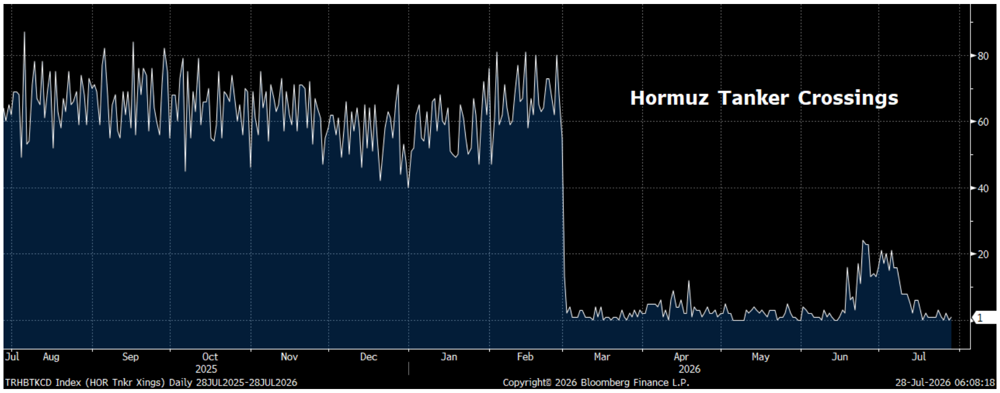
HILBERRY GROUP
WEALTH MANAGEMENT

July 31, 2026

Back to Earth

Hopes have been dashed for a rapid end to the Iran War ('conflict' 'military operation'). Meanwhile Chip & Tech stocks rallied hard on Thursday.

Oil is still trapped in the Persian Gulf



Microsoft (MSFT-NSDQ-$457.03) daily ranges 12 months

Source: LSEG, NBF, Hilberry

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DISCLOSURE: We hold Microsoft personally, for family members and for client accounts over which we have trading authority. We have traded in Microsoft within the past 60-days.

National Bank Financial Market Overview: Middle East Crisis - July 24, 2026

Financial Market Overview: Middle East Crisis - July 24, 2026

'Algoma Steel doubles down on Canada as U.S. tariffs constrain shipments' Globe & Mail July 30, 2026

Citing US tariffs on steel, Algoma Steel (not covered) announced another loss this week. They cited US tariffs constraining exports to the US as a major factor.

Algoma Steel doubles down on Canada as U.S. tariffs constrain shipments - The Globe and Mail

Following Donald Trump's April 2, 2025 'Liberation Day' tariff announcement, we predicted US inflation would result. Mr. Trump has repeatedly claimed US tariffs are paid by the countries exporting to the US. These claims have been debunked. He claims the tariffs will lead to a Golden Age of expanding US industrial production. We predicted tariffs would ultimately be paid by US consumers. We reviewed the effect of tariffs on consumers at our May, 2025 seminar, noting those at the bottom of the social ladder feel the worst effect.

The Cato Institute recently confirmed who pays tariffs.

'Steel Prices Rise (Again) Amid Persistent US Tariffs' – Cato Inst. July 9, 2026

*"According to **SteelBenchmarker**, the price of US hot-rolled band (HRB) reached $1,208 per metric ton on June 24, the highest reading since April 2023. The price of HRB in the US is 54 percent higher than in Western Europe ($780) and 146 percent higher than the world steel export market ($490); thus, while steel prices are trending down in other markets, US prices continue to increase. After this latest reading, the current US HRB price is 70 percent higher than it was on February 10, 2025, when President Trump announced that Section 232 tariffs would apply to steel imported from all countries. Figure 1 depicts these trends."*

Steel Prices Rise (Again) Amid Persistent US Tariffs | Cato at Liberty Blog

Mr. Trump cloaks his tariff policies in US industrial protectionism, while claiming to shift the burden of taxation to pay for Government services from US taxpayers to 'foreign exporters'. IE from the current US graduated tax schedule that sees the wealthiest pay the highest portion, to 'someone else'. As proved, that someone else is not a foreign entity. The US consumer ultimately pays. The lower your income, the more it hurts. We'll add tariffs have been applied on imported goods, not services. The US has a trade deficit in goods and a surplus in services. Guess who benefits from potentially shifting the tax burden to consumers? Silicon Valley produces 'services'. This may explain the happy faces at the 2025 Trump inauguration. When Canada attempted to tax digital services, Silicon Valley saw the risk to their global exports and raised heck with Washington. Canada ultimately backed down.

