

OCTOBER 2, 2026

WEEKLY HEADINGS

Larry Adam, Chief Investment Officer
Follow Larry on [in](#) [LinkedIn](#) or on [X](#)

The Long Voyage. This year has marked another remarkable chapter for the global economy and financial markets. Investors have navigated no shortage of challenges, from geopolitical conflicts and trade tensions to elevated energy prices and shifting interest rate expectations. Yet despite these headwinds, the economy continues to expand, corporate earnings remain resilient, and markets have steadily climbed the proverbial wall of worry. As we prepare to release our 4Q26 Outlook, we draw inspiration from the blockbuster film *The Odyssey*. Like Odysseus on his epic journey, investors have had to navigate uncertainty, adapt to changing conditions, and stay disciplined in the face of unexpected obstacles. Join us this upcoming Monday, October 5, at 4 PM EST as we chart a course through the economic and market landscape and examine the opportunities and risks that could shape the months ahead. Here's a preview of our latest views.

KEY TAKEAWAYS

Despite Economic Crosscurrents, The US Economy Remains On Solid Footing

Today's Fixed Income Market Offers Advantages That Didn't Exist Five Years Ago

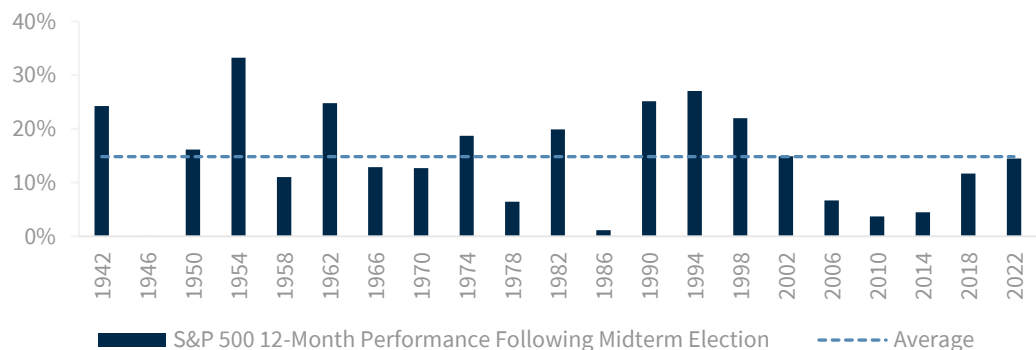
US Equities Continue To Deliver Strong Earnings At This Stage Of The Bull Market

- **The US Economy Overcomes The 'Waves Of The Ocean'** | Despite economic crosscurrents, the US economy remains on solid footing. The consumer, who accounts for roughly two-thirds of GDP, continues to demonstrate resilience, with real-time activity metrics still pointing to healthy spending and rising household wealth providing ongoing support. Meanwhile, investment tied to the AI buildout is becoming an increasingly important driver of economic growth. The benefits extend well beyond AI itself, supporting demand for data centers, power generation, electrical equipment, construction and infrastructure required to connect these systems. Together, these forces continue to support the economic expansion. While the cycle is maturing and is now in its sixth year, we see few signs that the underlying currents are turning meaningfully less supportive and expect 2.3% GDP in 2026 and 2.2% in 2027.
- **Monetary Policy Navigating 'A Difficult Stretch'** | Much like Odysseus navigating a perilous stretch of sea, the Federal Reserve (Fed) must steer between competing risks while keeping the economy on course, balancing between restoring price stability and preserving economic momentum. With the labor market remaining healthy, the Fed's focus has shifted to inflation. While a combination of shocks—tariffs, energy, and continued investment demand tied to the AI buildout—has kept inflation elevated, these pressures should begin to ease. We anticipate the Fed will deliver one additional rate increase before year-end (likely December) as part of a mid-cycle adjustment to bring inflation back to target in a timely manner. Further progress on inflation could open the door to lower rates toward the end of next year. Until then, the Fed is likely to maintain a cautious stance and keep policy restrictive unless labor market conditions materially weaken.
- **Higher Yields Help Investors 'Navigate The Journey'** | The sharp rise in yields from the post-pandemic lows has improved the resilience of fixed income within diversified portfolios. While higher yields cannot eliminate every storm, they can help keep portfolios balanced when turbulence appears, as they have throughout history. Today's fixed income market offers advantages that didn't exist five years ago: attractive income; an income buffer that can help absorb losses; and compelling total return potential if growth softens. More importantly, investors can earn generous yields without taking excessive credit risk. While yields remain elevated, cooling inflation and easing geopolitical tensions should help bring the 10-year Treasury yield back toward our 4.5%-4.75% target range over the next 12 months. While the US national debt remains a long-term concern, we do not view this as a near-term threat as demand for US Treasuries remains healthy.
- **US Equities Continue To 'Lead The Voyage'** | The US equity bull market will shortly enter its fifth year with remarkable resilience. In fact, corporate America has delivered far stronger earnings than we typically see at this stage of the bull market—and that strength is expected to continue in the quarters ahead. History provides another tailwind, as both the fifth year of a bull market and 12 months following the midterm elections have historically been supportive for returns. While concerns surrounding Fed rate hikes, higher long-term interest rates, and geopolitical risks bear watching, the earnings outlook should help offset any near-term obstacles. As a result, our 12-month S&P 500 target is 8,450 (~11% upside from current levels). Technology remains the market's Achilles: powerful, dominant, and central to market leadership. Investors continue to search for an Achilles heel, citing valuation concerns, market concentration, and reliance on a handful of tech leaders. Yet robust earnings growth and more reasonable valuations suggest the sector's strengths continue to outweigh these risks.
- **'Different Shores, Different Opportunities' Globally** | While the US remains our preferred destination, supported by stronger economic growth, superior earnings momentum, and leadership in artificial intelligence, some opportunities abroad remain compelling. As Odysseus learned, some destinations prove more rewarding than others. We continue to favor EM Asia, one of the clearest beneficiaries of the global AI investment cycle. Japan also stands out among developed markets, supported by solid earnings growth, a return to modest inflation, and meaningful technology exposure. Meanwhile, Latin American equities could face headwinds from lower oil prices next year.

CHART OF THE WEEK

Positive S&P 500 Returns Following The Midterm Elections

Since 1942, the S&P 500 has delivered positive returns in the 12 months following all 21 midterm elections. Historically, those gains on average have been firmly in double-digit territory.



