Stocks Sell Off and Recession Odds Triple, but Sales, Profits and Capex Still Say the Economy Is Strong

What public companies' filings, earnings calls and stock prices say about the US economy

KEY NUMBERS

Indicator	Latest	Prior
US revenue growth Y/Y (3Q26 so far vs. 2Q26)		
US revenue (broad), aggregate (2,081 cos)	+13.0%	+14.0%
US revenue (broad), median company	+8.5%	+8.4%
Nominal GDP (BEA)	+5.9%	+6.3%
TCE 4Q26 forecast: US agg. / median (prior = 11/15 edition)	**+15.4%** / **+9.0%**	+13.6% / +9.1%
Corporate profits, EBIT (3Q26 so far vs. 2Q26)		
Operating profits, aggregate	+34.9%	+38.9%
Operating profits, median company	+14.0%	+15.1%
Aggregate EBIT margin	16.2%	16.0%
Consumer		
Card spending Y/Y, 6 largest issuers (3Q26 / 2Q26)	+8.5%	+9.0%
Card spending, real (less CPI)	+4.9%	+5.0%
Card 30+ day delinquency rate	2.51%	2.37%
Public retailers' US sales Y/Y (2Q26 / 1Q26)	+5.3%	+5.0%
Census core retail sales Y/Y (2Q26 / 1Q26)	+4.5%	+4.1%
Inflation (October vs. September)		
CPI-U Y/Y (est.)	~3.9%	3.7%
Core CPI Y/Y (est.)	~2.7%	2.6%
Core, 3-month annualized	3.6%	3.6%
TCE Core CPI Y/Y	1.7%	1.5%
Company pricing, median (3Q26 vs. 2Q26)	2.9%	3.0%
Company cost inflation, median	2.4%	3.1%
Labor (October vs. September)		
BLS nonfarm payrolls, M/M	+165,000	+60,000
TCE Labor Mkt Diffusion Index	46%	50%
Employee Headcount from 10-Ks, TTM (total / US), Sep-26 vs. Aug-26	+0.2% / −0.8%	+0.4% / −0.8%
Corporate Distress and M&A		
Distress delistings, trailing 4Q (3Q26 / 2Q26)	1.11%	1.63%
Companies acquired, YTD to Nov. 21 (2026 / 2025)	185	186
Enterprise value acquired, same period	$339bn	$154bn
Investment (3Q26 so far vs. 2Q26)		
Capex, aggregate	+50.5%	+38.6%
Capex ex-hyperscalers	+15.5%	+18.4%
Capex, median company	+6.5%	+8.9%
BEA nonres. fixed investment	+12.1%	+9.6%
Backlog, aggregate	+48.4%	+55.4%
Backlog ex-AI cloud	+28.2%	+26.2%
Backlog, median company	+8.4%	+9.1%
Rates (close of 11/20 vs. a month earlier)		
2-year / 10-year Treasury yield	4.63% / 4.92%	4.79% / 5.12%
Yield curve, 10-year less 2-year	29 bp	33 bp
Fed moves priced by Sep 27 FOMC (target 3.75–4.00%)	2.3 hikes	3.2 hikes
Recession odds, next 12 months (close of 11/20 vs. 11/15 edition)		
S&P 500 (11.6% below 52-wk high)	36%	12%
Russell 2000 (15.9% below)	29%	8%
Philly Fed Anxious Index (4Q26)	20%	20%

Shading: green = better than the prior period, red = worse. For inflation, delinquencies, distress delistings and recession odds, lower is better. Unshaded = unchanged, no comparable prior, or no clear better direction. 3Q26 is still being reported, so "so far" figures will move as the rest of the companies file. CPI Y/Y figures are TCE estimates (BLS published no October 2025 CPI). Sources: TCE Revenue Growth, Capex, Backlog, Inflation, US Employee and Delisting Trackers; BLS; BEA; Philadelphia Fed; S&P; FTSE Russell.

CHANGES SINCE LAST WEEK

Indicator	Latest	Last week (11/15)
US revenue growth, 3Q26 so far, aggregate	+13.0%	+13.1%
US revenue growth, median	+8.5%	+8.5%
Companies in broad US revenue measure	2,081	2,013
TCE 4Q26 forecast, US aggregate	+15.4%	+13.6%
TCE 4Q26 forecast, US median	+9.0%	+9.1%
Distress delistings, trailing 4Q	1.11%	1.11%
Companies acquired, 2026 YTD	185	167
Enterprise value acquired, 2026 YTD	$339bn	$325bn
10-year Treasury yield	4.92%	5.15%
Yield curve, 10-year less 2-year	29 bp	27 bp
Fed moves priced at peak (FedWatch)	2.3 hikes	3.6 hikes
Recession odds: S&P 500	36%	12%
Recession odds: Russell 2000	29%	8%
Recession odds: Anxious Index	20%	20%

Computed figures from the trackers vs. the prior edition. Revenue figures move as more companies report.

SUMMARY & OVERVIEW

The Curb Economist reads the economy through the filings, earnings calls and stock prices of public companies. Late in the 3Q26 reporting season, the picture is an economy that is growing much faster than the government's GDP data shows, with firm inflation, a soft labor market and an investment boom led by AI. The big change this week is in markets, not in the company data: the S&P 500 fell to 11.6% below its high, which lifts the stock-implied recession odds to 36% from 12% a week ago, while Treasury yields fell and the Fed funds futures pared their expected hikes. More US revenue reports are in (2,081 companies) and our 4Q26 US nominal GDP forecast rose to +15.4% in aggregate as more guidance came in.

