Charts of the Week

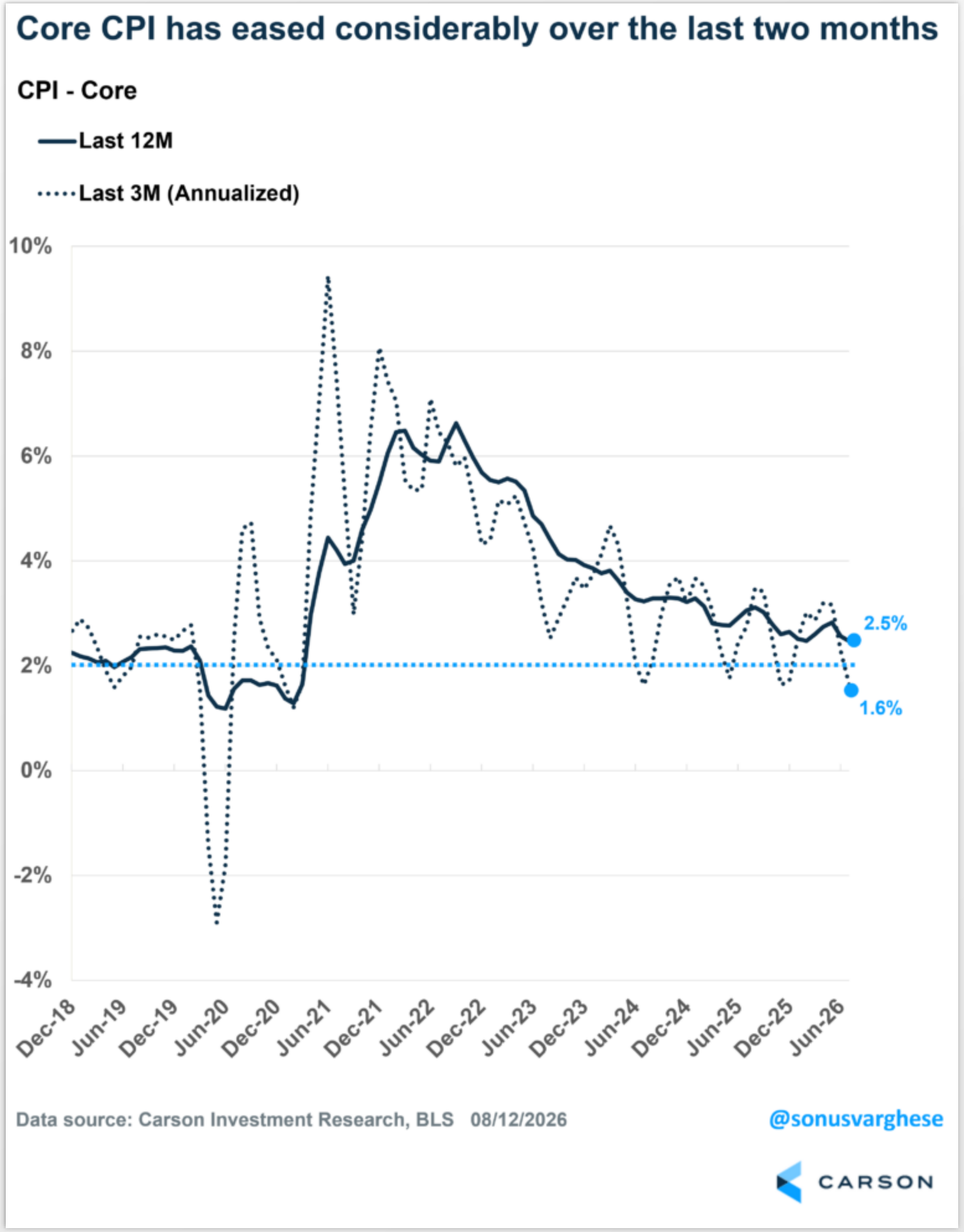
Carson Investment Research

August 10-14, 2026

Chart of the Week

The Latest Print that may Change Things

- Core CPI is up 2.5% over the past year, but the last three months annualize to 1.6%. First time this cycle the near-term run rate has sat meaningfully below the trailing figure.
- What makes it harder to dismiss is that the softness shows up in the categories that are hardest to move, not just energy giving back its war premium.
- This landed in the same week the market was still leaning toward a hike by December. One of those two things is going to move.



