



Mid-Year Update with Robert Paolucci, CFP®
& Julina Ogilvie, CIMA®, CPWA®, CEPA®

June 2026

Principle
WEALTH



Today's Agenda

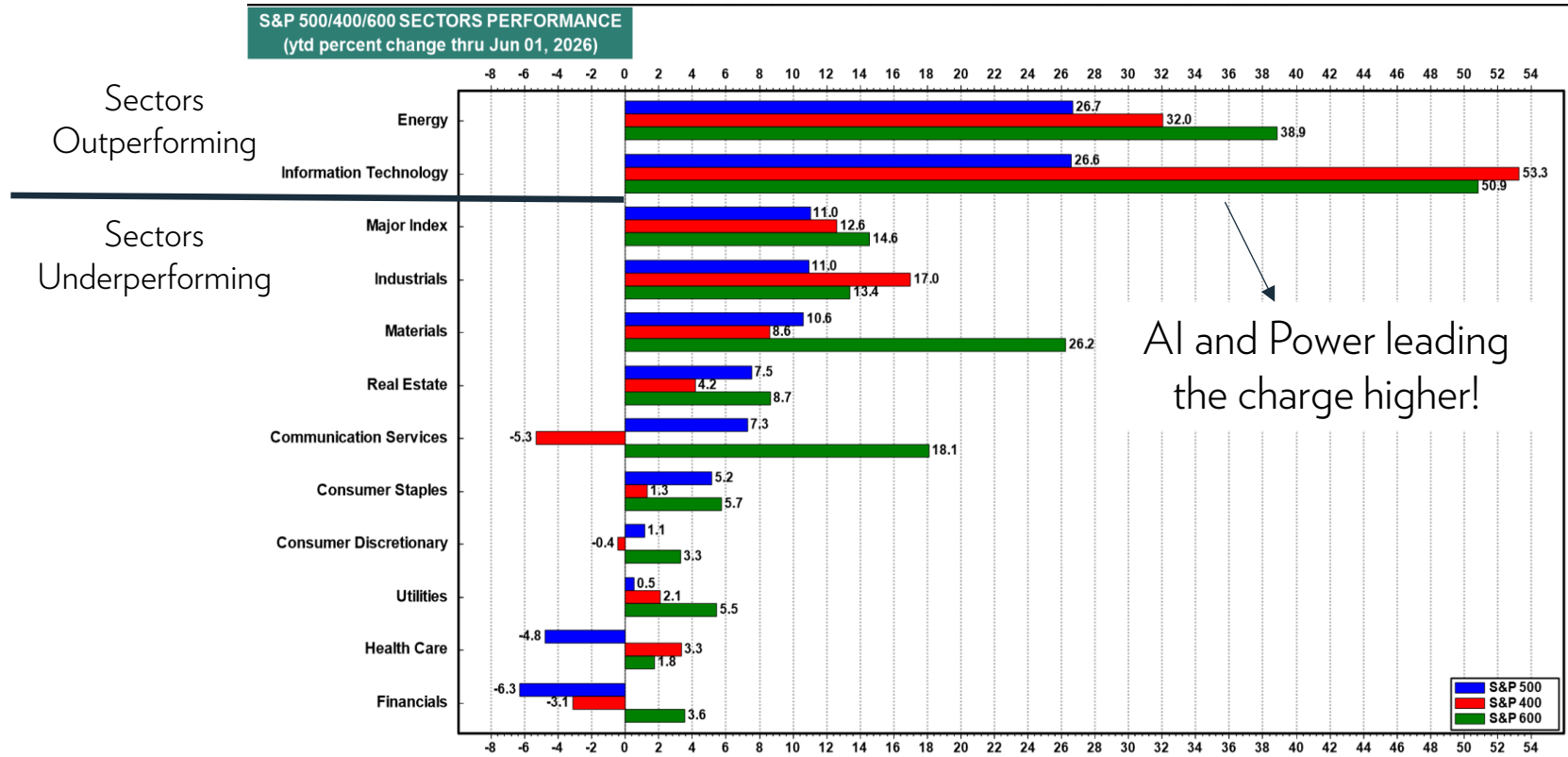
1. Revisiting Our January Outlook – Key Drivers For The Year Ahead
2. Markets
3. Economy & Policy
4. Market Anomalies
5. Everything Else

Key Drivers For 2026

1. OBBBA – Driving The Economy Higher: GDP growth above trend
2. AI & Power – Fueling Each Other’s Growth: Energy, Power, & AI Infrastructure Leading Markets Higher
3. The New Fed – Succession Plan: The Baton Has Been Passed
4. Government Influence & Deregulation: Large IPOs Coming, Less Red Tape, More Growth

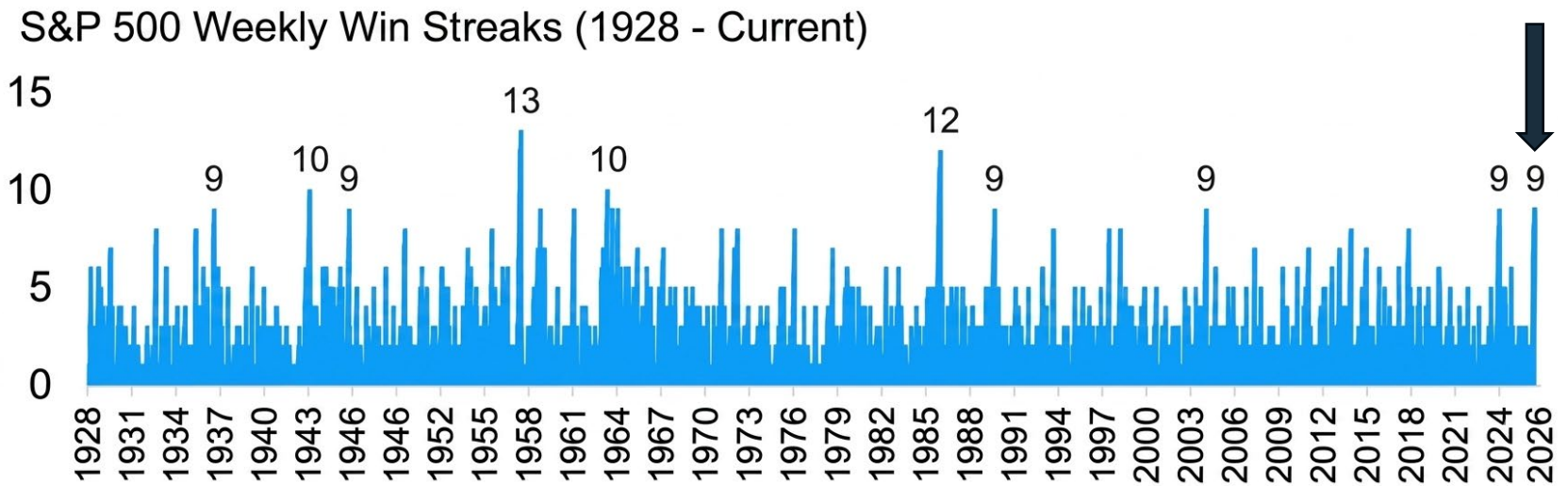
From FOMO To FEMO

FOMO = Fear of Missing Out, FEMO = Fabulous Earnings Momentum



Source: LSEG Datastream, Yardeni Research, as of 06/01/2026

Hot Streak – 9 In A Row, Expect A Break...



