July 2026
Market Recap

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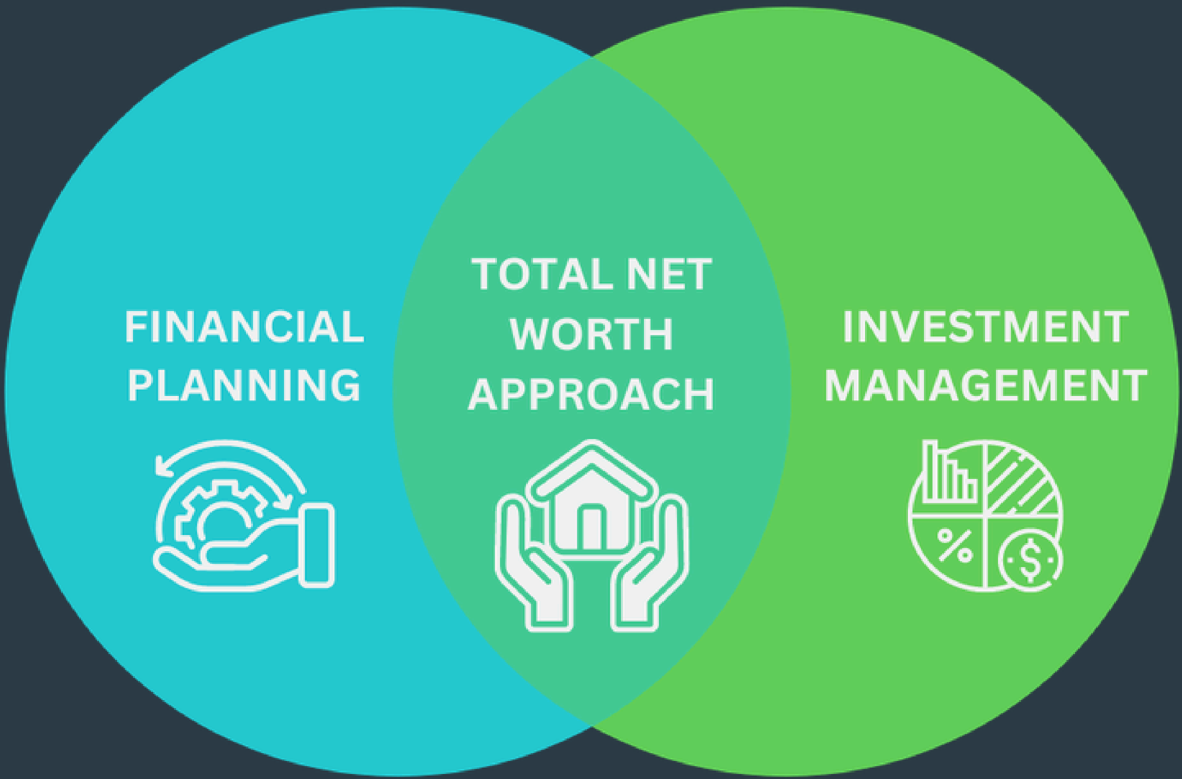


At Winthrop Wealth, we follow a **Total Net Worth Approach** to wealth management that combines both comprehensive financial planning and investment management. The financial plan helps define cash flow needs, seeks to optimize account structures, considers tax mitigation strategies, and determines the appropriate asset allocation based on the client's willingness and ability to take risk. Based on the output of the financial plan, our investment management process designs a well-diversified portfolio constructed with a long-term methodology based on prudent risk management, asset allocation, and security selection. For clients who receive both financial planningand investment advisory services under agreement. No strategy assures success or protects against loss. Investing involves risk, including loss of principle.

The S&P 500 decreased by -0.1% in July, marking the second consecutive monthly decline. Year-to-date, the index is higher by +10.1%. Over the past two months, the S&P 500 has fluctuated between approximately 7,300 and 7,600, accompanied by substantial intraday volatility and rapid changes in market leadership. Renewed tensions between the US and Iran added to uncertainty during the month, while investors rotated sharply away from growth, technology, and AI-related semiconductor stocks and toward value-oriented sectors. These conditions reinforce our belief in the importance of maintaining a disciplined long-term perspective. Please see our Principles for Long-Term Investing.