1. **US revenue growth is strong and steady.** US revenue at the 2,081 companies in our broad US measure is up +13.0% in aggregate and +8.5% at the median company in 3Q26 so far (+14.0% and +8.4% in 2Q26), well above BEA's +5.9% nominal GDP growth. Our preliminary 4Q26 forecast is +15.4% in aggregate and +9.0% at the median. Read: **Revenue Growth Tracker →**
2. **Profits are growing even faster than sales.** With 2,344 companies reporting so far, operating profits are up +34.9% in aggregate and +14.0% at the median company in 3Q26 (+38.9% and +15.1% in 2Q26), and the aggregate operating margin is a record 16.2%. Excluding the Magnificent 7, profits are up +39.5%. Read: **Corporate Profits →**
3. **The consumer is healthy, not booming.** Card spending at the six largest issuers rose +8.5% in 3Q26 (about +4.9% after inflation), which was faster than card loan growth (+5.1%). Delinquencies fell too. Public retailers' US sales grew +5.3% in 2Q26, ahead of Census core retail sales (+4.5%), though same-store sales slowed. The 3Q26 retail reporting season is

still preliminary: 27 of the 54 retailers we track have reported, with average and median same-store sales of +2.1% and +1.4% vs. +2.0% and +1.0% last quarter. Read: **Card Spending →** · **Retail Sales →**

4. **Inflation is firm and broadening.** October core CPI rose 0.3% for a third straight month (3.6% annualized over three months), and headline is running about 3.9% Y/Y by our estimate. Companies are pricing ahead of their costs (median price increase 2.9% vs. 2.4% cost inflation), but cost commentary on calls is the most one-sided in the five seasons we track, with fuel replacing tariffs as the main worry. Read: **CPI →** · **Tan Book →**
5. **The labor market is the soft spot.** BLS payrolls rose 165,000 in October, but our Labor Market Diffusion Index fell to 46%, and public companies' headcount rose just 0.2% over the year (US headcount down 0.8%). Read: **Labor Market →**
6. **Corporate distress is low, and deals are getting bigger.** Distress delistings are 1.11% of listed companies over the last four quarters, below the 1.83% average. About as many companies have been acquired this year as last (185 vs. 186 to Nov. 21), but for more than twice the enterprise value ($339bn vs. $154bn). High interest rates have not held back M&A as much as we might have thought. Read: **Distress Delistings Chart →** · **M&A Chart →**
7. **Record investment and order books driven by AI, but not only AI.** Capex is up 50.5% to date this quarter, and excluding the hyperscalers it is up 15.5%, still faster than BEA's 12.1%. Backlogs outside AI cloud are up a record 28.2%. The median company is steadier: capex +6.5%, backlog +8.4%. Read: **Capex →** · **Backlog →**
8. **The stock market has turned cautious.** The S&P 500 is 11.6% below its 52-week high, past the 10% mark that has historically been a good predictor of recession. The latest pullback implies a 36% chance of a recession in the next 12 months (up from 12% a week ago). The Russell 2000, which is 15.9% below its high, implies a 29% chance of recession. The Philadelphia Fed's Anxious Index of professional forecasters is 20%. Read: **Recession Predictor →**
9. **Yields fell and the market pared its Fed hike bets.** The 2-year Treasury yield fell to 4.63% this week (4.88% a week earlier) and the 10-year to 4.92%, leaving the curve just 29 bp steep, still well below 55 bp a year ago. With the target range at 3.75%–4.00%, fed funds futures price 0.9 hikes by the December 9 FOMC meeting and 2.3 hikes by September 2027, down from 3.6 hikes a week ago.

REVENUE GROWTH: THE ECONOMY THROUGH PUBLIC COMPANIES' SALES

TCE uses public company US revenues as a proxy for US nominal GDP. Our broad US revenue measure counts the US revenue that companies disclose each quarter, estimates it from the US share they disclose annually when there is no quarterly figure, and takes all revenue for companies that operate only in the US. So far 2,081 companies are in the 3Q26 measure. Their US revenue is up +13.0% Y/Y in aggregate and +8.5% at the median company, against +14.0% and +8.4% in 2Q26. The median is steady, but the aggregate has eased, mostly because financials slowed to +2.4% from +14.9%. Technology (+36.4%) and energy (+37.7%) still lead, consumer companies, health care and basic materials are slowing, and industrials, real estate, utilities and telecom are accelerating.

13.0% aggregate growth is far faster than the +5.9% nominal GDP growth in BEA's advance estimate for 3Q26 (+6.3% in 2Q26). Even our estimate of 8.5% for the median company is considerably above the latest BEA data. Since 2018 the median company's US revenue growth in our broad measure has tracked nominal GDP closely (correlation 0.93) and run about 1.5 points above it. Today the gap is 2.6 points at the median and 7.1 points in aggregate. This hard data continues to show the US economy growing faster than the gov't data indicates.

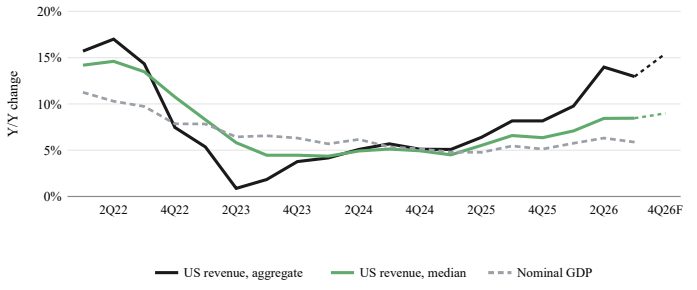
Figures are as of November 21, 2026 and use TCE's broad US revenue measure. Our November 20 Revenue Growth Tracker note used only the companies that disclose US revenue each quarter, so its figures differ.

OUR 4Q26 FORECAST

TCE forecasts each quarter's US revenue growth before the reporting season starts with four models. Two use company guidance: the change in the growth that companies guide to, and the level of guidance adjusted for how far it has missed actual growth in recent quarters. The third uses last quarter's backlogs. The fourth uses the off-cycle reporters, the companies whose fiscal quarters end a month early. Three of the four are already in hand for 4Q26. **Guidance:** 302 companies have guided 4Q26, implying +29.4% growth in aggregate and +13.0% at the median. The 273 that also guided 3Q26 changed their implied growth by -0.2 points in aggregate and +0.5 at the median. **Backlog:** outside AI cloud, the 495 companies' backlogs grew +28.2% in 3Q26 against revenue growth of +17.1%, pointing to faster sales in aggregate. At the median, backlog (+8.1%) trails revenue (+9.2%).

Averaging the three models in hand, our combined forecast is **US revenue growth of about +15.4% in aggregate and +9.0% at the median in 4Q26**, slightly faster than 3Q26 so far. The fourth model, the off-cycle reporters (companies whose fiscal quarters end in November), reports in December. Our full 4Q26 forecast note follows in early January, but our latest forecasts can be found each week in our Revenue Growth Tracker.