Source: FactSet, Data as of 10/2/2026

Economy

- Nonfarm payrolls were much weaker than expected in September, increasing by just 29,000, while July and August were revised down by a combined 60,000. Overall, the report points to softer labor market conditions and supports the Fed remaining on hold in October.
- Personal consumption (PCE) was stronger than income growth in August, with real PCE up 0.6% MoM vs. 0.0% for real disposable income. Meanwhile, headline and core PCE inflation were below expectations, remaining unchanged at 3.4% & 3.0% YoY, respectively.
- Consumer confidence fell much more than expected in September, declining to 81.9 and reaching its lowest level since April 2014. The share of respondents describing their financial situation as 'good' fell below those describing it as 'bad' for the 1st time since July 2022.
- **Focus of the Week:** Monday's September ISM Services PMI will take center stage and is expected to expand for the 27th straight month, with particular attention on the Prices Index after it reached its highest level since August 2022 last month. Friday's Michigan Sentiment will also be in focus and is expected to remain subdued, echoing the weakness seen in this week's Consumer Confidence.

October 5 – October 9



ISM Services PMI

FOMC Minutes
Consumer Credit

Michigan Sentiment



Trade Balance



Wholesale Trade

10/14 CPI
10/15 PPI, Retail Sales

Equity

- Amidst the rise in interest rates, equity performance has been far from uniform. While the headline S&P 500 is down less than 2% from highs, the S&P 500 Equal Weight Index is 7% off recent highs and is on pace to decline for its seventh consecutive week (the longest streak since 2022). To put this into perspective, in the other two instances that the equal-weight index saw seven consecutive weekly declines (2002, 2022), the headline S&P 500 was down 11% and 14%, respectively. This highlights how mega-cap tech areas have kept the index afloat. At the constituent level, the weakness is even more pronounced. Roughly 40% of S&P 500 stocks are currently in bear market territory (down 20% or more from highs), and the average stock sits 20.1% below its 52-week high. While this highlights a market that appears far weaker than the headline index would suggest, it does point to opportunities beneath the surface.
- Despite recent weakness, 2026 has been a strong year for the S&P 500, with YTD price gains of 12%. Since 1933, there have been 36 instances when the S&P 500 was up 10% or more through 3Q. In those years, 4Q momentum tended to continue, with returns averaging +4.6% with positive results 83% of the time, including each of the last seven occurrences. While history provides useful perspective, corporate fundamentals ultimately drive markets, and they remain supportive of further equity gains once interest rates stabilize. With the 3Q26 earnings season set to 'unofficially' kick off October 10, this could provide a key catalyst for equities moving forward.
- **Focus of the Week:** Next week, earnings results from PepsiCo and Delta Air Lines will offer investors a timely read on the health of the consumer, providing insight into spending trends across both necessities and discretionary categories.

Fixed Income

- October rate hike odds fell from 73% to ~20% after FOMC Vice Chair Williams said there was no urgency to tighten again while signaling just one more hike this year, pulling the 2-year Treasury yield below 4.80%. Long-term Treasuries remained under pressure, however, with the 10-year yield briefly reaching 5.34%—its highest since 2002—before French fiscal concerns and softer September job gains pulled yields lower. Even so, elevated yields continue to improve return opportunities across high-quality fixed income.
- The spread on the Bloomberg high yield index has widened back near its 3-year average alongside the spike in rate volatility and pressure on CCC-rated issuers (9% of the index). Rising borrowing costs and an upcoming maturity wall for lower-quality bonds issued during the pandemic's low-rate environment are weighing on the weakest issuers—CCC spreads climbed above 1,000 bps for the first time since 2023. However, spreads on the Bloomberg IG index remain near 80 bps, highlighting the dispersion within corporate credit.
- **Focus of the Week:** ISM services, September's FOMC meeting minutes and Treasury auctions (3-, 10-, 30-year notes) await investors.

Washington Policy

- President Trump and executives from the largest US AI firms reached a voluntary agreement on frontier model safety. Companies including OpenAI, Anthropic, Google, Meta, and Nvidia all agreed to strengthen internal controls, independent audits, and board-level oversight of advanced systems, but the framework remains voluntary.
- Iran remains the largest near-term geopolitical risk to the otherwise more stable policy backdrop. President Trump rejected Iran's latest seven-day ceasefire proposal, which would have reopened the Strait of Hormuz and restarted negotiations in exchange for lifting the US naval blockade and unfreezing Iranian assets.

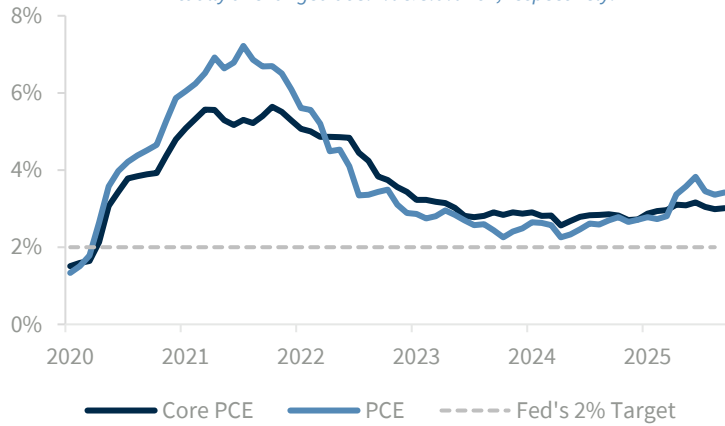
International

- This week the Reserve Bank of Australia delivered its fourth 25 bp rate hike of 2026, becoming the second G20 central bank—after Indonesia—to implement 100 bps of tightening year-to-date. This is the latest case study of how monetary policies around the world have diverged over the past nine months. The inflationary backdrop means that many banks are in tightening mode, though in varying degrees. The Fed has hiked 25 bps, while its counterparts in the euro zone, Japan, and South Korea have hiked 50 bps. In the case of Japan, the policy rate has reached 1.25%—the highest since 1995—though it remains very low by international standards.
- At the same time, several major banks—in the UK, Canada, China, and India—have kept rates steady on a YTD basis. China's lack of tightening reflects the fact that headline inflation has been below the central bank's 2% target since the start of the year, as higher import costs are offset by domestic manufacturing overcapacity. In the UK, inflation has been above-target since October 2024, but the Bank of England has been erring on the side of supporting the labor market... for now: futures point to an ~85% likelihood of a hike in November. Finally, amid cooling inflation in Latin America's largest economies—Brazil and Mexico—rates have been cut YTD by 125 and 50 bps, respectively, though they remain towards the upper end of the international spectrum.

