

CPI, Inflation, Sector Performance, and Home Sales

March 23rd, 2026

- **Sector Spotlight** – The utilities sector was the strongest performer in February 2026, with a 10.36% return. The energy and materials sectors were close behind, with a 9.54% and an 8.40% return, respectively. The financial select sector was the worst performer in February 2026 with a -3.76% return (source: Y Charts).
- **CPI Update** – The February 2026 CPI increased by 0.3%, bringing the 12-month average to 2.4%. The shelter index rose by 0.2%, while the food index increased by 0.4% and the energy index jumped by 0.6%. The energy sector as a whole has increased by 0.5% for the 12-month period ending February 2026; however, the energy services sub-sector has seen a 6.3% hike (source: U.S. Bureau of Labor Statistics).
- **Stalling Sales** – In February 2026, existing home sales increased by 1.7% from January 2026; however, sales are still 1.4% lower than in February 2025. Similarly, the median sale price in February 2026 for all housing types was \$398,000, which is up 0.3% from \$396,800 in February 2025 (source: National Association of Realtors).
- **Got a Job?** – The unemployment rate finished February 2026 at 4.4%, which is a slight increase from January 2026's 4.3% (source: U.S. Bureau of Labor Statistics).
- **Software Sell-Off** – The software industry faced a turbulent February 2026. Despite the S&P 500 remaining relatively steady, software stocks on the exchange saw a 20.96% value drop, propelled by investor scrutiny and AI concerns (source: Y Charts).
- **The Price is Right** – Qualcomm, a smartphone chip designer, announced a \$20 billion stock buyback program, looking to take advantage of steep share price declines. Year-to-date through mid-March 2026, shares are down over 24% (source: Reuters).
- **Big Winner and Large Loser** – Texas Pacific Land Corp, an oil and gas company, posted the strongest S&P 500 return in February 2026, with a 50.5% return. Year-to-date, Texas Pacific Land Corp has seen an 82.5% share price return. On the contrary, EPAM Systems, Inc., an IT services company, had the largest share price decline, with a -32.4% return (source: Y Charts).
- **Blockchain Bank** – Mastercard announced the purchase of BVNK, a stablecoin payment infrastructure firm, for up to \$1.8 billion as blockchain-based transfers continue to gain popularity (source: Reuters).
- **Tournament Time** – The 2026 NCAA Championship Tournament teams have been finalized. Kansas returns for the 36th consecutive time, followed by Michigan State for the 28th consecutive time. Idaho will also make its debut after a 36-year dry streak. Similarly, Tennessee State and Santa Clara will also enter the tournament after 32 and 30 years, respectively (source: NCAA).
- **Is Gambling Good?** – According to a recent study by the Pew Research Center, nearly 70% of Americans don't see gambling as immoral. This is much higher compared to other countries, like Indonesia and India, with a mere 11% and 17% of respondents who don't view gambling as immoral (source: Pew Research Center).

Definitions and Indexes

This newsletter is provided for informational purposes only and does not constitute investment advice or a recommendation regarding any specific product or security. Past performance is not indicative of future results. You cannot invest directly in an index. All references to tax or legal matters are provided for informational purposes only. You should consult your legal or tax professional regarding your specific situation. All investing is subject to risk, including possible loss of principal.