

MARKET COMMENTARY

MARCH 2026

- The best performing sector for February was Utilities while the worst was Consumer Discretionary
- Geopolitical tensions rise with strikes on Iran, raising oil prices and market volatility
- Investor concerns appear to increase over AI's potential to disrupt some traditional business models across different sectors
- Supreme Court rules IEEPA tariffs illegal

DAVENPORT EQUITY RESEARCH

Ann H. Gurkin
(804) 780-2166
agurkin@investdavenport.com

F. Drake Johnstone
(804) 780-2091
djohnstone@investdavenport.com

Jeff Omohundro, CFA
(804) 780-2170
jomohundro@investdavenport.com

Joel M. Ray, CFA
(804) 780-2067
jray@investdavenport.com

Evan J. Gilbert, CFA
(804) 915-2749
egilbert@investdavenport.com

Justin E. Corlett
(804) 780-2099
jcorlett@investdavenport.com

One James Center
901 East Cary Street, Suite 1100
Richmond, VA 23219
(804) 780-2000

Davenport & Company LLC
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The S&P 500® declined in February as geopolitical tensions and growing concerns over potential disruption from artificial intelligence weighed on investor sentiment. Following a coordinated strike on Iran, energy prices surged amid fears of oil supply disruptions linked to production risks and possible blockages at the Strait of Hormuz. Higher energy costs have revived inflation concerns, potentially steepening the yield curve and pressuring long duration growth stocks. Despite elevated Middle East conflict, we remain encouraged by expectations for earnings growth across S&P 500 sectors this year, which could provide support for continued improvement in market breadth over time.

With this backdrop, the S&P 500 index in February declined by 0.9%, the Dow Jones Industrial Average gained 0.2% and the smaller cap weighted Russell 2000® increased 0.7% for the month. The VIX index, or fear gauge, started the month in the mid-teens and as geopolitical concerns rose climbed towards the 20 level near month-end before spiking over 27 in early March.

Seven of the eleven industry sectors of the S&P 500 advanced during February. The best performing sector was Utilities which increased by a very strong 9.9% followed by the Energy sector which was up by 8.8%. The weakest performance in the month was posted by the Consumer Discretionary sector which decreased by 5.4% followed by the Communication Services sector which was down 5.1%. For the prior twelve months period, the Communications Services sector was the best performer with a 30.0% increase followed closely by the Industrials sector which was up by 29.9%, while the Financials sector was the worst performer for the past twelve months with a 1.5% decline followed by the Real Estate sector which was up by 2.7%.

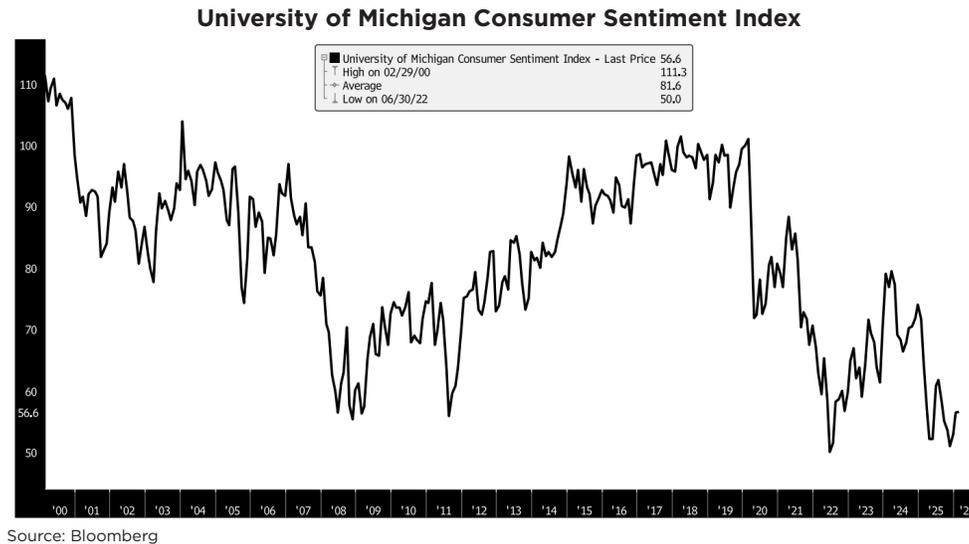
The February 28 U.S.-Israeli strikes on Iran mark a major geopolitical inflection point, with Washington explicitly targeting Iran's nuclear and missile programs, naval assets, and signaling support for regime change in Tehran. The operation killed Supreme Leader Ayatollah Ali Khamenei and inflicted substantial damage on Iran's military infrastructure, triggering retaliatory missile and drone attacks on Israel and U.S. bases across multiple Gulf states and elevating security risks around the Strait of Hormuz, a conduit for roughly 20% of global seaborne oil. Oil prices have risen sharply in post attack trading, amplifying inflation concerns and tightening financial conditions. If the conflict remains largely contained to Iran and its proxies, we would expect a period of elevated volatility, a higher premium across energy, defense, and select cyclicals, and a flight to quality into Treasuries and U.S. large-cap equities; a more adverse path involving a prolonged disruption of shipping through the Strait of Hormuz and broader regional escalation could imply potential for a more durable stagflationary shock that could complicate central bank policy and weigh more persistently on equities.

February appeared to represent a turning point for equity market sentiment, as heightened Middle East risks combined with growing concerns around artificial intelligence-driven disruption began to weigh more heavily on risk appetite. Investor unease around AI was amplified by the circulation of Citrini Research's "The 2028 Global Intelligence Crisis" report, which framed artificial intelligence not only as a long term productivity catalyst but also as a near term source of economic and labor dislocation with uneven sectoral outcomes. The report's emphasis on accelerated substitution risk, rising capital intensity, and potential demand shocks contributed to a reassessment of earnings durability—particularly among highly valued, AI exposed market leaders. As a result, markets shifted toward a more cautious posture, marked by heightened volatility and pressure on crowded growth positions. Importantly, February's pullback reflected less a loss of confidence in AI's ultimate potential and more a growing recognition that the transition may be disruptive, nonlinear, and more challenging for corporate margins and employment dynamics than previously discounted—an adjustment that meaningfully dampened sentiment over the course of the month, particularly among AI levered growth names.

A significant legal development altered the near term trajectory of U.S. trade policy in late February. In a February 20, 2026 ruling, the U.S. Supreme Court struck down President Trump's tariffs imposed under the International Emergency Economic Powers Act (IEEPA), holding in a 6-3 decision that the President exceeded the authority granted by the statute. The Court determined that while IEEPA allows the executive branch to

regulate certain aspects of foreign commerce during a national emergency, it does not confer the power to impose broad based tariffs, reaffirming that such authority ultimately resides with Congress. In remarks following the decision, President Trump emphasized that the ruling was narrowly focused on IEEPA based measures and signaled that his administration would pursue alternative statutory avenues to maintain elements of its tariff agenda. Later that day, the President signed an executive order imposing a temporary, across the board global tariff under Section 122 of the Trade Act of 1974, a provision that permits limited and time bound import surcharges to address balance of payments concerns. While the new framework preserves the administration’s ability to levy tariffs, it is more constrained in scope and duration than the emergency powers previously relied upon. The Court’s decision also introduced substantial uncertainty around the disposition of tariffs already collected under IEEPA. Key questions remain regarding whether, and under what process, importers may be entitled to refunds of duties paid prior to the ruling. Numerous companies have already filed lawsuits seeking recovery of those payments, setting the stage for potentially prolonged legal and administrative proceedings that could extend well beyond the immediate policy response.

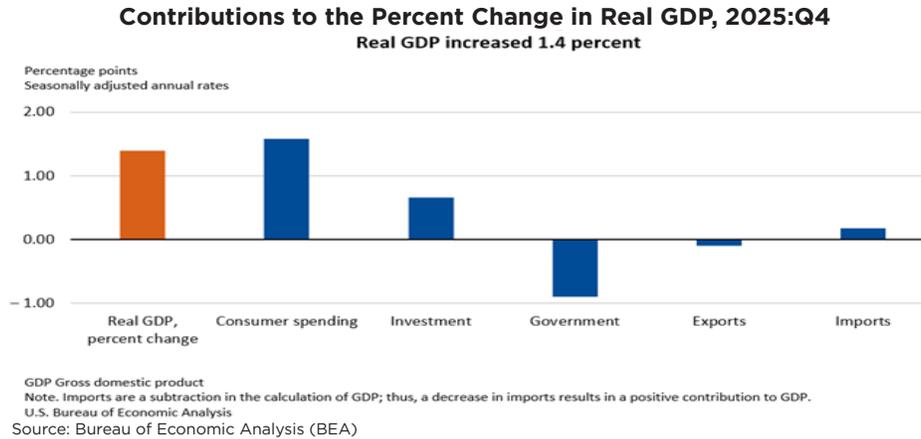
Near term consumer sentiment has likely been further pressured by the escalation of the conflict involving Iran, as heightened geopolitical risk, rising energy prices, and renewed inflation concerns weigh on household confidence and near term spending intentions. However, looking further ahead into 2026, we are encouraged by a combination of recently enacted tax cuts and gradually easing financial conditions, which should provide meaningful support to household balance sheets and discretionary spending capacity. These tailwinds—alongside labor market resilience and expectations for modestly lower short term interest rates later in the year—suggest that consumer sentiment could improve as real income growth re accelerates, particularly if the Iran conflict is resolved within a reasonably short time frame. From an equity sector perspective, this environment supports a selective approach in the near term, while also creating scope for broader participation across cyclical, value, and consumer exposed areas should sentiment inflect. As shown in the accompanying chart, consumer sentiment has trended lower into early 2026, hovering near 25 year lows and reflecting a confluence of macroeconomic and geopolitical concerns.



