



IRON Macro View

Q1 2026



Outline

Gross Domestic Product

Leading Economic Indicators

Financial Conditions

Employment & Jobs

Business Conditions

Inflation

Commodity Prices

Monetary & Fiscal Policy

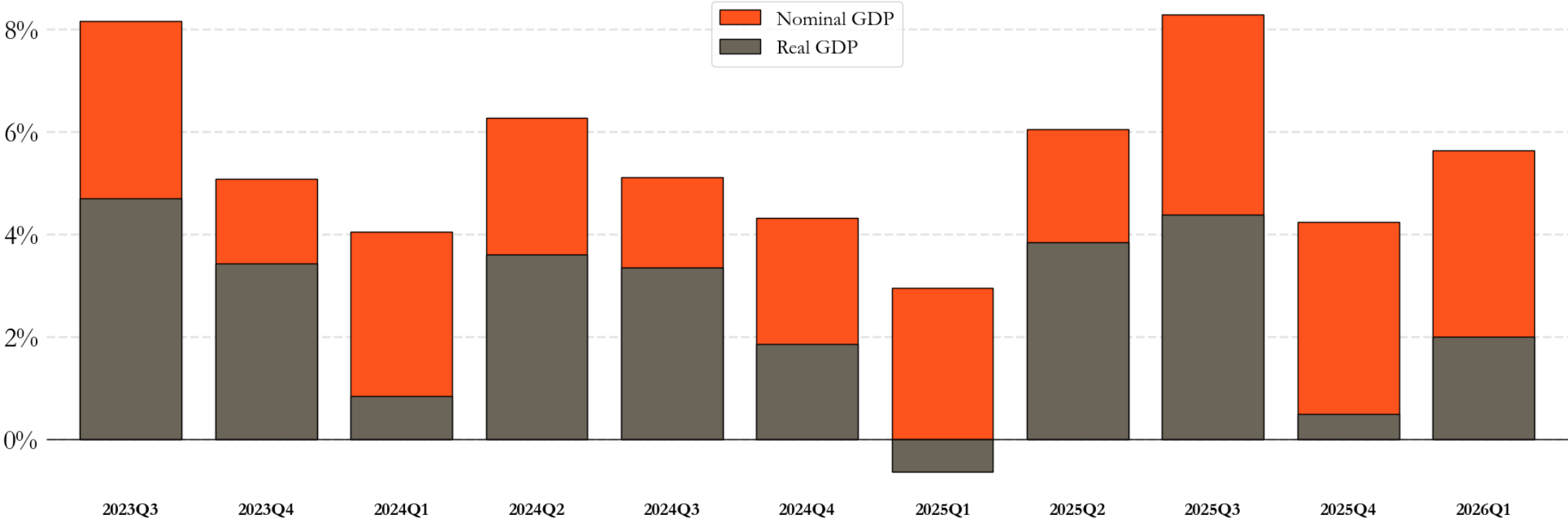
Fixed Income Markets

Equity Markets

U.S. Economic Growth

Real Gross Domestic Product growth improved during the first quarter.

US Nominal & Real GDP Annualized Growth



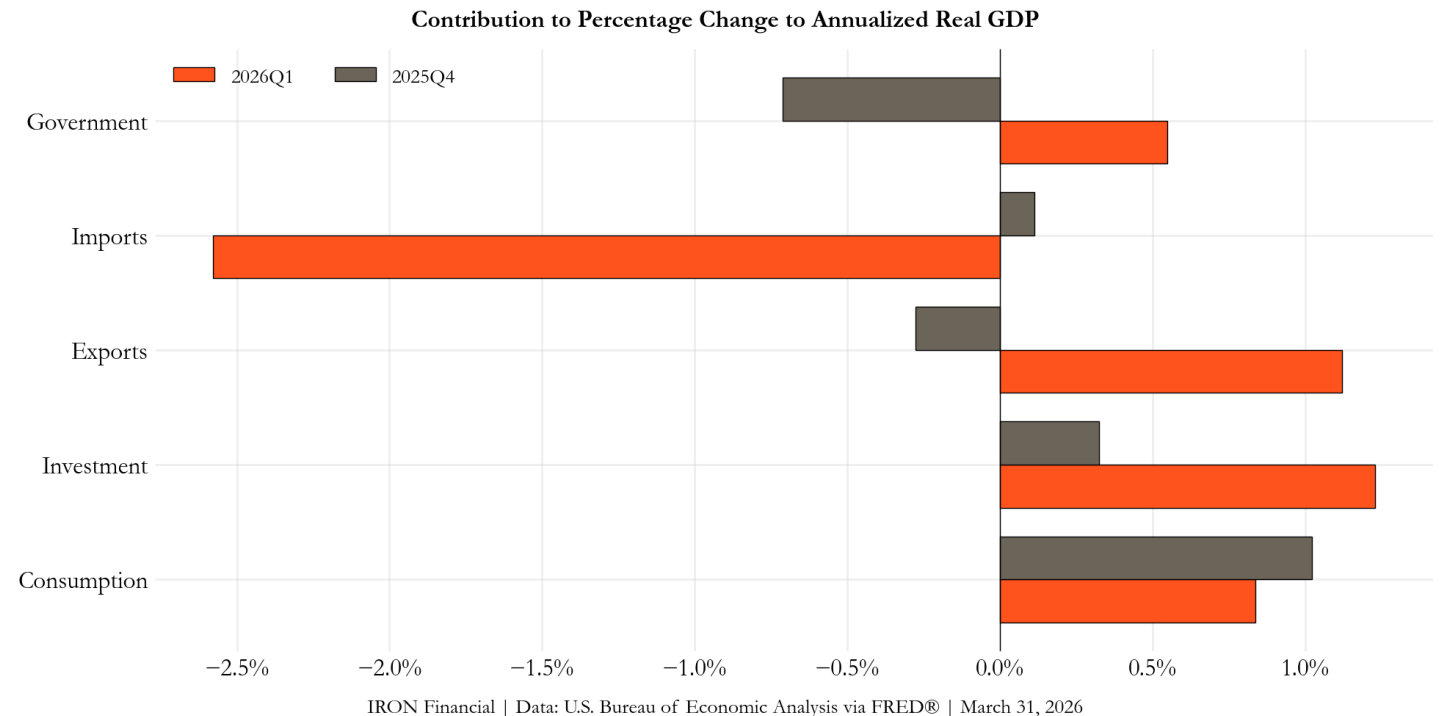
	2023Q3	2023Q4	2024Q1	2024Q2	2024Q3	2024Q4	2025Q1	2025Q2	2025Q3	2025Q4	2026Q1
Nominal GDP (%)	8.2%	5.1%	4.0%	6.3%	5.1%	4.3%	2.9%	6.0%	8.3%	4.2%	5.6%
Real GDP (%)	4.7%	3.4%	0.8%	3.6%	3.3%	1.9%	-0.6%	3.8%	4.4%	0.5%	2.0%

IRON Financial | Data: U.S. Bureau of Economic Analysis via FRED® | March 31, 2026

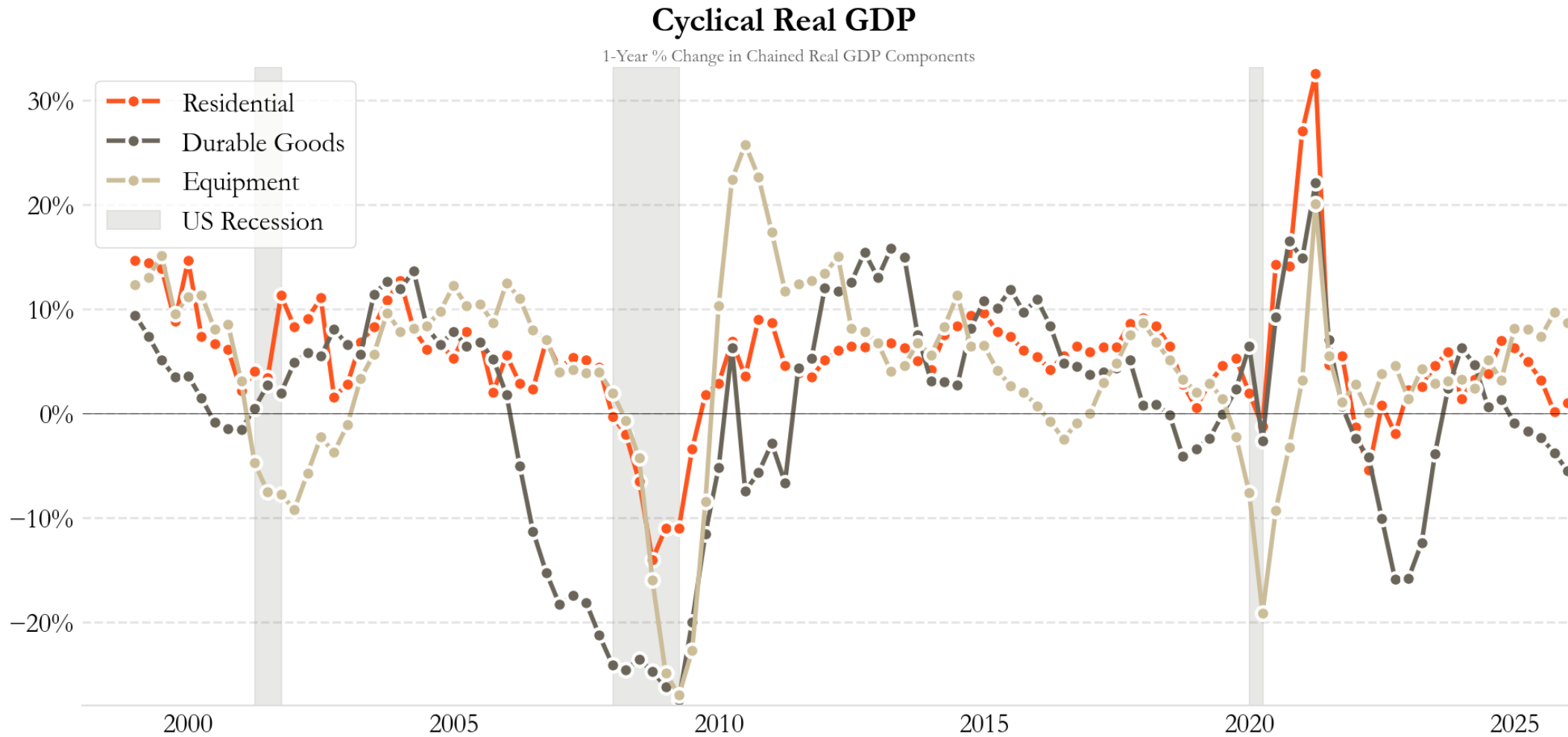
U.S. Bureau of Economic Analysis, Gross Domestic Product [GDP], Real Gross Domestic Product [GDPC1]
 *Gross domestic product (GDP), the featured measure of U.S. output, is the market value of the goods and services produced by labor and property located in the United States
 **Real gross domestic product is the inflation adjusted value of the goods and services produced by labor and property located in the United States.

The only detractor to Real GDP was an increase in imports.

- **Q1 2026 GDP was distorted by tariff front-running:** a -2.6% imports drag offset by inflated investment (+1.2%) and exports (+1.1%) as firms raced ahead of January's Section 232 semiconductor tariffs and February's Supreme Court IEEPA ruling.
- **Underlying demand is softening:** consumption cooled from ~1.0% to ~0.85%, suggesting the consumer is losing momentum beneath the trade noise.
- **More distortions ahead:** Section 122's summer expiration and 100% pharmaceutical tariffs landing September 29 mean Q2/Q3 prints will likely see another round of front-loading.



Real GDP cyclical sectors are showing quite the diversion.

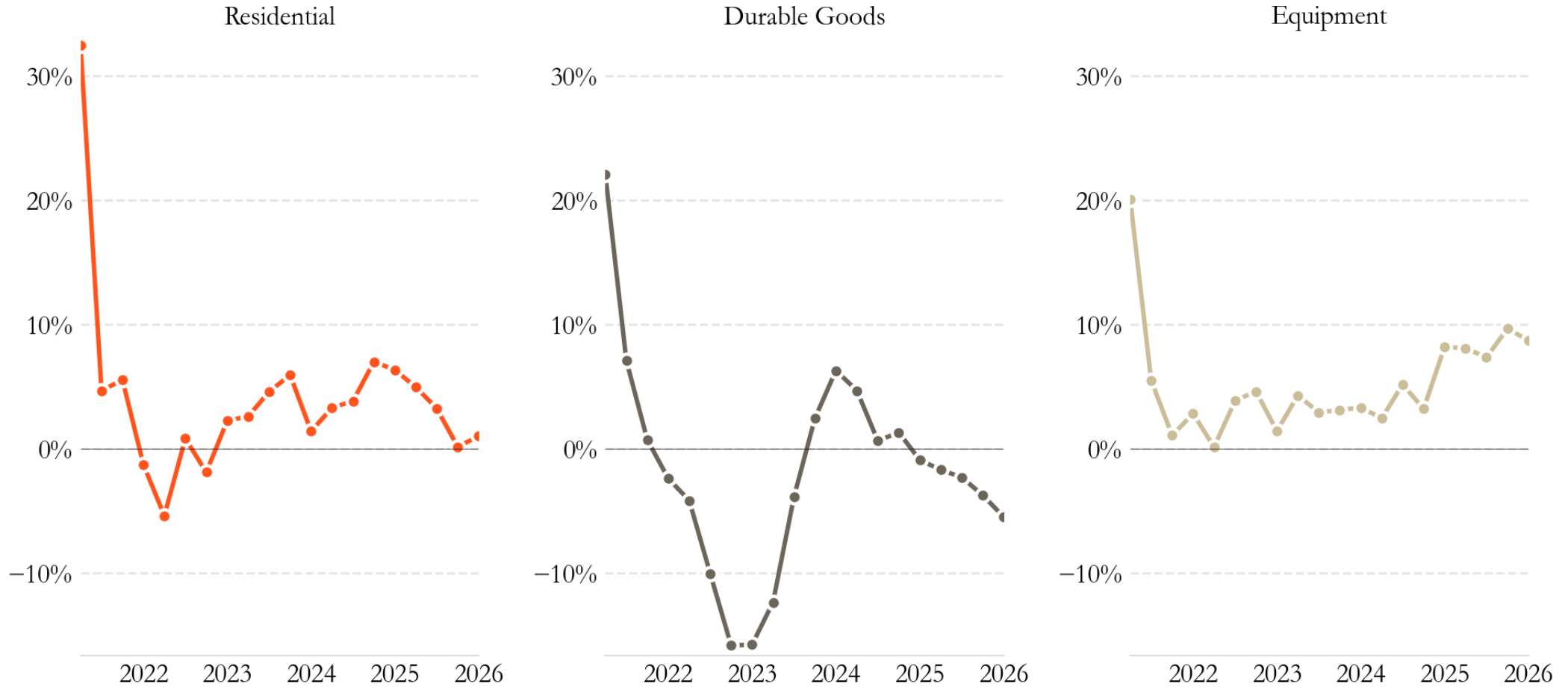


IRON Financial | Data: US Federal Reserve Bank of St.Louis | March 31, 2026

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AI-driven equipment capex is masking real cyclical weakness in housing and durable goods — the household side of the economy is already in a mild recession, even as business investment still looks strong.

1-Year % Change in Real GDP Cyclical Components



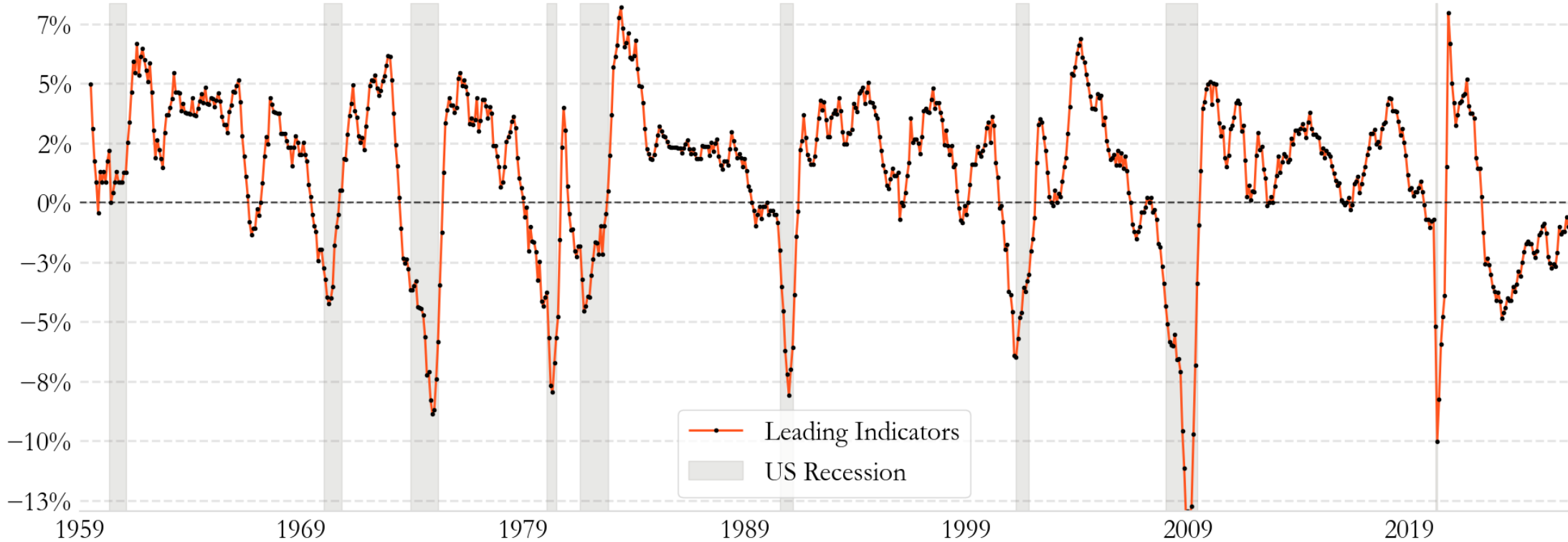
IRON Financial | Data: U.S. Bureau of Economic Analysis via FRED® | March 31, 2026

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Leading indicators are still negative but trending up — a recessionary signal that's been crying wolf, now quietly fading.

Conference Board Leading Indicators

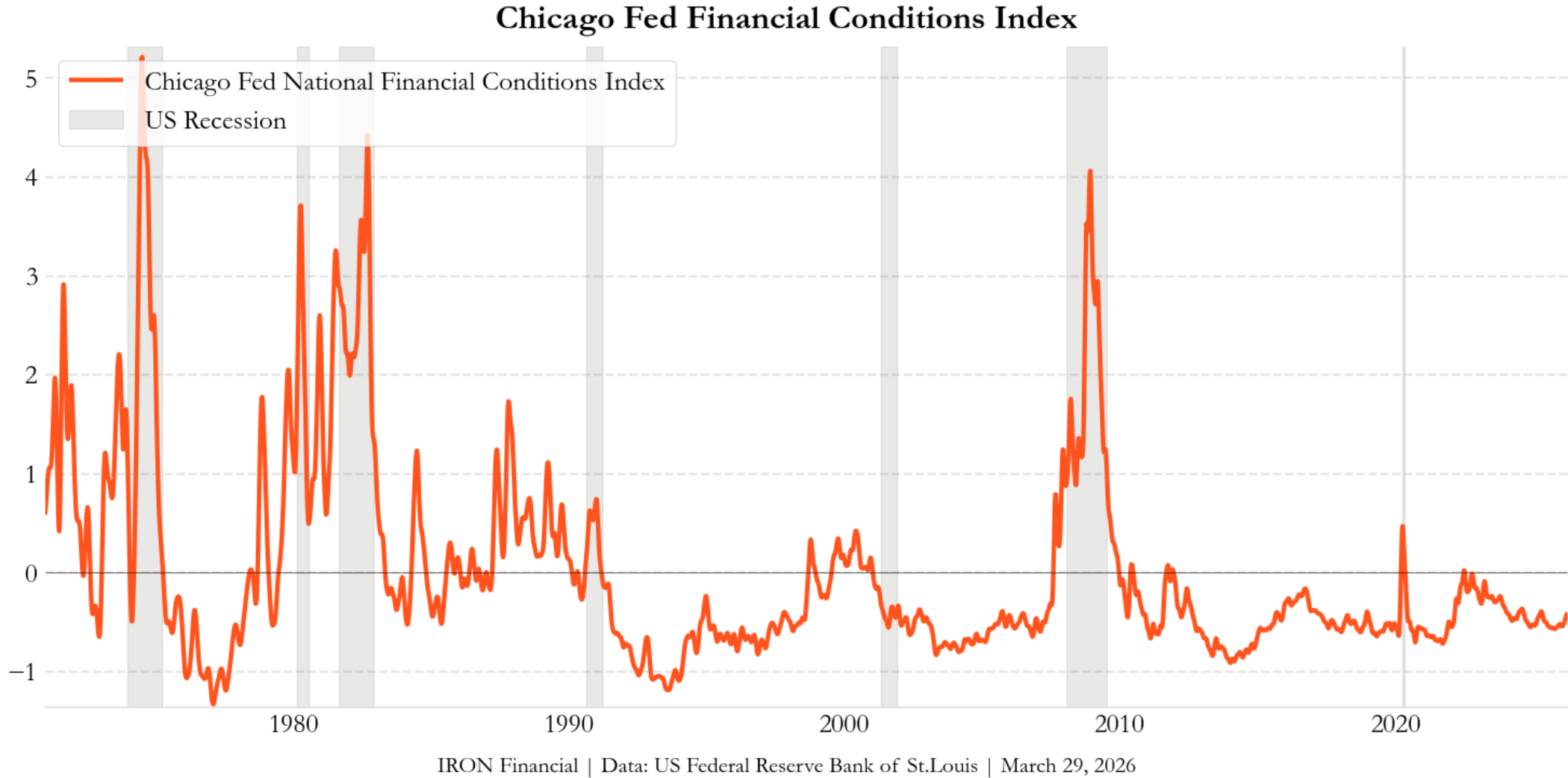
12-Month % Change in Leading Indicators



	2025-04	2025-05	2025-06	2025-07	2025-08	2025-09	2025-10	2025-11	2025-12	2026-01	2026-02	2026-03
LEI % Change	-2.3%	-2.6%	-2.8%	-2.6%	-2.7%	-2.1%	-1.0%	-1.3%	-1.2%	-1.2%	-0.6%	-1.0%

