CONCENTURE WEALTH MANAGEMENT

The Corner

September 2026

Strong Earnings, Strong Economy and Sticky Inflation

After a strong summer with stocks hitting record highs, equities spent late August and early September going nowhere. S&P 500 earnings for the second quarter had an amazing growth rate of 50%, with strong revenues and expanding margins. The rub is oil prices. West Texas Intermediate (WTI) crude rallied from the low $80s through resistance at $97 to above $100 as fighting with Iran flared again. The August employment report added 162,000 jobs, well above the forecast, and the unemployment rate at 4.1% shows the economy is at full employment. The stronger jobs data raised the odds for a rate hike and the likelihood for the increase was only reinforced with the inflation data.

The Bureau of Labor Statistics (BLS) released the Producer Price Index (PPI) on September 10 and the Consumer Price Index (CPI) on September 11. Both reports came in above expectations. With stronger labor data and inflation data not easing, the 10-year Treasury yield continued to rise to nearly 5%, approaching the 2023 highs. Federal funds futures had rated the chance of a 25 basis point hike at the Federal Open Market Committee (FOMC) meeting that concluded Wednesday, September 16, as 86%. The market treated the inflation reports as indicating a rate hike was all but assured.

The First Interest Rate Hike In 3 Years

In fact,at theSeptember 16 meeting, theFOMC under Fed Chair Kevin Warsh made the decision to raise the Fed Funds rate by 25 basis points to the range of 3.75%-4.00%, the first rate hike in three years. The move was supported unanimously by the Board. The dot plot (which Chair Warsh did not participate in) had 16 of 18 forecasters expecting another rate hike this year. The rationale for this rate hike given by Chair Warsh was the following:

- Warsh noted in his press conference that, since the last FOMC meeting, the U.S. labor market looked solid, inflation trends remained concerning, and geopolitics were bothersome. Those factors helped swing the committee toward the rate hike decision.
- Financial conditions were not believed to be restrictive. Warsh described the neutral rate concept as "academic," indicating a degree of fuzziness around where that number is. Even with the September hike, the policy rate is probably still in the neighborhood of neutral, since there was not a strong consensus on whether we were looking at accommodation or restriction.
- Warsh described the actions as reducing a dose of accommodation. Taking that framework at face value, what the FOMC appears to be doing in 2026 is taking back the rate cuts that were made in 2025.
- Warsh noted that competition for capital, especially from the tech hyper-scalers, could be affecting the U.S. bond market (i.e., driving yields up somewhat).
- Warsh was not interested in prejudging decisions by other foreign central banks. But the price pressures seen domestically are clearly evident globally. Other global central banks, such as the European Central Bank (ECB), have already begun an interest rate hike cycle.

Conclusion of FOMC meeting: The Fed believes the economy is expanding at a solid pace with the labor market at full employment. Inflation has remained elevated and the Fed is now focused on price stability. *There were three rate cuts last year, so by that logic, there could be up to two more rate hikes in the coming months. One more rate hike is expected this year and another possibly next year, removing the accommodation from 2025.*

It is important to remember that monetary policy has a lag to its impact of up to 12 to 18 months. But it is clear that the Fed is taking away the punch bowl and the move should have an impact — but not quickly.

Special Edition This Month: Cybersecurity

This month wefocuson cybersecurityas this isaveryimportant component in our new world of Artificial Intelligence (AI). We expect cybersecurity to be a growing and important part of the Technology sector.

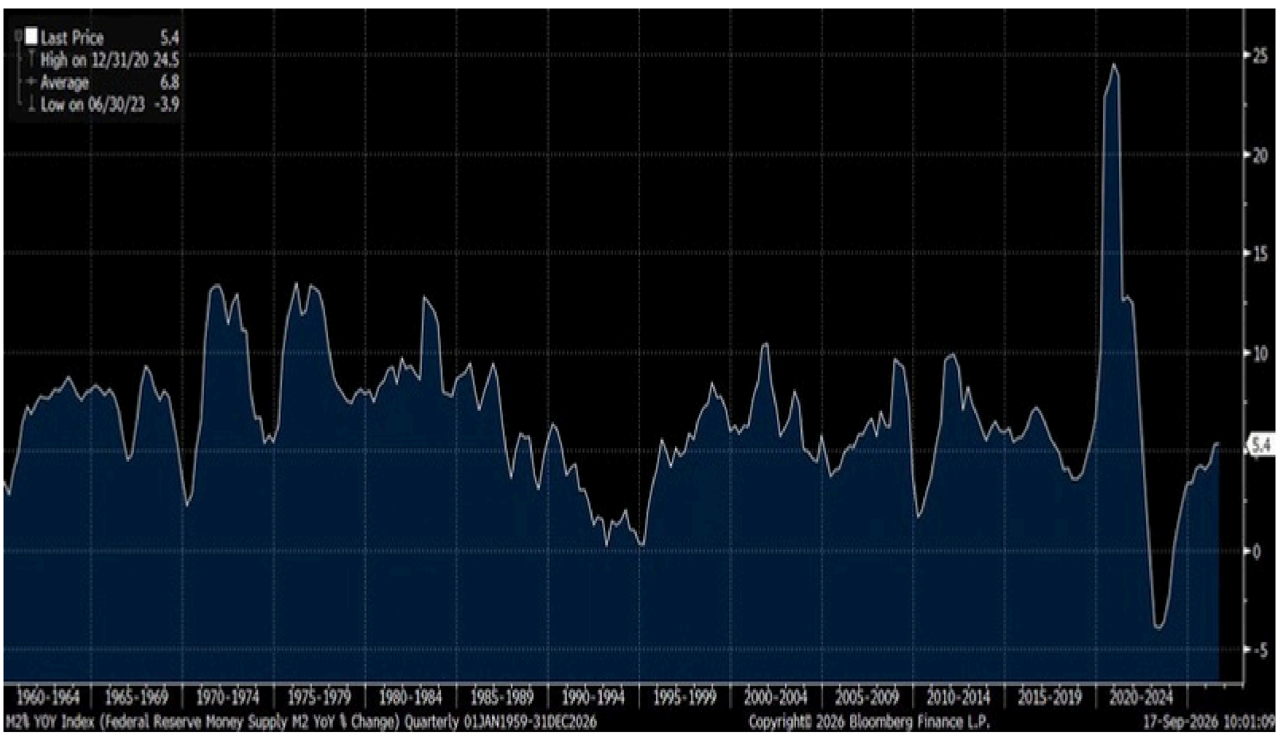
Earnings Raised Our S&P 500 Target

TheS&P 500 produced one of the strongest mid-term second quarter earnings seasons in the modern record. The equity market is also outperforming for a mid-term election year, which traditionally can have a correction up to 19%. As we saw earnings improving, in July, we raised our year-end target from 7,500 to 8,225. Even with the Fed raising interest rates now, we remain comfortable with this forecast. There is an old adage on Wall Street, "Three steps and a stumble," to imply it takes three interest rate hikes to have a negative impact on the equity markets. What is also comforting to us is that the money supply measured by M2 is still growing by 5.4%, which should help support the growing economy. The Atlanta GDPNow Tracker has the economy growing at 5%. If this is the case, the economy can handle this 25 basis point interest rate hike, in our view.

