SEIA | Private Wealth Management

Insights

Q3 2026

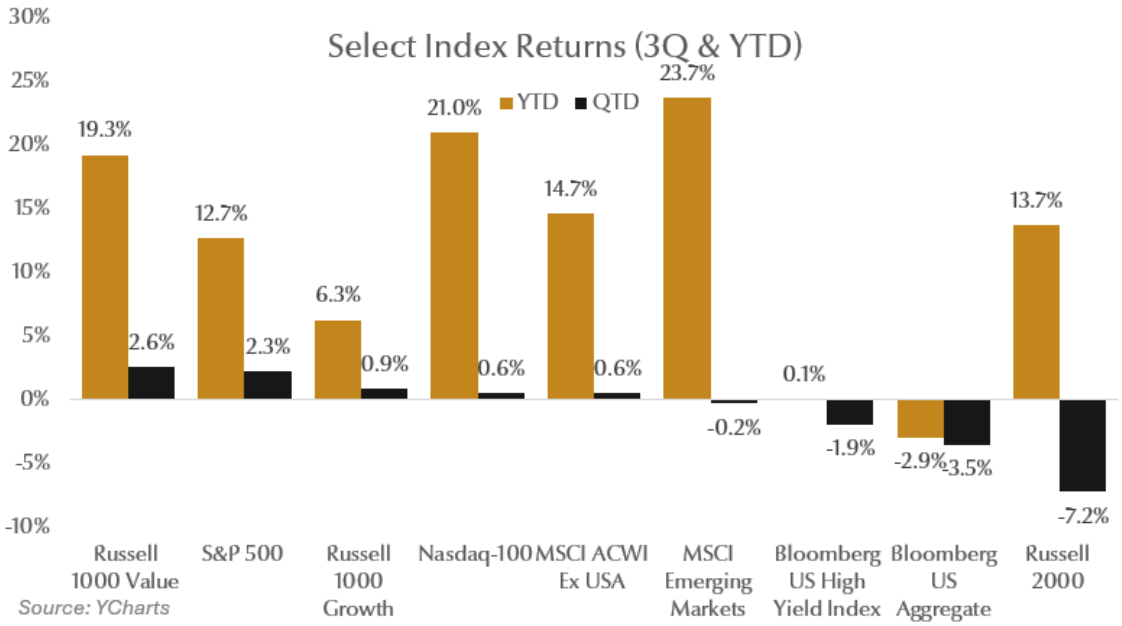
VOL 19, ISSUE 3 SEIA.COM

Quarterly Newsletter Bringing You Financial Insights from the Leaders

Insights September 2026

Introduction – Approaching Peak Growth

Economic growth continued to surprise to the upside during the third quarter, lifting corporate earnings expectations, commodities, inflation, and, unfortunately, interest rates. With the bulk of stimulative policy measures now behind us, we expect growth to moderate, which should support financial markets.



Source: YCharts. Data as of 9/30/2026. Indexes cannot be invested in directly, are unmanaged and do not incur management fees, costs and expenses. For additional information, refer to the Important Information section beginning on page seven.

Investment Committee

SEIA's Investment Committee meets frequently to discuss current market trends and potential investment managers. The Investment Committee is composed of SEIA's Senior Partners and Financial Advisors, holding a variety of advanced degrees and certifications, including Master of Science in Financial Planning, CERTIFIED FINANCIAL PLANNER®, Chartered Financial Analyst®, Chartered Mutual Fund Counselor℠, Chartered Financial Consultant® and Accredited Investment Fiduciary®.

