

Equity Research  
Macroeconomics

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# Economics Weekly

## The World Cup and Equity Markets



The 2026 FIFA World Cup will kick off in just a few weeks, and for the first time it will be hosted by three nations—the United States, Canada, and Mexico. Arguably the world’s premier sporting event, the World Cup has expanded to feature 48 teams, lifting the schedule to a record 104 games. The matches will be played in 16 cities across the three countries, opening in Mexico City on June 11, followed by games in Toronto and Los Angeles on June 12. **In this *Economics Weekly*, we assess the economic impact of the World Cup on the host nations and consider how it fits into an increasingly competitive geopolitical backdrop.**

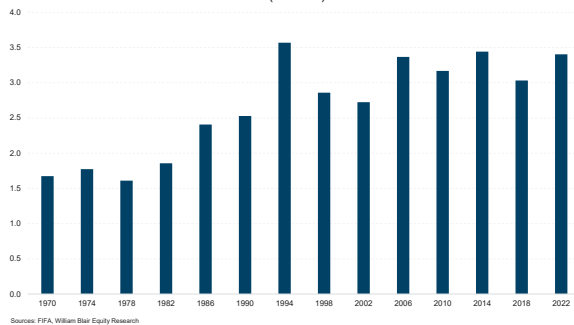
## The Greatest Show on Earth

FIFA President Gianni Infantino has described the World Cup as “the greatest event that humanity, mankind, has ever seen.” And he is often heard saying that football (soccer) is “joy, peace, hope, love, and passion.”

The 2026 tournament will test those claims at scale. For the first time, it will be jointly hosted by three countries across 16 cities, including 11 in the U.S.—Atlanta, Boston, Dallas, Houston, Kansas City, Los Angeles, Miami, New York/New Jersey, Philadelphia, San Francisco, and Seattle.

The first and last time the United States hosted the World Cup was in 1994, when 3.6 million people attended games in nine cities (exhibit 1). This remains the largest attendance in FIFA history (despite expansion of the competition), but with football far more popular today, FIFA expects to finally break that record.

Exhibit 1  
Total Match Attendance at FIFA World Cup Games  
(Millions)



FIFA’s pitch to host cities was that this expected demand for tickets would translate into a surge in tourism and local spending. Unlike 1994, however, when FIFA worked through a national organizing committee, each host city is dealing directly with FIFA. The Zurich-based organization

will collect broadcasting, sponsorship, ticketing, and hospitality revenues, while cities bear the costs for stadium retrofits, security, transportation, and public viewing events for those without tickets. Gains for host cities will vary, hinging on local cost burdens and how far visitor numbers rise above typical tourism flows. FIFA projects roughly \$8.9 billion in revenue this year, versus \$6.4 billion in expenses, with broadcasting accounting for the largest share. Match schedules are now finalized, and ticket sales and hotel bookings provide an early indication of how much local economies stand to benefit from the games, as discussed in the next section.

Exhibit 2  
FIFA Annual Revenues  
(Billions of USD)

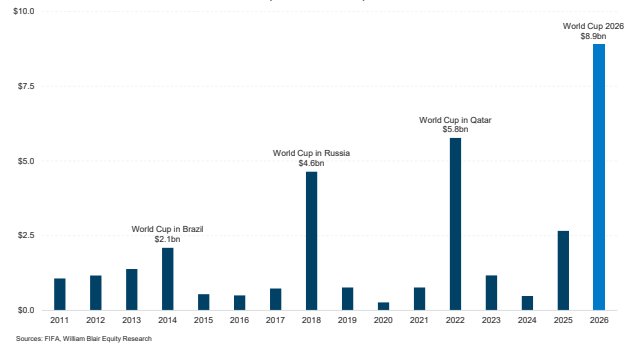
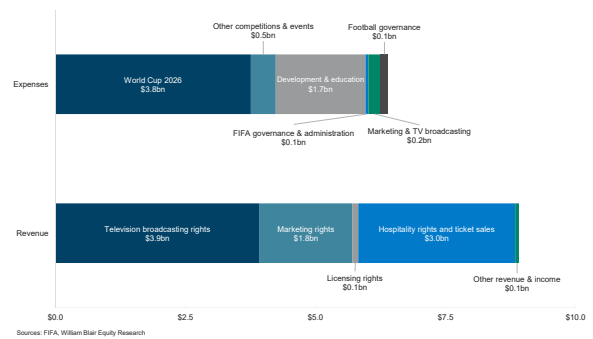


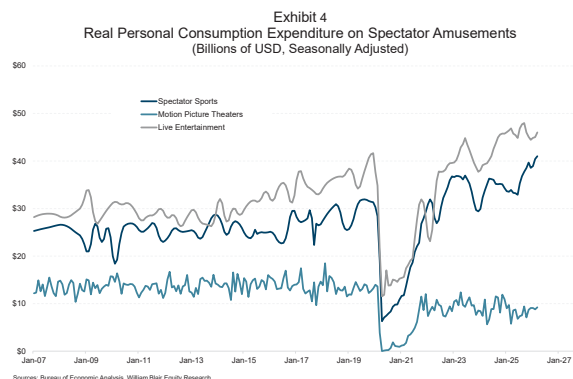
Exhibit 3  
FIFA 2026 Projected Revenue and Expenses



## Build It and They Will Come?

Following the pandemic lows, spending on live entertainment has continued to strengthen. BEA data show real personal consumption expenditures on tickets to spectator sports, movie theaters, and other live entertainment are up about 23.1% relative to 2019; breaking that down further, consumer spending on spectator sports increased 47.6%. This is part of a broader shift in consumption toward services and in-person experiences (exhibit 4). While the data do not capture event-specific or local

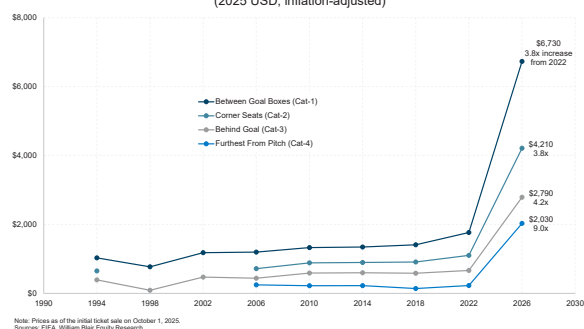
dynamics, the strength in spectator sports spending points to a firm demand backdrop heading into the 2026 World Cup.



The 1994 World Cup hosted 24 teams with 52 matches entirely within the U.S. This was half as many games as there will be in 2026, which will now be played in three countries. In February, Infantino claimed FIFA received “requests for over 500 million tickets—508 million, to be precise—for around 7 million tickets that we have on sale.” However, in the lead-up to the opening matches in Mexico City, Los Angeles, and Toronto, it appears FIFA overstated that demand for some games, or perhaps high prices pushed out some of those interested buyers.

For the first game in the United States, the U.S. will play Paraguay in a rematch of a November 2025 friendly game that it won 2–1. At the start of ticket sales in October, this was the third-most expensive game of the entire tournament, sandwiched between the two semifinals, with the final match at the top. This is the first time that FIFA is using dynamic pricing, and over the past seven months the match at SoFi Stadium in Los Angeles has been one of the few for which prices have not been raised, likely reflecting slower-than-expected sales. The cheapest ticket available to most fans through FIFA was \$1,120 (currently \$1,940)—a figure that even President Trump balked at, saying, “I would certainly like to be there, but I wouldn’t pay it either, to be honest with you.”

**Exhibit 5**  
FIFA World Cup Finals Ticket Prices  
(2025 USD, inflation-adjusted)



The most extreme price increases are concentrated around the final match, as expected. Dynamic pricing and FIFA’s staggered ticket release strategy appear to be driving these increases; however, even at the initial October sales phase, this was already the most expensive final in the tournament’s history. Prices have since moved materially higher, with category 1 tickets reaching \$32,970 earlier this month.