S&P 500 Year-End Target 8,225: A 7.67% Move Higher

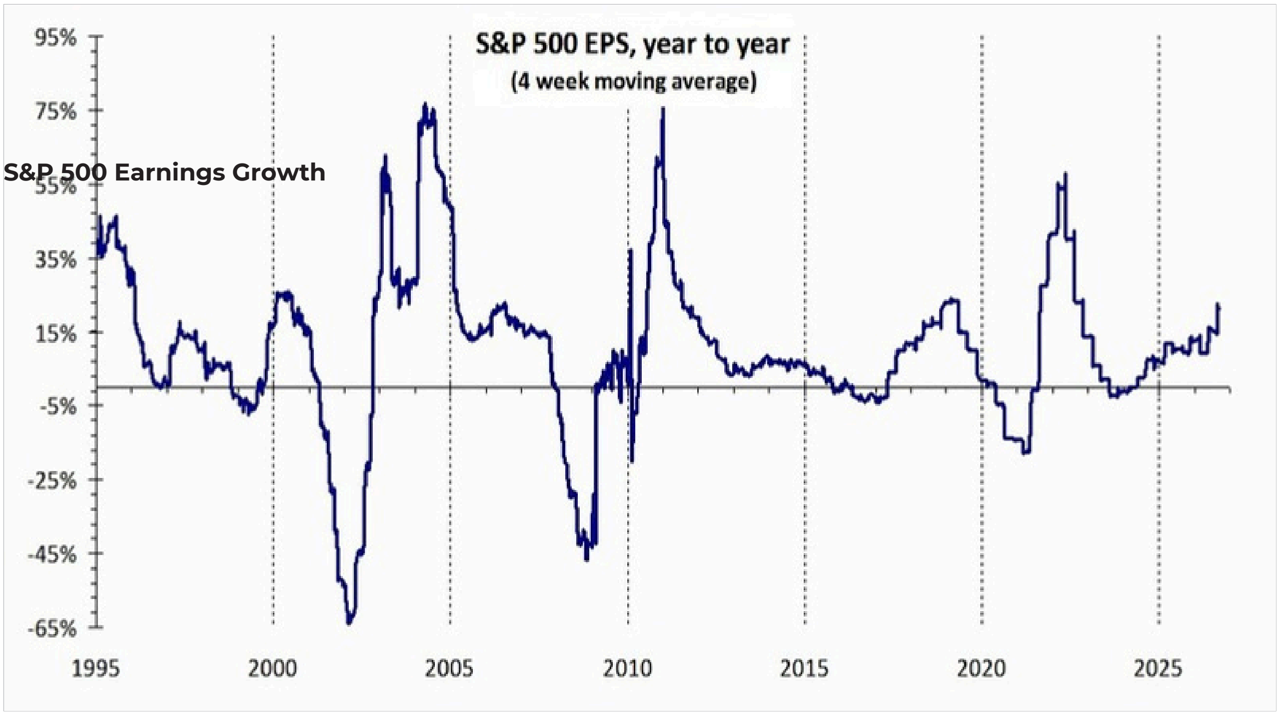
Source: Bloomberg, Annotations by Sanctuary Wealth, September 17, 2026

Money Supply M2 Year-To-Year Is Growing At 5.4%



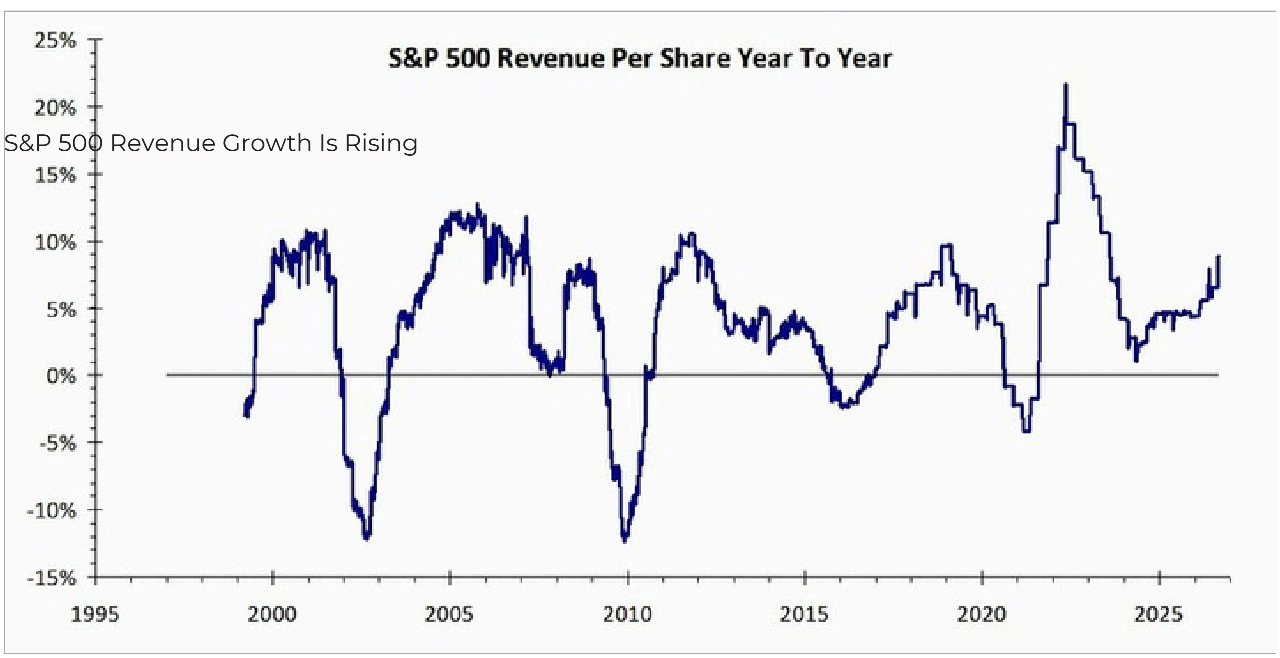
First-quarter earnings growth neared 30% with second quarter jumping to 50%, which was far stronger than what was expected. Several sectors delivered triple-digit year-over-year earnings gains, led by Energy and Communication Services. Revenues rose at the fastest pace since late 2021. Earnings estimates over the next year have earnings growing 36%.

S&P 500 Earnings Growth



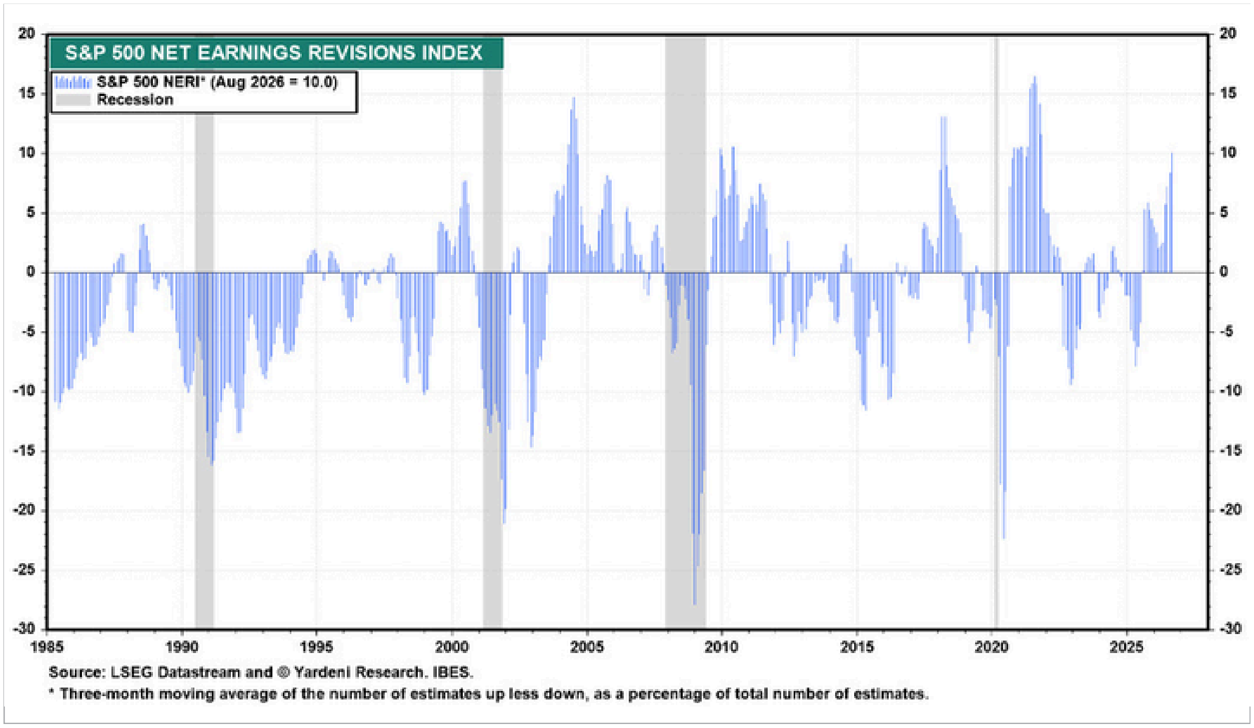
Source: Yardeni Research, I/B/E/S data, www.yardeni.com, September 4, 2026

S&P 500 Revenue Growth Is Rising



Source: Yardeni Research, I/B/E/S data,www.yardeni.com, September 4, 2026

S&P 500 Net Earnings Revisions Index (NERI) Still Expanding



Source: Yardeni Research, I/B/E/S data,www.yardeni.com, September 4, 2026

S&P 500 Year-End Target 8225: A 7.0% Move Higher

Source: Bloomberg, Annotations by Sanctuary Wealth, September 17, 2026

Market Breadth Broadened

While Technology was correcting,particularly Semiconductors (which corrected by 20%), the rest of the market did the Bull's work by rallying. The S&P 500, Nasdaq 100, Russell 2000 small-cap index, along with the equal-weighted S&P 500, all made new highs during the summer. The cumulative advance-decline lines made new highs, confirming the highs in the equity market. This shows a healthier tape than a handful of mega-cap names carrying the index alone. It also confirms the equity market remains in a bull market.