Charts of the Week

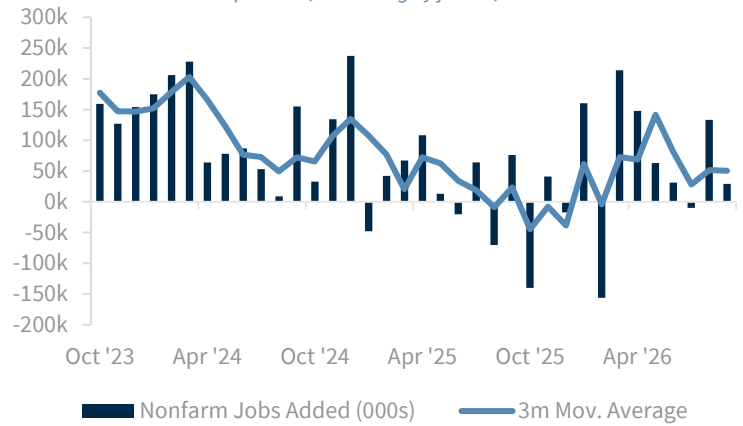
PCE Prices Surprise To The Downside

Headline and core PCE prices were below expectations, remaining virtually unchanged at 3.4% & 3.0% YoY, respectively.



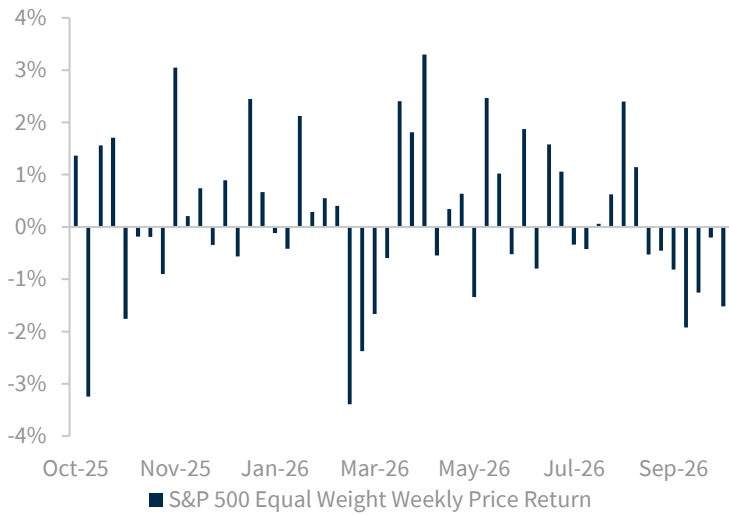
Employment Data Softer Than Expected

Nonfarm payrolls were much weaker than expected in September, increasing by just 29,000.



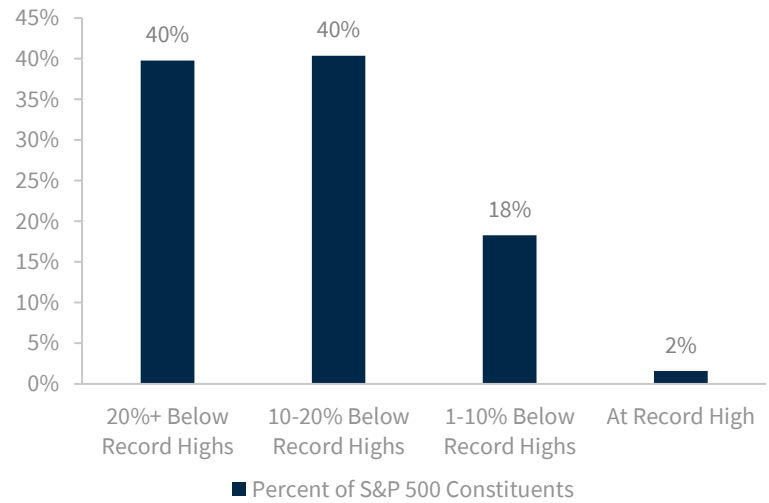
Challenging Period For The Average Stock

The S&P 500 Equal Weight Index is on pace to decline for seven consecutive weeks – the longest streak since 2022.



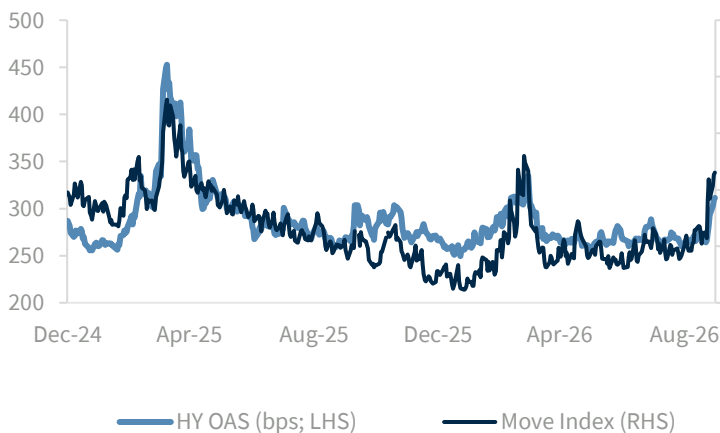
Weakness Beneath The Surface

40% of S&P 500 constituents are in bear market territory, with the average stock in the index ~20.1% off of its highs.



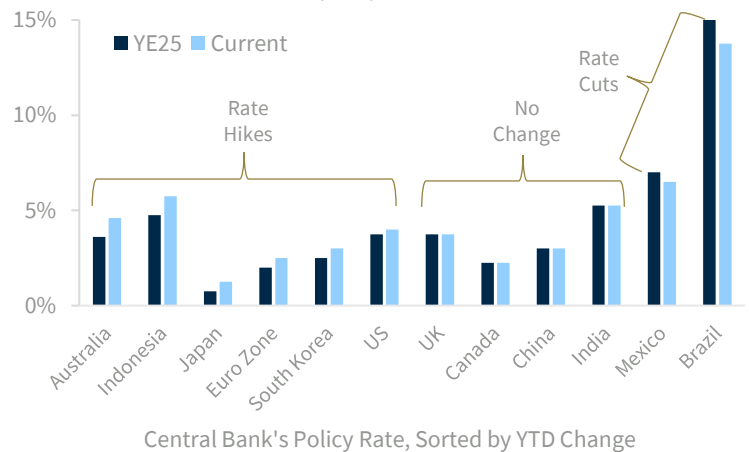
HY Spreads Widen Alongside Spike In Rate Vol

As Treasury volatility rose toward its highest level since March, the spread on the high yield index widened back near its 3-year average.