Committee Members & Years of Experience

Brian D. Holmes
Chief Executive Officer
MS, CFP®, AIF®
41 Years

Gary K. Liska
Principal Managing Partner
MS, CFP®, AIF®, CMFC®, AAMS®
31 Years

Mark E. Copeland
Principal Managing Partner
CFP®, AIF®
37 Years

Paul Taghibagi
Principal Managing Partner
CFP®, AIF®
35 Years

Theodore E. Saade
Principal Managing Partner
CFP®, CMFC®, AIF®
30 Years

Eric C. Pritz
Managing Senior Partner
CFP®
21 Years

David L. Johnson
Managing Senior Partner
CFP®, AIF®
30 Years

Hayley Wood Bates
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MBA, CFP®
15 Years

Andrew Lin
Director of Relationship Management
21 Years

Matthew Kim
VP, Relationship Manager
26 Years

Samuel Miller
Executive VP of Investment Strategy
CFA®, CFP®, CAIA®
24 Years

Chad Miller
Partner
CFA®
11 Years

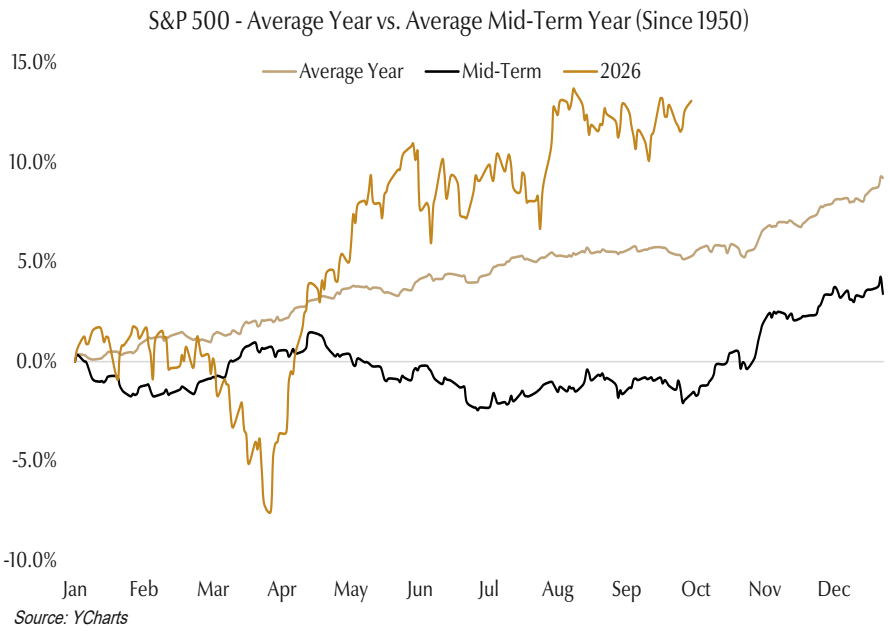
Eugene Lev
Partner
RICP®, AIF®
17 Years

Chris Gardner
Senior Financial Advisor
CFP®, AIF®
10 Years

For details on the professional designations displayed herein, including descriptions, minimum requirements and ongoing education requirements, refer to the Important Information section beginning on page seven.

Equity Markets

In the US, earnings broadly surprised to the upside, and the market ran well ahead of where we would typically expect at this point in a mid-term year.



Source: YCharts

Year-to-date performance was dominated by the most cyclical asset classes: Emerging Markets, US Small Cap Value, and US Large Cap Value. The energy sector (US Value) returned 40% year-to-date as the unresolved Iran situation and ongoing Middle East tensions pushed energy prices higher and accelerated inflation. US Large Cap Growth, by contrast, was up just 6% year-to-date, as higher rates weighed on growth equity valuations and the market broadened out from the Magnificent 7 trade. During the first half of the year, the S&P 500 Equal Weight Index outperformed the S&P 500 (Market Cap Weighted) Index by roughly 2%, supporting improved (broader market) participation, a trend also reflected in US Small Caps' outperformance of US Large Caps.

Third quarter dynamics, however, told a drastically different story. The Magnificent 7 ended September up ~4% and returned 10% for the quarter: NVIDIA reported second quarter results in which year-over-year revenue doubled, and the company guided for 70% revenue growth in 2028, well above the ~45% the market had expected. Meta launched its AI agent, Muse, which fueled a 27% return for September. The S&P 500 (Market Cap Weighted) Index outperformed the Equal Weight Index, and US Small Caps underperformed US Large Caps, all pointing to a narrowing of market breadth, with fewer companies driving returns.

