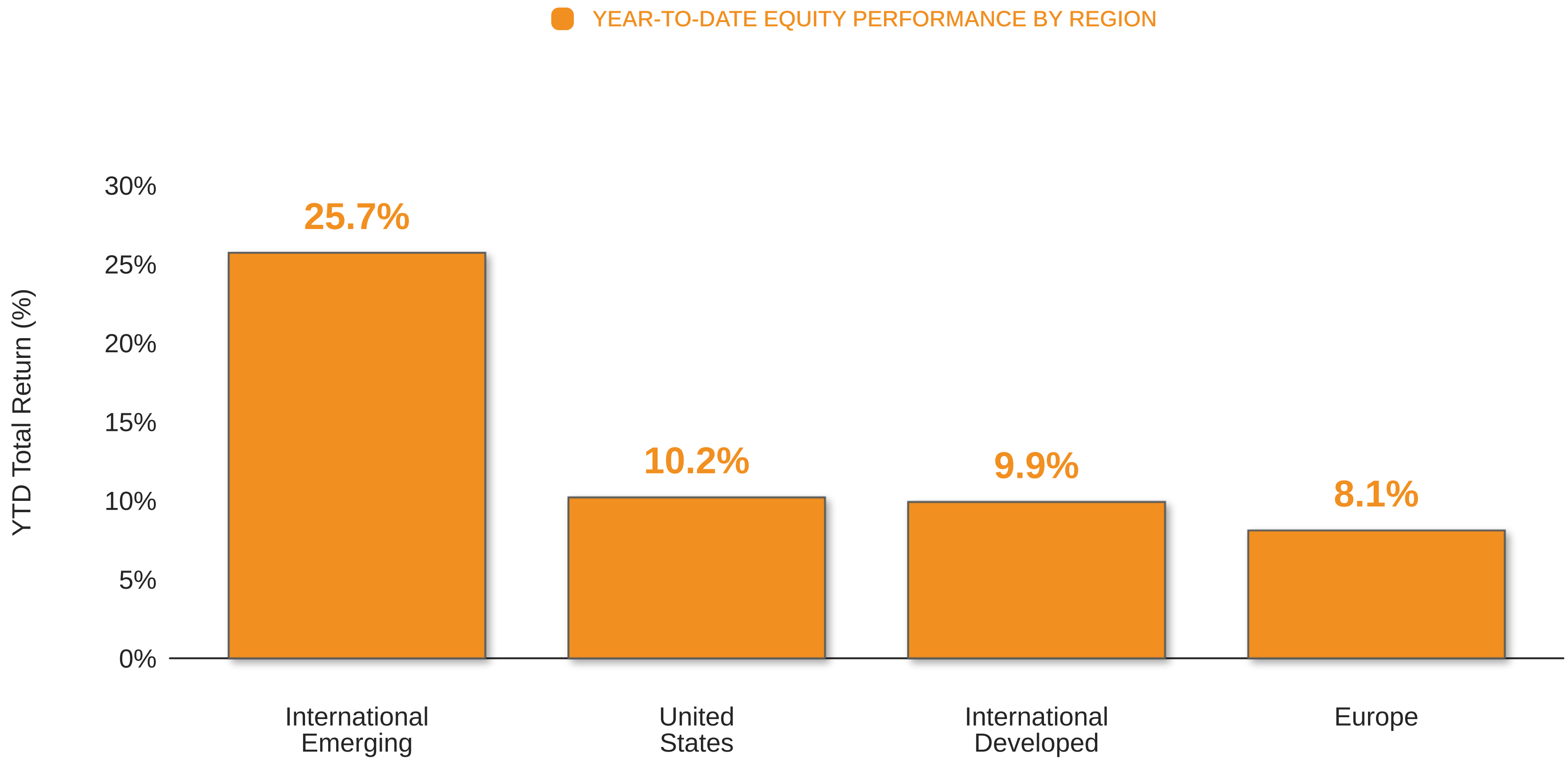
Regional Equity Performance in 2026

International (Developed & Emerging), United States, and Europe year-to-date (YTD) Equity Total Return (%)

YTD 2026



Source: © Exhibit A, FactSet Research Systems Inc., Standard & Poor's | Latest: 2026-07-01

 Indices, if presented, do not include fees, are unmanaged, and not available for direct investment. Definitions & Methodology: The S&P 500 Index tracks the performance of 500 large-cap U.S. companies and serves as a benchmark for the U.S. stock market. The index is market-cap weighted. Returns shown represent year-to-date total return performance as of the current date. The following tickers are used as proxies for international equity markets: EFA (International Developed), EEM (Emerging Markets), and IEV (Europe). Total return includes dividends.

