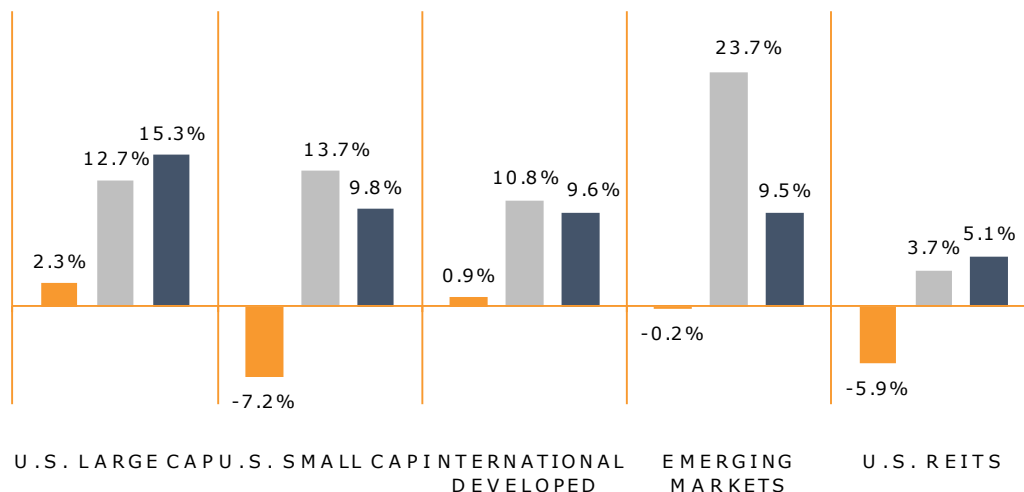


■ 3 Month: 09/30/26 ■ YTD ■ 10 Year*

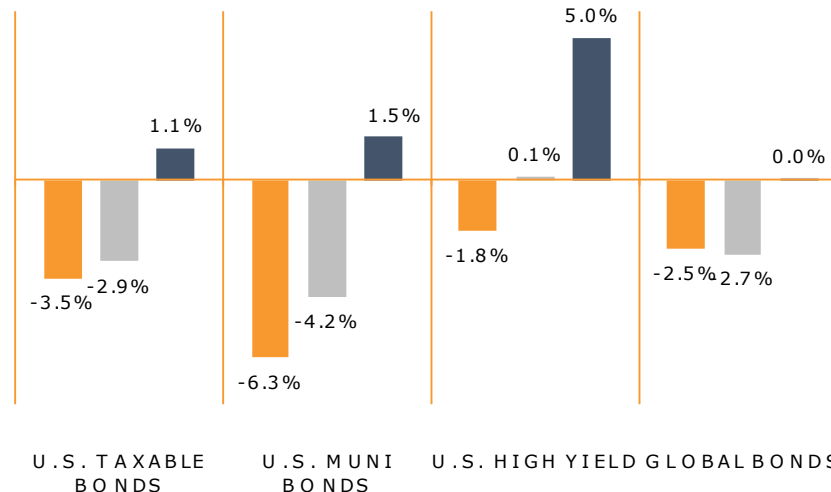
EQUITY MARKETS HIGHLIGHTS



U.S. LARGE CAP U.S. SMALL CAP INTERNATIONAL DEVELOPED EMERGING MARKETS U.S. REITS

- **U.S. Large Cap Stocks** returned to leadership in Q3 2026 gaining **+2.3%** in a broadly weak quarter for global equity returns.
 - Large Value **+4.4%** provided leadership versus Large Growth **+1.4%** after significant index changes. Energy **+16.5%** rebounded into leadership, while rate sensitive Utilities fell significantly **-12.4%** as rates rose globally.
- **U.S. Small Cap Stocks** reversed lower against the rising rate backdrop as well **-7.2%** for the quarter, tempering YTD gains to **+13.7%**.
- **International Developed Stocks** held in better, finishing Q3 up **+0.9%**, returning **+10.8%** on a YTD basis. Less exposure to AI-focused trades and actions taken to ease the strength of the US Dollar provided a tailwind.
- **Emerging Markets Stocks** were neutral as well **-0.2%** in the quarter and remain the YTD leader up **+23.7%**. AI stocks corrected following a strong Q2, while commodity-focused areas provided strength due to ongoing global inflationary pressures.
- **U.S. REITS** fell **-5.9%** in the quarter but remain up **+3.7%** on a YTD basis despite significant rate pressure. This provided additional evidence that the worst of the headwinds from the initial phase of the rate rise cycle in 2022 may be in rear view.