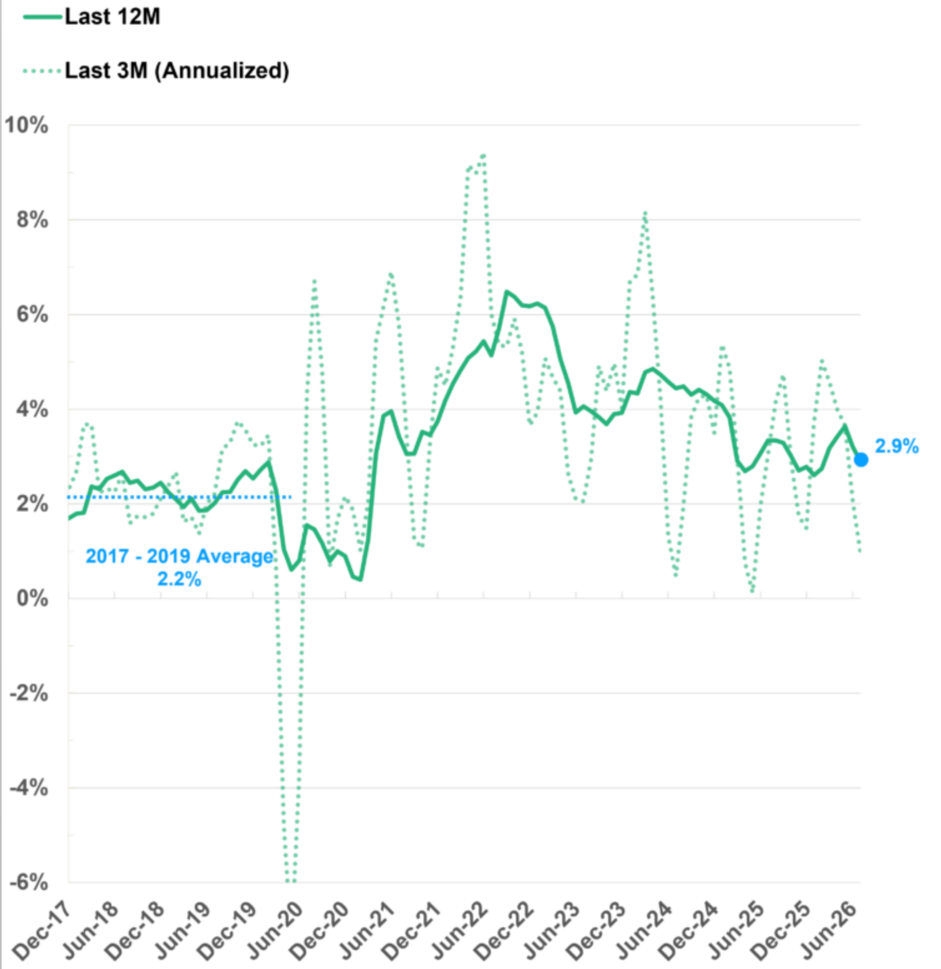
Macro

The Sticky Part Finally Gave

- Core services ex-housing runs at 2.9% over twelve months against a 2017 to 2019 average of 2.2%. The three-month line just dropped hard.
- This is the part of the basket that is mostly labor, which is why it has been the argument against calling inflation solved.

