GS FINS & REITs Daily

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All references to "we/us/our" refer to the views and observations of the desk.

Overnight

E-minis +10bps/Nasdaq futures +5bps/US 10 year yield lower at 4.33%/Crude down 2% as US markets continue to grind higher after yesterday's tech-driven rally. Semis, Mag7, and speculative pockets of the market lead the charge yesterday (SOX off to best start to a quarter since Q1 2000), with Asset managers better to buy on our pad across the tech space. Little overnight news (outside of an unverified Saudi news source saying an agreement had been reached to end the blockade) as investors remain in 'wait and see' mode for further updates on a potential US-Iran peace deal. Continue to watch treasury yields resetting lower ahead of NFP tomorrow (market pre-trading a softer print or is this inflation worries coming off?). Asia broadly higher (NKY +5.6%, HSI +1.6%, KOSPI +1.4%) with Japan leading after returning from holiday (Softbank +18%, Kioxa +19%), while Europe trades mixed (STOXX -0.3%, FTSE -0.7%, CAC -0.1%). On the calendar today: US Weekly Initial Jobless claims @ 8:30, Trump meets Brazil's President Lula de Silva @ 11 AM, US March Consumer Credit @ 3 PM, Mexico Rate Decision @ 3 PM, and numerous Fed speakers (Hammack @ 10 AM and 2:05 PM, Daly @ 12:30 PM, Kashkari @ 1 PM, Williams @ 3:30 PM)...pre-open eps include ARW, BDX, DDOG, GWW, LNC, MCD and TPR...post-close eps include ABNB, AFRM, AKAM, EXPE, GILD, MCHP, MCK, RSG and WYNN

Financials

Financials finished higher last session w/ the S&P Financial Index closing +0.50%, -1.5% below its 200DMA and with a 14dRSI of 55. Financials tracked 9% of S&P constituent volumes with overall single stock volumes -5% vs 20DMA, while sector ETF volumes finished ~+20%. 61% of S&P Financial stocks finished in positive territory. 2yr yield finished -5bps @ 3.85%, 10yr yield -5bps @ 4.33%, 30yr yield -3bps @ 4.93%, VIX flat @ 17, MOVE flat @ 71, Bitcoin -1% @ 80.9k, IG CDX flat @ 53, HY CDX flat @ 322. Consumer Finance, Mortgage Finance, Trads outperformed while Payments, Alts, P&C Insurance lagged.

- **C: Citi investor day kicking off this morning…** shares are initially trading down -3% pre with ROTCE range not as good as hoped… The top question we have is, what gets us to the low end of the 2027-2028 ROTCE range?? Would have expected low end to be higher .. When we look at some of the line items, our observations are 1) Revenue overall looks in-line, however, it looks like this includes better performance in wealth (which people may have a 'see it to believe it' stance) and a little less than hoped for expect in Services (which has been growing like weeds, so perhaps conservative??) .. 2) Capital looks like it's not coming down as fast as the street expects, and this could be the MAIN source of disappointment (what FIXES this is if they say they are conservative as new proposals are still not finalized), 3) Incredibly wide range for ER in '27/28 (55-60%??) - that drives a wide range of outcomes for near term profitability, but that long term target of under 55% is better than people thought, and will be interesting to see more details on how they are going to get there (headcount reduction, AI? ..)
- **CG (=/-):** Headline earnings miss was driven by PRE .. they exited a bunch of investments but didn't get carry – Management fees missed by ~1% vs the street (but beat GS est by ~2%) and FRE missed by ~2ish% driven by higher expenses .. On the positives, fundraising was really good (20% beat vs cons) particularly in the secondaries business. From our view, positioning was short here, in part because of this view around 'high exits, but PRE miss' which ended up playing out.. Think the FRE miss (expenses) and mgmt. fees will get scrutinized though in the near term – What gets this print bought is if the market thinks CGs exits are getting them closer to carry, which combined with good fundraising, could make the go forward outlook more attractive
- **HLI (=)**: Adj. EPS of $1.63 came in below cons of $1.76 driven by 6% lower total revenues on 20% weaker restructuring, partially offset by 5% lower expenses behind a ~30bps better comp ratio. Mgmt provided constructive commentary and an upgraded restructuring outlook, likely offsetting the softer quarterly results. Specifically, they noted 1) a material pick-up in activity levels in Financial Restructuring .. expect momentum to persist through the balance of FY27 and beyond 2) a record pipeline within Corporate Finance, with pitch activity at a many-year high 3) continued TAM expansion within Financial Valuation Advisory (FVA), particularly within portfolio valuation, as sponsor AUM grows, and portfolio marks occur more frequently. HLI Link
- **MET (=/+):** Operating EPS of $2.42 beat cons of $2.27 driven by higher VII, with results ex that largely in-line with US showing strength (Group benefits and RIS) while international was a bit more mixed (Asia solid sales more than offset by higher expenses ex VII .. Latam has tax headwinds .. EMEA clean beat) .. US Group benefits beat driven by favorable mortality, while US RIS saw a more favorable crediting rate .. did ~$750mn in 1Q buybacks (and $200mn in April) .. Gave some disclosure on private credit and software exposure
- **RELY (+/=):** Top line beat ($453mn, 3% above cons) and an adj EBITDA beat (~$102mn vs $83mn cons), aided by expense leverage and strong transaction margins. In terms of the outlook, RELY raised guidance, with the outlook looking potentially conservative. Mgmt also struck an optimistic tone around the recent mgmt transition and the opportunities identified to accelerate growth in the business, including 1) doubling down on growth accelerators, notably in High amount senders, 2) increasing product velocity in the organization, and 3) streamlining operation through aggressive adoption of AI throughout the organization. Shares are up 72% YTD and 50% in the last 25 sessions so debate boils down to how much is priced in. RELY Link