FIXED INCOME MARKETS HIGHLIGHTS



U.S. TAXABLE BONDS U.S. MUNI BONDS U.S. HIGH YIELD GLOBAL BONDS

- **U.S. Taxable Bonds** fell steadily **-3.5%** in Q3 2026, moving the YTD return to **-2.9%**. Yields rose significantly driven by a repricing of the Treasury Curve. The US 10-Year Treasury rose from 4.44% to 5.29% through the quarter, a level not seen since 2007.
- **U.S. Muni Bonds** were weaker in Q3, down **-6.3%**. The rise in rates was more severe in Munis as higher duration and tax selling drove spreads wider. The Bloomberg Muni Index yield hit 4.69%, the highest level since August 2001.
- **U.S. High Yield** credit fell less **-1.8%** in Q3, thanks to lower duration while credit issues remain idiosyncratic.
- **Global Bonds** fell as well, down **-2.5%** in Q3, contributing most of the YTD return. With less US dollar pressure, global bonds held in better than expected despite similar moves to US treasuries in other sovereign yields.

US Equity Market Snapshot 9/30/26	
Sector	3 Month
Energy	16.5%
Health Care	6.6%
Comm. Services	3.9%
Technology	2.9%
Financials	0.0%
Consumer Defensive	-2.3%
Materials	-3.7%
Real Estate	-6.3%
Consumer Cyclical	-7.0%
Industrials	-9.6%
Utilities	-12.4%

Russell Equity Style Snapshot 9/30/26			
	Value	Blend	Growth
Large	4.4%	3.0%	1.4%
Mid	-2.0%	-3.0%	-5.8%
Small	-4.9%	-7.2%	-9.4%

Market Indicators							
Name	As of	Last Quarter	1 Month Ago	1 Mo. % Change	1 Year Ago	1 Year % Change	Freq.
Key Interest Rates							
1 Month Treasury	9/30/26	4.02%	3.84%	▲ 4.7%	4.20%	▼ -4.3%	Daily
2 Year Treasury	9/30/26	4.88%	4.34%	▲ 12.4%	3.60%	▲ 35.6%	Daily
10 Year Treasury	9/30/26	5.29%	4.73%	▲ 11.8%	4.16%	▲ 27.2%	Daily
30 Year Mortgage	9/24/26	7.03%	6.65%	▲ 5.7%	6.77%	▲ 3.8%	Weekly
US Corporate AAA	9/30/26	5.83%	5.31%	▲ 9.8%	4.64%	▲ 25.6%	Daily
US Corporate BBB	9/30/26	6.22%	5.62%	▲ 10.7%	5.01%	▲ 24.2%	Daily
US Corporate CCC	9/30/26	16.72%	14.62%	▲ 14.4%	11.78%	▲ 41.9%	Daily
Effective Federal Funds	9/29/26	3.88%	3.63%	▲ 6.9%	4.09%	▼ -5.1%	Daily
U.S. Economy							
Consumer Sentiment	9/30/26	48.10	55.20	▼ -12.9%	55.10	▼ -12.7%	Monthly
Unemployment Rate	8/31/26	4.10%	4.20%	▼ -2.4%	4.30%	▼ -4.7%	Monthly
Inflation Rate	8/31/26	3.40%	3.40%	▲ 0.0%	2.90%	▲ 17.2%	Monthly
Manufacturing PMI	9/30/26	54.50	55.60	▼ -2.0%	49.10	▲ 11.0%	Monthly
Non Manufacturing PMI	8/31/26	55.40	54.10	▲ 2.4%	52.00	▲ 6.5%	Monthly

The robust rebound of Q2, with a singular positive direction of news flow, was always going to be a tough act to follow. Even so, disappointing would be far from the right word to describe Q3 2026 on the surface. Paths that seemed so clear a month earlier became a series of forks in the road as the landscape grew increasingly complex.

Unsurprisingly, the immaculate verbal deescalation of the Iran Conflict did not lead to an immediate physical one. Energy prices became a focal point for the global economy, and inflation risk with it. Global bond yields rose steadily in response, reaching levels not seen in decades. In September, Federal Reserve Chair Warsh delivered the first rate hike in several years in the US, joining his European and Japanese counterparts who have already been responding to inflation issues of their own.

Corporate earnings blurred the picture as well. In aggregate, earnings delivered exactly what the market needed, robust growth and margin expansion. Market prices responded accordingly. Underneath the surface, however, it was clear that the success was unevenly distributed, as were the forward outlooks. Rate-sensitive areas felt the pain most acutely as investors grappled with the difficult trade-off.

Picks and Shovels AI trades (like semiconductor companies) that drove Q2 took a welcome breather, with corrections in varying proportions to their recent run ups. AI investors refocused on the hyperscalers' earnings and their hopeful early indications of return on investments ("ROI"). Meanwhile, public and political opposition intensified amid growing concerns about safety and the inflationary pressures created by the massive resources needed to build and power data centers.