Fortunately, FIFA has begun lowering prices where interest is weaker, and secondary market prices are also trending lower. According to Ticketdata.com, the cheapest ticket for 62 of the 72 group-stage matches (excluding Mexico, where resale caps apply) has fallen nearly 10% over the past 30 days.

## The Pitch

Demand remains strong, so the fact that most World Cup games have yet to sell out is not a concern. The worry is that elevated prices are likely to weigh on out-of-stadium spending, lead to shorter-than-expected stays, and limit other benefits that had been pitched to host cities.

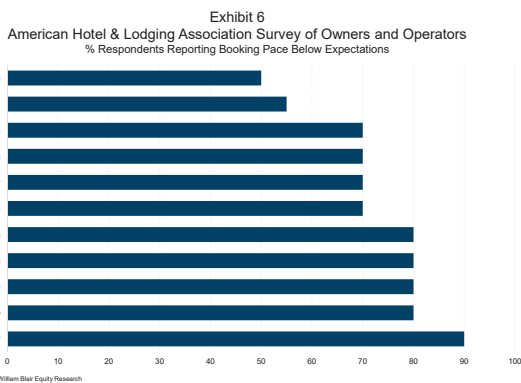
The 2025 FIFA Club World Cup, held across 12 U.S. venues from mid-June to mid-July, offered an early read on how a major football tournament lifts local spending. Bank of America card data show brick-and-mortar spending in stadium zip codes rose about 7% year-over-year during the tournament, peaking above 10% at several points, while nearby areas saw little spillover. The gains centered on restaurants and bars and built up into the knockout rounds, pointing to a localized but meaningful lift.

Cities that do not usually draw large international crowds stand to gain the most. In tourism hubs like New York and Miami, World Cup visitors are more likely to crowd out existing travel than add to it.

Host cities hope that spending materializes, because the costs to host are steep. Hosting matches is expected to run \$100 million to \$200 million per city, depending on the number of games played and expenditure on transportation, infrastructure, and security. Some relief comes from Washington; the One Big Beautiful Bill Act approved \$625 million to reimburse local law enforcement via a FEMA grant program across the 11 host cities, plus \$250 million to host states to combat unmanned aircraft systems. Even so, much of the financial burden remains local.

### International Travel Barriers

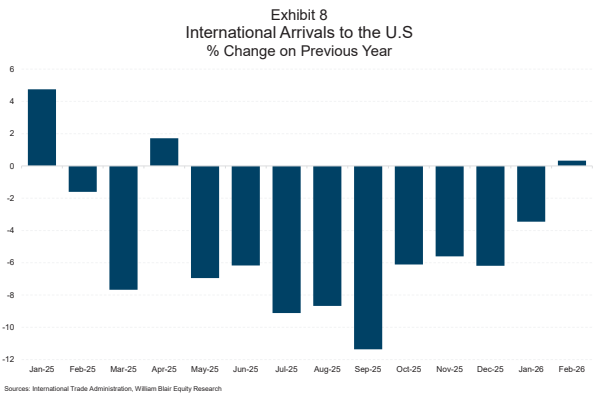
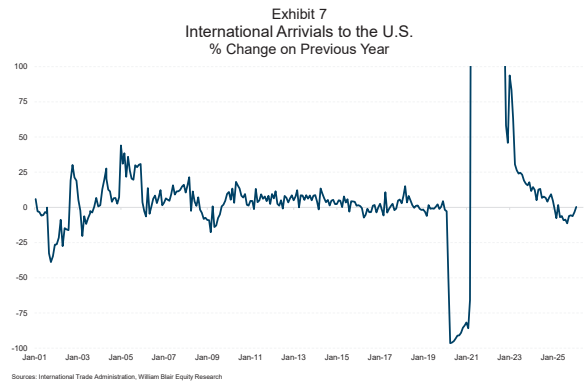
With global and domestic excitement for the tournament continuing to build, there is no doubt that stadiums will be full. Today, however, it remains unclear how many of those seats will be filled by international travelers. An April survey of the hotel industry shows that bookings pace far below what had initially been anticipated, with some markets trailing typical summer demand (exhibit 6). The American Hotel & Lodging Association points to concerns around lengthy visa wait times, increased fees, and lingering uncertainty around entry processing. Forecasts also show domestic travelers outpacing higher-spend international visitors, suggesting the anticipated economic lift may fall short of expectations.



At FIFA's request, and to ease some of these concerns, the Trump administration has since softened parts of its immigration policy, including suspending a requirement that visitors from certain qualifying countries post bonds of up to \$15,000 to enter the U.S. if they have purchased tickets to World Cup matches.

For fans who make the trip, worries extend beyond the border. Elevated ticket prices, a strong dollar, and higher airfares and fuel costs leave the U.S. pricier than past hosts and its co-hosts.

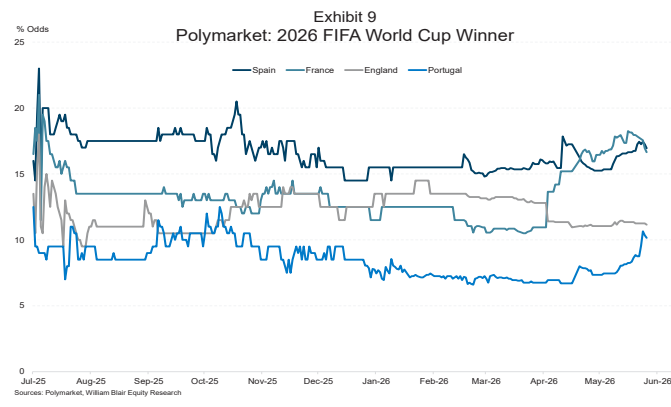
Still, the bar FIFA has to clear to fulfill its pitch to host cities is relatively low. According to the International Trade Administration, 68.3 million international visitors came to the United States in 2025, down from 72.3 million in 2024 and below the record 79.4 million in 2018. The 2025 figure marked the first decline since 2020 (exhibits 7 and 8). An influx of football fans could help reverse this trend and provide a needed lift to the tourism sector.



## And the Winner Is ...

Over the past year, prediction markets have moved into the mainstream, letting users put money behind outcomes across politics, current events, and sports.

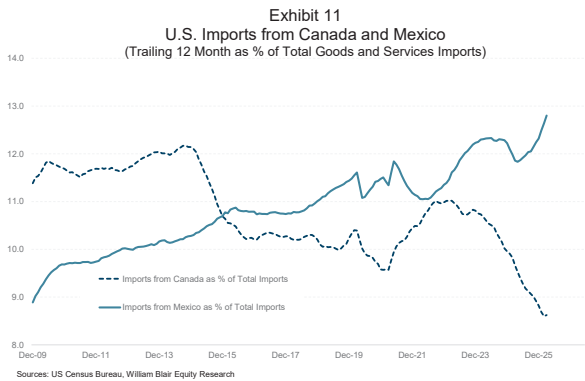
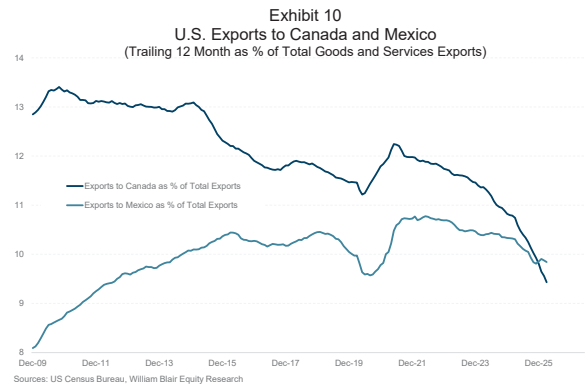
FIFA has now entered the space, partnering with ADI Predictstreet to offer “prediction-based experiences.” Activity is expected to concentrate in live, in-game trading once matches begin, which could boost engagement around the tournament but also amplify concerns about market manipulation and the broader role of lightly regulated betting-like activity around global sporting events.