- **US/Iran Agreement Comes Under Severe Strain:** The memorandum of understanding reached in June has largely broken down in practice, with the two sides repeatedly exchanging attacks throughout July. Renewed tensions pushed oil prices back to approximately $85 per barrel, adding upward pressure to inflation and long-term interest rates while increasing the likelihood that the Fed will raise rates later this year.

- **AI Investment Helps Drive Earnings Growth:** With 61% of S&P 500 companies reporting second-quarter results, earnings growth is tracking at +26% year-over-year excluding investment gains. S&P 500 earnings are expected to increase by +29% in 2026 and +14% in 2027. Artificial intelligence is an important contributor to this outlook, with large cloud and AI infrastructure companies forecasting approximately $750 billion in capital expenditures this year. Much of that spending is flowing to technology companies that supply the processors, memory chips, networking equipment, and data-center infrastructure required to build and operate AI systems. Technology is the only sector expected to grow earnings faster than the overall market in both years.

- **Market Leadership Rotates Toward Value:** The Russell 1000 Value index gained +3.8%, compared with a -4.8% decline for Russell 1000 Growth. Energy (+12.6%) and Financials (+6.2%) led the market, while Technology declined by -3.4%. The pullback occurred amid heightened scrutiny of whether the current pace of hyperscaler capital expenditures can be sustained given increased debt and equity issuance, the growth of lower-cost models, greater Chinese competition, and circular financing arrangements among AI-related companies. Momentum-driven trading and greater use of leverage tied to individual stocks, particularly memory semiconductor stocks, added to the risk of a sharp reversal. That vulnerability was evident in July, when the S&P 500 Semiconductor industry group declined by -11.6% and the Roundhill Memory ETF (DRAM) fell by nearly -32%.
    - Market rotations have been pronounced in recent years, reinforcing the importance of diversification. In many of our managed portfolios, we aim to have meaningful exposure to companies and industries benefiting from long-term AI-related growth, while also maintaining diversification across other areas of the market that may benefit from different economic and market cycles. Our view remains that diversification can help deliver more consistent and less volatile results than an all-eggs-in-one-basket approach. *There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.*

Short-Term Outlook: We continue to take a measured view of the market. The fundamental backdrop is still constructive, supported by healthy corporate profits. However, several sources of volatility highlighted last month are now materializing. The Federal Reserve's removal of forward guidance has reduced visibility into the path of monetary policy, renewed US-Iran tensions have pushed oil prices higher, and public markets are absorbing new supply following the SpaceX IPO. The stock is now approximately -20% below its IPO price and -52% below its peak. The increased use of options and leveraged investment products also contributed to the selloff in semiconductor stocks, particularly memory companies. In this environment, we believe it is prudent to remain disciplined by maintaining regular rebalancing toward long-term targets, opportunistically raising cash for distributions, and positioning portfolios to manage downside risk while remaining prepared to participate in potential upside.

Long-Term Philosophy: We apply a Total Net Worth Approach to wealth management that integrates comprehensive financial planning with a structured investment process. Markets have historically increased over time despite frequent drawdowns as successful corporations generate profits through advances in innovation and productivity. To capitalize on the power of compounding, we believe in the benefits of staying **D**isciplined, **O**pportunistic, and **D**iversified, while striving to **M**itigate fees, taxes, and expenses.

Historically, equity markets have recovered from recessions and downturns. Past performance is no guarantee of future returns. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.

All data sourced from Bloomberg as of 7/31/26

Fixed Income Markets

Interest Rates

Treasury yields moved higher during July, with the largest increases at the long end of the curve. The 10-Year yield rose to 4.73%, while the 30-Year climbed to 5.27%, its highest level since 2007. The steepening yield curve reflected renewed inflation concerns and uncertainty about whether monetary policy will be restrictive enough to contain price pressures.