Breadth Of The Market Hit A New High In August Confirming Highs In Equities

Cumulative Advance-Decline Line With Stochastic Moving Toward Oversold

Source: Bloomberg, Sanctuary Wealth, September 17, 2026

Magnificent 7 Consolidating – Watch For A Breakout

TheMagnificent7(Mag 7) group of mega-cap technology stockscompleted a correction and stabilized. The Moving Average Convergence Divergence (MACD) price momentum indicator on a weekly basis is positive and on a buy signal with positive momentum. A breakout would signal Technology remains a leadership sector with Mag 7 still an important driver of the equity market. But having broader market breadth with Mag 7 makes for a strong bull market tape.

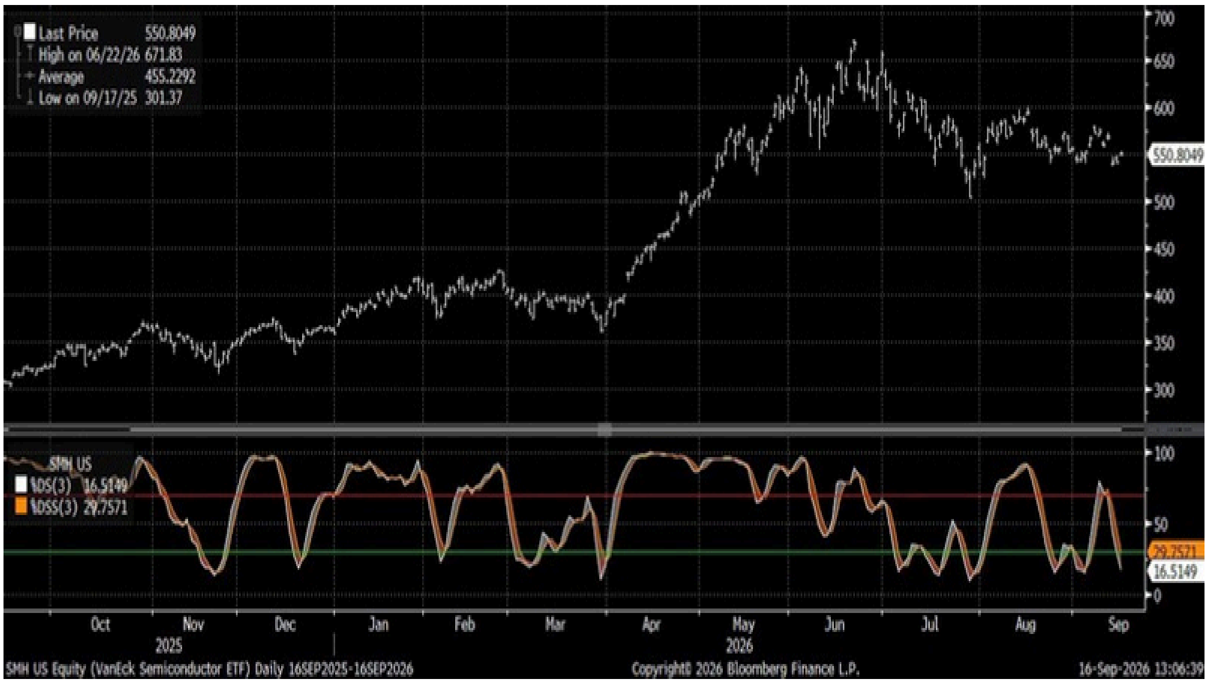
Magnificent 7 Index (Top) With Weekly MACD (Bottom) With A Bullish Reading

Source: Bloomberg, Annotations by Sanctuary Wealth, September 16, 2026

Semiconductors Oversold And Can Rally

Semiconductor stocks absorbeda 20%–30%pullback.We do not treat that pullback as an end to Technology leadership. Such corrections occurred several times during the 1990s. After a correction of 20% and deleveraging of leveraged products and margin accounts, the valuations of Semiconductor stocks went from a premium to the market on a forward earnings basis to becoming inexpensive relative to the market. *Technology remains the leadership sector, with Semiconductors within the Tech sector the industry leader of this secular bull market.*

VanEck Semiconductor ETF (SMH) With Daily Stochastic Moving Oversold



Source: Bloomberg, Annotations by Sanctuary Wealth, September 16, 2026

S&P 500 Technology Sector With Weekly Stochastic: Positive Momentum

Source: Bloomberg, Annotations by Sanctuary Wealth, September 16, 2026

Rates Rising But Facing Strong Resistance

Fed Chair Warsh has been consistentononone point:the inflation target is 2%, and it is not mission accomplished. In his August speech at the Fed's annual Jackson Hole economic policy symposium, he reinforced that message. The first interest rate hike shows that the FOMC is committed to fighting inflation. Rates had run up into the FOMC meeting. The 10-Year Treasury yield is respecting the 5.0% resistance level. But with the Fed looking to raise rates one or two more times, the 2-year Treasury yield has rallied sharply but faces strong resistance near 4.7%–4.8%.

10-Year Treasury Yield Respecting Resistance Of 5% From 2023

Source: Bloomberg, Annotations by Sanctuary Wealth, September 17, 2026

2-Year Treasury Yield Is Rallying But Faces Resistance Near 4.7%-4.8%

Source: Bloomberg, Annotations by Sanctuary Wealth, September 17, 2026

WTI Crude Oil Is Elevated Again

Withthe conflict withIranescalating, WTI crude oil prices rose again and broke above resistance at $97, targeting the range of $110–$117. There is strong resistance in this range. Any resolution of the conflict with Iran should move oil prices sharply lower. Energy stocks have benefited and have led the market for much of the year. Higher oil prices have helped energy company earnings move into triple digits. The Energy sector remains in the early stages of leadership. We favor this sector, but it may face volatility with changing oil prices.