This does not displace other betting markets, which are already seeing strong volumes around World Cup odds; for example, the market for the 2026 winner had more than \$1.2 billion in traded volume as of late May, with France among the early favorites despite its loss to Argentina in 2022. For comparison, the market for the 2024 U.S. presidential election reached roughly \$3.7 billion in traded volume.

## The United States-Mexico-Canada Agreement (USMCA)

The World Cup arrives at a time when trade tensions between the host nations are elevated and the USMCA is approaching its 2026 joint review, effectively opening the door to renegotiation. Disputes span U.S. challenges to Mexico’s energy policies and continued friction around automotive rules of origin. Tensions with Canada have also been acute, centered on dairy access, digital services taxes, and broader industrial policy. This coincides with a gradual decline in Canada’s share of total U.S. exports and imports.

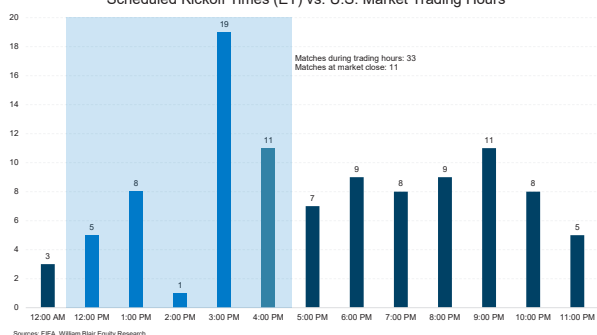


The tournament creates an opportunity for rapprochement for Mexican President Claudia Sheinbaum and President Trump, who first met face-to-face in December 2025 at a World Cup event—an example of how sport and diplomacy may intersect over the coming year. With matches spanning all three countries, the event will concentrate attention on North America and its shared economic interests. As football fever spreads across the continent, the setting could prove conducive to dialogue.

## Team Spirit

Analysis of the 2010 World Cup in South Africa found that stock market trading volumes fell by an average of 55% when the host nation’s team was playing. The effect was even more pronounced in football-centric markets, with declines of 75% in Brazil and 80% in Argentina. Trading volumes dropped 38% in Europe and 43% in the United States, while key in-game moments, such as goals, reduced activity by a further 5%. Lower volumes during the tournament were generally associated with higher market volatility.

Exhibit 12  
FIFA World Cup 2026  
Scheduled Kickoff Times (ET) vs. U.S. Market Trading Hours



Of course, the extent of the impact depends on how match times overlap with trading hours. Of the 104 matches, 33 kick off during U.S. trading hours (9:30 a.m. to 4:00 p.m. ET), with another 11 starting at the 4:00 p.m. close. In total, 44 matches, or 42%, begin while markets are open or closing, and thus will draw some investors’ attention away from the markets and onto their team.

World Cup winners tend to see a short-term market boost. FIFA champions since 1974 (for which we have data) have outperformed global markets by an average of 5.5% in the month after the final. Outside of recessions and other economic crises, any post-win effect is brief, with performance fading after 3 months.

Exhibit 13  
Relative Performance of World Cup Winners Before/After Final Match  
(Avg. Rel. Perf. of MSCI Country Indices vs. MSCI AC World Since 1990)



Historically, host nations also have experienced a more modest post-tournament boost. However, the standout economic benefit is generally in the lead-up and during the event itself, with most hosts underperforming in the aftermath.

Exhibit 14  
Relative Performance of World Cup Hosts Before/After Final Match  
(Avg. Rel. Perf. of MSCI Country Indices vs. MSCI AC World Since 1990)



## Conclusion

The World Cup will not transform the economy, but it does not need to. Because much of the infrastructure necessary to host the games is already in place, host cities will avoid the long tail of debt tied to single-use facilities that has weighed on past tournaments. That considerably lowers the bar for the event to be a success. A well-run tournament just needs to deliver a June and July tourism season that’s better than one without it, and the boost, while short-lived and largely concentrated in leisure and hospitality, should be a meaningful one.

Getting there has not been without friction. FIFA’s initial ticket prices were set well beyond the reach of the average fan, easing momentum at the very point when demand should have been building. Host cities have since pushed back, probing FIFA’s conduct, and prices are being adjusted lower. Stricter tourism and entry policies also threatened to deter prospective visitors, but the Trump administration has since relaxed some of these requirements or waived them for World Cup ticket holders. Despite these early stumbles, stadiums will ultimately be filled and the spending that surrounds the event should materialize. There is no shortage of football fans after all.

Beyond the economics, the games serve as an informal forum for international dialogue. They have already led to a relaxation of immigration policy, albeit temporary, and served as an occasion for world leaders to congregate. At a time when geopolitical tensions are high, the tournament will draw the attention of billions, including some traders, away from those concerns and onto the football pitch. Away from these macroeconomic considerations, though, football is still the “beautiful game,” and this World Cup will be worth tuning in for.

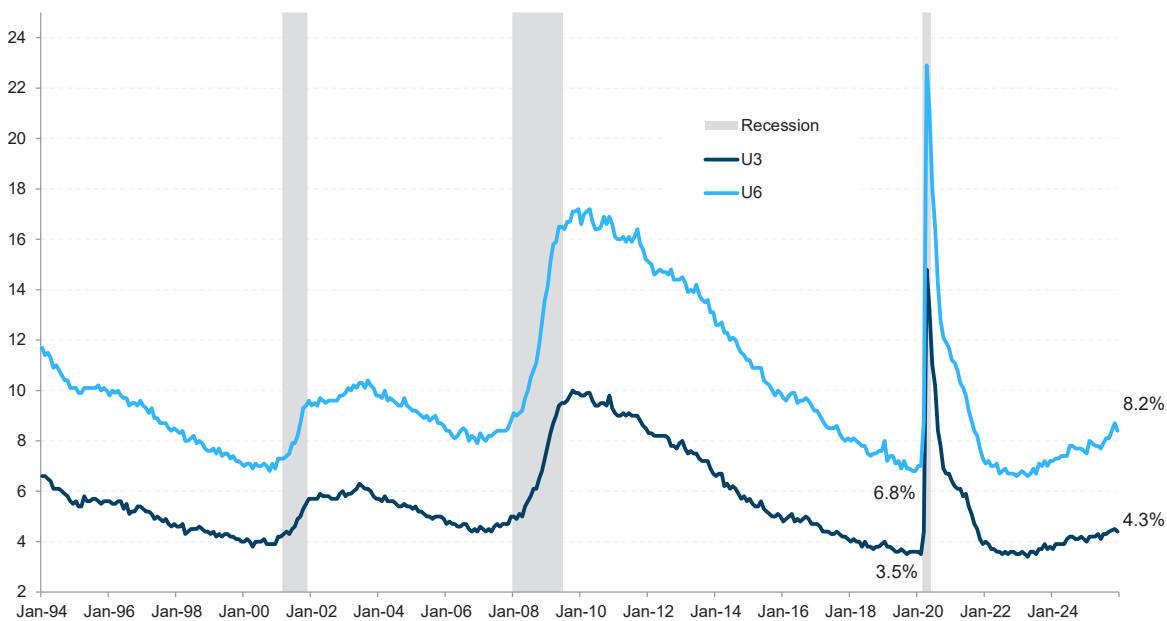
## Highlights in the Week Ahead

Date	Time (ET)	Indicator	Last	Consensus	WB Estimate	Actual
1 June	10:00 a.m.	ISM Manufacturing (May)	52.7	53.2	53.9	
2 June	10:00 a.m.	JOLTS Job Openings (Apr)	6866K	N/A	N/A	
3 June	10:00 a.m.	ISM Services (May)	53.6	53.6	53.0	
4 June	8:30 a.m.	Nonfarm Productivity (Q1 Second)	0.8%	N/A	0.9%	
5 June	8:30 a.m.	Nonfarm Payrolls (May)	115K	95K	120K	
		Unemployment Rate	4.3%	4.3%	4.3%	
		Average Hourly Earnings	0.2%	0.3%	0.3%	