Source: YCharts. Data as of 9/30/2026. Indexes cannot be invested in directly, are unmanaged and do not incur management fees, costs and expenses. For additional information, refer to the Important Information section beginning on page seven.

US Fixed Income Markets

Q3 2026 was a challenging quarter for fixed income, marked by a sharp rise in yields, persistent inflation concerns, and broad-based bond market weakness.

Rates: A Widespread Selloff

U.S. Treasury yields surged across the curve, with the 10-year Treasury ending the quarter near 5.3%, a level not seen since before the Global Financial Crisis. Sticky inflation, resilient economic growth, and concerns over elevated government borrowing all contributed to the move.

The Fed held rates unchanged in July, a decision met with immediate selling in long-dated Treasuries. Treasury Secretary Bessent subsequently doubled the size of long-dated debt buybacks in August, which provided only a temporary reprieve before yields resumed their surge. In September, the Fed raised the federal funds rate 25 bps, citing resilient growth and employment alongside persistent inflation.

Credit: Spreads Resilient, but Cracks Emerging

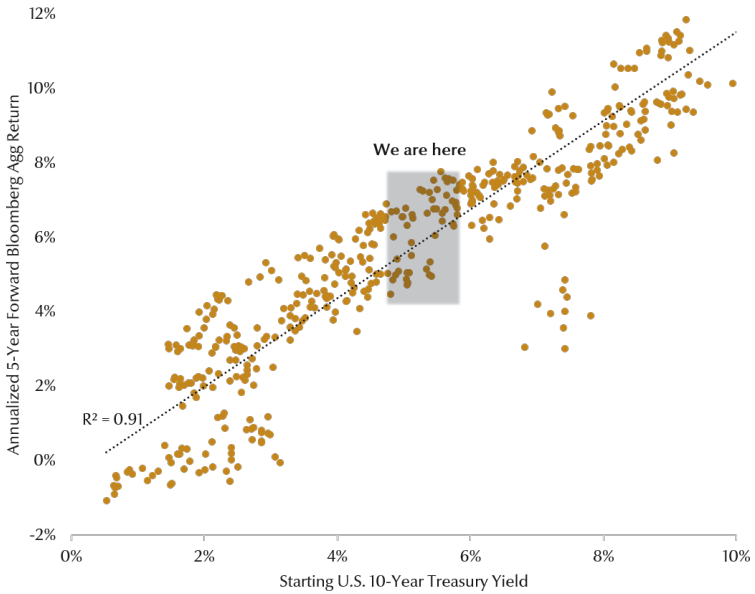
Credit spreads remained near post-GFC tights for much of the quarter, supported by solid corporate fundamentals. High yield, however, showed signs of stress, particularly in the CCC segment, where spreads widened.

Overall Performance: A Sea Of Red

The Bloomberg U.S. Aggregate (the Agg) returned -3.5% in Q3, the worst quarter outside of the 2022 bear market and the early 1980's. U.S. High Yield fared somewhat better, at -1.8%. Longer-duration assets bore the brunt of the selloff: the Bloomberg U.S. Treasury 20+ Year Total Return Index dropped nearly 9%, versus -3.3% for the 5–7-year index and -0.2% for the 1–3-year index.

There is a silver lining, though: the rise in yields has materially improved the longer-term total-return potential of fixed income. As the chart below illustrates, 5-year forward returns for bond portfolios, as represented by the Agg, have historically been strongly correlated with starting yields.

Bottom line: Q3 was challenging, with duration the primary source of pain. As Q4 begins, the path of inflation and Fed policy remain the dominant variables to watch.



Sources: Bloomberg and SEIA. Monthly data: October 31, 1976 – September 30, 2026.

*For additional information, refer to the Important Information section beginning on page seven.