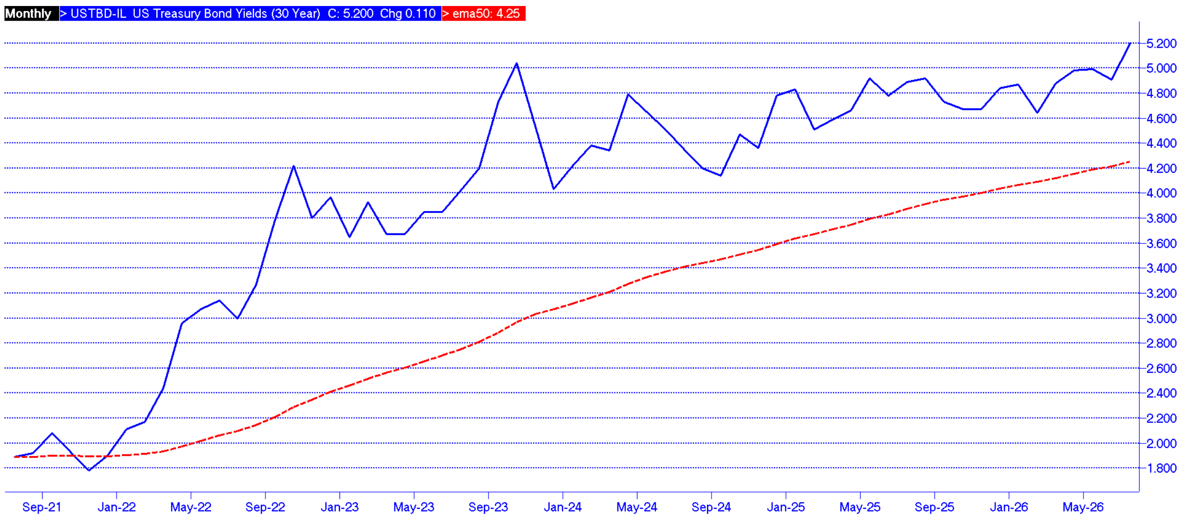
History says tariffs will not cover lost IRS revenue from corporate and upper bracket income-tax cuts. We believe a future administration will raise income taxes… some day. If Canada can redirect trade (if), we may be able to mitigate a decline in US consumer purchasing power. US trade policy may change in the future. Equity markets believe so (see below)

Canada: The average tariff rate hides the real pain – NBF July 29, 2026

[Hot Charts - Canada: The average tariff rate hides the real pain]

The bond market is not amused

US Fed 30-year T-bond Yield (5.20%)– monthly ranges – 5 years.



Source: LSEG, NBF, Hilberry – July 30, 2026

The US 30-year yield broke 5.20% this week. The 10-year hit 4.7%. New highs for both terms. The trend remains up. Bond investors are pricing for inflation. Equity markets shrugged. Would a 10-year yield of 5% drag money away from the stock market?

Fed Policy Monitor: Is Kevin Warsh a ‘paper hawk’? – NBF July 30, 2026

[Fed Policy Monitor: Is Kevin Warsh a ‘paper hawk’?]

Eurozone: Drought conditions are disrupting inland maritime trade – NBF

[Hot Charts - Eurozone: Drought conditions are disrupting inland maritime trade]

NATO'S Accelerating Rearmament 2026 - Defence Spending, Russia & European Readiness – Peron YouTube analysis

https://www.youtube.com/watch?v=YcIrZWdtL2w

Back to Earth….