Source: Carson Group, FactSet, Ryan Detrick, as of 05/29/2026

One Of The Best 2-Month Stretches, Ever!

S&P 500 Performance After >10% April/May Returns (1950 - Current)

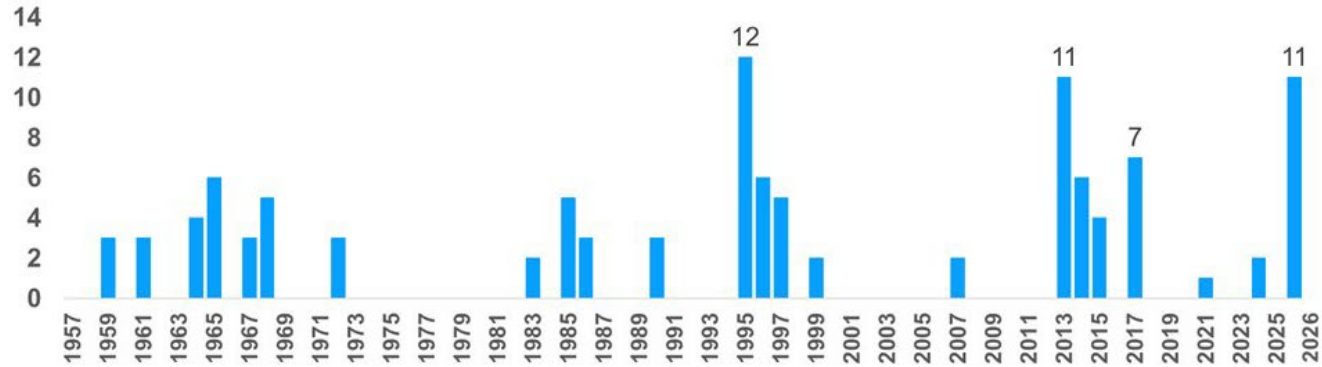
Year	April Return	May Return	April/May Return	S&P 500 Forward Returns	
				June Return	Rest Of Year
1997	5.8%	5.9%	12.0%	2.4%	14.4%
2003	8.1%	5.1%	13.6%	1.4%	15.4%
2009	9.4%	5.3%	15.2%	9.1%	21.3%
2020	12.7%	4.5%	17.8%	2.8%	23.4%
2026*	10.4%	5.1%	16.1%	?	?
Average				3.9%	18.6%
Median				2.6%	18.4%
% Higher				100.0%	100.0%

Source: Carson Group, FactSet, Ryan Detrick, as of 05/31/2026

More All-Time Highs, 22 And Counting

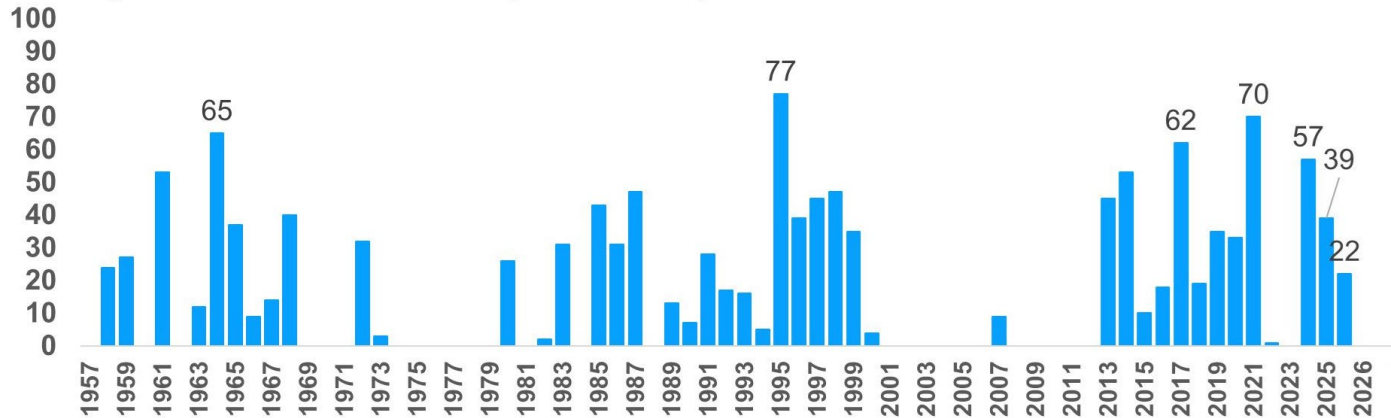
Month of May

New Highs In May Per Year For The S&P 500 (1957 - Current)



Per Year

New Highs Per Year For The S&P 500 (1957 - Current)