Sources: Bloomberg, William Blair Equity Research

## Indicators of the Week: Employment Situation

Headline Unemployment Rate vs U-6 Underemployment Rate, %



Source: BLS, William Blair Equity Research. U-6 = Total unemployed, plus all persons marginally attached to the labor force, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the labor force

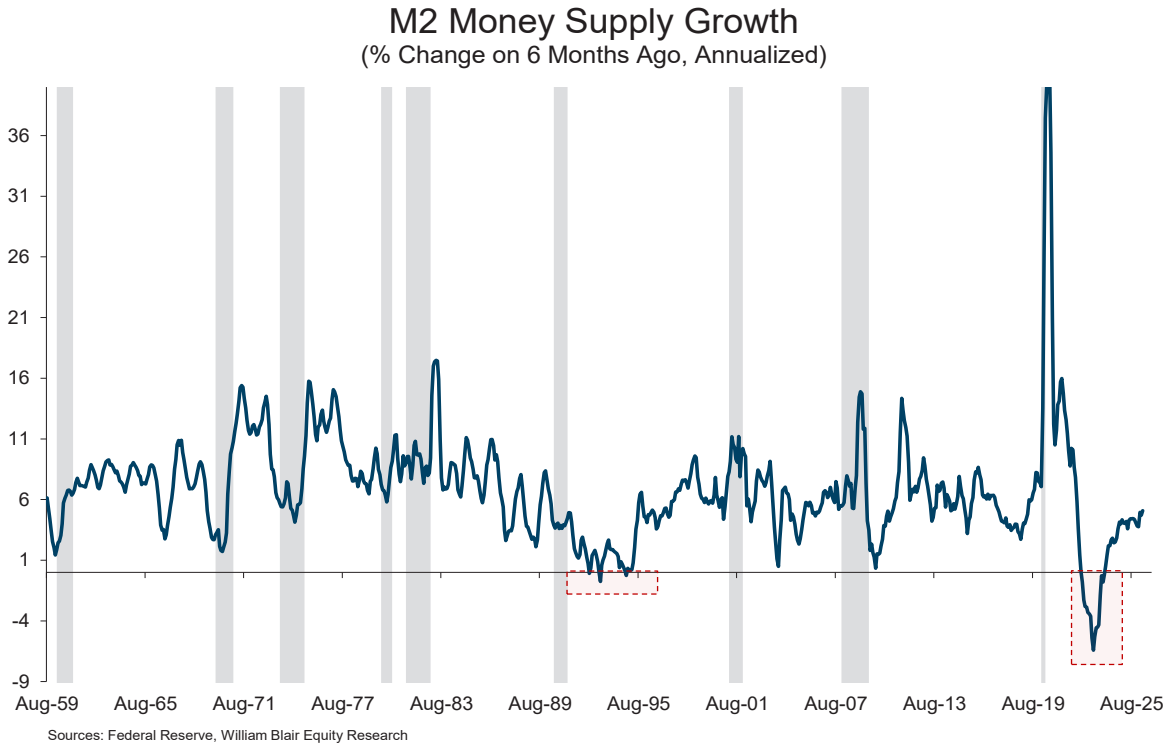
# Economic Scorecard

Rolling monthly heat map, % Change on Year Ago (unless otherwise noted)