Space Exploration Technologies Corp (SPCX-US-$116.11) daily since $135 IPO

Source: LSEG, NBF, Hilberry mid-session July 28, 2026

SpaceX's $135 IPO opened Friday June 12, 2026, at $150. Investor's chased it to a high of $225 on Tuesday June 16. It's been downhill ever since. The stock price broke below the IPO on July 14. This week saw new lows around $107. With no dividend, and no reporting history as a publicly traded company, SpaceX doesn't fit our Dividend Growth investment mandate. We've had adventuresome clients ask about a good entry point. Morgan Stanley analyst, and SpaceX bull, Adam Jonas estimates that at $100. SpaceX's price discounts out all AI potential. Mr. Jonas has a $300 target. Barron's previously estimated $90 as a target point.

July 8th Barron's had this to say…

> Valuing Elon Musk's rocket and artificial-intelligence company SpaceX might be as hard as developing reusable rockets. But with a bevy of new research reports, investors can see how Wall Street approaches the problem.
>
> Banks involved in an initial public offering typically wait a few weeks before starting research on a company. That was the case for SpaceX, and the waiting period ended on Tuesday. The company received 14 new Buy ratings, with an average price target of about $260. (The average price target, among all ratings, is about $247, according to FactSet).
>
> The $260 number values SpaceX at about $3.4 trillion, or an Exxon Mobil more than Microsoft.
>
> Microsoft and Exxon combined are expected to generate 2027 sales of almost $800 billion and earnings before interest, taxes, depreciation, and amortization, or Ebitda, north of $300 billion, roughly 10 times what SpaceX is expected to produce.

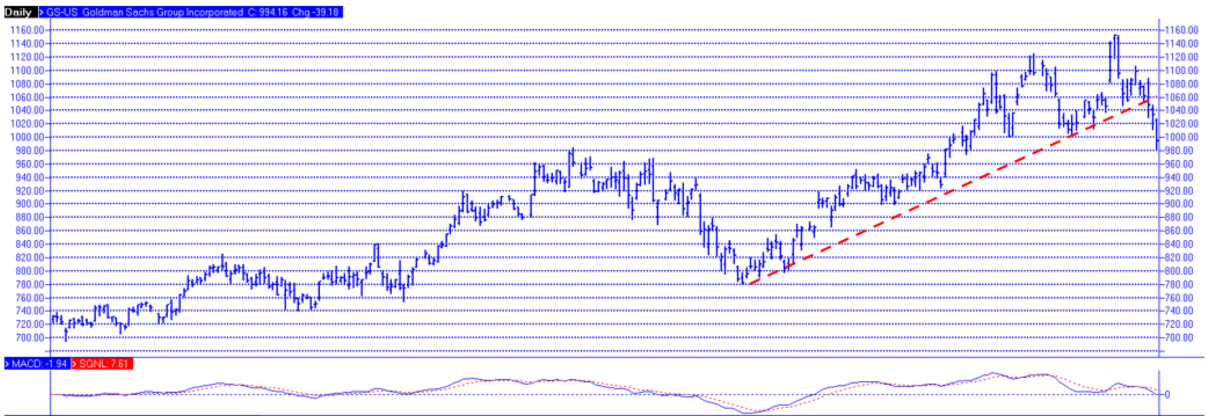
Source: [What is SpaceX Really Worth? Barron's July 8, 2026]

DISCLOSURE: We don't hold SpaceX personally, for family members or for client portfolios under our Dividend growth mandate. We've had clients request individual buys at their direction within the past 60 days.

Back to Earth 2?

