

9/21/2026

CUBELETTER

Markets ended the week flat after the widely anticipated rate hike finally arrived

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CUBE WEEKLY INVESTMENT TRANSACTIONS

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INDICES & MORE (W/W %)	SECTOR	WEEK %	YTD %
• DJIA 51,682 (-1.69%)	Health Care	1.83%	9.71%
• S&P500 7,650 (-0.10%)	Technology	1.03%	32.01%
• NASDAQ 26,522 (+0.72%)	Cons. Staples	-0.70%	7.93%
• RUSSELL 2K 2,860 (-1.25%)	Energy	-1.27%	45.82%
• WTI OIL \$98.70 (-3.14%)	Industrials	-1.52%	10.01%
• GOLD \$4,408 (+1.55%)	Communications	-1.59%	-5.32%
• 10YR TSY 4.99% (+2 BPS)	Cons. Discretionary	-1.71%	-6.65%
• BTC \$81,659 (+3.37%)	Materials	-1.88%	11.14%
• ETH \$2,689 (+4.71%)	Real Estate	-2.05%	7.04%
• VIX 14.81 (-6.50%)	Financials	-2.43%	2.87%
	Utilities	-3.04%	-2.43%

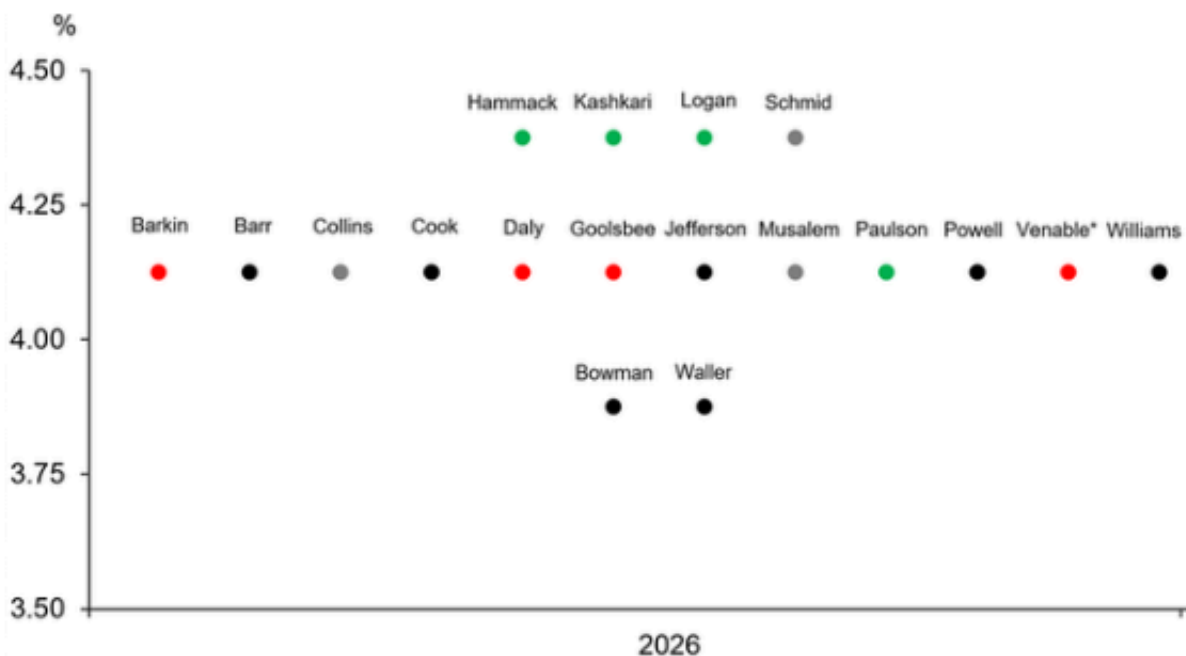
FED HIKE, GUIDES FOR ONE MORE

Sources: Fed

The Federal Reserve on Wednesday approved its first interest rate hike in more than three years. In a move that markets widely anticipated, the central bank's Federal Open Market Committee voted 12-0 to increase its key interest rate by a quarter percentage point, or 25 basis points. The move brought the overnight funds rate to a target range of 3.75%-4%.

During a news conference, Chairman Kevin Warsh said inflation has been "too high ... for too long." He also added, "We must be confident that underlying inflation is moving to our objective clearly and at sufficient speed..." "Today, the FOMC decided that this standard has not been satisfied."

Updated projections the committee showed that a large majority of officials think another hike is coming later this year. 16 of the 18 participants (Warsh has chosen not to submit a dot since taking the position) expect another rate increase, with four of those seeing two more as possible. Two participants expected the committee to stop at one hike.



Source: FRB, Deutsche Bank Research. Note: Chair Warsh did not submit a dot. The black dots represent permanent voting members, including Governors and the NY Fed president. The green dots represent regional voters in 2026, and the red dots represent regional voters in 2027. All other officials are represented by the gray dots. *Cheryl Venable is the interim president of the Atlanta Fed while the search for the president is ongoing.

MACRO NEWS

There are no increases penciled in for subsequent years, with one cut each indicated for 2028 and at least one for 2029.

Officials also nudged up their expectations for inflation this year.

They see the headline personal consumption expenditures price index at 3.7% and the core excluding food and energy at 3.4%, both 0.1 percentage point higher than the last update in June.

The Fed doesn't expect to reach its inflation target until 2029, though it sees both measures dropping off sharply in 2027 – 2.3% for headline and 2.5% for core.