	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
<b>Growth</b>																			
US Leading Indicators	-3.0	-3.0	-2.7	-3.0	-3.6	-4.3	-3.9	-4.0	-3.5	-3.5	-3.3	-3.3	-3.7	-3.9	-3.7	-3.3	-3.1	-1.7	
US Coincident Indicators	1.3	1.7	1.5	1.5	1.8	2.0	1.4	1.3	1.6	1.4	1.1	1.1	1.0	0.7	1.1	0.9	0.5	0.7	
US Lagging Indicators	0.0	0.1	-0.1	0.1	-0.1	-0.2	0.7	0.4	0.4	0.4	1.1	1.2	0.9	1.2	0.8	0.6	1.1	1.3	
<b>Consumer</b>																			
Total Retail Sales	3.9	4.5	4.5	3.8	5.2	5	3.4	4.4	4.1	5	4.1	3.2	3.2	2.4	3.3	4.2	4.2	4.9	
Personal Income	5.3	5.3	5	5	5.2	5.6	4.5	4.3	4.8	5.1	5.1	4.5	4.4	4.2	4	3.4	3.3	2.5	
Real Disposable Personal Income	2.4	2.2	1.8	1.8	2.3	2.8	1.5	1.2	1.7	1.8	1.8	1.3	1	0.8	1.4	0.8	-0.1	-1.1	
Real Personal Consumption	3.2	3.6	3.3	2.7	3.2	3.1	2.5	2.5	2.6	2.8	2.4	2.5	2.2	1.6	2.2	2.6	2.1	2.1	
Personal Saving Rate (%)	4.9	4.3	5.1	5.2	5.1	5.5	4.9	4.6	4.5	4.4	4.3	3.9	3.8	3.6	4.3	3.6	3.2	2.6	
Consumer Confidence (Conference Board)**	112.8	109.5	105.3	100.1	93.9	85.7	98.4	95.2	98.7	97.8	95.6	95.5	92.9	94.2	89	91	92.2	93.8	93.1
<b>Employment</b>																			
Employment Growth	0.9	0.9	0.8	0.7	0.6	0.6	0.6	0.5	0.5	0.5	0.4	0.3	0.2	0.1	0.2	0.1	0.2	0.2	0.2
ASA Temporary Staffing Index	-6.6	-21.0	-8.2	-7.5	-8.7	-6.4	-5.8	-5.3	-0.8	-0.9	0.8	1.5	4.5	7.3	2.3	3.2	6.1	5.4	
ISM Employment Index Manufacturing*	48.3	45.4	49.7	47.1	44.4	46.2	46.1	45.1	44.9	44.3	45.4	45.8	44.1	44.8	48.1	48.8	48.7	46.4	
ISM Employment Index Services*	50.8	51	51.4	53.4	46	49.2	50.4	47.7	46.9	46.9	47.6	48.1	48.7	51.7	50.3	51.8	45.2	48	
Unemployment Rate, %	4.2	4.1	4	4.2	4.2	4.2	4.3	4.1	4.3	4.3	4.4		4.5	4.4	4.3	4.4	4.3	4.3	
Average Hourly Earnings	4.2	4.1	4	4.1	4.2	3.9	4	3.9	4	4	3.8	3.9	3.9	3.7	3.7	3.7	3.4	3.6	
Initial Jobless Claims (avg. wkly. chg. '000s)	219	223	219	226	223	226	233	239	222	231	234	226	221	219	213	216	208	208	
Job Openings	-12.0	-14.4	-11.3	-14.2	-15.3	-5.7	-6.1	-2.9	-4.5	-8.0	3.3	-2.8	-9.5	-10.2	-2.6	-4.4	-1.2		
Layoff Announcements	26.8	11.4	-39.5	103.2	204.8	62.7	47	-1.6	139.8	13.3	-25.8	175.3	23.5	-8.3	117.8	-71.9	-78	-20.9	
<b>Housing Market</b>																			
Housing Starts	-14.6	-0.7	-1.8	-4.1	3.8	1.5	-3	4.6	12.8	-7.4	-2.8	-7.1	1.5	-7.8	2.4	-9.7	12	4.6	
New Home Sales	10.2	10.7	-2.6	-1.8	-3.7	-0.7	-7.2	-2.6	-11.5	1.6	-0.1	3.2	13.2	3	-13.4	0	1.1	-11.3	
Existing Home Sales	6.2	8.6	1.7	-1.0	-2.7	-1.5	-0.5	0.5	0.8	2.3	4.4	2.2	-1.2	1.9	-1.7	-0.5	-0.3	0.0	
Median House Price (Existing Homes)	-7.4	1.1	-0.2	-1.4	-5.4	-0.4	2.5	-1.2	-7.4	3	-1	-5.2	1.2	1.4	-3.1	-0.7	-5.3	2.2	
Existing Homes Inventory (Mths' supply)	3.8	3.8	3.9	4	4.2	4.2	4.3	4.3	4.3	4.3	4.3	4.3	4.2	4	4.2	4.3	4.3	4.3	
New Homes Inventory (Mths' supply)	8.8	8.4	9	9.4	9.3	8.6	9.7	9	9.2	8.5	8.2	9	7.7	7.9	9.9	9.1	8.7	9.4	
NAHB Homebuilder Sentiment*	46	46	47	42	39	40	34	32	33	32	32	37	38	39	37	37	38	34	37
<b>Inflation</b>																			
Consumer Price Index	2.7	2.9	3	2.8	2.4	2.3	2.4	2.7	2.7	2.9	3		2.7	2.7	2.4	2.4	3.3	3.8	
CPI Less-food & energy	3.3	3.2	3.3	3.1	2.8	2.8	2.8	2.9	3.1	3.1	3		2.6	2.6	2.5	2.5	2.6	2.8	
Producer Price Index	2.9	3.5	3.8	3.4	3.2	2.4	2.7	2.4	3.2	2.7	3	2.8	3.1	3.1	3.1	3.4	4.3	6	
PPI Less-food & energy	3.4	3.7	3.9	3.7	3.8	3.1	3.2	2.7	3.5	2.9	3	3	3.2	3.4	3.7	3.9	4	5.2	
PCE Price Index	2.6	2.7	2.6	2.7	2.4	2.3	2.5	2.6	2.6	2.7	2.8	2.7	2.8	2.9	2.9	2.9	3.5	3.8	
PCE Prices Less-food & energy	3.0	3.0	2.8	3.0	2.7	2.6	2.8	2.8	2.9	2.9	2.8	2.8	2.8	3.0	3.1	3.0	3.2	3.3	
<b>Business Activity - US</b>																			
Industrial Production	-1.6	-0.3	0.9	0.8	0.6	0.9	0.1	0.6	1.9	1.2	1.9	1.8	1.8	1.2	1.4	1.0	0.8	1.4	
New Cap Gds Orders less-aircraft & parts	-1.1	1.9	3.3	-0.9	2.2	0.5	2.2	4.5	4.4	2.5	5.3	6.2	4.1	8	2.9	5.9	10.9	10.8	
Business Inventories	2.2	2.7	1.8	2.5	2.2	2.5	2.2	1.7	1.6	1.4	1	1.3	1.3	1.2	1.5	1	1.2	2	
ISM Manufacturing PMI*	48.4	49.2	50.5	50	48.9	48.8	48.6	49	48.4	48.9	48.9	48.8	48	47.9	52.6	52.4	52.7	52.7	
Markit US Manufacturing PMI*	49.7	49.4	51.2	52.7	50.2	50.2	52	52.9	49.8	53	52	52.5	52.2	51.8	52.4	51.6	52.3	54.5	55.3
ISM Services Index*	52.4	53.5	52.6	53.2	50.8	51.6	50.2	50.8	50.5	51.9	50.3	52	52.4	53.8	53.8	56.1	54	53.6	
Markit US Services PMI*	56.1	56.8	52.9	51	54.4	50.8	53.7	52.9	55.7	54.5	54.2	54.8	54.1	52.5	52.7	51.7	49.8	51	50.9
<b>Business Activity - International</b>																			
Germany Manufacturing PMI Markit/BME*	43	42.5	45	46.5	48.3	48.4	48.3	49	49.1	49.8	49.5	49.6	48.2	47	49.1	50.9	52.2	51.4	49.9
Japan Manufacturing PMI Jibun Bank*	49	49.6	48.7	49	48.4	48.7	49.4	50.1	49	49.7	48.5	48.2	48.7	50	51.5	53	51.6	55.1	54.5
Caixin China Manufacturing PMI*	51.5	50.5	50.1	50.8	51.2	50.4	48.3	50.4	49.5	50.5	51.2	50.6	49.9	50.1	50.3	52.1	50.8	52.2	
China Manufacturing PMI*	50.3	50.1	49.1	50.2	50.5	49	49.5	49.7	49.3	49.4	49.8	49	49.2	50.1	49.3	49	50.4	50.3	
UK Manufacturing PMI Markit/CIPS*	48	47	48.3	46.9	44.9	45.4	46.4	47.7	48	47	46.2	49.7	50.2	50.6	51.8	51.7	51	53.7	53.7
France Manufacturing PMI Markit*	43.1	41.9	45	45.8	48.5	48.7	49.8	48.1	48.2	50.4	48.2	48.8	47.8	50.7	51.2	50.1	50	52.8	48.9
<b>Currencies***</b>																			
Euro (EUR/USD)	-2.9	-6.2	-4.2	-4.0	0.2	6.2	4.6	10.0	5.4	5.8	5.4	6.0	9.7	13.4	14.4	13.9	6.8	3.6	
Renminbi (USD/CNY)	1.6	2.8	1.1	1.2	0.5	0.4	-0.6	-1.4	-0.4	0.6	1.5	0.0	-2.4	-4.3	-4.0	-5.7	-5.0	-6.1	
Yen (USD/Yen)	1.1	11.5	5.6	0.4	-0.9	-9.3	-8.4	-10.5	0.5	0.6	3.0	1.3	4.3	-0.3	-0.3	3.6	5.8	9.4	
Sterling (GBP/USD)	0.9	-1.7	-2.3	-0.4	2.3	6.7	5.6	8.6	2.7	2.9	0.5	2.0	3.9	7.7	10.4	7.2	2.4	2.1	
Canadian \$ (USD/CAD)	3.3	8.6	8.2	6.5	6.3	0.2	0.8	-0.5	0.3	1.8	2.9	0.5	-0.2	-4.6	-6.4	-5.7	-3.3	-1.6	
Mexican Peso (USD/MXN)	17.2	22.7	20.1	20.5	23.6	14.4	14.3	2.3	1.4	-5.4	-7.0	-7.4	-10.2	-13.5	-15.6	-16.2	-12.4	-11.0	
<b>US Equities</b>																			
S&P 500	32.1	23.3	24.7	16.8	6.8	10.6	12.0	13.6	14.8	14.4	16.1	19.9	13.5	16.4	14.9	15.5	16.3	29.4	
S&P 400 Midcap	31.3	12.2	18.6	7.1	-4.2	-0.3	0.6	5.9	1.7	5.3	4.5	4.8	-1.7	5.9	6.1	15.5	15.7	27.6	
S&P 600 Smallcap	30.9	6.8	14.5	4.5	-5.0	-3.6	-3.4	2.8	-6.3	1.8	1.9	3.8	-4.0	4.2	7.0	15.9	18.5	36.6	
Russell 2000	34.6	10.0	17.5	5.3	-5.3	-0.5	-0.2	6.2	-1.9	6.7	9.3	12.9	2.7	11.3	14.3	21.7	24.1	42.6	

\* Diffusion Index, \*\*1985=100, \*\*\*Currencies - green/red = strengthening/weakening foreign currency vs dollar  
Source: ISM, Federal Reserve, Census Bureau, Bureau of Labor Statistics, Conference Board, Bloomberg, William Blair