Goldman Sach's share price broke the upward trend this week…

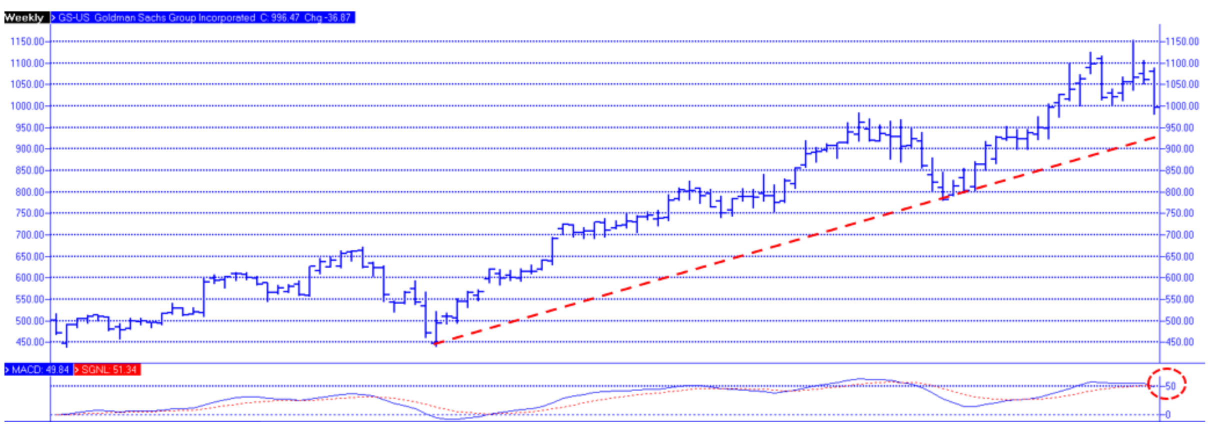
Goldman Sachs Group Inc (GS-NYSE-$995.50) daily ranges 12 months



Source: LSEG, NBF, Hilberry mid-session July 29, 2026

...or did it?

Goldman Sachs Group Inc (GS-NYSE-$995.50) weekly ranges 2 years

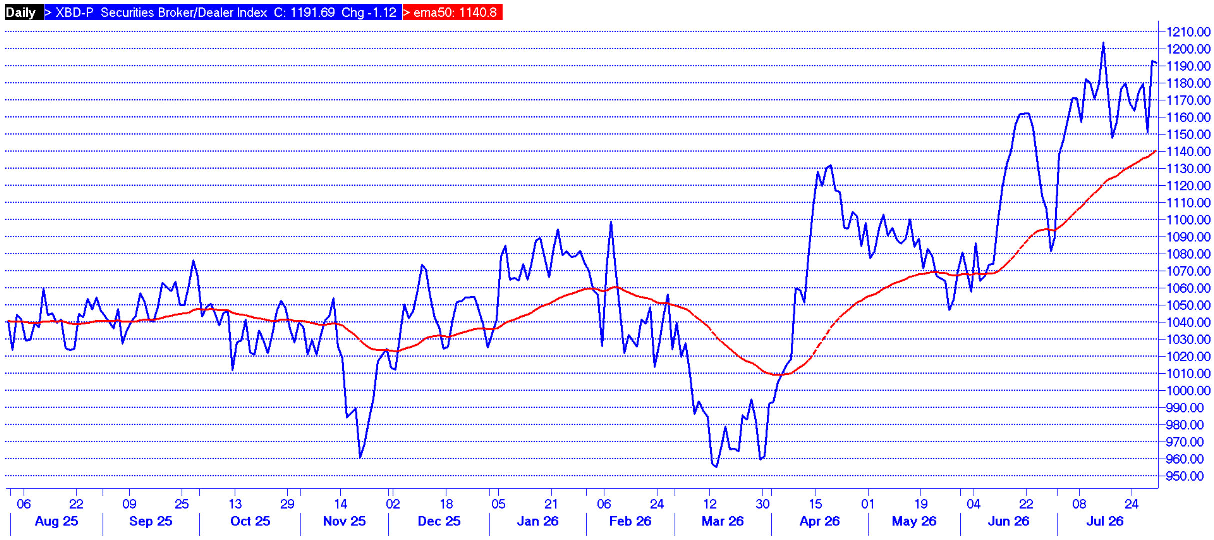


Source: LSEG, NBF, Hilberry mid-session July 29, 2026

Investors chased Goldman's shares to new heights this summer. Within the two-year run, Goldman's share price remains slightly over-bought (red circle right hand corner reading +50 | 0-100). Taking it out to 3 years, Goldman remains well into over-bought territory.