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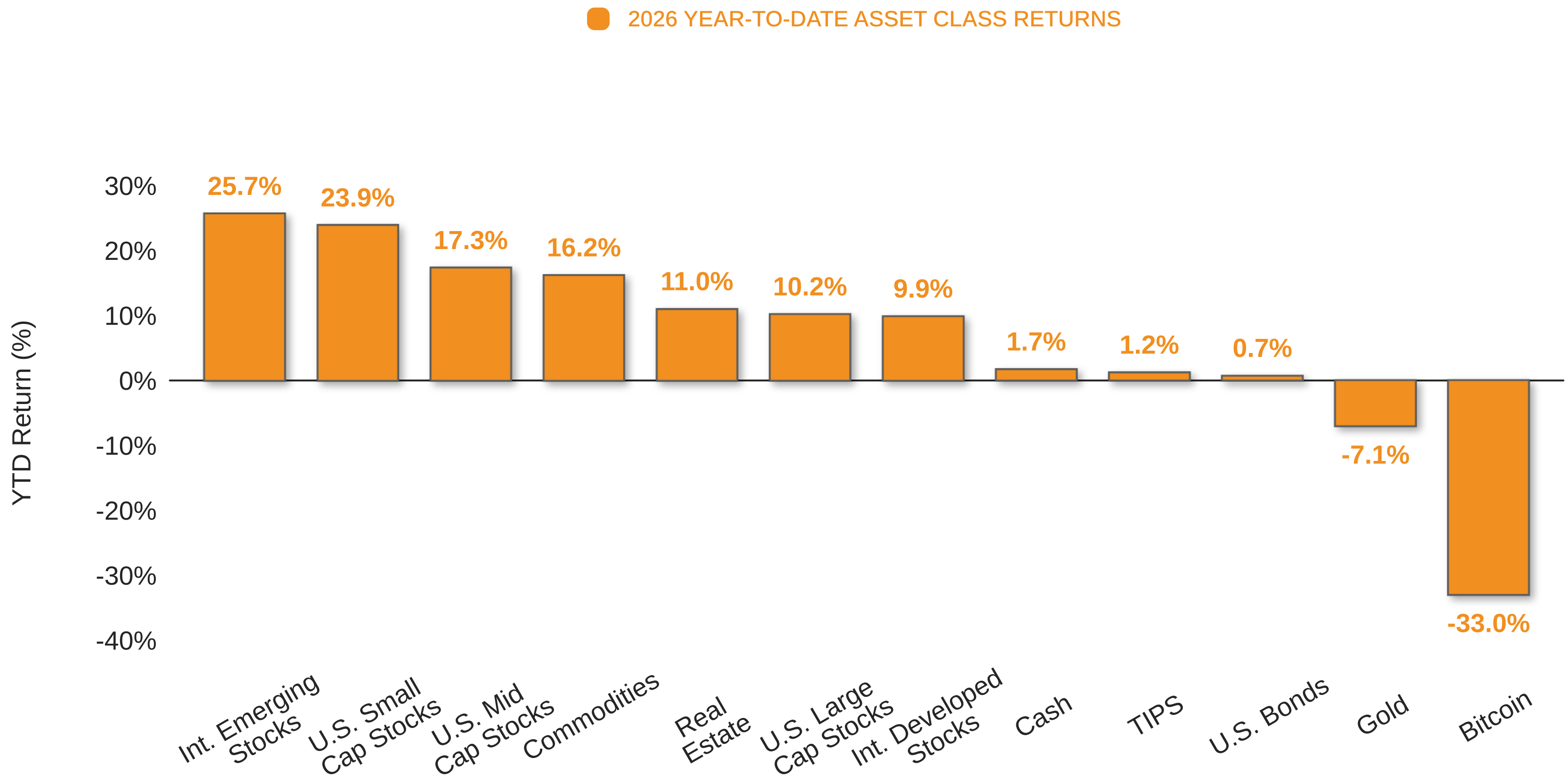
Asset Class Returns In 2026

