US Dual Mandate Snapshot – August 2026

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Dual Mandate Snapshot August 2026 Christopher Hodge Head US Economist christopher.hodge@natixis.com Selin Aker US Economist selin.aker@natixis.com

C2 - Internal Natixis UNITED STATES OUTLOOK US: Labor and Inflation July Summary %ª Labor data was unambiguously downbeat for July with the headline nonfarm payrolls print coming in well below expectations at -23k (consensus: 80k). This is now the fourth straight month of lower job gains, and while panic is not warranted about labor market prospects, some additional caution certainly is. We have been of the view that there was very little inflationary impulse from the labor market and that was a large source of our optimism about the inflation trajectory in the next several months. Read more on our July Jobs Recap: Labor market stable? Not so fast, my friend , HERE . %ª Inflationary pressures have waned, albeit at a frustratingly slow pace and July's CPI data is evidence of a continued cooling. Both headline and core CPI prints came in at consensus and should marginally relieve pressure on the Fed to hike in September, though there is still another inflation print and a jobs report to come before then. This is still an inflation first Fed, but given the latest jobs numbers, it can no longer be an inflation-only Fed. All Fed meetings in the near future will need to price in the possibility of a surprise, but we continue to think that the Fed will be able to narrowly avoid a hike amid a slow and gradual drift down towards target inflation, a cooling consumer sector, and a more precarious jobs outlook. Read more on our July CPI Recap: Closer to fine , HERE . 2 UNITED STATES OUTLOOK -23k Nonfarm Payrolls 4.1% Unemployment Rate 0.07% m/m 0.22% m/m Headline CPI Core CPI

C2 - Internal Natixis US: Labor Market 3 UNITED STATES OUTLOOK

C2 - Internal Natixis UNITED STATES OUTLOOK Labor Market Outlook 4 UNITED STATES OUTLOOK Source: Natixis, Haver Labor market signals have been mixed, while weak hiring and declining labor participation rate indicate no reacceleration. Jul-25 Aug-25 Sep-25 Oct-25 Nov-25 Dec-25 Jan-26 Feb-26 Mar-26 Apr-26 May-26 Jun-26 Jul-26 NFP Growth (thous) 19 -9 23 -45 -8 -39 61 -4 73 69 142 77 20 Hiring Rate (%) 3.37 3.30 3.27 3.27 3.27 3.27 3.30 3.27 3.33 3.30 3.37 3.33 3.35 Labor Market Diff. (%) 12.0 11.4 10.3 10.0 9.0 8.9 7.8 7.0 6.2 6.4 6.2 5.4 4.0 NFIB Hiring Plans (%) 13.0 14.0 15.0 15.3 16.7 17.0 17.3 15.0 13.3 12.3 11.3 11.0 13.3 ADP (thous) 17 42 71 52 61 44 41 38 46 77 96 107 87 Wage Growth (%, 3m ann.) 391.6 377.0 323.2 400.9 386.6 346.6 306.3 318.3 369.4 368.2 341.4 302.2 212.7 Quits rate (%) 2.07 2.03 1.97 1.93 1.93 1.97 2.00 1.97 1.97 1.93 1.97 1.97 2.00 Initial Claims (thous) 232 231 230 230 229 224 218 217 213 213 209 213 213 Layoff rate (%) 1.13 1.17 1.13 1.17 1.10 1.10 1.03 1.07 1.10 1.10 1.10 1.07 1.10 Unemployment Rate (%) 4.23 4.23 4.33 4.38 4.45 4.45 4.40 4.37 4.33 4.33 4.30 4.27 4.20 Underemployment rate (%) 7.80 7.90 8.03 8.20 8.40 8.50 8.40 8.13 8.00 8.03 8.10 8.07 7.97 Continuing Claims (thous) 1927 1945 1940 1936 1936 1927 1903 1872 1851 1830 1805 1791 1791 Vacancies/Unemployed 1.00 0.98 0.95 0.94 0.92 0.89 0.91 0.94 0.97 0.97 0.96 0.99 0.95 Weeks of Unemployment 10.07 10.07 9.98 9.95 10.38 10.73 11.17 11.20 11.20 11.37 11.20 11.03 10.75 Job openings (%) 4.33 4.27 4.27 4.27 4.23 4.13 4.17 4.20 4.27 4.33 4.43 4.50 4.45 Note: The variables above are in 3-month moving average terms. Payroll Expansion Payroll Reduction Re-entry Risk