US REVENUE GROWTH VS. NOMINAL GDP, Y/Y, AND OUR 4Q26 FORECAST



US revenue = TCE's broad US revenue measure: US revenue disclosed each quarter, estimated from the US share disclosed annually, or all revenue for US-only companies, vs. the same companies a year earlier. 3Q26 so far (2,081 companies). 4Q26F = TCE preliminary forecast (dotted). GDP = BEA nominal GDP via FRED. Source: TCE Revenue Growth Tracker.

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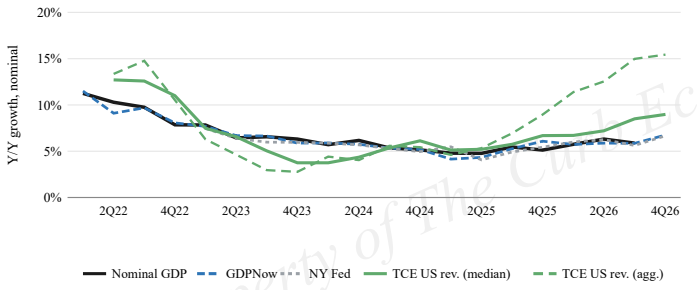
4Q26 revenue Y/Y	3Q26 so far	Guidance change	Guidance less gap	Backlog	TCE forecast
US revenue, aggregate	+13.0%	+12.6%	+19.7%	+14.0%	**+15.4%**
US revenue, median	+8.5%	+8.7%	+10.2%	+8.1%	**+9.0%**

Shading: green = faster than 3Q26 so far, red = slower. US revenue = TCE's broad US revenue measure. Each model forecasts the change from 3Q26 (as reported so far), fitted on 2016–2Q26 (COVID quarters left out). Guidance change: change in the implied growth of the 273 companies that guided both 3Q26 and 4Q26. Guidance less gap: 4Q26 guidance (302 companies) less its average gap to actual US revenue growth over the last four quarters. Backlog: 3Q26 backlog growth less revenue growth, ex-AI cloud (495 companies). TCE forecast = average of the models available (the TCE Revenue Forecast model's combined forecast). The fourth signal, the off-cycle reporters (fiscal quarters ending in November), reports in December and is added in the full forecast note in January.

For comparison, the Fed's real-time GDP trackers put 4Q26 real GDP growth at +3.2% annualized (Atlanta Fed GDPNow, Nov 18) and +2.9% (New York Fed Staff Nowcast, Nov 20). With the Cleveland Fed's inflation nowcast (+3.9%), that is nominal GDP growth of about **+6.8%** and **+6.7%** from a year earlier, vs. +5.9% in 3Q26. This is well below our forecast for US revenue (+15.4% in aggregate, +9.0% for the median company), which we use as our nominal US GDP growth proxy. Measured the same way, the nowcasts have come within about 0.3 points of actual nominal GDP growth on average since 2022.

TCE US REVENUE FORECAST VS. FED GDP NOWCASTS (NOMINAL, Y/Y)

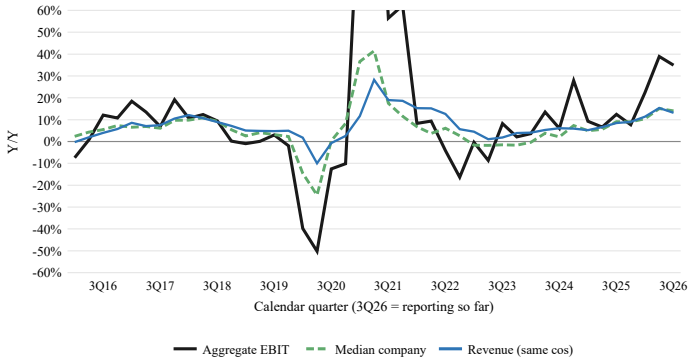


Real GDP nowcasts (Atlanta Fed GDPNow; New York Fed Staff Nowcast from 1Q23) plus the Cleveland Fed's PCE inflation nowcast, applied to BEA's prior-quarter nominal GDP, vs. the same quarter a year earlier. Past quarters: each estimate as of 9 days after the quarter ended (TCE broad US revenue measure). 4Q26: as of Nov 21 and this note's forecast. Nominal GDP = BEA. Source: TCE Revenue Forecast (also on the Data Dashboard).

CORPORATE PROFITS: GROWING FASTER THAN SALES

TCE's Corporate Profits Tracker follows the operating profits (EBIT) of publicly traded companies, on a company-total basis (US-only operating profit is rarely disclosed). With 2,344 of the usual ~2,532 companies reporting 3Q26 (data as of Nov. 21), operating profits are up +34.9% Y/Y in aggregate (+38.9% in 2Q26, +12.5% a year earlier) and +14.0% at the median company, about two and a half times the +6.0% average since 2016. Revenue at the same companies is up +13.1%, so margins are widening: the aggregate EBIT margin is a record 16.2%, +2.6 points from a year earlier.

OPERATING PROFIT (EBIT) GROWTH Y/Y: AGGREGATE VS. MEDIAN COMPANY



Public companies, SEC 10-Q/10-K income statements. Revenue = the same companies' revenue growth, for comparison: profits growing faster than revenue = margins expanding. Axis cut at ±60%; off the chart: 1Q21, 2Q21, 4Q21 (most extreme: Aggregate EBIT +170% in 2Q21).

It is not just Big Tech. Excluding the Magnificent 7, operating profits are up +39.5%, and 68 of every 100 companies earned more than a year earlier, matching 2Q26 as the most since 2Q21. 59 of 100 widened their margins too. Public-company profits are also running well ahead of BEA's corporate profits. Pretax income at the companies we track, excluding gains on their investment holdings (which BEA leaves out of its profits measure), grew +50.2% in 2Q26, against +27.9% for BEA's pretax profits. The two move together (correlation 0.85 since 2016), but the public-company figure has run about 10 points higher on average.