- **CHYM (=)**: 2% top line beat and a significant transaction margin beat. Highlights in the quarter included 1) very strong net adds, which increased YoY, and which the company guided up on the full year, 2) strong adoption of the new Chime card, where credit mix increased several hundred basis points sequentially, and 3) continued scaling of instant loans and strong growth in MyPay originations (albeit sequentially weaker on seasonality). However, they expect shares to be range bound as the take rate declined 3bps sequentially, despite a big sequential increase in credit mix, and the company seems to be calling for more muted take rate expansion for the remainder of the year as they reinvest in customer acquisition driven rewards and Chime Prime.
- **HRB (+):** Revenue, margins and EPS outperformed with the full year guide raised. While Tong & Team see headline results as positive, they see ongoing structural growth concerns across both assisted and DIY; however, following years of market share losses in its core assisted tax prep business, HRB saw flat market share in the 2026 tax season. HRB Link

Financials ChartPack Key Takeaways: Financials ChartPack Link

- ***Financials Underperformance Persists:*** Financials continue to lag the broader market across every meaningful lookback.
- ***Historic Large/Small Cap Divergence***: Sharpest Large Cap vs. Small Cap drawdown in 5 years in Fins; the pair now sits at the 5Y average – a natural spot to pause.
- ***Alts Rally – But May Just Be Beta:*** Alts have rallied off the lows, but the move tracks traditional asset managers tightly – suggesting beta, not an inflection.
- ***Bank Rotation Beneath the Surface:*** Banks continue to lead the sector, but leadership is shifting. Trust Banks have quietly taken the baton.
- ***It's All About Momentum:*** Long positive momentum / short negative momentum pair sits near the top of its 1Y channel. The factor is still working, but may be running too hot.
- ***Spotlight:*** The CBRE / JLL pair bounced off familiar support. The crowd is looking for this bottom to hold.

Desk Positioning Scorecard: Week 4 (1=least loved, 10 = most loved)...

Financials: Week 4

Ticker	Industry Group	Relevant Report Date	BMO/AMC	Implied Move	YTD	Positioning Score
MET	Life Insurance	5/6/2026	After Mkt	3.3%	2%	6
HLI	Advisers	5/6/2026	After Mkt	0.0%	-15%	4
RELY	Payments	5/6/2026	After Mkt	9.8%	72%	7
FOUR	Payments	5/7/2026	After Mkt	10.8%	-32%	2
TOST	Payments	5/7/2026	After Mkt	10.4%	-20%	5
MKTX	Exchanges	5/7/2026	Before Open	5.8%	-18%	2
LNC	Life Insurance	5/7/2026	Before Open	6.0%	-16%	4
CG	Alternatives	5/7/2026	Before Open	6.9%	-14%	3
RGA	Life Insurance	5/7/2026	After Mkt	4.6%	5%	6
XYZ	Payments	5/7/2026	After Mkt	9.8%	9%	6
FIS	Payments	5/8/2026	Before Open	9.8%	-31%	3

Source: Global Banking & Markets – Public; as of 05/07/26; past performance not indicative of future results.