A big break in core services inflation driven by idiosyncratic items

CPI - Core Services Ex Housing



Data source: Carson Investment Research, BLS 08/12/2026

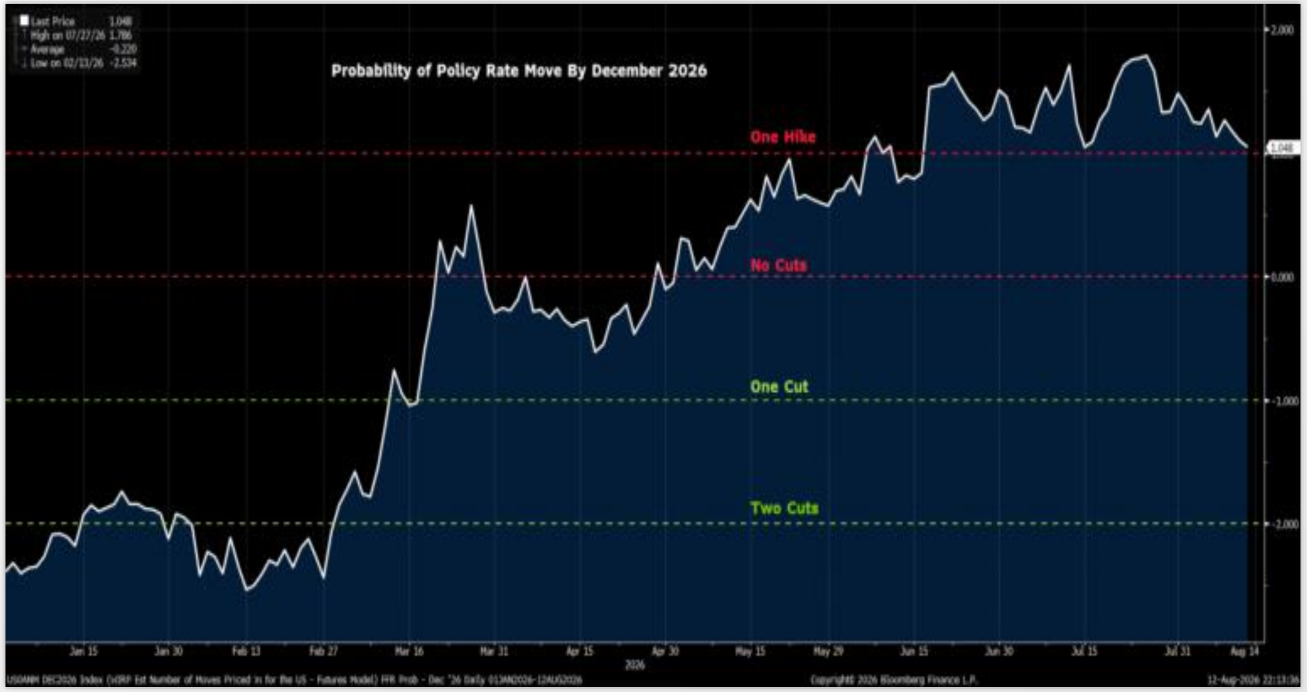
@sonusvarghese

CARSON

Macro

The Market Is Still Priced for a Hike

- Futures still put the December outcome closest to one hike. That pricing built through the spring and has only partly unwound.
- Rates markets have spent the year pricing reacceleration risk, and one soft CPI doesn't clear that.
- If the disinflation holds through the fall, this line has a long way to travel.

