

MACRO OPS

TRADE • LEARN • EVOLVE

TURNING POINT REPORT



What History Tells Us About Fed Rate-Hiking Cycles

By Dean Christians

September 16, 2026



Key points:

- Stocks struggle in the first four months of a hiking cycle
- Energy and technology were the strongest sectors during tightening regimes
- Treasury yields rose, the dollar weakened, and commodities rallied

Federal Reserve policy matters for asset classes

The Federal Reserve looks poised to raise its target rate today, at least according to implied 30-Day Fed Funds futures prices. If it does, this would be the first hike since July 2023, which marked the final increase in an 11-hike cycle. A rate-hiking cycle is defined as three consecutive rate increases without an intervening cut. The number of hikes and the pace of a cycle—fast or slow—are only known in hindsight.

Today's report provides a historical guide to what typically happens during these cycles.

On average, a hiking cycle has included six target-rate increases. Interestingly, YoY CPI has averaged 3.3% at the outset of these cycles, versus 3.4% today, and has strongly tended to rise over the course of a cycle. Meanwhile, the S&P 500's three-year rate of change is currently above 70%, well above the historical average at the start of rate-hiking cycles and the third-highest level on record, trailing only 1999 and 1987.

TURNING POINT REPORT

September 16 2026

Rate Hike Cycle Summary								
Start Date	End Date	Speed / Type	Duration (Cal Days)	# Hikes in Window	CPI YoY %: Start	CPI YoY %: End	CPI YoY %: Chg	S&P 500 3-Year Rolling Return
1928-02-03	1929-08-09		553		-1.7	1.2	2.9	45.24
1946-04-25	1953-01-16	Slow Cycle	2458		3.4	0.4	-3.0	53.35
1955-04-15	1957-08-23	Slow Cycle	861	7	-0.7	3.3	4.0	61.46
1958-09-12	1959-09-11	Slow Cycle	364	5	2.1	1.0	-1.1	8.33
1963-07-17	1965-12-16	Slow Cycle	883	3	1.3	1.6	0.3	22.83
1967-11-20	1969-04-03	Fast Cycle	500	4	2.4	5.2	2.8	6.35
1973-01-15	1974-04-25	Fast Cycle	465	8	3.4	10.4	7.0	32.11
1977-08-31	1980-02-15	Slow Cycle	898	14	6.6	13.9	7.3	40.88
1980-09-26	1981-05-05	Fast Cycle	221	4	12.9	10.0	-2.9	30.89
1987-09-04	1989-02-24	Fast Cycle	539	3	4.3	4.7	0.4	92.68
1994-02-04	1995-02-01	Fast Cycle	362	7	2.5	2.8	0.3	27.46
1999-06-30	2000-05-16	Fast Cycle	321	6	2.0	3.1	1.1	103.12
2004-06-30	2006-06-29	Fast Cycle	729	17	3.3	4.2	0.9	-6.91
2015-12-16	2018-12-19	Slow Cycle	1099	9	0.5	2.2	1.7	46.65
2022-03-16	2023-07-26	Fast Cycle	497	11	7.9	3.0	-4.9	53.83
1968-12-19	1968-12-19	Non-Cycle	0	1	4.7	4.7	0.0	16.13
1971-07-16	1971-07-16	Non-Cycle	0	1	4.6	4.6	0.0	-2.27
1984-04-09	1984-04-09	Non-Cycle	0	1	4.8	4.8	0.0	17.16
1997-03-25	1997-03-25	Non-Cycle	0	1	3.0	3.0	0.0	71.54
Average Cycle				6	3.3	4.5	1.1	41.2
Average Non-Cycle				1	4.3	4.3	0.0	25.6

©Turning Point Market Research

For this analysis, I use the Ned Davis Research definition: fast hiking cycles feature rate increases more frequently than every other Fed meeting, on average. In contrast, slow cycles feature less frequent increases.

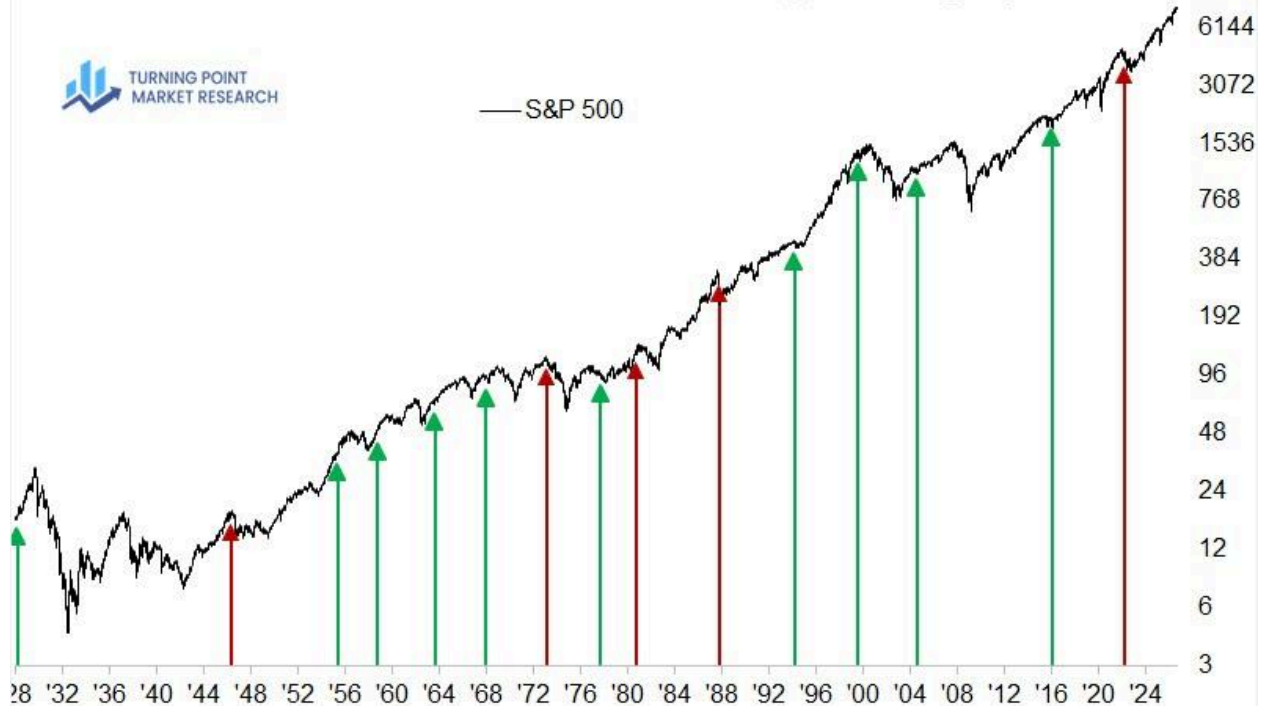
A medium-term downward bias in stocks

Over the ensuing four months of a rate-hiking cycle, the S&P 500 has tended to pull back. That behavior has become even more pronounced since 1967, with losses in 9 of 10 instances. Rate-hiking cycles have also shifted increasingly toward faster rather than slower cycles since 1967.