THE CONSUMER: CARD SPENDING AND RETAIL SALES

Card spending. *TCE*'s Consumer Card Spend Tracker uses hard data from the six largest US card issuers. Card spending rose +8.5% Y/Y in 3Q26 (credit +8.1%, debit +9.6%) after +9.0% in 2Q26, the fastest two quarters since 2022. After CPI inflation of 3.5%, that is about +4.9% real growth, below the 2018–19 real average of +7.1%. It is not being financed with card debt: card loans grew +5.1%, so spending outgrew borrowing by 3.0 points. Credit quality is improving, with the 30+ day delinquency rate at 2.51% (−16 bp from a year earlier) and net charge-offs at 3.27% (−41 bp). Debit spending has outgrown credit for seven straight quarters. Our read: a healthy consumer, not a booming one.

Retail sales. Our Retail Sales Note adds up the US sales of about 50 public retailers. In 2Q26 (mostly May–July, since most retailers' fiscal quarters end a month after the calendar quarter), the 49 retailers, with $479 billion of US sales, grew +5.3% (up from +5.0% in 1Q26), against +4.5% for Census retail sales excluding autos, gas and restaurants (up from +4.1%). Same-store sales slowed: the average comp was +1.8% (+3.0% in 1Q26) and our comp acceleration diffusion index fell to 31, its lowest since 3Q23. Online sellers grew +17.0% vs. +9.4% for Census nonstore retail. The 3Q26 retail reporting season is still preliminary, which is why we are still discussing 2Q26, but so far 27 of the 54 retailers whose same-store sales we track have reported, and the average and median same-store sales figures are

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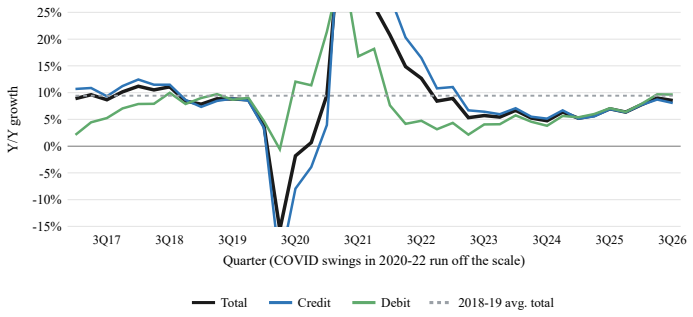
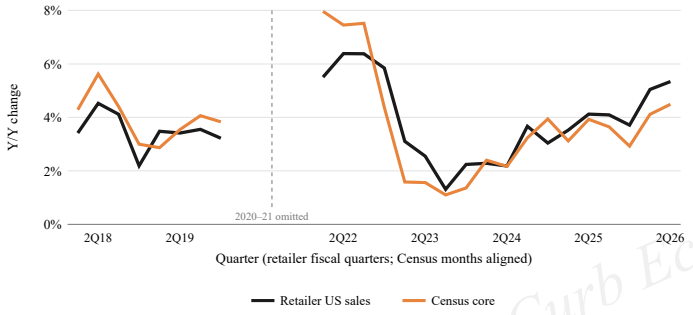
+2.1% and +1.4% this quarter, compared with +2.0% and +1.0% last quarter for the same companies. Most of the large retailers report in late November and early December.

BANK CARD SPENDING GROWTH SINCE 2017, Y/Y (NOMINAL)



Source: TCE, company filings. Not adjusted for inflation. Dashed line = 2018–19 average total growth (+9.4%).

RETAILER US SALES VS. CENSUS RETAIL SALES, Y/Y



Retailer US sales = matched-sample Y/Y of 49 retailers' US (or comp-matching segment) net sales. Census months aligned to retailer fiscal quarters. 2020–21 omitted from the chart.

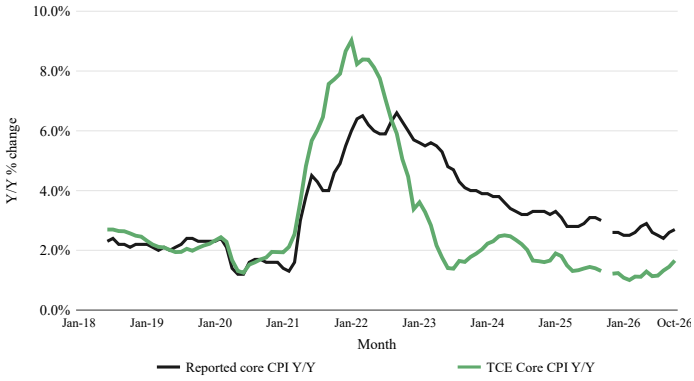
INFLATION: OCTOBER CPI

October's CPI was firm across the board. Headline CPI rose 0.4% (seasonally adjusted) after 0.6% in September, as energy slowed to +0.7% from +5.2%. BLS published no October 2025 CPI because of the 2025 lapse in appropriations, so there are no official 12-month changes this month. By our estimate, headline inflation is about 3.9% Y/Y (3.7% in September), with energy still up about 20%.

Core is steady, not slowing. Core CPI rose 0.3% for a third straight month: 3.6% annualized over three months, a full point above the six-month rate (2.6%), and about 2.7% Y/Y by our estimate. The mix shifted toward services. Services ex. shelter added 14 of core's 30 basis points, as the fuel shock moved into transportation services (+0.8%), motor vehicle insurance and public transportation. Core goods added only 3 bps as used cars fell 1.2%. Shelter added 13 bps, still above its pre-COVID average of 11.

Inflation is spreading. Across the 182 CPI item strata, 32% are rising faster than 4% Y/Y, up from 29%, and the share falling dropped to 21% from 28%. ***TCE* Core CPI**, which swaps CPI shelter for private market rent and home-price data, is 1.7% Y/Y, up from 1.1% in the spring but still a full point below reported core. We expect core to run about 0.25–0.3% a month over the next few months, with services ex. shelter the swing factor.

***TCE* CORE CPI VS. REPORTED CORE CPI**



TCE Core CPI swaps CPI shelter for the average Y/Y of Apartment List, Realtor.com, Cotality single-family rents and Case-Shiller home prices, weighted at shelter's share of core. Latest Realtor.com, Cotality and Case-Shiller readings carried forward. Source: TCE, BLS, Apartment List, Realtor.com, Cotality, S&P Cotality Case-Shiller.

WHAT COMPANIES SAY ABOUT PRICES AND COSTS

Prices. In 3Q26 the median price increase reported by the companies that put a number on it was 2.9% (33 companies so far), against 3.0% in 2Q26, up from 1.0% in 4Q25 and well above the 2.0% average of 2018–19. Company pricing has now run above core CPI for two straight quarters, last seen in 1Q24.