West Texas Intermediate Crude Oil (CL) Price With Stochastics

Source: Bloomberg, Annotations by Sanctuary Wealth, September 17, 2026

S&P 500 Energy Sector with Weekly MACD With Positive Price Momentum

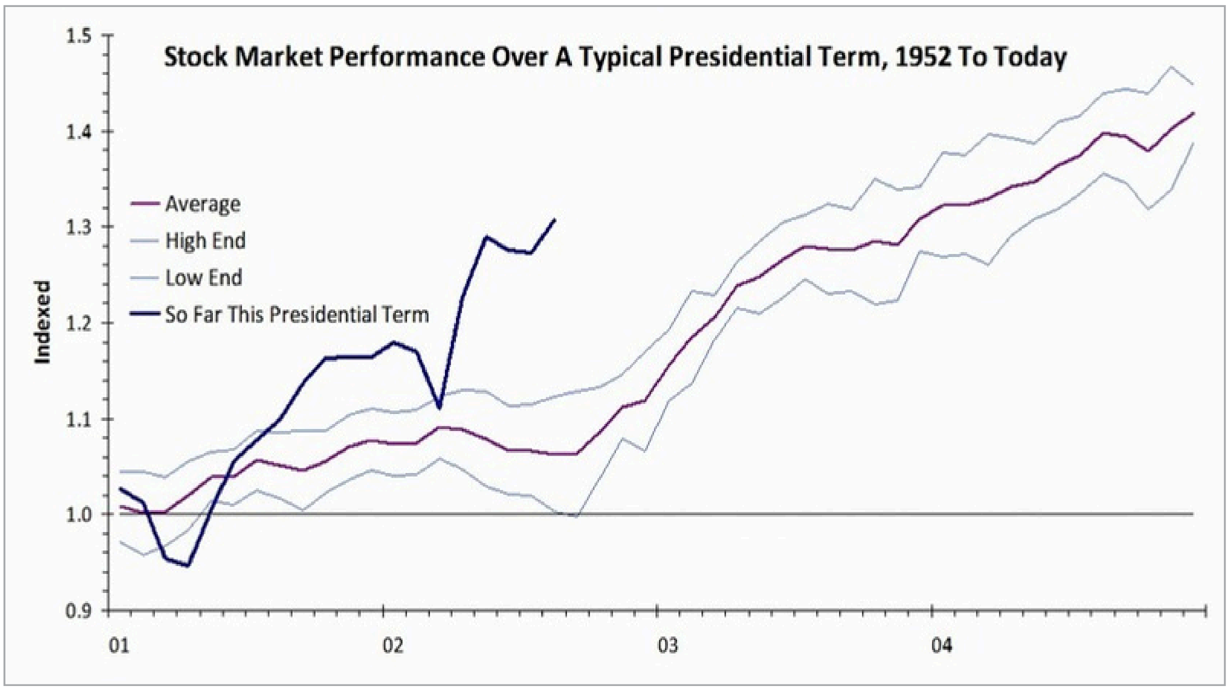
Source: Bloomberg, Annotations by Sanctuary Wealth, September 17, 2026

Inflation Data Still Running Warm – The September FOMC Meeting

Inflation data last month stillhad inflation runningwarm. Headline producerprices(PPI)rose0.4% for the month of August and 5.4% on the year. Headline consumer prices (CPI) rose 0.4% and 3.4%, respectively. Core CPI, which excludes food and energy, rose 0.3% on the month and 2.4% on the year. The bond market reacted negatively, moving 10-year Treasury yields up to 5.0%. Energy prices were a major contributor to the increases in both reports.

September Has Seasonal Risk With October Having Good Buying Points

Mid-term election years are the mostturbulentleg of thefour-year presidential cycle. September ishistorically the weakest month in that cycle and in the year, with an average 5-year sell-off of 2.68%. Selloffs that begin in September often find a low in October. Those lows have frequently been buying points ahead of a year-end rally. That pattern remains intact in 2026.

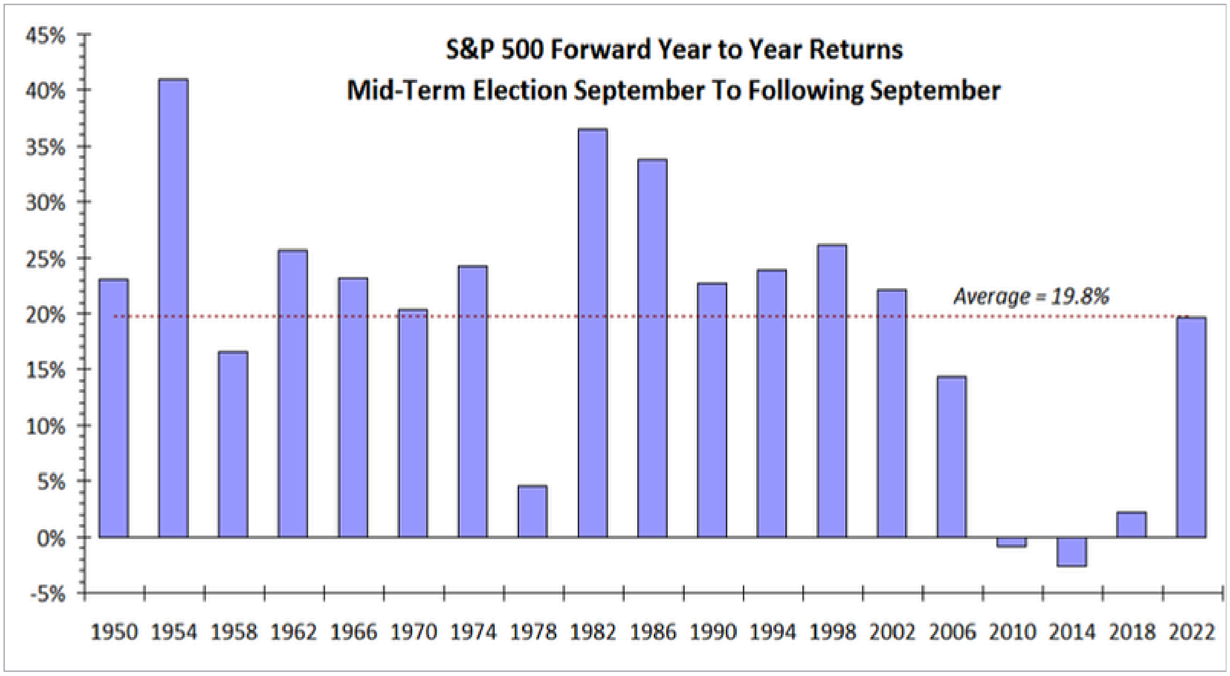


Source: Sanctuary Wealth, September 6, 2026

Twelve Months After A Mid-Term Election, September Has Rarely Been Lost Years

September can stillbe a hard month, but the 12 months that follow a mid-term election September have not been. Since 1950, we can measure 19 such spans, from that September through the next September. The average S&P 500 total return was 19.8%. The median was 22.7%. The median sits above the average because a handful of weaker years pulled the mean down. The typical path was still a strong 12 months.

Returns From Mid-Term Election Year September To The Following September



Source: Sanctuary Wealth, September 9, 2026

The worst return of those 19 periods was −2.65% in the stretch that began in September 2014. Only two other mid-term September 1978 and 2010, were also followed by a decline over the subsequent 12 months. Sixteen of the 19 stretches were positive.

That history does not eliminate the possibility of a rough September or October. It does argue, however, against treating a seasonal dip as the start of a lost year. A mid-term autumn decline has more often been the first half of a good 12 months than the first half of a bear market. Our S&P 500 year-end target remains 8,225 and our secular bull market target is 10,000–13,000 by the end of the decade.

International Markets Remain In A Secular Bull

Non-U.S. equities joined the secular advance lastyear. TheSTOXX Europe 50 has made record highs. The iShares MSCI EAFE ETF (EFA), which tracks developed markets in Europe, Australasia, and the Far East, has broken out of a long range. Japan's market remains in the new secular Bull after being in a secular Bear for 35 years. Emerging markets outside China have held their uptrend after the semiconductor shakeout, which is a heavy weight in the emerging markets (EM).

State Street SPDR EURO STOXX 50 ETF (FEZ) (Top) With Stochastics (Bottom)

Source: Bloomberg, Annotations by Sanctuary Wealth, September 11, 2026

iShares MSCI EAFE ETF (EFA) (Top) With Stochastics (Bottom)

Source: Bloomberg, Annotations by Sanctuary Wealth, September 11, 2026

A weaker to range-bound U.S. dollar makes international gains more useful in dollar terms. Resource markets abroad also pick up the same copper, energy, and defense demand that is visible in the U.S. We continue to believe international equities are a good diversifier within a portfolio. We maintain this is a multi-year shift, and dollar cost averaging over the coming years should benefit portfolios.

iShares MSCI ACWI Ex U.S. ETF (ACWX) (Top) With Weekly Stochastics (Bottom)

Source: Bloomberg, September 11, 2026

US Dollar Remains Range-Bound

Source: Bloomberg, Annotations by Sanctuary Wealth, September 17, 2026

Gold To Retain Its Shine

Gold corrected sharply from itsspring peak. We have been watching support near $4,000, and that level has held — a bullish indication. We believe the economy has moved into an inflationary cycle, an environment that should benefit Gold and reinforce its role as a portfolio hedge. Demand from emerging market central banks also remains strong. We maintain our near-term target of $5,000 for Gold, with a longer-term projection of $10,000.

