



A Farewell Message

Cary W. Greenspan, CMT
Former Chief Investment Officer

It has been a great pleasure to have served as Chief Investment Officer for United Bank Wealth Management since 2020. The dedicated professionals I have been fortunate to work with at United Bank are fiduciaries that always put our valued clients' interests first. Our highly educated and capable investment team provided market analysis with a steady and reasoned perspective throughout my tenure. I wish to thank each member of the United Bank Wealth Management team as they all contributed to our clients' well-being and achieving their financial objectives. It has been my sincere privilege to work with our clients during my tenure. Thank you for placing your trust in me.

Fortunately, you will continue to be cared for by the same talented professionals you have come to know and trust. In addition to our existing team, I am very pleased to introduce our new Chief Investment Officer, Christopher T. Battifarano, CFA®, CAIA. Chris is highly credentialed and has extensive experience across the wide spectrum of global economic and financial markets. I could not leave you in better or more accomplished hands. Once again, it has been a distinct honor to work with all of you.

My very best,
Cary W. Greenspan, CMT



Review of First Three Quarters of 2026 and Outlook for the Remainder of the Year

Christopher Battifarano, CFA®, CAIA
SVP, Chief Investment Officer

We began 2026 with considerable optimism. The economy was continuing to accelerate, supported by the tailwinds of AI and data center investment, low unemployment, and inflation that appeared to be trending toward the Federal Reserve's 2% target. Nine months into the year, some of those expectations have materialized, while others have not.

The biggest surprise came on February 28, when the United States and Israel jointly embarked on a military campaign against Iran. As with several recent foreign policy actions undertaken by the Trump administration, markets initially anticipated a relatively short-lived conflict. Investors pointed to recent precedents, including

the 12-Day War of 2025 (June 13-24), during which the United States and Israel conducted a series of aerial strikes targeting Iranian nuclear facilities, missile and drone production sites, and other strategically important military assets.

Further reinforcing expectations of a limited engagement was the January 3 operation in which U.S. special forces captured Venezuelan President Nicolás Maduro and his wife, Cilia Flores. The operation was conducted overnight and concluded before sunrise. Maduro and Flores were subsequently transferred from Caracas to a federal detention facility in New York, where they now face criminal charges, including allegations related to narco-terrorism.

Unfortunately, expectations for a swift resolution in Iran proved incorrect, and hostilities continue today. Thus far, the parties have been unable to reach mutually acceptable terms. One of the principal points of contention appears to be Iran's insistence that it should have the right to impose a fee on ships transiting the Strait of Hormuz in exchange for safe passage.

Such an arrangement would provide the Iranian regime with a significant new source of revenue while challenging long-standing international norms governing freedom of navigation. Equally important, it would run counter to the Trump administration's stated goal of maintaining stable energy supplies and moderating energy prices at a time of growing U.S. energy demand. While President Trump has demonstrated a willingness to alter his positions when circumstances warrant, and with the November midterm elections approaching, political considerations could ultimately influence the administration's stance on this issue.

Corporate Earnings Positive Surprises

One of the more positive surprises of 2026 has been the strength of corporate earnings growth. A key contributor has been the One Big Beautiful Bill (OB BB), which was enacted in July of last year. While the legislation contains numerous provisions, the most consequential for corporate America has been the ability to fully expense capital investments immediately rather than depreciating them over an extended period.

This change has created a powerful incentive for businesses to accelerate spending on both physical and digital infrastructure. In large part, this dynamic has contributed to the roughly 30% growth in corporate earnings achieved thus far in 2026. Notably, it is earnings growth rather than valuation expansion that has driven approximately 13% year-to-date appreciation in the S&P 500.

With three quarters of the year complete, we now have relatively clear visibility into full-year earnings. We estimate S&P 500 earnings per share (EPS) for 2026 will fall between \$352 and \$365, representing growth of nearly 30% compared with 2025. While earnings growth of this magnitude is undoubtedly positive, we do not expect such rates to prove sustainable over the long term. Accordingly, we anticipate growth moderating toward more normalized levels in 2027. Our current outlook calls for S&P 500 EPS between \$405 and \$410 next year. Applying a 20x earnings multiple, which we believe is reasonable given the current macroeconomic backdrop, produces an implied index level between 8,100 and 8,200. For reference, the S&P 500 currently trades at approximately 7,800.

The Fed's Interest Rate Actions

Unlike many central banks, which operate under a single mandate focused on price stability, the Federal Reserve has a dual mandate: maintaining price stability while supporting maximum employment. At 4.2%, unemployment remains higher than the post-pandemic lows but continues to reflect an economy operating near full employment. As a result, we believe the Federal Reserve's primary focus remains inflation and its continued persistence above the 2% target.

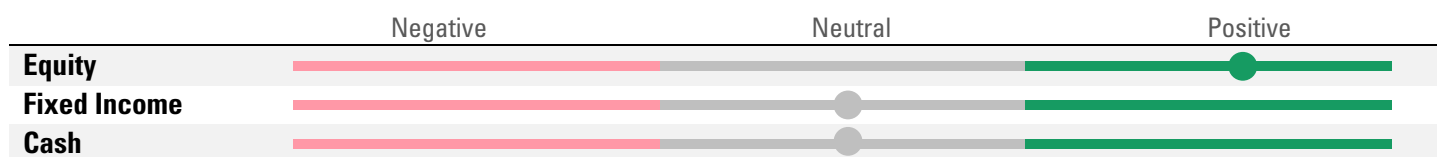
We expect the Federal Reserve to raise the federal funds rate one to two more times by the end of the first quarter of 2027. In our view, these actions are necessary to ensure inflation continues moving toward the Fed's long-term objective. The Fed is in the unenviable position of being forced to hike into an oil supply shock or run the risk of appearing quiescent in the face of inflationary pressures and risking the long end of the curve becoming unmoored.