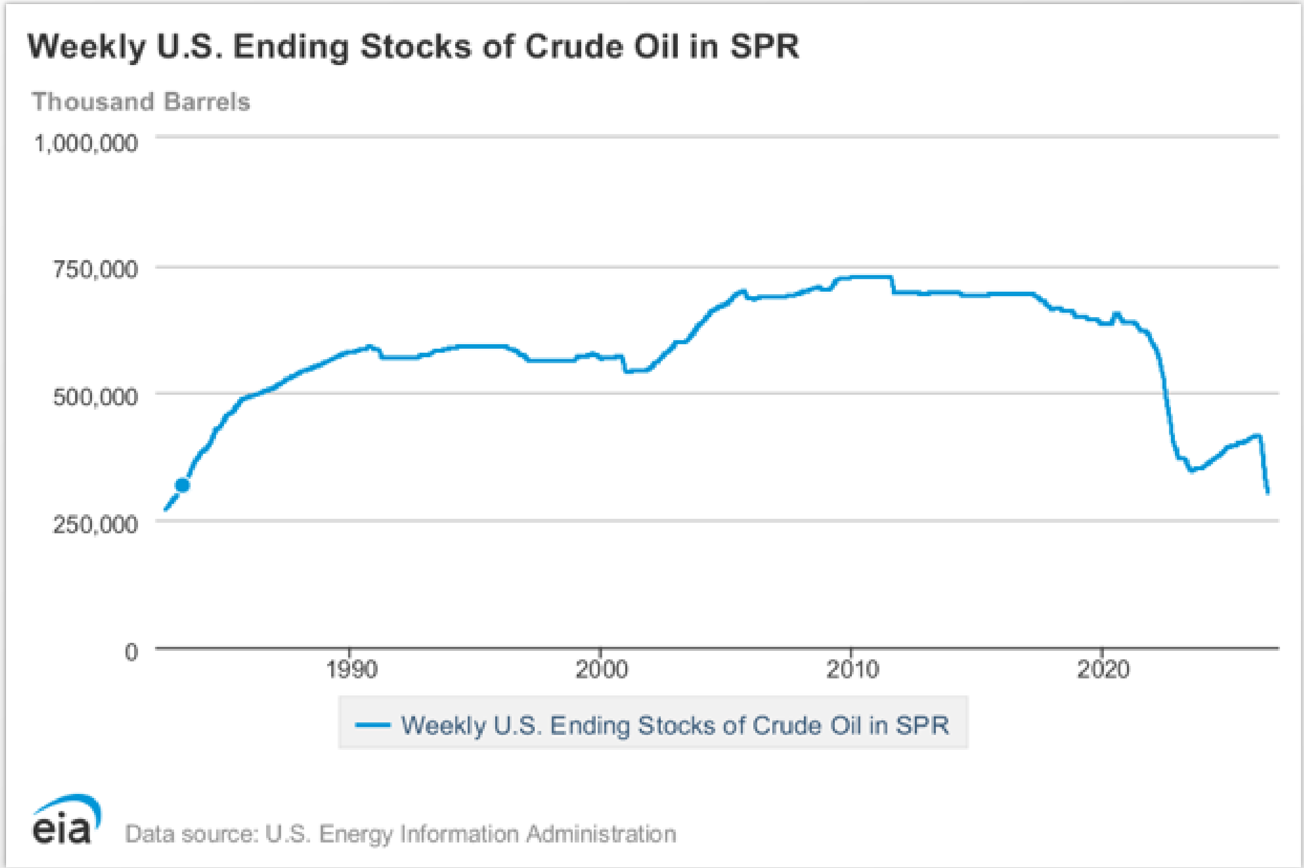


Source: Carson Investment Research, Bloomberg 8/14/26

Macro

The Cushion Is Thinner Than It Looks

- The reserve fell below 300 million barrels for the first time since 1983, down from roughly 415 million to start the year.
- The headline overstates what's usable. The system needs about 70 million barrels left to operate safely.