Central Banks Around The World Are On Diverging Paths

While many banks are tightening in response to inflationary pressures, some have held rates steady this year, and a few have even cut rates.

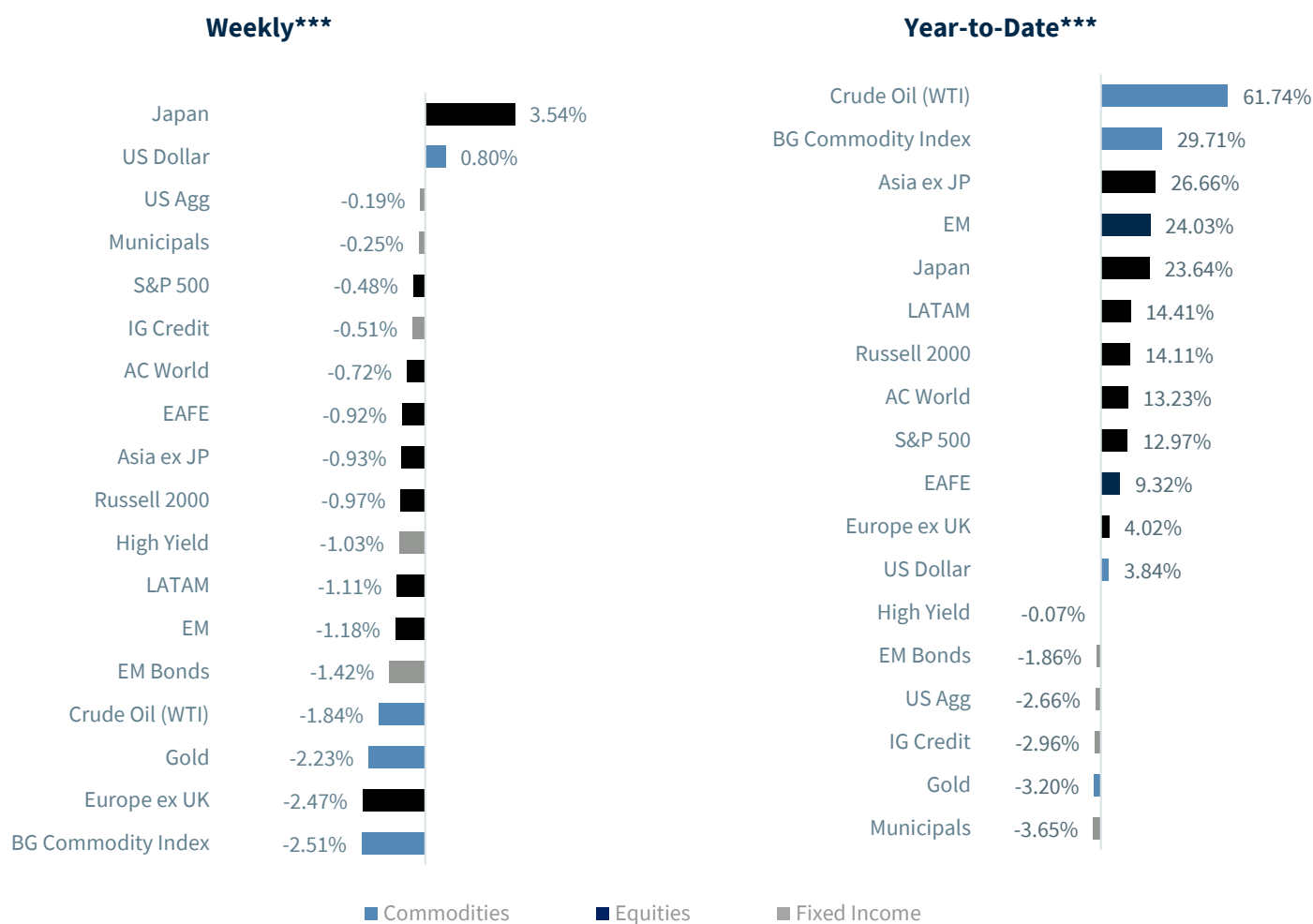


Source for charts: FactSet, as of 10/1/2026.

Asset Class Performance | Distribution by Asset Class and Style (as of October 1)**

US Equities (Russell indices)				International Equities (MSCI indices)				Fixed Income (Bloomberg indices)			
Weekly Returns (as of October 1)	Value Blend Growth			Large Cap	Dev. Mkt World Emerg. Mkt			Treasury	1-3 YR Medium Long		
	-1.0%	-0.5%	0.0%		-0.5%	-0.6%	-1.0%		0.1%	0.3%	-0.2%
	-0.6%	-0.4%	0.4%		-0.7%	-0.7%	-1.3%		0.2%	-0.1%	-0.4%
	-1.2%	-1.0%	-0.7%		-0.3%	-0.5%	-0.1%		-0.5%	-1.0%	-3.8%
Year-to-Date Returns (as of October 1)	Value Blend Growth			Large Cap	Dev. Mkt World Emerg. Mkt			Treasury	1-3 YR Medium Long		
	19.4%	12.6%	6.7%		12.0%	14.4%	24.5%		2.7%	-2.6%	-5.0%
	16.0%	12.8%	2.4%		11.6%	11.3%	23.4%		1.1%	-1.4%	-3.3%
	17.6%	14.1%	10.9%		11.2%	13.6%	15.4%		1.5%	0.0%	-4.1%

Asset Class Performance | Weekly and Year-to-Date (as of October 1)**



**Weekly performance calculated from Thursday close to Thursday close.

4 ***Assumes all asset classes are priced in US dollars unless otherwise noted. Ranked in order of performances (best to worst).

