

Investment Committee Update — September 25, 2026

Portfolio Positioning, the Fed's First Hike, & Our Unified Market Framework

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Where We Stand Today

Since our August update, the landscape has shifted meaningfully. The Federal Reserve raised rates for the first time since 2023, oil remains elevated, and the S&P 500 is holding in what we consider a critical monitoring zone. Our portfolio positioning has not changed following today's Investment Committee review — the defensive tilt we established is working as intended, and we believe it remains appropriate.

S&P 500 INDEX
7,701
As of Sept 25, 2026

FED FUNDS RATE
3.75%–4.00%
Raised Sept 16
(unanimous)

WTI CRUDE OIL
\$93.35
Nov 2026 futures

MARKET VOLATILITY (VIX)
15.67
Sept 24 close

How We Invest — Our Process in Plain Terms

At Clear View Wealth Advisors, we follow a disciplined, conditions-based investment process that unifies multiple analytical approaches into a single, coherent framework.

Rather than relying on any one indicator or making predictions about where markets will go, we draw on a wide range of trend data — economic, technical, and market-based — that helps us continuously assess the **conditions and direction** of the market. This analysis ultimately distills into a core signal: is the environment favoring **Risk On** (confidence, growth, opportunity) or **Risk Off** (caution, defense, capital preservation)?

That signal then drives how we position your portfolio — over- or underweighting different asset classes to minimize unnecessary risk while keeping you positioned for long-term market appreciation.

What We Analyze	What It Tells Us	How It Shapes the Portfolio
Structural / Macro Conditions	Where are we in the long-term economic cycle? Is the system stable or under stress?	Sets the overall defensive or growth posture
Tactical Market Signals	What are prices, momentum, and volatility telling us right now?	Drives overweight / underweight decisions across asset classes

What We Analyze	What It Tells Us	How It Shapes the Portfolio
Narrative & Sentiment	Are investors positioned for good news or bad? Is a narrative about to shift?	Identifies asymmetric risks; prevents chasing crowded trades
Risk Demand Reading	Is broad investor behavior signaling risk appetite or risk avoidance?	Final filter: confirms or tempers the overall positioning bias

The result is a **conditions-based** approach — not a forecast-based one. We do not try to predict the future. We measure the present, compare it against historical patterns, and position accordingly. When conditions improve, we add risk. When conditions deteriorate, we protect. The triggers we share with you in each update are the specific thresholds that define when we act — removing emotion and reaction from the process.

What This Means for You Your portfolio is not managed based on what we think will happen next week. It is managed based on where objective conditions place us in the market cycle today — and pre-defined rules for how we respond when those conditions change. This process is designed to **minimize unnecessary risk while keeping you positioned for long-term market appreciation.**

The Fed Moved — What It Means for You

On September 16, the Federal Reserve unanimously raised the federal funds rate by 0.25%, bringing it to 3.75%–4.00%. This was the first rate increase since 2023, and it signals a clear shift: the era of rate cuts has been replaced, at least temporarily, by a renewed focus on taming inflation.

Why did they hike? Headline consumer prices are running at 3.7% and core inflation (excluding food and energy) remains at 3.4% — both well above the Fed's 2% target. Oil prices continue to play a central role, with energy costs driving a significant portion of the inflation the Fed is trying to contain.

What happens next? A second rate increase at the October 27–28 FOMC meeting is now widely anticipated. Futures markets currently price the Fed Funds Rate rising toward approximately **4.3% by year-end**. Our portfolio was already positioned for this path — so no reactive changes are needed.