Year-to-date (YTD) Returns Of Various Asset Classes in 2026

YTD 2026



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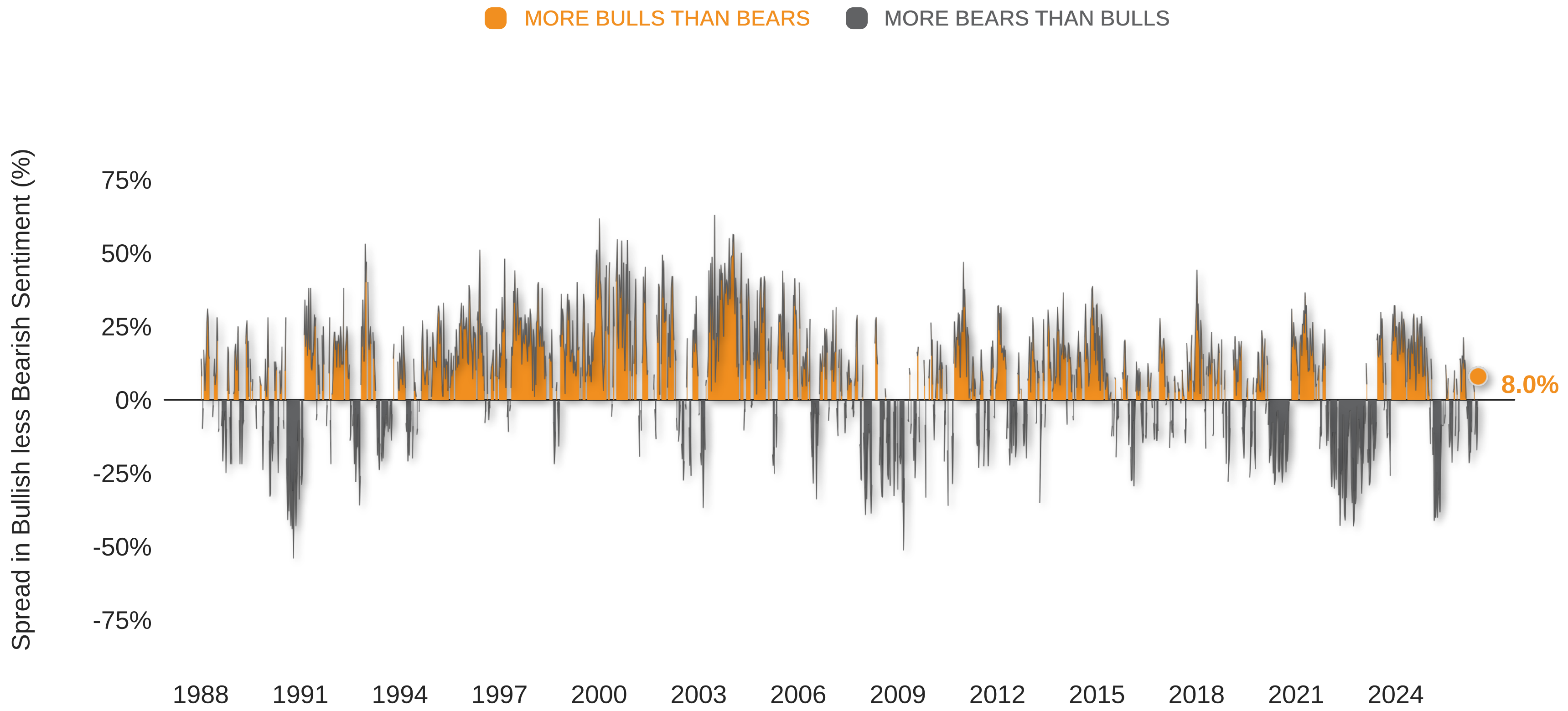
A Look at Stock Market Sentiment

AAII Sentiment Survey, Spread in Bullish Sentiment less Bearish Sentiment (%)

Since 1988



Source: © Exhibit A, FactSet Research Systems Inc., American Association of Individuals Investors (AAII) | Latest: 2026-06-26

 Definitions & Methodology: The AAII Bull - Bear Spread (%) measures the difference between the percentage of individual investors who are bullish versus bearish on the U.S. stock market. A higher positive percentage indicates stronger bullish sentiment, while a negative percentage reflects more bearish outlook. It's used to gauge investor sentiment and potential market trends. Bullish sentiment in the AAII Survey is defined as: the percentage of respondents that say the market will trend up over the next six months. Bearish sentiment in the AAII Survey is defined as: the percentage of respondents that say the market will trend down over the next six months. The chart is showing where current market sentiment stands according to the AAII Bull - Bear Spread (%).