Weekly Data

As of 10/1/2026 **

US Equities

Index	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
S&P 500	7666.5	(0.5)	0.2	13.0	15.6	22.9	13.6	15.4
DJ Industrial Average	50926.6	(0.8)	0.0	6.0	9.7	14.9	8.2	10.8
NASDAQ Composite Index	26871.6	(0.3)	0.0	15.6	18.1	26.6	13.0	17.6
Russell 1000	8007.5	(0.5)	0.2	12.6	15.0	22.5	13.0	15.0
Russell 2000	6975.2	(1.0)	0.4	14.1	16.2	17.7	6.3	9.8
Russell Midcap	11005.4	(0.4)	0.9	12.8	12.0	17.2	8.0	11.2

Equity Sectors

Sector	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
Materials	614.9	(2.2)	(0.4)	8.4	10.8	9.5	6.0	9.6
Industrials	1427.5	(0.2)	1.0	9.6	10.9	20.2	13.0	12.9
Comm Services	464.6	(3.1)	(1.2)	3.2	11.6	28.9	12.2	12.6
Utilities	403.1	0.8	0.6	(5.1)	(7.3)	13.8	7.7	8.4
Consumer Discretionary	1804.5	(1.5)	(0.1)	(6.0)	(5.9)	13.4	5.5	12.1
Consumer Staples	898.0	(1.6)	(0.3)	5.7	5.9	10.0	7.3	8.0
Health Care	1938.4	(2.2)	(1.3)	8.7	17.9	10.8	7.3	10.7
Information Technology	7322.4	1.4	0.8	29.4	30.3	36.9	23.4	26.0
Energy	962.7	0.3	1.9	43.0	45.2	15.2	22.9	10.4
Financials	889.9	(2.0)	0.2	(1.1)	1.8	19.1	8.9	12.9
Real Estate	263.7	(2.4)	(0.7)	7.6	4.9	11.3	2.3	6.3

Fixed Income

Index	Yield	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
3-Month Treasury Bill (%)	4.1	0.1	0.0	2.8	3.8	4.6	3.8	2.4
2-Year Treasury (%)	4.8	0.3	0.2	0.5	1.5	3.9	1.6	1.5
10-Year Treasury (%)	5.2	(0.2)	0.3	(5.0)	(4.3)	2.6	(2.7)	(0.4)
Bloomberg US Corporate HY	8.5	(1.0)	(0.2)	(0.1)	1.2	8.0	3.6	5.0
Bloomberg US Aggregate	5.5	(0.2)	0.3	(2.7)	(1.8)	4.1	(0.6)	1.2
Bloomberg Municipals	--	(0.2)	0.6	(3.6)	(2.3)	3.1	(0.1)	1.6
Bloomberg IG Credit	6.0	(0.5)	0.2	(3.0)	(2.4)	5.0	(0.5)	2.1
Bloomberg EM Bonds	7.0	(1.4)	(0.4)	(1.9)	0.5	7.9	1.3	2.7

Commodities

Index	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
WTI Crude (\$/bl)	92.9	(1.8)	2.7	61.7	50.3	0.8	4.1	6.8
Gold (\$/Troy Oz)	4202.3	(2.2)	0.4	(3.2)	7.8	31.1	19.0	12.3
Bloomberg Commodity Index	142.3	(2.5)	0.3	29.7	35.1	10.7	7.1	5.2

Currencies

Currency	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
US Dollar Index	102.1	0.8	0.6	3.8	4.5	(1.3)	1.7	0.7
Euro	1.13	(1.0)	(0.8)	(4.1)	(4.1)	2.1	(0.6)	0.0
British Pound	1.32	(0.1)	(0.6)	(1.8)	(2.2)	2.7	(0.5)	0.2
Japanese Yen	157.75	0.7	(0.4)	(0.6)	(6.9)	(1.8)	(6.8)	(4.3)

International Equities

Index	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
MSCI AC World	1133.3	(0.7)	(0.1)	13.2	16.6	22.2	12.0	12.9
MSCI EAFE	3083.5	(0.9)	(1.3)	9.3	14.0	18.5	9.7	9.5
MSCI Europe ex UK	3305.2	(2.5)	(2.0)	4.0	9.1	17.3	9.1	10.0
MSCI Japan	5821.3	3.5	0.5	23.6	28.6	22.1	10.7	10.0
MSCI EM	1709.0	(1.2)	0.2	24.0	29.3	24.8	9.6	9.6
MSCI Asia ex JP	1137.3	(0.9)	0.5	26.7	31.4	26.4	10.1	10.2
MSCI LATAM	3017.9	(1.1)	(0.7)	14.4	25.4	15.8	13.1	7.7
Canada S&P/TSX Composite	24677.8	(1.5)	(0.2)	10.9	16.8	21.6	11.8	9.1

**Weekly performance calculated from Thursday close to Thursday close.

Disclosures

All expressions of opinion are those of Raymond James & Associates, Inc. (RJA) Investment Strategy and are subject to change. Nothing in this report constitutes investment, legal, accounting or tax advice or is a representation that any investment or strategy is suitable or appropriate to your individual circumstances or otherwise constitutes a personal recommendation to you. This information should not be construed as a recommendation. The foregoing content is subject to change at any time without notice. Content provided herein is for informational purposes only. There is no guarantee that these statements, opinions or forecasts provided herein will prove to be correct. Past performance is not a guarantee of future results. Indices and peer groups are not available for direct investment. Any investor who attempts to mimic the performance of an index or peer group would incur fees and expenses that would reduce returns. No investment strategy can guarantee success. Economic and market conditions are subject to change. Investing involves risks including the possible loss of capital. The information has been obtained from sources considered to be reliable, but we do not guarantee that the foregoing material is accurate or complete. Diversification and asset allocation do not ensure a profit or protect against a loss. Further, portions of this report may include content generated, sourced, or created with assistance from artificial intelligence tools. Raymond James has reviewed and considers this content to be reliable, but Raymond James does not guarantee that such content is accurate or complete.

SMALL CAPS | Investing in small cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor. The prices of small company stocks may be subject to more volatility than those of large company stocks.

INTERNATIONAL INVESTING | International investing involves additional risks such as currency fluctuations, differing financial accounting standards, and heightened political and/or economic instability. These risks are greater in emerging markets.

ENERGY COMMODITIES | Investing in energy commodities is generally considered speculative, with high levels of volatility, limited market regulation, and emerging markets risk. Oil prices are influenced by OPEC decisions and tend to be economically sensitive. Natural gas prices are influenced by weather.

MINING COMMODITIES | Investing in mining commodities is generally considered speculative, with high levels of volatility, limited market regulation, and emerging markets risk. Prices of precious metals such as gold are influenced by central bank decisions. Prices of industrial metals such as copper tend to be economically sensitive.

SECTORS | Sector investments are companies focused on a specific economic sector and are presented here for illustrative purposes only. Sectors, including Tech, are subject to varying levels of competition, economic sensitivity, and political and regulatory risks. Investing in any individual sector involves limited diversification.