Costs. The median cost-inflation figure eased to 2.4% from 3.1% (only eight companies report a comparable figure, so we read it as direction, not precision). After costs outran prices and squeezed margins through 2025, companies are now pricing ahead of their reported costs.

But the cost pressure is spreading, and pricing power is slipping. Our "Tan Book" review of 2,113 3Q26 earnings calls found the most one-sided cost-inflation commentary of the five seasons we track: 54% of calls discussed input or operating costs (44% a year ago), and rising-cost comments outnumbered easing ones by a net 83 points (+61 a year ago). Energy has replaced tariffs as the main cost story: oil, fuel and diesel came up on 25% of calls (10% a year ago), tariffs on 19% (43%), and much of the tariff talk is now about IEEPA refunds lifting margins. Companies also named memory chips (GM, Apple), raw materials and metals (Illinois Tool Works cited 4–5% raw-material inflation), beef, freight and insurance. Net tone on selling prices fell to +31 from +40 in the 1Q26 season: price increases are coming through fuel surcharges and January list-price resets, while consumer brands lean on promotions. That fits the CPI: goods are soft (core goods up only about 0.9% Y/Y), while fuel-sensitive services such as delivery (+17% Y/Y) and airfares (+25%) are the hottest items.

Landlords. Blended lease growth at five public rental landlords (INVH, AMH, UDR, CPT, MAA) averaged 1.8% in 3Q26, up for three straight quarters but still below CPI shelter (3.2%). The Sunbelt apartment owners are weakest (MAA new leases about −6%).

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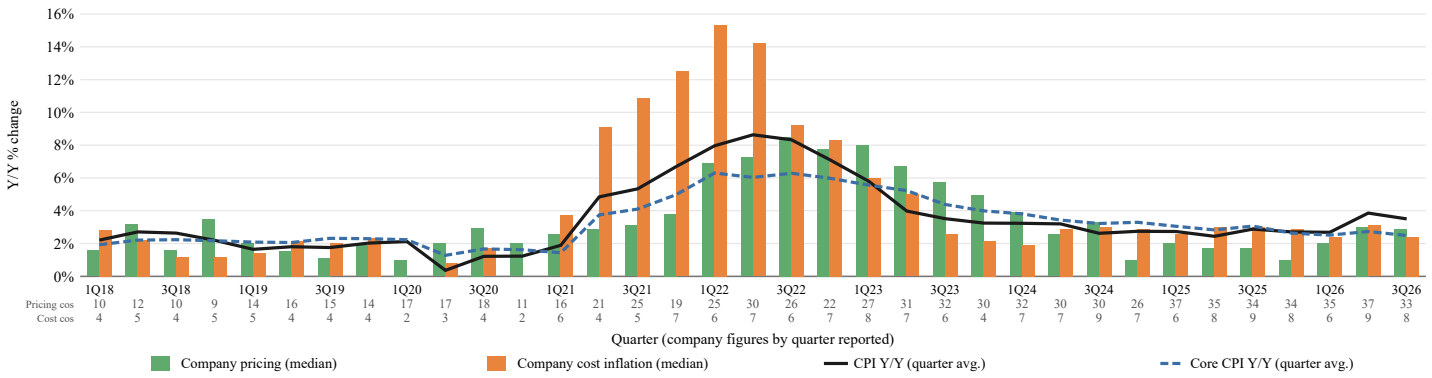
COMPANY-REPORTED PRICING AND COST INFLATION VS. CPI

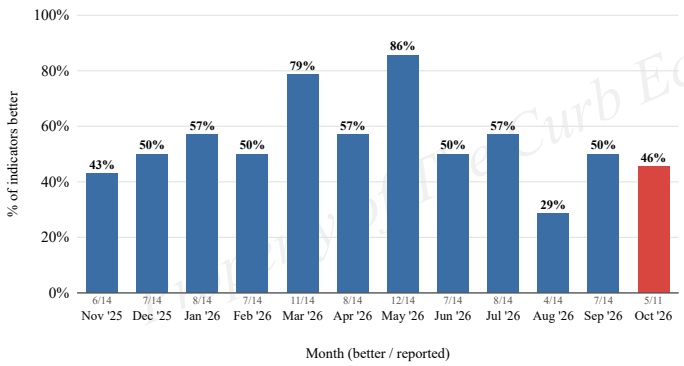


Medians of the quantified pricing (price, net price, price/mix) and cost-inflation figures that public companies report in earnings releases and calls, by quarter reported (data as of Nov. 21). The numbers under the axis are how many companies gave a pricing or cost figure that quarter. CPI = quarterly average of monthly Y/Y (NSA). Source: TCE Inflation Tracker, BLS, company earnings releases and calls.

LABOR MARKET

October BLS nonfarm payrolls rose 165,000 (after +60,000 in September), but the private data we track is softer. Our **Labor Market Diffusion Index fell to 46%**, with 5 of the 11 indicators reported so far improving: the third straight reading at or below 50%, down from 86% in May.

LABOR MARKET DIFFUSION INDEX

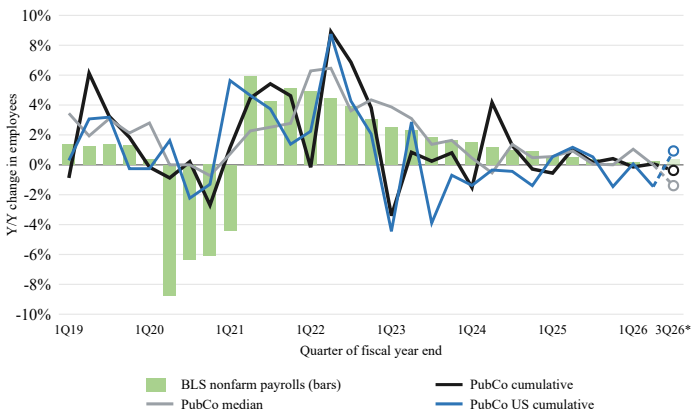


Share of the indicators reported each month that improved on the prior month.