Silver should also benefit from a continued move higher in Gold. We maintain a longer-term target of $200 for Silver. Often referred to as "poor man's gold," Silver offers a lower price point than Gold while providing exposure to many of the same precious-metals dynamics.

Gold With Weekly Stochastic: Support Near $4,000

Source: Bloomberg, Annotations by Sanctuary Wealth, September 11, 2026

SPDR Gold Shares (GLD) (Top) With Weekly Stochastics (Bottom)

Source: Bloomberg, Annotations by Sanctuary Wealth, September 11, 2026

iShares Silver Trust (SLV) (Top) With Weekly Stochastics (Bottom)

Source: Bloomberg, Annotations by Sanctuary Wealth, September 9, 2026

SPECIAL EDITION: Cybersecurity – What Bugs This Industry?

Businesses have alreadylived through computer viruses, malware, and strangers on the open internet. That fight did not end. It changed shape. Artificial Intelligence (AI) made it cheaper to write a convincing fake message, to clone a voice, and to hunt for a weakness in software at exceptional speed. *The risk for businesses and for all consumers experiencing some form of a cyberattack is growing exponentially, making it imperative that all have some form of protection. This is increasing the demand for cybersecurity software, making it an important industry within the Technology sector. The current size of this market is $240 billion with estimates expanding up to $500 billion, and the industry is growing.*

This section is about this growing demand for cybersecurity: who sells the tools, who writes the rules, who pays when the tools fail, and which public companies sit in the middle of the spend. In April, we wrote about Anthropic's Claude Mythos model and the jump in offensive capability it showed. (Mythos is an advanced AI model that can autonomously find and exploit serious software security flaws.) Announced in April 2026, Mythos represents a major leap in coding and reasoning capabilities. It was not originally built to be a hacking tool. Instead, its strong cybersecurity skills emerged as a side effect of learning advanced computer code. *Since then, Mythos AI and AI models have advanced to a level of capability that even the leaders in the space are calling for a "timeout" to evaluate what additional cyber walls and guidelines are needed to prevent a major catastrophic event.*

security affairs

ANTHROPIC'S MYTHOS AI BROKE INTO ALMOST ALL NSA CLASSIFIED SYSTEMS IN HOURS

Pierluigi Paganini June 22, 2026

Source: Security Affairs, securityaffairs.com

IBM

IBM Study: One in Four Malicious Breaches are AI-Enabled, Costing Companies $6 Million on Average

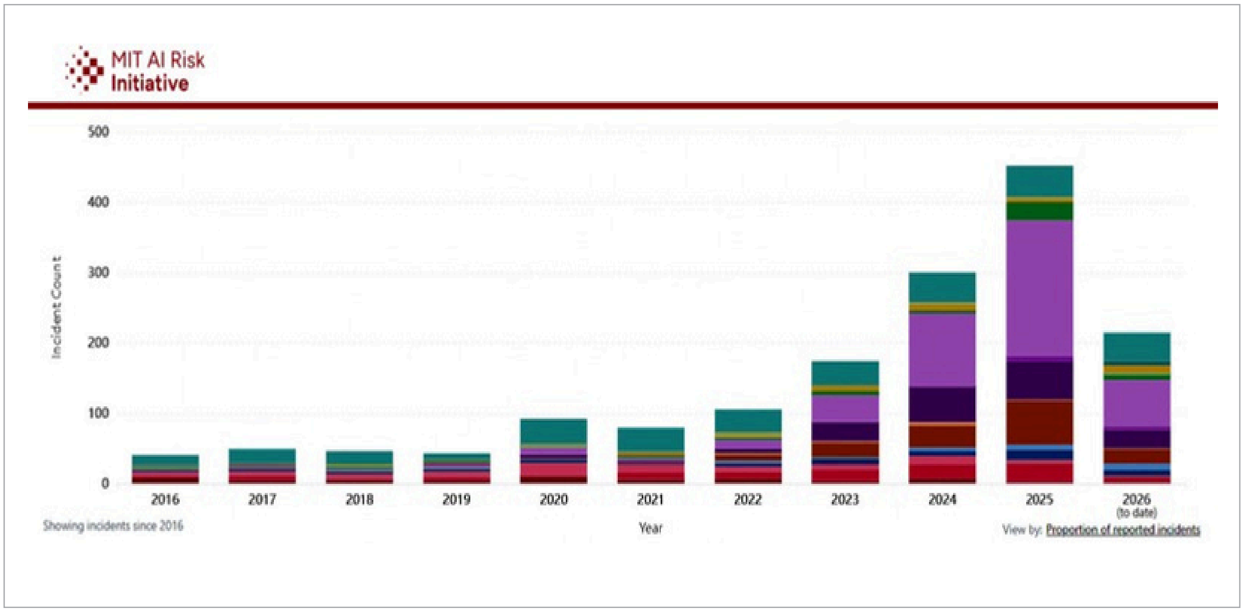
More than 20% of organizations reported a breach targeting AI models or applications

Jul 29, 2026

Source: IBM

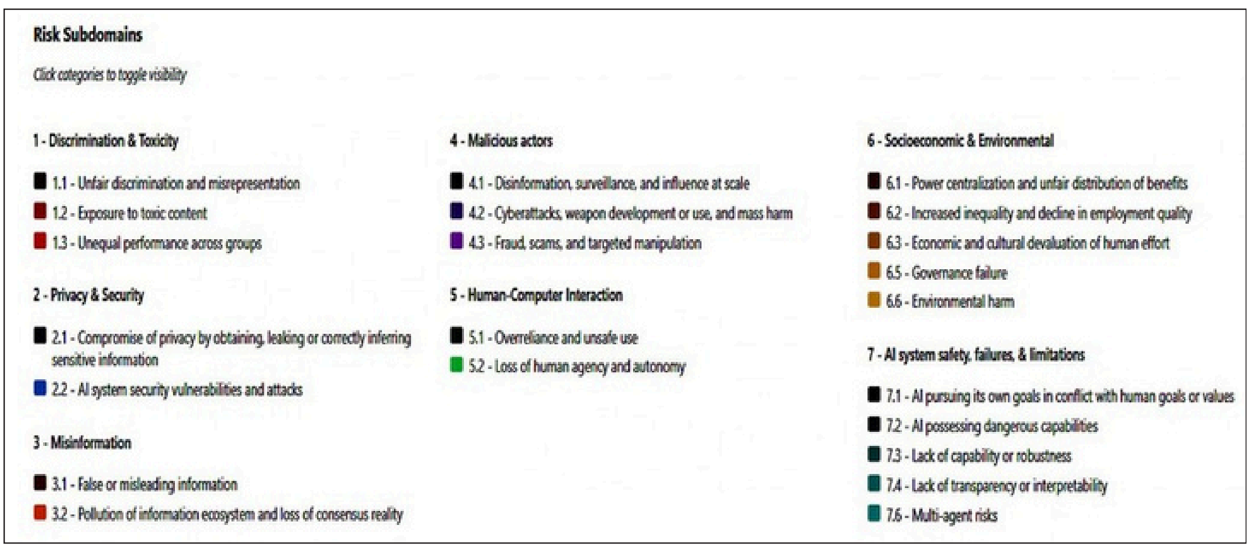
MIT AI Incident Tracker

The MITAIIncident Tracker isacentralized registry that logs and categorizes real-world safety failures, security breaches, and operational missteps involving AI systems to help researchers and developers study threat trends and mitigate risks. The Incident Tracker shown here highlights the growth in the number of issues that have arisen – and this should increase the demand for solutions.