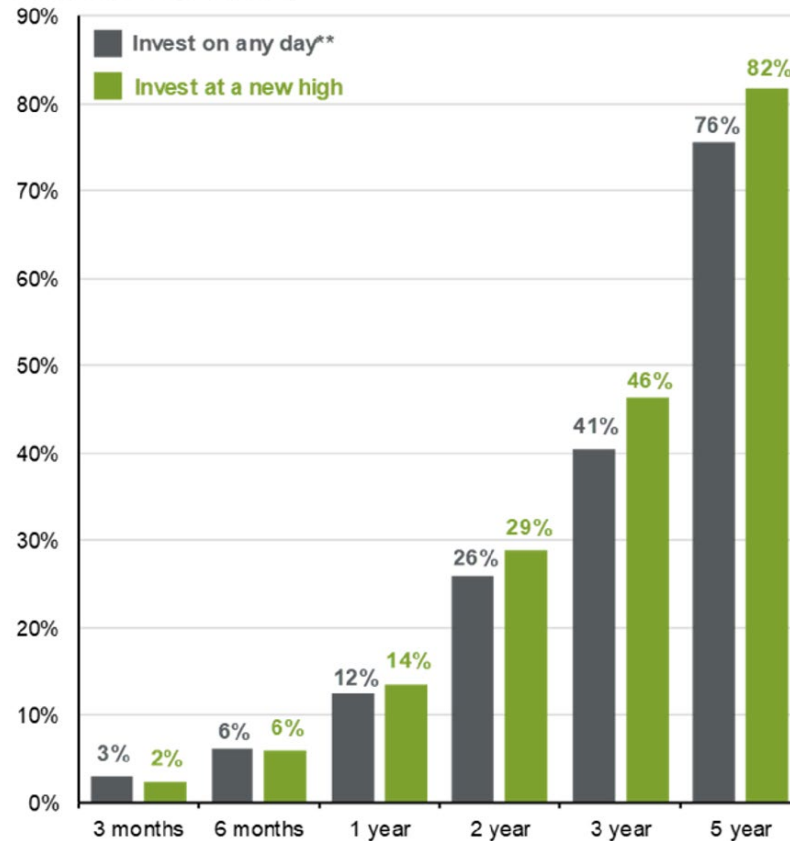


Source: Carson Investment Research, FactSet, Ryan Detrick, as of 05/29/2026

If You Think You've Missed Out...You Haven't

Average cumulative S&P 500 total returns

Jan 1, 1988 - Dec 31, 2025



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management, Guide To The Markets, as of 12/31/2025

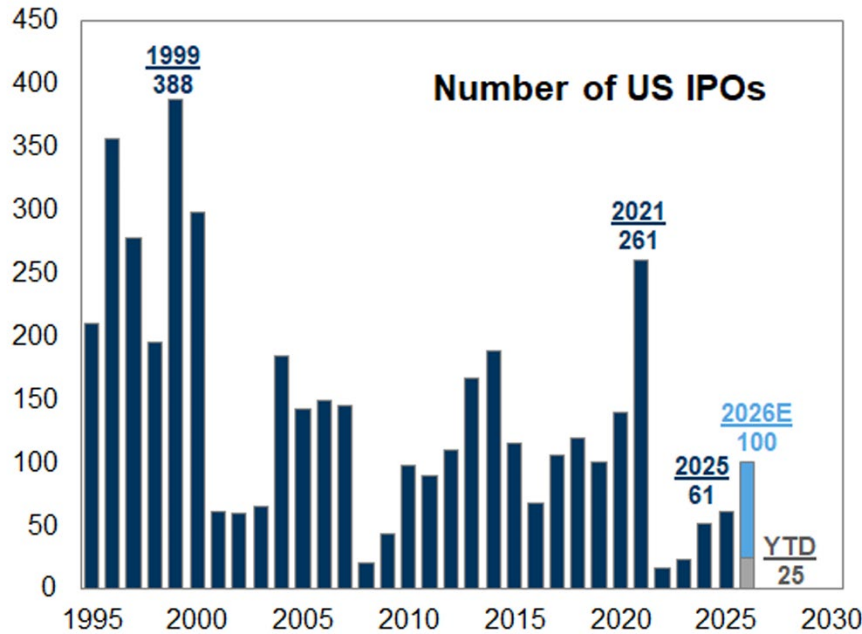
Earnings And Estimates Keep Climbing



Source: Compustat, Goldman Sachs Global Investment Research, as of 05/28/2026

IPOs – Getting Ready For Take Off

US deals greater than \$25M in value



SpaceX targets fixed \$135 IPO roadshow price at \$1.75 trillion valuation, source says



Anthropic Files to Go Public, Setting Stage for Huge I.P.O.

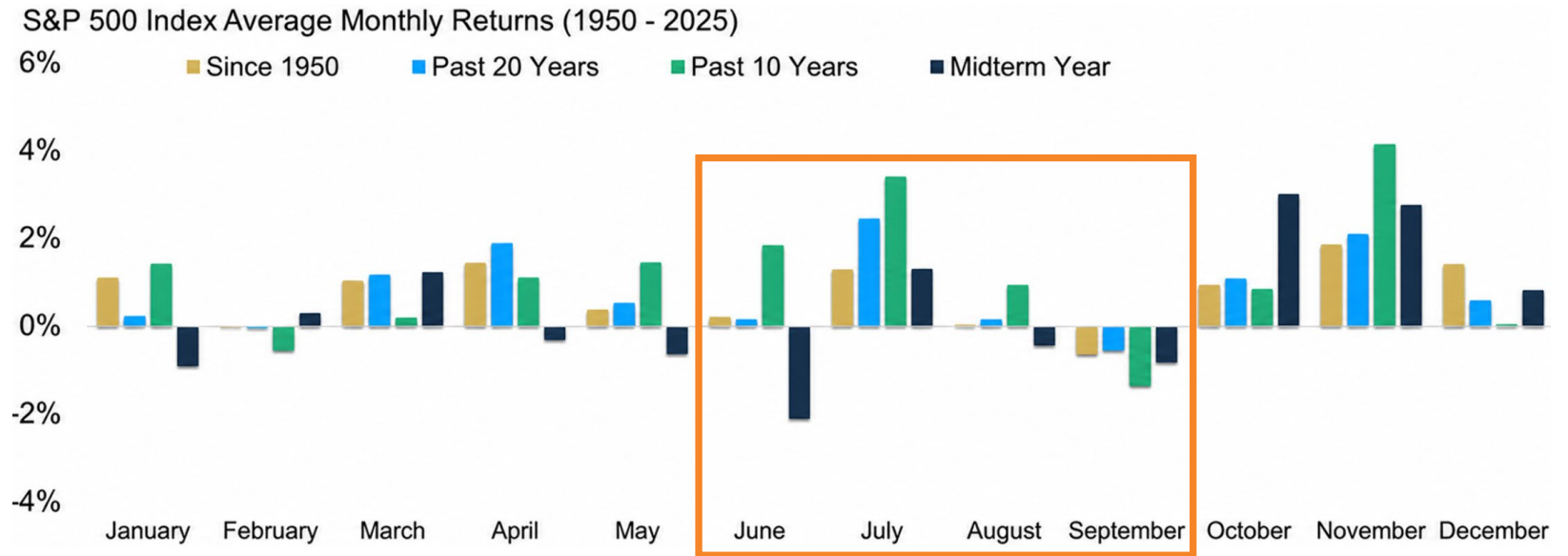
Source: Goldman Sachs Global Investment Research, CNBC, as of 05/26/2026