TURNING POINT REPORT

September 16 2026

S&P 500 after the first rate hike in a tightening cycle



Dates of 15 Signals	Cycle Type	1 Month Later (%)	2 Months Later (%)	3 Months Later (%)	4 Months Later (%)	5 Months Later (%)	6 Months Later (%)	9 Months Later (%)	12 Months Later (%)
1928-02-03		-0.6	9.5	10.1	12.8	7.8	8.1	23.0	29.4
1946-04-25	Slow	0.5	-0.5	-3.0	-3.9	-20.2	-17.8	-17.7	-18.7
1955-04-15	Slow	-2.5	5.1	11.7	11.1	18.5	9.0	16.3	26.3
1958-09-12	Slow	6.4	9.3	9.7	15.0	12.1	16.5	17.4	17.4
1963-07-17	Slow	3.6	6.0	5.0	5.8	8.4	11.1	16.9	21.9
1967-11-20	Fast	3.8	2.6	-0.4	-3.5	5.4	5.8	9.9	13.3
1973-01-15	Fast	-2.8	-4.1	-5.9	-10.1	-11.3	-10.7	-7.1	-20.4
1977-08-31	Slow	-0.2	-4.6	-2.0	-1.7	-7.8	-9.8	0.6	7.0
1980-09-26	Fast	1.2	10.9	6.9	3.2	3.9	6.3	4.4	-8.6
1987-09-04	Fast	0.8	-21.4	-29.3	-18.3	-20.4	-15.6	-15.7	-16.5
1994-02-04	Fast	-0.8	-4.0	-5.9	-2.7	-4.3	-2.5	-1.6	2.4
1999-06-30	Fast	-3.2	-3.6	-7.6	-2.2	2.5	6.6	9.9	6.0
2004-06-30	Fast	-3.4	-3.6	-2.3	-1.2	3.3	6.4	3.5	5.2
2015-12-16	Slow	-9.2	-7.5	-1.1	1.3	-1.2	-0.1	3.2	9.1
2022-03-16	Fast	0.8	-8.0	-13.0	-12.1	-1.2	-10.5	-8.3	-10.1
Mean		-0.4	-0.9	-1.8	-0.4	-0.3	0.2	3.6	4.2
Median		-0.2	-3.6	-2.0	-1.7	2.5	5.8	3.5	6.0
% Positive		47%	40%	33%	40%	53%	53%	67%	67%
Study Mean		0.6	1.3	1.9	2.6	3.2	3.8	5.8	7.8
Study % Positive		60%	62%	64%	65%	66%	67%	69%	69%
Significance		-1.1	-1.0	-1.4	-1.3	-1.2	-1.3	-0.7	-0.9

©Turning Point Market Research - Significance - Deviation from the norm

Green arrow positive after 1-year, red arrow negative

TURNING POINT REPORT

September 16 2026

During the first four months of a hiking cycle, losses of at least 5% were more common than gains of 5%, while 10% gains and losses occurred with equal frequency.

S&P 500 after the first rate hike in a tightening cycle

Dates of 15 Signals	1 Month		2 Months		3 Months		4 Months		5 Months		6 Months		9 Months		12 Months	
	Max Loss	Max Gain	Max Loss	Max Gain	Max Loss	Max Gain	Max Loss	Max Gain	Max Loss	Max Gain	Max Loss	Max Gain	Max Loss	Max Gain	Max Loss	Max Gain
1928-02-03	-2.6	0.9	-2.6	9.5	-2.6	13.4	-2.6	17.5	-2.6	17.5	-2.6	17.5	-2.6	23.2	-2.6	39.5
1946-04-25	-1.5	1.7	-1.5	3.8	-3.2	3.8	-6.2	3.8	-21.3	3.8	-23.8	3.8	-23.8	3.8	-23.8	3.8
1955-04-15	-2.5	0.9	-2.6	5.1	-2.6	13.8	-2.6	15.3	-2.6	18.5	-2.6	20.2	-2.6	22.3	-2.6	28.7
1958-09-12	0.0	6.4	0.0	9.3	0.0	10.2	0.0	15.0	0.0	15.5	0.0	16.8	0.0	20.9	0.0	25.1
1963-07-17	-1.5	3.6	-1.5	6.2	-1.5	6.3	-1.5	8.1	-1.5	8.4	-1.5	11.2	-1.5	16.9	-1.5	21.9
1967-11-20	0.0	4.4	0.0	5.5	-2.8	5.5	-4.3	5.5	-4.3	5.9	-4.3	7.9	-4.3	11.7	-4.3	18.2
1973-01-15	-4.5	0.3	-6.4	0.3	-8.4	0.3	-10.6	0.3	-13.3	0.3	-14.5	0.3	-15.1	0.3	-22.2	0.3
1977-08-31	-1.8	1.3	-6.0	1.3	-6.3	1.3	-6.3	1.3	-8.5	1.3	-10.1	1.3	-10.2	2.9	-10.2	8.6
1980-09-26	-2.2	5.8	-2.2	11.1	-2.2	11.2	-2.2	11.2	-2.2	11.2	-2.2	11.2	-2.2	11.2	-10.7	11.2
1987-09-04	-1.9	3.6	-29.0	3.6	-29.3	3.6	-29.3	3.6	-29.3	3.6	-29.3	3.6	-29.3	3.6	-29.3	3.6
1994-02-04	-1.4	0.6	-6.6	0.6	-6.6	0.6	-6.6	0.6	-6.6	0.6	-6.6	0.6	-6.6	1.3	-6.6	2.4
1999-06-30	-3.2	3.3	-6.7	3.3	-7.6	3.3	-9.1	3.3	-9.1	3.8	-9.1	6.6	-9.1	11.3	-9.1	11.3
2004-06-30	-5.0	0.0	-6.8	0.0	-6.8	0.0	-6.8	0.1	-6.8	3.8	-6.8	6.4	-6.8	7.4	-6.8	7.4
2015-12-16	-9.3	0.3	-11.8	0.3	-11.8	0.3	-11.8	1.3	-11.8	1.4	-11.8	2.2	-11.8	5.6	-11.8	9.6
2022-03-16	0.0	6.3	-9.8	6.3	-14.3	6.3	-15.9	6.3	-15.9	6.3	-15.9	6.3	-17.9	6.3	-17.9	6.3
Mean	-2.5	2.6	-6.2	4.4	-7.1	5.3	-7.7	6.2	-9.0	6.8	-9.4	7.7	-9.6	9.9	-10.6	13.2
Median	-1.9	1.7	-6.0	3.8	-6.3	3.8	-6.3	3.8	-6.8	3.8	-6.8	6.4	-6.8	7.4	-9.1	9.6
+/- 5%	1	3	8	7	8	7	9	7	9	7	9	9	9	10	10	11
+/- 10%	0	0	2	1	3	4	4	4	5	4	6	5	6	7	7	7
Min/Max	-9.3	6.4	-29.0	11.1	-29.3	13.8	-29.3	17.5	-29.3	18.5	-29.3	20.2	-29.3	23.2	-29.3	39.5

©Turning Point Market Research

Energy and Utilities were the only two sectors to post gains in each of the four intervals during the first four months. A year later, Technology was the strongest-performing sector.