U.S. industrial production as reported by the Federal Reserve grew 0.7% in January, the highest increase in 11 months and above the Bloomberg consensus estimate of 0.4% and the revised prior recording of 0.2%. Manufacturing production increased 0.6% in the month, higher than the consensus estimate of 0.4% and the revised prior December reading of flat performance. Both components of the “Final Products” market group, consumer goods and business equipment, recorded solid increases as the pickup in manufacturing activity appeared broad-based. Utilities output of 2.1% helped boost the total index while the only major market or industry group to record a decline in production was mining with a 0.2% drop. Capacity utilization of 76.2% fell slightly below consensus estimates for 76.5% but rose from the revised prior number of 75.7%.

The Bureau of Labor Statistics reported that January Producer Prices came in hotter than widely forecast. Headline PPI rose 0.5% month over month in January—well above economists’ expectations of 0.3%—extending the upward momentum seen in prior months, following gains of 0.2% in November and 0.4% in December. On a year over year basis, headline PPI stood at 2.9% in January, again exceeding expectations near 2.6%. The January increase in final demand prices was driven by a 0.8% rise in final demand services, reflecting a 2.5% jump in trade services margins. Professional and commercial equipment wholesaling margins surged 14.4% during the month, while margins also expanded across apparel, footwear, chemicals, telecommunications, health and beauty, and food and alcohol retailing. In contrast, prices for final demand goods declined 0.3%. Key contributors to the goods decline included a 9.8% drop in milk prices, along with declines in eggs, corn, oilseeds, natural gas, and fresh fruit and melons. Offsetting some of that weakness, prices for nonferrous scrap increased 8.5%.

The advance estimate of GDP for the fourth quarter missed consensus estimates and showed a sequential deceleration in activity, with the Bureau of Economic Analysis (BEA) reporting GDP grew 1.4% in the fourth quarter versus 4.4% in the third. Economists surveyed by Bloomberg expected a 2.8% increase in GDP for the fourth quarter. The government shutdown in October and November of 2025, which was the longest in U.S. history, may have contributed to the decreased government spending shown in the graph below, which impacted the overall GDP figure by -1.2 percentage points. Exports also fell while investment accelerated and consumer spending remained solid despite decelerating sequentially.



Despite continued volatility across macro and policy sensitive markets, interest rate expectations this year have remained relatively stable. Latest CME Group FedWatch data and fed funds futures pricing indicate that investors continue to anticipate two 25 basis point cuts to the federal funds rate in 2026, with the first reduction most commonly expected around mid year and a second cut priced for the fall. This market implied path remains more accommodative than the Federal Reserve’s own median policy projections, underscoring the degree of uncertainty surrounding the inflation outlook and the timing of any easing cycle. Looking beyond near term policy volatility, we continue to believe that U.S. economic momentum could improve as 2026 progresses, supported by gradually easing financial conditions and a resilient domestic demand backdrop. In this environment, earnings growth is expected to broaden beyond a narrow group of market leaders.

Despite a more volatile start to the year, forward earnings expectations for 2026 remain constructive. Bloomberg consensus continues to call for solid S&P 500 EPS growth in the low teens, even as estimates have become more dispersed amid heightened macro and policy uncertainty. Importantly, consensus expectations for earnings growth among the non mega cap constituents of the index—captured by the Equal Weight S&P 500—still point to a reacceleration, with high single digit growth anticipated and valuations remaining at a meaningful discount to the cap weighted index. Year to date market performance has begun to reflect a shift, with the Equal Weight S&P 500 and Russell 2000 among the overall strongest performing major benchmarks. Although growth oriented technology stocks are still expected to deliver solid earnings growth in 2026, recent volatility tied to AI related concerns has underscored the potential for improving earnings momentum across cyclical, value, and SMID segments that lagged in 2025.

Near term investor focus appears likely to remain centered on heightened geopolitical risks following the recent escalation of conflict involving Iran. Additional areas of attention include the implications of new leadership at the Federal Reserve, evolving expectations for the timing and pace of potential rate cuts, and ongoing trade policy uncertainty stemming from recent legal rulings and subsequent executive actions. While these factors may continue to drive episodic market volatility, we continue to expect U.S. economic momentum to improve as 2026 progresses, supported by tax cuts, gradually easing financial conditions, and a measured rebound in corporate investment. At the same time, we remain attentive to risks emanating from the Middle East, where higher energy prices have revived some inflation concerns and introduced potential yield curve sensitivities. Even so, market pricing continues to reflect expectations for modestly lower short term interest rates later in the year, which should help sustain consumer and business access to capital. Against this backdrop—and contingent on earnings delivery—the case for broader market participation beyond mega cap growth appears encouraging.

MARKET AND ECONOMIC STATISTICS

Market Indices:	2/27/2026	12/31/2025	% Change YTD	1/30/2026	% Change (Monthly)
S&P Composite	6,878.88	6,845.50	0.49%	6,939.03	-0.87%
Dow Jones Industrials	48,977.92	48,063.29	1.90%	48,892.47	0.17%
NASDAQ Composite	22,668.21	23,241.99	-2.47%	23,461.82	-3.38%
Russell 2000	2,632.36	2,481.91	6.06%	2,613.74	0.71%
FTSE 100	10,910.55	9,931.38	9.86%	10,223.54	6.72%
Shanghai Composite	4,162.88	3,968.84	4.89%	4,117.95	1.09%
Nikkei Stock Average	58,850.27	50,339.48	16.91%	53,322.85	10.37%
Stoxx Europe 600	633.85	592.19	7.03%	611.00	3.74%
MSCI Emerging Markets	1,610.70	1,404.37	14.69%	1,528.09	5.41%
MSCI Emerging Markets Small Cap	1,820.70	1,632.05	11.56%	1,750.03	4.04%
Performance of S&P 500 by Industry:	% of Index as of 2/27/2026	1 Month	3 Month	Year to Date	12 Months
Consumer Discretionary	9.95%	-5.42%	-3.16%	-3.82%	7.12%
Consumer Staples	5.43%	7.87%	13.71%	15.98%	9.23%
Energy	3.48%	8.77%	24.54%	24.41%	23.95%
Financials	12.51%	-3.83%	-3.59%	-6.34%	-1.51%
Health Care	9.84%	3.42%	1.68%	3.23%	7.50%
Industrials	9.23%	6.97%	15.33%	14.05%	29.94%
Information Technology	32.41%	-3.98%	-5.88%	-5.60%	21.63%
Materials	2.14%	8.27%	19.99%	17.63%	21.05%
Communication Services	10.53%	-5.14%	-0.81%	0.26%	30.00%
Utilities	2.49%	9.87%	5.40%	11.32%	20.56%
Real Estate	1.99%	6.23%	6.10%	9.14%	2.69%
S&P 500 (Absolute performance)	100.00%	-0.87%	0.43%	0.49%	15.52%
Interest Rates:	2/27/2026	12/31/2025	YTD Change (Basis Points)	1/30/2026	Month Change (BPS)
Fed Funds Effective Rate	3.64%	3.64%	0	3.64%	0
Prime Rate	6.75%	6.75%	0	6.75%	0
Three Month Treasury Bill	3.62%	3.60%	2	3.61%	1
Ten Year Treasury	3.94%	4.17%	-23	4.24%	-30
Spread - 10 Year vs 3 Month	0.31%	0.56%	-25	0.62%	-31
Foreign Currencies:	2/27/2026	12/31/2025	% Change YTD	1/30/2026	% Change (Monthly)
Brazil Real (in US dollars)	0.20	0.18	7.2%	0.19	2.7%
British Pound (in US dollars)	1.35	1.35	0.1%	1.37	-1.5%
Canadian Dollar (in US dollars)	0.73	0.73	0.6%	0.73	-0.2%
Chinese Yuan (per US dollar)	6.86	6.99	-1.8%	6.96	-1.4%
Euro (in US dollars)	1.18	1.17	0.6%	1.19	-0.3%
Japanese Yen (per US dollar)	156.05	156.71	-0.4%	154.78	0.8%
Commodity Prices:	2/27/2026	12/31/2025	% Change YTD	1/30/2026	% Change (Monthly)
CRB (Commodity) Index	552.33	539.89	2.3%	546.85	1.0%
Gold (Comex spot per troy oz.)	5278.93	4319.37	22.2%	4894.23	7.9%
Oil (West Texas int. crude)	67.02	57.42	16.7%	65.21	2.8%
Aluminum (LME spot per metric ton)	3127.91	2968.00	5.4%	3117.34	0.3%
Natural Gas (Futures 10,000 MMBtu)	2.86	3.69	-22.4%	4.35	-34.3%
Economic Indicators:	1/31/2026	12/31/2025	% Change YTD	12/31/2025	% Change (Monthly)
Consumer Price Index	326.6	326.0	0.2%	326.0	0.2%
Producer Price Index	264.1	266.2	-0.8%	266.2	-0.8%
	4Q25	3Q25	2Q25	1Q25	4Q24
GDP Growth Rate (Quarterly)	1.40%	4.40%	3.80%	-0.60%	1.90%
Unemployment Rate (End of Month)	January	December	November	September	August
	4.3%	4.4%	4.5%	4.4%	4.3%

*GDP growth rate is calculated as the percent change from the previous period seasonally adjusted at annual rates. **S&P Sectors were re-named at the end of 2001. The sector Industrials is a combination of the former sectors Capital Goods & Transportation. Sources: Wall Street Journal, Bloomberg, The Department of Labor, The Bureau of Labor Statistics, The Bureau of Economic Analysis, US Treasury website.