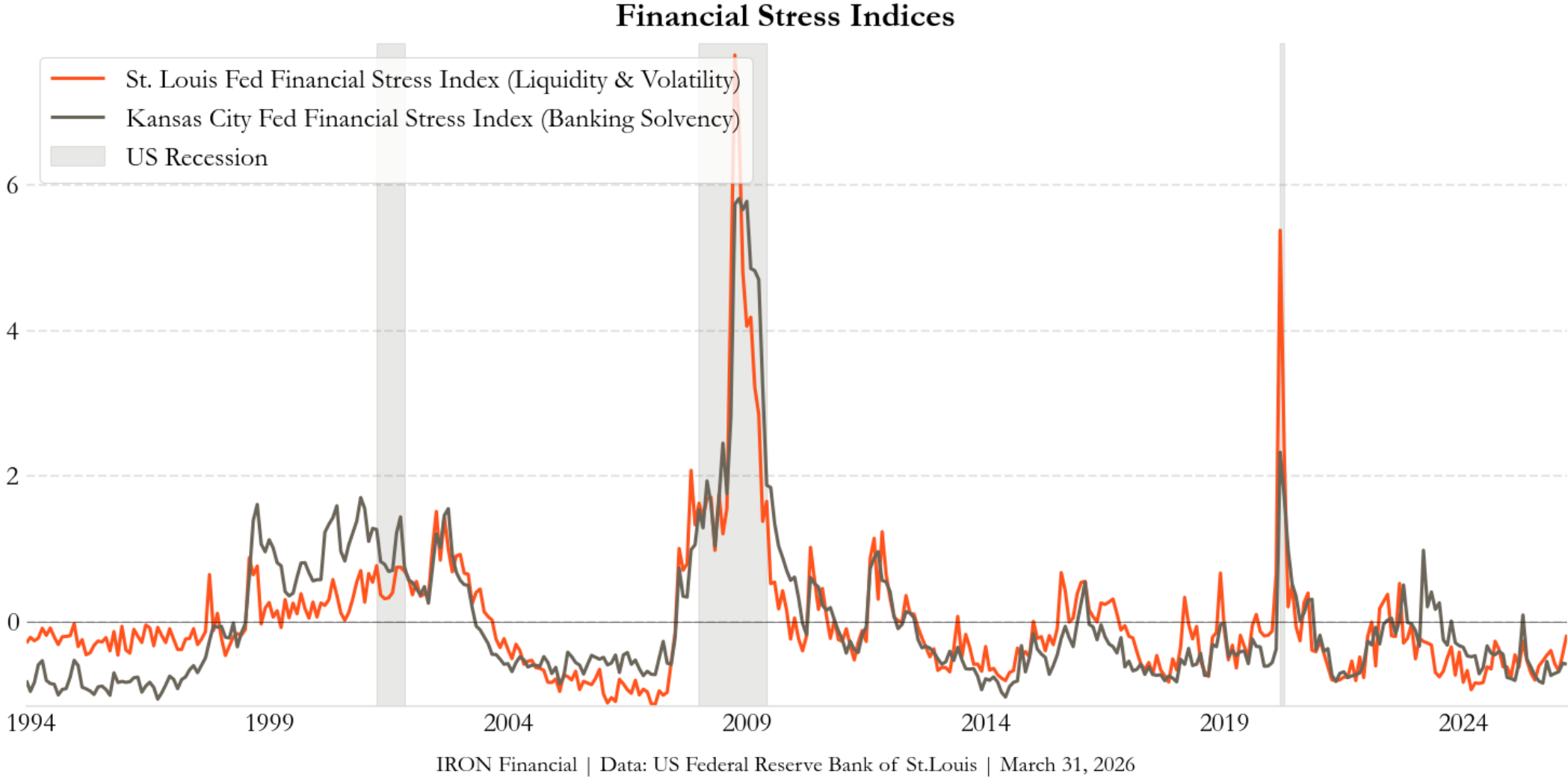
U.S. Financial Conditions

Financial conditions remain loose with zero signs of stress.



**The Chicago Fed's National Financial Conditions Index (NFCI) provides a comprehensive weekly update on U.S. financial conditions in money markets, debt and equity markets and the traditional and "shadow" banking systems. Positive values of the NFCI indicate financial conditions that are tighter than average, while negative values indicate financial conditions that are looser than average.

Financial stress is non-existent — liquidity, volatility, and bank solvency all back to baseline with no warning signs.

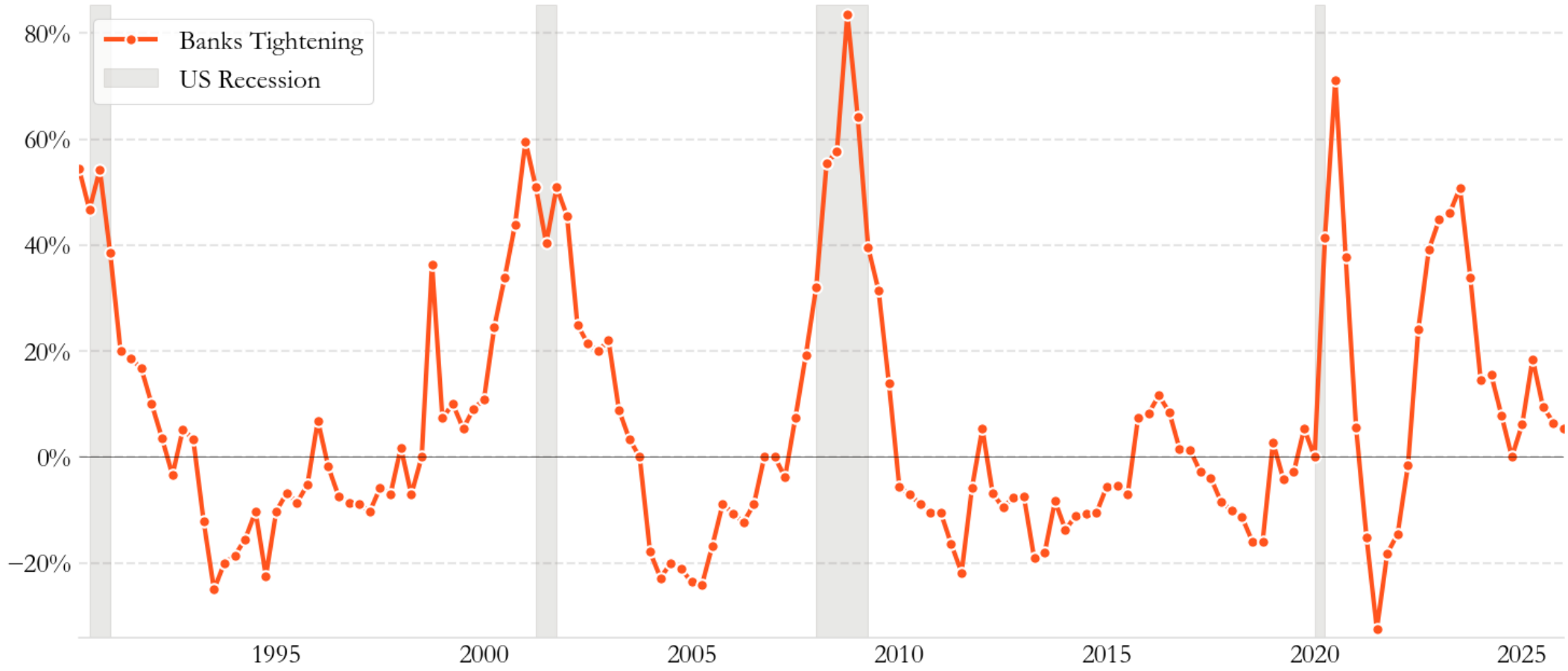


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Bank lending standards are essentially neutral — well below recessionary levels — suggesting the credit channel remains open and the current cyclical softness in housing and durables isn't being amplified by a credit crunch.

Net Percentage of Domestic Banks Tightening Standards

Industrial Loans to Large and Middle-Market Firms (SLOOS)



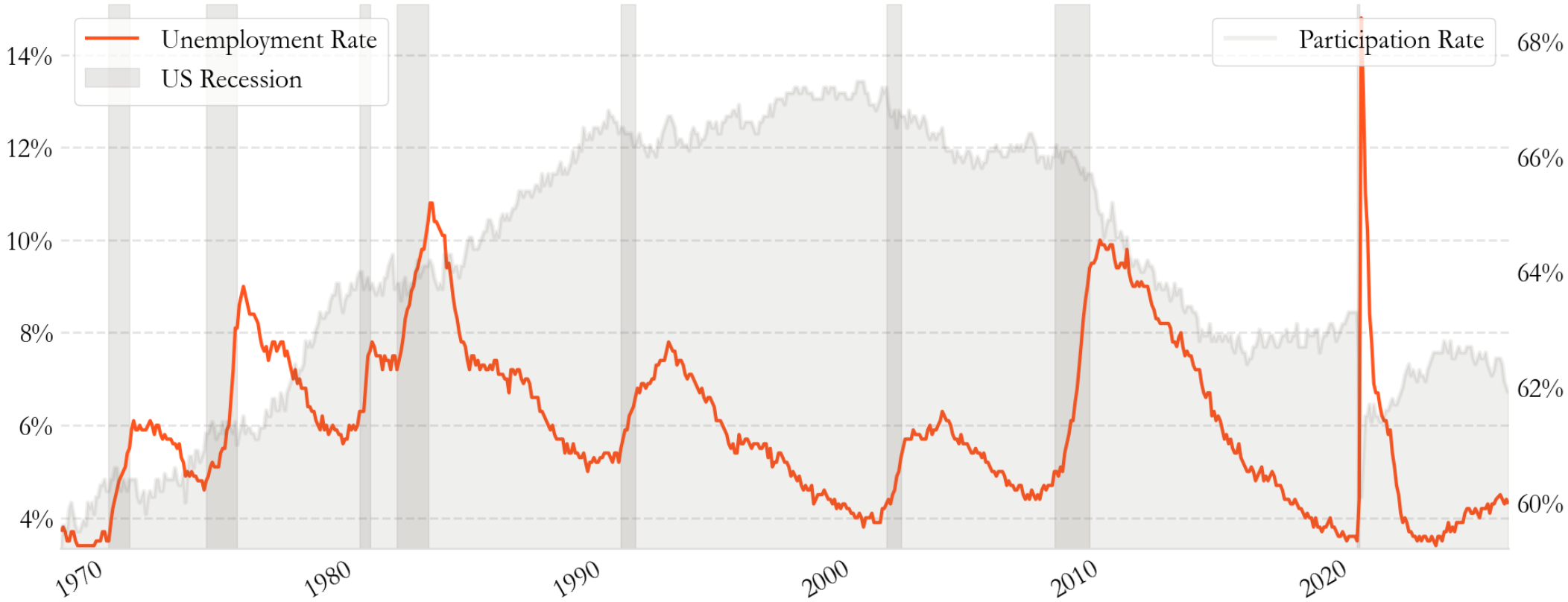
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U.S. Labor Market

Unemployment is low but rising while participation falls — labor softening is real, just hidden by people exiting the workforce.

U.S. Unemployment & Labor Participation Rates

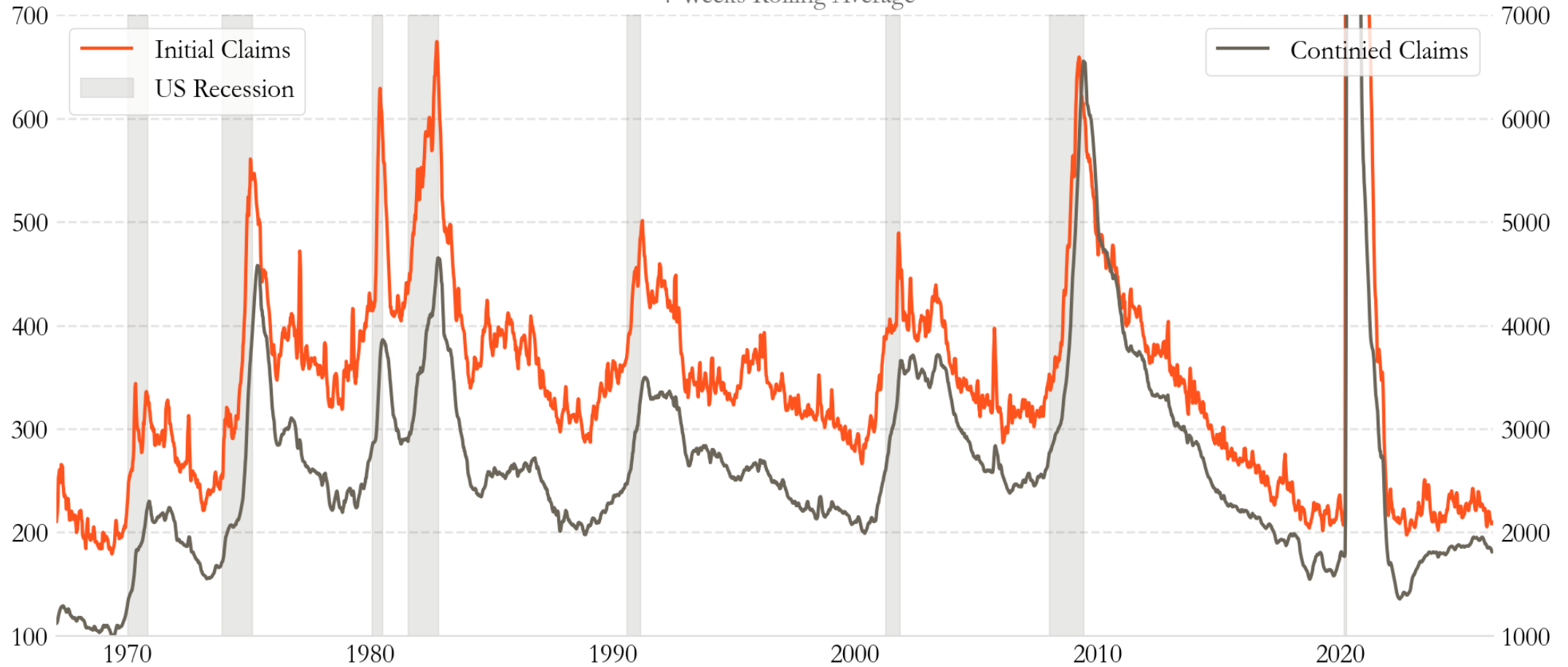


	2025-03	2025-04	2025-05	2025-06	2025-07	2025-08	2025-09	2025-11	2025-12	2026-01	2026-02	2026-03
Unemployment Rate	4.2%	4.2%	4.3%	4.1%	4.3%	4.3%	4.4%	4.5%	4.4%	4.3%	4.4%	4.3%
Participation Rate	62.5%	62.6%	62.4%	62.3%	62.2%	62.3%	62.5%	62.5%	62.4%	62.1%	62.0%	61.9%

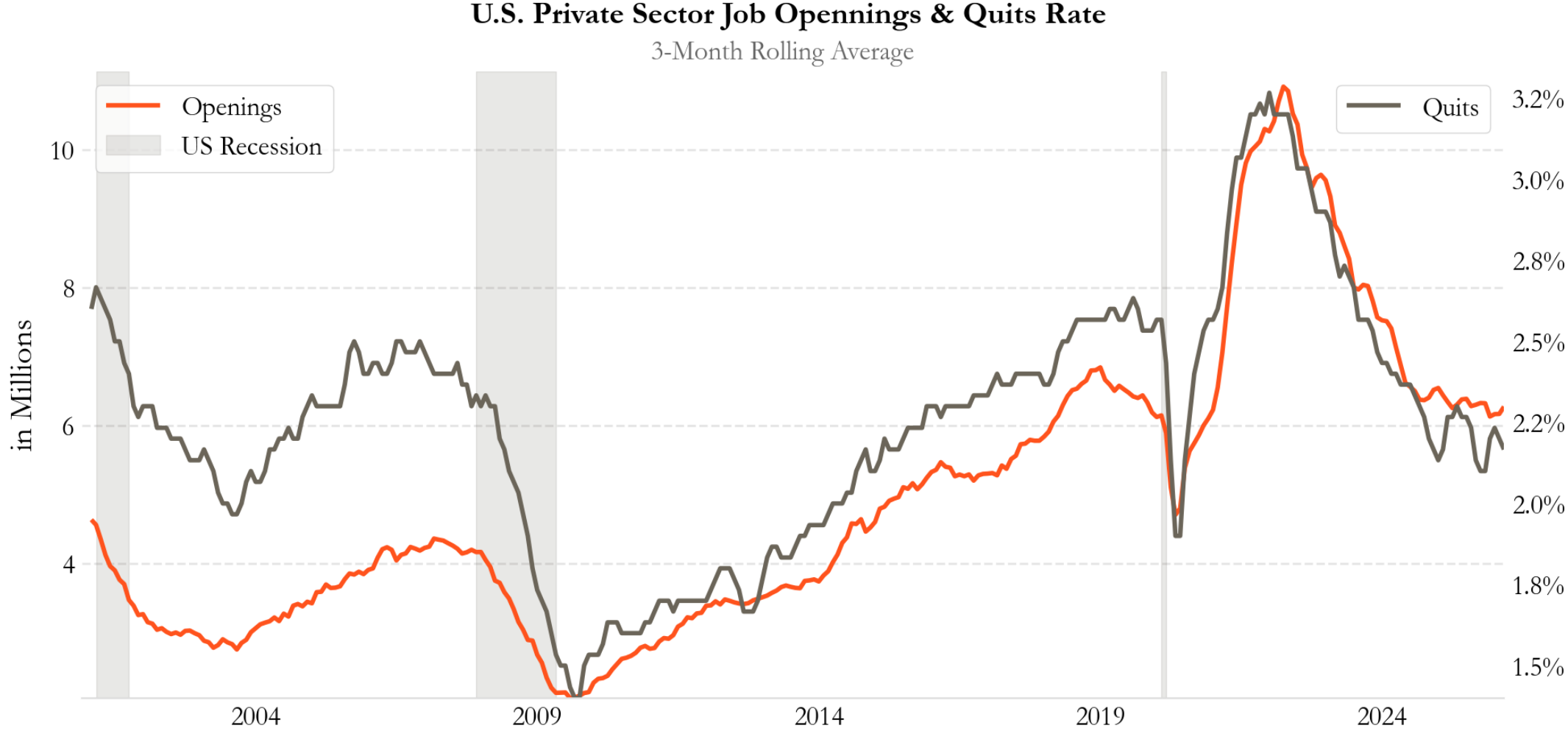
Layoffs remain rare, but the unemployed are struggling to find new jobs — a frozen, not collapsing, labor market.

U.S. Initial & Continued Unemployment Claims

4-Weeks Rolling Average

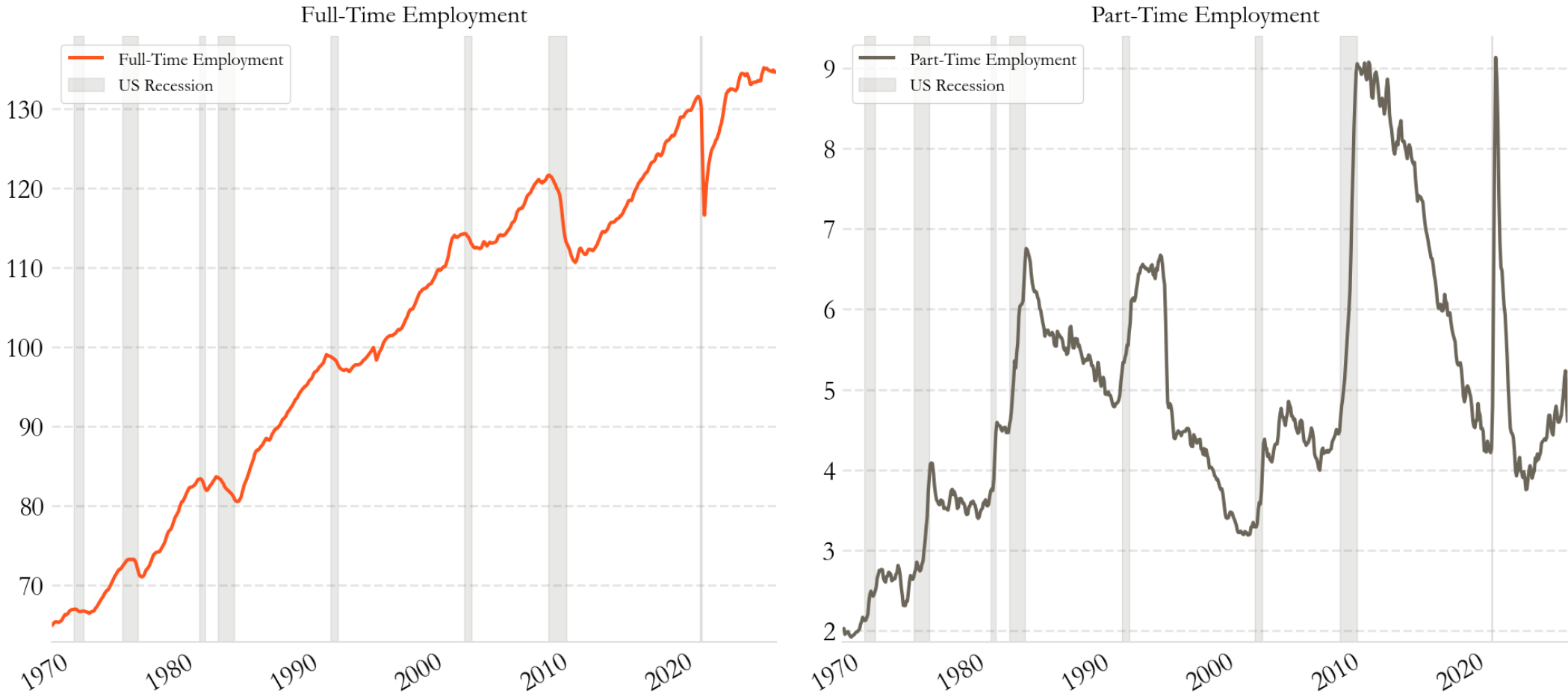


Job openings have stabilized, but the job quit rate is still falling.