C2 - Internal Natixis UNITED STATES OUTLOOK Payroll Growth and Unemployment 5 UNITED

STATES OUTLOOK Source: Natixis, Haver Nonfarm payrolls turned negative… Source: Natixis, Haver … and the unemployment rate continued to decline in July. -100 100 300 500 700 900 21 22 23 24 25 26 (thous) Nonfarm Payrolls Payrolls Payrolls (3mma) 2018-2019 Average Payroll gains have been concentrated in services… -100 900 22 23 24 25 26 (thous) Change in Payrolls by Sector Mining, Logging & Construction Manufacturing Services (Lower Paying) Services (Higher Paying) Government … driven largely by private edu. & health and leisure and hospitality . 3.0 3.2 3.4 3.6 3.8 4.0 4.2 4.4 4.6 4.8 22 23 24 25 26 (%) Unemployment Rate Unemployment Rate Long Run UE (Fed) -500 500 1500 2500 3500 Jan-23 Jul-23 Jan-24 Jul-24 Jan-25 Jul-25 Jan-26 thous Job gains Since the start of 2023 Priv. Ed./ Health Government Leisure/Hospitality All Other

C2 - Internal Natixis UNITED STATES OUTLOOK Job Openings, Hiring, and Separations 6 UNITED STATES OUTLOOK Source: Natixis, Haver Job openings have stabilized… Source: Natixis, Haver …and there is now about one job opening for every job seeker. The low - fire low - hire dynamic continues … … while the separations rate remains close to flat. 3 4 5 6 7 8 4000 6000 8000 10000 12000 14000 19 20 21 22 23 24 25 26 % Thous Job Openings Job Openings 3mma Job openings rate (rhs) 0 1 2 3 16 18 20 22 24 26 (ratio) Vacancies to Unemployed V/U 2 4 6 8 10 12 19 20 21 22 23 24 25 26 (%) Separations Rate 0 2 4 6 8 10 19 20 21 22 23 24 25 26 (%) Layoffs and Hiring Rate Layoff Rate Hiring Rate

C2 - Internal Natixis UNITED STATES OUTLOOK Sectoral Labor Demand 7 UNITED STATES OUTLOOK Source: Natixis, Haver Job openings rate is higher in most sectors compared to 6m ago... Source: Natixis, Haver ...but is not as impressive compared to job opening rates a year ago. The job quits rate has held steady for most sectors in recent months… …but remains below year - ago levels across most sectors. -1.0 -0.5 0.0 0.5 Leisure & Hospitality Construction Info. Edu / Health Finance Prof. & Bus. Serv. Total Private State & Local Gov. Fed. Gov. Mining and Logging Manufacturing Trade/ Transport Other -1.6 -1.1 -0.6 -0.1 0.4 0.9 Info. Leisure & Hospitality Edu / Health Finance State & Local Gov. Total Private Fed. Gov. Prof. & Bus. Serv. Mining and Logging Other Manufacturing Construction Trade/Transport 0 2 4 6 8 Job Openings by Sector 3mma 6m ago (%) 0 1 2 3 4 5 Job Quits by Sector 3mma 6m ago (%)

C2 - Internal Natixis UNITED STATES OUTLOOK Labor Market Dynamism 8 UNITED STATES OUTLOOK Source: Natixis, Haver The labor churn rose, partly reflecting a decline in the labor force … Source: Natixis, Haver …while both hiring activity and worker confidence remain subdued. If job openings resume a downward trend … …there would imply upward pressure on the unemployment rate. 0 2 4 6 8 2 4 6 8 10 12 14 Job Openings Rate (%) Unemployment Rate (%) Beveridge Curve Dec-00 to Jun-09 Jul-09 to Mar-20 Apr-20 to Latest Jun-26 3 4 5 6 7 18 19 20 21 22 23 24 25 26 (%) Labor Churn: Hires and Quits / Labor Force 1.5 1.7 1.9 2.1 2.3 2.5 2.7 2.9 3.1 19 20 21 22 23 24 25 26 (%) Quits Rate 60 110 160 210 4000 6000 8000 10000 12000 14000 20 21 22 23 24 25 26 (2020=100) (Thous.) Job Openings JOLTS Indeed