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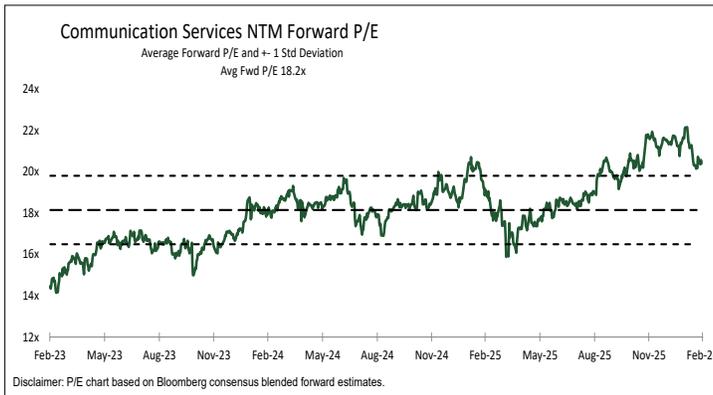
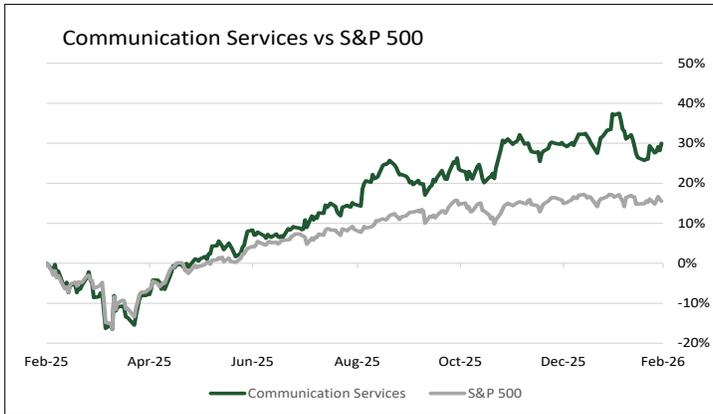
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COMMUNICATIONS SERVICES



Source : Bloomberg

Sector Update

The Communications Services sector significantly underperformed the market in February. Declines in the Interactive Media & Services and Media subsectors outweighed gains in the Diversified Telecommunications Services and Entertainment subsectors.

Shares of leading Interactive Media & Services companies declined after they projected higher-than-expected growth in annual operating and AI capital expenditures. This fueled investor concerns about the near-term earnings impact of elevated spending and the potential return on that capital.

The Media subsector underperformed the market due to the declines in Fox and News Corp shares. Investor concerns about rising sports rights costs and their potential drag on Fox's profits pressured its stock. News Corp shares fell after the company reported a decline in its news media segment profits.

The Diversified Telecommunications Services subsector benefited from the gains in Charter Communications' and Verizon's shares. Investors reacted positively to Charter Communications' report that it achieved net video subscriber additions in the fourth quarter, stabilized its high-speed Internet customer base, and launched an innovative new product combining Wi-Fi 7, 5G backup, and integrated battery power to maintain connectivity during outages.

Verizon reported Q-4 2025 results that exceeded expectations, increased its dividend, and provided FY26 guidance for 750,000 to one million long-term smartphone customer additions, two to three times more than in FY25.

The Entertainment subsector outperformed the market in February, driven by the gains in Paramount Skydance and Netflix shares. Warner Brothers Discovery's announcement that its Board of Directors had accepted Paramount Skydance's revised offer of \$31 per share and Netflix's subsequent withdrawal of its competing offer contributed to the rise in the shares of both Netflix and Paramount Skydance.

The Communications Services sector appears close to being fairly valued, with a P/E of 22x and 19.3x the consensus analyst FY26/FY27 EPS estimates, compared to 14% expected growth in earnings, and its average forward P/E multiple of 18.2x.

Sector Performance

1 Month	3 Months	YTD	TTM
-5.14%	-0.81%	0.26%	30.00%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-0.87%	0.43%	0.49%	15.52%

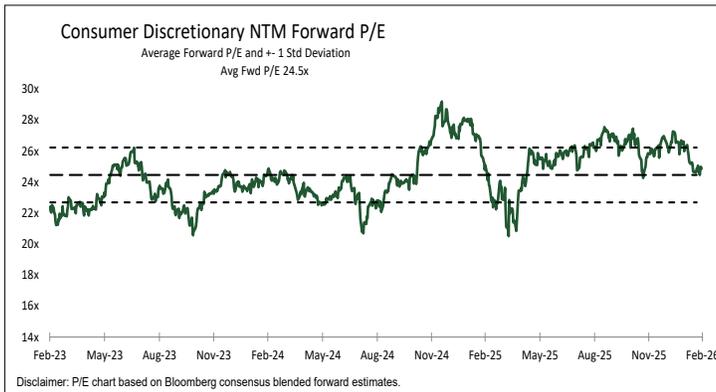
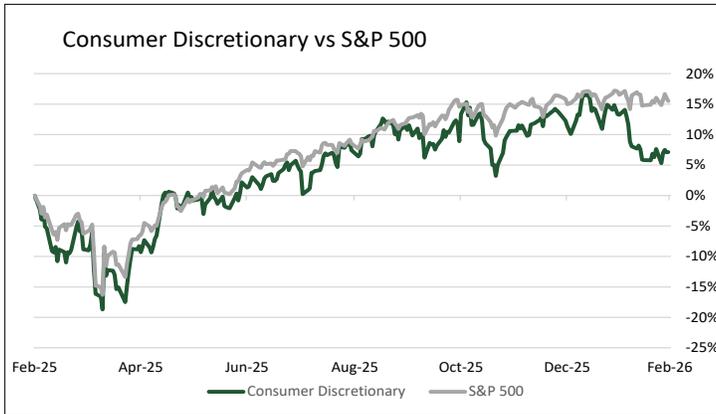
Company Performance

Leaders	Company	1 Month
	Paramount Skydance	20.5%
	Netflix Inc	15.3%
	Charter Comms.	13.8%
	Verizon Comms.	12.6%
	Live Nation	11.5%
Laggards	Company	1 Month
	Fox Corp	-22.6%
	Trade Desk Inc/The	-21.5%
	Fox Corp	-21.1%
	News Corp	-13.9%
	News Corp	-10.1%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$18.61	\$20.62	\$23.52
24.4x	22.0x	19.3x

CONSUMER DISCRETIONARY



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-5.42%	-3.16%	-3.82%	7.12%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-0.87%	0.43%	0.49%	15.52%

Company Performance 1 Month

Leaders	Company	1 Month
	Garmin Ltd	25.4%
	Tapestry Inc	22.5%
	Norwegian Cruise Line	12.9%
	Hasbro Inc	11.5%
	MGM Resorts Intl.	9.9%
Laggards	Expedia Group Inc	-18.6%
	Carvana Co	-16.7%
	Booking Holdings Inc	-15.2%
	Genuine Parts Co	-14.2%
	DoorDash Inc	-13.8%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$61.72	\$67.06	\$78.23
30.1x	27.7x	23.7x

Sector Update

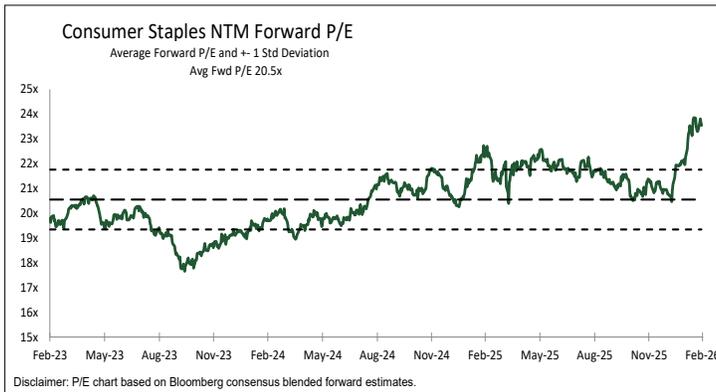
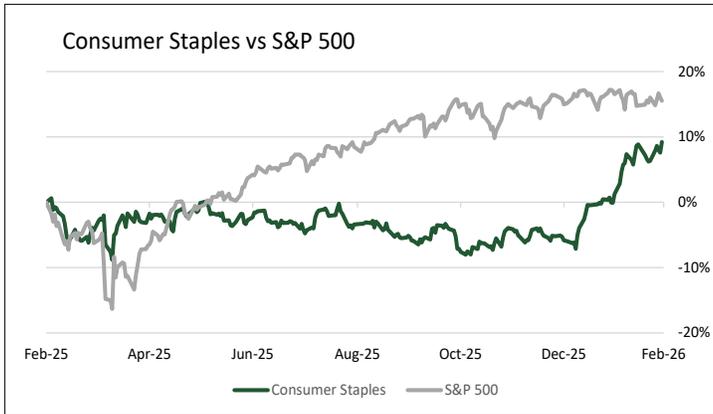
The Consumer Discretionary sector significantly underperformed the broader market in February against a challenging market and macro backdrop. Subsector leadership during the month was seen in the Leisure Products subsector as well as in Household Durables while laggards included the Distributors and Multiline Retail subsectors. In addition to underperforming for the month of February, the Consumer Discretionary sector has underperformed the S&P 500 performance for the trailing three months, year-to-date, and trailing twelve months periods, as reflected in the accompanying chart.

Existing home sales fell sharply in January, delivering a disappointing start to the year as transactions declined 8.4% month over month to a 3.91 million annualized pace, undershooting expectations and marking a broad based slowdown across all U.S. regions, according to data released by the National Association of Realtors (NAR). While affordability conditions have been gradually improving, unusually severe winter weather—including below normal temperatures and above normal precipitation—likely disrupted buyer activity and closings during the month, muddying the signal on underlying demand.

The latest Conference Board report showed U.S. consumer confidence inched higher in February 2026 but remains well below average levels seen over the past three years. Headline Consumer Confidence Index rose 2.2 points to 91.2 from a revised 89.0 in January, driven by slightly better views on business conditions and the labor market but still cautious expectations about the future. The Present Situation Index declined modestly, suggesting that consumers view current economic and job conditions as generally stable but softening, while the Expectations Index remains below the 80 threshold historically associated with elevated recession risk, indicating ongoing wariness about income prospects, politics, trade, and inflation. Inflation concerns have not gone away—12 month inflation expectations were described as little changed but still elevated.