IPOs – Mega Cap Fundraising



Source: Bloomberg, as of 05/29/2026

Midterm Seasonality – We Expect Some Choppiness



Source: Carson Investment Research, YCharts, as of 05/29/2026

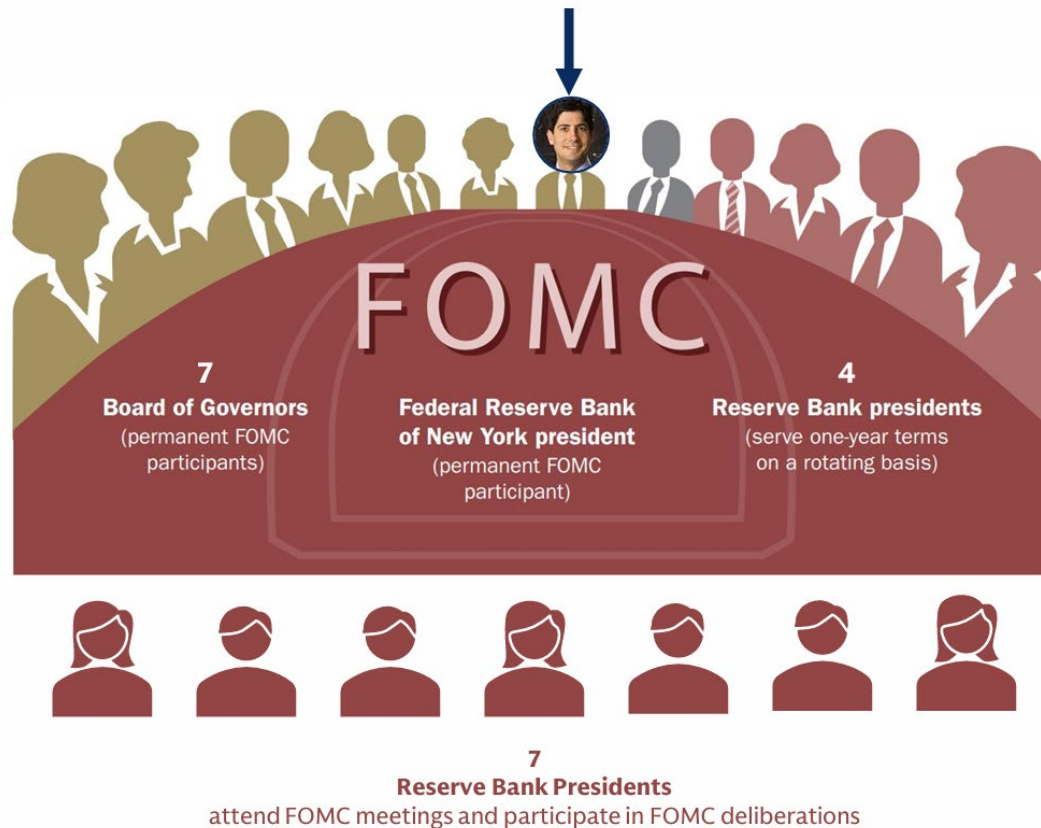
Succession Plan - Passing The Baton



Source: Google Gemini

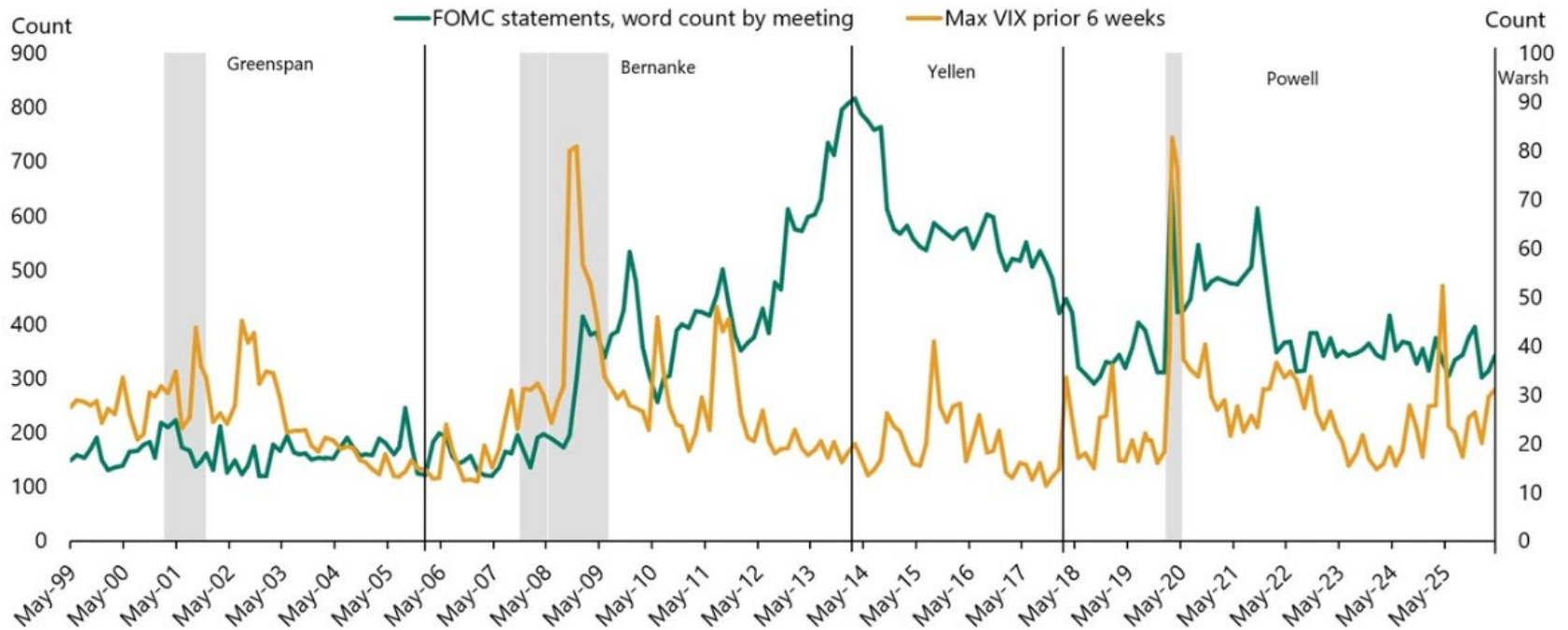
Understanding The Fed's Make Up

The Fed Chair is Still 1 of 12 FOMC Voting Members



Source: Goldman Sachs Asset Management, Goldman Sachs Global Investment Research, as of 05/13/2026

Fed Word Count – Less is More? Time Will Tell



Source: Federal Reserve Board, Bloomberg, Apollo Chief Economist, as of 06/03/2026