C2 - Internal Natixis UNITED STATES OUTLOOK Survey-based Labor Market Outlook 9 UNITED STATES OUTLOOK Source: Natixis, Haver The labor market differential improved slightly… Source: Natixis, Haver …but consumer expectations remain mixed. Small businesses are more optimistic about growing their labor force … …while hiring remains uneven across manufacturing and services. 2 4 6 8 10 12 -80 -30 20 85 89 93 97 01 05 09 13 17 21 25 (% balance) (%) Conference Board Job Survey vs. Unemployment Labor Market Differential Unemployment Rate (rhs) 20 30 40 50 60 70 15 16 17 18 19 20 21 22 23 24 25 26 50+ = Expanding ISM Survey - Employment Manufacturing Services 0 10 20 30 40 15 16 17 18 19 20 21 22 23 24 25 26 (%, 3mma) NFIB Small Business Survey Planning to Increase Staff Now is a good time to expand 20 25 30 35 40 45 50 40 45 50 55 60 65 22 23 24 25 26 FRBNY

Survey of Consumer Expectations Expectations of Finding a Job in the Next 3 Months if Lose Job Today Expectations of Higher Unemployment Rate a Year from Now (RHS) (% mean prob.) (% mean prob.)

C2 - Internal Natixis UNITED STATES OUTLOOK Labor Demographics 10 UNITED STATES OUTLOOK Source: Natixis, Haver The unemployment rate for 20 to 24 year - old professionals improved… Source: Natixis, Haver …but t he labor force continued to contract. Foreign - born workers have higher participation rates… …but their numbers have declined. -3000 -2000 -1000 0 1000 2000 22 23 24 25 26 Net Monthly Change in the Labor Force Change in Foreign-born LFP Change in Native-born LFP Total change in LFP (thous) -6 0 6 12 0 100 200 300 400 500 19 20 21 22 23 24 25 26 Border Encounters and Foreign-born Worker Employment Border Encounters (LHS) Foreign-born workers (RHS) (thous) (%y/y, 3mma) 0 2 4 6 8 10 20-24 25-34 35-44 45-54 55+ Unemployment Rate by Age Jul-24 Jul-25 Jul-26 (%) 56 58 60 62 64 66 68 70 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 Labor Force Participation Rate Native Born Foreign Born (%)

C2 - Internal Natixis UNITED STATES OUTLOOK Wage Growth and Average Earnings 11 UNITED STATES OUTLOOK Source: Natixis, CBO, Haver Wage growth has slowed… Source: Natixis, Haver … and real average earnings remain subdued. CBO anticipates net immigration to slow … …which could signal that wages growth will rebound. -1 0 1 2 3 4 2020 2021 2022 2023 2024 2025 2026 2027 Net Immigration Lawful Permanent Resident Non-immigrant Visa Holders Other Foreign Nationals including Illegal Immigrants (Millions) 2 3 4 5 6 7 21 22 23 24 25 % Wage Gains 3m ann. 6m ann. y/y -4 -2 0 2 4 6 8 15 16 17 18 19 20 21 22 23 24 25 26 Real Average Hourly Earnings, Total Private (SA, 1982-84$/ Hour, % y/y) -5 0 5 10 18 19 20 21 22 23 24 25 26 Immigration and Wage Growth Immigration (12-mma) Wages (12-mma, 22-month lead lag) (%) r=-0.87

C2 - Internal Natixis UNITED STATES OUTLOOK Jobless Claims and Duration of Unemployment 12 UNITED STATES OUTLOOK Source: Natixis, Haver Both initial and continuing claims have taken a downturn recently … Source: Natixis, Haver …while the underemployment rate also eased. More unemployed are spending longer weeks looking for a job … … as the median duration of unemployment remain s high. 1200 1400 1600 1800 2000 2200 150 200 250 22 23 24 25 26 (thous) Jobless Claims Initial Claims (4wma) - lhs Continuing Claims (4wma) - rhs (thous) 8 13 18 20 21 22 23 24 25 26 (weeks) Median Duration of Unemployment Duration of Unemployment 3mma 0 10 20 30 08 10 12 14 16 18 20 22 24 26 % Un/under employment Unemployed Part time for economic reasons Not in labor force but want a job 0 10 20 30 0 10000 20000 30000 00 02 04 06 08 10 12 14 16 18 20 22 24 26 (weeks) (thous) Duration of Unemployment Less than 5 weeks 5-14 weeks 15-26 weeks 27 weeks or more Median