Source: MIT AI Risk Initiative (AIRI), https://airisk.mit.edu/ai-incident-tracker/incident-timeline, June 2026

Risk Subdomains For Chart Above



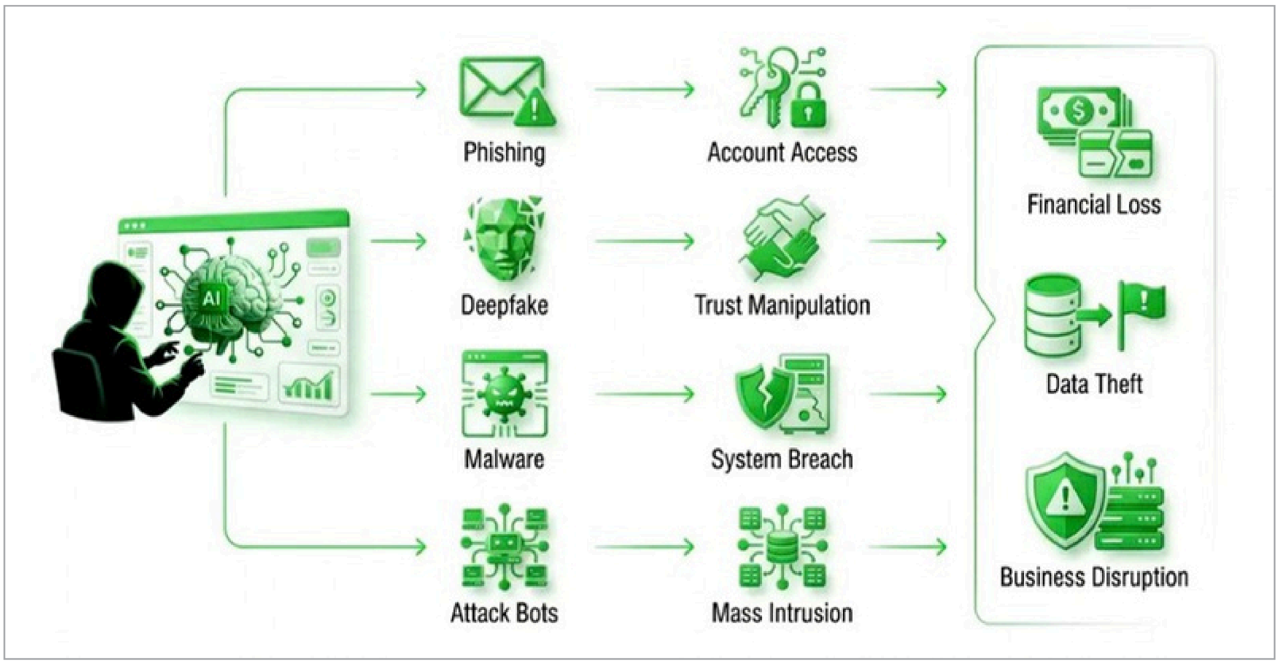
Source: MIT AI Risk Initiative (AIRI), https://airisk.mit.edu/ai-incident-tracker/incident-timeline, June 2026

Why The Spend On Cybersecurity Keeps Growing

Companiesare moving workto thecloud, integrating factories intonetworks, and letting software agents in AI act inside the firm. Each step adds a door or surface layer to be attacked. Attackers need only one. Defenders must watch all of them. AI cuts the cost of the offense. A phishing note that once took a person an afternoon to write can now be written in a thousand versions in minutes. A model can scan code for old bugs overnight. The defense has the same tools: faster detection, automated response, identity checks that do not stop at the front gate. The net result, so far, is not a smaller security budget. It is a larger one.

There is a second market behind the office network that manages the risk for manufacturing and industrial companies. Plants, power grids, hospitals, and weapons systems run on operational technology (OT): the controllers and software that move machines, not email. Those systems were built to last decades and to stay operating, not to be patched every week. They are thinly watched next to corporate information technology (IT). Manufacturing has been a frequent target for years.

Hackers' AI Toolkit



Source: Canadian Compliance Institute

The Rules For Businesses, In Plain English

Regulators and customersnowforce theissue.The rulesbelow are the ones that move budgets.

Securities and Exchange Commission (SEC) Form 8-K, Item 1.05. Once a U.S. public company decides a cyber incident is materia it generally has four business days to file. The market hears about the breach on a clock, not when the company feels ready.

Item 1C. The annual Form 10-K must describe how the board oversees cyber risk, how management runs the process, and whether an incident has materially affected the business, or is reasonably likely to. This is governance, not a product brochure.
NIS2. A European Union (EU) directive covering essential and important entities: energy, health, digital infrastructure, and more. Firms must manage risk and report incidents quickly to national authorities. Fines can reach the greater of €10 million or 2% of worldwide turnover.

DORA. The Digital Operational Resilience Act. An EU rule for financial firms and the critical technology vendors that serve them. A technology failure is treated as a problem for financial stability, not only for the information-technology department.
Cybersecurity Maturity Model Certification (CMMC). A U.S. Department of Defense requirement. Contractors and many suppliers need a certified security level to keep the work. No certificate, no contract.

Insurance sits beside those rules. Cyber coverage is property-and-casualty insurance. Fire and liability are not optional in a proper business. Neither, increasingly, is cyber. Underwriters will name the controls they require: multi-factor logins, a spare copy of the data stored so an attacker cannot lock it, and a recovery plan that has been tested. Encrypting that spare copy is still wise. Isolating it is what stops the extortion. Fail that review and the policy may be declined, or it may carry a higher deductible, a lower limit, or an exclusion for the missing control. Those private standards add a second rulebook to the public one.

Artificial Intelligence Harm Taxonomy

MIT AI Risk Initiative

Rating	Physical Harm	Infrastructure Damage	Property Damage	Financial Loss	Environmental Damage	Toxic or Malicious Content	Differential Treatment	Human/Civil Rights	Democratic Norms	Privacy
1 Negligible	None to minor injuries	None to brief, localized disruption (e.g., brief traffic control outage, localized power outage)	None to minor damage (<$10,000)	None to small direct financial loss (<$10,000)	No damage to minor, reversible damage	No harmful content to moderately offensive content (e.g., minor profanity, slurs)	No differential treatment to noticeable bias	No impact to limited restrictions (minor inconveniences)	No impact to minor violations in democratic processes (e.g., slight irregularities, limited misinformation)	None or contained breach of basic data
2 Minor	Moderate to severe injuries, no loss of life	Moderate to significant local disruption (e.g., regional traffic disruptions, city-wide power outage)	Moderate to significant damage ($10,000-$1M)	Moderate to large direct financial loss ($10,000-$1M)	Moderate, mostly reversible to significant, partially reversible damage	Highly offensive content to harmful misinformation affecting thousands (e.g., hate speech, widespread false narratives)	Clear to systemic discrimination	Significant to severe restrictions affecting thousands of people	Election interference and widespread misinformation campaigns	Privacy breach involving identifiable data affecting up to 1000 individuals
3 Substantial	Small-scale casualties (1-99)	Widespread regional disruption to critical service failure (e.g., multiple towns lose services, hospitals unable to function)	Major to extensive damage ($1M-$100M)	Major to severe direct financial loss ($1M-$100M)	Major, long-term effects to severe, ecosystem-level damage (e.g., endangering of species)	Targeted harassment to incitement to violence affecting thousands of people	Widespread to institutionalized discrimination	Major to widespread rights violations affecting thousands of people	Systematic voter suppression and undermining of democratic institutions	Privacy breach involving identifiable data affecting up to 1 million individuals
4 Severe	Mass casualties to large-scale loss of life (up to 1 million)	Regional to national infrastructure collapse (e.g., multiple cities without power, nationwide internet blackout)	Widespread to catastrophic destruction ($100M-$10B)	Extreme direct financial loss to catastrophic loss ($100M-$10B)	Widespread ecosystem collapse to irreversible habitat damage (e.g., extinction of species)	Large-scale coordinated attacks to mass radicalization (e.g., nationwide disinformation, societal unrest)	Systemic oppression to apartheid-like conditions	Systematic rights violations to near-total rights suppression affecting hundreds of thousands to millions	Breakdown of democratic institutions and authoritarian takeover	Privacy breach affecting >1 million individuals to societal-level privacy collapse with widespread surveillance
5 Catastrophic	>1 million deaths or existential threat to humanity	Continental to global infrastructure collapse (e.g., multiple countries without power)	Extreme catastrophic to global destruction (>$10B)	Economic collapse to global economic collapse (>$10B)	Continental-scale devastation to global ecological collapse	Societal breakdown to global breakdown of truth and trust (e.g., civil wars, inability to discern facts)	Systemic oppression at global scale	Complete rights abolition to global human rights catastrophe affecting millions across continents	Global democratic collapse or authoritarian lock-in	Total surveillance state or global loss of privacy

* Categories are based on the CSET Taxonomy of AI Harm.
I have removed the 'Additional Definitions' and 'Other' categories from the CSET taxonomy and changed the 'Detrimental Content' category to 'Toxic or Malicious Content'.