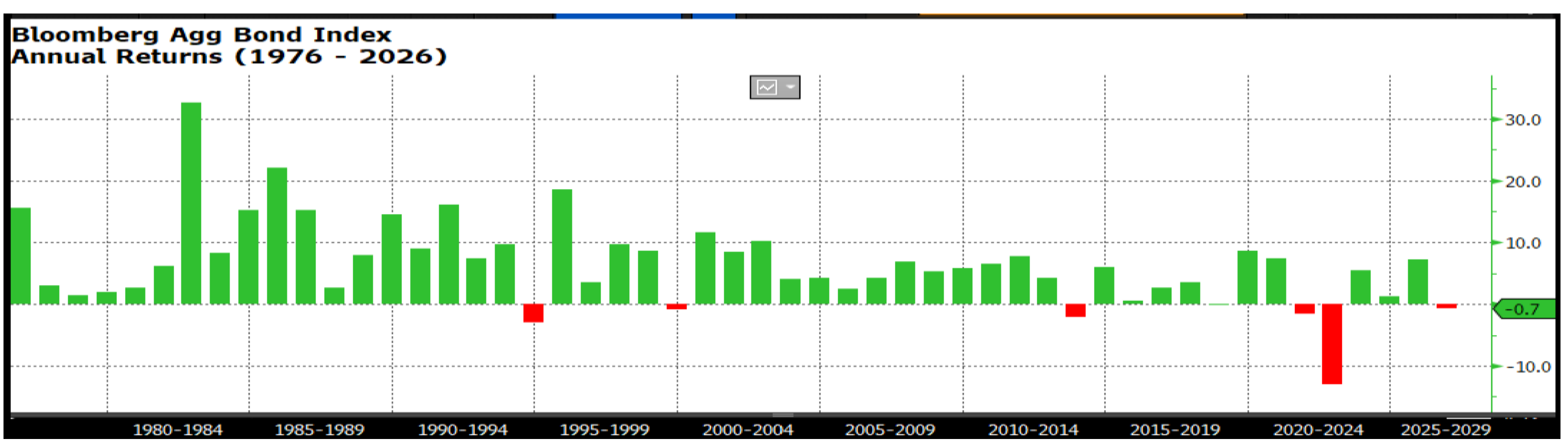
- **Short-Term Treasury Yields:** The Federal Reserve influences short-term interest rates by setting the Federal Funds rate.
    - Month-end levels: 3-Month: 3.75% (-0.1%), 6-Month: 3.94% (0%), 12-Month: 4.03% (+0.1%).
    - According to Bloomberg, markets are now pricing in approximately one 0.25% rate hike this year. The path of oil prices and their impact on inflation will likely determine the Fed's next move: current levels would increase the likelihood of a hike, while a renewed decline would support a prolonged pause.
    - Short-term Treasury yields around 4% remain an attractive option for cash management or funding anticipated liabilities, although they are well below the peak levels available over the past few years. We continue to suggest investing excess cash in longer maturities or a diversified fixed income portfolio to reduce reinvestment risk and enhance long-term income potential. *Investing involves risk including loss of principal. No strategy assures success or protects against loss.*
- **Long-Term Treasury Yields:** The market determines long-term yields based on supply dynamics, including elevated federal debt issuance and investor demand, which vary with expectations for future inflation and economic growth.
    - Month-end levels: 10-Year: 4.73% (+0.3%), 20-Year: 5.29% (+0.3%), 30-Year: 5.27% (+0.3%).
    - As a reminder, mortgage rates are more closely tied to the 10-Year Treasury yield than the Federal Funds rate. The average 30-year mortgage rate increased to about 6.73%, in line with the rise in long-term yields over the past several weeks.

Intermediate-Term Bonds

The Bloomberg US Aggregate Bond Index (Agg), which serves as a proxy for the intermediate-term investment-grade bond market, decreased by -1.3% as yields increased. Year-to-date, the Agg is now lower by -0.7%. Bond prices move inversely to interest rates and credit spreads. Please see our Bond Primer.

As a reminder, we hold fixed income to seek ballast, stability, and income. Ballast refers to the ability to help offset equity risk during periods of volatility. Bonds have not provided much ballast this year, as higher inflation expectations and rising interest rates have pressured bond prices. While periods of muted or negative performance can be frustrating for existing bondholders, the same increase in interest rates that pressures bond prices today also improves the future total return capability of the asset class through the potential for higher income, price appreciation, or both.