C2 - Internal Natixis UNITED STATES OUTLOOK -500 0 500 1000 23 24 25 26 Thous SelectedSector Job Gains Since 2023 Construction Manufacturing Information Financial Activities Prof/Business Services Job Cuts and AI 13 UNITED STATES OUTLOOK Source: Natixis, Haver Implied layoffs rose in July but are running around normal … Source: Natixis, Haver …and job cuts have varied across sectors. Job gains have declined in sectors most exposed to AI… …a nd AI related job cuts is in an increasing trend overall. -4 -3 -2 -1 0 1 2 3 Jan-21 Oct-21 Jul-22 Apr-23 Jan-24 Oct-24 Jul-25 Apr-26 The FRB of Cleveland WARN Notices WARN Factor (Standard Deviation, Positive = More Layoffs) 0 50000 100000 150000 200000 250000 300000 May-21 Mar-22 Jan-23 Nov-23 Sep-24 Jul-25 May-26 Job Cuts by Reason AI Economic Conditions Tariffs Bankruptcy Restructuring & Closing DOGE Actions & Cost-Cutting Other 0 10000 20000 30000 40000 May-23 Nov-23 May-24 Nov-24 May-25 Nov-25 May-26 Job Cuts by Reason: Artificial Intelligence (number)

C2 - Internal Natixis UNITED STATES OUTLOOK The Big Picture 14 UNITED STATES OUTLOOK

Source: Natixis, Haver The labor market appears to show signs of cooling, with muted hiring and declining labor force participation rate suggesting som e caution about the labor market outlook. The labor market does not look tighter and is unlikely to generate meaningful inflationary pressure in the near - term. -4 -3 -2 -1 0 1 2 3 -4 -3 -2 -1 0 1 2 3 02 04 06 08 10 12 14 16 18 20 22 24 26 Labor Market Tightness Indicators NFIB: % Firms w/ Positions Unable to Fill NFIB: Avg Change in Employment Per Firm NFIB: % Planning to increase employment Quits Rate Jobs-Workers Gap Conference Board: Labor Market Differential Unemployment Rate (inverse) Average Z-score Z-score