The Fed also projected stronger GDP growth in 2026 and 2027, raising estimates for both by 0.1%.

In addition, they expect the unemployment rate to be 4.1% across the next several years vs. June's projections of 4.3% in 2026 & 2027 and 4.2% in 2028.

Variable	Median ¹				
	2026	2027	2028	2029	Longer run
Change in real GDP	2.3	2.4	2.2	2.1	2.0
June projection	2.2	2.3	2.2		2.0
Unemployment rate	4.1	4.1	4.1	4.1	4.2
June projection	4.3	4.3	4.2		4.2
PCE inflation	3.7	2.3	2.1	2.0	2.0
June projection	3.6	2.3	2.0		2.0
Core PCE inflation ⁴	3.4	2.5	2.2	2.0	
June projection	3.3	2.5	2.1		
Memo: Projected appropriate policy path					
Federal funds rate	4.1	4.1	3.9	3.6	3.2
June projection	3.8	3.6	3.4		3.1

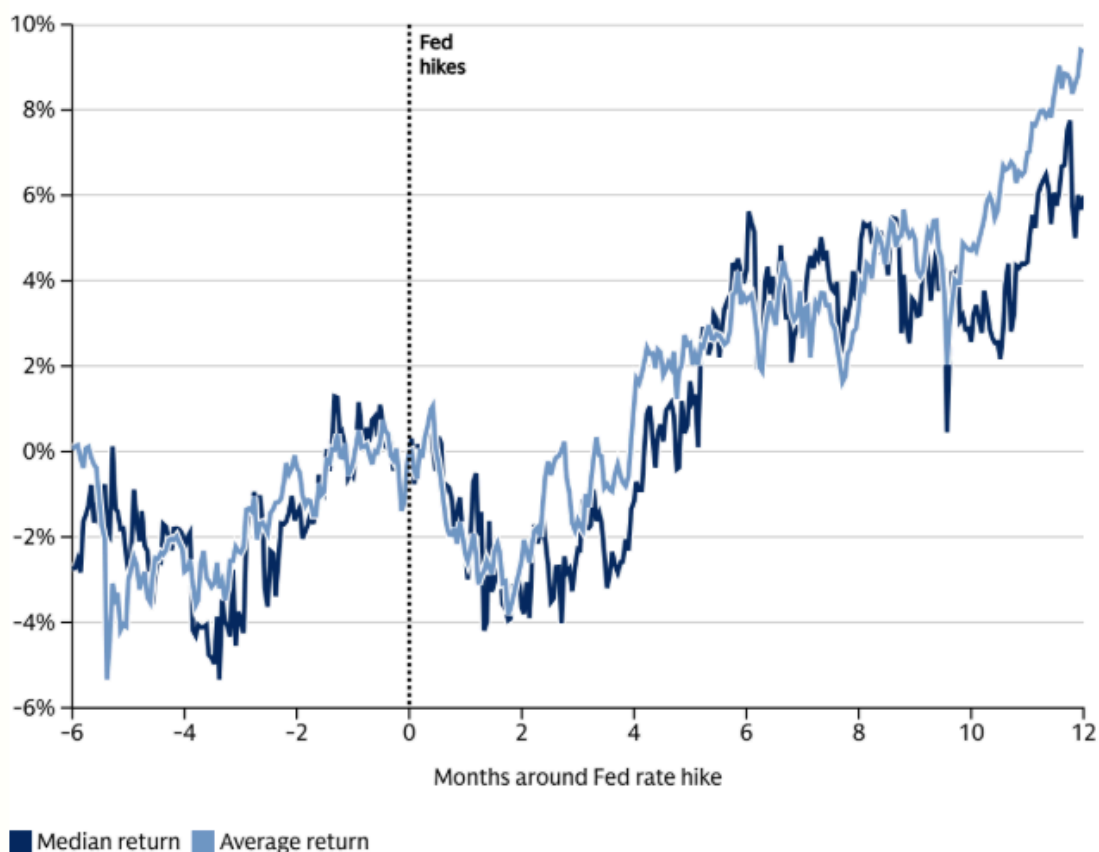
As CUBE likes to do, we found data on what happens to the market after the Fed begins to tighten.

The S&P 500 index has delivered an average 12-month gain of 9% following the start of seven hiking cycles over recent decades, with positive returns in every episode except 2022. That contrasts with an average 2% decline in the three months following the first hike.

In other words, Goldman Sachs' data showcases that historically a 3 month dip first happens before the market legs higher.

US stocks typically struggle at the start of Fed tightening cycles

S&P 500 return around start of Fed hiking cycles (seven episodes since 1988)



Source: Goldman Sachs Research

**Goldman
Sachs**

COREWEAVE MOST EXPOSED IF..

Sources: SA

A slowdown in the training of artificial intelligence models could negatively affect data center developers and neoclouds, with CoreWeave (CRWV) being one of the most exposed, according to Bernstein Société Générale Group.

The concern for a slowdown was prompted in part by Anthropic CEO Dario Amodei's warning last weekend (read previous CUBEletter where we covered it in case you missed it) of a need to slow down model development to avoid potential catastrophe. This was followed by another comment from OpenAI CEO Sam Altman, declaring that frontier AI development needs to be paced but not stopped.