TURNING POINT REPORT

September 16 2026

Sectors after the first rate hike in a tightening cycle

Median % Return	1 Month Later	2 Months Later	3 Months Later	4 Months Later	5 Months Later	6 Months Later	9 Months Later	1 Year Later
S&P 500	-0.2	-3.7	-2.0	-1.7	2.6	5.8	3.5	6.0
Communication Services	0.2	-2.4	-1.3	-0.5	-0.6	1.5	3.6	6.6
Consumer Discretionary	-0.8	-4.2	-2.7	-3.3	-2.7	6.3	4.3	4.2
Consumer Staples	-0.4	-2.1	-3.2	-1.9	1.6	1.1	3.8	1.9
Energy	1.2	0.7	3.6	1.5	4.1	3.5	3.3	4.7
Financials	-2.3	-2.3	-2.8	-0.2	0.0	-0.6	-0.5	3.8
Health Care	-1.9	-1.5	-3.9	-1.3	0.1	-0.5	6.7	7.7
Industrials	-0.8	-4.0	-2.3	-2.6	0.2	2.6	5.1	3.4
Information Technology	1.2	3.2	-1.7	-1.0	-0.4	0.6	-1.4	11.5
Materials	-1.3	-1.7	-1.8	-2.8	2.3	5.5	8.6	4.6
Real Estate	-0.9	-1.1	2.6	3.6	1.6	2.7	5.5	0.2
Utilities	1.5	1.3	1.6	1.3	2.1	0.9	3.5	2.1
Win Rate	1 Month Later	2 Months Later	3 Months Later	4 Months Later	5 Months Later	6 Months Later	9 Months Later	1 Year Later
S&P 500	46%	38%	31%	38%	54%	54%	69%	69%
Communication Services	54%	46%	46%	46%	46%	62%	54%	54%
Consumer Discretionary	46%	31%	23%	31%	23%	54%	62%	54%
Consumer Staples	46%	38%	38%	38%	54%	54%	77%	62%
Energy	62%	62%	69%	62%	62%	54%	77%	69%
Financials	23%	23%	38%	46%	46%	38%	46%	69%
Health Care	46%	46%	31%	38%	54%	31%	62%	62%
Industrials	46%	38%	38%	46%	54%	54%	69%	54%
Information Technology	54%	54%	38%	31%	38%	54%	46%	62%
Materials	46%	38%	38%	38%	54%	69%	62%	62%
Real Estate	46%	38%	54%	62%	54%	54%	54%	54%
Utilities	62%	62%	62%	54%	54%	62%	62%	54%

©Turning Point Market Research

Energy, utilities, and real estate consistently outperformed the broader market, posting positive excess returns across the one- to four-month period. Consumer discretionary and industrials, by contrast, generated negative excess returns.

TURNING POINT REPORT

September 16 2026

Excess Return: Sector compared to the S&P 500

Median % Return	1 Month Later	2 Months Later	3 Months Later	4 Months Later	5 Months Later	6 Months Later	9 Months Later	1 Year Later
Communication Services	0.4	1.3	0.7	1.3	-3.2	-4.3	0.1	0.7
Consumer Discretionary	-0.5	-0.6	-0.7	-1.6	-5.3	0.5	0.8	-1.8
Consumer Staples	-0.2	1.5	-1.2	-0.2	-1.0	-4.8	0.3	-4.1
Energy	1.5	4.3	5.6	3.2	1.6	-2.3	-0.1	-1.3
Financials	-2.1	1.3	-0.8	1.5	-2.6	-6.4	-4.0	-2.2
Health Care	-1.7	2.1	-1.9	0.4	-2.5	-6.3	3.2	1.7
Industrials	-0.6	-0.3	-0.3	-0.9	-2.3	-3.2	1.6	-2.5
Information Technology	1.5	6.9	0.3	0.7	-3.0	-5.2	-4.9	5.6
Materials	-1.1	2.0	0.2	-1.1	-0.2	-0.3	5.1	-1.4
Real Estate	-0.6	2.6	4.6	5.3	-1.0	-3.1	2.0	-5.8
Utilities	1.8	5.0	3.6	3.0	-0.4	-4.9	0.1	-3.9

©Turning Point Market Research

The table below shows which sector led during the 63 days preceding the first rate hike, each stage of the hiking cycle, and the full cycle. Across 98 rate hikes since 1955, energy led in 26 stages, followed by technology with 24. Industrials ranked last, leading in just two phases.

Best-Performing Sector Through The Hiking Cycle

Start Date	Best Pre-Hike	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Cycle
1955-04-15	RLST	COND	MATR	COND	INFT	INFT	INFT											ENRS
1958-09-12	RLST	COND	RLST	INFT	RLST													INFT
1963-07-17	INDU	COND	RLST															RLST
1967-11-20	INFT	FINL	COND	ENRS														FINL
1973-01-15	ENRS	INFT	ENRS	TELS	ENRS	TELS	MATR	MATR										MATR
1977-08-31	INFT	UTIL	RLST	RLST	UTIL	INFT	ENRS	TELS	INFT	RLST	RLST	ENRS	ENRS	ENRS				RLST
1980-09-26	RLST	ENRS	RLST	COND														HLTH
1987-09-04	MATR	TELS	CONS															TELS
1994-02-04	MATR	INFT	FINL	HLTH	INFT	INFT	UTIL											INFT
1999-06-30	MATR	ENRS	TELS	INFT	INFT	UTIL												INFT
2004-06-30	INDU	UTIL	ENRS	UTIL	INFT	ENRS	ENRS	HLTH	ENRS	ENRS	ENRS	FINL	MATR	ENRS	TELS	MATR	UTIL	ENRS
2015-12-16	INFT	ENRS	HLTH	INFT	INFT	COND	ENRS	HLTH	UTIL									INFT
2022-03-16	ENRS	ENRS	ENRS	COND	UTIL	ENRS	MATR	TELS	INFT	CONS	INFT							ENRS

©Turning Point Market Research

TURNING POINT REPORT

September 16 2026

The pace of tightening has mattered historically: fast rate hiking cycles were followed by negative returns over one to 12 months, while slow cycles were positive in all but one period.