C2 - Internal Natixis US: Inflation 15 UNITED STATES OUTLOOK

C2 - Internal Natixis UNITED STATES OUTLOOK Inflation Outlook 16 UNITED STATES OUTLOOK Source: Natixis, Haver Inflation in July continued to show signs of easing and the lower price pressures were broad - based. Note: Values are m/m changes; colors reflect each component's z - score relative to its historical mean and standard deviation. Warmer s hades indicate stronger - than - usual inflation; cooler shades indicate weaker - than - usual readings. Jul-25 Aug-25 Sep-25 Oct-25 Nov-25 Dec-25 Jan-26 Feb-26 Mar-26 Apr-26 May-26 Jun-26 Jul-26 Headline CPI 0.23 0.35 0.30 - - - 0.17 0.27 0.87 0.64 0.47 -0.42 0.07 - - - Food at Home 0.02 0.51 0.28 - - - 0.19 0.44 -0.16 0.68 0.06 0.19 -0.07 Food Away from Home 0.28 0.29 0.14 - - - 0.15 0.32 0.24 0.23 0.30 0.23 0.31 Energy Commodities -1.10 1.58 3.41 - - - -3.26 1.10 21.35 5.62 6.70 -9.48 -2.92 Energy Services -0.16 -0.16 -0.45 - - - 0.19 0.17 0.41 1.62 0.36 -0.69 0.26 - - - Core CPI 0.31 0.31 0.22 - - - 0.30 0.22 0.20 0.38 0.21 -0.02 0.22 - - - Core Goods 0.21 0.22 0.20 - - - 0.04 0.08 0.11 0.03 -0.11 -0.09 0.20 Household Furnishings and Supplies 0.64 0.12 0.25 - - - 0.29 0.23 -0.18 -0.50 -0.24 -0.13 0.08 Apparel 0.11 0.26 0.54 - - - 0.31 1.28 1.03 0.64 0.29 -0.55 0.09 Transportation Commodities Less Motor Fuel 0.24 0.44 0.04 - - - -0.66 -0.10 -0.07 -0.10 -0.14 -0.08 0.23 New Vehicles 0.04 0.23 0.16 - - - 0.15 0.04 0.10 -0.16 -0.26 -0.02 0.08 Used Cars and Trucks 0.50 0.82 -0.21 - - - -1.84 -0.38 -0.42 0.00 0.10 -0.23 0.40 Medical Care Commodities 0.05 -0.26 -0.06 - - - -0.06 -0.04 -0.98 -0.35 -0.71 -0.16 -0.61 Recreation Commodities 0.44 0.01 0.36 - - - 0.63 0.36 0.53 0.07 -0.06 0.92 0.61 Education and Communication Commodities -1.12 -0.37 -0.60 - - - 0.27 -3.03 0.34 0.54 -0.02 -0.84 1.33 Alcoholic Beverages 0.10 0.59 0.20 - - - 0.18 0.11 0.26 0.28 0.06 0.03 0.18 Other Goods 0.12 0.43 0.52 - - - 1.07 0.09 0.46 0.52 0.15 -0.22 0.37 - - - Core Services 0.35 0.32 0.23 - - - 0.39 0.27 0.23 0.50 0.29 0.03 0.23 Shelter 0.22 0.38 0.22 - - - 0.20 0.19 0.30 0.63 0.33 0.13 0.14 Rent of Primary Residence 0.23 0.29 0.22 - - - 0.25 0.13 0.19 0.55 0.36 0.15 0.26 Lodging Away from Home -0.98 2.01 0.86 - - - -0.10 0.96 0.24 2.44 0.42 -2.32 -2.75 Owners' Equivalent Rent of Residences 0.28 0.34 0.16 - - - 0.22 0.22 0.28 0.53 0.30 0.24 0.26 - - - Water and Sewer and Trash Collection Services 0.44 0.36 0.15 - - - 0.68 0.70 0.49 0.26 0.23 0.32 0.45 Medical Care Services 0.82 -0.08 0.24 - - - 0.33 0.61 0.01 0.00 0.53 -0.12 0.56 Professional Services 0.72 0.10 -0.13 - - - 0.76 0.63 0.51 0.19 0.50 -0.12 0.41 Hospital and Related Services 0.44 -0.02 0.77 - - - 1.03 0.89 0.18 -0.25 0.62 0.12 0.40 Health Insurance 0.44 0.12 0.25 - - - -0.98 -1.12 -1.43 -0.41 -0.11 -0.46 -0.19 Transportation Services 0.62 0.88 0.28 - - - 1.35 0.24 0.61 0.33 -0.58 -0.35 0.28 Airline Fare 3.03 4.46 1.95 - - - 6.52 1.36 2.67 2.82 2.69 0.21 2.22 Motor Vehicle Maintenance and Repair 1.02 2.41 0.19 - - - 0.10 0.89 1.25 -0.19 0.79 1.09 0.63 Motor Vehicle Insurance 0.07 -0.05 -0.09 - - - -0.44 -0.33 -0.04 0.14 -1.69 -2.01 -0.29 Recreation Services 0.49 -0.15 0.38 - - - 0.39 -0.19 -0.37 0.08 0.50 0.27 0.00 Education and Communication Services 0.14 0.07 0.08 - - - 0.40 0.26 0.18 -0.09 0.88 -0.78 0.46 Other Personal Services 0.52 0.11 0.17 - - - 1.61 -0.16 -0.83 1.16 1.40 0.49 -0.16

C2 - Internal Natixis UNITED STATES OUTLOOK -1 4 9 19 20 21 22 23 24 25 (% y/y) Core CPI Core Goods Core Services ex. Housing Housing Core CPI Core goods, services, and housing inflation 17 UNITED STATES OUTLOOK Source: Natixis, Haver On the year, core CPI growth has declined … Source: Natixis, Haver …while core CPI rose on the month. On the year, all major core components fell in July … …and core goods remained negative on a 3 - month annualized basis. -5 0 5 10 15 19 20 21