Retail sales were flat in December, ending the holiday season on a weaker than expected note, as the government shutdown delayed Census Bureau report showed sales were unchanged from November and up 2.4% year over year—short of forecasts for a modest monthly gain. Most categories declined, led by furniture and miscellaneous retailers (-0.9%), clothing (-0.7%), electronics (-0.4%), and a small pullback at auto dealers, while gains were limited and concentrated in building materials and garden equipment (+1.2%) and a handful of smaller categories. Underlying demand also softened, with the retail “control group” excluding more volatile categories such as autos, gasoline, building materials, and food services, falling 0.1%, its first decline in three months and a negative signal for GDP tracking. Overall, the flat December results put a lackluster cap on an otherwise decent year for retailers. Higher-income households kept spending through most of 2025, but middle- and lower-income consumers grew more cautious toward the end of the year.

CONSUMER STAPLES



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
7.87%	13.71%	15.98%	9.23%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-0.87%	0.43%	0.49%	15.52%

Company Performance 1 Month

Leaders	Company	1 Month
	Hershey Co/The	21.3%
	McCormick & Co Inc	14.9%
	Clorox Co/The	12.7%
	Kimberly-Clark Corp	11.5%
	Altria Group Inc	11.4%
Laggards	Estee Lauder Cos Inc	-5.0%
Campbell's Company	-3.7%	
General Mills Inc	-2.2%	
Tyson Foods Inc	-0.5%	
Constellation Brands Inc	0.7%	

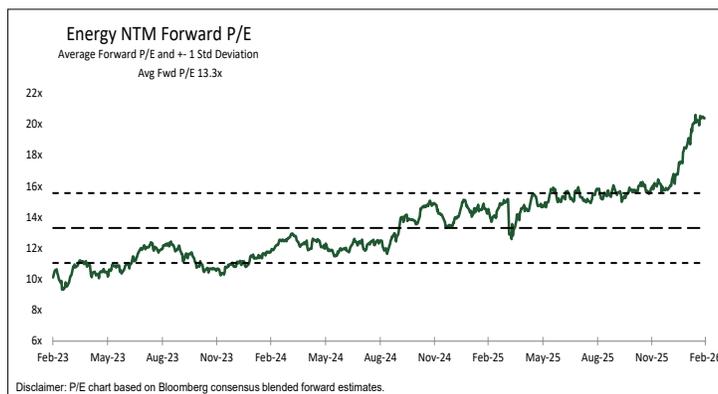
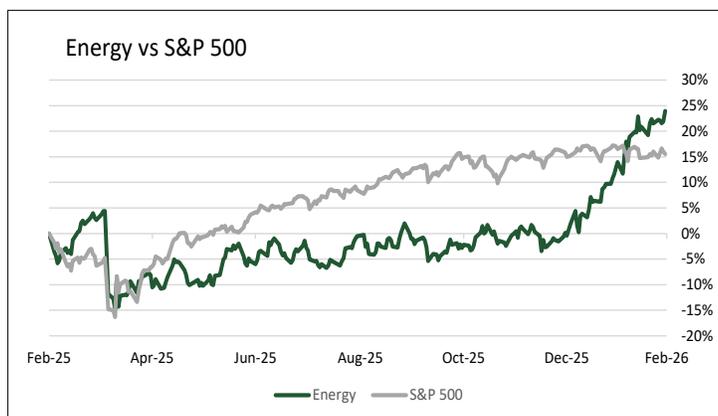
Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$38.92	\$39.56	\$41.43
25.8x	25.4x	24.2x

Sector Update

The Consumer Staples sector increased 7.87% on average in February and significantly outperformed the S&P 500 Index that declined 0.87%. YTD, the Consumer Staples sector increased an impressive 15.98% on average and sharply outperformed the S&P 500 Index that increased 0.49%. Performance reflects relatively broad-based contribution across segments. The Consumer Staples segment trades with a forward P/E of about 25.4x as compared with its average forward P/E of 20.5x. Many packaged food stocks continue to trade with high-single digit to low-double digit P/E valuations and offer attractive 4-5%+ dividend yields. Consumer Staples companies should deliver positive earnings growth for 2026 and could benefit especially if the market broadens. Many of the stocks offer an attractive dividend yield and more favorable risk/reward profile. With many Consumer Staples companies trading at attractive levels, we continue to expect heightened consolidation among the group as companies seek to drive top-line growth while driving out costs and delivering higher margins.

Company presentations during the recent Consumer Analyst of New York (CAGNY) conference held in February centered on the trends towards the rising consumer demand for protein, the emphasis of cash flow generation, the “value” seeking consumer, the trend toward GLP-1 use, the emphasis of clean labels and health and wellness, and the use of AI across the businesses. CAGNY presentations in general centered on the rise of consumer demand for protein and the heightened adoption of GLP-1 use. From the recently released revised food pyramid to the consumer, protein remains a key topic and driver of consumer behavior as well as innovation across the companies. Consumer companies are rapidly adding protein to many products with such launches as Doritos with protein, drinks with protein, cereal with protein, granola and energy bars with protein, etc. Many Consumer Staples companies generate attractive, consistent, and high cash flow that they seek to return to shareholders through dividends and share repurchase. Changing consumer behavior with respect to consumption patterns, shopping behaviors, and channel shifts (e-commerce, mass, c-store, etc.) remains in focus. Financially stressed consumers are buying more on promotion and seeking value. Innovation remains a key lever whether flavor, managing ingredients, offering clean labels, adding protein, managing packaging size, etc. The Accelerated Digital Transformation with investment in AI, Technology, and Data Analytics to market, innovate, rapidly deliver content creation, enable faster and better decision-making, and reach consumers as well as drive down costs and increase efficiencies remains a theme.



Source : Bloomberg

Sector Performance			
1 Month	3 Months	YTD	TTM
8.77%	24.54%	24.41%	23.95%

S&P 500 Performance			
1 Month	3 Months	YTD	TTM
-0.87%	0.43%	0.49%	15.52%

Company Performance		1 Month
Leaders	Texas Pacific Land Corp	50.5%
	Targa Resources Corp	17.3%
	Occidental Petroleum	16.9%
	Baker Hughes Co	16.5%
	APA Corp	15.0%
Laggards	Expand Energy Corp	-4.0%
	ONEOK Inc	4.5%
	Chevron Corp	5.6%
	Coterra Energy Inc	6.0%
	SLB Ltd	6.1%

Consensus FY EPS / P/E		
Last Year	Current Year	Next Year
\$40.91	\$40.10	\$47.35
20.9x	21.3x	18.1x

Sector Update

The Energy sector significantly outperformed the S&P 500 in February, rising 8.8% versus the S&P 500's 0.9% decline. It has also outperformed the broader market on a 3 month, 12 month, and YTD basis. The sector continues to face a volatile geopolitical backdrop, ranging from Venezuelan politics to ongoing hostilities in Europe and the Middle East, now including the recent attack on Iran. Against this backdrop, the Energy Equipment & Services subsector outperformed the Oil, Gas, & Consumable Fuels subsector in February.

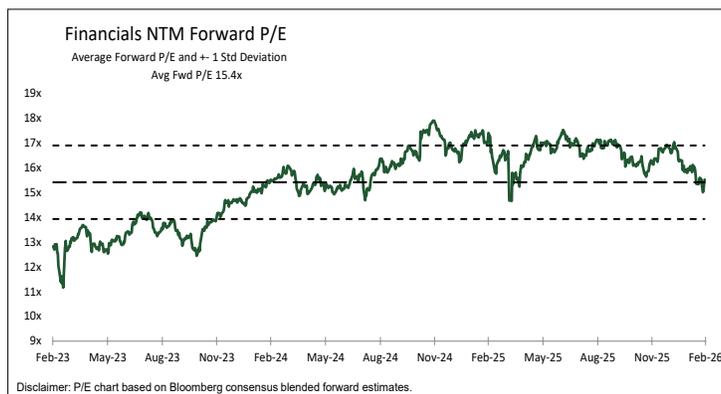
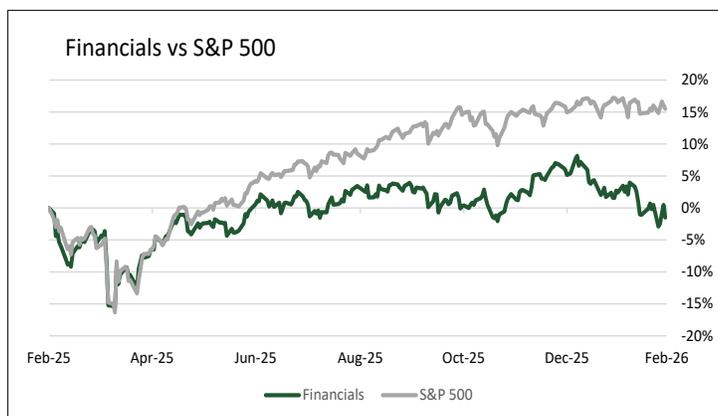
Tensions escalated in the Middle East following coordinated U.S. and Israeli strikes on Iran and subsequent Iranian retaliation across the region. Fears of a broader conflict and potential supply disruptions intensified, driving a sharp rise in oil futures. Iran, the fourth largest oil producer within OPEC, plays an outsized role in energy markets due to both its production and strategic location, raising concerns that unrest could have meaningful consequences for global oil supply. The Strait of Hormuz—a critical oil chokepoint handling roughly one fifth of global flows—has come under increased threat as Iran weighs further retaliation. Against this backdrop, OPEC+ announced a larger than expected increase in planned oil production of approximately 206,000 barrels per day, set to begin in April.

In mid February, OPEC forecast that demand for OPEC+ crude would fall by 400,000 barrels per day in the second quarter and published data pointing to a small surplus. OPEC said demand for its crude would average 42.20 million bpd in the second quarter, down from 42.60 million bpd in the first quarter. Separately, the International Energy Agency said oil demand growth this year would be slower than previously expected, while warning that the market still faces a sizeable surplus despite January supply outages. The IEA projected that in 2026 global supply would exceed demand by about 3.73 million barrels per day—roughly unchanged from last month and close to 4% of world demand—and noted that escalating geopolitical tensions, extreme winter weather in North America, and Kazakh supply disruptions helped spark a short term bullish reversal.

