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SUMMARY

- US' energy independence has helped mitigate negative economic effects of the oil price shock.
- Unit labor costs are growing at a slower rate, suggesting core inflation should moderate over time.
- S&P 500 earnings revisions continue to grow, suggesting the oil shock has not yet created a structural growth issue.

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Hope Beneath the Headlines

April 2026 Chart Pack Summary

We are excited to release our April 2026 [Chart Pack](#), our visual quarterly designed to walk investors through what is happening in markets and why, what may come next, and how we are positioning RiverFront portfolios. In today's *Weekly View*, we picked three Chart Pack visuals to highlight.

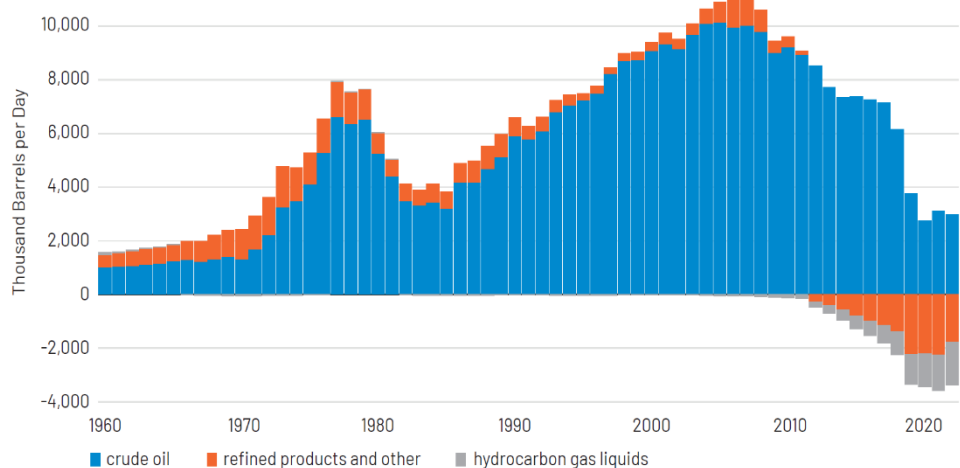
The first quarter of 2026 will be remembered as the quarter geopolitics returned with force. The Iran conflict sent Brent crude oil prices well above \$100/barrel. Markets responded with a measured but painful S&P 500 pullback, and the Fed, confronting near-term inflation uncertainty, kept rates unchanged at its March meeting.

And yet, beneath the geopolitical noise, the fundamental picture remains more constructive than the headlines suggest. Due to the US' much greater energy independence relative to past decades (Chart 1, below), the US economy has been able to withstand the uncertainty caused by the war. Importantly, longer-term inflation expectations remain anchored. In addition, inflation risks are also mitigated by technology-driven productivity gains; unit labor costs around 2% suggest to us that core inflation trends should continue to moderate (Chart 2, top of next page).

Critically, US corporate earnings estimates continue to be revised upwards (Chart 3), suggesting markets do not yet view the oil shock as a structural growth problem. We are watching events with humility, but we are not abandoning our constructive outlook — and we are already sizing up the opportunities that resolution will eventually present.