22 23 24 25 26 (% y/y) CPI Core Goods Core Services Housing -10 0 10 20 30 20 21 22 23 24 25 26 (%) CPI Components Core Goods 3m ann. Supercore 3m ann. Housing 3m ann. -0.5 0.0 0.5 1.0 19 20 21 22 23 24 25 (% m/m) Core CPI Core Goods Core Services ex. Housing Housing Core CPI

C2 - Internal Natixis UNITED STATES OUTLOOK 0.0 0.5 1.0 1.5 2.0 0 2 4 6 8 15 16 17 18 19 20 21 22 23 24 25 26 Housing Vacancy Rates Rental Vacancy Rate Homeowner Vacancy Rate (RHS) (%) (%) Shelter Inflation 18 UNITED STATES OUTLOOK Source: Natixis, Haver Shelter inflation's 3 - month trend continued to ease… Source: Natixis, Haver …even as primary rent and OER accelerated in July. Real - time measures of rents remained flat on the year… …while availability of homes on sale declined overall. 0.0 0.2 0.4 0.6 0.8 1.0 19 20 21 22 23 24 25 (%) Shelter Inflation Composition Primary Rent OER Shelter 0 5 10 15 20 20 21 22 23 24 25 26 % y/y Rents: Real time vs. CPI Zillow CPI-OER 0.00 0.20 0.40 0.60 0.80 0 2 4 6 8 10 18 19 20 21 22 23 24 25 26 Shelter Inflation Shelter y/y Shelter m/m (3mma, RHS) (%) (%)

C2 - Internal Natixis UNITED STATES OUTLOOK -2 0 2 4 6 8 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 Core PCE Deflator 3m annual. 6m annual. Y/Y (%) PCE Inflation 19 UNITED STATES OUTLOOK Source: Natixis, Haver Core PCE rose after the Iran War but has shown signs of slowing… Source: Natixis, Haver …while headline inflation eased after the energy shock had lifted it. On the month, core PCE has been driven by services … …and on the year, much of that increase explained by acyclical factors . -1 1 3 5 7 16 17 18 19 20 21 22 23 24 25 26 (% y/y) Cyclical vs Acyclical Contributions to Core PCE Cyclical Contributions Acyclical Contributions Core PCE -0.4 -0.2 0.0 0.2 0.4 0.6 0.8 1.0 23 24 25 26 Core PCE Composition Core Goods Core Services Core PCE (% m/m) -2 0 2 4 6 8 22 23 24 25 26 Headline PCE Durables Non-durables Services Headline PCE (% y/y)

C2 - Internal Natixis UNITED STATES OUTLOOK Price and Supply Pressures for Businesses 20 UNITED STATES OUTLOOK Source: Natixis, Haver Import price continued to rise… Source: Natixis, Haver …driven by increases in industrial supplies and capital goods. Prices in manufacturing ticked down overall… … as global supply chain pressure eased . -5 0 5 10 15 15 16 17 18 19 20 21 22 23 24 25 Import Prices Core Imports (3m ann.) Core Imports (y/y) (%) -5 0 5 10 Feb-25 Jun-25 Oct-25 Feb-26 Jun-26 Import Prices by Category Foods, Feeds and Beverages Industrial Supplies Capital Goods Motor Vehicles & Parts Consumer Goods excluding Autos (%y/y) -20 30 80 130 19 20 21 22 23 24 25 26 (index) Price Paid Indices ISM Philly Empire State KC (avg) Texas (avg) -2 -1 0 1 2 3 4 5 16 17 18 19 20 21 22 23 24 25 26 Global Supply Chain Pressure Index + above average - below average

C2 - Internal Natixis UNITED STATES OUTLOOK Producer Price Inflation 21 UNITED STATES OUTLOOK Source: Natixis, Haver Producer price inflation eased on the year… Source: Natixis, Haver … with final demand near flat on the month.... …as both core goods and services inflation slowed … …and trade services fell in July. -1 4 9 14 17 18 19 20 21 22 23 24 25 26 (% y/y) Producer Price Index Final Demand ex Food and Energy ex Food, Energy, and Trade -2.0 -1.0 0.0 1.0 2.0 18 19 20 21 22 23 24 25 26 (% m/m) Producer Price Index Final Demand ex F/E ex F/E/T -2 -1 0 1 2 18 19 20 21 22 23 24 25 26 (% m/m) PPI Final Demand Core Goods Services -10 0 10 20 30 14 15 16 17 18 19 20 21 22 23 24 25 26 (%) PPI for Trade Services PPI for Trade Services (y/y) PPI for Trade Services (m/m) PPI Trade Services (3ma)