CURRENCIES | Currency investing is generally considered speculative, with high levels of volatility and limited market regulation. These risks are greater in emerging markets.

FIXED INCOME | Fixed-income securities (or bonds) are exposed to various risks including but not limited to credit (risk of default of principal and interest payments), market and liquidity, interest rate, reinvestment, legislative (changes to the tax code), and call risks. There is an inverse relationship between interest rate movements and fixed income prices. Generally, when interest rates rise, fixed income prices fall and when interest rates fall, fixed income prices generally rise. A credit rating of a security is not a recommendation to buy, sell or hold the security and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning Rating Agency. Ratings and insurance do not remove market risk since they do not guarantee the market value of the bond.

MUNICIPAL BONDS | Municipal securities typically provide a lower yield than comparably rated taxable investments in consideration of their tax-advantaged status. Investments in municipal securities may not be appropriate for all investors, particularly those who do not stand to benefit from the tax status of the investment. Please consult an income tax professional to assess the impact of holding such securities on your tax liability.

US TREASURIES | US Treasury securities are guaranteed by the US government and, if held to maturity, generally offer a fixed rate of return and guaranteed principal value.

PERSONAL CONSUMPTION EXPENDITURES | The Personal Consumption Expenditures (PCE) Price Index is a measure of the prices that people living in the United States, or those buying on their behalf, pay for goods and services.

PRODUCER PRICE INDEX | The Producer Price Index (PPI) is a measure of wholesale inflation, while the Consumer Price Index measures the prices paid by consumers.

CONSUMER PRICE INDEX | The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.

CONSUMER SENTIMENT INDEX | The University of Michigan Consumer Sentiment Survey (MCSI) is a monthly survey measuring US consumer confidence regarding personal finances, business conditions, and buying conditions. It serves as a key leading economic indicator, forecasting consumer spending by interviewing approximately 600–1,000 households.

ISM MANUFACTURING INDEX | The ISM Manufacturing Index, or Purchasing Managers' Index (PMI), is a crucial monthly report on US economic activity based on surveys of manufacturing supply executives. It gauges sector health by tracking new orders, production, employment, supplier deliveries, and inventories. A reading above 50 indicates expansion; below 50 signals contraction.

ISM SERVICES INDEX | The ISM Services Index, now officially known as the Services PMI (Purchasing Managers' Index), is a monthly economic indicator released by the Institute for Supply Management. It measures the performance of the US service sector—which constitutes nearly 80% of the economy—based on surveys of over 400 purchasing managers across 60+ industries, such as finance, retail, and healthcare.

IMPORT/EXPORT PRICE INDICES | The Import and Export Price Indices are economic indicators that measure the average change in prices of goods and services imported into a country from foreign sources, or exported from the US, respectively. These indices act as key metrics for inflation, tracking how changing international costs affect domestic consumers, businesses, and economic policy.

US DOLLAR INDEX | The US Dollar Index is an index (or measure) of the value of the United States dollar relative to a basket of foreign currencies.

EMPLOYMENT COST INDEX | The Employment Cost Index (ECI) measures the change in the hourly cost of labor to employers, tracking both wages and salaries and employee benefits. It is a key economic indicator published quarterly by the US Bureau of Labor Statistics (BLS).

UNIT LABOR COST | Unit labor cost is how much a business pays its workers to produce one unit of output. It is measured by the US Bureau of Labor Statistics.

CITI US ECONOMIC SURPRISE INDEX | The Citigroup Economic Surprise Index is the sum of the difference between the actual value of various economic data and their consensus forecast. If the index is greater than zero, it means that the overall economic performance is generally better than expected, and the S&P 500 has a high probability of strengthening, and vice versa.

NEW HOME SALES INDEX | The New Home Sales report, released monthly by the US Census Bureau and the Department of Housing and Urban Development (HUD), tracks the number of newly constructed, privately-owned single-family homes sold across the US. As a key leading economic indicator, it measures new, signed sales contracts rather than closings.

EXISTING HOME SALES INDEX | The Existing Home Sales report is a monthly economic indicator released by the National Association of Realtors (NAR). It measures the total number of closed transactions for previously owned single-family homes, townhomes, condominiums, and co-ops across the United States.

LEADING ECONOMIC INDEX | The Leading Economic Index (LEI) is a monthly composite statistic published by The Conference Board that predicts future shifts in the business cycle, typically looking six to nine months ahead. It combines 10 forward-looking economic components, such as stock prices, building permits, and manufacturing orders, to signal upcoming economic expansions or recessions before they become evident in the overall economy.

MICHIGAN CONSUMER SENTIMENT INDEX | The Michigan Consumer Sentiment Index (MCSI) is a monthly survey-based economic indicator measuring US consumer confidence regarding their personal finances, business conditions, and buying power. It is a leading indicator for predicting consumer spending, which drives the majority of the US economy.

FHFA HOME PRICE INDEX | The FHFA Home Price Index is a weighted, repeat-sales index, meaning that it measures average price changes in repeat sales or refinancings on the same properties.

CASE SHILLER HOME PRICE INDEX | The Case Shiller Home Price Index, U.S. National Home Price NSA Index measures the change in the value of the U.S. residential housing market by tracking the purchase prices of single-family homes. The index is compiled and published monthly.

NFIB SMALL BUSINESS INDEX | The NFIB Small Business Optimism Index is a monthly composite indicator that measures the outlook of U.S. small business owners on economic conditions, employment, and business health.

NAHB/WELLS FARGO HOUSING MARKET INDEX (HMI) | The NAHB/Wells Fargo Housing Market Index (HMI) is a monthly survey-based gauge of sentiment among U.S. single-family home builders that reflects their views on current and near-term housing market conditions.

Disclosures

DATA SOURCE | FactSet, Bloomberg as of 10/1/2026

DOMESTIC EQUITY DEFINITION

DOW JONES INDUSTRIAL AVERAGE (DJIA) | The Dow Jones Industrial Average (DJIA) is an index that tracks 30 large, publicly-owned companies trading on the New York Stock Exchange (NYSE) and the NASDAQ.

NASDAQ COMPOSITE INDEX | The Nasdaq Composite Index is the market capitalization-weighted index of over 3,300 common equities listed on the Nasdaq stock exchange.

NASDAQ 100 | The Nasdaq-100 Index® includes 100 of the largest domestic and international non-financial companies listed on The Nasdaq Stock Market based on market capitalization. The Index reflects companies across major industry groups including computer hardware and software, telecommunications, retail/wholesale trade and biotechnology. It does not contain securities of financial companies including investment companies.