Alternatives

Within alternatives, a dominant theme in the latter half of 2026 has been anticipation and planning around qualified opportunity zones ("QOZ"). A QOZ is a federally designated, economically distressed community where investors can deploy capital to stimulate economic growth and job creation in exchange for meaningful tax incentives. Originally introduced in the Tax Cuts and Jobs Act in 2017 as a temporary program, QOZs were made a permanent part of the federal tax code in the One Big Beautiful Bill Act ("OBBA"), effective January 1, 2027.

While the program was temporary, a fixed expiration date of December 31, 2026 was set, and the original rules continue to apply until then. While still offering tax-efficient growth, subject to long holding periods, early investors were granted basis adjustments that later investors simply missed, coupled with a shrinking deferral window for invested gains.

To reinvigorate the program, the OBBA refined QOZs with several welcome changes: rolling deferrals for invested gains, tiered basis adjustments that improve tax liability, stricter fund reporting, and zone redesignations every decade.

Through 2026, administrative milestones kicked off for this new program; however, final Treasury certifications are not expected until year end. For investors who have had or plan to have gain recognition in mid-to-late 2026, a strategic choice must be made when considering the benefits of investing in a QOZ: forgo gain-recognition deferral and invest in known zones before year end, or wait to deploy that capital until 2027 and remain patient about where exactly that opportunity set will be.

Outlook – A Welcomed Slowdown

As we look ahead, we expect economic growth to moderate from the rapid expansion we've seen so far in 2026. With the dual tailwinds from last year's tax cuts and Fed rate cuts fading further into the rearview mirror, coupled with the sharp increase in both fuel and borrowing costs, growth is likely to moderate in the quarters ahead.

Slower economic growth shouldn't be seen as a bad thing. In fact, financial markets would likely welcome it. If growth does moderate, the Fed will be reluctant to raise rates aggressively, and long-term interest rates will likely stabilize (or perhaps even decline), which would likely support higher equity valuations. While modestly slower growth would likely be good for markets in aggregate, it is likely to drive significant rotation in market leadership.

What leads from here likely depends on the magnitude and pace of moderation. If the deceleration is modest, rates should stabilize and growth stocks should re-establish their long-standing relative strength. If, on the other hand, the slowdown is sharp enough to threaten corporate earnings, rates would fall quickly as investors flee stocks for the safety of Treasury bonds, which now offer a yield well above inflation. We believe a modest deceleration that rewards patient investors is the likely outcome.

As 2026 has shown, investors must adapt to developments that reshape the investment landscape, whether new technology, wars, policy changes, or changes to the policymakers themselves. While we're positioned to benefit from a modest slowdown in economic growth, we remain alert to information that challenges our view and are prepared to adapt when necessary.

Alternative investments may not be suitable for all investors and often engage in speculative investment practices which increase investment risk; are highly illiquid; are not required to provide periodic prices or valuation; may not be subject to the same regulatory requirements as traditional investments; and often employ complex tax structures. Investing in alternative strategies may involve a significant lock up period. A period of time with no liquidity or significant penalties for early liquidity. Alternative investments may have significant fees associated with the management of the alternative strategy. These fees would be on top of the management fee paid to your Advisor. The price of commodities is subject to substantial price fluctuations over short periods of time and may be affected by unpredictable international monetary and political policies. The market for commodities is widely unregulated and concentrated investing may lead to higher price volatility. *For additional information, refer to the Important Information section beginning on page seven.