C2 - Internal Natixis UNITED STATES OUTLOOK Inflation Expectations 22 UNITED STATES OUTLOOK Source: Natixis, Haver On the quarter, c onsumers show expectations of higher inflation in a year. Source: Natixis, Haver The 10 - year break even rate rose over the month. Inflation swaps ticked up across the curve on the month… …while small businesses plan to raise prices but not wages. 1.5 2 2.5 3 3.5 23 24 25 (%) Inflation Swap by tenor 1y inflation swap 2y inflation swap 5y inflation swap 1 3 5 7

20 21 22 23 24 25 26 (% y/y) Consumer Inflation Expectations UMich (1 year ahead) FRBNY (3 year ahead) 0.0 1.0 2.0 3.0 4.0 01 03 05 07 09 11 13 15 17 19 21 23 25 10y Breakevens Rates (%) 10y Breakeven 0 20 40 60 15 16 17 18 19 20 21 22 23 24 25 26 NFIB Small Business Survey Planning to Raise Prices Planning to Raise Comp (%, 3mma)

C2 - Internal Natixis UNITED STATES OUTLOOK Special Charts: Energy Inflation Heat Map 23 UNITED STATES OUTLOOK Source: Natixis, Haver Note: Values are shown in the units indicated. For inflation and wage series, shading reflects the z - score of the year - over - year rate relative to that series' own history. For price and index - level series, shading reflects the z - score relative to its own history . Energy Prices/Reported Inflation/Pipeline Pressures Oct-25 Nov-25 Dec-25 Jan-26 Feb-26 Mar-26 Apr-26 May-26 Jun-26 Jul-26 Brent Front month price/barrel 60.07 59.48 57.87 60.26 64.52 91.00 98.06 98.51 81.79 79.22 Headline CPI y/y - - 2.65 2.39 2.43 3.29 3.78 4.17 3.46 3.30 CPI food y/y - - 3.04 2.93 3.14 2.75 3.22 3.08 2.99 2.94 CPI airfares y/y - - -3.37 2.23 7.05 14.89 20.71 26.70 26.54 25.55 CPI other intracity travel y/y - - -2.70 -3.31 -1.86 0.26 -0.23 -2.40 -3.37 -4.41 Gasoline price/gallon 3.08 3.07 2.91 2.84 2.93 3.70 4.13 4.50 4.05 3.97 SF Acyclical y/y 1.48 1.61 1.73 1.94 1.81 2.03 2.08 2.23 - - PPI Core Goods y/y 2.71 3.03 2.47 1.77 2.52 5.35 7.42 9.68 7.76 6.35 Trade Services y/y 1.28 1.94 3.48 4.46 4.89 5.00 6.95 2.34 3.79 2.42 FRBNY Global Supply chain pressures std. dev. pts -0.08 -0.13 0.58 0.47 0.58 0.68 1.84 1.81 1.19 0.79 Stickier Inflation Dynamics Core CPI y/y - - 2.65 2.51 2.47 2.60 2.74 2.82 2.57 2.47 Supercore y/y 2.89 2.61 2.75 2.68 2.76 3.14 3.34 3.58 3.10 2.83 Cleveland trimmed mean CPI y/y 2.99 2.86 2.91 2.72 2.67 2.64 2.83 2.91 2.63 2.60 Cleveland Median CPI y/y 3.28 3.10 3.10 2.97 2.85 2.72 2.80 2.85 2.71 2.69 SF Fed Cyclical y/y 1.29 1.24 1.26 1.20 1.25 1.24 1.28 1.29 - - Pricing intentions NFIB - price plans % balance 30.00 30.00 28.00 32.00 28.00 24.00 27.00 34.00 32.00 28.00 ISM Man - prices paid index 58.00 58.50 58.50 59.00 70.50 78.30 84.60 82.10 73.00 71.10 ISM - serv - prices paid index 68.90 63.30 60.40 65.70 63.60 72.30 74.70 74.60 68.50 70.80 Inflation Expectations Short term UMichigan 1y % 4.60 4.50 4.20 4.00 3.40 3.80 4.70 4.80 4.60 4.20 FRBNY 1y % 3.24 3.20 3.42 3.09 3.00 3.42 3.64 3.46 3.67 3.63 FRBNY 3y % 3.00 3.00 3.00 2.98 3.00 3.08 3.15 3.13 3.34 3.26 Swaps 1y % 3.58 3.54 3.45 3.39 3.43 3.38 3.67 3.69 3.80 4.01 Swaps 1y1y % 3.09 3.08 3.01 3.15 3.20 2.93 3.49 3.64 3.87 3.97 Swaps 2y2y % 3.26 3.26 3.19 3.44 3.48 3.09 3.49 3.59 3.79 3.80 Longer term Umich 5y % 3.90 3.40 3.20 3.30 3.30 3.20 3.50 3.90 3.30 3.30 FRBNY CES 5y % 3.00 2.98 2.98 3.00 2.98 3.05 3.01 3.02 3.00 3.02 Swaps 5y5y % 2.25 2.18 2.21 2.22 2.15 2.12 2.17 2.27 2.22 2.23 10y Breakevens % 2.31 2.27 2.24 2.31 2.30 2.34 2.38 2.45 2.29 2.25 Wage Pressures AHE y/y 3.92 3.93 3.73 3.66 3.70 3.43 3.57 3.34 3.41 3.15 ECI index 174.05 174.05 174.05 175.62 175.62 175.62 - - - - Atlanta Fed y/y - 4.00 3.70 3.60 3.70 3.90 3.60 3.50 3.60 3.80 Indeed Wage Growth y/y 2.42 2.40 2.15 2.11 2.22 2.38 2.43 2.46 2.45 2.50 NFIB Plans to increase wages % balance 19.00 24.00 24.00 22.00 22.00 18.00 18.00 18.00 17.00 19.00