Hiring breadth is narrowing. ADP added 86,000 jobs, but only 57% of its industries added jobs over three months, down from 80% in June and July. **Small business is the weak spot:** ADP's small establishments (1–49 employees) have added about 20,000 jobs a month over the last three months, against 72,000 a month in March–May. Intuit's firms with 1–9 employees shed jobs for a seventh straight month, and Paychex's small-business jobs index (99.21) is still below June's 99.83. **Pay is holding up better than hiring:** Paychex hourly earnings growth rose for an eighth straight month to 2.88%, and ADP job-changers earned 7.6% more.

Public companies are barely hiring, and not in the US. Our US Employee Tracker compares each company's 10-K headcount with its own a year earlier. Across the 1,388 companies whose fiscal year ended in the 12 months through September (35.4M employees, data as of Nov. 20), headcount rose 0.2%, below the BLS's 0.4% payroll growth over the same period. Both are a fraction of the 1.5–2.0% pace of 2015–2019. The median company's headcount is unchanged, and US headcount at the 444 companies that report it (8.3M US employees) fell 0.8%. Early 3Q26 filings show −0.4% total and +0.9% US, but they come from just 49 of last year's 124 filers. With US revenue up about 8.5% at the median and headcount flat, companies are getting their growth from productivity and price, not hiring.

PUBLIC COMPANY SAME-STORE EMPLOYEE GROWTH VS. BLS NONFARM PAYROLLS (Y/Y)



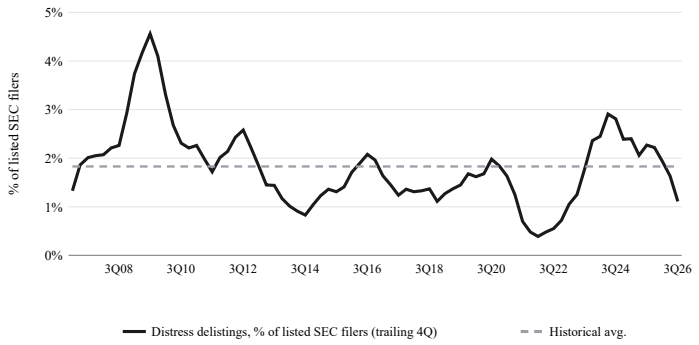
*Public companies: 10-K employee counts, each company vs. its own 10-K a year earlier, grouped by quarter of fiscal year end (December quarters hold ~1,100 companies, other quarters ~100–130). Moves of more than 50% (deals, spin-offs) excluded. BLS: payrolls in the quarter-end month vs. a year earlier. * 3Q26 is preliminary: 49 companies have filed their 10-Ks so far (21 with US counts), against 124 a year earlier. Source: TCE US Employee Tracker (TCE US Employee Tracker - 11-20-2026.xlsx), BLS via FRED.*

DELISTINGS: CORPORATE DISTRESS IS LOW

The *TCE* Delisting Tracker classifies every exchange delisting filed with the SEC as distress (forced off by the exchange, or bankruptcy), acquired, or a transfer. **Distress delistings were 1.11% of exchange-listed SEC filers** over the four quarters through 3Q26, down from 2.27% a year earlier and the 2.91% peak of 2Q24, and well below the 1.83% average since 2007. The rate rose to 4.6% in the 2009 recession and to 2.9% in 2024. Today it is the lowest since early 2023. Fewer companies

are failing or being pushed off the exchanges, consistent with strong revenue growth.

DISTRESS DELISTINGS: EXCHANGE-FORCED AND BANKRUPTCY

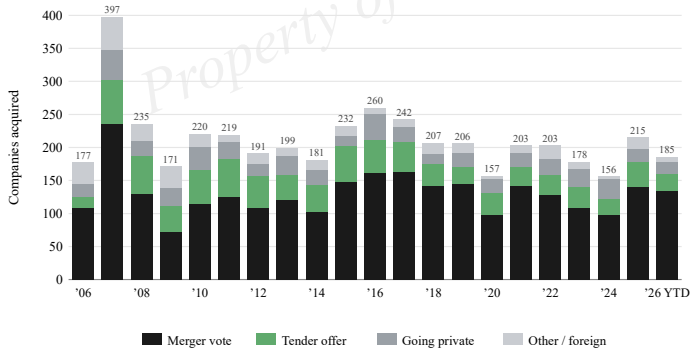


Exchange-forced and bankruptcy delistings (SEC Form 25 / 25-NSE) as a % of exchange-listed SEC filers, trailing four quarters, completed quarters only. Average since 2007. Data as of November 21. Source: TCE Delisting Tracker (Data Dashboard).

M&A: FEWER DEALS, BIGGER ONES

185 companies have been delisted because they were acquired in 2026 through November 21, against 186 at the same point of 2025 (215 for the full year): 134 through merger votes, 26 through tender offers and 18 going private. The count is about average, but the deals are much bigger: the 85 deals with value data add up to **$339bn of enterprise value**, more than twice the $154bn at this point of 2025 and the most at this point of any year in our data (since 2010). Big-ticket M&A is another sign of confident managements and open credit markets.

COMPANIES DELISTED BECAUSE THEY WERE ACQUIRED, BY DEAL TYPE



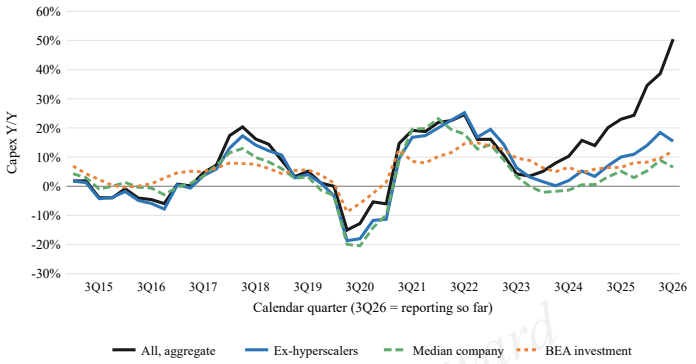
Exchange-listed SEC filers delisted after an acquisition, by year of delisting. 2026 is through November 21. Totals above the bars. Source: TCE Delisting Tracker (Data Dashboard), SEC EDGAR.