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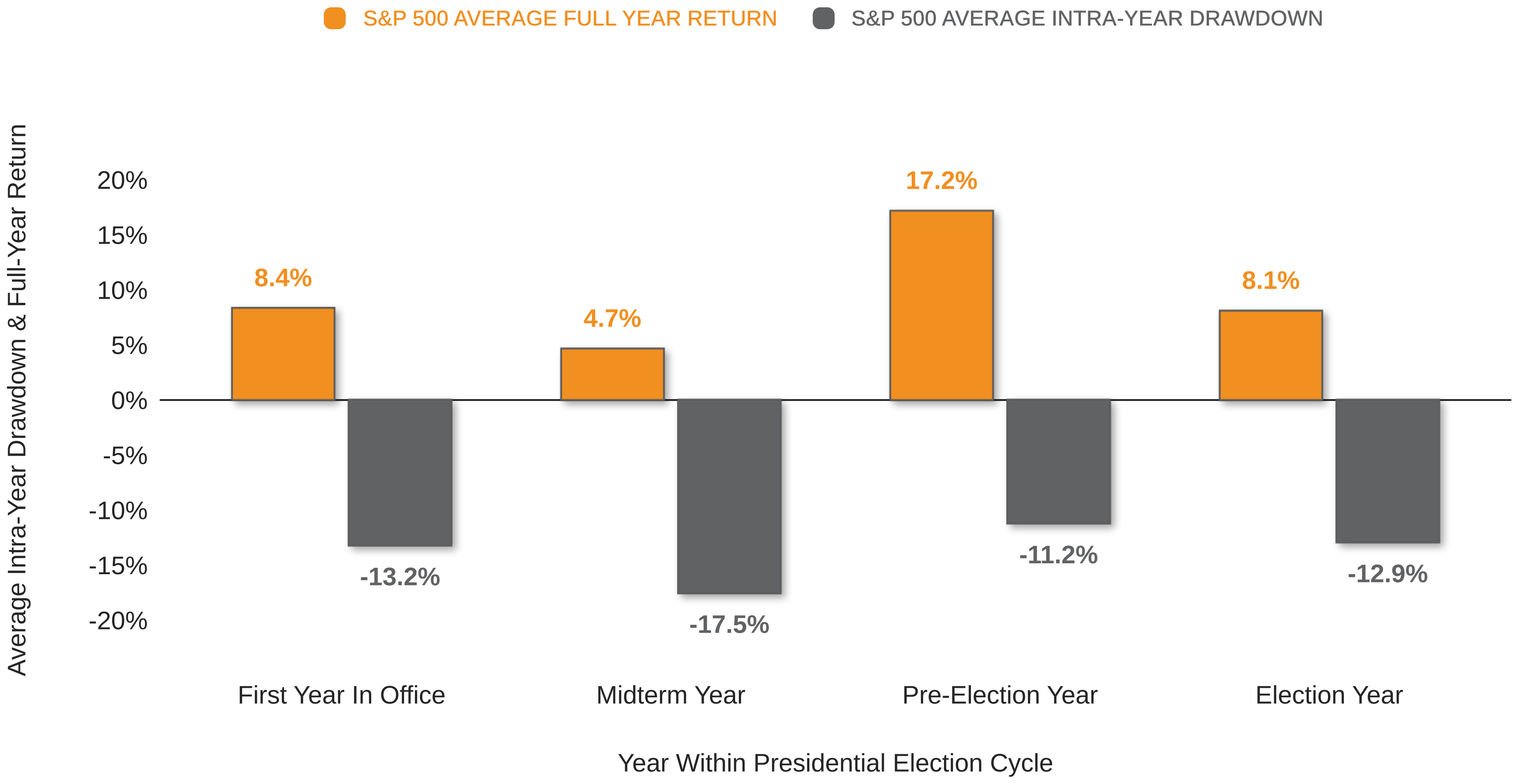
Elevated Market Volatility Is Historically Normal In Midterm Years

S&P 500 Average Intra-Year Drawdown vs Average Full Year Return Across The Four Year Presidential Cycle

Since 1950



Source: © Exhibit A, FactSet Research Systems Inc., Standard & Poor's | Latest: 2025-12-31

 Definitions & Methodology: The S&P 500 tracks the performance of 500 large-cap U.S. companies, serving as a benchmark for the U.S. stock market. The index is weighted by market capitalization. The chart shows the average intra-year drawdown and average full-year return of the S&P 500 across each year within the four-year U.S. presidential election cycle since 1950. Intra-year drawdown is defined as the largest peak-to-trough decline within a calendar year before a new high is reached. Full-year returns reflect total return performance for the index. Annual observations are grouped by presidential cycle year (First Year in Office, Midterm Year, Pre-Election Year, Election Year) and averaged to highlight how volatility and returns have historically varied across the cycle.

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Definitions

The S&P 500 tracks the performance of 500 large-cap U.S. companies, serving as a benchmark for the U.S. stock market. The index is weighted by market capitalization. Indices are unmanaged and investors cannot invest directly into them.

The 11 S&P 500 Sectors represent the 11 distinct categories of companies within the S&P 500 index, each reflecting a specific area of the economy. The sectors are listed in the chart along the x axis. Each sector groups companies with similar business activities.

The AAII Bull - Bear Spread (%) measures the difference between the percentage of individual investors who are bullish versus bearish on the U.S. stock market. A higher positive percentage indicates stronger bullish sentiment, while a negative percentage reflects more bearish outlook. It's used to gauge investor sentiment and potential market trends.

Bearish sentiment in the AAII Survey is defined as: the percentage of respondents that say the market will trend down over the next six months

Bullish sentiment in the AAII Survey is defined as: the percentage of respondents that say the market will trend up over the next six months

StratFI Disclosures

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Exhibit A Disclosures