As a group the US Broker Dealers remain on an upward trajectory.

US Securities Broker/Dealer Index (XBD-1190) daily ranges – 12 mos



Source: LSEG, NBF, Hilberry July 31, 2026

DISCLOSURE: We hold Goldman Sachs personally, for family members and for client accounts over which we have trading authority. We have traded in the security within the past 60-days.

Back to Earth 3

Clients have asked... "What about Bombardier Inc.?" NBF Cameron Doerksen updated his opinion this week, maintaining a 'Sector Perform' rating and his $379 target.

'Q2 results ahead as end market fundamentals remain highly positive' – NBF July 30, 2026

BBD Q2 results - market fundamentals remain highly positive – NBF July 30, 2026

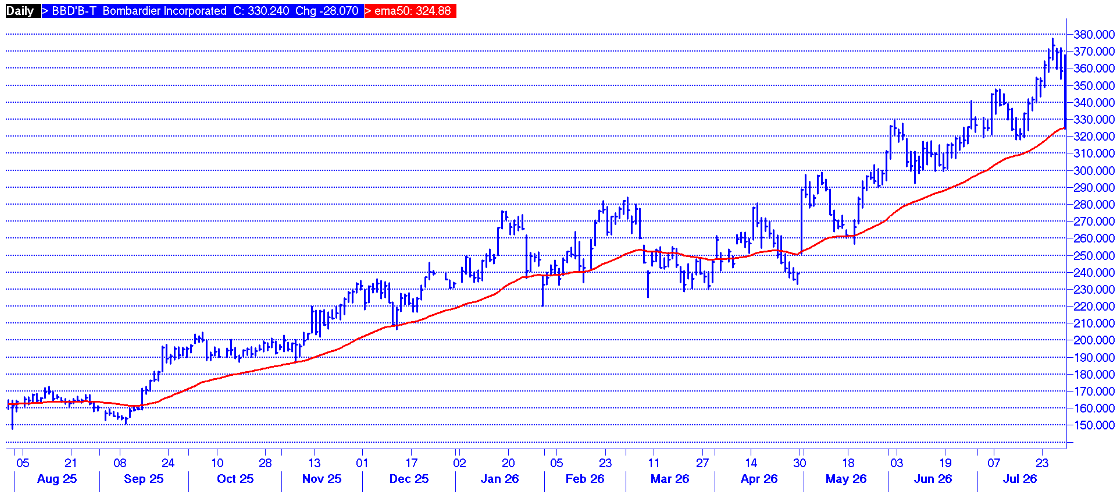
At the Monday high around $377, Bombardier's share price had doubled over the past 12 months. The stock has since sold off 14% to lows near $324 on Thursday.

Bombardier (BBD.B-TSX-$331.20) – 15 min intervals 2 weeks

Source: LSEG, NBF, Hilberry mid-session July 30, 2026

Bombardier (BBD.B-TSX-$331.20) – daily ranges -12 months

The drop takes Bombardier back to the 50-week moving average around $324 (red-line).