Importantly, we do not view these anticipated increases as the beginning of a prolonged tightening cycle. Rather, we see them as measured actions designed to reinforce the Federal Reserve's inflation-fighting credibility and preserve its independence from the executive branch.

Consequently, we do not believe modestly tighter monetary policy should concern investors. On the contrary, bringing inflation under control today is preferable to allowing inflationary pressures to become more deeply entrenched in the future. This cycle may be contrasted to the last rate hiking cycle in 2022, where we saw a massive expansion in the money supply due to COVID-era stimulus. Thus, the Fed needed to quell inflation that reached rates we had not seen in several decades. This current cycle may be one where the Fed must regain its inflation fighting credibility, which it appears the Fed is now on the path to reestablishing. In our view, the projected outcome would benefit both equity investors and—perhaps even more significantly—fixed-income investors, whose returns tend to be particularly sensitive to higher inflation.

We appreciate the continued trust you place in United Bank Wealth Management to steward your assets. If you have any questions regarding the market environment, our outlook, or your portfolio, please contact your advisor to schedule a meeting.

Broad Asset Class View



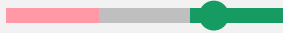
Equity Asset Classes

Growth and Value Allocations Complement

	View	Relative Trend	Rationale
Market Capitalization			
Large-Cap Equity			Large-cap equity should remain the core allocation in most U.S. equity portfolios. Large-caps will continue to perform well as the economy generates growth, and large-cap value companies should receive additional attention as valuations appear appealing.
Mid-Cap Equity			We expect moderate gains in mid-cap equity for the remainder of 2026. Solid corporate earnings and domestic growth have further accelerated mid-cap outperformance versus large-cap. Mid-cap growth remains favored, though value equities have also shown a solid recovery.
Small-Cap Equity			In 2026, small-cap equity benefited from a tailwind of a favorable tax environment and relatively low interest rates. Like mid-caps, small-caps are just beginning to gain a market advantage, and we expect this segment to deliver strong performance.
Style			
Growth			The AI and IT growth story remains at the forefront and market activity and performance. AI will drive economic benefits across numerous industries and applications, and while most equity gains so far have been concentrated in companies building the AI infrastructure, future gains are likely to be more widespread.
Value			We continue to maintain a slight equity value style bias to help protect portfolios from volatility. We have recently increased our weight in value allocations. Companies in our value-based Large Cap Dividend Strategy are recognized for strong balance sheets, above-average dividend yields, and investor-friendly policies. While growth stocks continue to lead overall market advances, value equities have delivered solid gains over the past year. We expect these positive returns to continue throughout the remainder of the year.
Region			
United States			We continue to believe that the U.S. stock market is likely to deliver stronger long-term performance than most foreign markets. However, when U.S. laws or policies affecting international trade deviate from conventional practices, risk adjustments are likely.
Development International			Over the past year, the trend of international equity underperformance has shifted, with investors significantly increasing allocations outside the U.S. Policies implemented by the Trump administration have created an environment where foreign governments must align more closely to support their economies.
Emerging Markets			Countries such as China are negotiating with greater attention to financial considerations, giving governments more flexibility. We view this shift as supportive for international markets.

Fixed Income

Energy costs pressure inflation and positive growth outlook pushes rates higher across the yield curve

Positioning	Low	Medium	High	Rationale
Credit				United prefers fixed-income portfolios with a core of high-quality bonds that serve as a volatility buffer. Credit spreads have returned to a normalized state.
Duration				Short rates have adjusted to the Fed's recent rate increase, with markets pricing in another hike this fall. Intermediate and long rates continue to reflect elevated inflation expectations tied to the Iran conflict.

Commodities

Energy prices spike due to Iran war

Interest rates and the dollar continue moving in tandem, with the 10-year Treasury yield reaching a new 52-week high while the U.S. dollar is close to its 52-week high of \$101. Amid ongoing unconventional fiscal and trade policies ahead of the midterm elections, President Trump openly supports a weaker U.S. dollar, suggesting that a weaker currency is great for the U.S. economy and helps boost domestic manufacturing.

Meanwhile, geopolitical turmoil in Iran has entered its eighth month, keeping gas prices elevated while weighing on multiple sectors within the broader economy. Higher benchmark yields raise capital and debt refinancing costs across commercial real estate while reducing the relative yield appeal of REITs compared to risk-free Treasuries. Precious metals have pulled back in 2026 after hitting record highs early in the year, driven by surging bond yields, a hawkish Federal Reserve, and elevated energy-driven inflation.

Overall, despite what feels like a mounting wall of worry, the VIX—the market's volatility index—remains surprisingly low and alternatives will continue to have their place in a portfolio.

Important Disclosures

Information contained herein is intended for informational purposes only, and should not be construed as investment, legal, insurance or tax advice or a recommendation for any security, investment strategy, or offer for wealth management services. The views expressed are not intended to predict or depict performance of any specific investment and should not be construed as investment advice for which an investment professional should be consulted. These opinions may not fit your financial status or risk and return preferences. The appropriateness of an investment or strategy and changes to an investment portfolio will depend on an investor's circumstances, investment goals, risk tolerance, investing time horizon, tax situation and other relevant factors. Both past performance and yields are not a reliable indicator of future results. All investments involve some degree of risk that the investor must be prepared to bear, including the potential for the loss of the principal invested. The material is in summary form and should not be relied upon as being complete. Dated information is derived from proprietary and non-proprietary sources that have not been independently verified for accuracy and or completeness. Information contained herein is current as of the date published and is subject to change without notice.