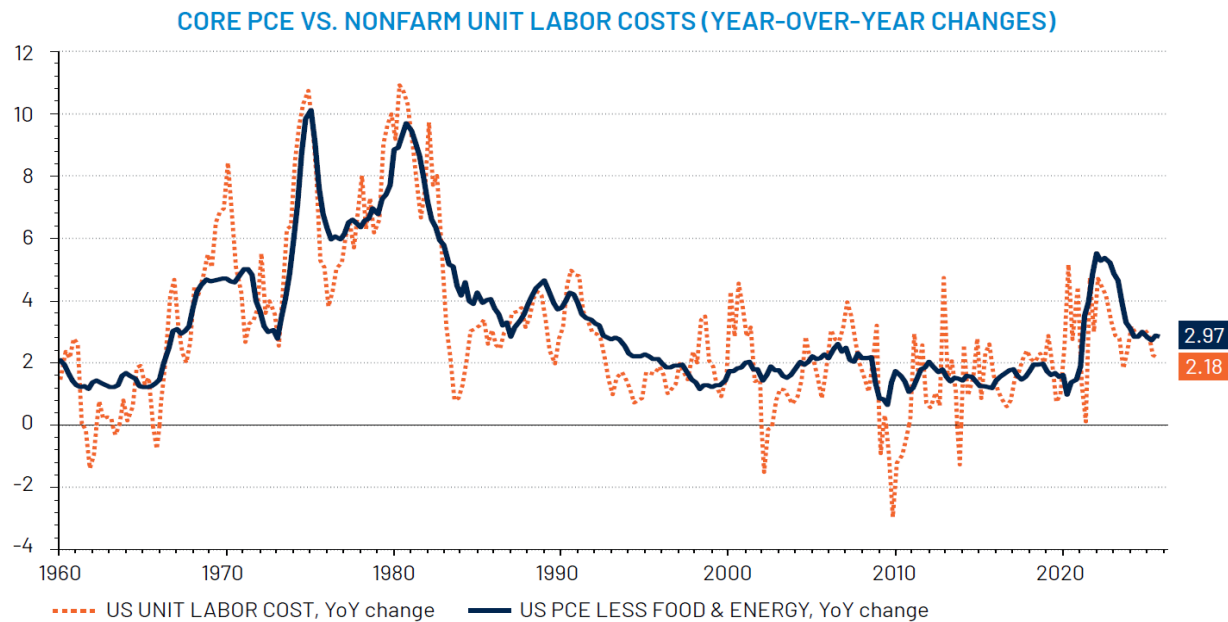
Chart 1: US Energy Revolution Has Changed the Rules

US NET PETROLEUM IMPORTS BY TYPE, 1960-2022



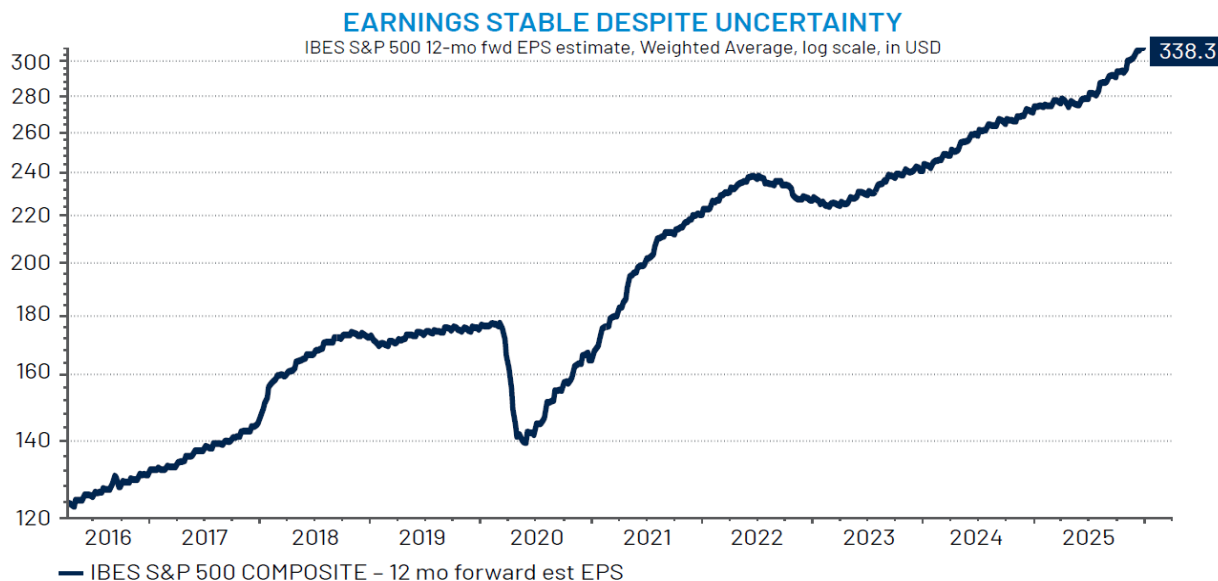
Source: EIA, *Monthly Energy Review*, Tables 3.3b and 3.3e, September 2023. The Organization of the Petroleum Exporting Countries (OPEC) is a group of 12 major oil-exporting nations.