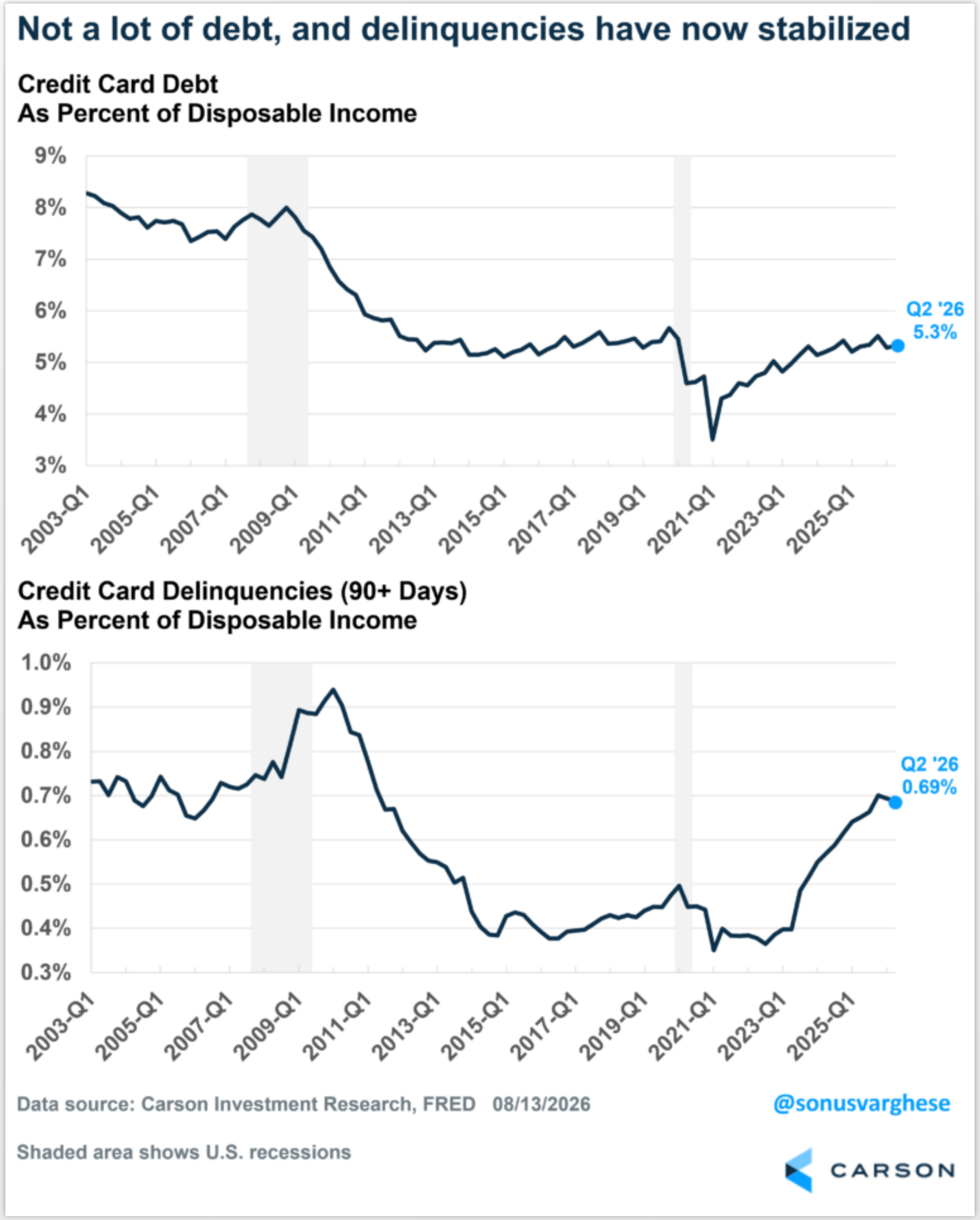


Source Date: August 10, 2026

Macro

Scaled to Income, Nothing Is Breaking

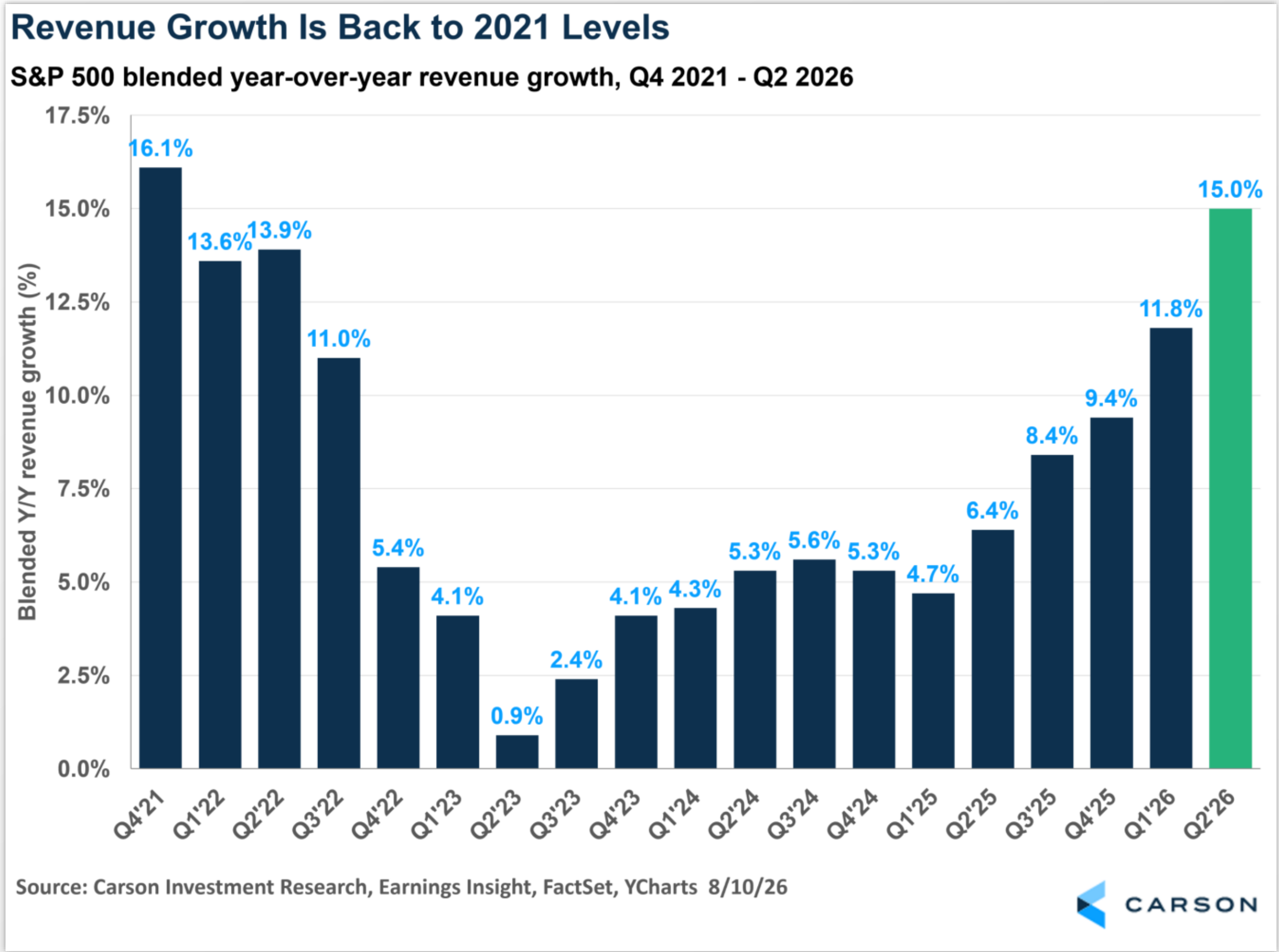
- Credit card debt sits at 5.3% of disposable income against a 2003 to 2019 average of 6.4%. Balances keep setting records, but income has grown faster.
- Seriously delinquent card balances are 0.69% of disposable income, flat for three straight quarters and inside the 2003 to 2007 range.
- The headline delinquency rate looks worse because charged-off balances stay on credit reports far longer now, so the stock builds even when new delinquencies don't.