All Signs Point To A Pause

Current
Range

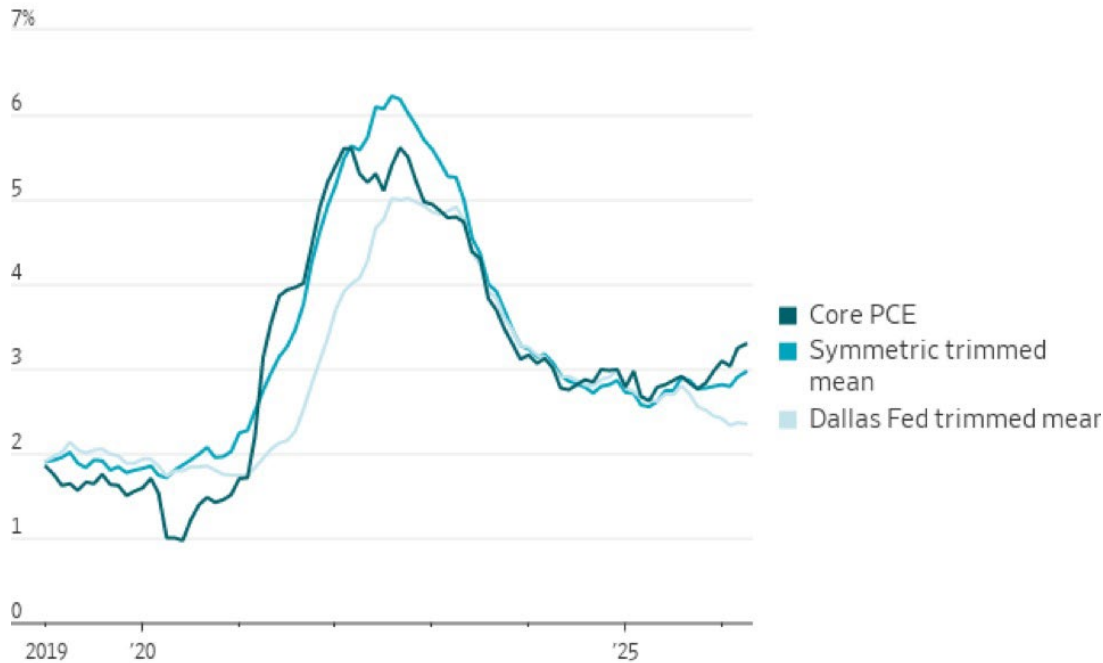
Odds Of A Cut Odds Of A Hike

MEETING DATE	300-325	325-350	350-375	375-400	400-425	425-450	450-475
6/17/2026	0.0%	0.0%	98.1%	1.9%	0.0%	0.0%	0.0%
7/29/2026	0.0%	0.0%	89.7%	10.2%	0.2%	0.0%	0.0%

Source: CME, Fed Watch Tool, as of 05/26/2026

A New View Of Inflation?

12-month inflation measures

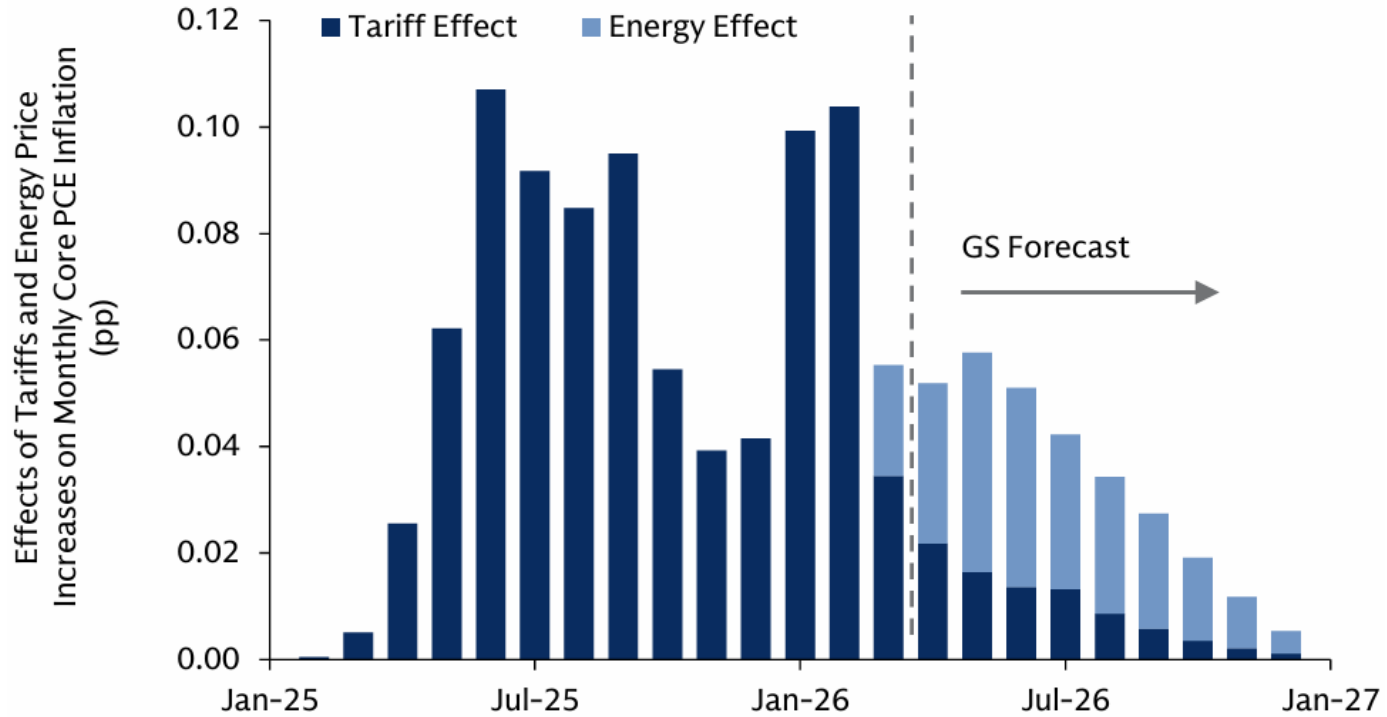


Trimmed Mean Inflation

Trimmed mean inflation looks at the change in price of all items. The extreme changes are “trimmed” on both ends, and the remaining items are used to calculate inflation. The goal is to show the long-term trend, rather than short-lived spikes or drops.