WILSHIRE 5000 INDEX | The Wilshire 5000 is a broad-market, free-float capitalization-weighted index that measures the performance of the entire U.S. stock market

S&P 500 | The S&P 500 Total Return Index: The index is widely regarded as the best single gauge of large-cap U.S. equities. There is over USD 7.8 trillion benchmarked to the index, with index assets comprising approximately USD 2.2 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

S&P 500 EQUAL WEIGHT INDEX | The S&P 500 Equal Weight Index: The index includes the same constituents as the capitalization weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance.

S&P SMALL CAP 600 | The S&P Small Cap 600: The index tracks 600 US small-capitalization companies. It acts as a benchmark for the small-cap segment of the U.S. equity market and is used by investors to measure performance or gain exposure to smaller-tier growth companies.

LARGE GROWTH | Russell 1000 Growth Total Return Index: This index represents a segment of the Russell 1000 Index with a greater- than-average growth orientation. Companies in this index have higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values. This index includes the effects of reinvested dividends.

MID GROWTH | Russell Mid Cap Growth Total Return Index: This index contains stocks from the Russell Midcap Index with a greater-than-average growth orientation. The stocks are also members of the Russell 1000 Growth Index. This index includes the effects of reinvested dividends.

LARGE BLEND | Russell 1000 Total Return Index: This index represents the 1000 largest companies in the Russell 3000 Index. This index is highly correlated with the S&P 500 Index. This index includes the effects of reinvested dividends.

SMALL GROWTH | Russell 2000 Growth Total Return Index: This index represents a segment of the Russell 2000 Index with a greater- than-average growth orientation. The combined market capitalization of the Russell 2000 Growth and Value Indices will add up to the total market cap of the Russell 2000. This index includes the effects of reinvested dividends.

MID BLEND | Russell Mid Cap Total Return Index: This index consists of the bottom 800 securities in the Russell 1000 Index as ranked by total market capitalization. This index includes the effects of reinvested dividends.

SMALL BLEND | Russell 2000 Total Return Index: This index covers 2000 of the smallest companies in the Russell 3000 Index, which ranks the 3000 largest US companies by market capitalization. The Russell 2000 represents approximately 10% of the Russell 3000 total market capitalization. This index includes the effects of reinvested dividends.

LARGE VALUE | Russell 1000 Value Total Return Index: This index represents a segment of the Russell 1000 Index with a less-than-average growth orientation. Companies in this index have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values. This index includes the effects of reinvested dividends.

MID VALUE | Russell Mid Cap Value Total Return Index: This index contains stocks from the Russell Midcap Index with a less-than-average growth orientation. The stocks are also members of the Russell 1000 Value Index. This index includes the effects of reinvested dividends.

SMALL VALUE | Russell 2000 Value Total Return Index: This index represents a segment of the Russell 2000 Index with a less-than-average growth orientation. The combined market capitalization of the Russell 2000 Growth and Value Indices will add up to the total market cap of the Russell 2000. This index includes the effects of reinvested dividends.

COMMODITY INDEX DEFINITION

BLOOMBERG COMMODITY INDEX (BCOM) | The Bloomberg Commodity Index is a broadly diversified commodity price index distributed by Bloomberg Index Services Limited.

FIXED INCOME DEFINITION

AGGREGATE BOND | Bloomberg US Agg Bond Total Return Index: The index is a measure of the investment grade, fixed-rate, taxable bond market of roughly 6,000 SEC-registered securities with intermediate maturities averaging approximately 10 years. The index includes bonds from the Treasury, Government-Related, Corporate, MBS, ABS, and CMBS sectors.

HIGH YIELD | Bloomberg US Corporate High Yield Total Return Index: The index measures the USD-denominated, high yield, fixed- rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below.

Disclosures

BLOOMBERG US CORPORATE INVESTMENT GRADE | The index commonly used as the standard benchmark for US investment-grade corporate debt, and tracks the performance of the USD-denominated, fixed-rate, taxable corporate bond market. It captures publicly issued securities across industrial, utility, and financial issuers by companies inside and outside the US.

BLOOMBERG MUNICIPAL BOND INDEX | The index is a measure of the long-term tax-exempt bond market with securities of investment grade (rated at least Baa by Moody's Investors Service and BBB by Standard and Poor's). This index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

BLOOMBERG US CONVERTIBLE LIQUID BOND INDEX | The index tracks the performance of USD-denominated convertible securities, specifically bonds and convertible preferred stock, issued in the US market with a minimum amount outstanding of \$350 million.

BLOOMBERG CAPITAL AGGREGATE BOND TOTAL RETURN INDEX | This index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. The index is designed to minimize concentration in any one commodity or sector. It currently has 22 commodity futures in seven sectors. No one commodity can compose less than 2% or more than 15% of the index, and no sector can represent more than 33% of the index (as of the annual weightings of the components).

BLOOMBERG EMERGING MARKET BOND INDEX | The Bloomberg USD Emerging Market Composite Bond Index is a rules-based, market-value-weighted index engineered to measure USD fixed-rate sovereign and corporate securities issued from emerging markets. The index includes both investment-grade and below-investment-grade securities.

BLOOMBERG WIRP FUTURES MODEL | The Bloomberg World Interest Rate Probability (WIRP) function calculates the implicit forecast for rates after each meeting over the next year for the biggest developed world central banks, based on pricing in futures and overnight index swaps markets.

BLOOMBERG TREASURY INDEX | The Bloomberg US Treasury Index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. Treasury bills are excluded by the maturity constraint but are part of a separate Short Treasury Index. The Index is a component of the US Aggregate, US Universal, Global Aggregate and Global Treasury Indices. The index includes securities with remaining maturity of at least one year.

BLOOMBERG BELLWETHERS INDEX | The Bloomberg US Treasury Bellwethers 30 Yr. Index is a single-security market index that tracks the most recently issued 30-year US Treasury bond.

INTERNATIONAL EQUITY DEFINITION

EMERGING MARKETS EASTERN EUROPE | MSCI EM Eastern Europe Net Return Index: The index captures large- and mid-cap representation across four Emerging Markets (EM) countries in Eastern Europe.

EMERGING MARKETS ASIA | MSCI EM Asia Net Return Index: The index captures large- and mid-cap representation across eight Emerging Markets countries. With 554 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS LATIN AMERICA | MSCI EM Latin America Net Return Index: The index captures large- and mid-cap representation across five Emerging Markets (EM) countries in Latin America. With 116 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS | MSCI Emerging Markets Net Return Index: This index consists of 23 countries representing 10% of world market capitalization. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 23 countries.