West Texas Intermediate (WTI) crude oil prices rose to \$67.02 per barrel by the end of February from roughly \$62.21 a month earlier. Natural gas prices declined sharply to around \$2.86 per MMBtu from levels above \$4.00 last month. Retail gasoline prices edged higher to approximately \$2.98 per gallon from about \$2.87 a month earlier. Following the escalation of hostilities involving Iran, all three energy prices increased in early March.

The Baker Hughes oil rig count increased to 550 in the month from the 546 level last month. For the week ending February 20, U.S. crude oil inventories came in at 435.8 million barrels versus last month's 420.3 million barrels. Following the downturn seen during the height of the pandemic in 2020, U.S. crude oil production has been in an uptrend, which continued during 2024 and into 2025. The trough daily production seen in 2020 was in the ~9.7 million barrels per day range and has now rebounded to a range of ~13.7 million barrels per day.

FINANCIALS



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-3.83%	-3.59%	-6.34%	-1.51%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-0.87%	0.43%	0.49%	15.52%

Company Performance 1 Month

Leaders	Company	1 Month
	Cboe Global Markets Inc	13.1%
	CME Group Inc	10.5%
	Chubb Ltd	10.1%
	Travelers Cos Inc/The	8.5%
	Allstate Corp/The	7.8%
Laggards	Ares Management Corp	-25.2%
	Robinhood Markets Inc	-23.8%
	KKR & Co Inc	-23.3%
	Apollo Global Mgmt.	-22.3%
	Blackstone Inc	-20.4%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$52.44	\$55.47	\$60.08
16.3x	15.4x	14.2x

Sector Update

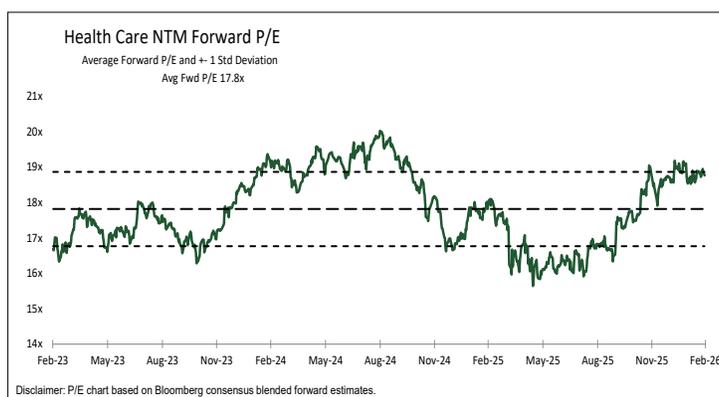
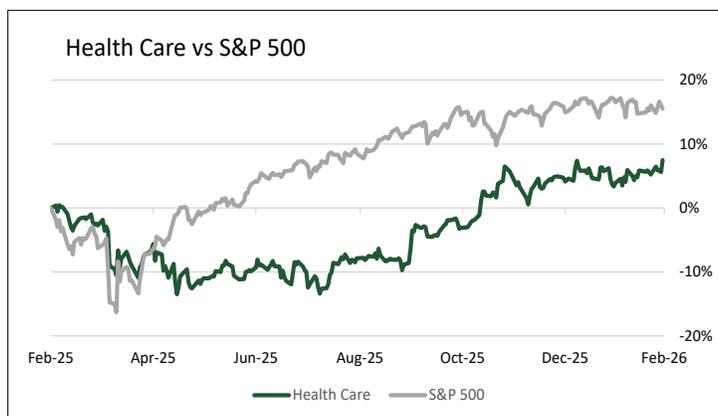
The Financials sector continued to lag the broader S&P 500® in February on a 3.8% decline compared to a less than 1% retrenchment in the market. Financials are the worst performing sector in the S&P 500 year-to-date, down 6.3%. Despite generally solid year-end reports and positive fundamental momentum, sentiment has been weak on credit concerns stemming primarily from AI disruption in the consumer and private capital sectors. Consumer Finance was the worst performing subsector in February, off more than 11% in the month. The Capital Markets subsector, which includes alternative and private investment managers, finished the month down 8.9%. The Insurance subsector acted more defensively and led Financials subsector performance on a 1.5% advance.

The AI disruption and displacement narrative challenged sentiment through two primary vectors in the period. First, in private credit where opaque direct lending books hold exposure to software companies now expected to face significant potential disruption from lower cost “vibe-coded” AI tools and services. Although no major defaults have occurred to date, the thematic has raised concerns that automation could erode pricing power, compress margins and cash flows, or detract from software company moats faster than capital structures can adjust. This dynamic was the primary driver behind weakness in Ares Management (ARES), KKR & Co (KKR), Apollo Global (APO), and Blackstone (BX) in the month—down in a range of 20-25%.

AI disruption fears later spread to the consumer finance industry on concerns of potential widespread labor displacement and unemployment, particularly in white collar, administrative, and customer support roles. The AI job displacement narrative was particularly catalyzed when Block (XYZ) announced a significant workforce reduction totaling 4,000 roles or ~40% of its total headcount and attributed the move to AI led efficiencies. While some view AI as a likely scapegoat for addressing pandemic-era over hiring in certain sectors, investors are increasingly confronted by AI acting as a potential structural shock to the labor market and focused on implications to debt servicing ability across income cohorts and credit scores.

While existential fears of future labor displacement may remain an overhang on sentiment and are nearly impossible to assuage with hard data in the short-term, there continues to be a generally supportive fundamental backdrop for lenders in 2026 with credit performance remaining solid, record levels of bank equity capital, structurally elevated loan loss reserves, a recent acceleration in loan growth, steepened yield curve, and economic stimulus set to impact the economy through higher than expected tax refunds from 2025 legislation paired with the lagged effect of prior central bank rate cuts. These dynamics, paired with recent valuation compression toward historical averages may create opportunities for investors to lean in on selective new investment in the Financials sector.

HEALTH CARE



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
3.42%	1.68%	3.23%	7.50%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-0.87%	0.43%	0.49%	15.52%

Company Performance 1 Month

Leaders	Company	1 Month
	DaVita Inc	42.9%
	Moderna Inc	21.6%
	McKesson Corp	18.8%
	Align Technology Inc	16.6%
	Viatrix Inc	14.1%
Laggards		
	IQVIA Holdings Inc	-22.3%
	Boston Scientific Corp	-17.8%
	Charles River Labs	-15.2%
	Molina Healthcare Inc	-14.2%
	Waters Corp	-13.8%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$91.03	\$95.65	\$108.11
20.5x	19.5x	17.2x

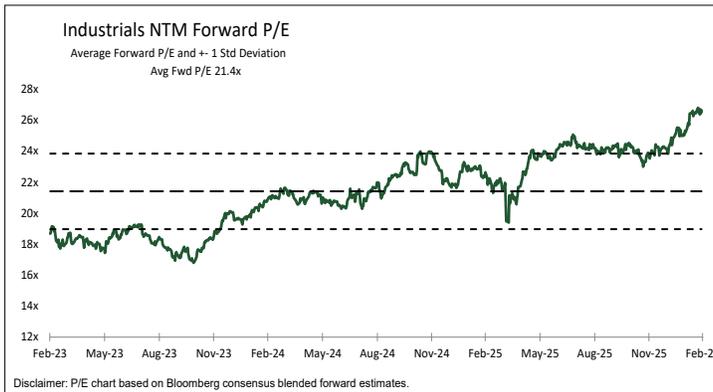
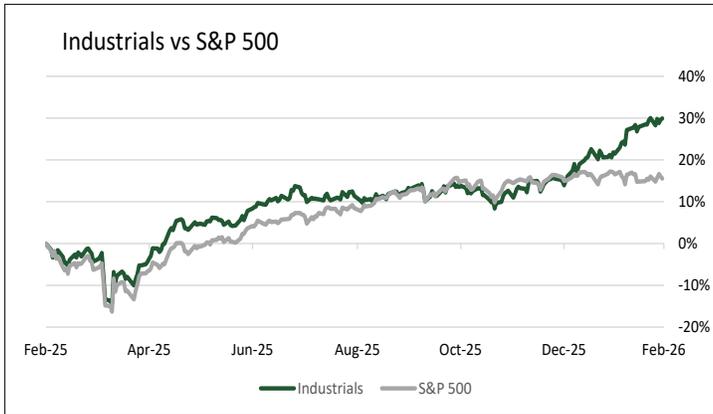
Sector Update

The Health Care sector increased 3.42% in February, outperforming the S&P 500's 0.87% decline. The sector remains a standout performer over the intermediate term, rising 1.68% over the past three months compared to a 0.43% gain for the broader index. Over this intermediate-term time frame, the sector's defensive profile has drawn investors as market leadership has broadened and capital has begun to rotate from crowded trades. While some healthcare stocks signaled caution in forward guidance, the month's overall earnings results remained relatively strong.

Following President Trump's State of the Union address, healthcare stocks showed mixed but mostly muted reactions on the policy front. President Trump's State of the Union healthcare rhetoric echoed his December address to the nation, reiterating his opposition to Obamacare and preference against directing excess funds to private insurers. While broad plans were floated to redirect government spending, no concrete policy changes were outlined, likely explaining the muted market reaction. Biotechnology stocks rose through the month, as some analysts noted that falling rates and pharmaceutical regulatory headwinds appeared largely worked through, having potentially benefited the group in February. This narrative that key headwinds have been worked through also helped lift pharmaceutical stocks during the month. January's initial IRA drug price controls failed to disrupt profit forecasts to the extent some feared. Fears of patent cliffs also appeared to ease for certain blue-chip pharmaceutical companies. Lastly, large hospital networks are forecasting that the expiration of ACA subsidies is likely to impact earnings; however, certain networks are also projecting healthy procedure volumes and solid demand that may mitigate this pressure.

In terms of subsector performance, Biotechnology and Pharmaceutical firms reported share price gains of 6.5% and 6.2%, respectively, during the month. Health Care Providers & Services firms reported a gain of 5.3%, while Life Science Tools & Services and Health Care Equipment & Supplies firms reported decreases of 8.3% and 0.1%, respectively. The Health Care sector currently trades at a forward P/E of 19.5x, which remains above its historical average of 17.8x.

