

*The following commentary is the opinion of our Portfolio Manager at the time of its writing. Please see important disclosures.*

## OVERVIEW

After AI jitters took down technology stocks and with them the S&P 500 two weeks ago, sentiment reversed this week and that sector led to the S&P 500 recovering most of those losses. Meanwhile, the fundamental trend in the economy led to more gains in those sectors most sensitive to the economy. The key to those trends seems to be more evidence of a rebound in manufacturing. Also, inflation fears remain subdued from good news in January's *CPI Report* which came in at 0.2% versus 0.3% the prior month and 2.4% versus 2.7% year over year the prior month. Globally, there also appears to be no inflation impact from the tariffs based upon reports from China and Brazil.

The S&P 500 ended the week up 1.07% with Foreign Developed at 0.86% and Emerging Markets at 0.79%. In the US, the technology recovery led Large Caps to outperform Small Caps and Growth to best Value.

Bond yields crept up a bit leading to small fractional losses in Interest with Blend flat and Credit at small fractional gains. The Dollar rallied, which led to larger small fractional losses in Global Bonds.

Commodities were broadly positive led by Metals and Oil.

## PERFORMANCE

### ***TAG TACTICAL STRATEGIES: Global Macro***

All three *Core Strategies* substantially outperformed their proxies. Positions in US and Foreign Credit Bonds and Natural Resources drove the outperformance.

*Tactical Income* outperformed its proxies with a small fractional gain. Positions in US and Foreign Credit Income Securities drove the outperformance. The yield as of February 20, 2026, is at 5.34%.

*Tactical Equity* substantially outperformed its proxies due to positions in Metals Miners, Brazil Small Cap and Aerospace & Defense.

### ***RPg STRATEGIES: Quantitative Formula***

*Tactical US Equity* substantially trailed the S&P 500 due to its overweight in Value Sectors and underweight in Technology, whereas two weeks ago it substantially outperformed for the same reasons with a gain against a loss for the S&P 500. *Tactical US Equity FT* likewise underperformed for the same reasons.

*Tactical Global Balanced* outperformed its proxies due to positions in Foreign Developed Equities and Natural Resources.

## OUTLOOK

The financial markets did not appear to react much to the SCOTUS ruling that Trump's tariffs were illegal. Perhaps there is the expectation that the reordering of global trade will continue, if under some different names.

### **Your RPg Investment Team**

*We welcome your comments and questions regarding the foregoing.*

Please direct them to: [support@riskparadigmgroup.com](mailto:support@riskparadigmgroup.com)

***Please read and refer to important disclosures that follow.***

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