In our opinion, intermediate-term bonds remain an attractive investment opportunity. The yield to maturity on the US Aggregate Bond Index increased to 5.0% at month-end. Yield to maturity represents the estimated annualized return an investor can expect if bonds are held to maturity and all interest and principal payments are made as scheduled. Historically, higher starting bond yields have been associated with higher future returns, which strengthens our conviction over the long term. *Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price.*



Source: Bloomberg.

Monetary Policy

"There is no soft inflation target, there is no soft implicit target—not on this Committee's watch. There is only a target, and it is 2 percent. This Fed will not waver."

- Fed Chair Kevin Warsh, FOMC Press Conference (July 2026)

At their July meeting, the FOMC held the top end of the Federal Funds rate at 3.75%, continuing the pause that has been in place all year. Chair Warsh described the economy as resilient, with solid growth and a stable labor market, but reiterated that inflation remains elevated. He also firmly rejected the idea that the Fed could tolerate inflation modestly above its goal, emphasizing that the target is 2%. However, the Fed did not raise rates, and Warsh provided limited insight into how the committee is weighing current inflation pressures or what conditions could prompt a future move. This illustrates one consequence of removing forward guidance: investors must draw their own conclusions about the likely path of policy, and those interpretations may prove inaccurate.

In this case, investors interpreted the meeting as a sign that the Fed may be less likely to raise rates than previously expected. The probability of additional tightening declined following the press conference, and markets are now pricing in approximately one rate hike this year. The yield curve also steepened, with short-term yields falling and long-term yields rising, suggesting that investors expect less near-term tightening but still see a risk that inflation could stay elevated. We continue to believe that the duration of the conflict in the Middle East and the path of oil prices will be important variables for inflation and the Fed's next move. Oil prices have climbed back to approximately $85 per barrel, and if they remain near this level, the Fed will likely raise rates later this year. A renewed decline would make an extended pause more likely. Chair Warsh's speech at Jackson Hole and the September FOMC meeting are likely to provide the next major signals on the direction of monetary policy.

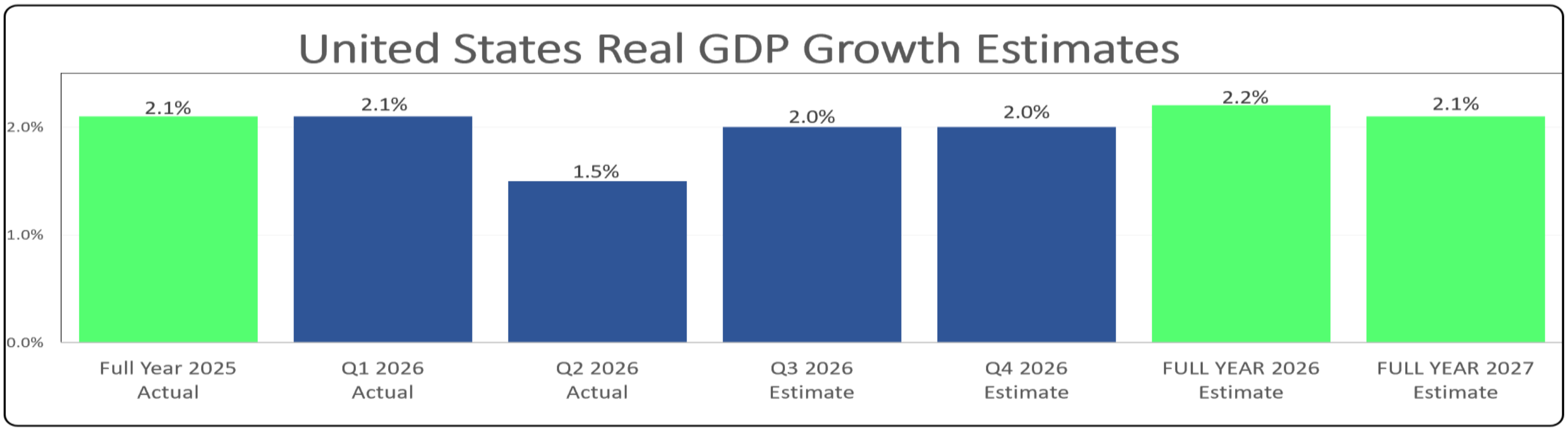
US Economy

"The US economy remains resilient, supported by strong employment, rising household incomes and significant wealth accumulation."