Markets

The Line That Has to Be Earned

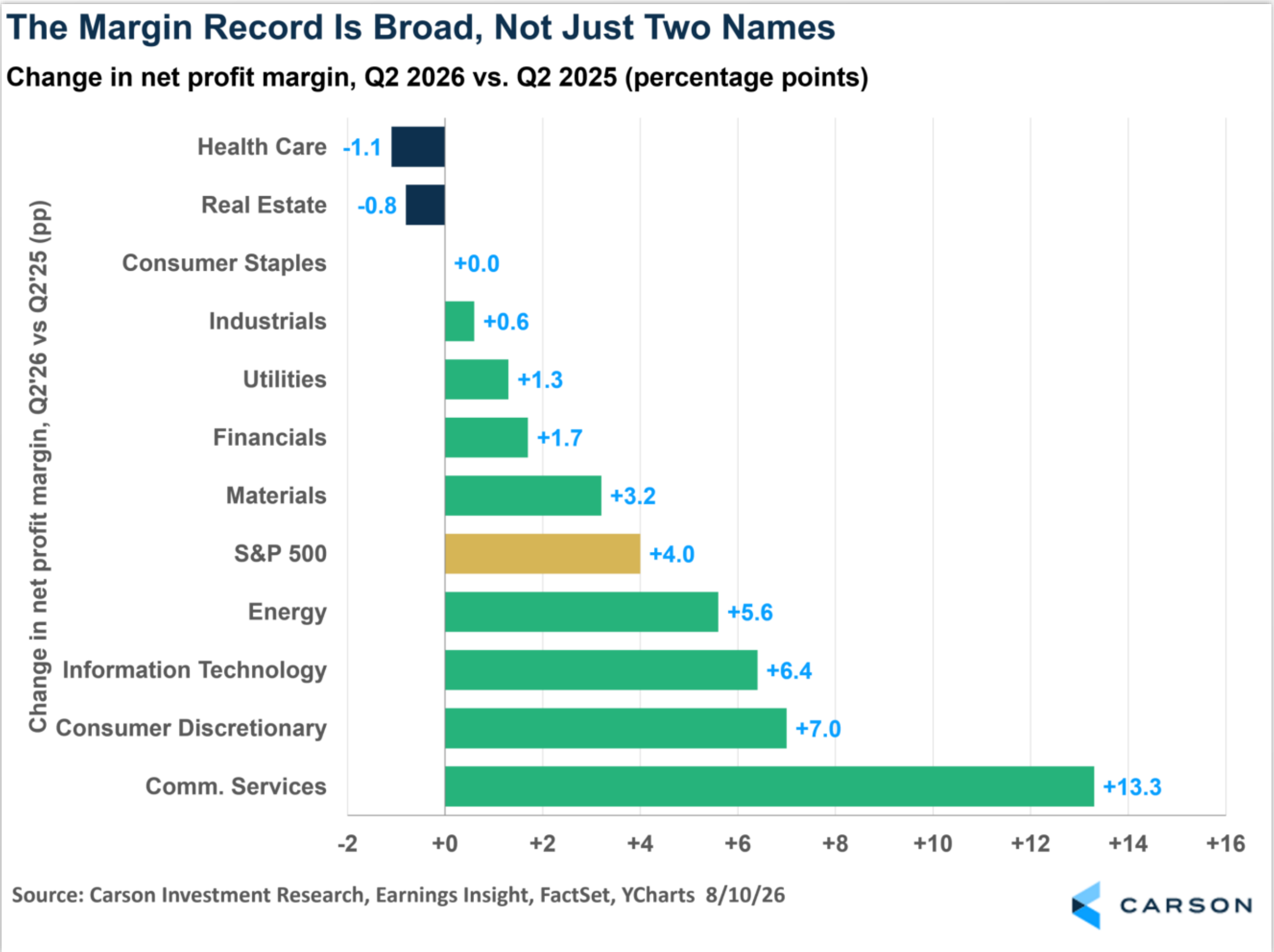
- Blended revenue growth hit 15.0%, the fastest since Q4 2021 and the second straight double-digit quarter. Analysts had it at 9.5% in March.
- Revenue is the hardest number to manufacture. Earnings move on an investment mark or a one-time charge. Someone has to actually pay for revenue.
- The caveat is where it came from. Energy grew 42.5% and Info Tech 35.9%. The other nine sectors managed 9.7%, and one of those two is just selling the same barrels at a higher price.