C2 - Internal Natixis UNITED STATES OUTLOOK Special Charts: Energy-related Inflation and Sentiment 24 UNITED STATES OUTLOOK Source: Natixis, Haver Energy prices surged again in July… Source: Natixis, Haver …while consumer sentiment softened. Airline passenger services prices eased… …and travel to overseas continued to decline on the year. 20 40 60 80 100 120 15 16 17 18 19 20 21 22 23 24 25 26 (NSA, Q1-66=100) U. Michigan Consumer Sentiment 2.50 3.00 3.50 4.00 4.50 5.00 40 60 80 100 120 140 Jan-26 Feb-26 Mar-26 Apr-26 May-26 Jun-26 Jul-26 Aug-26 Crude Oil and US Gasoline Prices WTI Crude (Generic 1st) Brent Crude (Generic 1st) US Average Gas Prices (RHS) ($/barrel) ($/ gallon) -45 -30 -15 0 15 30 45 60 19 20 21 22 23 24 25 26 PPI Highlights: Headline, Energy, and Airline Passenger Services Headline PPI Energy PPI Airline Passenger Services PPI (%) -5 0 5 10 15 Jan-25 May-25 Sep-25 Jan-26 May-26 Americans Air Traffic to Overseas Regions (% y/y, SA)

C2 - Internal Natixis UNITED STATES OUTLOOK Special Charts: 2026 Mid-term Elections 25 UNITED STATES OUTLOOK Source: Natixis, Bloomberg …but also among Republicans and Independents.

Source: Natixis, Bloomberg, yougov.com Presid ent Trump's approval rating fell not only among the public… Democrats' generic ballot lead widened over Republicans… …as the perception of the country's direction worsened. For more analysis, read Mid-term Elections Preview – Part 3 , HERE . -60 -40 -20 0 20 40 60 80 100 Jan-25 Jul-25 Jan-26 Jul-26 (%) All Republicans Independents MAGA Republicans Non-MAGA Republicans 35 40 45 50 55 60 Feb-25 May-25 Aug-25 Nov-25 Feb-26 May-26 Aug-26 Approval Average Disapproval Average (%) 40 45 50 Apr-25 Jun-25 Aug-25 Oct-25 Dec-25 Feb-26 Apr-26 Jun-26 Aug-26 Generic Ballot: Republicans vs. Democrats Democrats Republicans (%) 20 30 40 50 60 70 Jan-25 Apr-25 Jul-25 Oct-25 Jan-26 Apr-26 Jul-26 Poll Average on the Direction of the Country Right Wrong (%)

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