INDUSTRIALS



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
6.97%	15.33%	14.05%	29.94%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-0.87%	0.43%	0.49%	15.52%

Company Performance

Leaders	Company	1 Month
	Generac Holdings Inc	34.1%
	Howmet Aerospace Inc	26.2%
	Comfort Systems USA	25.2%
	Johnson Controls	21.0%
	GE Vernova Inc	20.3%
Laggards		
	ADP	-13.2%
	Expeditors International	-9.7%
	Paychex Inc	-9.2%
	Builders FirstSource Inc	-8.8%
	TransDigm Group Inc	-8.7%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$51.08	\$54.79	\$63.07
29.3x	27.3x	23.7x

Sector Update

The Industrials sector outperformed the S&P 500 in February, rising 7.0% versus the 0.9% decline displayed by the index. The Industrials sector has also outperformed the S&P 500 on a three-months, year-to-date, and trailing 12-months basis. Industrials' performance for February was again broad-based, with 11 of the 12 Industrials subsectors recording gains, including nine growing more than 5%. Construction & Engineering led the sector with a 16.4% increase while the sole subsector reporting a decline, Professional Services, fell 7.4% for the month.

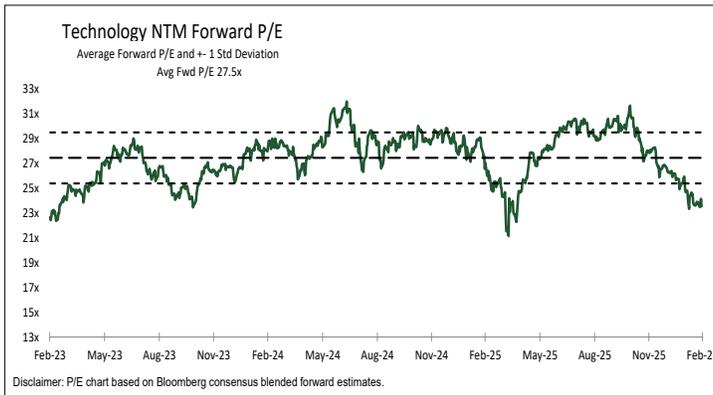
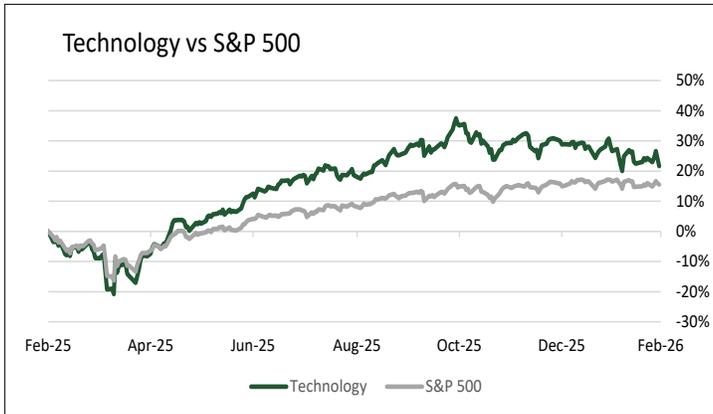
The Industrials sector's solid February results may in part reflect investor preferences for companies offering tangible products as concerns have surfaced over AI's prospective capacity to disrupt some existing business models. Such worries over the potential loss of white-collar jobs and possible decreased relevance of software may have contributed to the Professional Services subsector's decline during the month.

The Institute for Supply Management's (ISM) latest Manufacturing Purchasing Managers' Index (PMI) showed expansion in the manufacturing sector for the second consecutive month in February with a reading of 52.4. Despite falling 0.2 percentage points from January, the index again showed solid activity in the manufacturing sector, with the New Orders and Production Indexes remaining in expansion as the Employment and Inventories Indexes contracted at a slower pace than last month. Demand appeared to remain intact during February, with the New Orders, Backlog of Orders, and New Export Orders Indexes showing expansion as the Customers' Inventories Index remained in "too low" territory - potentially a constructive indication of future production. Susan Spence, Chair of the ISM Manufacturing Business Survey Committee, noted that only 1% of the manufacturing economy contracted strongly (<45 PMI), down from 12% in January, and commented that this figure "is a good metric to gauge overall manufacturing weakness."

The Prices Index notably increased 11.5 percentage points to 70.5, the highest level since June 2022, with the six largest manufacturing industries all reporting higher raw material prices due in part to tariffs and elevated steel and aluminum costs. On the employment front, the Employment Index continued to contract, albeit at a slower pace than January, as 45% of panelists commented that managing head counts remained the default over hiring, a drop from the 66% of panelists reporting this sentiment last month.

The Industrials sector is trading at a forward P/E ratio of 27.3x FY26 and 23.7x FY27 consensus estimates, which are both higher than its three-year average of 21.4x.

INFORMATION TECHNOLOGY



Source : Bloomberg

Sector Update

The Technology sector significantly underperformed the market in February as gains in the Communications Equipment, Electronic Equipment, Instruments, and Components, and Technology Hardware, Storage, and Peripherals subsectors were more than offset by the declines in the other subsectors.

The Communications Equipment subsector outperformed the market, driven by the significant rise in Ciena's shares. Ciena is benefiting from robust AI data center demand for its high-speed optical systems. The company's addition to the S&P 500 index on February 9th also boosted its share price.

The Electronic Equipment, Instruments, and Components subsector outpaced the market driven by significant share price gains in both Corning and Keysight. Corning reported better-than-expected Q-4 2025 results and provided guidance well ahead of the consensus estimate. The company benefited from robust demand for its advanced optical fiber, cable, and connectivity solutions for AI data centers.

Keysight reported better-than-expected Q-1 2026 results and provided quarterly and annual guidance well above the consensus estimate. The company is benefiting from accelerating AI data center investment in high-speed digital testing equipment as well as sustained carrier and satellite operator demand for its advanced wireless testing solutions.

Anthropic's recent announcement that its Claude Code tool can automate key phases of COBOL modernization contributed to the sharp declines in shares of IBM, Cognizant Technology Solutions, and the IT Services subsector. Consulting firms have long generated revenue from multi-year engagements helping banking, insurance, and government clients migrate COBOL systems (IBM mainframes) into modern platforms. This consulting work includes code translation as well as systems integration, regulatory compliance, risk management, and organizational change management. IBM had already been addressing this market with its AI powered watsonX Code Assistant for its system Z mainframe. According to IBM VP Rob Thomas, the watsonX Code Assistant enables the deep hardware-software integration that Anthropic's Claude Code cannot replicate.

The Technology sector appears close to being fairly valued, with a P/E of 31x and 23.7x the consensus analyst FY26/FY27 EPS estimates, compared to FY26 estimated earnings growth of 8%, and its average forward P/E of 27.5x.

Sector Performance

1 Month	3 Months	YTD	TTM
-3.98%	-5.88%	-5.60%	21.63%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-0.87%	0.43%	0.49%	15.52%

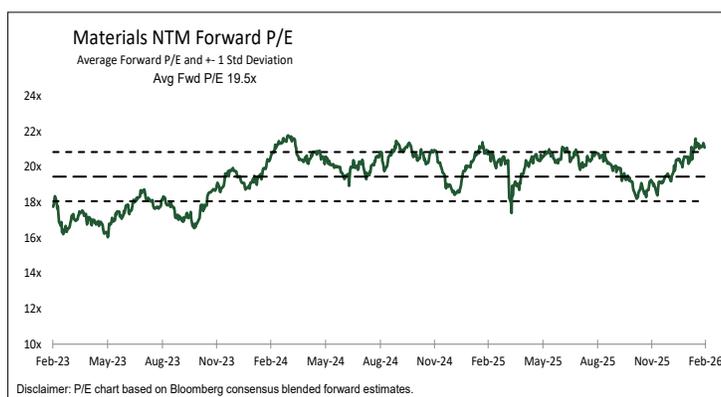
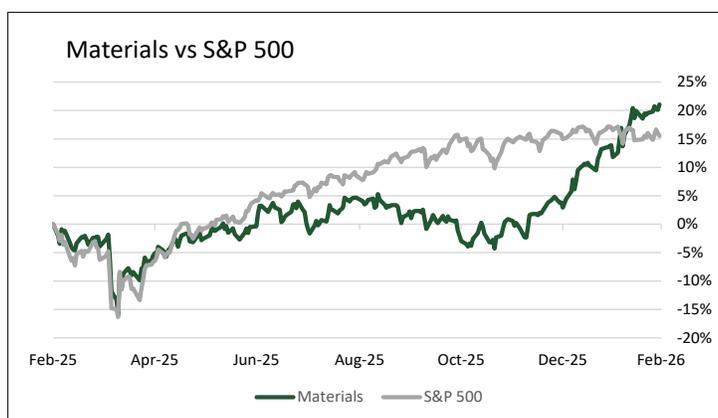
Company Performance

Leaders	Company	1 Month
	Corning Inc	45.6%
	Keysight Technologies	42.1%
	Ciena Corp	38.5%
	Teradyne Inc	32.8%
	Qnity Electronics Inc	31.8%
Laggards		
	EPAM Systems Inc	-32.4%
	Gartner Inc	-25.0%
	Workday Inc	-23.8%
	IBM	-21.7%
	Cognizant Technology	-21.5%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$159.88	\$173.05	\$225.94
33.6x	31.0x	23.7x

MATERIALS



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
8.27%	19.99%	17.63%	21.05%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-0.87%	0.43%	0.49%	15.52%

Company Performance 1 Month

Leaders	Company	1 Month
	Ball Corp	18.0%
	International Flavors	17.8%
	LyondellBasell	17.4%
	Newmont Corp	15.7%
	DuPont de Nemours Inc	13.9%
Laggards	CRH PLC	-2.0%
	Nucor Corp	-0.5%
	Air Products	1.2%
	Mosaic Co/The	1.2%
	Sherwin-Williams Co	2.2%