- Ed Bastian, Chief Executive Officer, Delta Air Lines (July 2026)

The US economy expanded at a +1.5% annualized rate during the second quarter, below expectations of approximately +2.0%. A rise in imports subtracted approximately 1% from GDP growth, driven largely by semiconductor purchases for investment in data centers and artificial intelligence infrastructure. Despite the weaker headline number, consumer spending was healthy. Consumption, which accounts for about 70% of GDP, increased by +3.2% as households spent more on both goods and services. Looking ahead, real GDP is estimated to increase by approximately +2.2% in 2026 and +2.1% in 2027.

The labor market has strengthened in recent months. The Bureau of Labor Statistics employment report shows that job gains have averaged nearly +111,000 over the past three months. Initial jobless claims are also near their lowest level in 50 years, indicating that layoffs are limited. At the same time, inflation remains elevated and will likely move higher in the July readings following the increase in oil prices during the month. The path of growth will depend on whether strong consumer spending and AI-related investment can offset renewed pressure from higher oil prices, particularly if those costs begin to affect other prices, weaken household demand, or prompt the Fed to raise rates.



Source: Bloomberg.

JULY 2026 MARKET RETURNS

US Equity													
Index	**July**	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**20-Year**
S&P 500	-0.06%	10.12%	17.86%	25.00%	26.26%	-18.12%	28.68%	18.39%	19.53%	19.28%	12.83%	15.05%	11.34%
Russell 3000	-0.48%	10.33%	17.13%	23.80%	25.93%	-19.22%	25.64%	20.88%	19.58%	18.73%	11.80%	14.53%	11.12%
Dow Jones Industrial Average	0.38%	10.17%	14.92%	14.99%	16.18%	-6.86%	20.95%	9.72%	20.91%	15.92%	10.56%	13.38%	10.62%
Nasdaq	-3.19%	9.53%	21.17%	29.60%	44.70%	-32.51%	22.21%	45.06%	20.87%	21.79%	12.42%	18.32%	14.45%
S&P 400	-2.38%	14.53%	7.48%	13.89%	16.39%	-13.12%	24.73%	13.65%	20.91%	12.92%	8.42%	10.88%	10.09%
Russell 2000	-3.02%	18.98%	12.79%	11.52%	16.88%	-20.46%	14.78%	19.93%	34.32%	15.10%	7.11%	10.62%	8.87%
Russell 1000 Growth	-4.76%	0.32%	18.55%	33.35%	42.67%	-29.14%	27.59%	38.49%	8.02%	19.25%	11.87%	17.44%	13.40%
Russell 1000 Value	3.82%	20.63%	15.88%	14.35%	11.42%	-7.56%	25.12%	2.78%	31.12%	17.84%	11.79%	11.58%	8.84%
International Equity													
MSCI Index	**July**	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**20-Year**
EAFE	1.96%	11.59%	31.22%	3.82%	18.24%	-14.45%	11.26%	7.82%	24.33%	15.94%	9.30%	9.32%	5.59%
Europe	0.11%	9.66%	40.30%	2.64%	22.94%	-17.86%	13.54%	7.89%	22.14%	16.93%	9.84%	10.21%	5.30%
Japan	1.03%	16.96%	24.60%	8.31%	20.32%	-16.65%	1.71%	14.48%	32.28%	17.70%	9.99%	9.25%	4.96%
China	9.00%	-7.32%	31.17%	19.42%	-11.20%	-21.93%	-21.72%	29.49%	-1.14%	7.17%	-2.13%	4.88%	6.11%
Emerging Markets	-3.07%	20.04%	33.57%	7.50%	9.83%	-20.09%	-2.54%	18.31%	36.44%	19.31%	8.02%	9.19%	6.51%
