

WEEKLY ANALYSIS

HIGH CONCENTRATION RISK IN U.S STOCKS

GDP is expected to slow in Q3 and Q4. Leading indicators are optimistic. Downward revisions to job creation figures. Hikes in key interest rates. Inflation remains on an upward trend. High bond yields. Growing interest in the U.S. dollar.

Key points



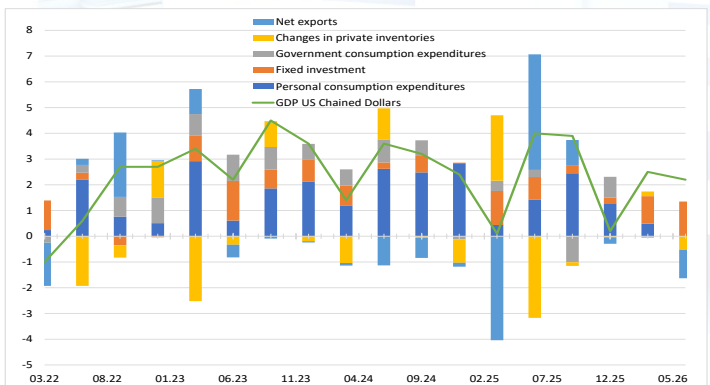
- Resilience in Q2 and controlled inflation absorption
- Expected deceleration in GDP in Q3
- Leading indicators are supported by the services sector
- Regular downward revisions to job creation figures
- The Fed rules out any preemptive rate cut
- Inflation stabilizes at a high level over the summer
- Rising volatility and bond yields
- The Fed's tightening reignites interest in the greenback
- High concentration risk in equities

Resilience in Q2 and controlled inflation absorption

At the end of Q2 2026 the U.S. economy once again surprised observers with its resilience, defying the fears of severe stagflation that had arisen following the geopolitical escalation earlier in the year. While revised Q1 data had stabilized at +2.1% on an annualized basis, the BEA's final release on September 30 set real GDP growth for Q2 at +2.2%. This trajectory confirms that the economy has held steady, supported by real final sales to domestic private buyers, which rose by +2.9%. The impact of the shock to commodities and energy, while weighing on production costs, was gradually absorbed without causing the feared disruption of supply chains. Household consumption showed unexpected resilience in the spring, driven by robust spending on high-end services and durable goods, which offset the slowdown in purchases of everyday goods more exposed to inflation at the pump. Consumer spending has held up largely thanks to credit cards (with outstanding balances exceeding \$1,100 billion) and installment payment plans (Buy Now, Pay Later). Delinquency rates on credit cards and auto loans have

reached their highest levels since the 2008 crisis, signaling that the driver of personal consumption is running out of steam for the second half of the year. On the corporate side, investment momentum remained mixed. While industrial SMEs have cut back on capital expenditures amid uncertainty over the cost of credit, tech giants have continued their massive investments in the supercycle of artificial intelligence and automation. This major technology sector continues to act as a powerful macroeconomic stabilizer, supporting overall productivity gains and offsetting structural cost rigidity. On the inflation front, the CPI stabilized at around +3.4% year-over-year at the end of the quarter, while the Core CPI settled at +2.5%, reflecting a limited pass-through of energy prices to wages. In the labor market, job creation began a measured but orderly slowdown. Sector-specific revisions point to a healthy rebalancing. Moderate hiring growth in personal services helped ease pressure on unit labor costs without triggering a sharp rise in unemployment. Residential real estate remains the sector most severely affected by the prolonged period of mortgage rates above historical thresholds, which is hindering the fluidity of the existing-home market. In short, the second quarter of 2026 marks the successful completion of a soft landing for the U.S. economy, which appears to have weathered external inflationary pressures without disrupting its fundamental balance and is moving through the second half of the year at a moderate yet resilient pace.

Quarterly GDP Growth—United States



Sources: Bloomberg, BBGI Group