Important Information

9/30/2026				
US Equity Indices	MTD (%)	QTD (%)	YTD (%)	1-Year (%)
S&P 500	-0.3%	2.3%	12.7%	15.7%
S&P 500 Equal Weight	-4.8%	-1.9%	10.0%	11.6%
Dow Jones Industrial Average	-4.1%	-2.3%	7.2%	11.5%
Nasdaq-100	3.3%	0.6%	21.0%	24.0%
Russell 2000	-5.3%	-7.2%	13.7%	16.2%
Russell 1000 Growth	2.2%	0.9%	6.3%	7.5%
Russell 1000 Value	-3.1%	2.6%	19.3%	23.8%
Russell 2000 Growth	-5.3%	-9.4%	10.7%	12.1%
Russell 2000 Value	-5.2%	-4.9%	17.0%	20.8%
US Sectors	MTD (%)	QTD (%)	YTD (%)	1-Year (%)
S&P 500 Communication Services	4.3%	3.6%	4.5%	12.1%
S&P 500 Consumer Discretionary	-5.8%	-5.1%	-5.8%	-5.2%
S&P 500 Consumer Staples	-3.3%	-1.9%	6.0%	6.0%
S&P 500 Energy	-2.7%	17.2%	40.3%	42.4%
S&P 500 Financials	-7.2%	-0.1%	-1.3%	0.7%
S&P 500 Health Care	-0.9%	6.5%	10.2%	23.0%
S&P 500 Industrials	-4.4%	-9.7%	8.5%	9.5%
S&P 500 Information Technology	4.5%	7.2%	28.4%	30.2%
S&P 500 Materials	-6.7%	-2.8%	8.8%	10.0%
S&P 500 Utilities	-5.9%	-12.4%	-5.7%	-7.0%
International Equity Indices	MTD (%)	QTD (%)	YTD (%)	1-Year (%)
MSCI EAFE	-3.0%	0.9%	10.8%	16.2%
MSCI ACWI Ex USA	-2.3%	0.6%	14.7%	20.5%
MSCI World Ex USA Value	-2.9%	3.8%	15.6%	25.1%
MSCI World Ex USA Growth	-3.6%	-1.8%	5.6%	8.0%
MSCI Emerging Markets	-0.5%	-0.2%	23.7%	29.6%

9/30/2026				
US Fixed Income Indices	MTD (%)	QTD (%)	YTD (%)	1-Year (%)
Bloomberg US Aggregate	-2.6%	-3.5%	-2.9%	-1.8%
Bloomberg US High Yield Very Liquid Index	-2.7%	-1.9%	0.1%	1.5%
Bloomberg US Treasury	-2.2%	-3.0%	-2.8%	-1.9%
Bloomberg US Treasury Bills 1-3 Month	0.3%	0.9%	2.8%	3.8%
Bloomberg US Long Government/Credit	-4.8%	-7.7%	-7.0%	-7.1%
US Treasury Curve	MTD (%)	QTD (%)	YTD (%)	1-Year (%)
ICE U.S Treasury 1 - 3 Year Index	-0.6%	-0.3%	0.4%	1.6%
ICE US Treasury 3 -7 Year Index	-2.0%	-2.5%	-2.5%	-1.4%
ICE US Treasury 7 - 10 Year Index	-3.3%	-4.5%	-4.5%	-3.6%
ICE US Treasury 10-20 Year Index	-4.6%	-7.9%	-6.4%	-6.3%
ICE US Treasury 20+ Year Index	-5.3%	-8.8%	-7.9%	-8.8%
Commodities	MTD (%)	QTD (%)	YTD (%)	1-Year (%)
S&P GSCI	4.8%	25.1%	55.2%	56.7%
S&P GSCI All Metals	-3.0%	5.1%	5.2%	21.8%
S&P GSCI Precious Metals	-6.6%	2.9%	-5.6%	9.2%
S&P GSCI Industrial Metals	-0.4%	6.6%	14.0%	32.0%
S&P GSCI Energy	11.8%	45.0%	120.0%	108.9%
S&P GSCI Agriculture	-7.3%	13.1%	12.4%	12.1%
Real Estate	MTD (%)	QTD (%)	YTD (%)	1-Year (%)
Morningstar US Core Cap Real Estate	-6.3%	-6.5%	4.2%	1.8%

Source: YCharts. Data as of 9/30/2026. Indexes cannot be invested in directly, are unmanaged and do not incur management fees, costs and expenses.