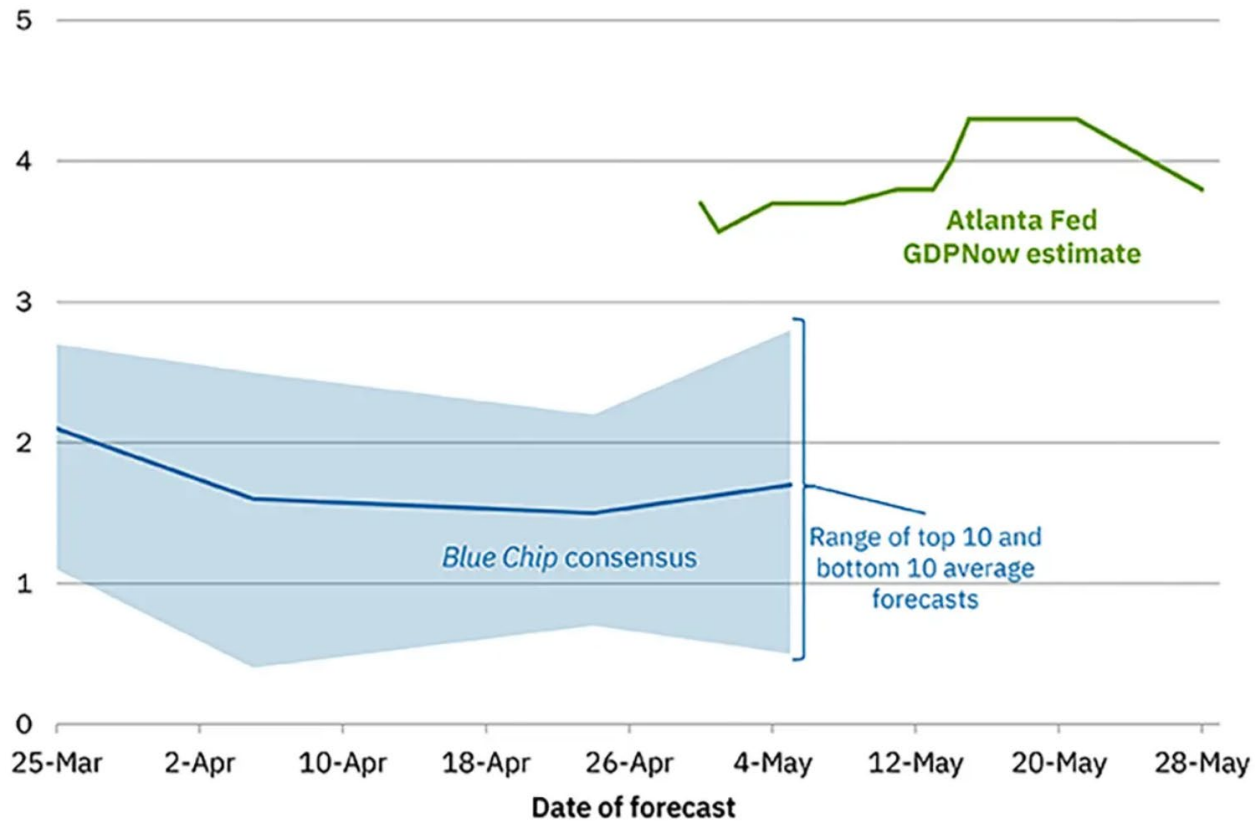
Source: Commerce Department, Dallas Fed, Employ America, as of 05/31/2026

Inflation – Tariff And Oil Effect To Cool, 2nd Half 2026



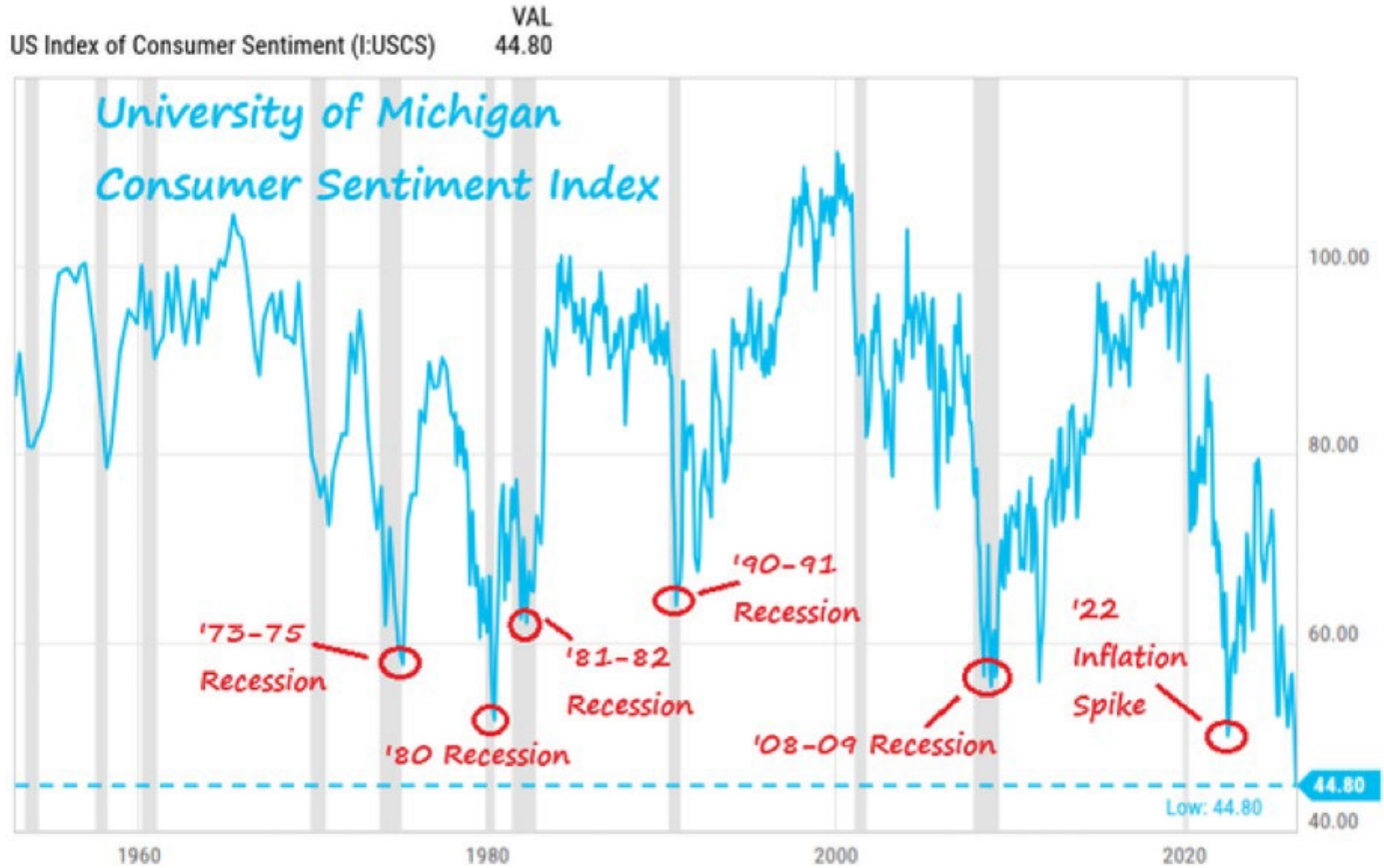
Source: Bloomberg, Goldman Sachs Global Investment Research, as of 05/18/2026