Consensus FY EPS / P/E

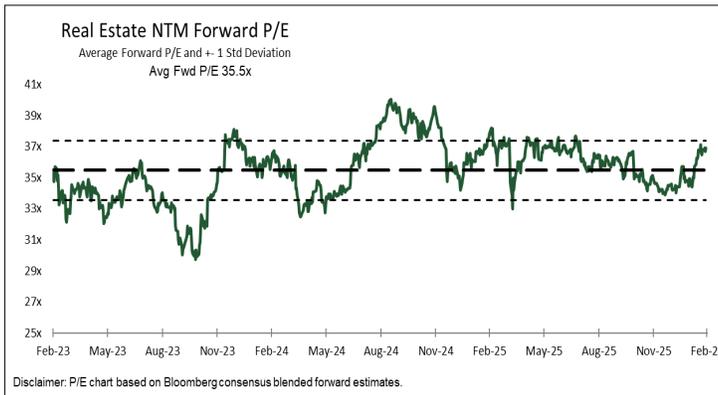
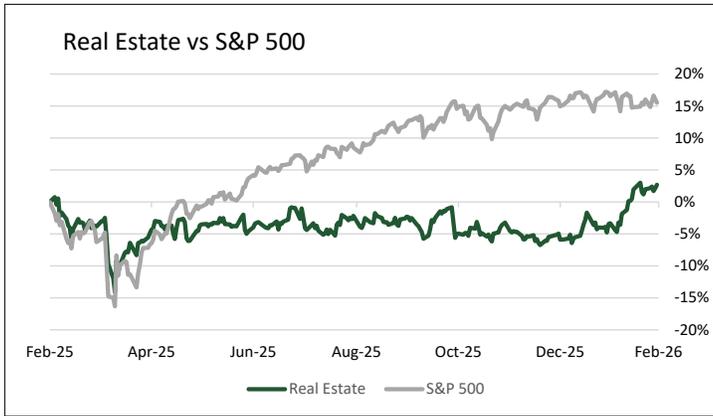
Last Year	Current Year	Next Year
\$24.96	\$31.08	\$35.56
27.1x	21.7x	19.0x

Sector Update

The Materials sector increased 8.27% in February on average and significantly outperformed the 0.87% decrease for the S&P 500 Index. YTD, the Materials sector increased an impressive 17.63% and significantly outperformed the 0.49% increase for the S&P 500 Index. All segments contributed with high-single digits or low-double digit gains with the exception of a modest contribution from Construction Materials that trades on continued mixed recovery for the large aggregate segment. The Materials sector trades with an average forward P/E of about 21.7x vs its historical valuation range of 19.5x. Lithium prices over the past month have increased over 5% and lithium carbonate spot prices have increased above \$22,000 per tonne with increased conversation that price may continue to advance higher. Shares in lithium stocks continue to trade higher on strengthening lithium pricing supporting greater confidence in earnings upside potential along with favorable demand from robots, EVs and data centers. In late February, Zimbabwe, Africa's largest lithium producer, halted exports of raw lithium concentrate to ensure higher value addition. The export ban went into effect on February 25, 2026. As a result, the market reacted to supply fears with high prices as China faces potential tight supply. This extended supply pressure as Chinese authorities canceled 27 mining permits in the lithium key area of Jiangxi. Demand remains supported by Chinese investment in power infrastructure. The investment in power infrastructure was combined with Beijing stating it would double national EV charging capacity to 180 gigawatts by 2027. Questions remain centered on demand from China, potentially sequentially strengthening US and European demand and pricing trends as well as the overall global trade environment.

In February 2026, the metal and mining sector showed strength driven by high commodity prices with particular strength around copper, gold, and silver. The chemical segment is beginning to show signs of recovery with continued emphasis on cost management and margin recovery. In February 2026, the US housing sector showed signs of a potential recovery driven by a slight dip in mortgage rates below 6% for the first time in three years. The challenge persists for offering affordable homes and remains a key conversation. Consumer confidence and home sales along with affordability and inventory remain key factors for the segment. In early March 2026, fertilizer stocks experienced high volatility with rapidly rising prices (urea up 13%) due to supply disruptions from the Middle East. The closure of the Strait of Hormuz has impacted 30% of global trade. Domestic chemical and fertilizer stocks should benefit from higher prices and the tighter market given supply constraints. The outlook is now changed from the beginning of the year that had included a more moderate outlook for prices. The higher fertilizer prices combined with low grain prices should pressure domestic farmers and could impact the use of fertilizers. Selective investment among the group remains a key factor with a preference for strong management teams, high-quality businesses, and strong balance sheets.

REAL ESTATE



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
6.23%	6.10%	9.14%	2.69%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-0.87%	0.43%	0.49%	15.52%

Company Performance

Leaders	Company	1 Month
	Equinix Inc	18.7%
	Iron Mountain Inc	17.6%
	Kimco Realty Corp	11.7%
	Public Storage	11.2%
	Ventas Inc	10.9%
Laggards	CoStar Group Inc	-27.4%
	CBRE Group Inc	-13.3%
	BXP Inc	-11.0%
	Weyerhaeuser Co	-4.8%
	Invitation Homes Inc	-1.5%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$13.47	\$13.65	\$14.62
20.7x	20.4x	19.0x

Sector Update

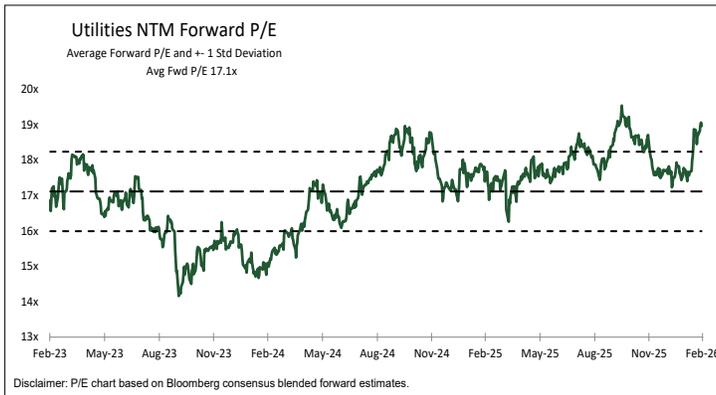
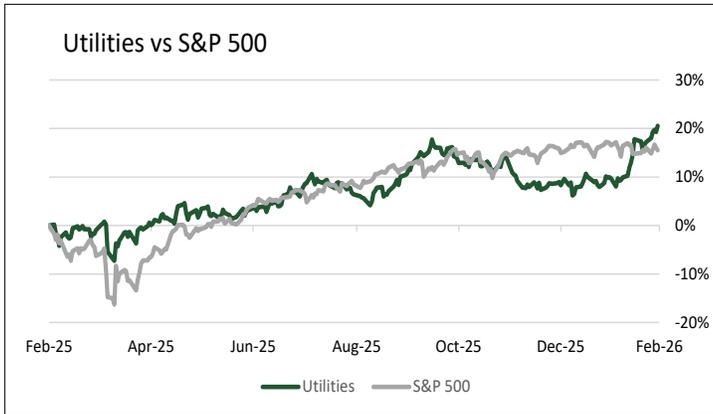
Volatile equity markets persisted in February as concerns over emerging investment and deployment of AI drove investor and consumer anxiety. For the month, as illustrated in the adjacent table, the S&P 500 retreated by 0.87% as technology and consumer facing sectors experienced profit taking. Rotation into more defensive sectors saw sectors such as consumer staples, energy utilities, and real estate appreciate in February, with the latter REITs running in the middle of the pack rising by 6.23% on the month. Although Real Estate performance has turned higher over the past quarter, on a trailing 12-month basis the sector continues to lag tied to strength arising among growth issues earlier in 2025.

Although a range of economic and geopolitical uncertainties persist, we sense that short term interest rates may be poised to move modestly lower this year that combines with fiscal stimulus to potentially drive improving economic growth as 2026 unfolds. Consensus forecasts look for the S&P 500 to deliver double digit earnings growth that could support broad market gains. In contrast, the Real Estate sector appears likely poised for mid-single digit gains in FFO for 2026 along with dividend yields in the 3-4% range offering high single digit total potential returns. If inflation trends were to ease despite some rising concerns including the recent trajectory of oil prices, against falling short-term interest rates (supported by the nomination of Kevin Warsh for Fed Chair in May), the outlook for Real Estate sector investment could be poised to improve further on a relative basis in 2026.

In the meantime, performance across the Real Estate sector varied measurably from company to company last month tied to results posted for 4Q2025 earnings, guidance offered by management teams for 2026, and sentiment shifts associated with deployment of AI. Datacenter leasing accelerated into yearend 2025 with prospects rising into 2026 for both Equinix and Iron Mountain. Likewise, strip shopping operator Kimco reported occupancy at an all-time high with strong leasing spreads now arising.

At the other extreme, selling pressures arose last month for others in the Real Estate sector. Questions over prospects for a recovery in housing along with sustained investment in their Homes.com division had activist pressures weighing on CoStar shares. Despite delivering solid 2025 earnings and 2026 guidance, negative AI narrative suggesting disintermediation risks associated with AI that could impact white collar jobs and thus demand for office space weighed on CBRE Group. And, disappointing guidance from BXP looking for relatively flat NOI trends in 2026 influenced the firm's shares.

UTILITIES



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
9.87%	5.40%	11.32%	20.56%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-0.87%	0.43%	0.49%	15.52%

Company Performance

Leaders	Company	1 Month
	PG&E Corp	23.2%
	Edison International	20.0%
	AES Corp/The	18.0%
	Constellation Energy	17.5%
	NRG Energy Inc	17.3%
Laggards	Public Service Entp.	4.5%
	Dominion Energy Inc	4.9%
	American Water Works	5.3%
	Consolidated Edison Inc	5.5%
	WEC Energy Group Inc	5.7%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$22.23	\$24.78	\$27.45
21.7x	19.5x	17.6x

Sector Update

The Utilities sector was the strongest performing among the S&P 500® on a strong 9.9% monthly advance compared to a less than 1% pullback in the broader market index. The sector rallied sharply on a defensive rotation, with the February gain representing the largest monthly improvement for Utilities since April 2020.