Fed Action / Signal	What It Means for the Portfolio
Rate raised to 3.75%–4.00%	Cash and short-term bonds now earn meaningfully more — our overweight is working
Another hike likely Oct 27–28	Already positioned; no need for reactive changes
Treasury yields rising sharply	Confirms our significant reduction in long-duration bond exposure

Fed Action / Signal	What It Means for the Portfolio
Energy prices driving inflation	Supports our overweight allocation to the energy sector

How We Are Reading the Market — Our Unified Framework

We use three complementary analytical lenses — the Entropy Framework, the Tipping Point lens, and Elliott Wave cycle positioning. Together, they tell a consistent story: **the system is under structural stress, and caution is warranted.**

The Entropy Framework. Over 3,000 years of monetary history, financial systems tend to follow a five-stage breakdown path when structural imbalances accumulate. We believe the current global financial system is in **Stage 3: Control** — characterized by rate manipulation, regulatory tightening, and intensifying policy intervention. Stage 4 (Fracture) involves currency stress and institutional credibility loss. We are not there yet, but our positioning reflects the possibility that the current regime is approaching a transition, not simply cycling through a normal slowdown.

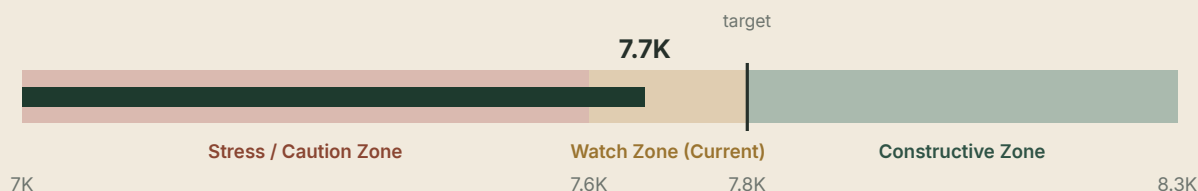
Stage	Phase	Key Signals	Status
1	Money Printing	QE, debt monetization, central bank expansion	Complete
2	Government Spending	Fiscal stimulus, deficit expansion, entitlement growth	Complete
3	Control	Rate manipulation, regulatory tightening, intervention	CURRENT
4	Fracture	Currency stress, institutional credibility loss	Approaching
5	Coercion	Capital controls, forced restructuring, new system	Not Yet

The Tipping Point Lens. We watch for signals that a dominant market narrative is about to shift. Currently: AI valuations remain stretched, bad news is beginning to matter more again, and the transition from soft to hard inflation data appears to be solidifying. These are early-stage signals — not a confirmed tip — but they reinforce our quality bias and reduced exposure to high-beta assets.

Elliott Wave (Tactical Cycle). From a market cycle perspective, we are characterizing the current environment as **Late Impulse** — a phase that historically favors a quality bias, reduction of high-beta exposure, and preparation for the corrective phase that typically follows.

S&P 500 Monitoring Levels. The index currently sits approximately **63 points above our primary risk management threshold of 7,638**. A sustained move above 7,816 would prompt us to consider modestly adding equity exposure. A confirmed break below 7,638 would trigger a review to further reduce equities and raise additional cash.