Involuntary part-time work has fallen from 5.3M to 4.5M over Q1 2026 — labor quality concerns easing, not worsening.

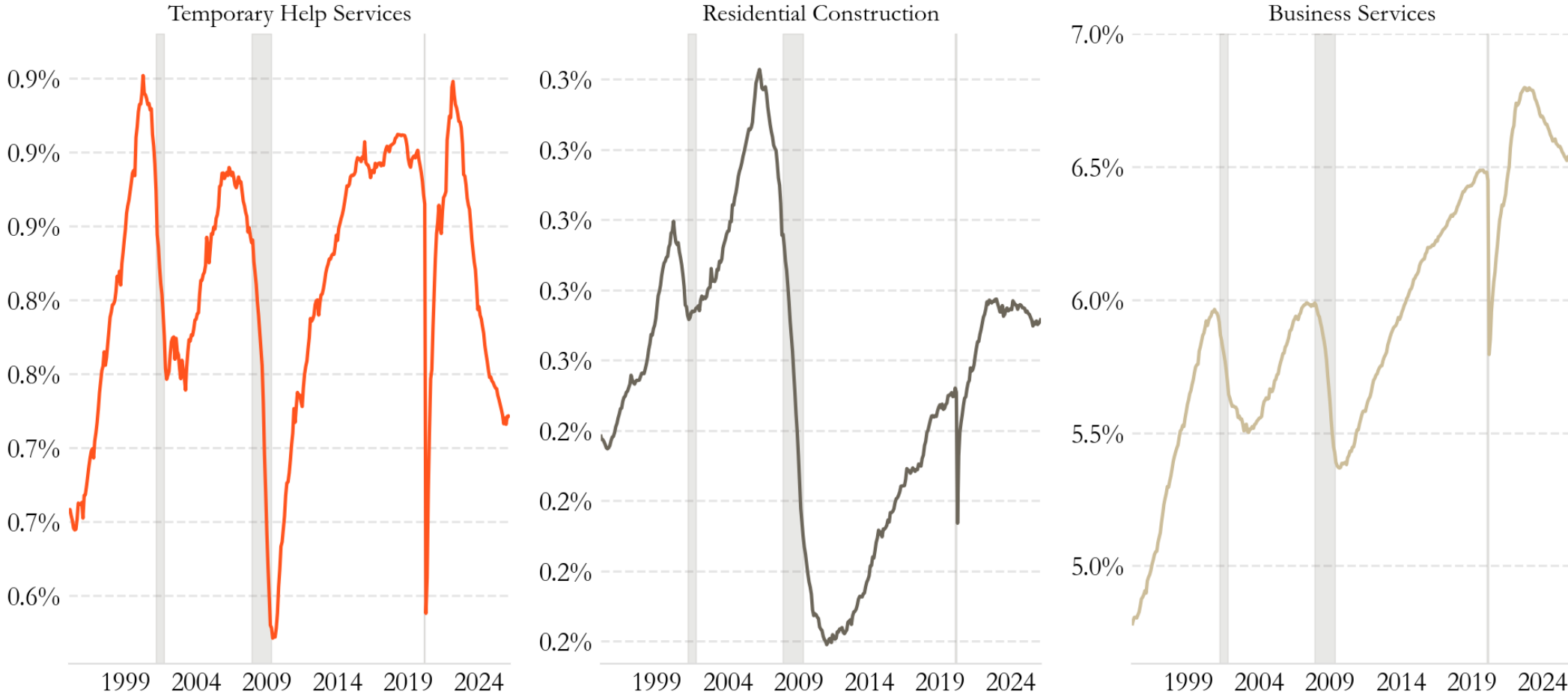
Rolling 3-Month: Full-Time vs. Part-Time Employment (Millions)



IRON Financial | Data: U.S. Bureau of Labor Statistics via FRED® | 2026-03-31

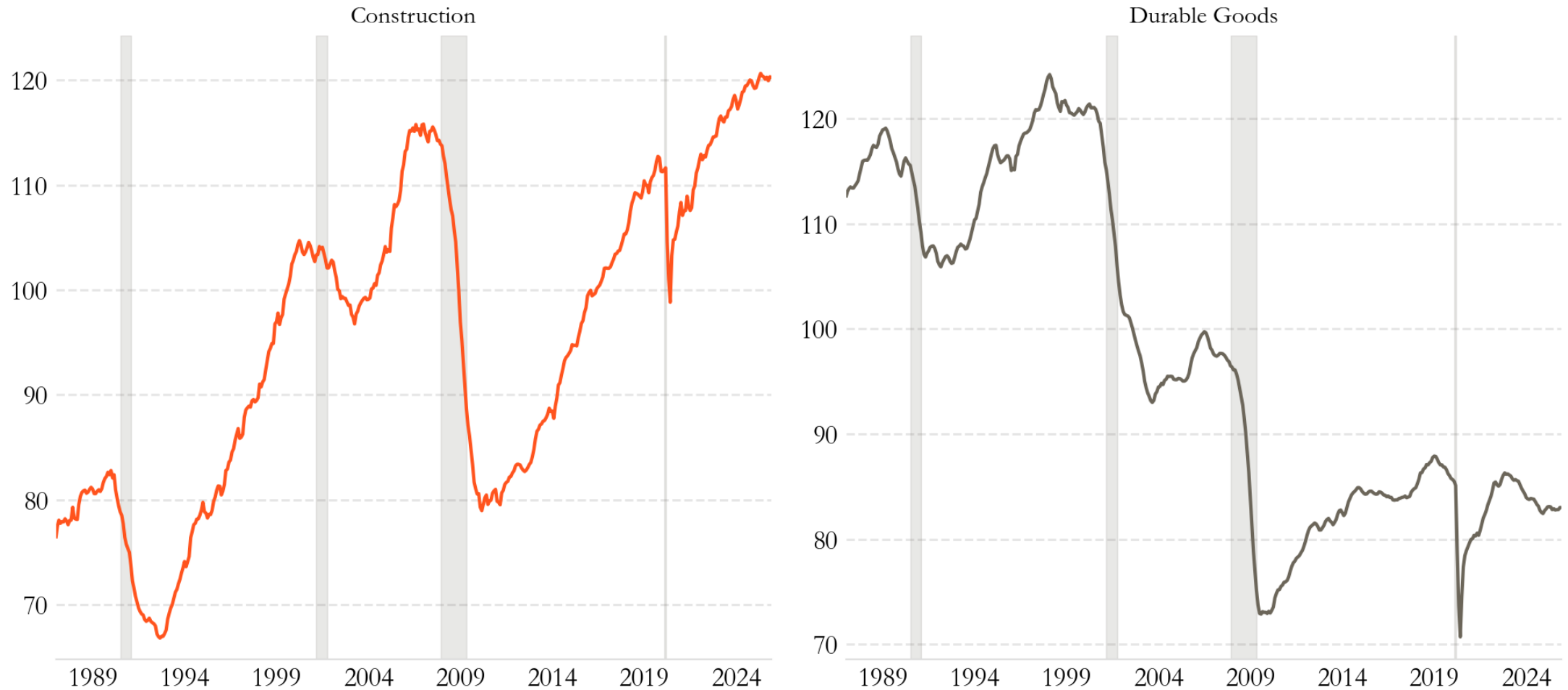
All three early-warning labor sectors end it their aggressive declines.

Sensitive Labor Sectors (% of Population)



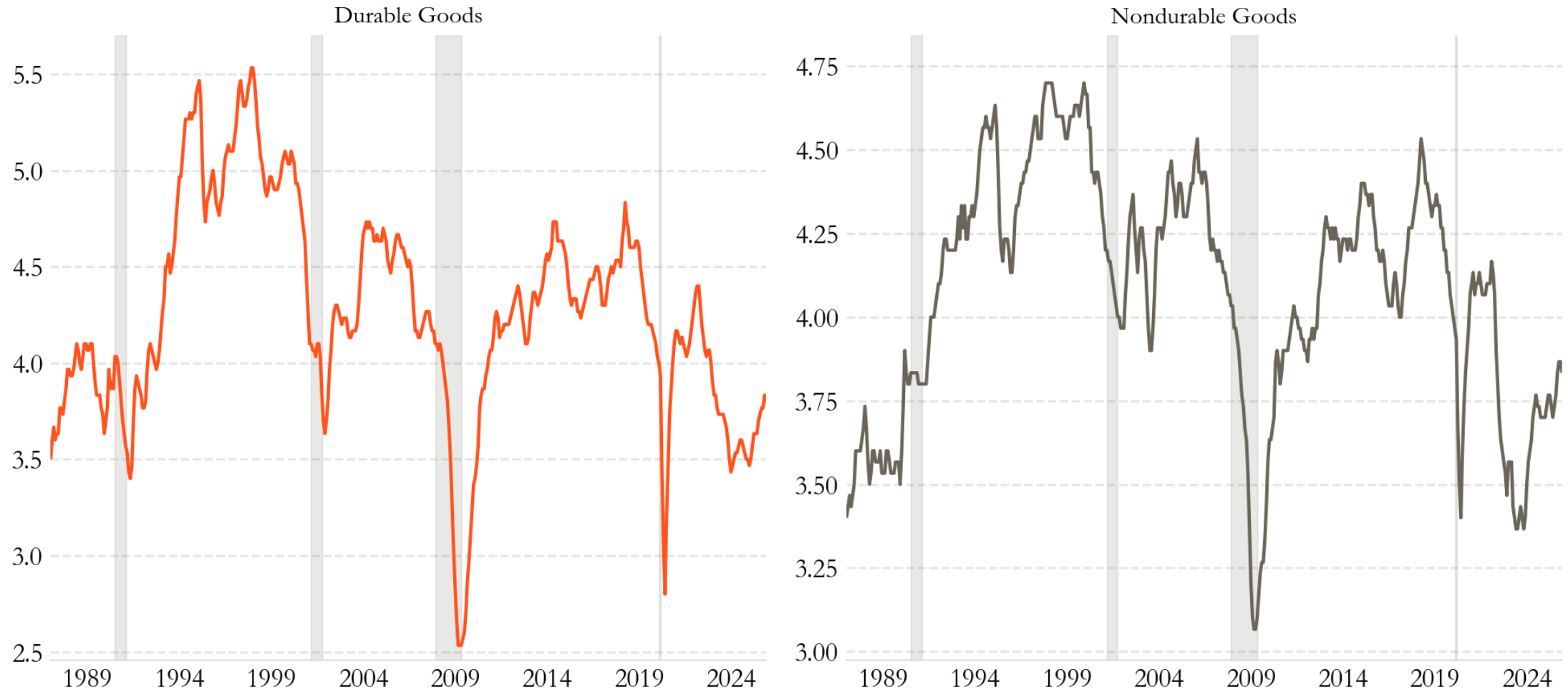
Construction hours hitting record highs on the AI/reshoring buildout while durable goods manufacturing hours grind lower — capex strength masking consumer-side weakness.

Rolling 3-Month: Index of Aggregate Weekly Hours Worked (Cyclical Sectors)



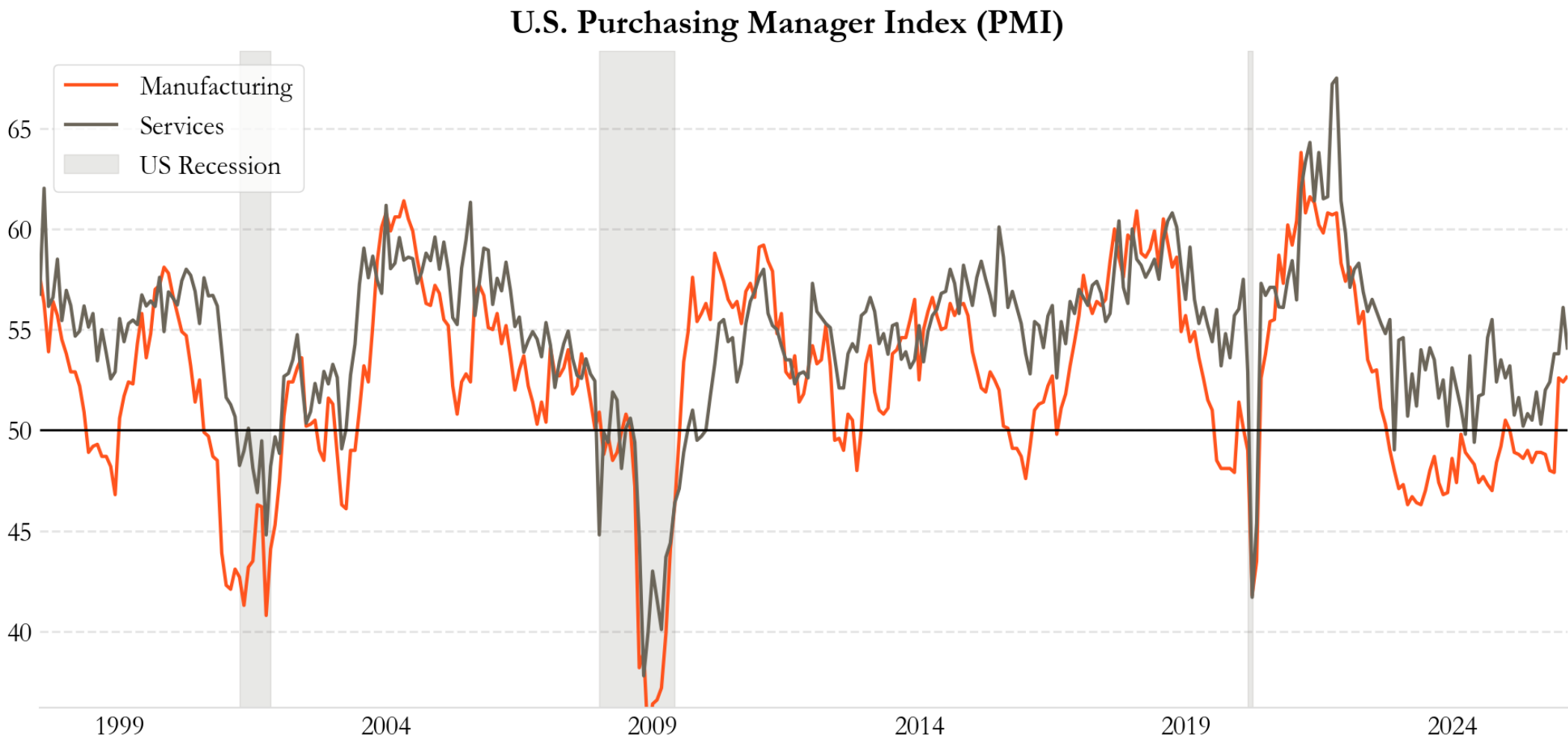
Manufacturing overtime turning up off the lows in both durable and nondurable goods — early evidence of a demand pickup that typically precedes a hiring recovery.

Rolling 3-Month: Overtime Hours (Manufacturing)



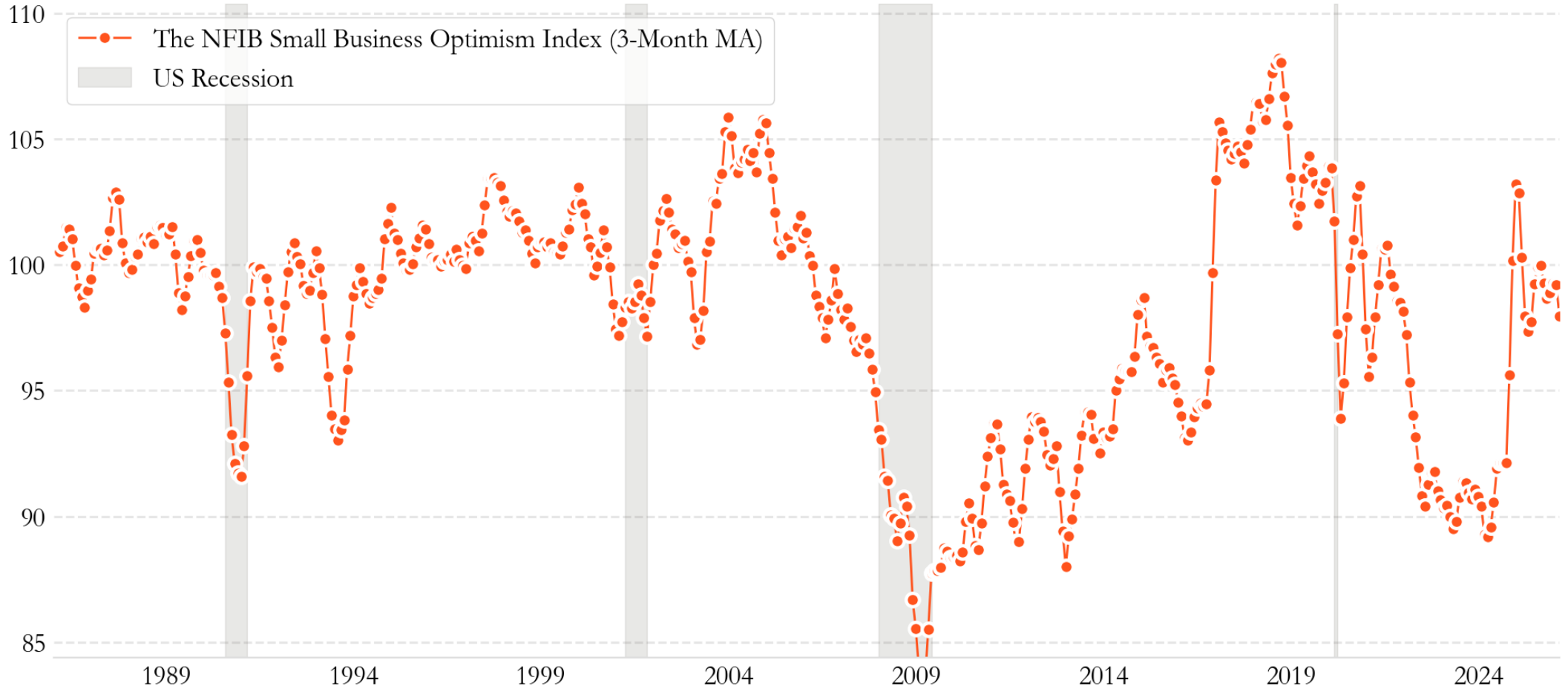
U.S. Business Conditions

Manufacturing PMI clawing back above 50 after a three-year slump while services holds firm — evidence of potential soft-landing.



Small business optimism back to neutral after a brief post-election pop — Main Street isn't participating in the AI/large-cap boom.

The NFIB Small Business Optimism Index



Core capex orders have broken out to all-time highs — AI buildout plus tariff front-running is fueling a genuine business investment boom.

U.S. Manufacturers' New Orders: Nondefense Capital Goods

Domestically Manufactured Industrial Investment

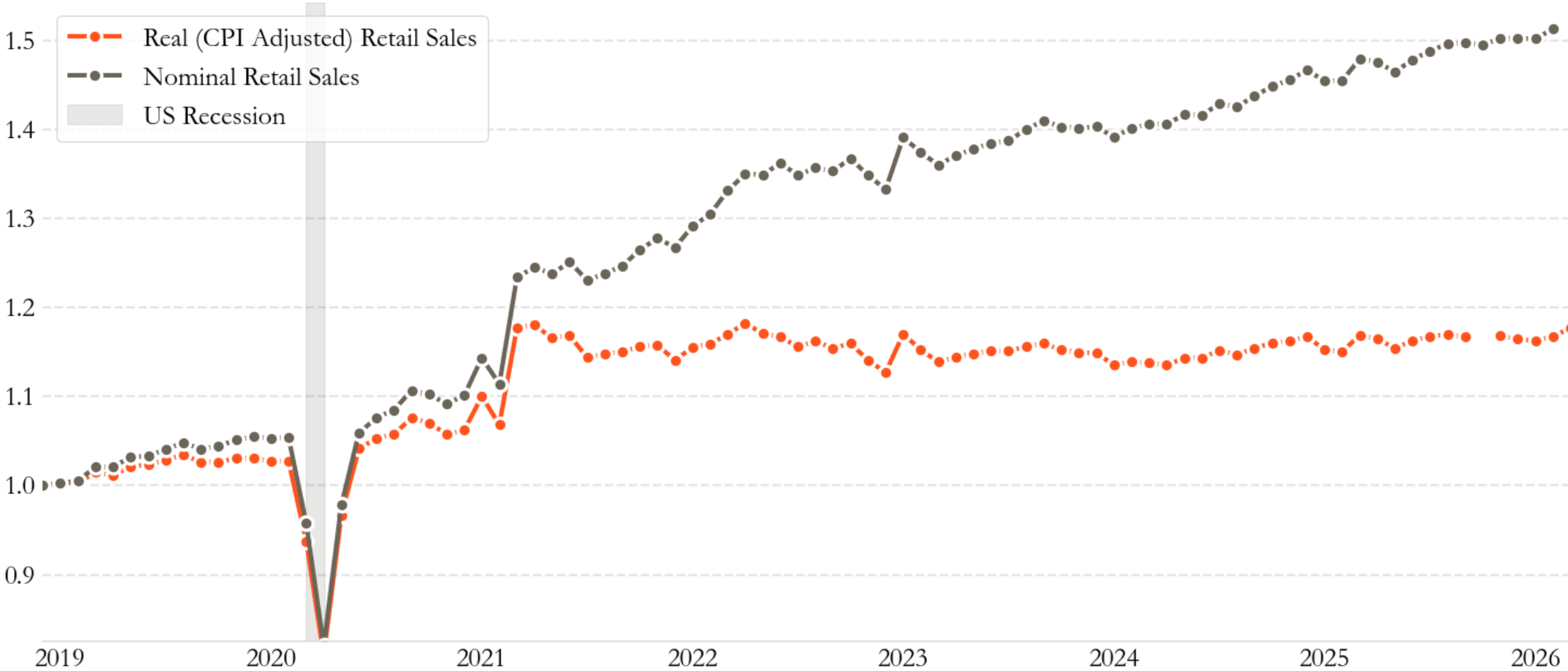


U.S. Consumer

Real retail sales have flatlined since 2021 — the "strong consumer" narrative is mostly inflation, with actual unit volumes treading water for five years.