Markets

Not a Two-Company Story

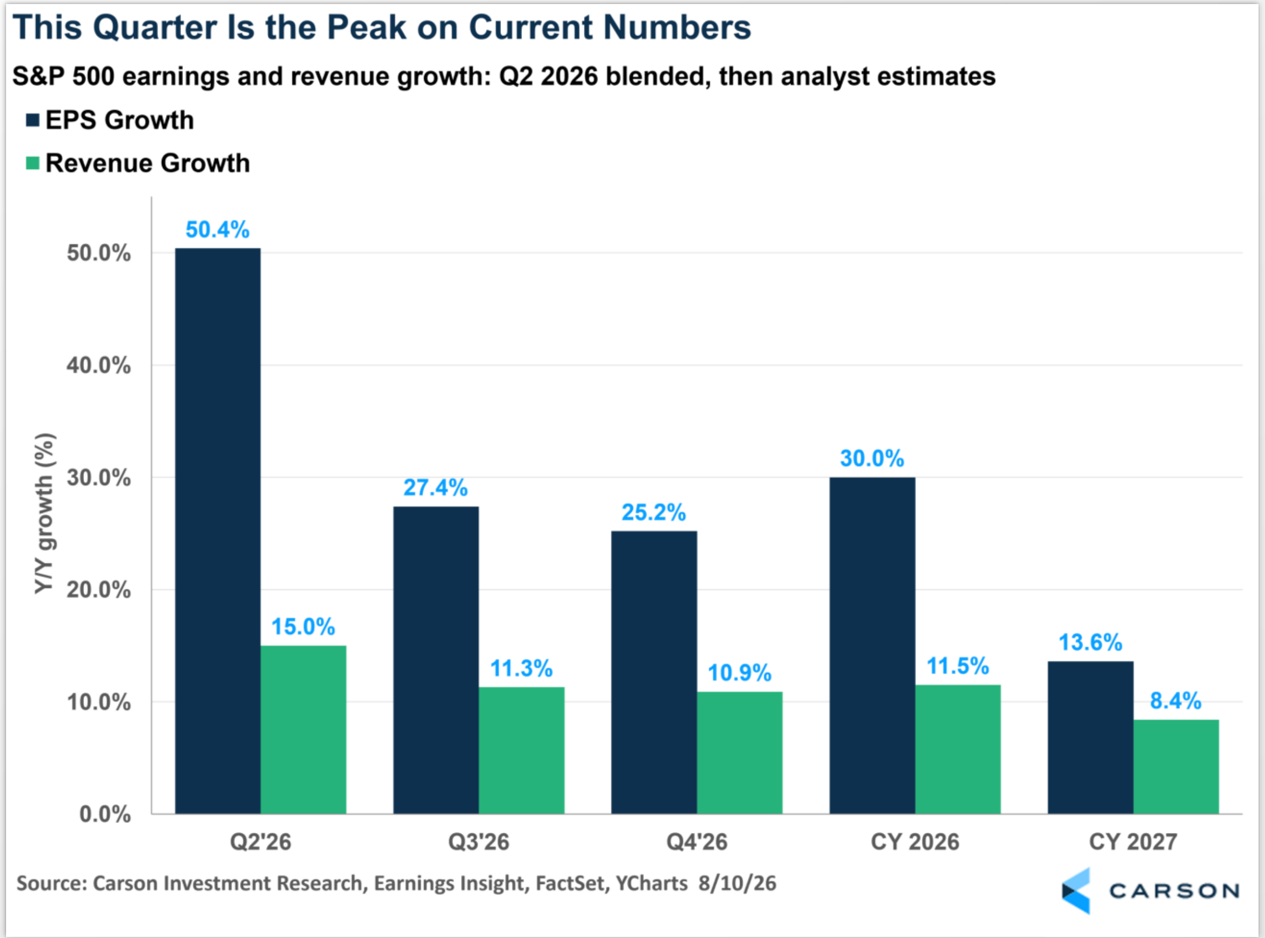
- Eight of eleven sectors expanded margins versus a year ago. Only Health Care and Real Estate went backward.
- The S&P gained four full points of margin. Communication Services added 13.3, where the accounting gains sit, but stripping those out still leaves a record.
- Most of it traces to one gap: revenue grew 15% while average hourly earnings grew 3.2%. Record profitability and a strong economy are not the same statement.



