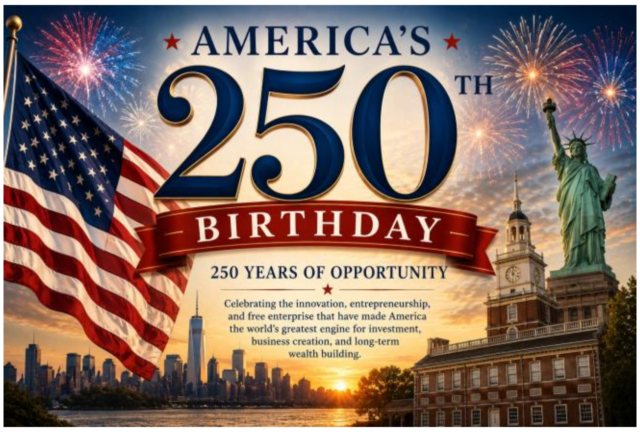
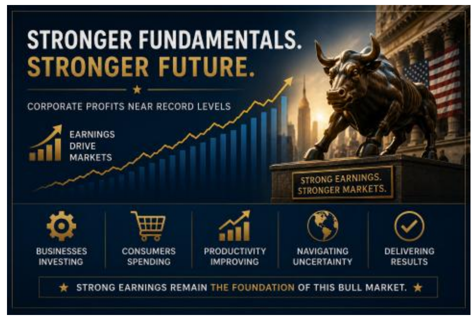
Celebrating 250 Years of Opportunity: The Market's Next Chapter



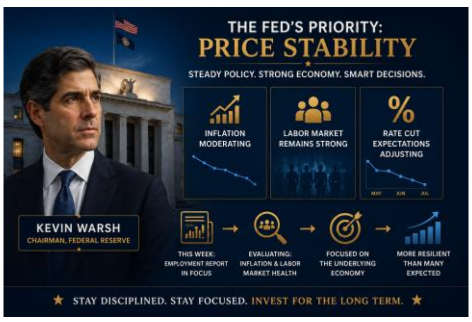
Markets Are Broadening, Not Breaking

As we celebrate **America's 250th birthday** this week, it's a fitting reminder that **long-term success has always required looking beyond today's headlines**. Last week, technology stocks pulled back, but the broader story was far more encouraging. Leadership continued rotating into healthcare, utilities, industrials, financials, and real estate—**exactly the type of broad participation that often supports healthier bull markets**. Rather than investors leaving equities, capital is simply finding new opportunities across the market. ***Healthy markets don't depend on one sector forever—they expand.***

Corporate Earnings Continue to Drive the Market



Several firms have raised their outlooks for the second half of the year, and while forecasts should always be viewed cautiously, **I generally agree with the improving outlook**. The reason isn't higher valuations—**it's stronger fundamentals**. Corporate profits remain near record levels as businesses continue investing, consumers continue spending, and productivity continues improving. Markets ultimately follow earnings, and **corporate America continues delivering results despite inflation, higher interest rates, and ongoing geopolitical uncertainty.** ***Strong earnings remain the foundation of this bull market.***



The Fed Is Data Dependent

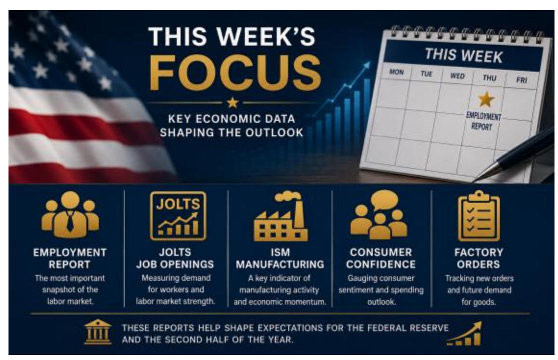
Chairman Kevin Warsh has made it clear that **inflation remains the Federal Reserve's top priority**. Markets have adjusted expectations away from aggressive rate cuts and toward a longer period of steady policy. This week's employment report will be especially important as investors evaluate whether inflation continues moderating without meaningful deterioration in the labor market. **Rather than trying to predict every Fed meeting, I continue focusing on the underlying economy—and today, it remains more resilient than many expected.**

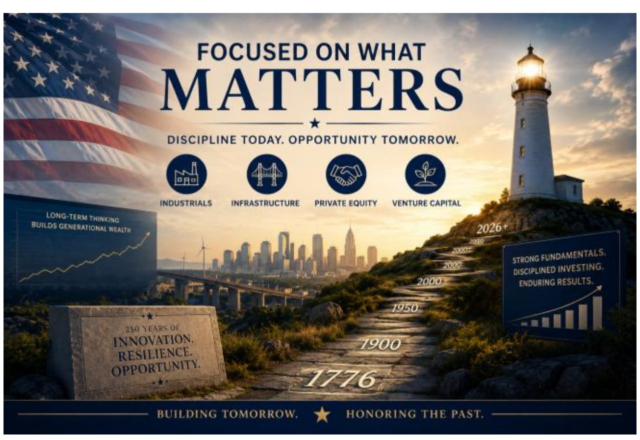
Artificial Intelligence Is Entering Its Next Phase

The conversation surrounding AI is evolving rapidly. We're moving beyond chatbots and into what many call **"agentic AI,"** where systems complete increasingly complex tasks rather than simply answering questions. That evolution requires **dramatically more computing power, data centers, networking equipment, memory, cooling systems, and electricity**. Unlike previous technological cycles where capacity often exceeded demand, today's challenge is the opposite: ***demand continues to outpace supply***. **I continue to believe AI infrastructure remains one of the most compelling long-term investment themes available.**

What I'm Watching

This holiday-shortened week will be driven by economic data, **particularly Thursday's Employment Report**. I'll also be watching **JOLTS Job Openings, ISM Manufacturing, Consumer Confidence, and Factory Orders** for additional insight into the health of the U.S. economy. **Together, these reports will help shape expectations for both the Federal Reserve and the second half of the year.**





Final Thought

Every generation has faced uncertainty, ***yet history consistently rewards disciplined investors who stay focused on long-term fundamentals rather than short-term headlines***. As America celebrates **250 years of innovation, resilience, and opportunity,** that lesson feels especially relevant. **I continue to maintain overweight positions in industrials, infrastructure, private equity, and venture capital, where I believe innovation, capital investment, and productivity gains will continue creating attractive opportunities for patient investors.**

Headlines change. Great businesses adapt.
Long-term investing endures.

-Scott Tremlett CEO / Chief Investment Officer

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