AI Adoption + OBBBA Benefits = Higher GDP Growth



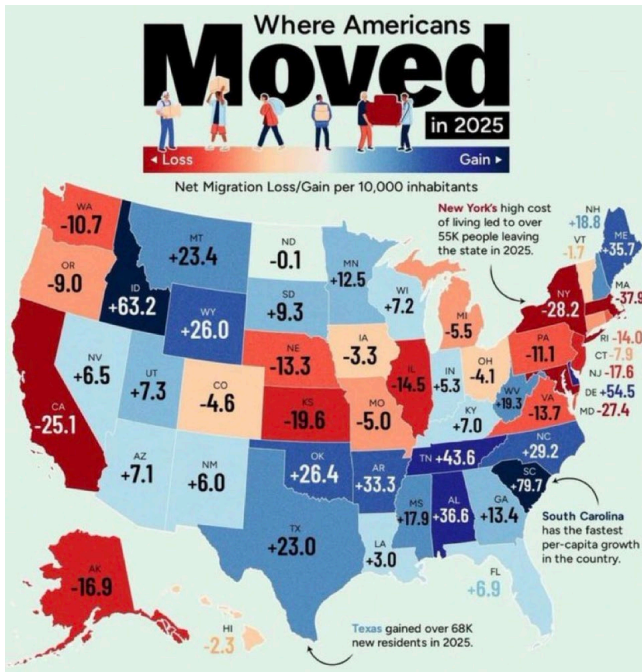
Source: Federal Reserve Bank of Atlanta, as of 05/28/2026

Sentiment Is Low...But Consumption Is High...




Source: Creative Planning, Charlie Bilello, YCharts, as of 05/22/2026


















Follow The Money And Opportunity...Migration Patterns



Welcome To The Club – Trillion Dollar Companies As Of May 2026

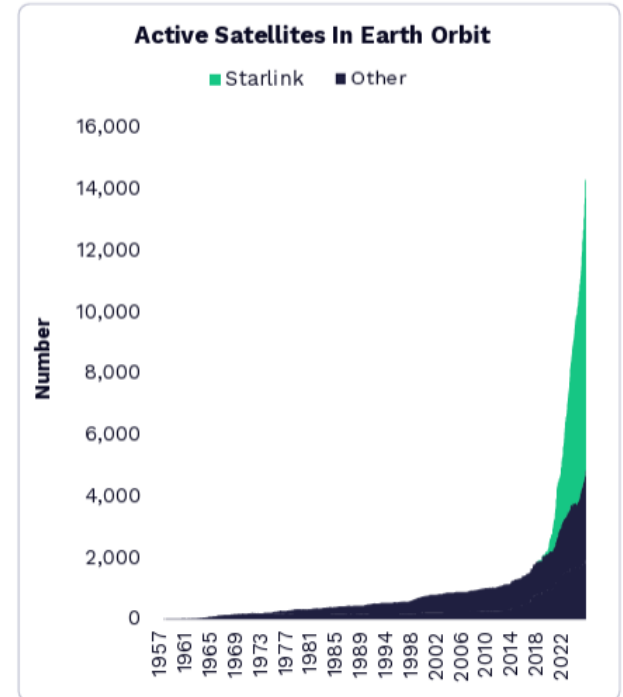
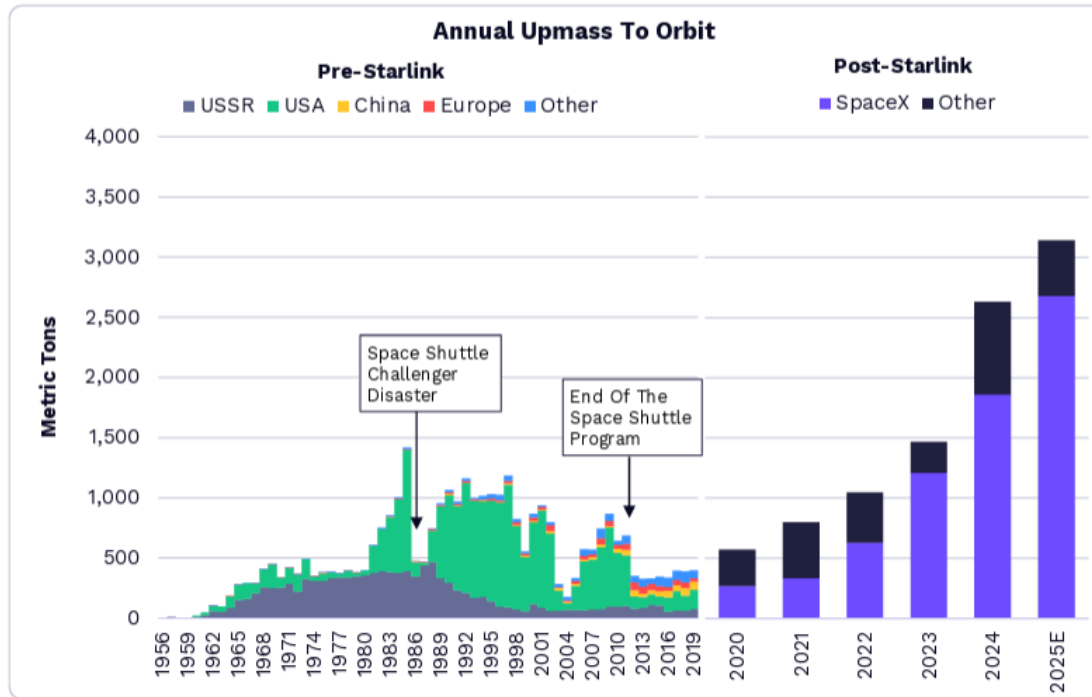
What comes after
Trillion's?