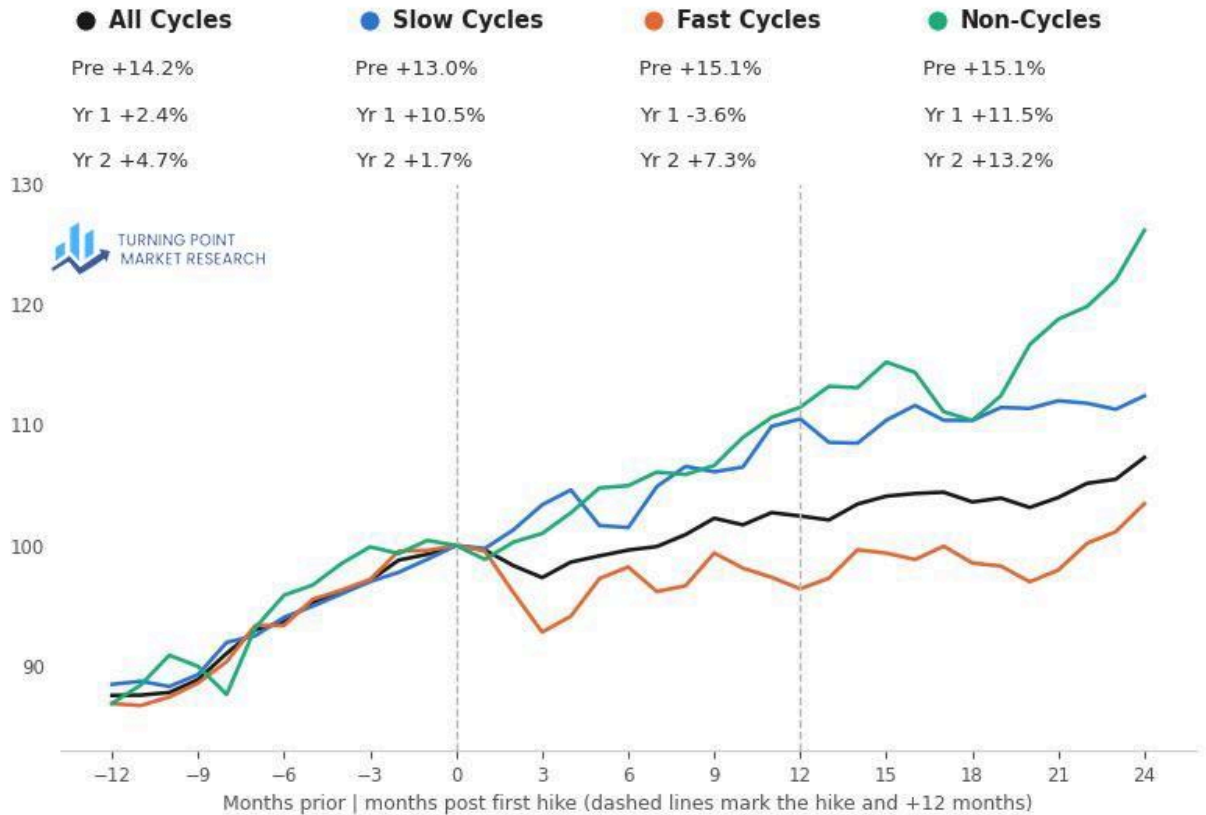
S&P 500 Returns First Rate Hike														
Event	Speed/Type	-252d	-189d	-126d	-63d	+21d	+42d	+63d	+84d	+105d	+126d	+189d	+252d	Start->End
1928-02-03	N/A					-0.6%	9.5%	10.1%	12.8%	7.8%	8.1%	23.0%	29.4%	63.1%
1946-04-25	Slow Cycle	23.4%	20.8%	7.4%	-0.2%	0.5%	-0.5%	-3.0%	-3.9%	-20.2%	-17.8%	-17.7%	-18.7%	40.3%
1955-04-15	Slow Cycle	35.9%	26.3%	19.1%	7.6%	-2.5%	5.1%	11.7%	11.1%	18.5%	9.0%	16.3%	26.3%	17.3%
1958-09-12	Slow Cycle	8.3%	19.2%	14.6%	7.8%	6.4%	9.3%	9.7%	15.0%	12.1%	16.5%	17.4%	17.4%	18.3%
1963-07-17	Slow Cycle	21.4%	20.4%	6.6%	0.0%	3.6%	6.0%	5.0%	5.8%	8.4%	11.1%	16.9%	21.9%	33.6%
1967-11-20	Fast Cycle	12.8%	4.9%	0.0%	-2.8%	3.8%	2.6%	-0.4%	-3.5%	5.4%	5.8%	9.9%	13.3%	9.9%
1968-12-19	Non-Cycle	16.0%	20.1%	9.1%	8.2%	-5.0%	-6.7%	-7.0%	-5.3%	-2.2%	-9.0%	-10.7%	-15.6%	0.0%
1971-07-16	Non-Cycle	27.6%	17.1%	6.5%	-4.2%	-0.4%	0.7%	-1.0%	-7.1%	-1.5%	3.9%	10.9%	7.2%	0.0%
1973-01-15	Fast Cycle	15.0%	7.8%	11.4%	8.2%	-2.8%	-4.1%	-5.9%	-10.1%	-11.3%	-10.7%	-7.1%	-20.4%	-24.4%
1977-08-31	Slow Cycle	-6.0%	-5.6%	-3.6%	-0.2%	-0.2%	-4.6%	-2.0%	-1.7%	-7.8%	-9.8%	0.6%	7.0%	19.3%
1980-09-26	Fast Cycle	15.6%	17.2%	25.5%	8.9%	1.2%	10.9%	6.9%	3.2%	3.9%	6.3%	4.4%	-8.6%	3.1%
1984-04-09	Non-Cycle	-0.2%	-6.1%	-10.0%	-7.4%	3.0%	-0.2%	-1.6%	4.1%	5.7%	4.3%	5.5%	14.6%	0.0%
1987-09-04	Fast Cycle	27.6%	26.1%	9.9%	6.7%	0.8%	-21.4%	-29.3%	-18.3%	-20.4%	-15.6%	-15.7%	-16.5%	-9.3%
1994-02-04	Fast Cycle	4.9%	6.1%	4.2%	2.2%	-0.8%	-4.0%	-5.9%	-2.7%	-4.3%	-2.5%	-1.6%	2.4%	0.1%
1997-03-25	Non-Cycle	20.8%	18.0%	15.1%	5.6%	-2.3%	7.3%	13.6%	19.2%	17.0%	20.6%	20.9%	39.6%	0.0%
1999-06-30	Fast Cycle	21.1%	30.9%	10.5%	6.7%	-3.2%	-3.5%	-7.6%	-2.2%	2.6%	6.6%	9.9%	6.0%	6.8%
2004-06-30	Fast Cycle	17.1%	13.3%	2.8%	1.2%	-3.4%	-3.7%	-2.3%	-1.2%	3.3%	6.4%	3.5%	5.2%	11.6%
2015-12-16	Slow Cycle	5.1%	-0.8%	-2.3%	4.2%	-9.2%	-7.5%	-1.1%	1.3%	-1.2%	-0.1%	3.2%	9.1%	20.9%
2022-03-16	Fast Cycle	9.7%	3.2%	-2.7%	-6.0%	0.8%	-8.0%	-13.0%	-12.1%	-1.2%	-10.5%	-8.3%	-10.1%	4.8%
All Cycles — Average		15.1%	13.5%	7.4%	3.2%	-0.4%	-0.9%	-1.8%	-0.4%	-0.3%	0.2%	3.6%	4.2%	14.4%
All Cycles — % Positive		93%	86%	71%	71%	47%	40%	33%	40%	53%	53%	67%	67%	87%
Fast Cycle — Average		15.5%	13.7%	7.7%	3.2%	-0.5%	-3.9%	-7.2%	-5.9%	-2.7%	-1.8%	-0.6%	-3.6%	0.3%
Fast Cycle — % Positive		100%	100%	75%	75%	50%	25%	13%	13%	50%	50%	50%	50%	75%
Slow Cycle — Average		14.7%	13.4%	7.0%	3.2%	-0.3%	1.3%	3.4%	4.6%	1.7%	1.5%	6.1%	10.5%	25.0%
Slow Cycle — % Positive		83%	67%	67%	67%	50%	50%	50%	67%	50%	50%	83%	83%	100%
Non-Cycle — Average		16.0%	12.3%	5.2%	0.5%	-1.2%	0.3%	1.0%	2.7%	4.8%	5.0%	6.6%	11.5%	0.0%
Non-Cycle — % Positive		75%	75%	75%	50%	25%	50%	25%	50%	50%	75%	75%	75%	0%
©Turning Point Market Research														

The following chart offers a visual overview of performance across the various cycles.

TURNING POINT REPORT

September 16 2026

S&P 500 Around First Fed Rate Hike vs. Speed of Hikes (1946-2023)