The sector appeared to benefit from a pronounced risk-off rotation amid AI led market volatility. Notably, the rally exhibited strong internal breadth across regulated, independent, and renewable power producers with every component gaining in a range of 4.5% to 23.2% from the end of January. As growth stocks in software technology and capital light cyclicals sold-off sharply, investors moved into defensive heavy-asset and cash-flow stable sectors like Utilities, Staples, and Real Estate. Utilities' regulated rate base structures and long duration power production agreements offer strong earnings visibility providing potential insulation from near term macro uncertainty, particularly as cost recovery mechanisms remain largely intact across key jurisdictions.

In addition to the defensive rotation, Utilities still garner a credible growth narrative as an enabler and beneficiary of AI investment, where data-center expansion remains constrained by power availability—providing multi-year demand and growth potential to regulated and independent power producers alike.

Despite volatility and multiple macroeconomic developments including modestly higher than expected inflation data, geopolitical tensions and intervention in Iran, and AI related credit fears emerging—interest rates, including the all-important 10-year was rangebound in the period around 4%, presenting a generally supportive backdrop for rate-sensitive and higher yielding stocks.

Overall, Utilities surged in February on a somewhat atypical convergence of defense and growth driving multiple expansion well above historical averages. While valuations have expanded meaningfully versus historical trend, we continue to think the premium appears more defensible than in prior cycles given structural load growth, grid investment needs, and improved long term demand visibility. That said, the durability of outperformance may depend on the trajectory of long term rates and the pace at which AI related power demand converts from announced projects into contracted load.

ECONOMIC CALENDAR

Date	Release	For	Prior
2-Mar	S&P Global U.S. Manufacturing PMI - Final	February	51.2
2-Mar	ISM Manufacturing Index	February	52.6%
4-Mar	MBA Mortgage Applications Index	2/28	0.4%
4-Mar	ADP Employment Change	February	22K
4-Mar	S&P Global U.S. Services PMI - Final	February	52.3
4-Mar	ISM Non-Manufacturing Index	February	53.8%
4-Mar	EIA Crude Oil Inventories	2/28	+15.989M
5-Mar	Productivity-Prel	Q4	4.9%
5-Mar	Unit Labor Costs-Prel	Q4	-1.9%
5-Mar	Initial Claims	2/28	212K
5-Mar	Continuing Claims	2/21	1833K
5-Mar	Import Prices	January	0.1%
5-Mar	Import Prices ex-oil	January	0.4%
5-Mar	Export Prices	January	0.3%
5-Mar	Export Prices ex-ag.	January	0.3%
5-Mar	EIA Natural Gas Inventories	2/28	-52 bcf
6-Mar	Nonfarm Payrolls	February	130K
6-Mar	Nonfarm Private Payrolls	February	172K
6-Mar	Unemployment Rate	February	4.3%
6-Mar	Average Hourly Earnings	February	0.4%
6-Mar	Average Workweek	February	34.3
6-Mar	Retail Sales	January	0.0%
6-Mar	Retail Sales, ex-auto	January	0.0%
6-Mar	Business Inventories	January	N/A
6-Mar	Consumer Credit	January	\$24.0B
10-Mar	NFIB Small Business Optimism	February	99.3
10-Mar	Existing Home Sales	February	3.91M
11-Mar	MBA Mortgage Applications Index	3/7	N/A
11-Mar	CPI	February	0.2%
11-Mar	Core CPI	February	0.3%
11-Mar	EIA Crude Oil Inventories	3/7	N/A
11-Mar	Treasury Budget	February	-\$94.6B
12-Mar	PPI	February	N/A
12-Mar	Core PPI	February	N/A
12-Mar	Initial Claims	3/7	N/A
12-Mar	Continuing Claims	2/28	N/A
12-Mar	Factory Orders	January	-0.7%
12-Mar	EIA Natural Gas Inventories	3/7	N/A
13-Mar	Personal Income	January	0.3%
13-Mar	Personal Spending	January	0.4%
13-Mar	PCE Prices	January	0.4%
13-Mar	PCE Prices - Core	January	0.4%

ECONOMIC CALENDAR

13-Mar	GDP - Second Estimate	Q4	1.4%
13-Mar	GDP Deflator - Second Estimate	Q4	3.6%
13-Mar	Univ. of Michigan Consumer Sentiment - Prelim	March	N/A
16-Mar	Empire State Manufacturing	March	N/A
16-Mar	Industrial Production	February	N/A
16-Mar	Capacity Utilization	February	N/A
17-Mar	Building Permits	February	N/A
17-Mar	Export Prices ex-ag.	February	N/A
17-Mar	Housing Starts	February	N/A
17-Mar	Import Prices ex-oil	February	N/A
17-Mar	Pending Home Sales	February	N/A
18-Mar	MBA Mortgage Applications Index	3/14	N/A
18-Mar	EIA Crude Oil Inventories	3/14	N/A
18-Mar	Net Long-Term TIC Flows	January	N/A
19-Mar	Continuing Claims	3/7	N/A
19-Mar	Initial Claims	3/14	N/A
19-Mar	Philadelphia Fed Index	March	N/A
19-Mar	EIA Natural Gas Inventories	3/14	N/A
23-Mar	Construction Spending	January	N/A
24-Mar	New Home Sales	February	N/A
25-Mar	MBA Mortgage Applications Index	3/21	N/A
25-Mar	Current Account Balance	Q4	N/A
25-Mar	Durable Goods -ex transportation	February	N/A
25-Mar	Durable Orders	February	N/A
25-Mar	EIA Crude Oil Inventories	3/21	N/A
26-Mar	Continuing Claims	3/14	N/A
26-Mar	Initial Claims	3/21	N/A
26-Mar	EIA Natural Gas Inventories	3/21	N/A
27-Mar	Personal Income	February	N/A
27-Mar	Personal Spending	February	N/A
27-Mar	PCE Prices	February	N/A
27-Mar	PCE Prices - Core	February	N/A
27-Mar	Adv. Intl. Trade in Goods	February	N/A
27-Mar	Adv. Retail Inventories	February	N/A
27-Mar	Adv. Wholesale Inventories	February	N/A
27-Mar	GDP - Third Estimate	Q4	N/A
27-Mar	GDP Deflator - Third Estimate	Q4	N/A
27-Mar	Univ. of Michigan Consumer Sentiment - Final	March	N/A
31-Mar	FHFA Housing Price Index	January	N/A
31-Mar	S&P Case-Shiller Home Price Index	January	N/A
31-Mar	Chicago PMI	March	N/A
31-Mar	Consumer Confidence	March	91.2

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Sectors and sector components defined by Standard & Poor's GICS Level 1 index. For the list of all holdings in GICS Level 1 index sectors, contact your Davenport Financial Advisor.

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Laggards: Represent top five worst stock price performance in the most recent calendar month within their respective GICS Level 1 Sector

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Dow Jones Industrials: The Dow Jones Industrial Average is an index of 30 "blue chip" stocks of U.S. "industrial" companies.

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CORPORATE HEADQUARTERS

One James Center | 901 East Cary Street, Suite 1100 | Richmond, Virginia 23219
(804) 780-2000 (800) 846-6666
www.investdavenport.com

Abingdon

153 W. Main St., Ste. 100
Abingdon, VA 24210
(276) 274-8277

Atlanta*

515 E. Crossville Rd., Ste. 380
Roswell, GA 30075
(404) 865-4040

Charlotte*

101 North Tryon St., Ste. 1220
Charlotte, NC 28246
(704) 375-0550

Charlottesville

915 East High Street, Suite 401
Charlottesville, VA 22902
(434) 296-9013

Danville

165 Holt Garrison Pkwy., Ste. 570B
Danville, VA 24540
(434) 836-5528

Durham

2828 Pickett Rd, Suite 280
Durham, NC 27705
(919) 321-9500

Farmville

101 North Main St.,
Farmville, VA 23901
(434) 392-9813

Franklin

114 West 2nd Ave.
Franklin, VA 23851
(757) 562-0053

Fredericksburg

904 Princess Anne St., Ste. 102
Fredericksburg, VA 22401
(540) 373-1863

Greensboro

628 Green Valley Rd., Ste. 306
Greensboro, NC 27408
(336) 297-2800

Harrisonburg

21 Carpenter Lane, Suite 101
Harrisonburg, VA 22801
(540) 383-6550

Kilmarnock

141 Technology Park Dr.
Kilmarnock, VA 22482
(804) 435-7705

Lynchburg

1104 Commerce St.
Lynchburg, VA 24504
(434) 948-1100

Marion

126 East Main Street
Marion, VA 24354
(276) 243-0008

Newport News

11827 Canon Blvd., Ste. 404
Newport News, VA 23606
(757) 595-5740

Norfolk

101 West Main St., Ste. 4000
Norfolk, VA 23510
(757) 314-3600

Raleigh

3605 Glenwood Ave., Ste. 310
Raleigh, NC 27612
(919) 571-6550

Richmond

901 East Cary St., Ste. 1100
Richmond, VA 23219
(804) 780-2000

Roanoke

10 Franklin Road S.E., Ste. 450
Roanoke, VA 24011
(540) 345-1909

Sanford

201 Chatham Street., Ste. 1
Sanford, NC 27330
(919) 777-9823

Staunton

202 S. Lewis Street, Suite 201
Staunton, VA 24401
(540) 609-5386

Suffolk

330 West Constance Rd., Ste. 200
Suffolk, VA 23434
(757) 539-5355

Towson*

8600 LaSalle Rd., Ste. 618
Towson, MD 21286
(410) 296-9426

Virginia Beach

477 Viking Dr., Ste. 200
Virginia Beach, VA 23452
(757) 498-4000

Williamsburg

5400 Discovery Park Blvd., Ste. 301
Williamsburg, VA 23188
(757) 258-2800

*Public Finance office.