2 for 1 Index®

www.2-for-1.com - following the 2 for 1 Index since 1996

August 14, 2026

The market continues to charge ahead, driven primarily by the hype around everything AI. I have to keep reminding myself that the "A" in AI is for "artificial". The "real" intelligence regarding this phenomenon is hard to come by. Will the pure AI companies ever be profitable? Will Oracle be crushed by its debt load? Will AI enable our companies and communities to actually do more work with fewer people? No one has good answers to these questions. However, there does seem to be a consensus that an AI bubble does exist and it will pop sooner or later. The 2 for 1 Index has exposure here with its positions in Nvidia and Amphenol, and to a lessor degree in KLA Corp. and Siemens Energy. Our methodology requires the 2 for 1 Index to maintain equally weighted positions, but there is nothing to stop investors from adjusting the weights of what may be the more vulnerable stocks in their individual portfolios.

Amphenol (APH) is splitting again and will be moved to the bottom if the Index ladder. There have been three other split announcements in the last few weeks. IES Holdings (IESC), splitting 2 for 1 on 8/21, is a data communications company heavily involved in the data center build out. Its numbers are not that good, and this is just the type of company that will suffer mightily when the AI bubble pops. No thanks.

That leaves us with two banks: ServisFirst Bancshares (SFBS), splitting 2 for 1 on 8/20 and UMB Financial Corp. (UMBF), splitting 3 for 2 on 8/31. Both returned high scores when run through my screening algorithm, but UMBF came out on top. When comparing the two, UMBF's valuation numbers are better, volatility is a little lower, and growth has been stronger. Another factor, and one not included in the ranking screens, involves the style or type of banking each of these institutions favors. SFBS is heavily concentrated on commercial business loans while UMBF is clearly more diversified with a thriving retail business and an institutional custody business providing a fee-based income stream outside of conventional lending. This lowered risk profile makes the selection of UMBF that much more obvious, and it will be added to the 2 for 1 Index on Monday.

Sempra (SRE) has run its course and will be deleted from the Index on Monday. SRE was added to the Index at a split-adjusted $71.30/share and will be dropped at around $84.83/share. That's a gain of 19% over three years, not including the generous dividend paid out over that time. So, SRE was a below average performer for the Index but was not a loser. Time to move on.

In summary, **UMB Financial Corp. (UMBF) will be added to the Index and Sempra (SRE) will be deleted**. The Index will be rebalanced to 30 equally weighted positions at market close on Monday 8/17/26.

Neil Macneale

SRE	SEMPRA	AUG-23	CALM	CAL-MAINE FOODS, INC.	JUL-25
NVO	NOVO NORDISK	SEP-23	BN	BROOKFIELD CORP.	AUG-25
HUBG	HUB GROUP, INC.	JAN-24	NRIM	NORTHRIM BANCORP	SEP-25
ODFL	OLD DOMINION FREIGHT LN	MAR-24	NFLX	NETFLIX INC.	NOV-25
COO	COOPER INC.	MAR-24	TPL	TEXAS PACIFIC LAND	DEC-25
USLM	US LIME AND MINERALS	MAY-24	OSK	OSHKOSH CORP.	JAN-26
NVDA	NVIDIA	JUN-24	SF	STIFEL FINANCIAL	FEB-26
WRB	W.R. BERKLEY	JUL-24	PIPR	PIPER SANDLER	FEB-26
RYAAY	RYANAIR HOLDINGS	SEP-24	SNEX	STONEX GROUP INC.	NOV-23
ODC	OIL DRI CORP	OCT-24	GNTX	GENTEX CORP.	APR-26
RLI	RLI CORP.	NOV-24	KLAC	KLA CORP.	MAY-26
MTH	MERITAGE HOMES	DEC-24	MLI	MUELLER INDUSTRIES	OCT-23
IX	ORIX CORP	FEB-25	SMERY	SIEMENS ENERGY AG	JUN-26
ORLY	O'REILLY AUTOMOTIVE, INC.	APR-25	WLFC	WILLIS LEASE FINANCE CORP.	JUL-26
FAST	FASTENAL, INC.	MAY-25	APH	AMPHENOL	JUN-24

2 for 1 Index inception 7/31/1996

Value at inception = 100

Value as of 8/13/26 = 3154.47

All time high - 6/30/26 = 3200.59

52-week low 11/20/25 = 2572.42

Overall annualized return = 12.18%

Comparable S&P total return = 10.66%