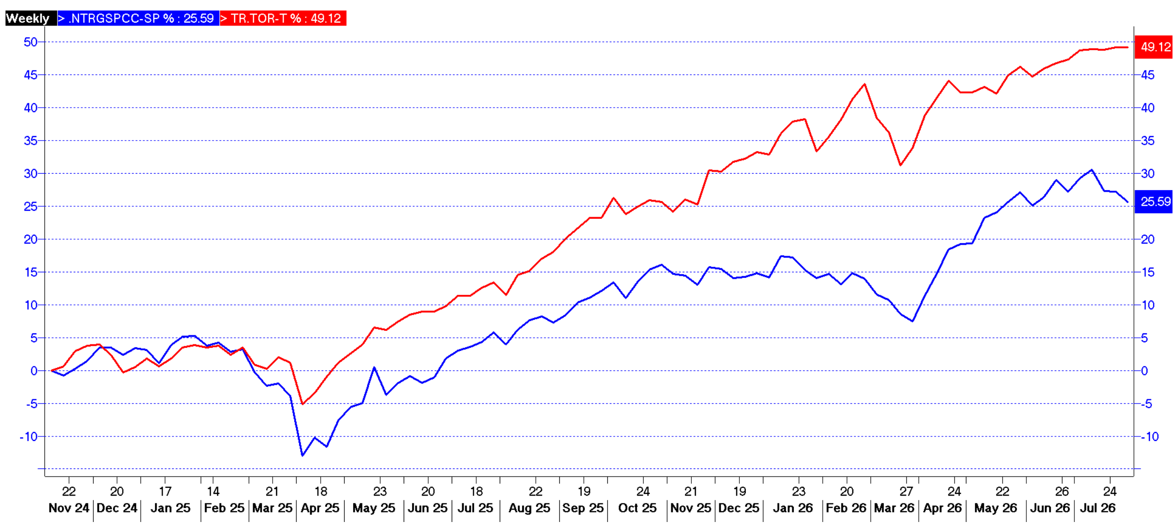
Source: LSEG, NBF, Hilberry mid-session July 30, 2026

After years languishing in the financial wilderness, is The Bomber back? For those wanting exposure to Canada's (potential) Aerospace & Defense growth, Bombardier is worth a look. Lacking a dividend, Bombardier doesn't fit our Dividend Growth mandate.

DISCLOSURE: We do not hold Bombardier common personally, for family members or for client accounts over which we have trading authority. We have not traded the security within the past 60 days.

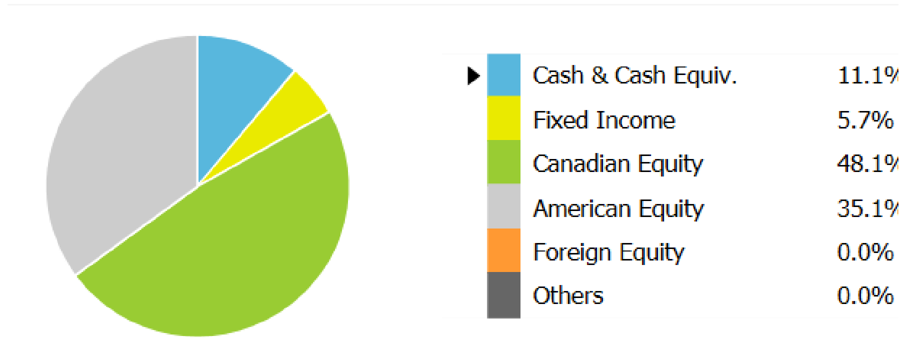
What about Canada then?

$CDN % change: TSX (+49.2%) vs S&P500 (+25.6%) Nov 4, 2024 - July 30, 2026



Source: LSEG, NBF, Hilberry mid-session July 30, 2026

Hilberry Dividend Growth Model Portfolio – Asset Allocation July 30, 2026



Despite the tariff mess, Canada's economy grew modestly in Q2. Canada's stock market continues to outperform. We haven't changed our asset mix. Remaining cautious on valuations, we're holding an above-normal 16.8% cash in our equity portfolios. We remain tilted towards Canada. It's been the place to be.

Have a Great Long Weekend

Steve & Anna Hilberry

Steve Hilberry
Wealth Management Advisor, CIM

Anna Hilberry
Wealth Management Advisor, CIM

FOR THE RECORD July 30, 2026 close

DOW INDUSTRIALS:	52,208
S&P 500:	7,437
S&P/TSX COMP:	35,505
WTI:	$84.37
LOONIE IN $USD:	$0.7128 $US

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