Markets

Analysts Have Already Marked the Top

- Q2 came in at 50.4%. Analysts model 27.4% for Q3, 25.2% for Q4, and 13.6% for all of 2027.
- Part of that is arithmetic. Energy's 147% quarter came out of the Strait of Hormuz rather than demand, and the big investment gains don't repeat.
- Analysts have been raising 2026 while cutting 2027.

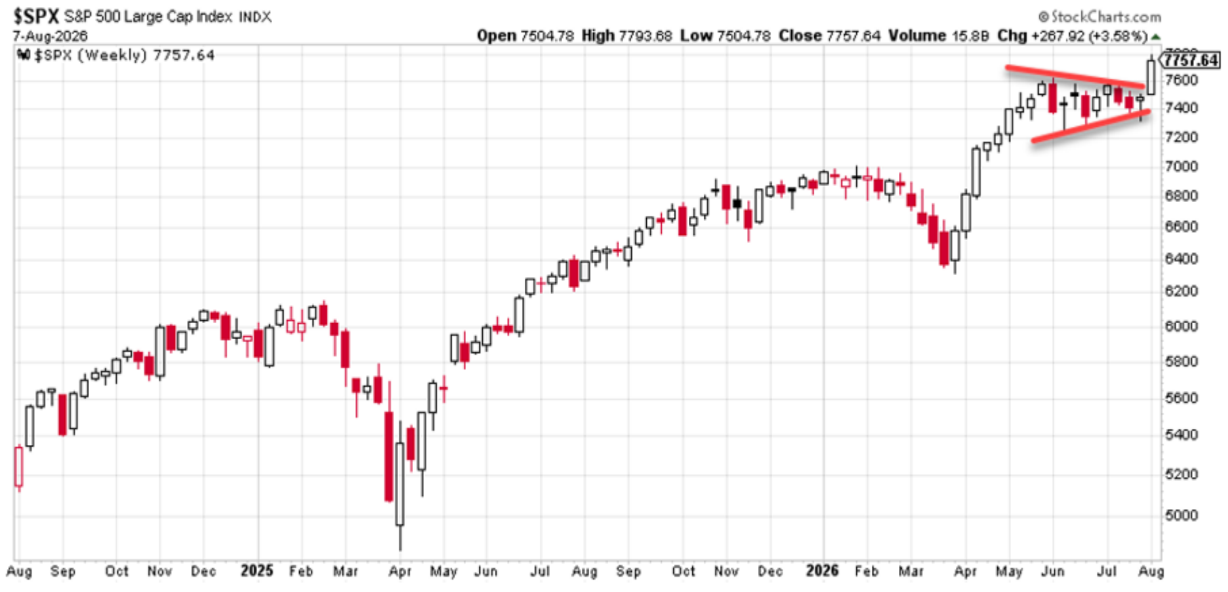


Markets

Eleven Weaks of Nothing, Then This!

- The S&P is close to 7,757 after gaining roughly 3.5% on the week, clearing a range that had held since early June.
- Markets correct through price or time, and after the 16% surge in April and May this one went sideways for eleven weeks instead of selling off.
- Coming out of a coiled range is a different setup than grinding to a high on fumes, which is roughly the difference between a breakout and exhaustion.

The S&P 500 Breaks Out Of A Two Month Range



Source: StocksCharts.com, Carson Investment Research 08/07/2026

Markets

The Spenders Caught Up

- The chip and hardware names sit near +39.9% over 26 weeks. The cloud group closed to +19.4% after being at -1.4% in July.
- The gap had been telling a specific story, that value was moving from the companies writing the checks to the ones cashing them. This earnings season pushed back.
- The catch is roughly $1.5 trillion of hyperscaler lease commitments in the disclosures, about $1 trillion of it not yet started and not on the statements. The returns and the bill may be both still ahead.