- **Quadrillion:** 15 zeros (10^{15})
- **Quintillion:** 18 zeros (10^{18})
- **Sextillion:** 21 zeros (10^{21})
- **Septillion:** 24 zeros (10^{24})
- **Octillion:** 27 zeros (10^{27}) 

Rank	Name	Market Cap
1	 NVIDIA NVDA	\$5.067 T
2	 Alphabet (Google) GOOG	\$4.695 T
3	 Apple AAPL	\$4.583 T
4	 Microsoft MSFT	\$3.067 T
5	 Amazon AMZN	\$2.914 T
6	 TSMC TSM	\$2.163 T
7	 Broadcom AVGO	\$1.987 T
8	 Saudi Aramco 2222.SR	\$1.798 T
9	 Tesla TSLA	\$1.653 T
10	 Meta Platforms (Facebook) META	\$1.559 T
11	 Samsung 005930.KS	\$1.347 T
 12	 SK Hynix 000660.KS	\$1.064 T
 13	 Berkshire Hathaway BRK-B	\$1.038 T
 14	 Micron Technology MU	\$1.006 T

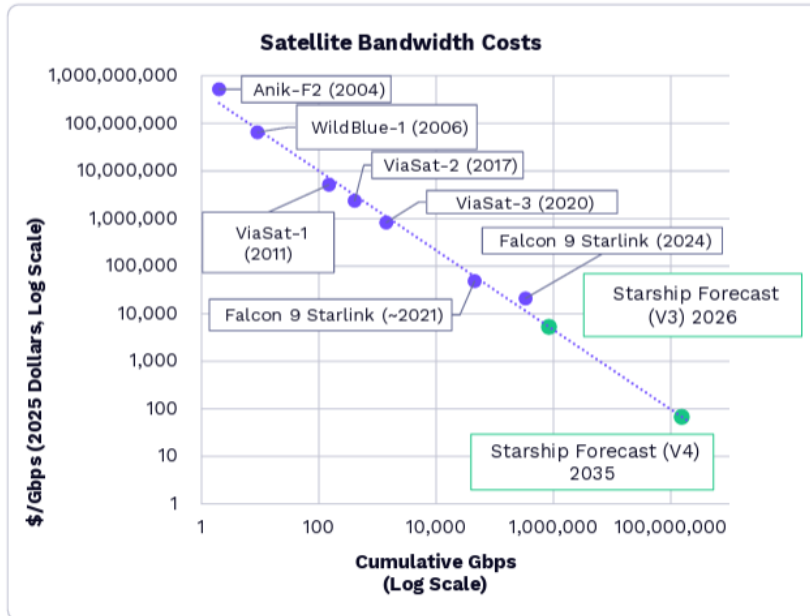
Source: Companiesmarketcap.com, as of 05/31/2026

Space – It's Out Of This World!



Source: Ark Invest, as of 05/31/2026

Space – Can You Hear Me Now?



US Consumer Mobile Connectivity

Year	2001 [^]	2025*	2030E
Connection Source			
Monthly Plan Price [2025 \$]	~\$90	~\$100	~\$100
Data Included [GB]	0.001	Unlimited	Unlimited
Capability	Email + Basic Web	Unlimited High-speed Internet	Unlimited High-speed Internet
US Land Coverage	~1%	~86%	~100%

Source: Ark Invest, as of 05/31/2026

Space – Data Centers And Power On The Moon 🌙[☆]

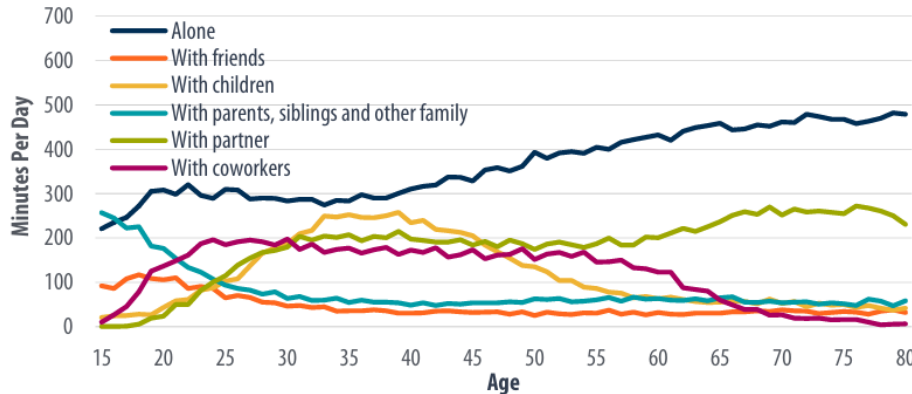
Blue Origin is working on lunar solar cells made from lunar regolith – essentially moon rock dust!



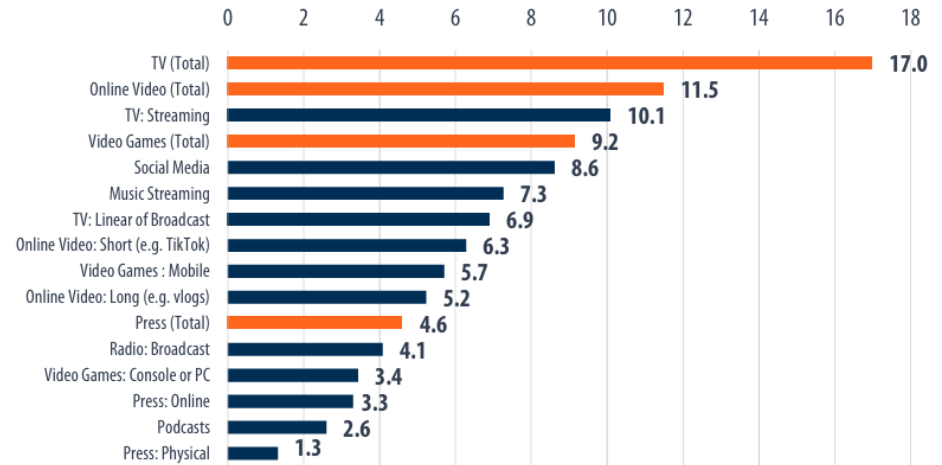
Source: CNBC, Blue Origin, Jeff Bezos, as of 05/20/2026

Time – Invest And Spend Your Time Wisely!

Who Americans Spend Their Time With, by Age



Weekly Time Spent with Media (Hours)



Source: GWI, DataReportal, First Trust Advisors, ourworldindata.org, Bureau of Labor Statistics, as of 05/31/2026

Disclaimer

- The ticker symbols used are for illustrative purposes only, do not constitute a recommendation, and should not be treated as such. Please consult your financial professional for investment recommendations based on your particular investment objectives, risk tolerance, and time horizon.
- The views expressed in this commentary are subject to change based on market and other conditions. These documents may contain certain statements that may be deemed forward-looking statements. Please note that any such statements are not guarantees of any future performance and actual results or developments may differ materially from those projected. Any projections, market outlooks, or estimates are based upon certain assumptions and should not be construed as indicative of actual events that will occur.
- All information has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. There is no representation or warranty as to the current accuracy, reliability or completeness of, nor liability for, decisions based on such information and it should not be relied on as such.
- Principle Wealth Partners LLC is a registered investment advisor. Advisory services are only offered to clients or prospective clients where Principle Wealth Partners and its representatives are properly licensed or exempt from licensure. For current Principle Wealth Partners information, please visit the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with Principle Wealth Partners' CRD #290180.