All Country World (ACWI)	0.08%	11.33%	22.34%	17.49%	22.20%	-18.36%	18.54%	16.25%	22.11%	18.29%	10.84%	12.31%	8.40%
ACWI ex US	0.34%	14.08%	32.39%	5.53%	15.62%	-16.00%	7.82%	10.65%	28.46%	17.37%	9.22%	9.43%	5.78%
US Fixed Income													
Bloomberg Index	**July**	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**20-Year**
Aggregate	-1.30%	-0.69%	7.30%	1.25%	5.53%	-13.01%	-1.54%	7.51%	2.71%	3.72%	-0.40%	1.35%	3.18%
Treasury Bills	0.34%	2.15%	4.29%	5.32%	5.14%	1.52%	0.04%	0.54%	3.93%	4.70%	3.67%	2.38%	1.65%
Corporates	-1.67%	-0.83%	7.77%	2.13%	8.52%	-15.76%	-1.04%	9.89%	2.53%	4.57%	-0.27%	2.27%	4.23%
Securitized MBS/ABS/CMBS	-1.34%	-0.38%	8.49%	1.45%	5.08%	-11.67%	-1.04%	4.18%	4.10%	4.22%	0.16%	1.29%	3.02%
High Yield	-0.25%	1.71%	8.62%	8.19%	13.45%	-11.19%	5.28%	7.11%	5.17%	8.26%	4.04%	5.50%	6.61%
Munis	-1.85%	0.43%	4.25%	1.05%	6.40%	-8.53%	1.52%	5.21%	5.27%	2.98%	0.51%	1.95%	3.47%
US Equity Sectors													
Index	**July**	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**20-Year**
Technology	-3.43%	15.65%	24.04%	36.61%	57.84%	-28.19%	34.53%	43.89%	26.22%	28.23%	20.38%	25.19%	18.03%
Real Estate	2.52%	14.33%	3.15%	5.23%	12.35%	-26.13%	46.20%	-2.17%	14.03%	9.87%	3.14%	6.41%	4.85%
Industrials	-3.01%	16.54%	19.27%	17.30%	18.08%	-5.51%	21.10%	11.05%	19.71%	19.28%	13.40%	13.60%	10.83%
Energy	12.60%	34.74%	8.68%	5.72%	-1.42%	65.47%	54.39%	-33.68%	41.17%	14.57%	23.88%	10.11%	6.81%
Consumer Discretionary	0.82%	0.04%	6.04%	30.14%	42.30%	-37.03%	24.43%	33.30%	7.52%	12.97%	6.79%	12.60%	12.07%
Communication Services	0.58%	1.39%	33.56%	40.23%	55.80%	-39.89%	21.57%	23.61%	18.95%	26.60%	11.76%	11.60%	9.82%
Consumer Staples	2.10%	10.31%	3.90%	14.87%	0.52%	-0.62%	18.63%	10.75%	10.32%	8.55%	7.69%	8.21%	9.77%
Utilities	-2.23%	5.29%	16.04%	23.43%	-7.08%	1.56%	17.67%	0.48%	6.41%	13.17%	9.41%	8.93%	8.77%
Materials	-1.65%	10.12%	10.54%	-0.04%	12.55%	-12.28%	27.28%	20.73%	15.32%	7.11%	5.53%	9.63%	8.38%
Financials	6.16%	4.77%	14.97%	30.50%	12.10%	-10.57%	34.87%	-1.76%	10.37%	19.08%	11.19%	13.59%	5.95%
Health Care	2.40%	5.96%	14.60%	2.58%	2.06%	-1.95%	26.13%	13.45%	26.92%	8.49%	6.02%	9.96%	10.52%
	Calendar Year Returns								**Annualized Returns**				

Source: Bloomberg.

DISCLOSURES

Content in this material is provided for general informational and educational purposes only and is not intended to provide specific investment, tax, or legal advice or recommendations for any individual. Investors should consult their financial, tax, and legal professionals regarding their individual circumstances.

The views expressed represent our opinions as of the date of publication and are subject to change without notice. Economic, market, and investment forecasts are based on assumptions, estimates, and information available at the time of publication and may not develop as predicted. There can be no guarantee that any forecast, expectation, or investment strategy discussed in this material will be achieved or prove successful.