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All market performance data obtained from YCharts, Inc. Return data throughout as of 9/30/2026, except as otherwise noted. Indices cannot be invested in directly, are not managed, and do not incur management fees, costs and expenses. Although the information has been gathered from sources believed to be reliable, it cannot be guaranteed, and the accuracy of the information should be independently verified.

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This material may contain forward-looking statements and projectors. There are no guarantees that these results will be achieved. It is our goal to help investors by identifying changing market conditions, however, investors should be aware that no investment advisor can accurately predict all of the changes that may occur in the economy or the stock market.

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Professional Designations

AAMS® – Accredited Asset Management Specialist℠ is issued by the College for Financial Planning. Candidates must meet the following requirements: 1) Complete the AAMS Course Info; 2) Pass the final certification exam; and 3) Fulfill the continuing education requirement of 16 hours every two years.

AIF® – Accredited Investment Fiduciary® is issued by the Center for Fiduciary Studies. Candidates must meet the following requirements: 1) Complete the AIF training program; 2) Pass the final certification exam; and 3) Fulfill the continuing education requirement of 6 hours per year.

CAIA® – Chartered Alternative Investment Analyst is issued by the CAIA Association. A Chartered Alternative Investment Analyst is a respected designation attained by an investment professional who has successfully completed both levels of the CAIA exam.

The CAIA designation is meant for a financial professional who will be primarily in the alternative investment space, which may include but not limited to hedge funds and private equity. Candidates must meet the following requirements: 1) Hold a U.S. bachelor's degree or the equivalent, and have more than one year of professional experience, or have four years of professional experience in the financial industry; 2) Successfully pass both the Level I and Level II exams; and 3) Complete the self-evaluation tool every three years.

CFA® – Chartered Financial Analyst® is issued by the CFA Institute. A Chartered Financial Analyst is a highly respected designation attained by an investment professional who has successfully completed all three parts of the CFA exam.

The CFA designation denotes that a person has a strong foundation of advanced investment analysis and real-world portfolio management skills. The CFA charter is one of the most respected designations in finance and is widely considered to be the gold standard in the field of investment analysis. CFA designees must meet the following requirements for regular membership: 1) Hold a bachelor's degree from an accredited institution or have equivalent education or work experience; 2) Complete and pass the CFA Program – a graduate-level self-study program culminating in three sequential six-hour exams; 3) Have at least four years of qualified work experience in the investment decision-making process; 4) Fulfill society requirements, which require two sponsor statements as part of each application; 5) Commit to abide by, and annually reaffirm, adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct; and 6) Maintain regular membership.

CFP® – CERTIFIED FINANCIAL PLANNER® is issued by the Certified Financial Planner Board of Standards, Inc. CFP is a professional certification attained by a financial planner or advisor who has successfully completed the requirements set by the Certified Financial Planner Board.

The CFP certification denotes that a person is a competent, professional, and ethical financial planner. CFP professionals must adhere to a code of ethics, which also requires every applicant to pass a background check before obtaining his or her certification. Candidates must meet the following requirements: 1) Hold a bachelor's degree (or higher) from an accredited college or university; 2) Have at least three years of full-time personal financial planning experience; 3) Complete the CFP education program; 4) Pass the CFP certification exam; and 5) Fulfill the continuing education requirement of 30 hours every 2 years.

CMFC® - Chartered Mutual Fund Counselor℠ is issued by the College for Financial Planning. Candidates must meet the following requirements: 1) Complete the self-study course; 2) Pass the final certification exam; 3) Fulfill the continuing education requirement of 16 hours every two years.

MS – Master of Science in Financial Planning is a graduate degree for the financial services industry offered by many institutions across the country.

RICP® – Retirement Income Certified Professional® is issued by The American College of Financial Services. Candidates must have three years of professional experience, complete three required courses, pass the final course exam for each course, and fulfill the continuing education requirement of 30 hours every two years.