CAPEX: THE AI BUILD-OUT, AND BEYOND

As of Nov. 21, with the 3Q26 reporting season nearly complete, the 1,416 companies we track spent $544bn on capex, **+50.5% more than a year earlier**, the fastest growth in our data (since 2015). Nearly all of the acceleration is AI. The hyperscalers (Alphabet, Amazon, Microsoft, Meta, Oracle, CoreWeave and SpaceX/xAI) raised capex +125.5%, account for 79% of the dollar increase and now make up 48% of all tracked capex.

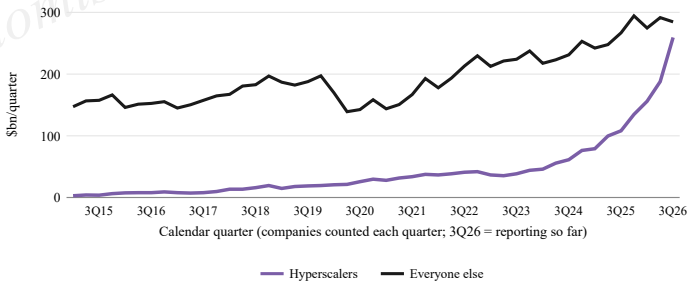
Outside AI, investment is healthy but cooling a little: ex-hyperscaler capex is up +15.5% (vs. +18.4% in 2Q26). The median company is up +6.5% (+8.9% in 2Q26). 57 of every 100 companies are spending more than a year ago (average 54), but about as many are slowing as speeding up. Our broad domestic proxy excluding the hyperscalers is up +14.5%, faster than the +12.1% BEA reports for nominal nonresidential fixed investment.

CAPEX GROWTH Y/Y: ALL, EX-HYPERSCALERS, MEDIAN VS. BEA INVESTMENT



Public companies, SEC 10-Q/10-K cash-flow statements; 932 companies in 1Q15 vs. 1,495 in 2Q26 (the public companies we track today; fewer of them filed in 2015). BEA = private nonresidential fixed investment, nominal, via FRED.

QUARTERLY CAPEX: AI HYPERSCALERS VS. EVERYONE ELSE



Capex ($bn) of companies counted each quarter, so the early years cover fewer companies. SpaceX (xAI) included from 3Q26, its first 10-Q.

BACKLOGS: RECORD ORDER BOOKS

The 501 companies that have reported hold $7,390bn of backlog (contracted revenue not yet delivered), **+48.4% more than a year earlier** (+55.4% in 2Q26, data as of Nov. 21). The AI cloud providers (Oracle, Microsoft, Alphabet, Amazon, CoreWeave) hold 36% of all backlog dollars and account for 57% of the increase. But the order boom is not only AI: **everyone else's backlog is up +28.2%**, the fastest in our data (since 2019) and about four times its average, led by memory, defense and aerospace, and power equipment. Ex-AI-cloud book-to-bill is 1.36x, a record.

The median company tells a quieter story: its backlog is up +8.4%, a little below its own revenue growth (+9.3%). As with capex, the strength is concentrated in capital goods, defense and power for data centers. For most companies, the order book points to growth holding steady rather than speeding up.

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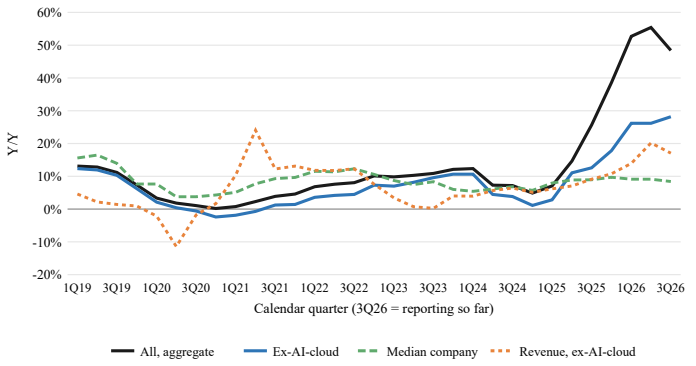
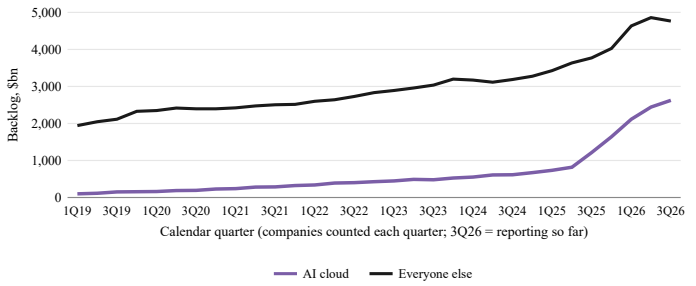
BACKLOG GROWTH Y/Y VS. THE SAME COMPANIES' REVENUE GROWTH



Public companies, SEC 10-Q/10-K XBRL (remaining performance obligations, required since 2018, so Y/Y starts 1Q19). Revenue = same companies, Revenue Growth Tracker.

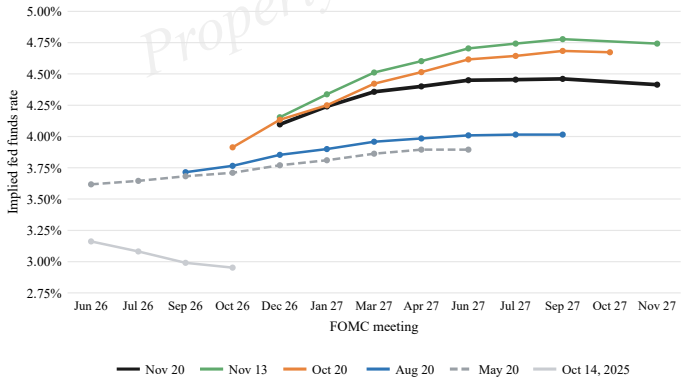
BACKLOG: AI CLOUD VS. EVERYONE ELSE



Backlog ($bn) of companies counted each quarter. AI cloud = Oracle, Microsoft, Alphabet, Amazon, CoreWeave.

RATES: THE YIELD CURVE AND THE FED

MARKET-IMPLIED FED FUNDS PATH: HOW IT HAS SHIFTED



Implied rate at each FOMC meeting = probability-weighted midpoint of the 25 bp target ranges priced by 30-day fed funds futures, on each trade date shown (latest Nov. 20). Dark line = midpoint of the current 3.75%–4.00% target range. Source: CME Group FedWatch; TCE Weekly Rates Update.