U.S. Real vs. Nominal Retail Sales

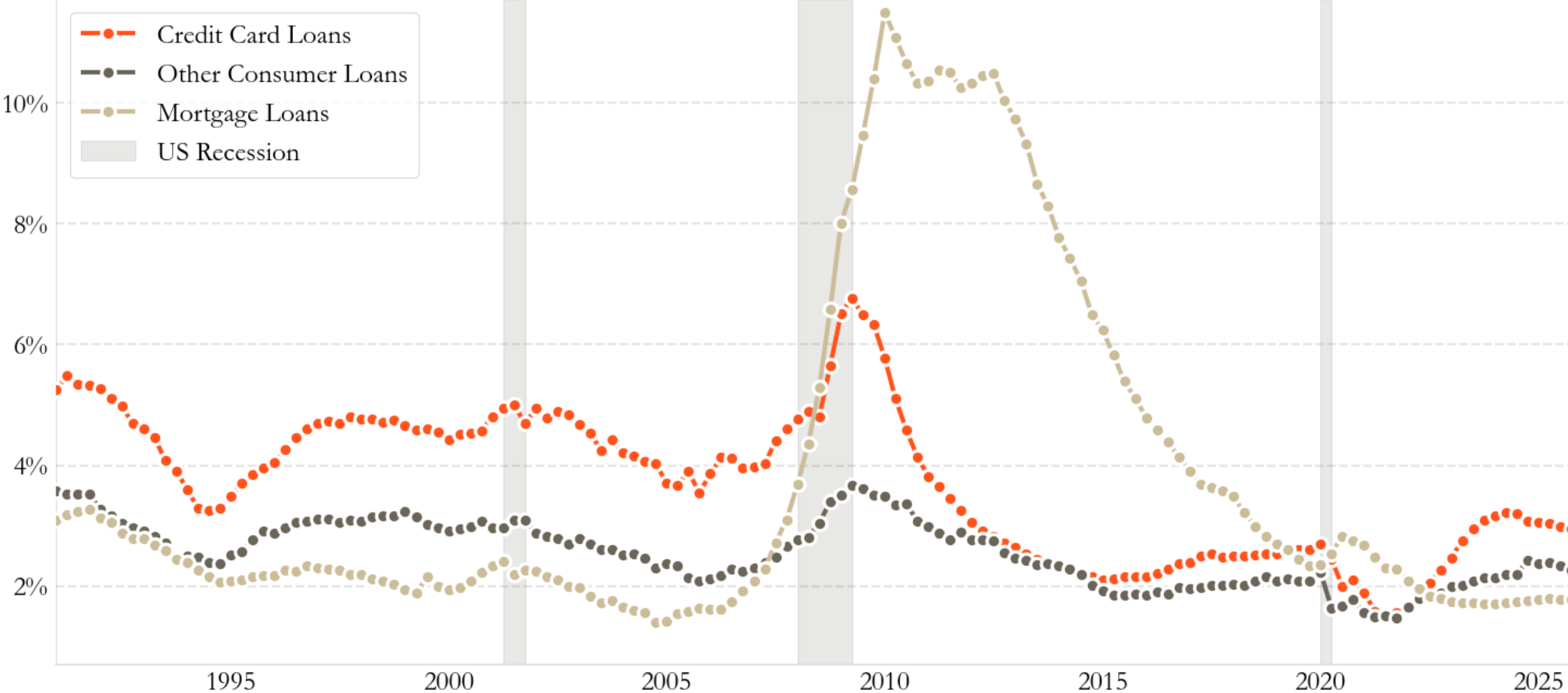
Values are rebased to 1 as of December 31, 2018



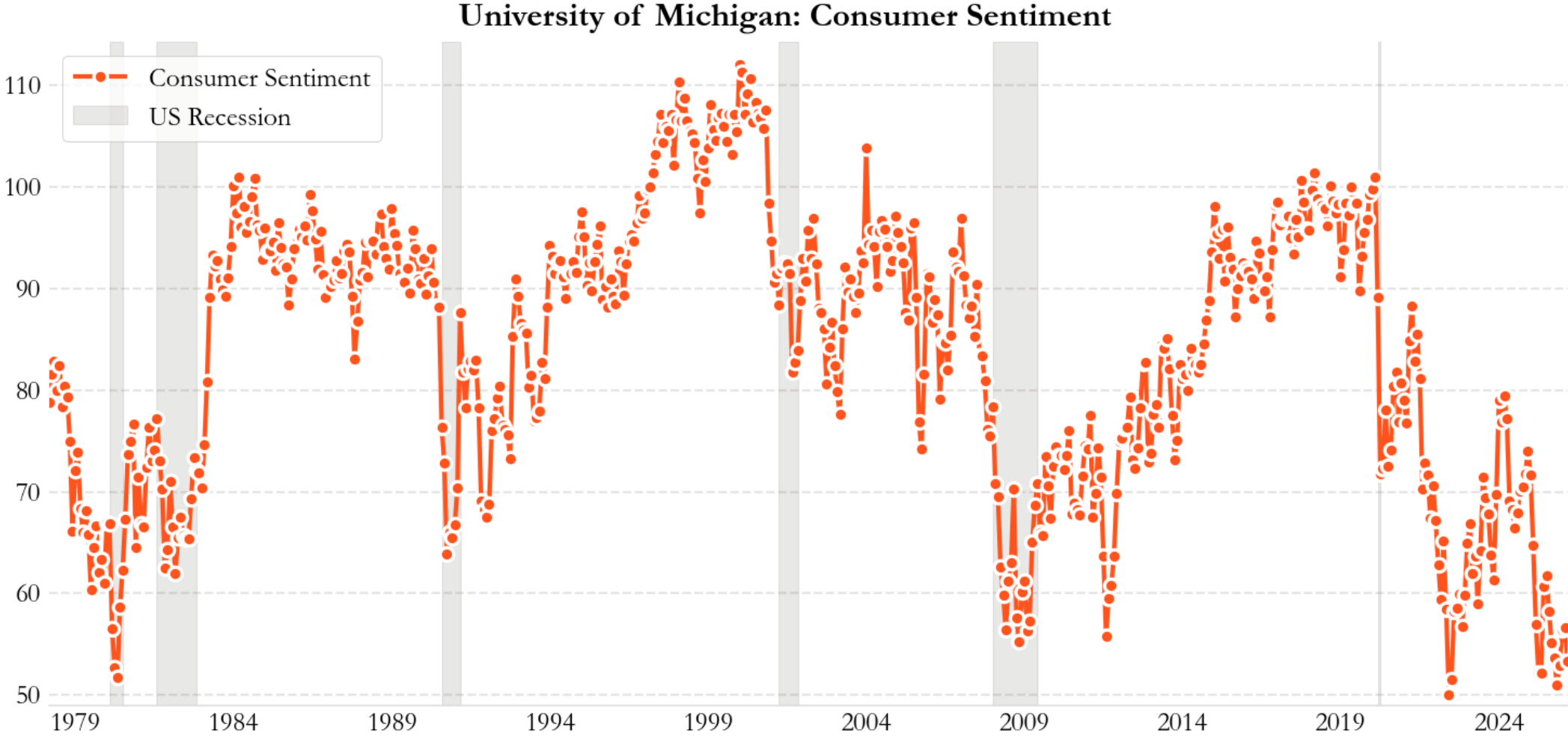
IRON Financial | Data: U.S. Census Bureau via FRED | March 31, 2026

Consumer credit delinquencies are rolling over from their 2024 highs — household balance sheets are not deteriorating.

U.S. Bank Loans Delinquency Rates



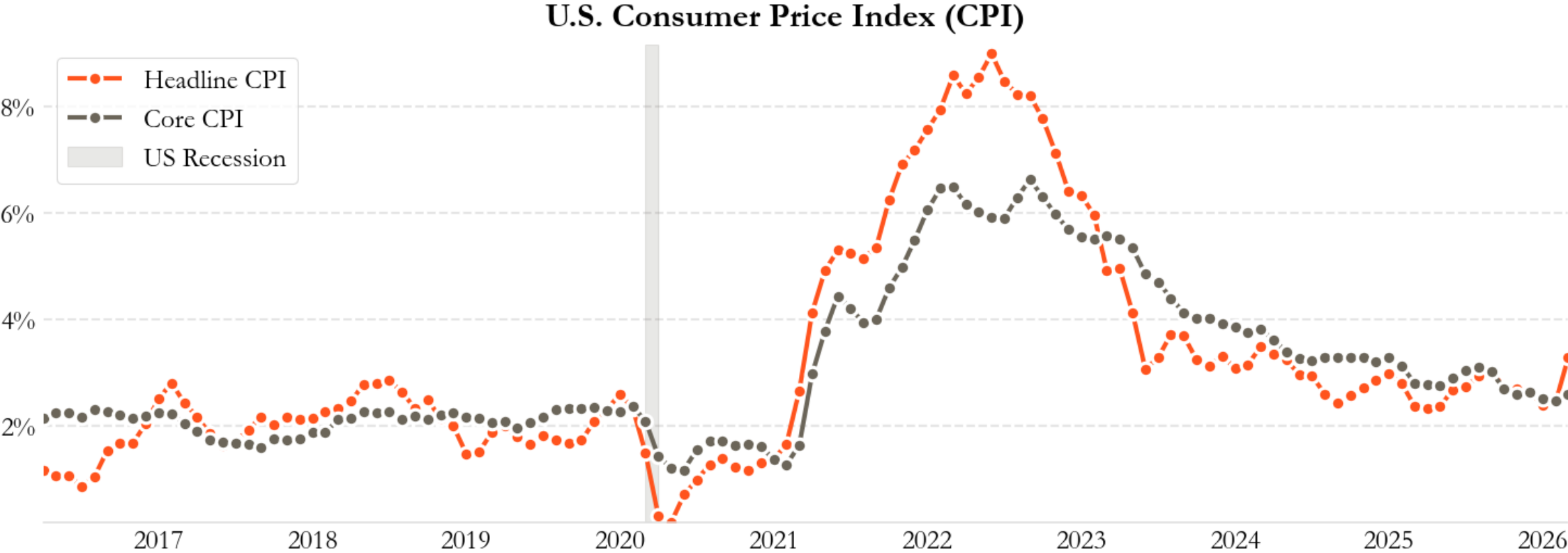
Consumer sentiment is at recessionary lows despite strong hard data — a politically-charged reading that's lost its predictive power but signals fragility if labor cracks.



IRON Financial | Data: Surveys of Consumers, University of Michigan via FRED | March 31, 2026

U.S. Inflation

Headline CPI's reacceleration to 3.3% is overwhelmingly the Iran war oil shock (Brent +51% in March).



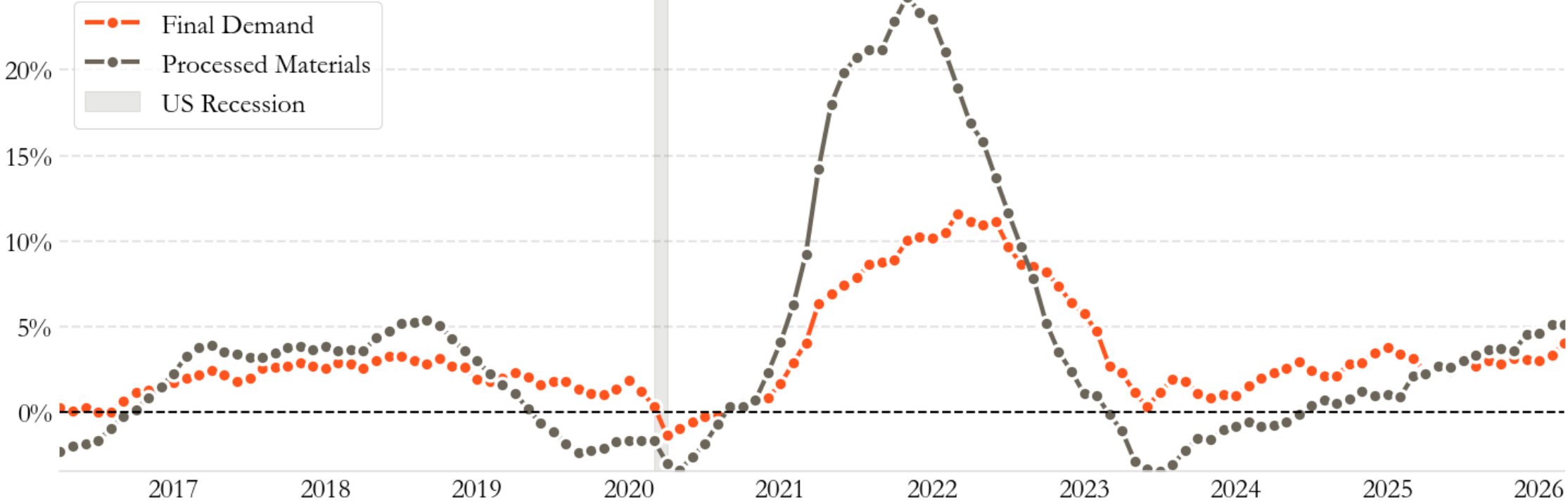
	2025-04	2025-05	2025-06	2025-07	2025-08	2025-09	2025-10	2025-11	2025-12	2026-01	2026-02	2026-03
CPI: Headline	2.33%	2.38%	2.68%	2.74%	2.94%	3.02%	2.73%	2.70%	2.65%	2.39%	2.43%	3.29%
CPI: Core	2.78%	2.77%	2.91%	3.05%	3.11%	3.02%	2.70%	2.60%	2.65%	2.51%	2.47%	2.60%

IRON Financial | Data: U.S. Bureau of Labor Statistics via FRED | March 31, 2026

*The Consumer Price Index for All Urban Consumers: All Items (CPIAUCSL) is a price index of a basket of goods and services paid by urban consumers.
 ** The Sticky Price Consumer Price Index (CPI) is calculated from a subset of goods and services included in the CPI that change price relatively infrequently.
 *** The Producer Price Index (PPI) by Commodity: All Commodities measures the average change over time in selling prices received by domestic producers for their output. PPI is a measure of inflation at the wholesale level.

PPI is reaccelerating with tariffs flowing through input costs — wholesale inflation is now running ahead of consumer prices, signaling more CPI pressure ahead.

U.S. Producer Price Indices



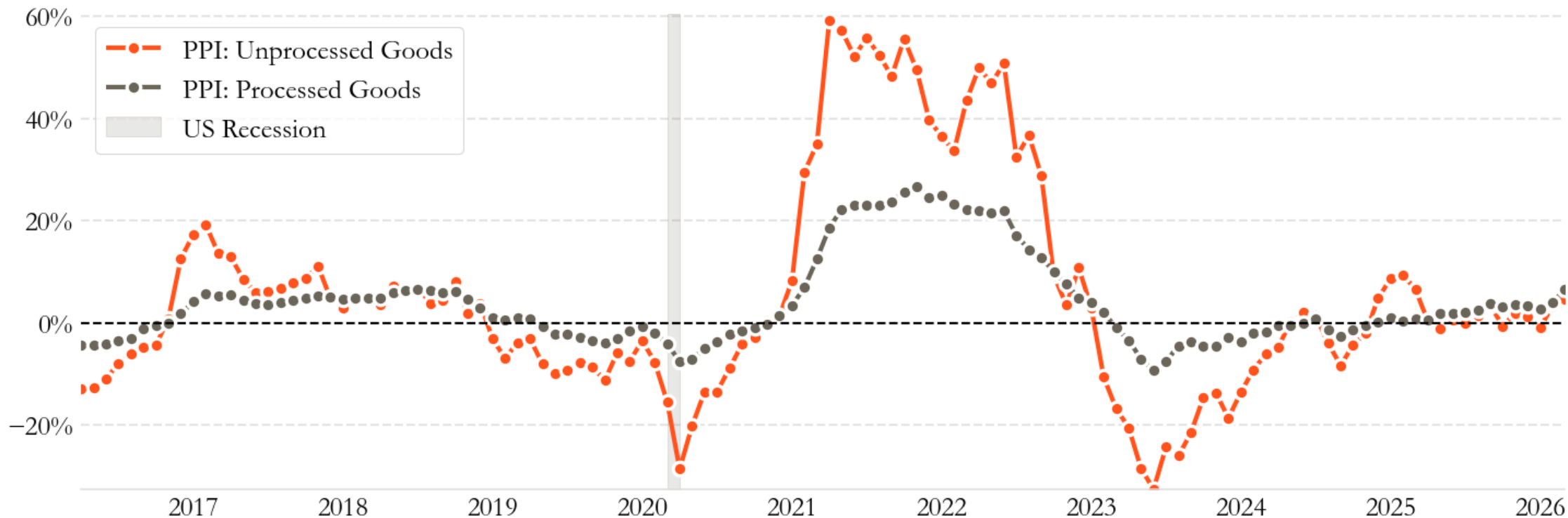
	2025-04	2025-05	2025-06	2025-07	2025-08	2025-09	2025-10	2025-11	2025-12	2026-01	2026-02	2026-03
PPI Final Demand	2.40%	2.72%	2.43%	3.23%	2.69%	3.05%	2.83%	3.15%	3.11%	3.03%	3.36%	4.02%
PPI: Processed Materials	2.24%	2.67%	2.61%	3.00%	3.36%	3.69%	3.69%	3.60%	4.52%	4.64%	5.16%	5.11%

IRON Financial | Data: U.S. Bureau of Labor Statistics via FRED | March 31, 2026

Source: International Monetary Fund, Global Price Index of All Commodities.
 *Value represents the benchmark prices which are representative of the global market. They are determined by the largest exporter of a given commodity. Prices are period averages in nominal U.S. dollars.

Pipeline inflation is reaccelerating sharply at both raw and intermediate stages — the upstream pressure that typically pulls CPI higher with a 6-month lag.

PPI: Intermediate Processed vs. Unprocessed Goods



	2025-04	2025-05	2025-06	2025-07	2025-08	2025-09	2025-10	2025-11	2025-12	2026-01	2026-02	2026-03
Unprocessed Goods	0.28%	-1.13%	0.58%	-0.02%	1.45%	3.44%	-0.64%	1.89%	1.11%	-0.98%	3.40%	4.72%
Processed Goods	0.50%	1.82%	1.82%	2.11%	2.58%	3.68%	3.10%	3.61%	3.45%	2.79%	4.01%	6.62%

IRON Financial | Data: U.S. Bureau of Labor Statistics via FRED | March 31, 2026

*Median expected price change next 12 months, Surveys of Consumers.

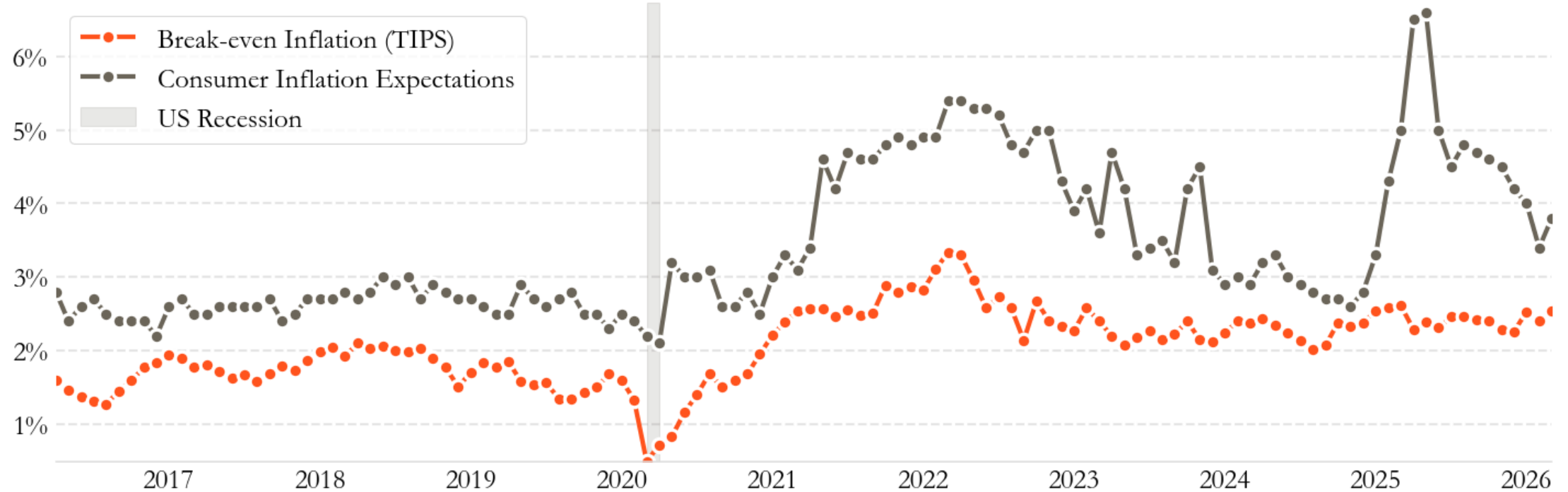
Federal Reserve Bank of St. Louis, 5-Year Breakeven Inflation Rate, retrieved from FRED

**The breakeven inflation rate represents a measure of expected inflation derived from 5-Year Treasury Constant Maturity Securities (BC_5YEAR) and 5-Year Treasury Inflation-Indexed Constant Maturity Securities (TC_5YEAR).