Chart 2: Moderating Unit Labor Costs Suggest Tame Core Inflation



Source: LSEG Datastream, NDR Research, RiverFront; data quarterly. Last data release, Q3 2025. Chart shown for illustrative purposes only. Past performance is no indication of future results.

Chart 3: Oil Shock Has Not Yet Dented Earnings Outlook



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In writing and editing today’s commentary, we are grateful for the contributions of our intern, Jennifer Castro of Cristo Rey*
 *Cristo Rey is a Catholic learning community that educates young people of limited economic means to become men and women of faith, purpose and service. Through a rigorous college preparatory curriculum, integrated with a relevant work study experience, students graduate ready to succeed in college and in life. [Learn more here.](#)

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All charts shown for illustrative purposes only. Technical analysis is based on the study of historical price movements and past trend patterns. There are no assurances that movements or trends can or will be duplicated in the future.

Stocks represent partial ownership of a corporation. If the corporation does well, its value increases, and investors share in the appreciation. However, if it goes bankrupt, or performs poorly, investors can lose their entire initial investment (i.e., the stock price can go to zero). Bonds represent a loan made by an investor to a corporation or government. As such, the investor gets a guaranteed interest rate for a specific period of time and expects to get their original investment back at the end of that time period, along with the interest earned. Investment risk is repayment of the principal (amount invested). In the event of a bankruptcy or other corporate disruption, bonds are senior to stocks. Investors should be aware of these differences prior to investing.

In general, the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa). This effect is usually more pronounced for longer-term securities). Fixed income securities also carry inflation risk, liquidity risk, call risk and credit and default risks for both issuers and counterparties. Lower-quality fixed income securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. Foreign investments involve greater risks than U.S. investments, and can decline significantly in response to adverse issuer, political, regulatory, market, and economic risks. Any fixed-income security sold or redeemed prior to maturity may be subject to loss.

Investing in foreign companies poses additional risks since political and economic events unique to a country or region may affect those markets and their issuers. In addition to such general international risks, the portfolio may also be exposed to currency fluctuation risks and emerging markets risks as described further below.

Changes in the value of foreign currencies compared to the U.S. dollar may affect (positively or negatively) the value of the portfolio's investments. Such currency movements may occur separately from, and/or in response to, events that do not otherwise affect the value of the security in the issuer's home country. Also, the value of the portfolio may be influenced by currency exchange control regulations. The currencies of emerging market countries may experience significant declines against the U.S. dollar, and devaluation may occur subsequent to investments in these currencies by the portfolio.

Foreign investments, especially investments in emerging markets, can be riskier and more volatile than investments in the U.S. and are considered speculative and subject to heightened risks in addition to the general risks of investing in non-U.S. securities. Also, inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of certain emerging market countries.

Technology and internet-related stocks, especially of smaller, less-seasoned companies, tend to be more volatile than the overall market.

Index Definitions:

Standard & Poor's (S&P) 500 Index TR USD (US Large Cap) measures the performance of 500 large cap stocks, which together represent about 80% of the total US equities market.

IBES MSCI USA Information Technology Sector is The MSCI USA Information Technology Index is designed to capture the large and mid cap segments of the US equity universe. All securities in the index are classified in the Information Technology sector as per the Global Industry Classification Standard (GICS®).

Definitions:

The Organization of the Petroleum Exporting Countries (OPEC) is a group of 12 major oil-exporting nations. Founded in 1960, OPEC sets oil prices and stabilizes oil markets.

The Institutional Brokers' Estimate System (IBES) is a database used by brokers and active investors to access the estimates made by stock analysts regarding the future earnings of publicly traded American companies.

Earnings per share (EPS) is calculated as a company's profit divided by the outstanding shares of its common stock. The resulting number serves as an indicator of a company's profitability.

Inflation is a gradual loss of purchasing power, reflected in a broad rise in prices for goods and services over time.

A recession is a significant, widespread, and prolonged downturn in economic activity. A common rule of thumb is that two consecutive quarters of negative gross domestic product (GDP) growth indicate a recession. However, more complex formulas are also used to determine recessions.

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