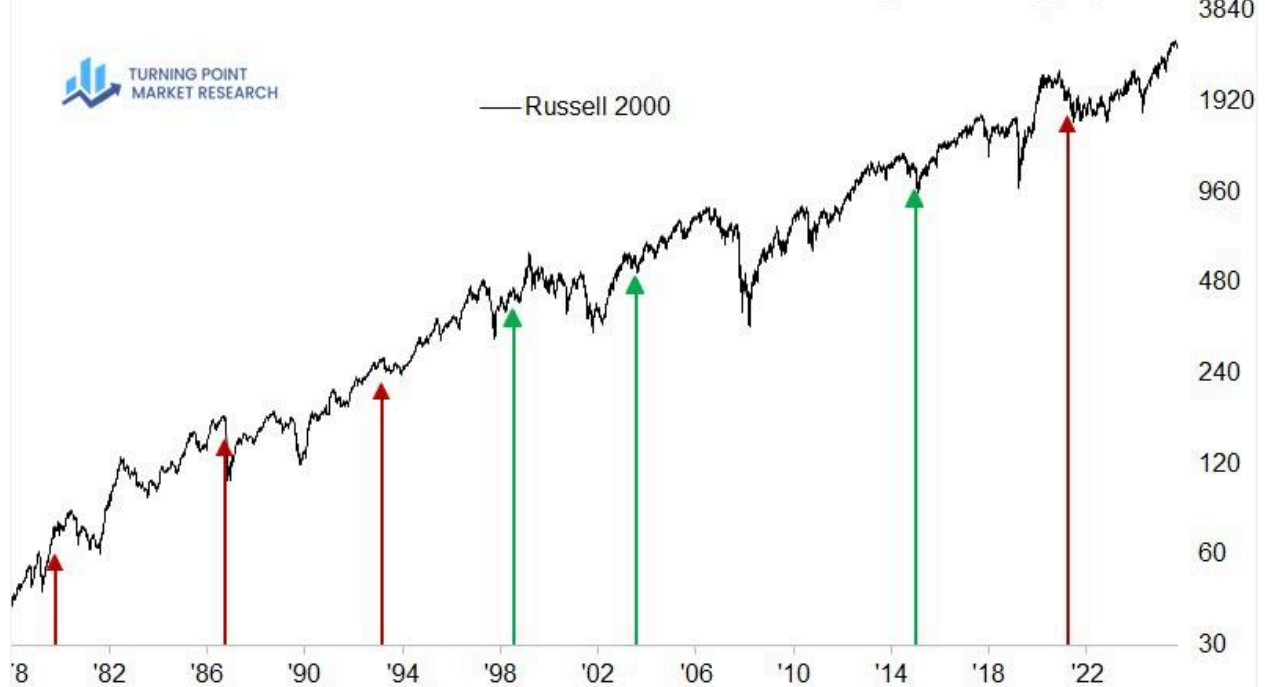


While the sample size is smaller due to data limitations, small-cap stocks showed a pronounced tendency to decline in the first four months.

TURNING POINT REPORT

September 16 2026

Russell 2000 after the first rate hike in a tightening cycle



Dates of 7 Signals	Cycle Type	1 Month Later (%)	2 Months Later (%)	3 Months Later (%)	4 Months Later (%)	5 Months Later (%)	6 Months Later (%)	9 Months Later (%)	12 Months Later (%)
1980-09-26	Fast	2.6	8.7	3.8	3.8	4.7	11.7	16.9	-7.9
1987-09-04	Fast	1.1	-30.9	-34.8	-29.3	-26.3	-19.9	-17.5	-15.6
1994-02-04	Fast	1.9	-3.0	-2.8	-3.7	-7.8	-6.4	-3.7	-4.9
1999-06-30	Fast	-3.5	-5.5	-7.8	-9.2	-0.5	5.3	25.3	12.5
2004-06-30	Fast	-6.8	-7.9	-3.5	-1.0	7.3	10.4	4.0	8.7
2015-12-16	Slow	-13.4	-12.6	-4.1	-0.8	-4.0	-0.4	6.6	18.9
2022-03-16	Fast	-1.3	-12.2	-14.8	-14.4	-0.5	-10.1	-10.4	-15.0
Mean		-2.8	-9.0	-9.1	-7.8	-3.9	-1.3	3.0	-0.5
Median		-1.3	-7.9	-4.1	-3.7	-0.5	-0.4	4.0	-4.9
% Positive		43%	14%	14%	14%	29%	43%	57%	43%
Study Mean		0.9	1.9	2.8	3.7	4.6	5.5	8.1	10.8
Study % Positive		61%	63%	63%	65%	66%	67%	69%	71%
Significance		-1.7	-2.4	-2.5	-2.7	-2.0	-1.6	-0.9	-2.2

©Turning Point Market Research - Significance - Deviation from the norm

Green arrow positive after 1-year, red arrow negative

Commodities tended to rally

A broad commodity index, copper, and crude oil exhibited a fairly strong upward bias. Gold also advanced, while silver was weak, potentially reflecting its higher-risk characteristics

TURNING POINT REPORT

September 16 2026

that investors chose to avoid. Agriculture posted modest gains. Interestingly, the dollar was weak, likely providing a tailwind for the commodity complex.

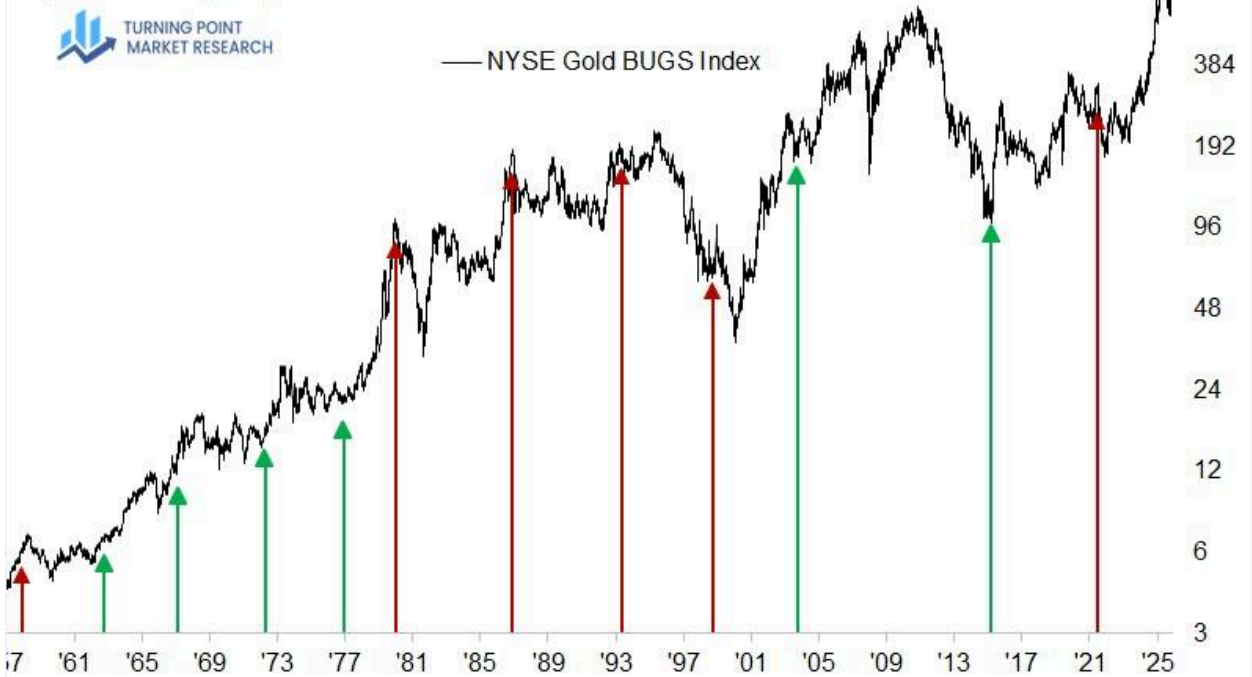
Commodities and the Dollar Index after the first rate hike in a tightening cycle								
Assets	1-Month Later (%)	2-Months Later (%)	3-Months Later (%)	4-Months Later (%)	5-Months Later (%)	6-Months Later (%)	9-Months Later (%)	12-Months Later (%)
Commodity Index (Since 1946)								
Mean	1.0	3.1	5.2	5.7	5.3	6.7	8.3	10.5
Median	0.5	1.7	5.9	6.0	7.6	5.7	11.1	8.1
% Positive	50%	79%	71%	64%	64%	57%	57%	57%
Gold (Since 1973)								
Mean	0.3	4.4	7.8	10.0	11.7	12.0	8.0	12.1
Median	-0.5	0.7	5.1	8.4	10.2	10.0	4.7	4.6
% Positive	44%	56%	67%	67%	56%	56%	56%	56%
Silver (Since 1973)								
Mean	1.2	-0.5	-0.6	-0.1	0.6	0.1	4.1	2.5
Median	3.4	0.6	6.0	-0.2	-2.5	-2.1	-3.1	-5.7
% Positive	67%	56%	56%	44%	44%	44%	44%	44%
Copper (Since 1963)								
Mean	2.6	3.3	11.1	10.2	6.2	9.5	16.7	19.8
Median	1.9	0.5	8.6	5.7	4.7	5.0	20.7	26.0
% Positive	82%	64%	82%	73%	73%	64%	73%	73%
Crude Oil (Since 1980)								
Mean	1.3	4.9	16.1	11.9	17.6	13.1	13.3	19.6
Median	0.7	1.2	13.4	12.4	24.6	17.8	20.0	18.9
% Positive	71%	57%	86%	86%	71%	71%	71%	57%
Agriculture (Since 1928)								
Mean	-0.2	0.9	4.5	3.9	3.3	4.7	4.8	9.4
Median	1.0	1.8	0.2	5.3	0.9	3.3	1.4	0.6
% Positive	53%	60%	53%	60%	53%	60%	67%	53%
Dollar Index (Since 1973)								
Mean	-0.3	-0.8	-2.0	-2.2	-2.7	-3.1	-0.6	2.2
Median	1.1	-1.7	-3.6	-4.0	-5.6	-5.9	-5.1	2.3
% Positive	56%	33%	22%	22%	22%	22%	33%	56%
©Turning Point Market Research								