Markets remain anchored at 2.5% inflation expectations while consumers panic at 3.8%
 — bond pricing says the inflation reacceleration is transitory.

Expected Inflation: Market vs. Consumer

U.S. Treasury Inflation Protected Bonds vs. University of Michigan: Consumer Expected Inflation



	2025-04	2025-05	2025-06	2025-07	2025-08	2025-09	2025-10	2025-11	2025-12	2026-01	2026-02	2026-03
5-Year Breakeven Inflation	2.29%	2.39%	2.31%	2.46%	2.47%	2.42%	2.40%	2.29%	2.26%	2.53%	2.40%	2.54%
Consumer Inflation Expectations	6.50%	6.60%	5.00%	4.50%	4.80%	4.70%	4.60%	4.50%	4.20%	4.00%	3.40%	3.80%

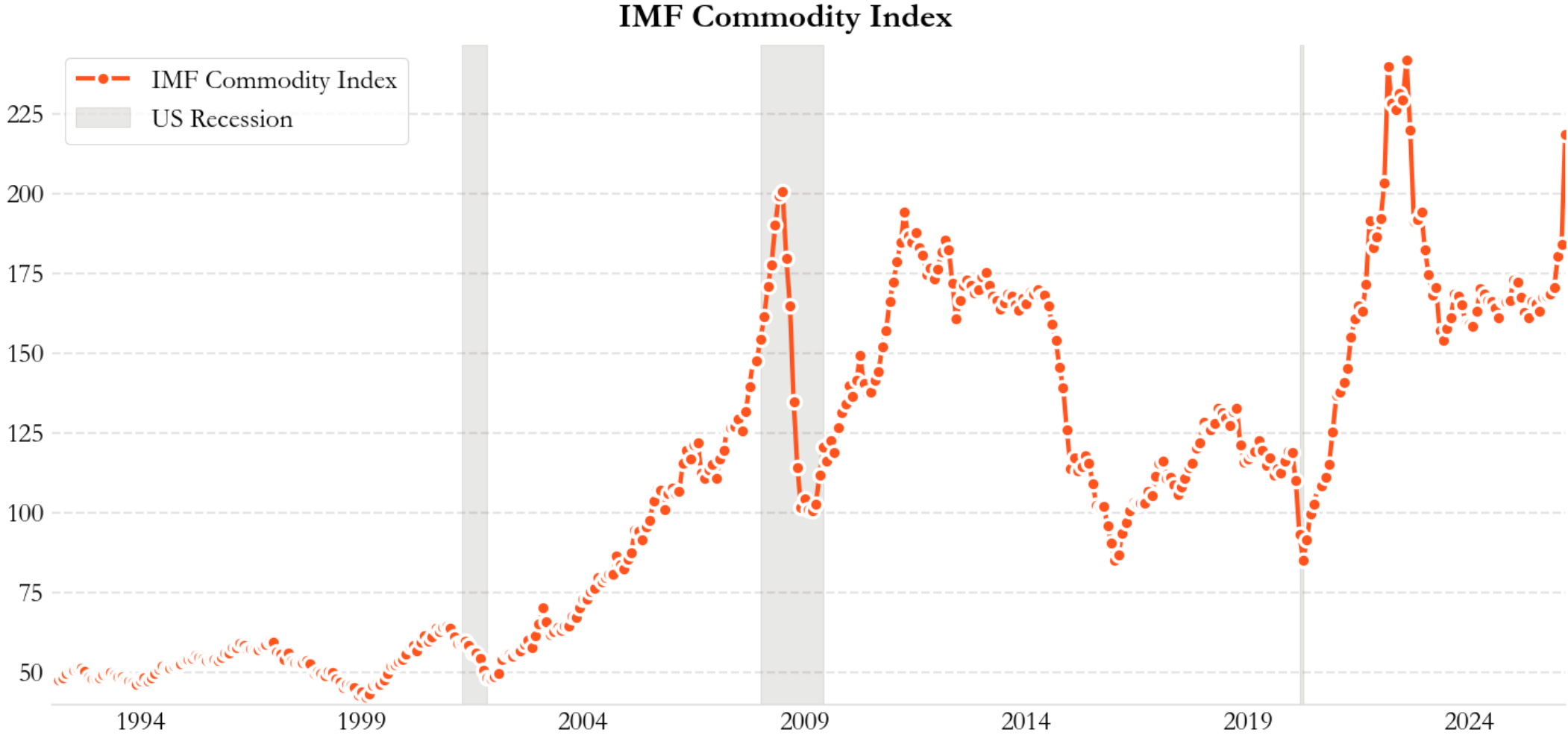
IRON Financial | Data: University of Michigan Consumer Survey, FRED | March 31, 2026

*Median expected price change next 12 months, Surveys of Consumers.

Federal Reserve Bank of St. Louis, 5-Year Breakeven Inflation Rate, retrieved from FRED

**The breakeven inflation rate represents a measure of expected inflation derived from 5-Year Treasury Constant Maturity Securities (BC_5YEAR) and 5-Year Treasury Inflation-Indexed Constant Maturity Securities (TC_5YEAR).

IMF commodity index spiked 28% to near 2022 peaks on the Iran war.



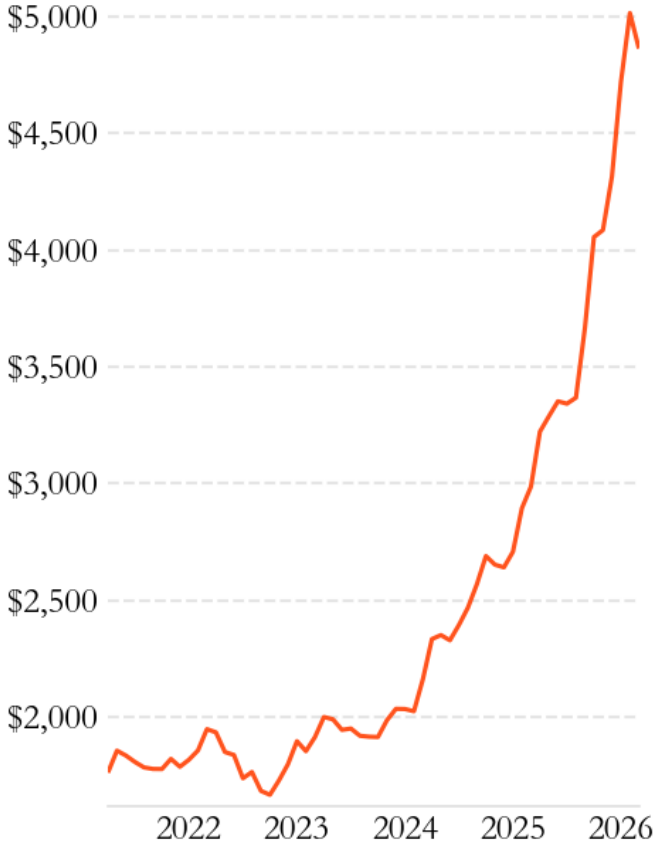
IRON Financial | Data: IMF Primary Commodity Price System (PCPS) | March 31, 2026

Source: International Monetary Fund, Global Price Index of All Commodities.
*Value represents the benchmark prices which are representative of the global market. They are determined by the largest exporter of a given commodity. Prices are period averages in nominal U.S. dollars.

Gold at \$5K signals macro fear, copper at \$13K signals AI-driven industrial strength, oil's V-shaped surge signals the Iran shock — collectively these trends are creating a stagflation cocktail.

Key Commodity Prices

Gold (\$ per troy ounce)



Copper (\$ per metric tonne)



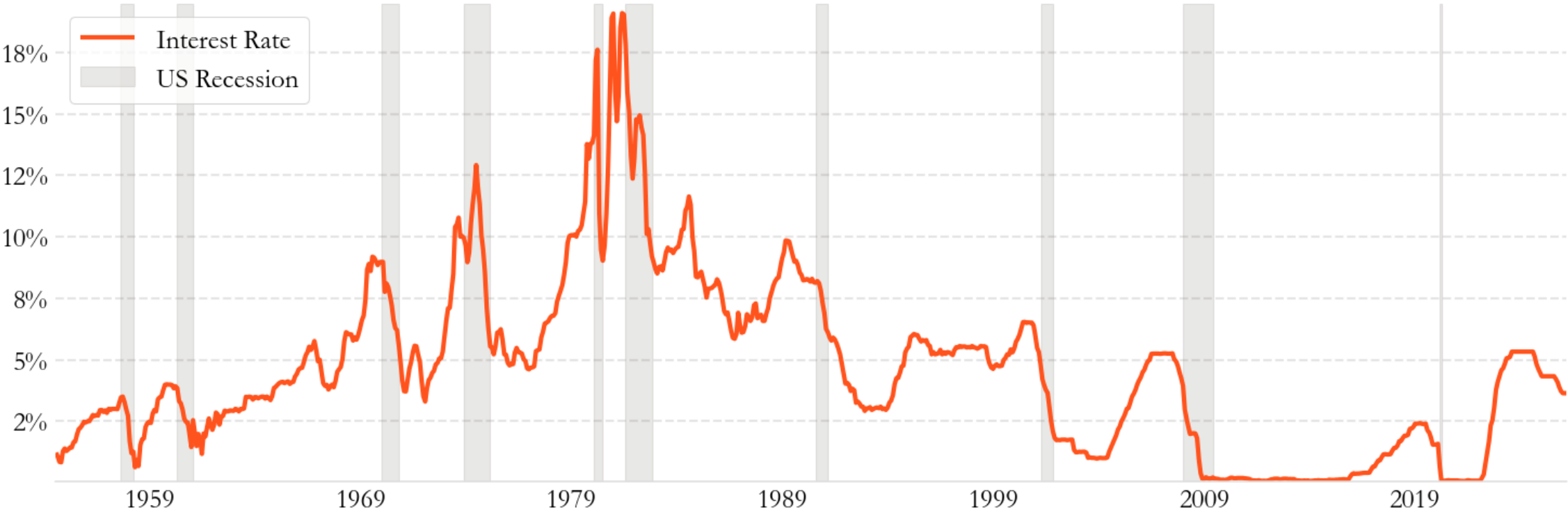
WTI Oil (\$ per barrel)



U.S. Monetary Policy

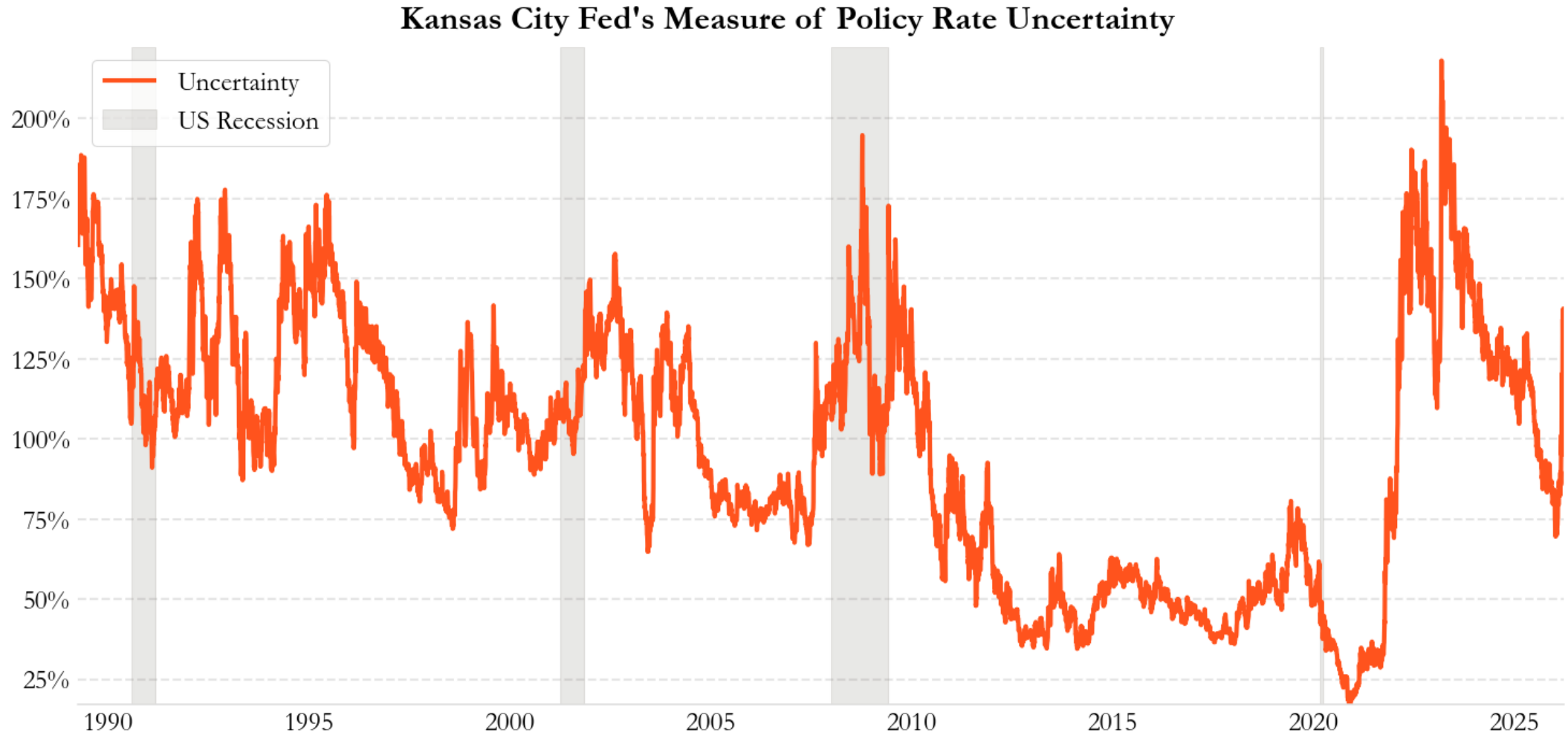
The Fed has cut 70bps since September but paused at 3.64% — caught between softening labor and the Iran/tariff inflation pulse, with no clear path forward.

U.S. Federal Reserve Fund Rate

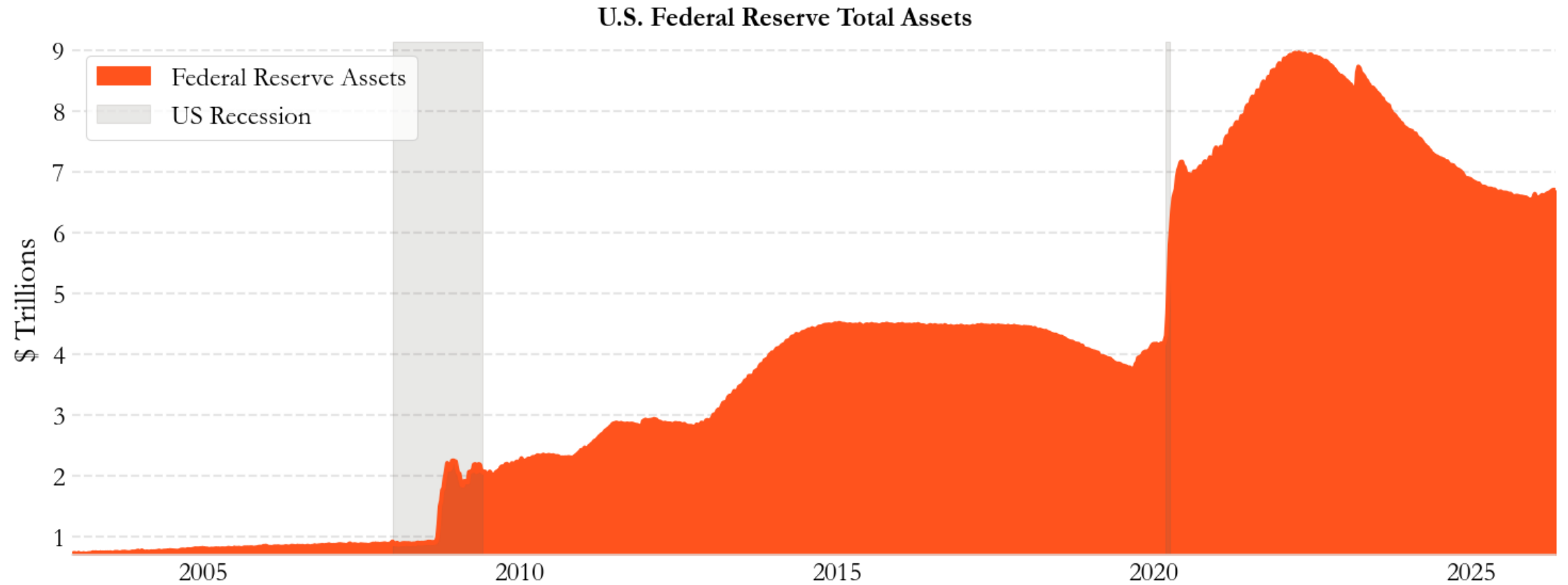


	2025-04	2025-05	2025-06	2025-07	2025-08	2025-09	2025-10	2025-11	2025-12	2026-01	2026-02	2026-03
Fed Rate %	4.33%	4.33%	4.33%	4.33%	4.33%	4.22%	4.09%	3.88%	3.72%	3.64%	3.64%	3.64%

Fed policy uncertainty has spiked back to ~140% as Iran/tariff inflation collides with labor softening — markets don't know whether the next move is cut or hold.

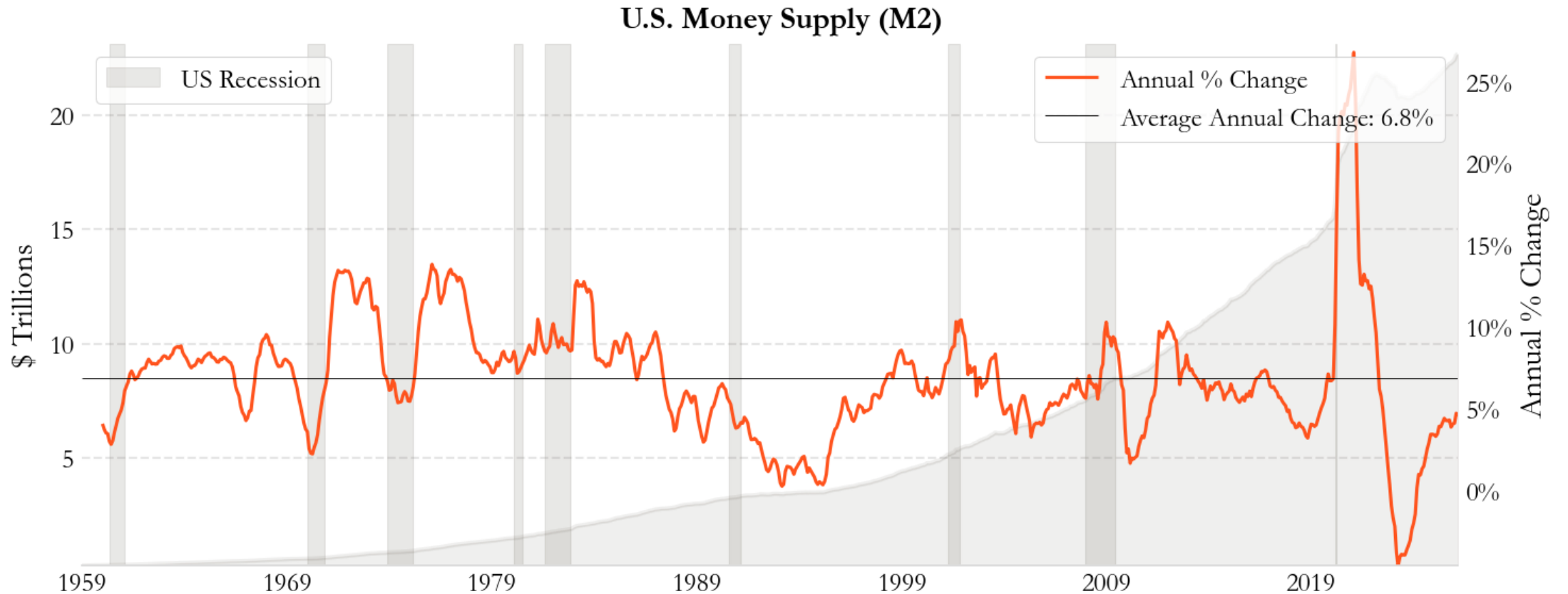


Further, the Federal Reserve announced a pivot from quantitative tightening to quantitative easing starting December 12th, 2025.