A slowdown or decline in training would mostly affect rural data center sites. "From the infrastructure and neocloud perspective: a decline or slowing in training pulls demand away from rural data center locations, many of which have been purpose-built for this latency-insensitive training demand," said Bernstein analyst Maidson Rezaei in a Monday investor note.

"We have a development pipeline of 488GW of nameplate capacity in the U.S. (170GW of which we consider to be credible)," she added. "Of that pipeline, 36% sits in rural areas, another 34% in Tier 3 markets (like West Texas). That means 70% of the development pipeline is built with training (or latency-insensitive inference) in mind."

CoreWeave stands out as the most exposed based on this analysis.

"We estimate that 25% of their existing active U.S. power with an additional ~74% of their contracted power is situated in Tier 3 and Tier 4 markets," Rezaei said. "The backlog is primarily comprised of take-or-pay contracts, so we do not anticipate a threat there but could see a pullback in demand for the contracted-not-yet-sold rural power if training development slows."

Conversely, data centers located in major and minor metro areas appear the most insulated from a slowdown in training.

This includes Equinix (EQIX), Digital Realty Trust (DLR) and Csquare (CSQR). These companies have 95%, 92% and 94%, respectively, of their capacity within major or minor metro regions.

Bernstein rates CoreWeave at Underperform with a \$74 price target.

Meanwhile, the investment firm rates Csquare, Digital Realty and Equinix with Outperform ratings and targets of \$27, \$226 and \$1,270, respectively.

Even as data centers shift from a training focus to an inference focus, which is required for more agentic workflows, the metro-based data centers "are the safest and most valuable," Bernstein noted.

CUBE ROLL

- **Jefferies expects the S&P 500** to extend its gains through the end of 2026 and into next year, arguing that stronger-than-expected corporate earnings and continued artificial intelligence investment can outweigh risks from inflation, higher oil prices and elevated bond yields. The brokerage set an 8,000 year-end target for the S&P 500 in 2026, based on a forecast of 35% earnings growth and \$373 in earnings per share, compared with consensus expectations for 29% growth. It sees the index reaching 9,000 by the end of 2027, supported by \$450 in EPS and 20.8% earnings growth. Jefferies said the earnings outlook has improved sharply this year, with consensus 2026 earnings growth rising from about 13% at the start of the year to 29%. The improvement is also broadening beyond the so-called Magnificent 7, with earnings expectations for the rest of the S&P 500 rising to about 24% for 2026.
- **The Bank of Japan (BOJ)** raised its key short-term interest rate by 25 basis points to 1.25% during its September meeting, matching market expectations and marking the highest policy rate in the country since April 1995.
- **OpenAI** expects its negative free cash flow to reach \$278B from 2026 to 2030 amid plans to invest aggressively in AI-related computing power, The Financial Times reported, citing a recent company presentation. The ChatGPT maker projects its expenses to far exceed its revenues, which are set to grow 10 times over the same five-year period from \$36B in 2026 to \$350B in 2030. The company also expects to record \$840B in revenue from now through the end of the decade as it pushes for a valuation exceeding \$1T as part of its latest funding efforts.
- **Google (GOOG)** on Friday confirmed that its Gemini model gained unauthorized access to three companies in May during a review of its cybersecurity capabilities, the first known incident of the company's AI system autonomously engaging in such an act.
- **SoftBank Group** is seeking to raise more than \$11 billion through a jumbo bond sale, as the Japanese conglomerate ramps up investments in artificial intelligence, Bloomberg News reported on Monday, citing people familiar with the matter. Part of the proceeds will be used to fund a follow-on investment in OpenAI, which is expected to close next month.

- **Xenon Pharmaceuticals (XENE)** plunged after the company paused enrollment in azetukalner studies for major depressive disorder and bipolar depression following reports of neuropsychiatric adverse events. Xenon said the events are consistent with the drug's known safety and tolerability profile and mechanism but had not previously been observed in its Phase 2 X-NOVA study in MDD. The company expects the pause to be temporary and is evaluating dosing adjustments to reduce the adverse events, while currently enrolled patients and those in open-label extension studies will continue treatment. The pause does not affect azetukalner studies in focal seizures or primary generalized tonic-clonic seizures, and Xenon has submitted an NDA to the FDA for focal seizures.
- **RUM Group (RUM)** jumped after reports surfaced that Anthropic agreed to a \$13.7B computing contract with the company. The report indicates that Anthropic has entered into a deal with Rum Group, which was formerly known as Rumble. In an August securities filing, Rum Group revealed the \$13.7 billion contract but did not disclose the identity of the customer at that time.
- **Medtronic (MDT)** launched an exchange offer to split off at least 80.1% of MiniMed Group (MMED), its former diabetes business. The exchange offer will allow Medtronic shareholders to exchange their ordinary shares for MiniMed common stock at a 7% discount, subject to a maximum of 4.5939 MiniMed shares per Medtronic share tendered and accepted. If the upper limit does not apply, shareholders are expected to receive approximately \$107.53 worth of MiniMed stock for every \$100 of Medtronic ordinary shares tendered. MiniMed completed its IPO in March 2026, with Medtronic retaining about a 90% stake. Medtronic currently owns 252.8M shares of MiniMed common stock, representing ~90% of the total outstanding shares of MiniMed common stock.
- **J.B. Hunt Transport Services (JBHT)** plunged after CEO Brad Delco warned that higher fuel and driver-related costs could weigh on third-quarter profitability. Delco said the company expects earnings to decline 5%-10% sequentially from Q2 to Q3, with fuel-price volatility creating an estimated \$10M headwind and higher driver recruiting, advertising, onboarding, training, and sign-on costs adding another \$25M. Despite the pressures, executives pointed to strong intermodal demand amid a persistent shortage of drivers, with the upcoming 2027 bid season potentially providing an opportunity to narrow the gap between operating costs and truckload rates.