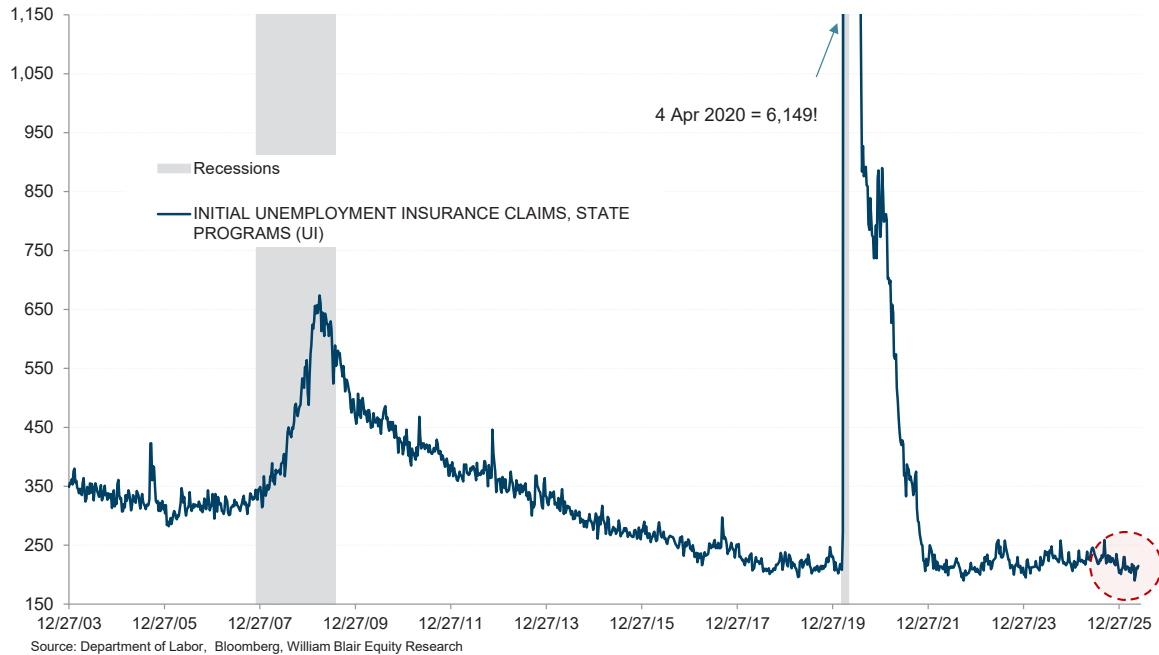
## Other Economic Indicators



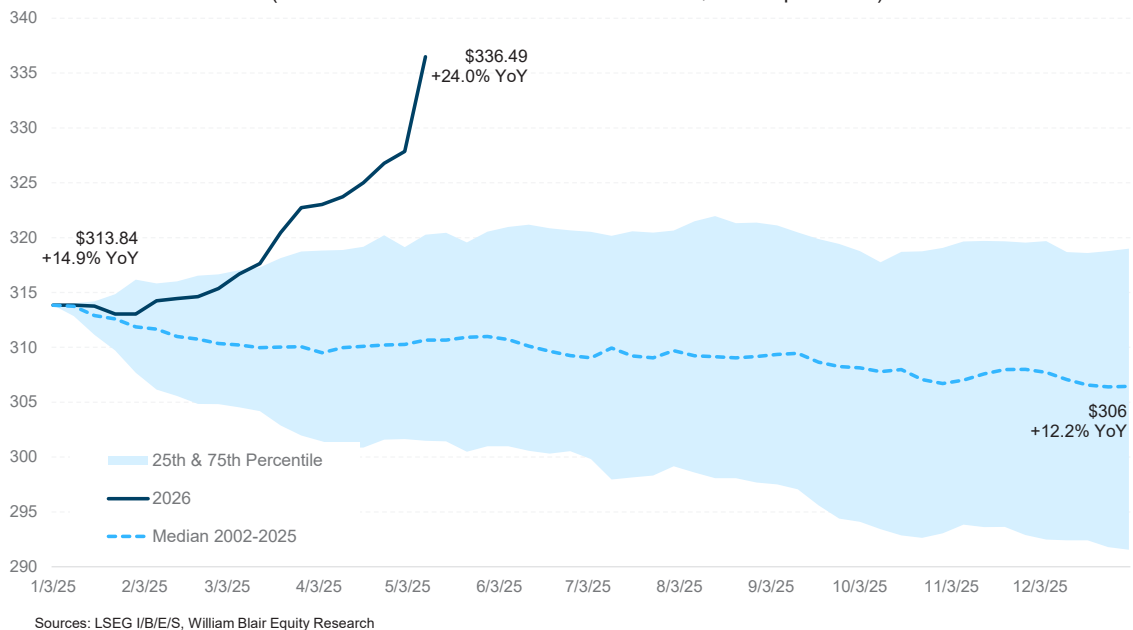
### Goldman Sachs U.S. Financial Conditions Index



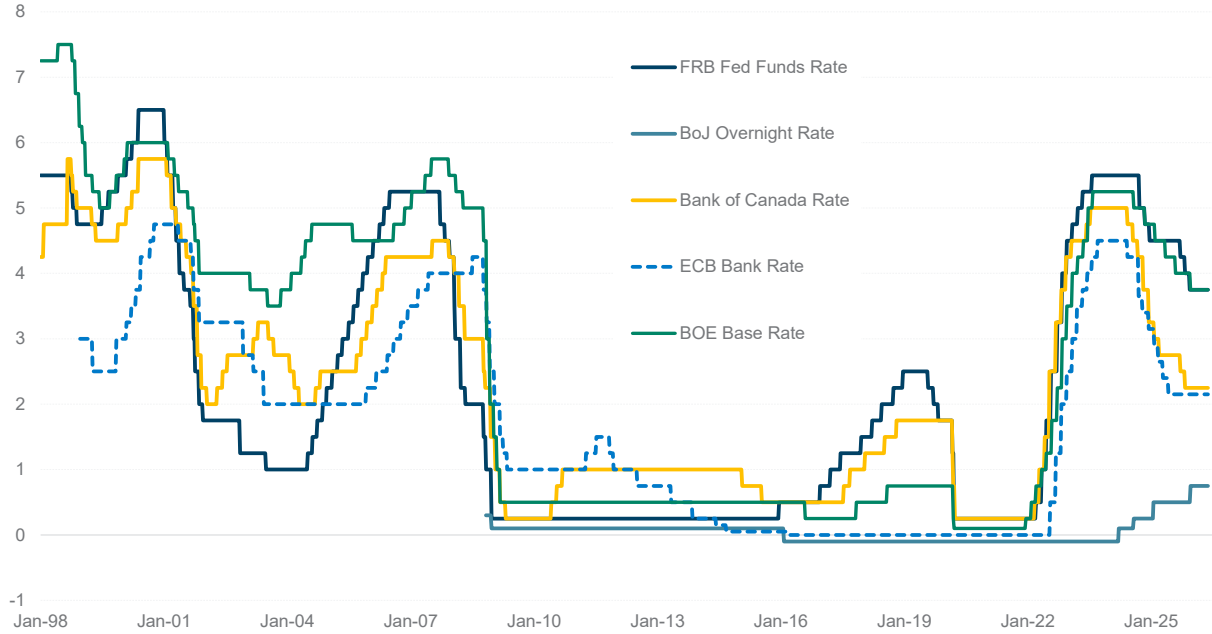
### Initial Jobless Claims ('000s, Seasonally Adjusted)



### Progression of S&P 500 2026 EPS Estimates, 2026 vs Median 2002-2025 (Rebased to Estimate at End of Q4 2025 of \$313.84 per share)