Source: MIT AI Risk Initiative (AIRI), Georgetown University Center for Security and Emerging Technology (CSET)

Who Are The Providers Of Cybersecurity?

Companiesare tired offifty toolsthat donottalk to each other. Businesses are concentrating their spend on cybersecurity on a few platforms that cover network, cloud, endpoint, and identity, simplifying implementation. Palo Alto Networks (PANW) and CrowdStrike (CRWD) are built for that shift. Fortinet (FTNT) sells a great deal of the gear and software (e.g., firewalls) that still sits at the edge of the network. Zscaler (ZS) provides cloud-delivered zero-trust access and security services.

Microsoft (MSFT) already provides some security. It sits on the login and the desktop. Security is bundled into Microsoft 365 and Azure more often than it is bought as a standalone seat. Azure is Microsoft's rented computing service: companies run software and store data in Microsoft's data centers instead of only in their own building. Alphabet (GOOGL) chose a different route. It bought a specialist company called Wiz.

Palo Alto Networks (PANW) (Top) With Stochastics (Bottom)

Source: Bloomberg, Annotations by Sanctuary Wealth, September 11, 2026

CrowdStrike (CRWD) (Top) With Stochastics (Bottom)

Source: Bloomberg, Annotations by Sanctuary Wealth, September 11, 2026

Fortinet (FTNT) (Top) With Stochastics (Bottom)

Source: Bloomberg, Annotations by Sanctuary Wealth, September 11, 2026

Zscaler (ZS) (Top) With Weekly Stochastics (Bottom)

Source: Bloomberg, Annotations by Sanctuary Wealth, September 11, 2026

What Google Bought When It Bought Wiz

Alphabet (GOOGL) acquiredWiz for about$32 billion incash, the largest purchase in Google's history. The deal closed in March 2026. Wiz is a cloud-native application protection platform (CNAPP). It scans an organization's cloud estate — Amazon Web Services, Microsoft Azure, and Google Cloud — and maps weak settings and known software flaws without installing a monitoring program on every server. Google Cloud trails Amazon and Microsoft in market share. Wiz is how Google tries to make security a reason to use Google Cloud, besides Mandiant, the breach-investigation firm Google acquired in 2022, and the rest of its threat tools. Wiz still says it will watch the clouds of other companies. Customers want that independence. Ownership by a giant cloud vendor is the tension. Wiz was an important acquisition, and the price tag is the signal: Google paid a specialist valuation for a specialist product.

CNBC

Google to acquire cloud security startup Wiz for $32 billion after deal fell apart last year

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Cyber Equipment Providers

Broadcom (AVGO)and Cisco Systems(CSCO) show up in cybersecurity funds because they sell networking, chips, and security features. International Business Machines (IBM) still sells security and a great deal of consulting. So, these companies are playing a part in the cyberspace, too.

Broadcom (AVGO) (Top) With Weekly Stochastics (Bottom)

Source: Bloomberg, Annotations by Sanctuary Wealth, September 11, 2026

Cisco Systems (CSCO) (Top) With Weekly Stochastics (Bottom)

Source: Bloomberg, Annotations by Sanctuary Wealth, September 11, 2026

Companies In the Cybersecurity Business

Name	Ticker	What they sell	How pure
Palo Alto Networks	PANW	Network, cloud, and security operations on one platform; now includes CyberArk identity after the 2026 deal	High. Security is the company.
CrowdStrike	CRWD	Endpoint and the Falcon platform: detect, respond, identity	High. Cloud-delivered security.
Fortinet	FTNT	Firewalls, custom chips, and a broad product line for the network edge	High. Hardware plus software.
Zscaler	ZS	Access that verifies every user and device instead of trusting the old office network	High. Cloud security.
Gen Digital	GEN	Consumer brands most households already know: Norton, LifeLock, Avast	High for consumer security. Not an enterprise platform.
Okta	OKTA	Identity: who is allowed in, including machines and software agents	High. Identity is a slice of security, not the whole stack.
Check Point Software Technologies	CHKP	Firewalls and a long-standing enterprise f ranchise	High. Slower growth, real profit.
SentinelOne	S	Endpoint challenger to CrowdStrike	High. Smaller, still scaling.

Personal Cybersecurity

Personalcybersecurity represents another segment of the market. Gen Digital is a name investors may recognize from the antivirus era. Its portfolio includes familiar consumer cybersecurity brands such as Norton, LifeLock, and Avast, offering protection for personal computers, mobile devices, identities, and other digital activity.

Gen Digital (GEN) (Top) With Weekly Stochastics (Bottom)

Source: Bloomberg, Annotations by Sanctuary Wealth, September 11, 2026

Security Within Companies

Name	Ticker	Security role	How pure
Microsoft	MSFT	Defender, identity tools, and security operations, often inside the Microsoft 365 and Azure bill	Low as a cyber stock. Security revenue is large and bundled.
Alphabet	GOOGL	Google Cloud security plus Wiz and Mandiant	Low as a cyber stock. Cloud and advertising dwarf security.
Amazon.com	AMZN	Security features inside Amazon Web Services	Low. Retail and cloud are the firm.
Cisco Systems	CSCO	Network gear and security software	Partial. Networking first.
Broadcom	AVGO	Chips and some security software, including legacy Symantec enterprise pieces	Low. Semiconductors first.
International Business Machines	IBM	Security products and a large consulting book	Low. Hybrid cloud and services first.

Government And Defense

ThePentagon anditssuppliershave to secure classified networks, weapons software, and a long chain of small parts makers. CMMC regulations make the spend on cybersecurity necessary.

Lockheed Martin (LMT), RTX (RTX), Boeing (BA), and Northrop Grumman (NOC) all have cybersecurity capabilities, although these operations remain relatively small compared with their core aerospace and defense businesses.

Booz Allen Hamilton (BAH) is the exception on this list. Federal cyber, intelligence, and classified systems work is the business, not a sidecar. The stock generally moves with government budgets and contract timing and not with cyber stocks.

Booz Allen Hamilton (BAH) (Top) With Weekly Stochastics (Bottom)

Source: Bloomberg, Annotations by Sanctuary Wealth, September 11, 2026

Insurers Write The Same Risk In A Different Language

Cyberinsurance isa subset of property-and-casualty (P&C) insurance. Chubb (CB) is the largest domestic U.S. cyber writer and still a broad P&C insurer. American International Group (AIG), AXIS Capital (AXS), and Arch Capital (ACGL) also write the line. London specialty firms, such as Beazley (BEZ LN), have a higher share of their premium in cyber and are harder for a U.S. investor to own without an international listing.

Cybersecurity Investment Vehicles

Name	Ticker	Stated focus	How much is Cyber	What else is Inside
First Trust NASDAQ Cybersecurity ETF	CIBR	Cybersecurity index	Mixed. The large, liquid default.	Cisco and Broadcom sit near the top. Networking and silicon leak in.
Global X Cybersecurity ETF	BUG	Firms with a high share of revenue from security	Higher purity	Smaller fund. Tighter screen.
Amplify Cybersecurity ETF	HACK	Cyber and cyber-related	Mixed	Older fund. Mid-caps get more voice.
iShares Cybersecurity and Tech ETF	IHAK	Cyber plus adjacent tech	Broader than BUG	Cheaper. Less pure.
WisdomTree Cybersecurity Fund	WCBR	Theme scores from Team8, a private venture firm	Tighter list, about two dozen names	Small asset base.