	2025-05	2025-06	2025-07	2025-08	2025-09	2025-10	2025-11	2025-12	2026-01	2026-02	2026-03	2026-04
Federal Reserve Assets (\$Tn)	6.67	6.66	6.64	6.60	6.61	6.59	6.55	6.64	6.59	6.61	6.66	6.70
Fed Assets (Annual % Change)	-8.39	-7.87	-7.46	-7.30	-6.66	-6.08	-5.11	-3.09	-3.38	-2.25	-1.23	-0.14

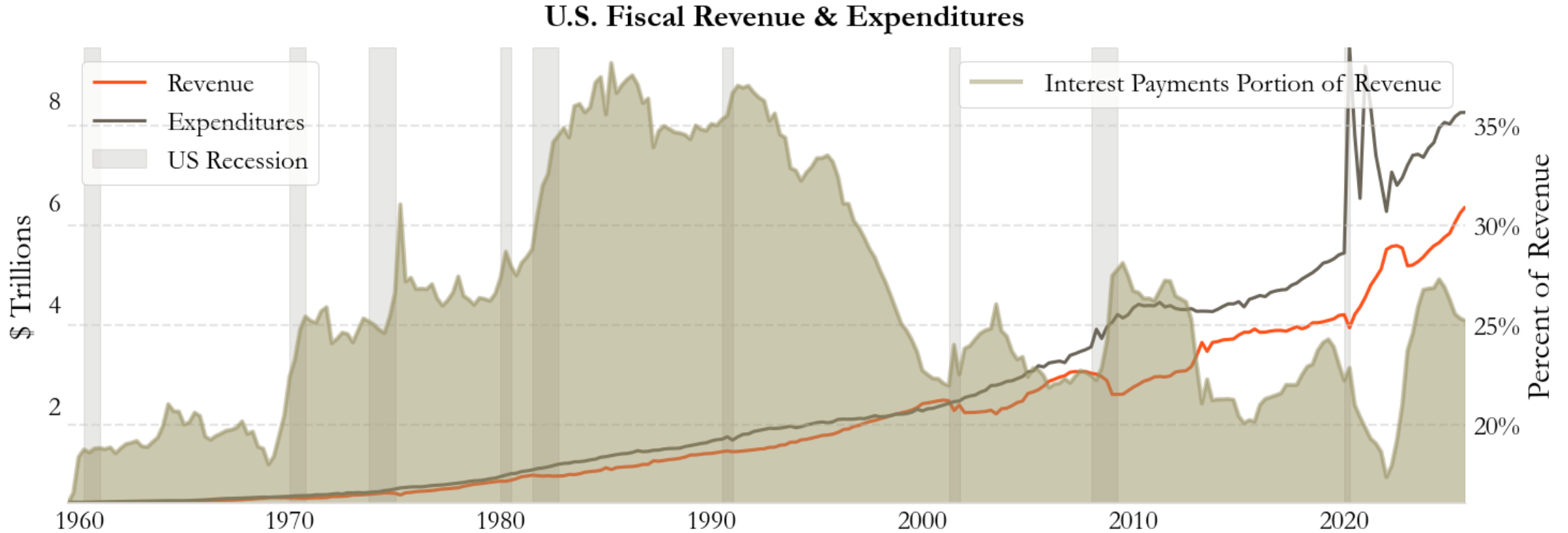
M2 growth at 4.6% is modest and consistent with 2-2.5% trend inflation — money supply is not the source of the recent price pressure.



	2025-04	2025-05	2025-06	2025-07	2025-08	2025-09	2025-10	2025-11	2025-12	2026-01	2026-02	2026-03
M2 Annual % Change	3.9%	3.9%	4.1%	4.4%	4.2%	4.2%	4.3%	3.8%	4.0%	4.1%	4.7%	4.6%

IRON Financial | Data: Board of Governors of the Federal Reserve System (US) via FRED® | March 31, 2026

A \$1.85T structural deficit at full employment with 25% of revenue going to interest — fiscal policy is loose, inflationary, and on an unsustainable trajectory.

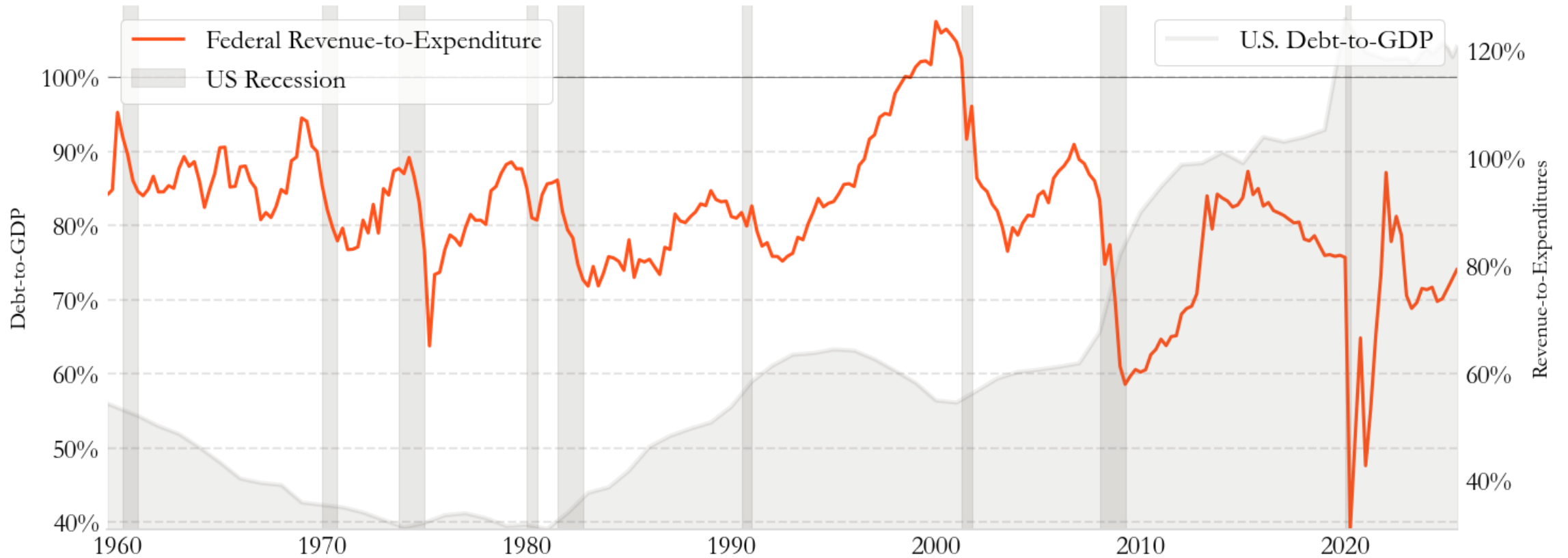


	2023-03	2023-06	2023-09	2023-12	2024-03	2024-06	2024-09	2024-12	2025-03	2025-06	2025-09	2025-12
Federal Revenue (\$Tn)	4.75	4.77	4.84	4.93	5.05	5.15	5.21	5.31	5.39	5.60	5.79	5.92
Federal Expenditures (\$Tn)	6.73	6.93	6.95	6.89	7.07	7.18	7.47	7.57	7.54	7.69	7.77	7.77
Interest Payments / Revenue	0.24	0.25	0.26	0.27	0.27	0.27	0.27	0.27	0.26	0.26	0.25	0.25

IRON Financial | Data: Board of Governors of the Federal Reserve System (US) via FRED® | December 31, 2025

Debt-to-GDP at 122.6% and revenue covering 76% of spending — fiscal arithmetic continues to deteriorate even as tariff revenue helps narrow the gap.

U.S. Fiscal Situation

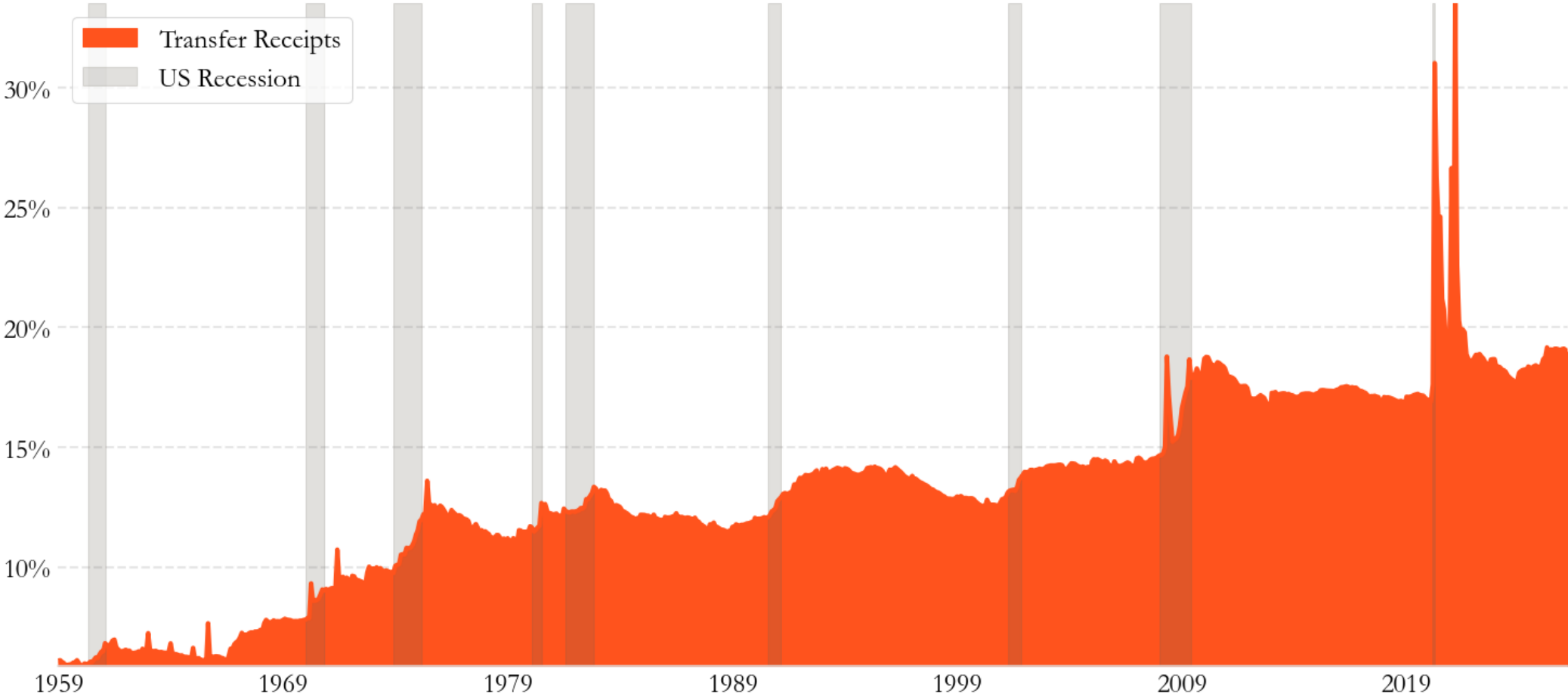


	2022-12	2023-03	2023-06	2023-09	2023-12	2024-03	2024-06	2024-09	2024-12	2025-03	2025-06	2025-09
Federal Debt to GDP (%)	118.6%	118.6%	117.4%	118.1%	119.6%	120.5%	119.5%	120.2%	121.4%	120.5%	118.8%	121.0%
Revenue-to-Expenditures	78.7%	70.6%	68.8%	69.6%	71.5%	71.4%	71.7%	69.8%	70.2%	71.5%	72.9%	74.3%

IRON Financial | Data: Board of Governors of the Federal Reserve System (US) via FRED® | September 30, 2025

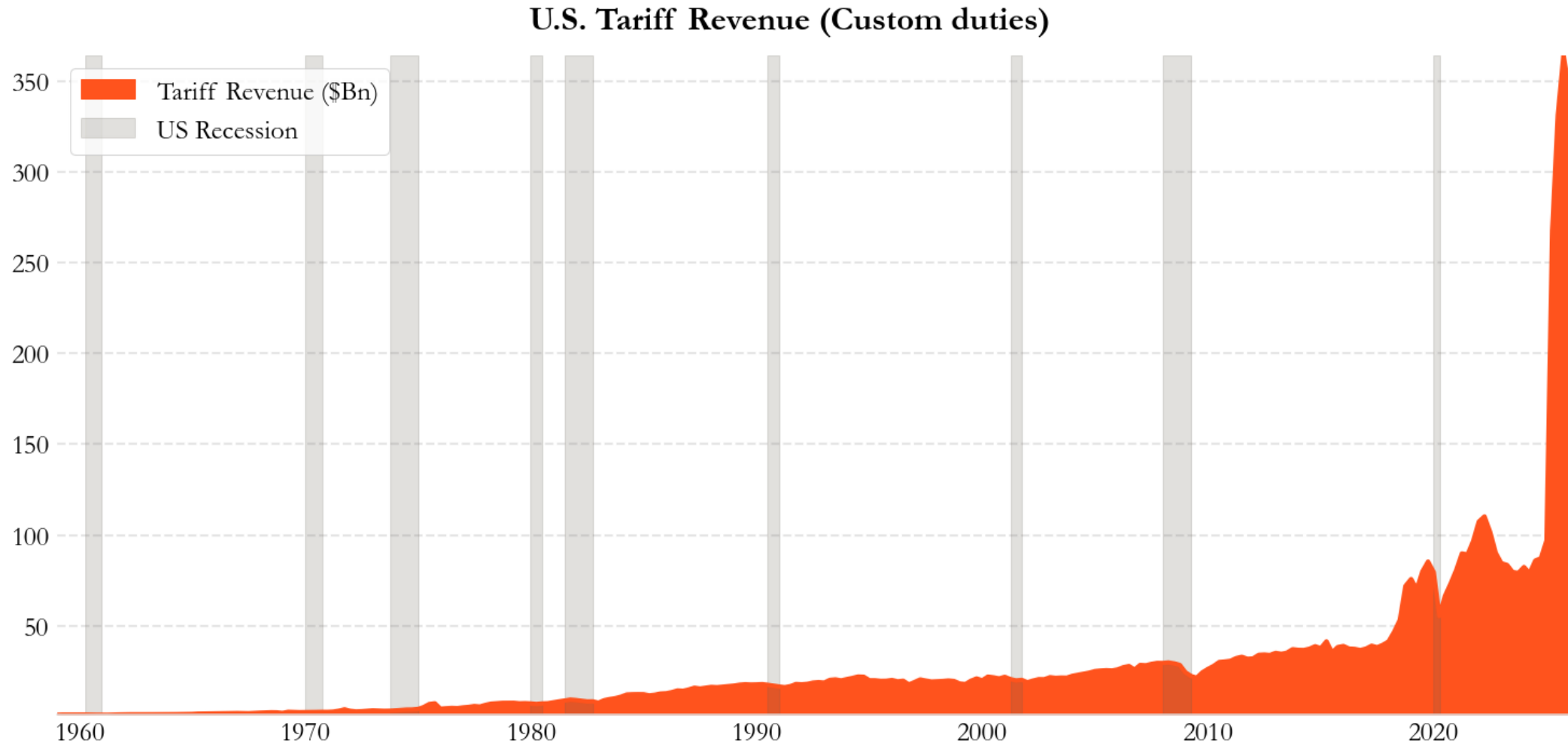
Consumer incomes are increasingly dependent on government fiscal support

Transfer Receipts as % of Personal Income



IRON Financial | Data: U.S. Bureau of Economic Analysis via FRED® | March 31, 2026

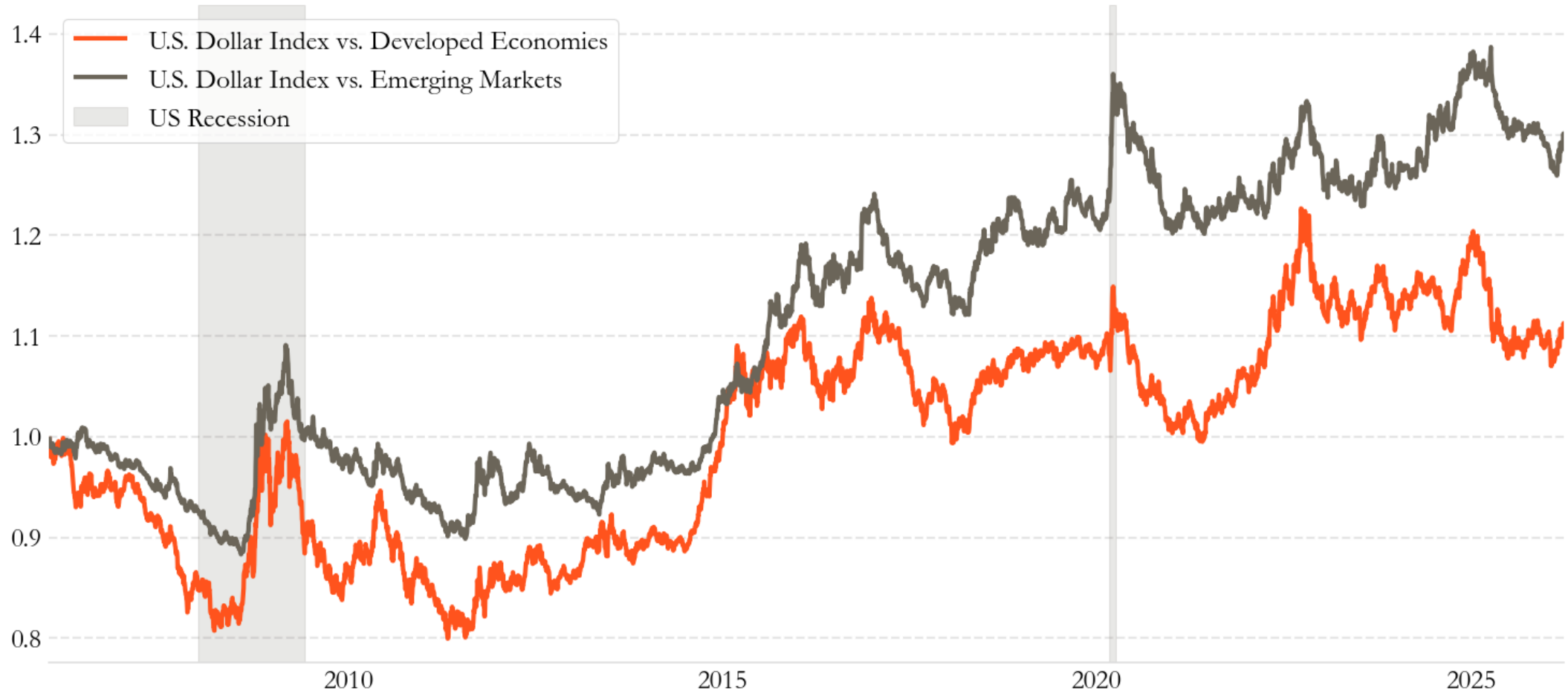
Tariff revenue spiked to ~\$360B in 2025-2026 — roughly 10x the historical baseline, but the IEEPA Supreme Court ruling means a meaningful portion may unwind.



IRON Financial | Data: U.S. Bureau of Economic Analysis via FRED® | March 31, 2026

Dollar drifting weaker against developed markets but holding firm against EM — modest currency-driven inflation pressure layering on top of tariffs and oil.