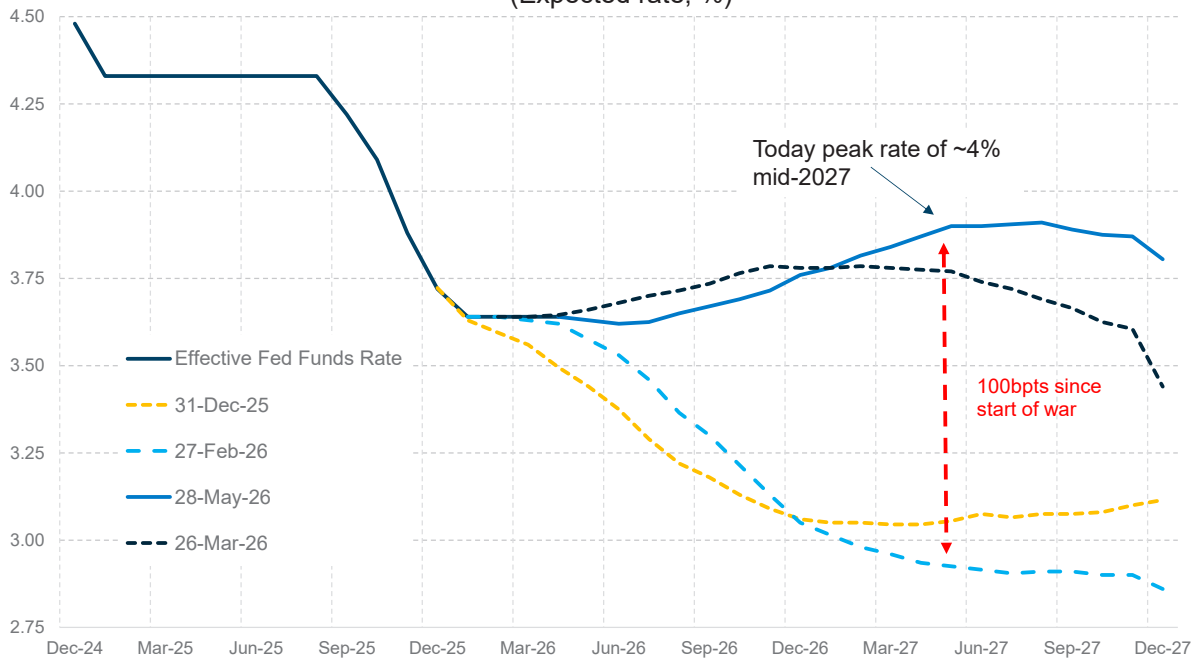


### Central Bank Target Short-Term Interest Rates, %



Sources: Bloomberg, William Blair Equity Research

### Fed Funds Rate and Futures Market Expectations (Expected rate, %)



Sources: Bloomberg, William Blair Equity Research

## S&P 500 Sector Performance

Global Industry Classification System	Current Weight* 28-May-26	Week Ago 21-May-26	Month Ago 30-Apr-26	Qtr-to-Date 31-Mar-26	Year-to-Date 31-Dec-25
<b>S&amp;P 500 Index</b>	<b>100.00</b>	<b>1.58</b>	<b>4.92</b>	<b>15.86</b>	<b>10.49</b>
<b>S&amp;P 400 MidCap Index</b>		<b>2.09</b>	<b>2.17</b>	<b>10.15</b>	<b>12.52</b>
<b>S&amp;P 600 SmallCap Index</b>		<b>2.45</b>	<b>1.69</b>	<b>12.18</b>	<b>15.66</b>
<b>Dow Jones Industrials</b>		<b>0.76</b>	<b>2.05</b>	<b>9.34</b>	<b>5.42</b>
<b>Nasdaq Composite</b>		<b>2.37</b>	<b>8.14</b>	<b>24.67</b>	<b>15.81</b>
<b>Communication Services</b>	<b>10.53</b>	<b>1.01</b>	<b>0.79</b>	<b>19.36</b>	<b>10.89</b>
Advertising	0.04	0.14	-5.51	-3.15	-22.45
Broadcasting	0.05	2.91	4.00	13.23	-10.87
Cable & Satellite	0.06	0.71	-1.54	-11.72	-7.44
Integrated Telecommunication Services	0.67	-0.85	-3.23	-9.80	4.31
Interactive Home Entertainment	0.13	-4.23	0.53	3.65	-8.13
Interactive Media & Services	8.30	1.63	1.90	28.11	15.49
Movies & Entertainment	0.96	-1.73	-4.14	-3.98	-7.12
Publishing & Printing	0.02	0.96	0.42	6.39	1.77
Wireless Telecommunication Svcs	0.29	-0.99	-3.32	-10.01	-6.91
<b>Consumer Discretionary</b>	<b>10.25</b>	<b>2.79</b>	<b>3.64</b>	<b>15.78</b>	<b>4.96</b>
Apparel Retail	0.35	0.16	-0.91	-0.78	7.28
Apparel & Accessories & Luxury Goods	0.08	2.85	-0.24	-0.73	-6.37
Auto Parts & Equipment	0.02	14.00	5.66	5.40	-3.81
Automobile Manufacturers	2.59	6.65	16.36	19.59	-0.33
Automobile Retail	0.25	-1.85	-12.00	-0.69	-8.16
Broadline Retail	4.31	1.94	3.46	31.39	18.88
Casinos & Gaming	0.08	5.79	-2.31	0.93	-12.28
Computer & Electronics Retail	0.02	22.22	23.56	16.42	11.67
Consumer Electronics	0.07	-1.43	-5.89	1.87	16.52
Distributors	0.03	1.68	-9.34	-6.93	-19.27
Footwear	0.10	7.72	7.88	-5.80	-19.76
Home Furnishings	0.01	5.20	1.97	9.33	-1.51
Home Improvement Retail	0.64	1.77	-4.18	-3.90	-7.50
Homebuilding	0.14	1.64	-3.19	2.19	-4.86
Hotels, Resorts & Cruise Lines	0.74	5.17	2.26	6.16	-3.56
Leisure Products	0.02	-4.11	-9.87	-7.71	5.34
Restaurants	0.71	-2.06	-5.05	-1.95	-6.55
Other Specialty Retail	0.06	1.42	-6.47	-15.86	-25.57
<b>Consumer Staples</b>	<b>5.08</b>	<b>-1.36</b>	<b>-1.32</b>	<b>1.59</b>	<b>8.71</b>
Agricultural Products	0.09	3.45	4.12	5.86	39.11
Brewers	0.01	-4.61	5.08	-5.78	9.89
Consumer Staples Merchandise Retail	2.30	-2.82	-5.51	-1.96	3.03
Distillers & Vintners	0.05	-4.82	-7.57	-4.64	7.99
Food Distributors	0.05	-1.40	1.62	6.43	3.03
Food Retail	0.10	-5.18	-5.84	-6.75	7.99
Household Products	0.69	1.67	0.63	2.11	4.04
Packaged Foods & Meats	0.32	1.47	1.43	1.27	-0.20
Personal Care Products	0.08	6.23	7.06	10.81	-4.51
Soft Drinks	0.97	-0.57	-0.26	3.48	9.88
Tobacco	0.57	-4.39	5.24	8.32	15.10
<b>Energy</b>	<b>3.04</b>	<b>-3.99</b>	<b>-5.06</b>	<b>-8.39</b>	<b>25.72</b>
Integrated Oil & Gas	1.48	-4.85	-4.99	-12.69	22.03
Oil & Gas Equipment & Services	0.26	-3.48	-5.29	5.58	42.24
Oil & Gas Exploration & Production	0.60	-4.20	-8.35	-11.12	20.35
Oil & Gas Refining & Marketing & Transportation	0.31	1.42	-1.10	-0.35	47.06
Oil & Gas Storage & Transportation	0.39	-4.97	-3.22	-0.91	23.34