Given gold's tendency to advance, I thought it was worth looking at gold miners. While miners rallied during the first four months, diverging from the S&P 500's negative returns, their consistency largely tracked the baseline period. A year later, the results were essentially a coin toss.

TURNING POINT REPORT

September 16 2026

NYSE Gold BUGS Index after the first rate hike in a tightening cycle



Dates of 12 Signals	Cycle Type	1 Month Later (%)	2 Months Later (%)	3 Months Later (%)	4 Months Later (%)	5 Months Later (%)	6 Months Later (%)	9 Months Later (%)	12 Months Later (%)
1958-09-12	Slow	3.7	4.5	7.1	10.2	10.6	9.1	0.6	-4.9
1963-07-17	Slow	-0.1	2.2	-0.9	-0.1	-3.9	6.0	7.6	2.2
1967-11-20	Fast	19.3	24.8	26.7	22.6	18.8	35.7	28.6	52.6
1973-01-15	Fast	-2.1	2.6	4.2	15.0	15.2	23.1	22.2	70.8
1977-08-31	Slow	5.0	1.6	4.7	9.8	10.0	4.3	19.0	26.9
1980-09-26	Fast	-3.6	-7.3	-17.1	-28.8	-32.0	-17.1	-28.4	-33.2
1987-09-04	Fast	-0.3	-31.4	-22.8	-23.9	-39.2	-29.8	-20.1	-32.7
1994-02-04	Fast	-10.2	-8.4	-12.0	-13.6	-15.7	-15.9	-10.5	-21.8
1999-06-30	Fast	-4.1	-2.2	24.9	14.2	9.4	7.2	-11.2	-14.7
2004-06-30	Fast	-1.5	7.0	18.5	21.0	28.6	13.9	6.8	7.5
2015-12-16	Slow	-11.8	41.4	58.8	81.5	85.9	98.9	97.6	43.2
2022-03-16	Fast	10.5	-16.8	-19.6	-31.4	-29.3	-36.8	-22.6	-19.2
Mean		0.4	1.5	6.1	6.4	4.9	8.2	7.5	6.4
Median		-0.9	1.9	4.4	10.0	9.7	6.6	3.7	-1.3
% Positive		33%	58%	58%	58%	58%	67%	58%	50%
Study Mean		1.1	2.2	3.2	4.3	5.4	6.5	9.9	13.2
Study % Positive		53%	54%	55%	57%	57%	57%	57%	58%
Significance		-0.3	-0.1	0.4	0.2	-0.1	0.2	-0.3	-0.7

©Turning Point Market Research - Significance - Deviation from the norm

Green arrow positive after 1-year, red arrow negative

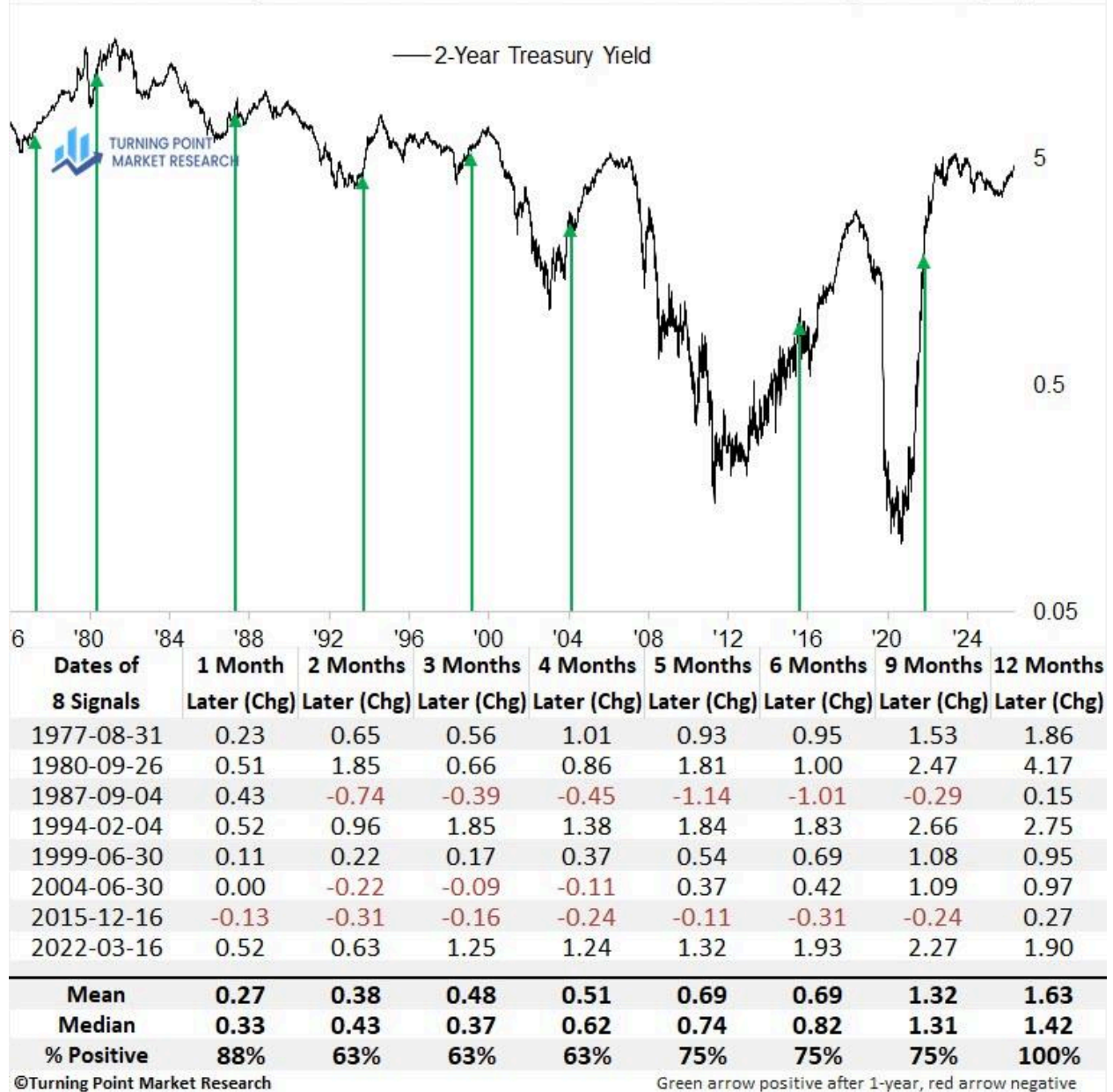
TURNING POINT REPORT

September 16 2026

Bond yields tended to rise

Historically, the 2-year Treasury yield has risen 100% of the time over the subsequent year. That is notable today, as the yield—which typically tracks the Fed funds rate—is currently out of alignment, suggesting Fed tightening is warranted.