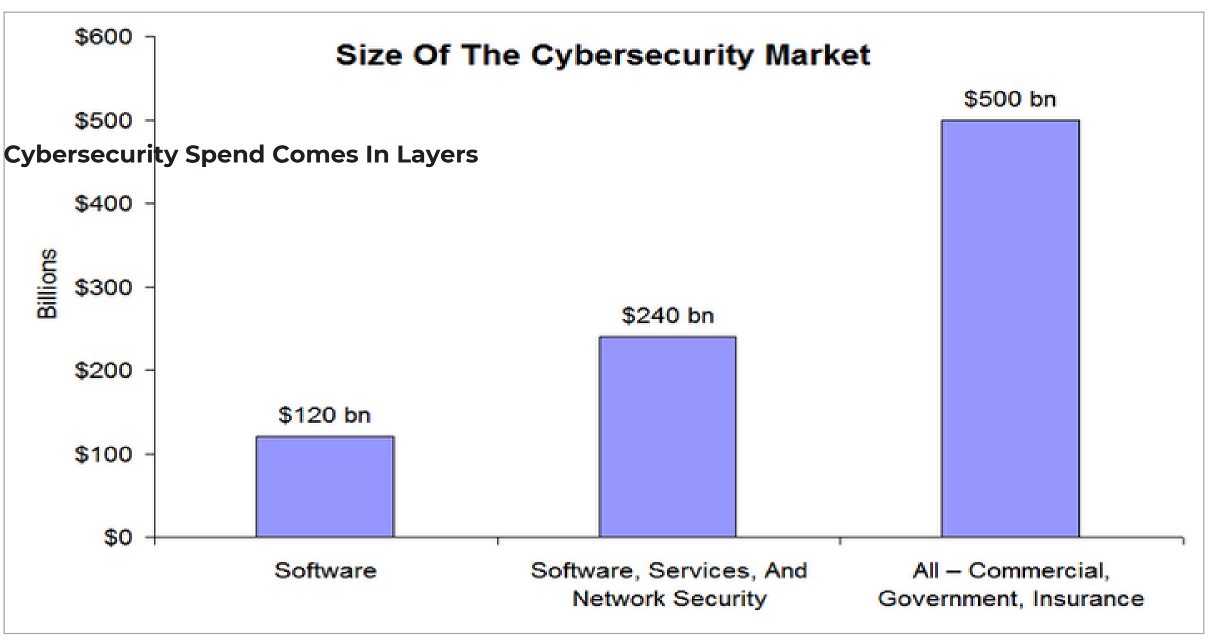
How Large Is The Market?

Cybersecurity software is anestimated $120 billion market in 2026, according to Gartner, which tracks organizational technology spending. Broaden the definition to include cybersecurity services and network security equipment, and spending rises to roughly $240 billion. An even wider view that includes areas such as government and insurance puts the cybersecurity market at approximately $500 billion. The publicly traded cybersecurity specialists discussed here operate primarily in the software segment, often with related services businesses.

Global X Cybersecurity ETF (BUG) (Top) With Weekly Stochastics (Bottom)

Source: Bloomberg, Annotations by Sanctuary Wealth, September 11, 2026

Cybersecurity Spend Comes In Layers



Source: Gartner, Fortune Business Insights, Sanctuary Wealth, September 2026

Company Fundamental Data

The companies today are priced for revenue growth that stays near 20%–25% and for operating margins that stay in the mid-20% to mid-30%. Fortinet is the profitable exception in that group and usually carries a lower sales multiple. CrowdStrike is one of the most profitable companies today. Zscaler has already been through a de-rating when growth disappointed. Gen Digital is the consumer franchise and should not be compared with CrowdStrike on the same ratio. The risk is that competition or a spending pause pushes those margins toward the teens and takes the multiple with them.

Specialists: Growth Versus Valuation

Company	Ticker	Price Sep 10	Trailing Revenue Growth	Trailing EPS Growth	Net Profit Margin	Projected 12M Forward EPS Growth
Palo Alto Networks	PANW	335.10	24 . 5%	-76.0%	2.7%	280.0%
CrowdStrike Holdings	CRWD	207.80	24 . 3%	113.4%	0.7%	76.3%
Fortinet	FTNT	157.22	18 . 8%	13.0%	28.2%	9.7%
Zscaler	ZS	166.10	25.4%	-44.4%	-1.9%	69.9%
Gen Digital	GEN	29.76	20.2%	79.4%	20.7%	2.5%
Okta	OKTA	172.74	11.2%	76.0%	9.6%	15.0%
Check Point Software	CHKP	135.06	4.6%	25.5%	37.9%	-20.3%
SentinelOne	S	19.44	21.1%	23.5%	-31.0%	36.5%

Source: Company reports, Bloomberg, September 10, 2026

Conclusion: Security Is A Necessity

Webelievedemand for cybersecurity is likely to rise for the foreseeable future. Artificial Intelligence has enabled malicious actors to weaponize new technologies and techniques more quickly and easily — a threat that should stiffen both government regulations and insurers' minimum requirements for businesses. We believe specialist firms such as Palo Alto and CrowdStrike should perform well in an environment in which tighter regulations and more stringent insurer guidelines force even reluctant businesses to invest in cybersecurity to defend against increasingly sophisticated malware. Giant cloud platforms such as Microsoft and Alphabet already provide security as part of their broader cloud computing offerings. If past practices continue, they should bundle an increasingly wide array of cybersecurity services to protect users' communications, data, and storage. The strictest cybersecurity requirements for the military, government, and critical infrastructure will likely remain the province of large defense contractors.

The purest selections in cybersecurity are the specialist firms. While cybersecurity is an important and necessary line of business for big cloud platforms and defense contractors, it isn't what drives their profitability.

Risks To Our Outlook

- Oil holding above $97and arun toward $110–$117
- The Federal Open Market Committee hiking rates aggressively and too fast — *we do not expect this*.
- The 10-year Treasury yield breaking and holding above 5%
- A stall in artificial-intelligence capital spending
- A cybersecurity vendor outage or black swan event with a significant cyberattack
- Escalation with Iran that closes shipping lanes again

Glossary

Azure — Microsoft's rented computing service. Companies run software and store data in Microsoft's data centers.

CNAPP — Cloud-native application protection platform. Tools that find risk across cloud accounts, code, and workloads. Wiz is one.

CMMC — Cybersecurity Maturity Model Certification. Defense Department contractor standard.

DORA — Digital Operational Resilience Act. EU rule for financial firms and key technology vendors.

Endpoint — The laptop, phone, or server where work actually happens.

ETF — Exchange-traded fund. A basket of stocks that trades like one share.

FOMC — Federal Open Market Committee. The Fed group that sets the U.S. policy interest rate.

Mandiant — A firm Google bought in 2022 that investigates breaches and hunts attackers.

NIS2 — EU cybersecurity directive for essential and important entities.

OT — Operational technology. Controllers and software that run plants, grids, and machines.

PPI / CPI — Producer Price Index and Consumer Price Index. Government measures of prices at the factory gate and at the store.

SASE — Secure access service edge. Network security delivered from the cloud.

SEC — Securities and Exchange Commission. The U.S. markets regulator.

SIEM — Security information and event management. A system that collects logs and flags incidents.

VPN — Virtual private network. Older method of punching a hole back into the office network.

XDR — Extended detection and response. Tools that watch endpoints and related systems and react.

Wiz — A cloud-security company Alphabet (Google) bought in 2026 that maps risks across Amazon, Microsoft, and Google cloud accounts without installing software on every server.

Zero trust — A design that verifies every user and device instead of trusting the inside of the network.

Last Words

The S&P 500 remains in a secular bull market. The strong earnings growth along with continued higher earnings estimate revisions is why our S&P 500 year-end target remains at 8,225. Over the coming years, we still see the index reaching 10,000–13,000. Gold's longer-term projection remains $10,000. Silver's remains $200.

It takes several interest rate hikes by the Fed to disrupt a bull market rally. The old rule is: *three steps and a stumble*, *meaning it takes three interest rate hikes to cause a correction in stocks.*

Near term, we continue to expect volatility, driven primarily by the conflict with Iran — with no resolution in sight, as well as by the nature of a mid-term election year. September is the weakest month in that cycle and within the year. Selloffs that start in September have often found a low in October. Those lows have more often been buying points than the start of a down 12-month stretch: of the 19 mid-term Septembers since 1950, only three of those stretches resulted in a negative return, and the worst of those was – 2.65%. Currently, the bullish sign is that Technology looks positioned to rally, which may ease any further decline in the market.

Cybersecurity is a growing industry. Artificial intelligence raised the bar for all businesses and consumers to have their technology protected. *Investors are best served by being patient. Be Fearless!*

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