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<b>Financials</b>	<b>10.57</b>	<b>-0.93</b>	<b>-1.73</b>	<b>3.61</b>	<b>-6.55</b>
Asset Management & Custody Banks	0.90	-0.35	-1.85	10.01	-5.22
Consumer Finance	0.51	0.96	-2.69	3.62	-18.00
Diversified Banks	2.65	-1.05	-4.77	2.44	-6.44
Diversified Financial Services	6.25	-0.34	-0.13	5.28	-6.63
Financial Exchanges & Data	0.82	-0.72	-1.64	1.20	-8.08
Insurance Brokers	0.35	-2.57	-2.00	-6.81	-16.87
Investment Banking & Brokerage	1.29	0.84	4.99	13.97	3.67
Life & Health Insurance	0.26	-3.11	1.13	8.07	1.60
Multi-Sector Holdings	0.96	-0.53	0.81	-0.37	-5.02
Property & Casualty Insurance	0.79	-3.97	-3.38	-1.68	-5.51
Regional Banks	0.25	0.39	-4.53	4.10	0.21
Reinsurance	0.02	-6.51	-6.59	1.95	-1.80
Transaction & Payment Processing	1.66	-1.06	-1.93	3.87	-10.51
<b>Health Care</b>	<b>8.15</b>	<b>1.80</b>	<b>3.21</b>	<b>2.62</b>	<b>-2.81</b>
Biotechnology	1.41	1.73	1.34	-2.37	-0.33
Health Care Distributors	0.29	-0.31	-6.19	-11.04	-10.17
Health Care Equipment	1.25	-2.86	-4.15	-9.59	-23.27
Health Care Facilities	0.13	-2.78	-11.43	-18.46	-19.53
Health Care Services	0.36	0.39	5.55	15.53	12.03
Health Care Supplies	0.05	0.60	2.11	-1.03	-9.06
Life Sciences Tools & Services	0.70	7.57	4.46	2.63	-13.76
Managed Health Care	0.72	0.37	5.44	43.94	16.70
Pharmaceuticals	3.21	3.50	8.20	4.97	6.83
<b>Industrials</b>	<b>7.94</b>	<b>1.92</b>	<b>-0.54</b>	<b>7.32</b>	<b>11.94</b>
Aerospace & Defense	1.94	3.66	3.97	2.05	3.23
Agricultural & Farm Machinery	0.21	1.44	-8.62	-4.31	15.77
Air Freight & Logistics	0.32	5.53	0.43	11.28	20.10
Building Products	0.42	1.54	-6.54	6.35	10.73
Cargo Ground Transportation	0.10	5.93	5.39	17.79	40.62
Construction & Engineering	0.31	1.26	-0.50	29.79	72.23
Construction Machinery & Heavy Trucks	0.87	2.83	-1.04	20.04	41.30
Data Processing & Outsourced Services	0.02	-0.20	-2.77	-7.85	-32.91
Diversified Support Svcs	0.15	-0.85	-0.46	1.61	-10.44
Electrical Components & Equipment	0.72	2.66	-2.83	14.91	20.78
Environmental & Facilities Services	0.28	-2.38	-6.52	-6.70	-6.48
Heavy Electrical Equipment	0.38	-4.58	-8.07	14.10	52.39
Human Resource & Employment Services	0.18	0.27	3.57	7.00	-13.99
Industrial Conglomerates	0.33	2.93	7.12	3.84	9.67
Industrial Machinery	0.55	0.12	-5.49	-3.22	-3.27
Passenger Airlines	0.16	10.53	21.95	22.59	10.45
Passenger Ground Transportation	0.21	-3.65	-4.94	-1.40	-13.20
Railroads	0.45	-0.01	-0.81	9.84	16.05
Research & Consulting Svcs	0.10	2.66	-7.81	-10.06	-22.23
Trading Companies & Distributors	0.25	3.26	3.30	14.53	19.09
<b>Information Technology</b>	<b>35.86</b>	<b>3.18</b>	<b>13.79</b>	<b>33.64</b>	<b>21.27</b>
Application Software	1.86	3.92	5.82	6.53	-21.04
Communications Equipment	1.30	0.08	11.83	37.39	43.43
Electronic Components	0.59	5.58	7.00	29.05	41.88
Electronic Equipment & Instruments	0.14	1.84	-1.32	14.93	41.27
Electronic Manufacturing Services	0.14	3.13	2.43	12.01	10.27
Internet Software & Services	0.09	-3.44	16.27	17.53	14.74
IT Consulting & Services	0.57	3.03	8.57	0.73	-21.81
Semiconductor Equipment	1.58	5.21	16.05	37.20	76.15
Semiconductors	15.47	3.12	14.86	47.42	39.78
Systems Software	6.27	2.53	10.43	20.76	-7.09
Technology Distributors	0.02	8.68	-15.16	-4.02	-14.72
Technology Hardware, Storage & Peripherals	7.83	3.65	17.94	31.33	26.79
<b>Materials</b>	<b>1.74</b>	<b>1.95</b>	<b>-0.47</b>	<b>2.16</b>	<b>11.66</b>
Commodity Chemicals	0.07	-2.89	-11.84	-15.96	52.39
Construction Materials	0.20	5.95	-8.79	0.61	-10.12
Copper	0.14	5.71	14.00	12.06	29.69

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Fertilizers & Agricultural Chemicals	0.11	1.15	-1.51	-5.47	23.48
Gold	0.17	-0.09	-2.57	-0.02	8.39
Industrial Gases	0.42	-2.40	-1.08	0.47	17.10
Metal & Glass Containers	0.02	-0.20	-7.93	-4.86	6.17
Paper Packag-ing	0.13	4.19	4.30	-1.37	-3.93
Specialty Chemicals	0.34	2.16	-1.10	-0.84	3.41
Steel	0.14	11.00	11.93	46.43	53.24
<b>Real Estate</b>	<b>1.73</b>	<b>-0.30</b>	<b>-0.21</b>	<b>8.39</b>	<b>10.49</b>
Data Center REITs	0.25	-1.06	-2.56	8.02	33.26
Health Care REITs	0.31	-2.24	-0.99	6.85	12.84
Hotel & Resort REITs	0.02	3.88	10.18	21.50	31.30
Industrial REITs	0.20	0.70	2.55	10.18	14.08
Multi-Family Residential REITs	0.00	0.81	2.32	11.78	1.70
Office REITs	0.01	0.83	3.71	16.82	-10.15
Other Special-ized REITs	0.10	-0.52	-1.02	14.09	24.16
Real Estate Service	0.07	-3.88	-10.19	-10.69	-32.93
Retail REITs	0.24	0.26	-0.05	6.43	12.22
Self-Storage REITs	0.12	1.37	2.04	12.99	16.27
Single-Family Residential REITs	0.12	1.37	2.04	12.99	16.27
Telecom Tow-er REITs	0.21	0.38	0.74	10.64	5.20
Timber REITs	0.03	4.42	0.17	0.53	3.67
<b>Utilities</b>	<b>2.03</b>	<b>-0.85</b>	<b>-5.08</b>	<b>-3.14</b>	<b>4.14</b>
Electric Utili-ties	1.33	-1.24	-6.13	-3.86	3.64
Gas Utilities	0.04	-2.50	-8.93	-6.33	3.22
Independent Power Produc-ers & Energy Traders	0.09	6.16	1.56	6.21	-0.14
Water Utilities	0.03	-1.23	-4.73	-10.10	-6.24
Multi-Utilities	0.53	-0.83	-3.16	-2.00	7.09

\*Current Weight is market cap based, based on calculations by William Blair Intl. Ltd.

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DOW JONES: 50669.00

S&P 500: 7563.63

NASDAQ: 26917.50

Additional information is available upon request.

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<b>Coverage Universe</b>	<b>Percent</b>	<b>Inv. Banking Relationships *</b>	<b>Percent</b>
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Market Perform (Hold)	25	Market Perform (Hold)	2
Underperform (Sell)	1	Underperform (Sell)	0

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