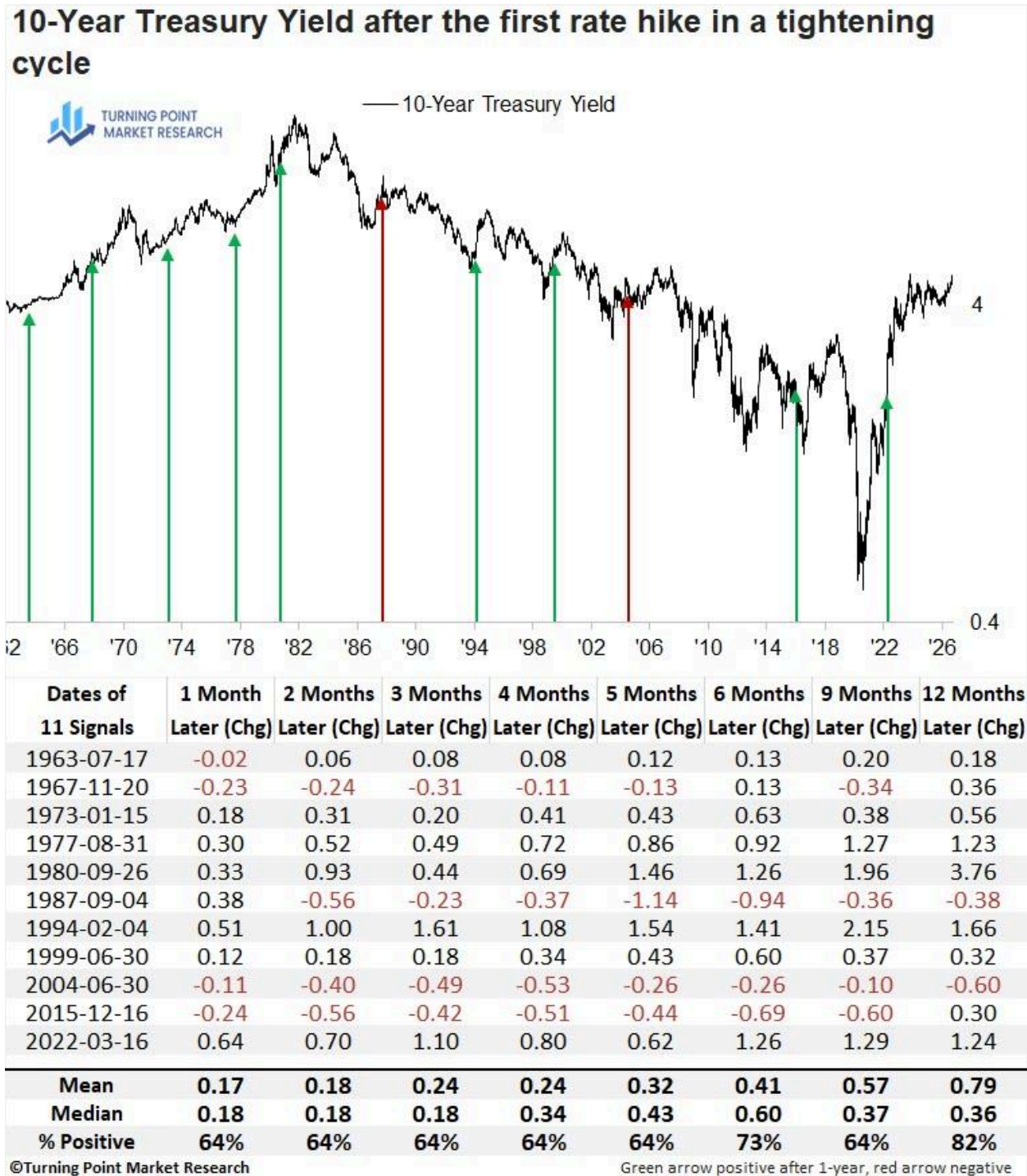
2-Year Treasury Yield after the first rate hike in a tightening cycle



TURNING POINT REPORT

September 16 2026

The 10-year Treasury yield rose 82% of the time over the following year.



TURNING POINT REPORT

September 16 2026

The use of monthly 10-Year Treasury yield data adds four more cycles to the analysis. Regardless of cycle type, the benchmark yield tended to rise strongly.

10-Year Treasury Yield (Monthly): Net Change Around First Rate Hike													
Event	-3mo	-6mo	-9mo	-12mo	+1mo	+2mo	+3mo	+4mo	+5mo	+6mo	+9mo	+12mo	Start->End
Feb 1928 - Aug 1929	-0.11	-0.18	-0.17	-0.33	0.01	-0.01	0.02	0.06	0.11	0.24	0.29	0.34	0.46
Apr 1946 - Jan 1953	-0.10	-0.09	-0.11	-0.28	0.15	0.16	0.13	0.17	0.23	0.28	0.25	0.19	0.95
Apr 1955 - Aug 1957	0.16	0.29	0.29	0.30	0.08	0.09	0.11	0.23	0.30	0.30	0.29	0.29	1.26
Sep 1958 - Sep 1959	0.62	0.49	-0.18	-0.39	0.22	0.26	0.20	0.32	0.48	0.42	0.77	0.89	0.89
Jul 1963 - Dec 1965	0.05	0.15	0.06	0.00	0.00	0.02	0.07	0.15	0.08	0.14	0.23	0.15	0.48
Nov 1967 - Apr 1969	0.48	0.86	1.12	0.67	0.10	0.06	-0.10	-0.08	0.12	0.10	-0.25	-0.03	0.66
Dec 19, 1968 Hike	0.36	-0.08	0.22	0.04	0.38	0.41	0.48	0.52	0.42	0.78	1.05	1.51	0.00
Jul 16, 1971 Hike	1.17	0.20	-0.59	-0.98	0.15	-0.42	-0.70	-0.83	-0.77	-0.81	-0.58	-0.55	0.00
Jan 1973 - Apr 1974	-0.13	0.26	0.29	0.52	0.13	0.23	0.32	0.29	0.52	0.53	0.49	0.49	1.00
Aug 1977 - Feb 1980	-0.10	-0.17	0.27	-0.38	0.13	0.34	0.27	0.50	0.66	0.76	1.14	1.11	3.85
Sep 1980 - May 1981	1.30	-1.17	1.17	2.31	0.31	0.91	1.17	0.88	1.13	1.88	1.95	3.86	2.56
Apr 09, 1984 Hike	0.71	1.09	1.57	1.91	0.29	1.38	1.31	0.38	0.26	-0.06	-0.98	-0.88	0.00
Sep 1987 - Feb 1989	0.51	1.81	1.85	2.05	0.63	-0.12	-0.01	-0.17	-0.74	-0.84	0.20	0.25	0.01
Feb 1994 - Feb 1995	0.27	-0.13	-0.35	-0.69	0.45	1.07	1.36	1.47	1.64	1.42	2.11	1.90	1.90
Mar 25, 1997 Hike	0.50	-0.40	-0.29	0.43	0.36	0.16	0.11	-0.05	-0.54	-0.22	-0.70	-0.94	0.00
Jun 1999 - May 2000	0.56	1.16	1.37	0.37	0.11	0.17	0.09	0.21	0.37	0.64	0.22	0.22	0.42
Jun 2004 - Jun 2006	0.76	0.35	0.66	1.08	-0.12	-0.49	-0.48	-0.57	-0.26	-0.38	-0.12	-0.68	0.50
Dec 2015 - Dec 2018	0.00	0.09	0.21	0.03	0.06	-0.27	-0.47	-0.43	-0.38	-0.37	-0.63	0.16	0.80
Mar 2022 - Jul 2023	0.39	0.53	0.25	0.39	0.51	1.10	1.01	1.18	0.82	1.36	1.78	2.09	2.01
All Cycles — Average	0.31	0.28	0.45	0.38	0.18	0.23	0.25	0.28	0.34	0.43	0.58	0.75	1.18
<i>All Cycles — % Positive</i>	67%	67%	73%	60%	87%	73%	73%	73%	80%	80%	80%	87%	100%
Fast Cycle — Average	0.52	0.46	0.80	0.84	0.27	0.37	0.42	0.40	0.45	0.59	0.80	1.01	1.13
<i>Fast Cycle — % Positive</i>	88%	75%	88%	88%	88%	75%	63%	63%	75%	75%	75%	75%	100%
Slow Cycle — Average	0.11	0.13	0.09	-0.12	0.11	0.10	0.05	0.16	0.23	0.26	0.34	0.47	1.37
<i>Slow Cycle — % Positive</i>	50%	67%	67%	33%	83%	83%	83%	83%	83%	83%	83%	100%	100%
Non-Cycle — Average	0.69	0.20	0.23	0.35	0.30	0.38	0.30	0.01	-0.16	-0.08	-0.30	-0.22	0.00
<i>Non-Cycle — % Positive</i>	100%	50%	50%	75%	100%	75%	75%	50%	50%	25%	25%	25%	0%
©Turning Point Market Research													