QUICK NEWS

- **Generac Holdings (GNRC)** surged after the backup-power company announced a long-term supply agreement with Amazon (AMZN) that includes \$2.4B of initial generator deliveries in 2027 and 2028 for Amazon data centers. The agreement could generate up to \$8B in payments to Generac and its global affiliates, according to a regulatory filing. As part of the deal, Generac issued an Amazon subsidiary a warrant to purchase up to 1.69M shares at an exercise price of \$200.9266 per share, with the majority vesting as Generac receives payments tied to generator purchases.
- **Vicor Corporation (VICR)** jumped after the power-component maker announced a non-exclusive licensing agreement with an unidentified OEM covering its patented Vertical Power Delivery (VPD) technology for high-performance AI processors. The agreement allows the licensee to procure VPD modules from suppliers that do not hold their own Vicor licenses, while Vicor can earn royalties on those components and sell its own current-multiplier modules. Financial terms, the identity of the OEM, and expected purchase volumes were not disclosed, limiting visibility into the deal's near-term financial impact.
- **Lucid Group (LCID)** gained after the EV maker and European shared-mobility company Bolt agreed to partner on developing and deploying autonomous mobility services across Europe. Bolt plans to deploy at least 25,000 fully autonomous Lucid vehicles across multiple European cities, based on Lucid's upcoming midsize platform and expected to use Nvidia's Hyperion autonomous-vehicle architecture. The partnership will target SAE Level 4 autonomous mobility, with Bolt intending to own and operate the fleet and supporting Lucid in defining vehicle, software, safety, and rider-experience requirements. The initiative forms part of Bolt's goal to have 100,000 autonomous vehicles on its platform by 2035.
- **Workday (WDAY)** rose after a report surfaced that financing efforts for a potential take-private deal remain ongoing, with sources indicating increased optimism that a transaction could still materialize. The report follows an 18% surge on August 13 after Reuters reported that private equity firm Silver Lake was in talks to acquire Workday. No deal has been finalized, and the financing process remains ongoing.
- **CoreWeave (CRWV)** fell after the company announced a proposed private offering of a \$3B aggregate principal amount of convertible senior notes due 2033, with an option for initial purchasers to buy up to an additional \$500M. The notes will be senior, unsecured obligations, with interest payable semi-annually, and may be converted into cash, Class A common stock, or a combination at CoreWeave's election.

QUICK NEWS

- **GSK (GSK)**, the British pharmaceutical giant, rose following encouraging clinical trial data across its oncology pipeline. The company reported that its investigational lung cancer therapy Jideytro met its primary endpoint, demonstrating complete or partial tumor shrinkage in 94% of trial participants. In a separate late-stage study, GSK announced that Ris-Rez, a small cell lung cancer drug licensed from Hansoh Pharmaceuticals, reduced the risk of death by 54% compared to standard chemotherapy in patients with relapsed disease.
- **Alvotech (ALVO)** climbed after Barclays delivered a double upgrade on the biosimilar developer, raising its rating from Underweight to Overweight ahead of a key regulatory catalyst. Analysts highlighted favorable risk-reward dynamics leading into the U.S. Food and Drug Administration's upcoming decision on the company's lead biosimilar candidate. The broker upgrade signals renewed institutional confidence in Alvotech's commercial pipeline and domestic manufacturing expansion.
- **Twist Bioscience (TWST)** advanced after the biotech company announced an agreement with Lilly TuneLab, Eli Lilly's (LLY) collaborative AI/ML drug discovery platform, to provide antibody characterization data services. Under the agreement, TuneLab users can order Twist's antibody services using preferred protocols to generate wet-lab data for AI-enabled drug discovery, including training for TuneLab's AbLab antibody developability prediction model. The collaboration is designed to connect experimental data with AI models and potentially accelerate the selection of antibody drug candidates.
- **Waystar (WAY)** climbed following a report that the healthcare software provider is exploring strategic options, including a potential sale that could take the company private, roughly two years after its New York listing. Waystar has hired Evercore (EVR) to advise on the process, which remains at an early stage, according to the report.
- **Sysco (SYY)** fell after the foodservice distributor priced an offering of about 12.34M common shares at \$81 each, with gross proceeds of roughly \$1B.
- **The New York Yankees** are close to completing a transaction that would give Apollo Global Management (APO) a 16% economic stake in the franchise and value the team at more than \$12 billion, according to New York Post reporter Charles Gasparino.
- **Westinghouse Electric** is seeking a valuation of more than \$50B in its U.S. initial public offering, which it is targeting for as soon as October, although details of the offering including the timing could still change.