Treasury yields fell this week as stocks sold off. As of the Nov. 20 close, the 2-year yield fell to 4.63% from 4.88% a week earlier (3.55% a year ago) and the 10-year to 4.92% from 5.15% (4.10% a year ago). The curve is about as flat as last week: the 10-year is 29 bp above the 2-year, against 27 bp a week ago, 33 bp a month ago and 55 bp a year ago. The 10-year inflation breakeven eased to 2.15% from 2.24% a week ago, so part of the decline in yields is lower inflation expectations.

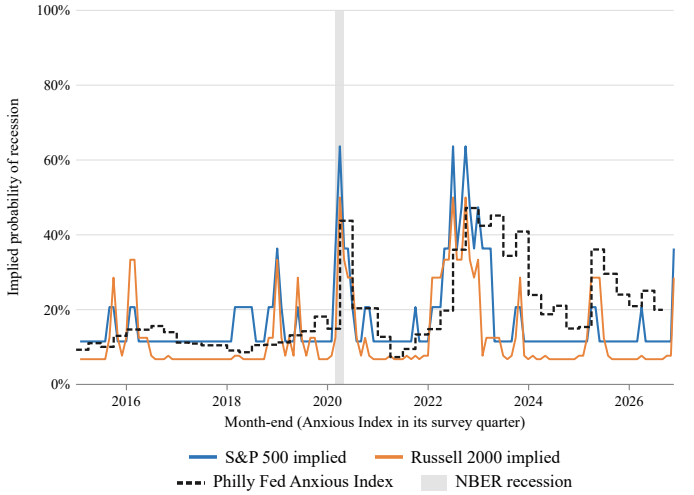
The Fed's target range is 3.75%–4.00%. Fed funds futures (CME FedWatch) imply 4.10% after the December 9 meeting (0.9 hikes of 25 bp priced) and a path that peaks at 4.46% in September 2027: 2.3 hikes, down from 3.6 hikes a week ago and 3.2 hikes a month ago (Oct. 20). With revenue growth strong and core inflation firm, the market still sees the Fed's next move as up, not down, but this week the stock sell-off took a good deal of the expected tightening out of the path.

RECESSION ODDS: STOCKS VS. ECONOMISTS

Our Recession Predictor note tests every decline from a 52-week high in the S&P 500 (since 1954) and the Russell 2000 (since 1988) against NBER recessions. **Today the stock market puts the chance of a recession in the next 12 months at about 36% (S&P 500) and 29% (Russell 2000).** The S&P 500 closed at 6,910 on 11/20/2026, 11.6% below its 10/6/2026 high, up from 12% odds a week ago when it was only 3.3% below. The Russell 2000 is 15.9% below its 8/14/2026 high (8% odds a week ago). The Philadelphia Fed's Anxious Index puts the odds of a GDP decline in 4Q26 at 20%: economists are more worried than investors.

History says a 10% decline is the level to watch, and the S&P 500 has now crossed it. The S&P 500's recession hit rate is 21% at a 5% decline, 36% at 10%, 64% at 20% and 83% at 30%. In 9 of the 10 recessions since 1957 the S&P first fell 10% before the recession began, and in all six since 1980 a 10% decline came before the NBER called the recession.

MARKET-IMPLIED ODDS VS. ANXIOUS INDEX, SINCE 2015



Month-end readings; the latest point is the Nov. 20 close. 2020 was the only NBER recession in this period, and the 2018, 2022 and 2025 declines were false alarms. Source: TCE Recession Predictor, S&P, FTSE Russell, Philadelphia Fed.

CONCLUSION

Public companies' numbers describe an economy that is growing quickly: US revenue up +13.0% in aggregate and +8.5% at the median, record capex and order books, few corporate failures and bigger M&A, with no slowdown in sight in 4Q26 guidance. The bond market expects the Fed to lean against that strength: futures price 2.3 hikes by September 2027. The two soft spots are hiring, which is flat at large companies and shrinking at small

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ones, and inflation, which is firm and broadening as fuel costs move into services. Much of the strength is concentrated in AI, power and defense, and the median company is growing at a steadier, high-single-digit pace. The stock market is the one dissenting voice: its recession odds jumped to 36% this week, though a 10% pullback is a warning, not a verdict, and the Anxious Index is not flashing red. In the weeks ahead we will be watching the rest of the 3Q26 reporting season (Nvidia and Walmart are still to come), the Fed's November 25 Beige Book, and November's jobs and CPI reports, which bring back true Y/Y inflation comparisons.

OTHER CURB ECONOMIST RESEARCH

- Revenue Growth Tracker
- Corporate Profits Note
- Capex Note
- Backlog Note
- Consumer Card Spending Tracker
- Retail Sales Note
- CPI Monthly
- Tan Book
- Labor Market Monthly
- The Stock Market as a Recession Predictor
- Data Dashboard (charts updated every week)

Sources: this note summarizes TCE's latest notes – Revenue Growth Tracker (Nov. 20), CPI Monthly – October 2026 (Nov. 10), Labor Market Monthly – October 2026 (Nov. 8), Tan Book (Nov. 8), Capex Note – 3Q26 Mid-Season (Nov. 10), Backlog Note – 3Q26 Mid-Season (Nov. 11), The Stock Market as a Recession Predictor (Nov. 11), Corporate Profits Note – 3Q26 Mid-Season (Nov. 13), Consumer Card Spending Tracker – 3Q26 (Oct. 23), Retail Sales Note – 2Q26 (Oct. 26), Weekly Rates Update (Nov. 21), and the Delisting Tracker data on our Data Dashboard – and data as of November 21, 2026. Revenue, capex and backlog figures cover the public companies in TCE's trackers (SEC 10-Q/10-K filings). 3Q26 figures are preliminary while the reporting season finishes. The 4Q26 forecast is preliminary: it uses three of the four signals in the TCE Revenue Forecast model (the off-cycle reporters come in December). Revenue, corporate profits, capex and backlog figures come straight from TCE's trackers as of this note's date, so they can be newer than the latest published notes. Card spending and retail sales figures are from the latest published editions of those notes. Recession odds use declines from the 52-week closing high and NBER recession dates since 1954 (S&P 500) and 1988 (Russell 2000).

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