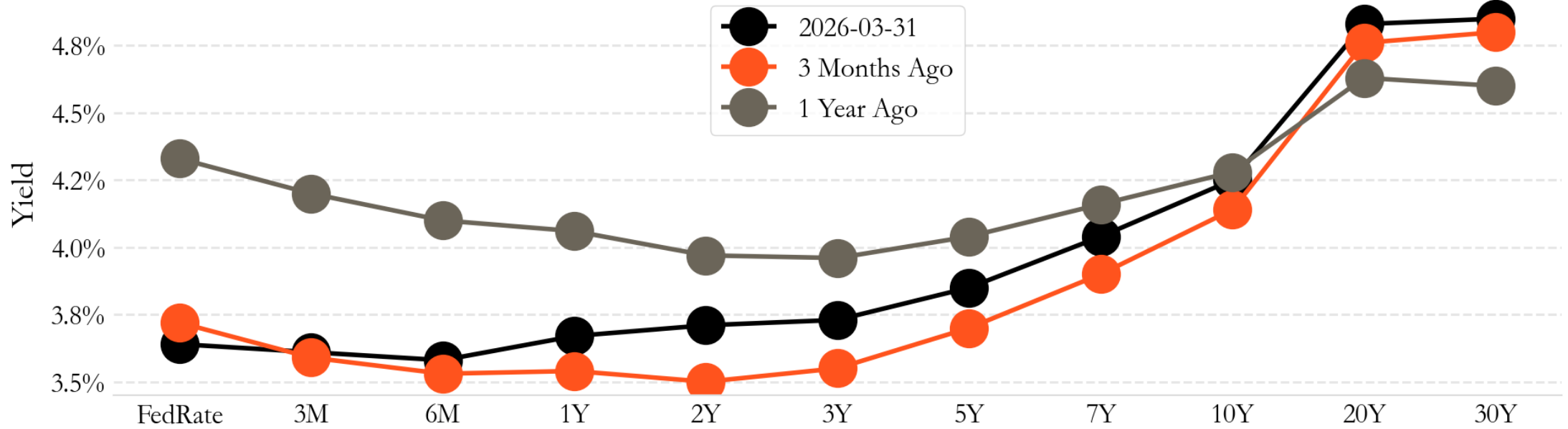
U.S. Dollar Performance



IRON Financial | Data: Board of Governors of the Federal Reserve System (US) via FRED® | March 31, 2026

Yield Curve Fully Normalizes as Fed Cuts Short Rates While Oil Shock Pressures the Long End

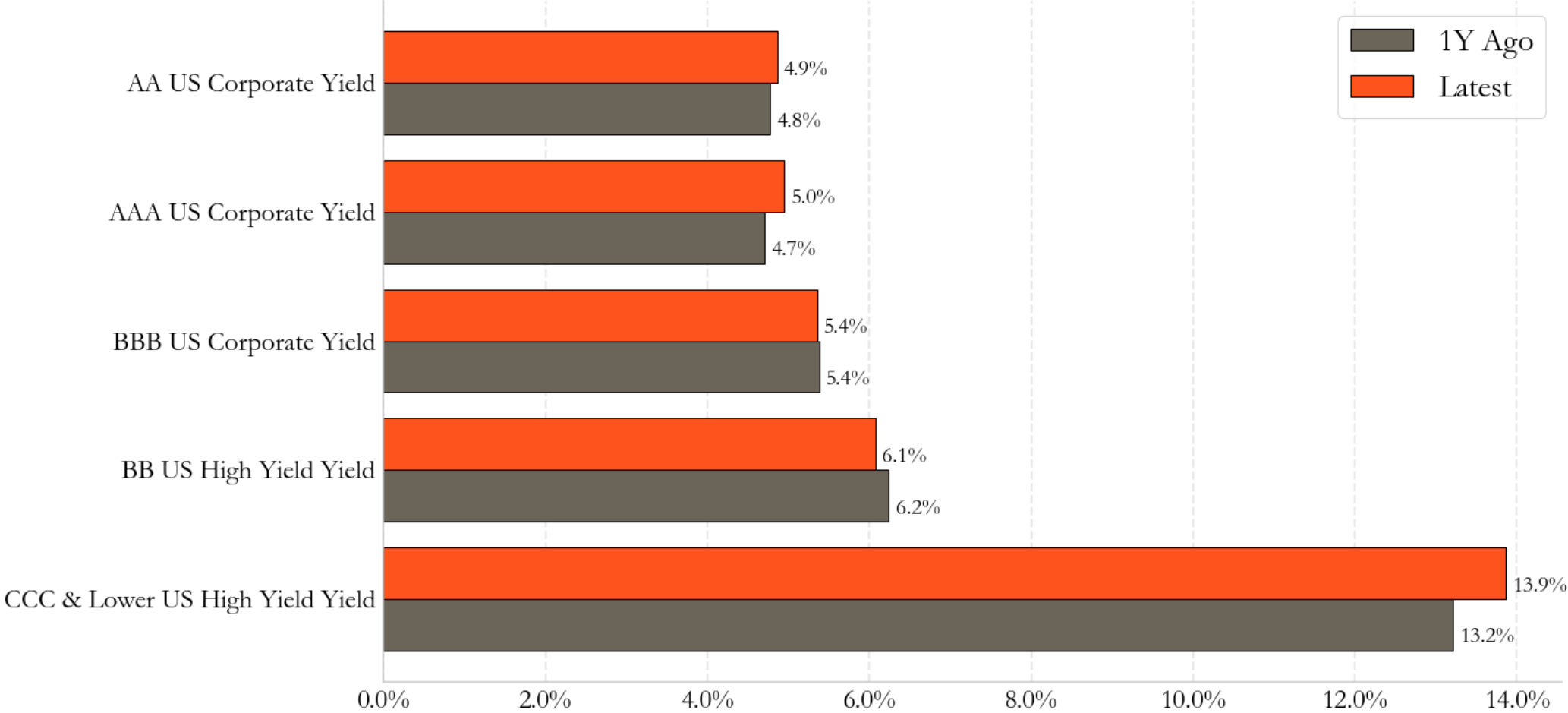
U.S. Treasury Yield Curve



	FedRate	3M	6M	1Y	2Y	3Y	5Y	7Y	10Y	20Y	30Y
2026-03-31	3.64%	3.61%	3.58%	3.67%	3.71%	3.73%	3.85%	4.04%	4.25%	4.83%	4.85%
2025-12-31	3.72%	3.59%	3.53%	3.54%	3.50%	3.55%	3.70%	3.90%	4.14%	4.76%	4.80%
2025-03-31	4.33%	4.20%	4.10%	4.06%	3.97%	3.96%	4.04%	4.16%	4.28%	4.63%	4.60%

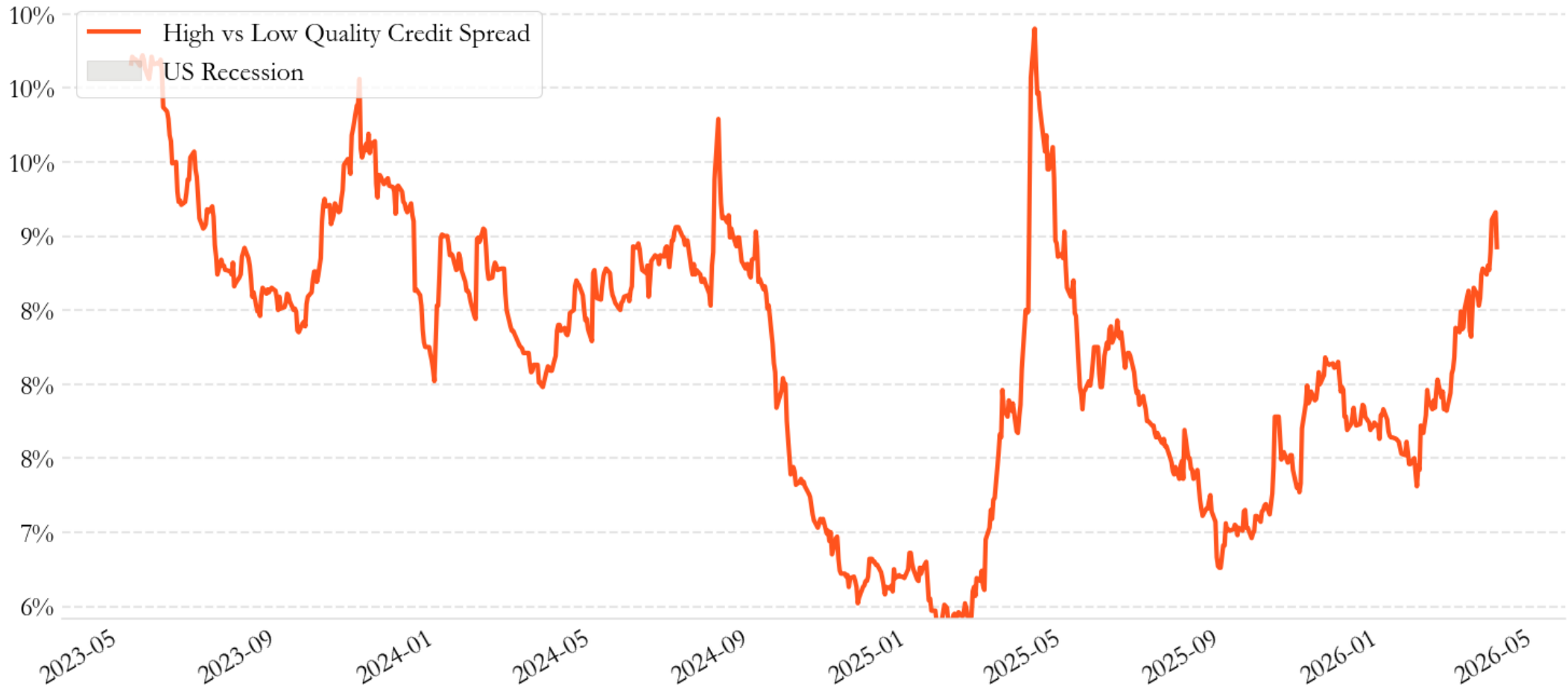
U.S. Credit yields

Credit Yields: Latest vs 1 Year Ago



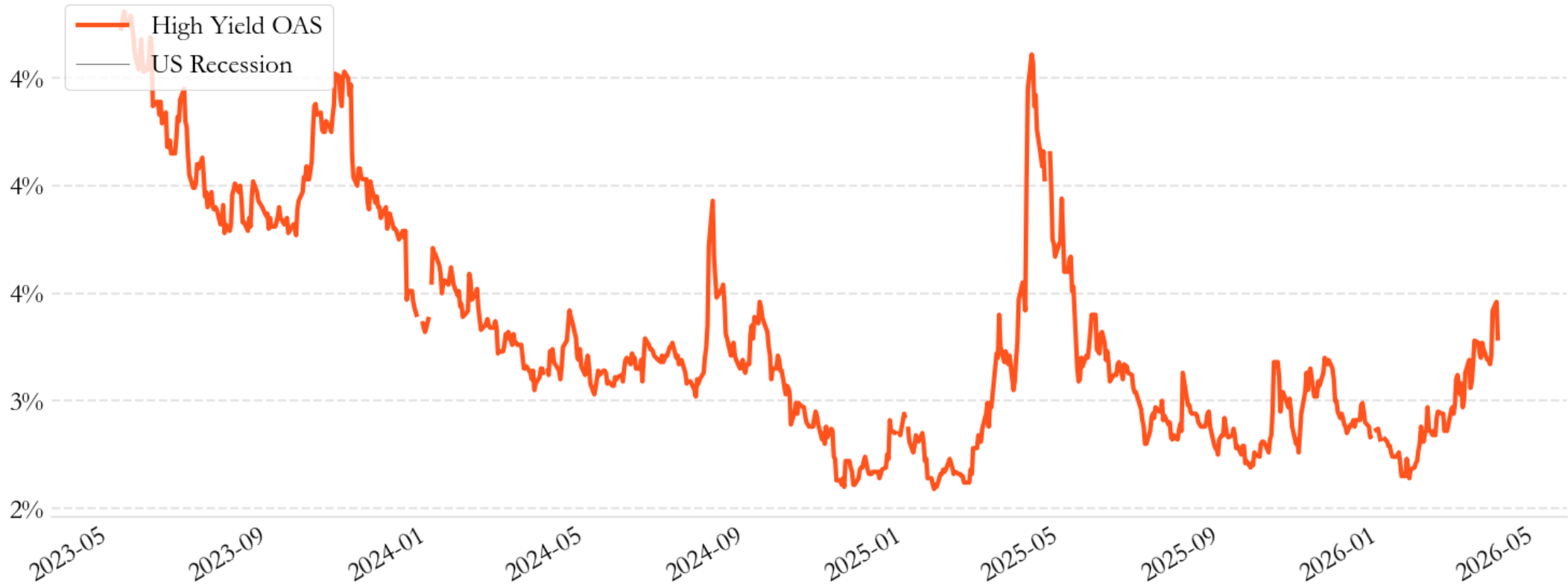
CCC Yields Jump to 13.9% as IG Spreads Hit 30-Year Lows — Credit Quality Gap Widens

U.S. Credit: AAA minus CCC and less (Spread)



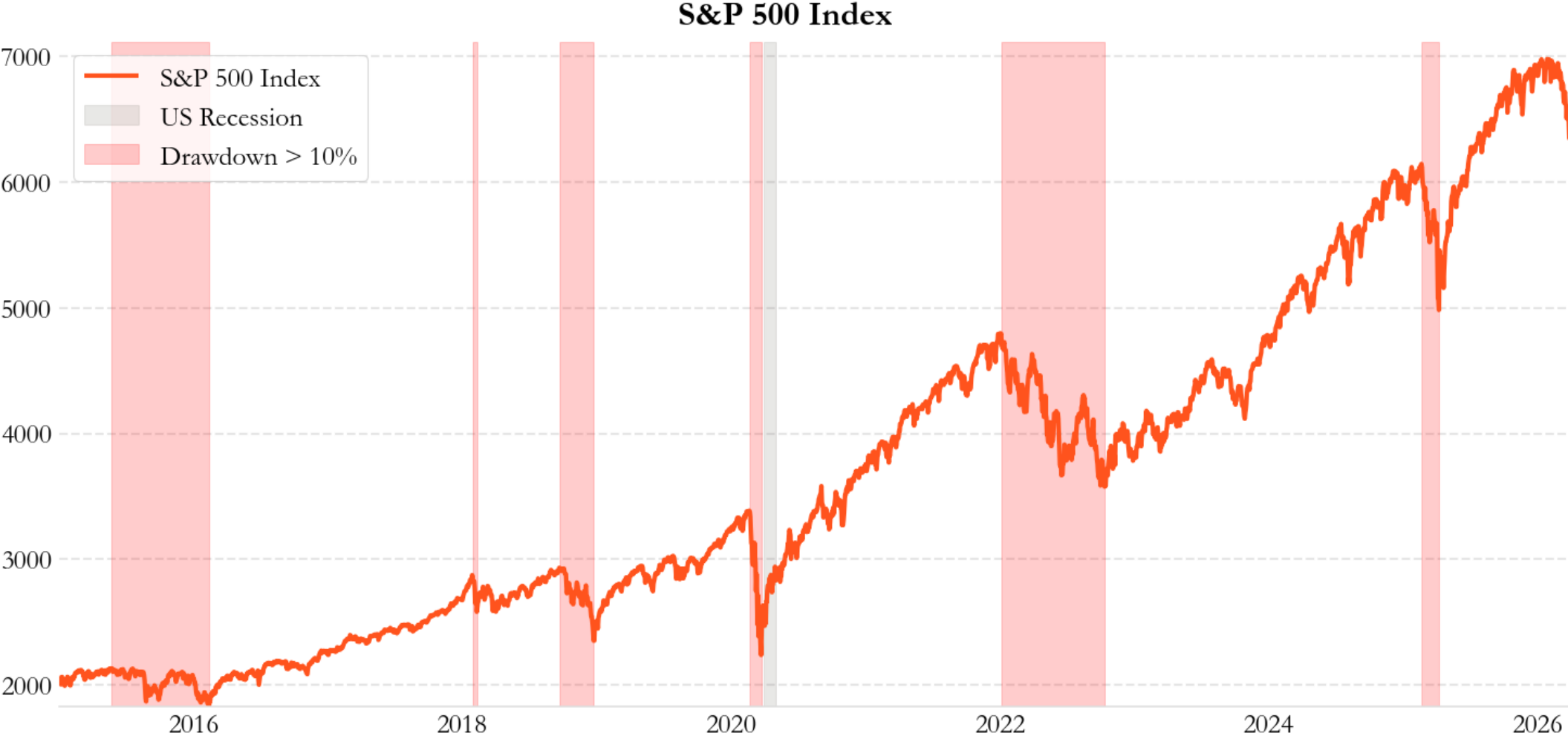
High-Yield Spreads Surge as Rising Energy Costs and Geopolitical Tensions Rattle Credit Markets.

High-Yield Option Adjusted Spread



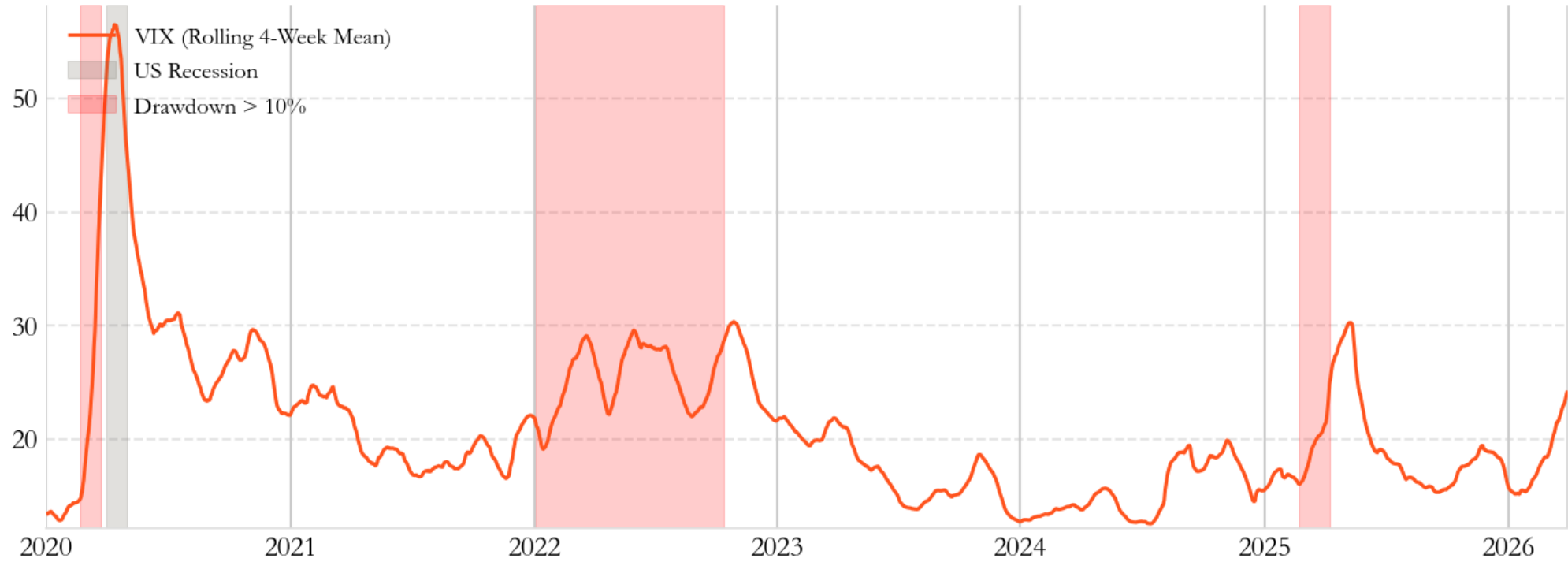
	2026-03	2026-03	2026-03	2026-03	2026-03	2026-03	2026-03	2026-03	2026-03	2026-03	2026-03	2026-03
High Yield OAS	3.27%	3.22%	3.20%	3.27%	3.24%	3.19%	3.19%	3.17%	3.21%	3.42%	3.46%	3.28%

From Record Highs to Drawdown: Geopolitics Interrupts the S&P 500's Relentless Climb



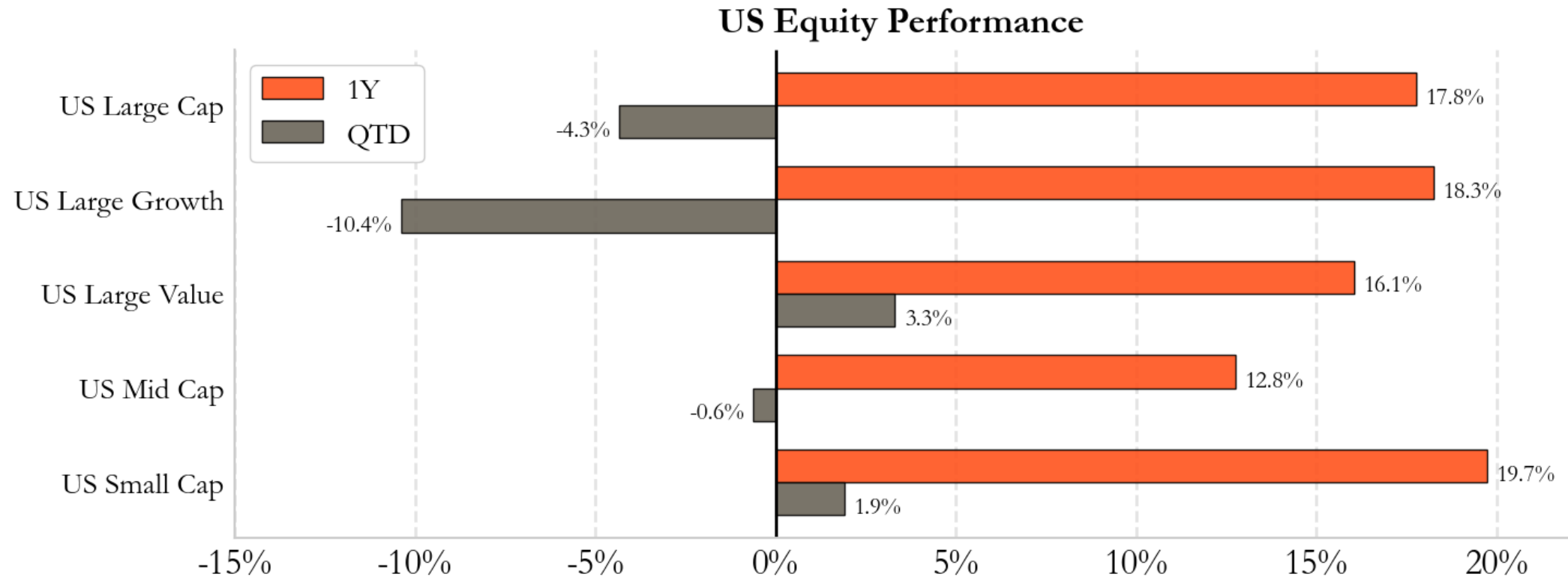
Volatility rose.