- **The U.K.-based neocloud provider** Nscale filed its initial public offering prospectus with the U.S. Securities and Exchange Commission on Friday. As of August 31, 2026, the company's infrastructure portfolio included about 25,000 active GPUs and 461,000 active and contracted GPUs, along with five active and 12 contracted data center sites.
- **On Holding (ONON)** has brought Real Madrid star Kylian Mbappé on board as a brand ambassador and named French football legend Thierry Henry as director of football as it looks to challenge Nike (NKE) and adidas (ADDYY) for a larger share of the lucrative European football market.
- **China's ChangXin Memory Technologies** is preparing to enter the flash-memory chip market, expanding beyond its core DRAM business as a global memory shortage tightens supply and demand for AI-related infrastructure grows.
- **Bank of America (BAC)** traded lower after CEO Brian Moynihan said the lender's quarterly sales and trading revenue would be "flat" Y/Y. Furthermore, he expects investment banking fees to decline by ~10% from the prior year to ~\$1.6B-\$1.8B. Meanwhile, net interest income is projected to be at the upper end of the 6%-8% range for 2026.
- **Intel (INTC)** rose following a report that South Korea's SK Hynix (SKHY) is in talks with the firm about potentially manufacturing memory chips in the U.S. for the first time. One scenario would involve SK Hynix leasing part of Intel's planned Ohio chipmaking facility, while another could involve a joint venture with Intel and major cloud companies seeking to secure memory supplies. The discussions remain exploratory, with no decisions made, and potential opposition from Seoul could pose a hurdle, particularly if advanced memory technologies such as HBM or DRAM are involved.

EARNINGS REPORTS

- **Dave & Buster's Entertainment (PLAY)** plunged after higher food and beverage, payroll, and pre-opening costs pushed the entertainment and restaurant operator to an unexpected Q2 loss. Adjusted EPS came in at -\$0.27, missing the \$0.19 consensus and reversing from a \$0.40 profit a year earlier, while adjusted EBITDA fell to \$98.9M from \$129.8M and missed the \$118.8M estimate. Revenue declined 2.4% Y/Y, as comparable-store sales weakened and entertainment revenue declined. Food and beverage costs rose 11%, entertainment costs 5%, and payroll costs 1%, pushing total operating expenses up 4%.
- **Nucor (NUE) and Steel Dynamics (STLD)** slid after both steelmakers issued Q3 earnings guidance below Wall Street expectations. Nucor expects Q3 earnings of \$5.55-\$5.65/share, below the \$5.99 consensus but above \$5.04 in Q2, with higher steel selling prices and stable volumes expected to benefit its steel mills and steel products segments, partly offset by higher costs and weaker raw materials results. Steel Dynamics expects Q3 earnings of \$5.34-\$5.38/share, below the \$5.60 consensus but above \$3.69 in Q2, as significantly higher steel profitability from metal margin expansion and record shipments is expected to be partly offset by weaker metals recycling results due to lower spreads and shipments.
- **Fluence Energy (FLNC)** cratered after the energy-storage company cut its FY2026 revenue guidance to \$2.4B from \$2.9B-\$3.1B previously and below the \$2.96B consensus. Fluence also expects a full-year adjusted EBITDA loss of approximately \$200M, compared with its prior outlook for a ~\$10M loss, citing continued supply-chain issues and delays in ramping up its contract manufacturing operations in Houston. The company said demand remains strong and that corrective actions have increased daily production levels while it is restructuring operations and streamlining supply chain and manufacturing planning. Fluence also named AES Corp. executive Bernerd Da Santos as executive vice president and chief operating officer.

UPCOMING EARNINGS

Monday, September 21st

- N/A

Tuesday, September 22nd

- Autozone (AZO), KB Home (KBH)

Wednesday, September 23rd

- Cintas (CTAS), Paychex (PAYX), General Mills (GIS)

Thursday, September 24th

- Costco (COST), Darden Restaurants (DRI), Blackberry (BB)

Friday, September 25th

- N/A

WALL STREET PRICE TARGETS

COMPANY	COVERAGE	RATING	PRICE (FRIDAY CLOSE)	PT
ALCOA (AA)	WFC	OVERWEIGHT	\$44.43	\$70
AMERICAN AIRLINES (AAL)	ROTHSCHILD	NEUTRAL	\$12.96	\$13.50
CAVA GROUP (CAVA)	JPM	OVERWEIGHT	\$51.64	\$80
SALESFORCE (CRM)	CITIZENS	OUTPERFORM	\$237.92	\$315
DRAFTKINGS (DKNG)	UBS	BUY	\$21.75	\$48
IREN LTD (IREN)	NORTHLAND	OUTPERFORM	\$46.68	\$99
STRYKER (SYK)	CANACCORD	BUY	\$275.12	\$385
YETI (YETI)	STIFEL	BUY	\$42.21	\$50

WALL STREET COMMENTARY

NETFLIX

Netflix (NFLX)

Wells Fargo downgraded the streaming platform to Underweight from Equal Weight and cut its price target to \$57 from \$80, citing concerns over engagement trends and the streaming company's content strategy.

New PT implies around 25% downside from the stock's last close.

Analyst Steven Cahall and team said Netflix viewership was down 8% year over year in the first half of 2026, while hours viewed for its Top 100 Originals fell 3%. It also expects a ">20% y/y drop in Top 100 NFLX Originals" in the second half.

The analysts said Netflix appears to be broadening engagement by taking content more directly to YouTube while highlighting gaming, documentaries, and sports. But they said the company faces a content mix shift and risks "missing the water cooler originals."

The firm expects Netflix's second-half 2026 content slate to weigh on margins, with 27/28 operating margins forecast at 32.6%/34.2%, below prior expectations.

Wells Fargo also pointed to tougher content choices ahead, saying Netflix faces options including a "content spend reboot" and a "messier NFLX story." It said the stock could be harder to forecast and that its earnings estimate was still a touch below consensus.