The attempt by SpaceX to pave the super-highway of mega-IPOs with accelerated index inclusion ground to a halt as well. After recent model disappointments, OpenAI announced an indefinite delay into 2027, at least. Anthropic delayed as well but still has filed an S-1 and remains hopeful for November. The S-1 did little to allay investor concerns about the significant cash burn of the underlying business.

There is no shortage of questions that will need to start being answered in Q4: Will the Iran Conflict deescalate? Was September a single rate hike or the start of hiking cycle? Was this the start of a sovereign debt crisis or normalization after years of financial repression? Was Q3 the pause that refreshes opportunity or a warning signal? If the AI buildout slows, will the rest of the economy provide enough growth?

Grappling with uncertain times is what ultimately delivers returns for investors. With baseball post-season upon us, it seems fitting to lean back on one of Yogi Berra's famous quotes, "When you come to a fork in the road, take it." While investors cannot control what future returns might bring, a decision about how much risk to take getting there must be made.

Crude Oil Prices Surge 3% as US Strikes Iran and Revokes Oil Sanctions Waiver

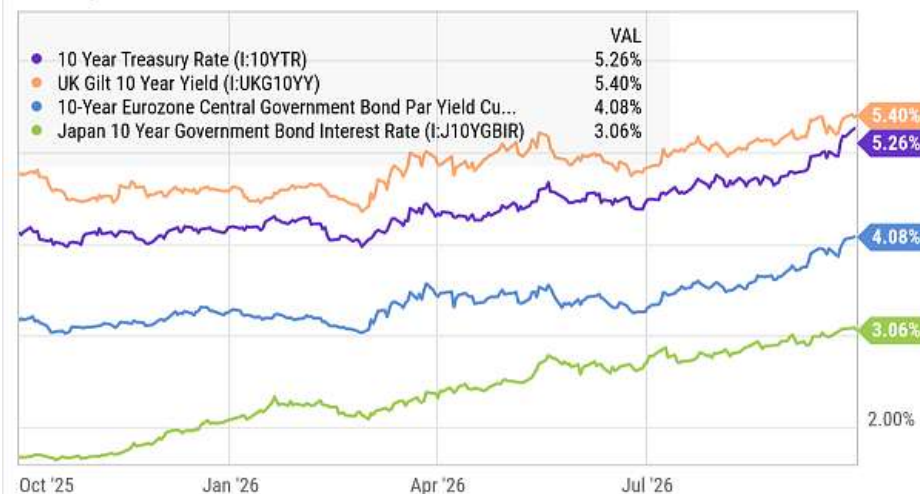
Written by Julian Parker



Jul 7, 2026 5 min read

markets.com

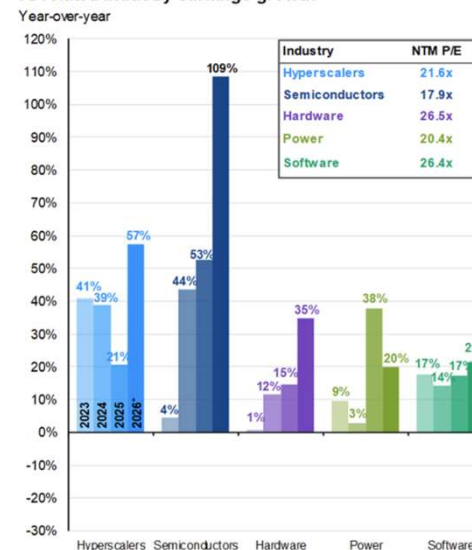
Sovereign Yields On The Rise



INTEGRATED
Fiduciary Advisory Services

Oct 1, 2026, 1:50 PM EDT Powered by YCHARTS

AI-related industry earnings growth



OpenAI IPO Won't Happen Until 2027, Sam Altman

María Paula Mijares Torres
September 12, 2026

Bloomberg

Anthropic warns investors of AI's 'existential risk to humanity' in IPO prospectus, reports say

PUBLISHED MON, SEP 28 2026 9:23 PM EDT
UPDATED TUE, SEP 29 2026 4:43 AM EDT

CNBC

Integrated may discuss and display, charts, graphs, formulas which are not intended to be used by themselves to determine which securities to buy or sell, or when to buy or sell them. Such charts and graphs offer limited information and should not be used on their own to make investment decisions.

Integrated is a registered investment adviser. Information presented is for educational purposes only and does not intend to make an offer or solicitation for the sale or purchase of any specific securities, investments, or investment strategies. Investments involve risk and, unless otherwise stated, are not guaranteed. Be sure to first consult with a qualified financial adviser and/or tax professional before implementing any strategy discussed herein. Past performance is not indicative of future performance.