References to market indexes, economic statistics, industry data, and other third-party information are believed to be reliable but are not guaranteed as to accuracy or completeness. Unless otherwise noted, market and economic data are sourced from Bloomberg as of July 31, 2026.

Past performance is not indicative of future results and does not guarantee future returns. Investment returns and principal value will fluctuate, and investors may lose money.

Diversification and asset allocation are investment techniques designed to help manage risk. Neither diversification nor asset allocation guarantees a profit, enhances returns, or protects against loss or declining markets. A diversified portfolio may underperform a non-diversified portfolio.

Any discussion of portfolio construction, rebalancing, risk management, fixed income investing, cash management, or other investment approaches represents general commentary and should not be construed as a recommendation for any particular investor. Investment suitability depends on an investor's objectives, time horizon, liquidity needs, tax considerations, and risk tolerance.

Bond investments are subject to market, interest-rate, credit, and liquidity risks. Bond prices generally decline when interest rates rise and may fluctuate before maturity. Yield and yield-to-maturity figures are estimates based on prevailing market conditions and assumptions and are not guarantees of future returns. Actual investor returns may differ materially from quoted yields. Indexes are unmanaged, change composition over time, and cannot be invested in directly.

The Market Returns chart on Page 4 is provided for informational purposes only. Indexes are unmanaged, cannot be invested in directly, and do not reflect fees, expenses, sales charges, or transaction costs. Index performance is not indicative of the performance of any investment, portfolio, or advisory account.

Additional descriptions of significant indexes and market benchmarks referenced throughout this report and in the Market Returns chart on Page 4 appear in the Index & Market Reference Glossary below.

INDEX AND MARKET REFERENCE GLOSSARY

Significant terms and indexes referenced throughout the report and in the Market Returns chart on Page 4.

S&P 500 Index: A capitalization-weighted index of 500 large U.S. companies designed to measure the performance of the broad U.S. equity market.

S&P MidCap 400 Index: An unmanaged index generally representative of the market for mid-sized U.S. companies.

Russell 2000 Index: An unmanaged index measuring the performance of approximately 2,000 small-cap U.S. companies within the Russell 3000 Index.

Russell 1000 Growth Index: Measures the performance of Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000 Value Index: Measures the performance of Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 3000 Growth Index: Measures the performance of growth-oriented companies within the Russell 3000 universe.

Russell 3000 Value Index: Measures the performance of value-oriented companies within the Russell 3000 universe.

MSCI EAFE Index: A free float-adjusted market-capitalization index designed to measure equity-market performance across developed markets outside the United States and Canada.

MSCI Emerging Markets Index: A free float-adjusted market-capitalization-weighted index designed to measure equity-market performance across emerging-market countries.

MSCI U.S. Broad Market Index: Represents broad exposure to the U.S. equity market across large-, mid-, small-, and micro-capitalization companies.

Bloomberg U.S. Aggregate Bond Index: A broad benchmark that measures the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market.

Bloomberg U.S. Treasury Bills 1-3 Month Index: Measures the performance of public obligations of the U.S. Treasury with remaining maturities of at least one month and less than three months, subject to the index methodology.

High-Yield Bonds: Below-investment-grade bonds that generally offer higher yields but involve greater credit, market, and liquidity risks than investment-grade securities.

Yield to Maturity: An estimate of a bond's annualized return if held to maturity and if all scheduled interest and principal payments are made. It is based on assumptions and is not a guarantee of realized return. An index yield is not the return an investor or portfolio will necessarily realize.

Basis Point: One one-hundredth of one percentage point. For example, 25 basis points equals 0.25 percentage points.

Diversification: An investment approach that allocates assets across different investments or asset classes. Diversification does not guarantee a profit or protect against market loss.

Asset Allocation: The process of dividing a portfolio among asset classes based on factors such as objectives, time horizon, liquidity needs, and risk tolerance. Asset allocation does not guarantee a profit or protect against loss.

International & Emerging-Market Investing: International and emerging-market investments involve risks not typically associated with domestic investments, including currency fluctuations, political uncertainty, regulatory differences, and varying accounting standards. These risks may be heightened in emerging markets.