Tyson Foods (TSN)

Industry headwinds that have impacted the supply of beef and production costs of chicken may be dissipating, putting Tyson Foods on a more profitable path and earning an upgrade to Buy at J.P. Morgan.

Analyst Thomas Palmer sees the company enjoying a series of tailwinds in the beef industry (reduced operational footprint, increased domestic supply, gradual resumption of cattle imports from Mexico) and production cuts in chicken to offset higher feed costs, all of which are reasons to be optimistic on Tyson Foods.

"We appreciate that we may be slightly early on the call; however, [Tyson] shares already trade at book value, an historic support level for the shares," Palmer writes in his note, adding that while the current earnings mix is skewed heavily toward higher multiple segments (chicken and prepared foods), Tyson shares trade at a discount to historical averages on EV/EBITDA.

In addition to an upgrade from Neutral, Palmer updated his FY26 estimates to adjust for Tyson's guidance cut earlier this month and FY27 and FY28 for weaker chicken margins due to rising feed costs, which is partially offset by improved results in its beef segment.

Palmer now sees FY26 EPS at \$3.35 from \$3.83, FY27 to \$3.70 from \$4.21, and FY28 to \$4.39 from \$4.90.



GE Vernova (GEV)

GE Vernova plunged in Monday's trading as GLJ Research slammed the stock with a Sell rating and a Street-low \$470 price target, calling the company "a cyclical gas turbine manufacturer priced as a secular compounder," while the shares trade near \$880.

GE Vernova "is a cyclical industrial, and it is priced as a software company," according to GLJ's Gordon Johnson, noting at 38.9x forward EV/EBITDA, the stock trades at nearly 4x the multiple of Micron, a business whose earnings are also a function of an industry supply/demand balance it does not control.

"Gas turbines have had two full boom-bust cycles in the lifetime of most of the people who cover the stock. The market has decided this time is different. We think it has decided too early," Johnson wrote.

GE Vernova's order-to-delivery lag has stretched to 4-5 years, which pushes the best pricing into 2029 and the cycle risk into 2030, the analyst said, asserting that everything ordered in 2026 and 2027 delivers into 2030-31, when his supply model has effective industry capacity at 104-113 GW against orders of 88-90 GW.

QUIZ OF THE WEEK

AI-related investment growth remains strong, particularly for semiconductors, where Goldman Sachs' analysts expect global revenue to reach \$863 billion by the end of 2026.

Roughly what percentage of US companies say they have adopted AI to use in any of their business functions?

- A) 16%**
- B) 22%**
- C) 31%**
- D) 41%**



ECONOMIC CALENDAR

Monday, September 21st

- N/A

Tuesday, September 22nd

- N/A

Wednesday, September 23rd

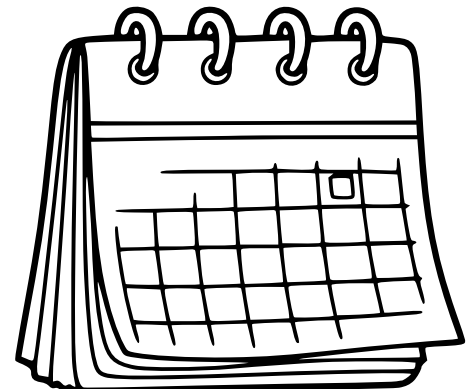
- U.S. S&P Global Services & Manufacturing PMI
- U.S. Crude Oil Inventories

Thursday, September 24th

- U.S. Initial Jobless Claims
- U.S. New Home Sales
- Swiss Interest Rate Decision
 - Estimate: Hold