CBOE Volatility Index: VIX (Rolling 4-Week)

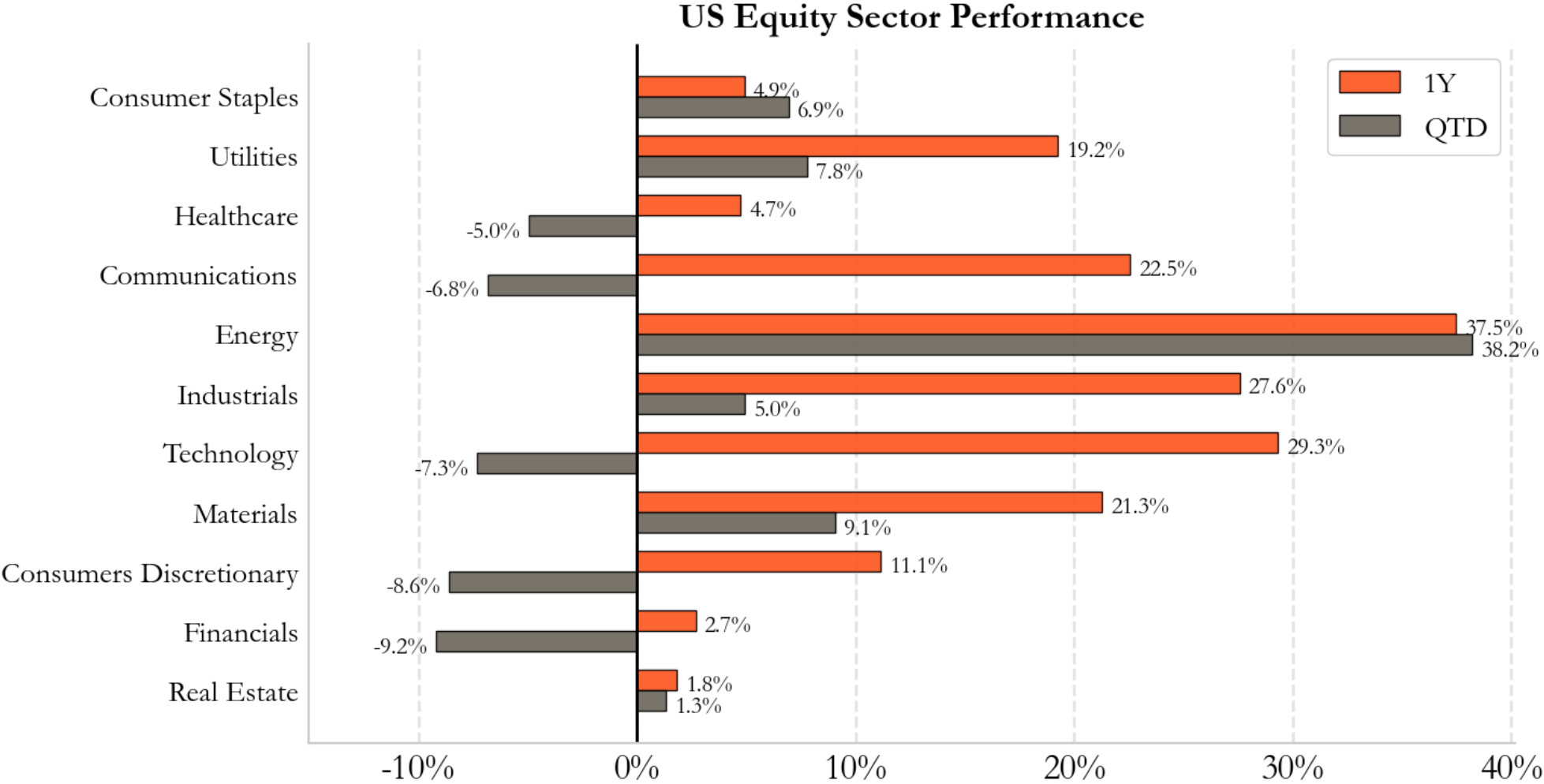


	2023-06	2023-09	2023-12	2024-03	2024-06	2024-09	2024-12	2025-03	2025-06	2025-09	2025-12	2026-03
VIX Quarterly % Change	-27.3%	28.9%	-28.9%	9.6%	-8.9%	34.5%	3.7%	28.4%	-24.9%	-2.7%	-8.2%	68.9%

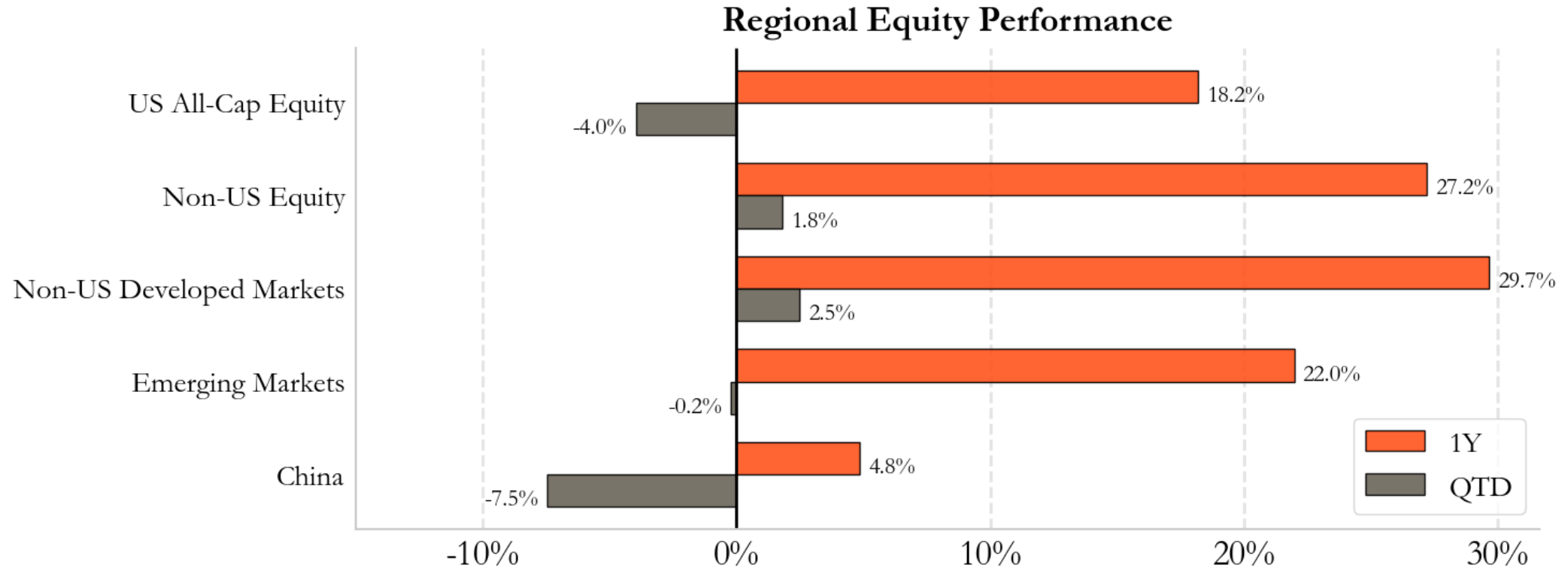
Growth Leads 1-Year Returns, But Takes Hardest Hit This Quarter.



Energy Surges 38% on Iran Conflict Oil Shock; Tech Selloff Drags Growth Sectors

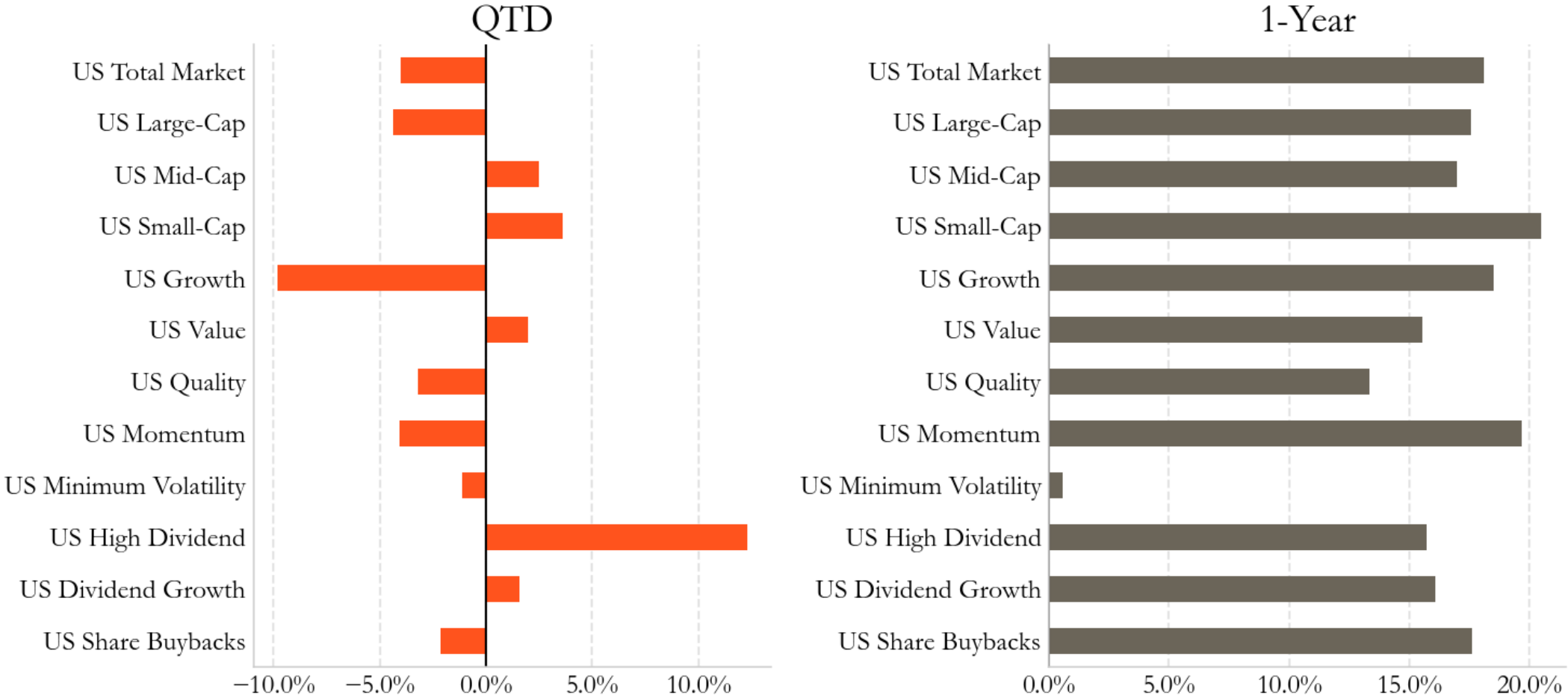


Non-US Developed Markets Top All Regions as Dollar Weakness and Value Rotation Drive Gains



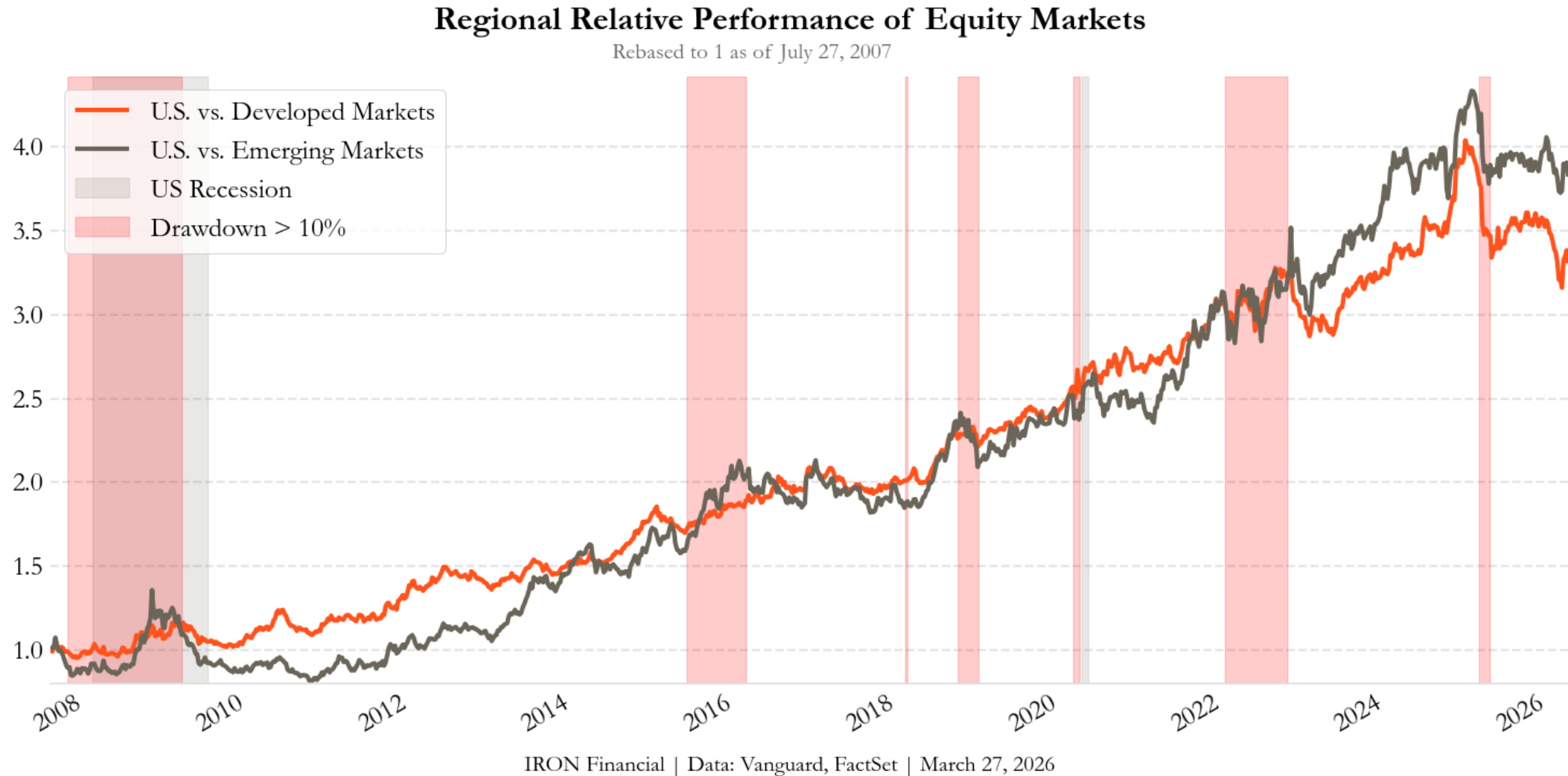
The Factor Regime Flips: High Dividend Leads Q1 While Growth Suffers Its Worst Quarter in Years

U.S. Factor Styles Performance



IRON Financial | Data: FactSet | March 31, 2026

U.S. equities have outperformed other regions since 2007.



U.S. Market Cap to GDP is at a record high.



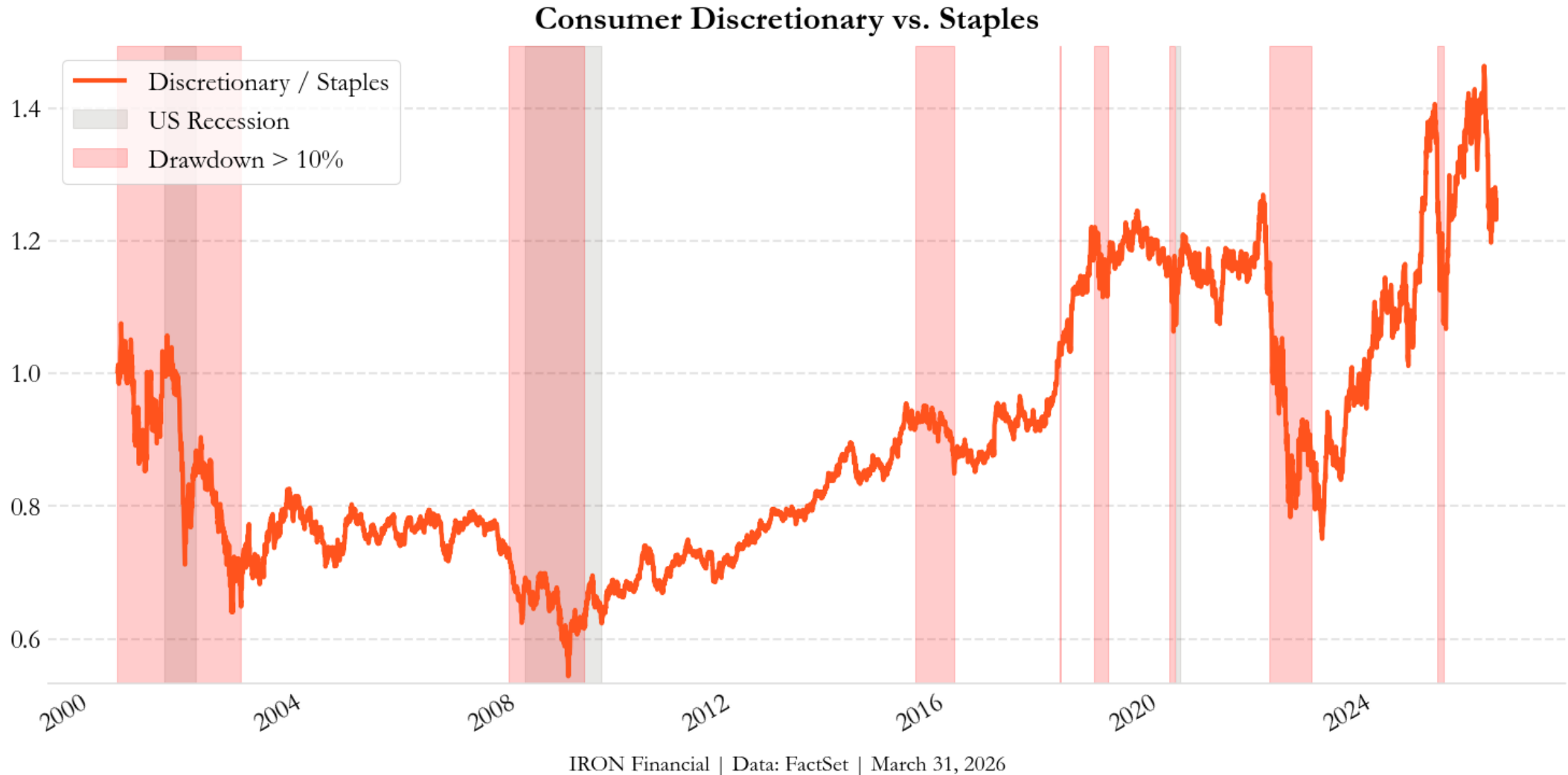
Growth Dominance Hits Its Highest Point Since the Dot-Com Era — Then Reverses.

U.S. Growth vs. Value Stocks

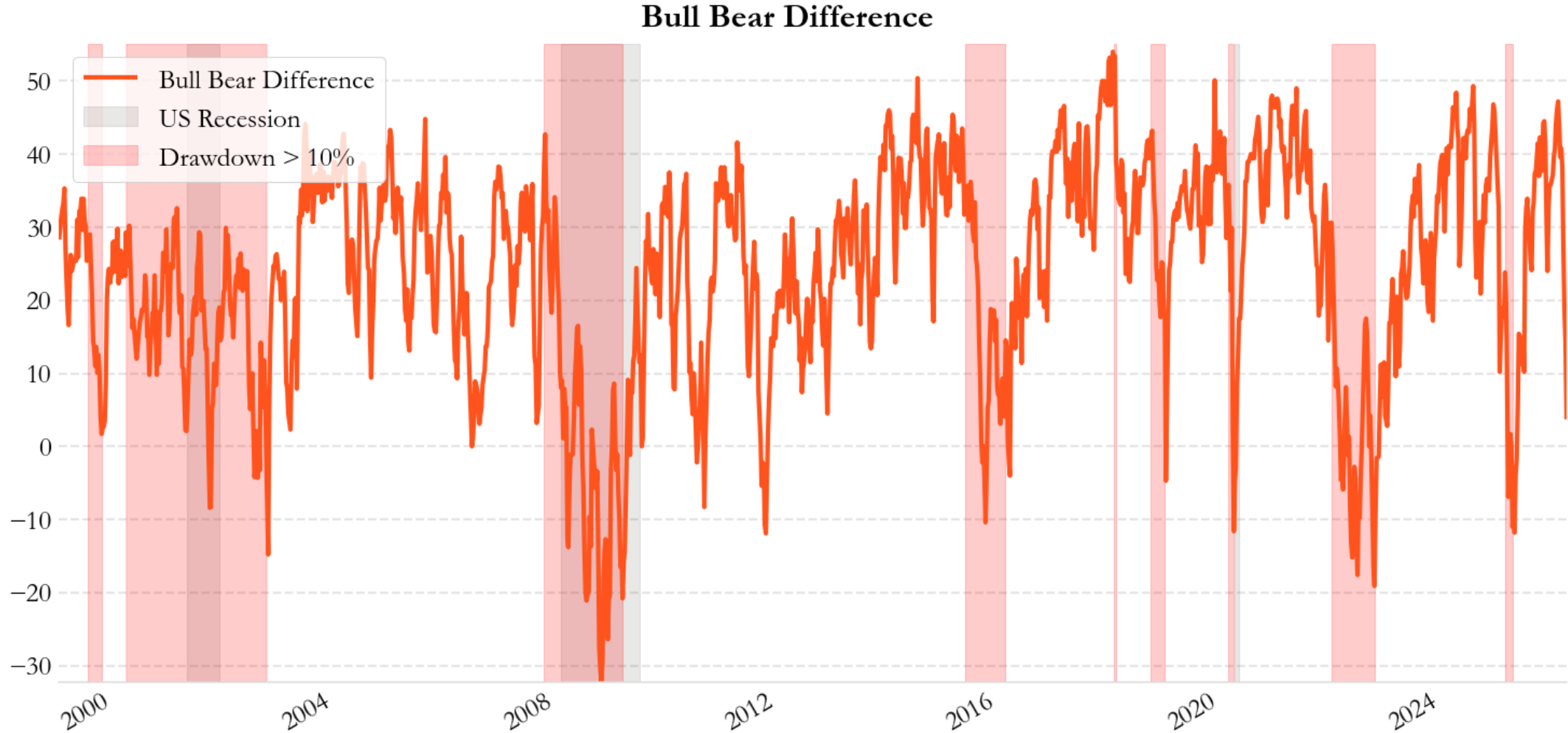
U.S. Growth divided by U.S. Value Stocks (IWF / IWD) Rebased to 1 as of June 30, 2000



A 25-Year Risk Barometer Flashes Caution: Discretionary Loses Ground to Staples.



Financial advisors are sentiment turned bearish.



Disclosures

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Appendix