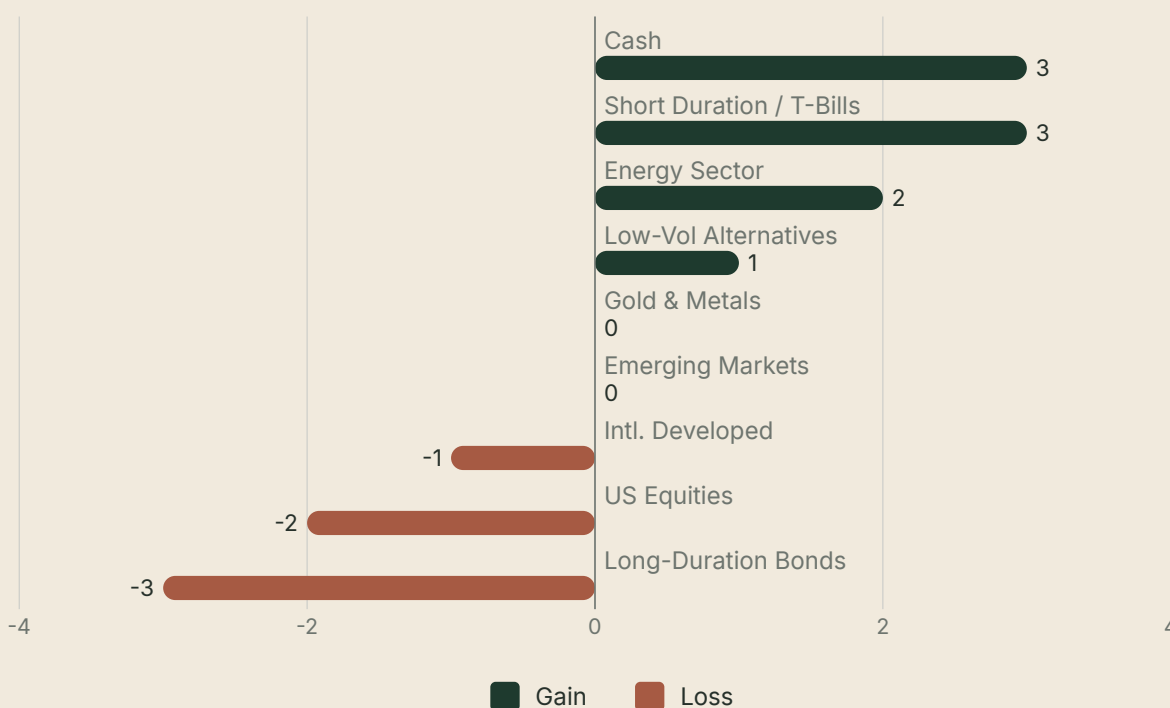
S&P 500 — September 25, 2026: 7,701 vs. Key Thresholds



How the Portfolio Is Positioned

Our portfolio is defensively tilted relative to our neutral model. The chart below shows where we are overweight (more than usual), underweight (less than usual), or neutral compared to a standard benchmark. No changes were made following today's Investment Committee review.

Portfolio Tilt vs. Neutral Model (Sept 25, 2026)



The framework supports this posture directly. Our Entropy Stage 3 reading calls for Gold, Real Assets / Energy, Inflation-Linked Bonds, and Short-Duration Fixed Income as the highest-conviction overweights — all reflected above. Long-Duration Bonds, High-Beta equities, and Concentrated Growth / AI names are underweighted based on the same framework.

The Lumber-Gold Ratio — A Signal We Are Watching This ratio compares lumber prices (a proxy for economic confidence and housing activity) to gold (a measure of investor anxiety). It currently sits near historic lows at approximately 0.12, driven by surging gold prices rather than any collapse in construction. **A rebound toward 0.15 or above would be an encouraging sign** that risk appetite is improving and could support gradually adding back to equity and precious metals exposure. Until then, the signal remains cautionary.

What We Are Watching — Five Triggers

Rather than forecast what markets will do, we pre-commit to specific actions at defined thresholds. These are the five triggers on our active watchlist today:

Trigger / Threshold	What We Would Do
S&P 500 sustained above 7,816	Consider modestly increasing equity exposure — improving market health signal
S&P 500 confirmed break below 7,638	Further reduce equities, raise cash, shorten bond duration
Fed raises rates Oct 27–28	Already positioned; reassess only if Fed surprises to either side
VIX spikes above 20	Immediate Investment Committee review; likely accelerate defensive adjustments
Lumber-Gold ratio rebounds to 0.15+	Signal of improving risk appetite; gradual re-entry into equities and precious metals

The Bottom Line

Markets are navigating a genuinely complex environment: a Fed that is tightening into an energy-driven inflation shock, an S&P 500 that is holding key levels but with little margin for error, and a structural backdrop — Stage 3 of the Entropy framework — that favors discipline over aggression.

Our portfolio reflects that reality. We are earning meaningfully more on the defensive portions of the portfolio (cash, short-term bonds) than we have in years, our energy exposure is providing inflation protection, and our buffer strategies continue to limit downside if equity markets soften.

We are not making dramatic moves. We are making deliberate, measured ones — guided by conditions, not forecasts. The triggers above define exactly when and how we would act. Until those thresholds are crossed, the current positioning stands.

As always, please reach out with any questions. We welcome the conversation.

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