PACIFIC EX-JAPAN | MSCI Pacific Ex Japan Net Return Index: The index captures large- and mid-cap representation across four of 5 Developed Markets (DM) countries in the Pacific region (excluding Japan). With 150 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

JAPAN | MSCI Japan Net Return Index: The index is designed to measure the performance of the large and mid cap segments of the Japanese market. With 319 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

NIKKEI 225 INDEX | The Nikkei 225 is Japan's main stock market index, tracking the performance of 225 large, highly traded "blue-chip" companies listed on the Tokyo Stock Exchange (TSE). It's a price-weighted index, meaning higher-priced stocks have a greater impact, similar to the Dow Jones Industrial Average, and serves as a key indicator of the Japanese economy.

FOREIGN DEVELOPED MARKETS | MSCI EAFE Net Return Index: This index is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries.

MSCI EAFE | The MSCI EAFE (Europe, Australasia, and Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the United States & Canada. The EAFE consists of the country indices of 22 developed nations.

MSCI ACWI | The MSCI All Country World Index (ACWI) is a stock index designed to track broad global equity-market performance. The index is comprised of the stocks of about 3,000 companies from 23 developed countries and 26 emerging markets.

MSCI ACWI EX US | The MSCI All Country World Index (ACWI) is a stock index designed to track broad global equity-market performance. The index is comprised of the stocks of about 3,000 companies from 23 developed countries and 26 emerging markets.

Disclosures

CANADA S&P/TSX COMPOSITE | The S&P/TSX Composite Index is a capitalization-weighted equity index that tracks the performance of the largest companies listed on primary stock exchange, the Toronto Stock Exchange.

STOXX EUROPE 600 | The Represents large, mid and small capitalization companies across 17 countries of the European region: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

CREDIT | Bloomberg US Credit Total Return Index: The index measures the investment grade, US dollar-denominated, fixed-rate, taxable corporate and government related bond markets. It is composed of the US Corporate Index and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities.

INTERNAL DISCLOSURES

FOR CLIENTS IN THE UNITED KINGDOM | For clients of Raymond James Financial International Limited (RJFI) and Raymond James Wealth Management (RJWM): Raymond James Financial International Ltd. (RJFI) and Raymond James Investment Services, Ltd. (RJIS) are authorised and regulated by the Financial Conduct Authority (FCA). RJFI and RJIS are located at Ropemaker Place, 25 Ropemaker Street, London, England, EC2Y 9LY, +44 203 798 5600. This document is prepared for and distributed by either RJFI or RJWM, as applicable, and any investment to which this document relates is intended for the sole use of the persons to whom it is addressed, being persons who are Eligible Counterparties or Professional Clients as described in the FCA rules or persons described in Articles 19(5) (Investment professionals) or 49(2) (high net worth companies, unincorporated associations, etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) or any other person to whom this promotion may lawfully be directed. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons and may not be relied upon by such persons and is, therefore, not intended for private individuals or those who would be classified as Retail Clients.

FOR CLIENTS IN FRANCE | For clients of Raymond James France (RJ France): RJ France is authorised and regulated by the Autorite de Controle Prudentiel et de Resolution and the Autorite des Marches Financiers. As of 30 November, 2020, RJ France is an unaffiliated entity of Raymond James Financial, Inc. and its subsidiaries. RJ France is located at SAS, 45 Avenue George V, 75008, Paris, France, +33 1 45 61 64 90. This document is prepared for and distributed by RJ France pursuant to an agreement with Raymond James & Associates, Inc. and any investment to which this document relates is intended for the sole use of the persons to whom it is addressed, being persons who are Eligible Counterparties or Professional Clients as described in "Code Monetaire et Financier" and Reglement General de l'Autorite des marches Financiers. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons and may not be relied upon by such persons and is, therefore, not intended for private individuals or those who would be classified as Retail Clients.

FOR INSTITUTIONAL CLIENTS IN THE EUROPEAN ECONOMIC AREA (EE) OUTSIDE OF THE UNITED KINGDOM | This document (and any attachments or exhibits hereto) is intended only for EEA institutional clients or others to whom it may lawfully be submitted.

FOR CANADIAN CLIENTS | This document is not prepared subject to Canadian disclosure requirements, unless a Canadian has contributed to the content of the document. In the case where there is Canadian contribution, the document meets all applicable CIRO disclosure requirements.

INVESTMENT STRATEGY

Larry Adam*Chief Investment Officer*

T 410.525.6217

larry.adam@raymondjames.com**Eugenio J. Alemán, Ph.D.***Chief Economist*

T 727.567.2603

eugenio.aleman@raymondjames.com**Matt Barry***Senior Investment Strategist*

T 410.525.6228

matt.barry@raymondjames.com**Giampiero Fuentes***Economist*

T 727.567.5776

giampiero.fuentes@raymondjames.com**Tracey Manzi***Senior Investment Strategist*

T 727.567.2211

tracey.manzi@raymondjames.com**Pavel Molchanov***Senior Investment Strategist*

T 704.940.6398

pavel.molchanov@raymondjames.com**Kyle Noonan***Investment Strategy Analyst*

T 410.525.6231

kyle.noonan@raymondjames.com**Garrett Parr***Investment Strategy Analyst*

T 410.525.6237

garrett.parr@raymondjames.com**Mike Payne***Investment Strategy Analyst*

T. 410.525.6232

mike.payne@raymondjames.com**Anne B. Platt***VP, Investment Strategy*

T 727.567.2190

anne.platt@raymondjames.com**Adrian Rayas***Investment Strategy Analyst*

T 727.567.9139

adrian.rayas@raymondjames.com**Nicholas Schiavone***Investment Strategy Analyst*

T 410.525.6256

nicholas.schiavone@raymondjames.com**Lindsay Smith***Investment Strategy Analyst*

T 727.567.3335

lindsay.smith@raymondjames.com**Matthew Ziyadeh***Investment Strategy Analyst*

T 727.567.8984

matthew.kurayazyadeh@raymondjames.com**RAYMOND JAMES®**

INTERNATIONAL HEADQUARTERS: THE RAYMOND JAMES FINANCIAL CENTER
880 CARILLON PARKWAY // ST. PETERSBURG, FL 33716 // 800.248.8863 // RAYMONDJAMES.COM