This was also true for BAA corporate bond yields, which rose at least 80% of the time over the following year, regardless of cycle type.

TURNING POINT REPORT

September 16 2026

BAA Corporate Bond Yield (Monthly): Net Change Around First Rate Hike													
Event	-3mo	-6mo	-9mo	-12mo	+1mo	+2mo	+3mo	+4mo	+5mo	+6mo	+9mo	+12mo	Start->End
Feb 1928 - Aug 1929	-0.03	-0.20	-0.13	-0.26	-0.02	-0.03	-0.02	0.07	0.20	0.23	0.23	0.28	0.60
Apr 1946 - Jan 1953	-0.16	-0.30	-0.35	-0.44	0.02	0.08	0.09	0.09	0.09	0.16	0.23	0.21	0.57
Apr 1955 - Aug 1957	0.03	0.01	-0.01	-0.03	0.01	0.02	0.03	0.04	0.08	0.11	0.14	0.12	1.25
Sep 1958 - Sep 1959	0.05	0.01	-0.42	-0.15	0.20	0.25	0.20	0.18	0.20	0.22	0.29	0.42	0.42
Jul 1963 - Dec 1965	-0.04	-0.08	-0.19	-0.18	0.00	-0.01	0.00	-0.01	0.00	0.01	-0.01	0.01	0.11
Nov 1967 - Apr 1969	0.26	0.69	0.55	0.42	0.20	0.41	0.32	0.28	0.33	0.45	0.46	0.32	0.99
Dec 19, 1968 Hike	0.19	-0.02	0.21	0.29	0.22	0.31	0.29	0.50	0.53	0.51	0.85	1.24	0.00
Jul 16, 1971 Hike	0.29	-0.37	-0.64	-0.50	0.01	0.01	-0.16	-0.27	-0.37	-0.37	-0.51	-0.55	0.00
Jan 1973 - Apr 1974	-0.16	-0.27	-0.31	-0.45	-0.03	0.04	0.10	0.16	0.13	0.20	0.70	0.55	0.69
Aug 1977 - Feb 1980	-0.19	-0.30	-0.41	-0.82	-0.02	0.07	0.13	0.17	0.35	0.38	0.67	0.66	3.60
Sep 1980 - May 1981	-0.02	-0.42	1.16	2.80	0.55	1.08	1.49	1.99	1.88	2.22	2.80	3.19	2.41
Apr 09, 1984 Hike	0.24	0.44	0.62	0.38	0.32	0.75	1.06	1.16	0.64	0.36	-0.59	-0.30	0.00
Sep 1987 - Feb 1989	0.29	1.15	0.73	0.62	0.51	0.82	0.43	0.49	0.27	-0.18	0.24	0.41	-0.15
Feb 1994 - Feb 1995	0.34	-0.28	-0.49	-1.02	0.11	0.48	0.87	0.97	1.00	1.15	1.55	1.43	1.43
Mar 25, 1997 Hike	0.15	-0.24	-0.36	0.31	0.24	0.40	0.26	0.08	-0.19	-0.12	-0.52	-0.69	0.00
Jun 1999 - May 2000	0.49	0.79	0.93	0.89	-0.07	0.13	0.18	0.36	0.13	0.17	0.35	0.46	0.38
Jun 2004 - Jun 2006	0.67	0.18	-0.01	0.59	-0.16	-0.32	-0.51	-0.57	-0.58	-0.63	-0.72	-0.92	-0.03
Dec 2015 - Dec 2018	0.27	0.57	0.95	0.67	0.00	-0.01	-0.12	-0.33	-0.67	-0.78	-1.22	-0.75	-0.24
Mar 2022 - Jul 2023	0.69	0.73	0.35	0.55	0.32	0.69	1.15	1.30	1.24	1.18	2.10	1.62	1.78
All Cycles — Average	0.17	0.15	0.16	0.21	0.11	0.25	0.29	0.35	0.31	0.33	0.52	0.53	0.92
<i>All Cycles — % Positive</i>	<i>60%</i>	<i>53%</i>	<i>40%</i>	<i>47%</i>	<i>53%</i>	<i>73%</i>	<i>73%</i>	<i>80%</i>	<i>80%</i>	<i>80%</i>	<i>80%</i>	<i>87%</i>	<i>80%</i>
Fast Cycle — Average	0.32	0.32	0.36	0.55	0.18	0.42	0.50	0.62	0.55	0.57	0.94	0.88	0.94
<i>Fast Cycle — % Positive</i>	<i>75%</i>	<i>63%</i>	<i>63%</i>	<i>75%</i>	<i>63%</i>	<i>88%</i>	<i>88%</i>	<i>88%</i>	<i>88%</i>	<i>75%</i>	<i>88%</i>	<i>88%</i>	<i>75%</i>
Slow Cycle — Average	-0.01	-0.01	-0.07	-0.16	0.04	0.07	0.05	0.02	0.01	0.02	0.02	0.11	0.95
<i>Slow Cycle — % Positive</i>	<i>50%</i>	<i>50%</i>	<i>17%</i>	<i>17%</i>	<i>50%</i>	<i>67%</i>	<i>67%</i>	<i>67%</i>	<i>67%</i>	<i>83%</i>	<i>67%</i>	<i>83%</i>	<i>83%</i>
Non-Cycle — Average	0.22	-0.05	-0.04	0.12	0.20	0.37	0.36	0.37	0.15	0.10	-0.19	-0.08	0.00
<i>Non-Cycle — % Positive</i>	<i>100%</i>	<i>25%</i>	<i>50%</i>	<i>75%</i>	<i>100%</i>	<i>100%</i>	<i>75%</i>	<i>75%</i>	<i>50%</i>	<i>50%</i>	<i>25%</i>	<i>25%</i>	<i>0%</i>

©Turning Point Market Research

What the research tells us...

The historical behavior following the first rate hike of a tightening cycle is fairly consistent: stocks tended to struggle over the first four months, while energy and technology were among the stronger sectors. Industrials and consumer discretionary, by contrast, tended to lag. Commodities generally moved higher, with copper and crude oil leading. Gold also gained, while silver lagged, and the weaker dollar may have helped support the broader



TURNING POINT REPORT

September 16 2026

commodity complex. Bond yields tended to rise across maturities. Obviously, we won't know how many times the Fed ultimately hikes or how quickly it gets there until we look back on the cycle. If I had to make an educated guess today, I would put the current cycle in the slow camp. The economy and inflation aren't showing signs of overheating, and a resolution to the Iran conflict, along with lower oil prices, could give the Fed some flexibility.