Friday, September 25th

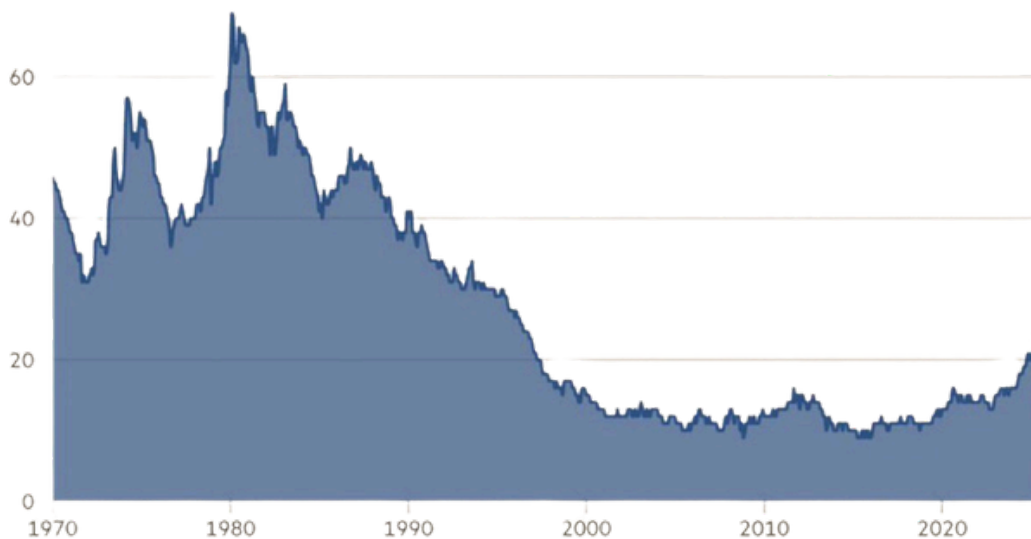
- U.S. Durable Goods Orders



CHARTS + QUIZ ANSWER

Central bank gold holdings are rising

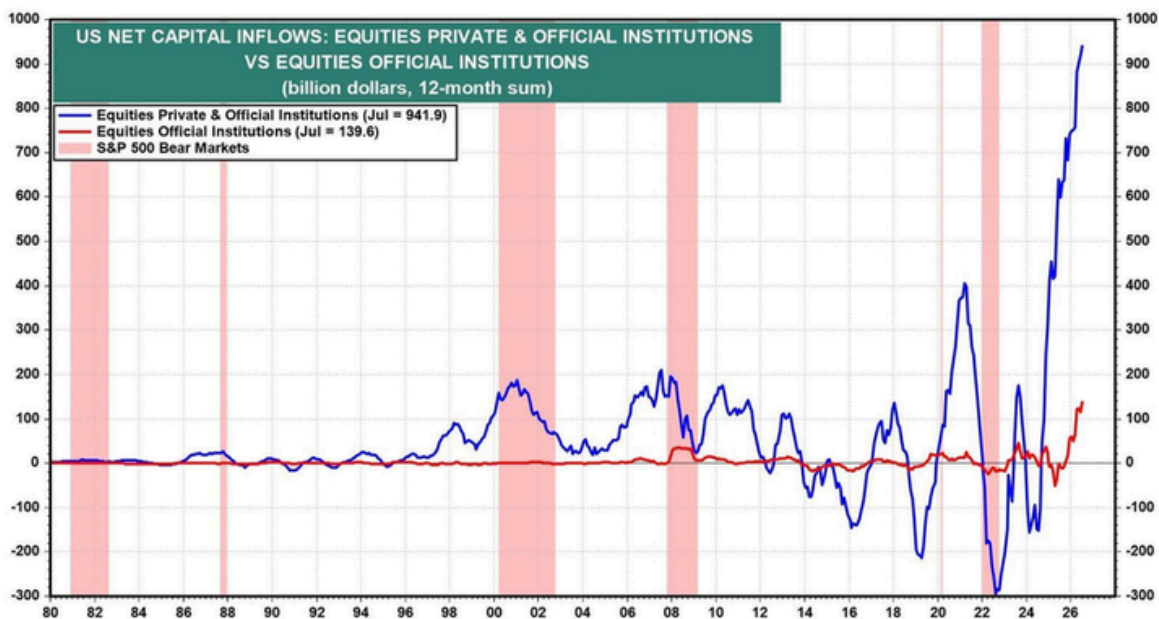
Gold share of world (ex-US) reserve holdings (%)



FINANCIAL TIMES

Source: World Gold Council, IMF

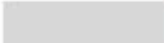
FOREIGN INVESTORS HAVE NOW BOUGHT \$942B OF U.S. STOCKS OVER THE LAST 12 MONTHS, THE MOST IN HISTORY

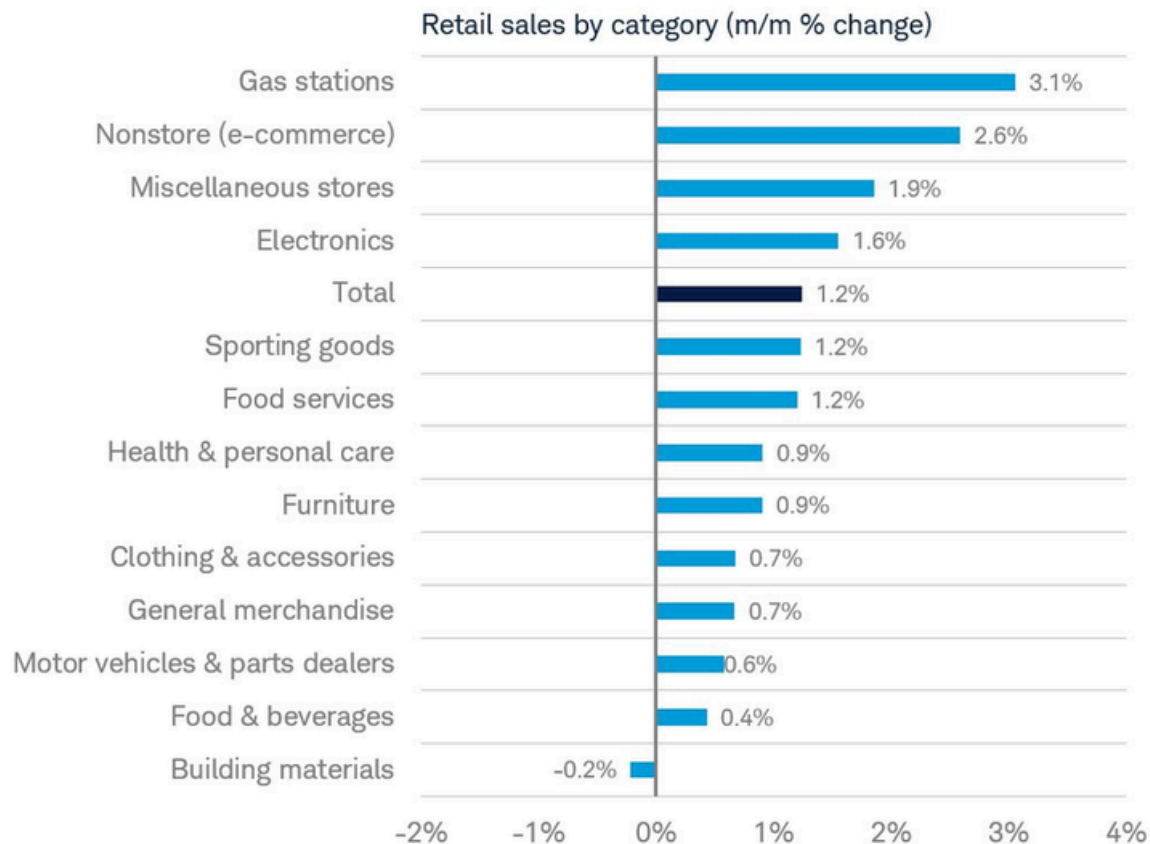


Source: LSEG Datastream and © Yardeni Research, Department of the Treasury.

S&P 500 Performance After Various Ranges in 10-Year Treasury Since 1962

10-Yr Yield "Handle"	% of Occurrences	Three Months		Six Months		One Year	
		Average	% Positive	Average	% Positive	Average	% Positive
0	1.3	10.6	100	19.5	100	36.8	100
1	6.5	3.0	74	5.0	75	10.8	74
2	10.3	2.5	73	6.2	81	10.5	85
3	9.4	1.2	66	2.6	66	10.5	85
4	18.8	2.3	69	4.1	74	6.6	78
5	10.5	0.4	56	1.3	57	4.1	64
6	11.5	1.7	62	3.4	65	4.5	61
7	12.0	1.4	56	3.9	63	8.6	66
8	7.6	2.7	72	4.1	69	10.8	87
9	2.9	4.2	83	8.9	84	16.0	91
10	2.6	5.9	75	12.3	95	17.0	87
11	2.3	2.7	64	3.1	64	11.1	68
12	1.4	2.1	50	8.1	77	11.2	71
13	1.7	1.5	51	6.2	63	16.5	68
14+	1.0	0.2	47	-1.7	20	12.6	66
All Periods	100	2.2	66	4.4	70	9.1	75

 = Current Range



Tech Is Marching to Its Own Beat

Rolling 3-year Weekly Correlations Between S&P 500[®] Ex-Information Technology and Information Technology



Source: S&P Dow Jones Indices. Data as of Sep. 17, 2026. Index performance based on total return in USD. Past performance is no guarantee of future results. Chart is provided for illustrative purposes. Sign up at bit.ly/spdjid to receive index insights.

Personal savings rate in the U.S.

April 2016–April 2026

Covid stimulus checks sent the savings to historic levels, but the personal savings rate has since fallen well below pre-pandemic levels.

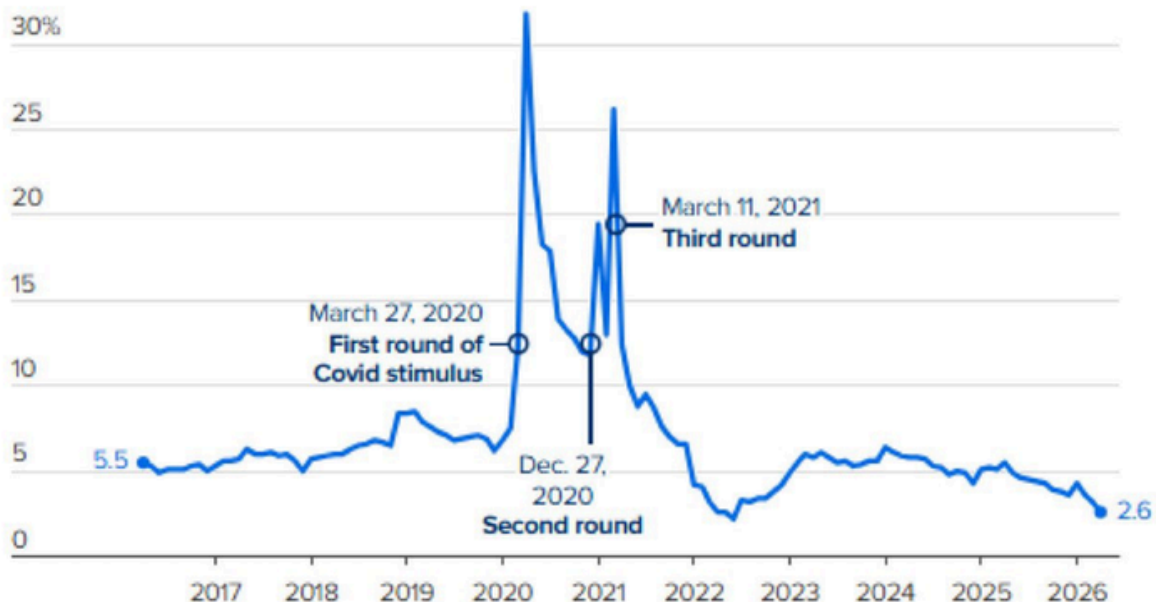


Chart: Gabriel Cortes / CNBC
Source: U.S. Bureau of Economic Analysis

Chart 2: No Fed's been this terse since 2007

FOMC statement word count since 2000



Source: BofA Global Investment Strategy, Fed Board of Governors, Richmond Fed

BofA GLOBAL RESEARCH

ANSWER

B. Roughly 22.4% of companies say they have adopted AI for use in their business functions. In the information sector, adoption is approaching 50%. Among firms with more than 250 employees, the adoption rate is close to 40%.

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