Real Estate

- **AMH (-/=)**: Core FFO of 48c beat by 1c driven by higher SS NOI growth (primarily from lower SS expense growth), partially offset by higher interest expense and lower other income. FY26 Core FFO guidance was reiterated at the midpoint of $1.92. New/Renewal/Blended lease spreads for the quarter were -0.8%/+3.2%/+2.8% with the company noting strength in the spring with new leases turning positive +1.2% while renewals slowed to +3.0% (both modestly below were cons is for the second quarter). Occupancy for quarter was 95.1% below cons at 95.4% and they noted occupancy increased 50bps QoQ to 95.6%. Overall, the pick up in April seems a touch below expectations and likely to be the driver of the stock today. AMH Link

Street Actions

Upgrades:

- **SIGI**: Raised to Outperform at BMO; PT $97

Key Events

- (5/7) **C** Investor Day
- (5/8) Nonfarm Payrolls
- (5/12) **AFRM** Investor Forum

*Not Confirmed

Earnings Calendar

Wed		Thu			Fri		
		5/7			5/8		
uring |	After	Before |	During |	After	Before |	During |	After
	AMH	ACRE		AFRM	ABR		
	CODI	BGC		AGO	BAM		
	CXW	CG		ATLC	ESNT		
	ECPG	CIM		BBDC	**FIS**		
	EPR	CLDT		**COIN**	STWD		
	FG	COLD		**CPAY**			
	FNF	CWK		CTRE			
	HCI	FOUR		HASI			
	HLI	HPP		HHH			
	HMN	LAMR		IIIV			
	HRB	LNC		LPRO			
	HST	MKTX		MAIN			
	KMPR	MMI		MBI			
	LTC	TCPC		NNI			
	MAC	WD		OPRT			
	MET			PAR			
	MFIC			PRAA			
	NATL			RC			
	OBDC			RGA			
	OSG			RKT			
	PLMR			RMAX			
	PRI			SITC			
	RDN			TOST			
	RELY			**XYZ**			
	ROOT						
	RYN						
	SVC						
	VCTR						
	XRN						

Red = Date not confirmed

Source: Street Account as of 05/06/26. Past performance not indicative of future results.

Macro

- **What's Top of Mind in Macro Research:** Grimberg & Team highlight three key themes: (1) Q1 US earnings have substantially exceeded consensus, led by mega-cap tech, but positive revisions remain narrow; (2) Iran war risks persist with oil exports through the Strait of Hormuz very low, increasing global oil shortage risks particularly in petrochemical feedstocks, jet fuel, and EM Asia/Europe; (3) the team estimates Friday's US jobs report will show +75k nonfarm payrolls (above consensus) with an unchanged 4.3% unemployment rate. AI adoption among businesses rose to 19.8% in April from 18.9% in March, though labor market impacts remain narrow. What's Top of Mind
- **Fedspeak:** The Fed's Susan Collins said she agreed with colleagues who dissented last week. Their objection was to wording in the post-meeting statement suggesting it would eventually resume rate cuts. BBG

Graphics

Pre-mkt Today

Volume | Chg Up | Chg Down | Value | Δ AVAT

Security	Last	%Chg	Volume↓
CRCL US	120.63	-0.96%	500.98k
HOOD US	78.6195	-0.54%	220.54k
C US	123.00	-3.61%	127.93k
COIN US	196.60	-0.69%	122.21k
PYPL US	46.26	-0.02%	105.71k
RKT US	14.70	+0.34%	32.32k
BRK/B US	469.27	-0.12%	26.58k
NU US	14.58	+0.69%	20.97k

Source: Bloomberg, as of 05/07/26. Past performance not indicative of future results.

Rates

Ticker	Last	1d	5d
▾ Rates			
3 month	↑3.68	--	.02
2 yr	3.84	-.02	-.02
5yr	↑3.97	-.02	-.03
10 yr	↑4.33	-.02	-.04
30 Yr	4.92	-.01	-.04
▾ Rates Curve			
3m-10yr Spread	64.35	-1.35	-5.54
2-5yr Spread	12.57	-.39	-.48
2-10yr Spread	↑48.21	+.07	-1.34
5yr-30yr Spread	94.92	+1.2	-.92
▾ Rates (addl)			
5yr Breakeven	2.58	-.01	-.12
10yr Breakeven	2.42	-.01	-.07
30yr Breakeven	2.25	-.01	-.03
5yr Real	1.38	-.01	.09
10yr Real	1.91	-.01	.03
30yr Real	2.67	--	-.02

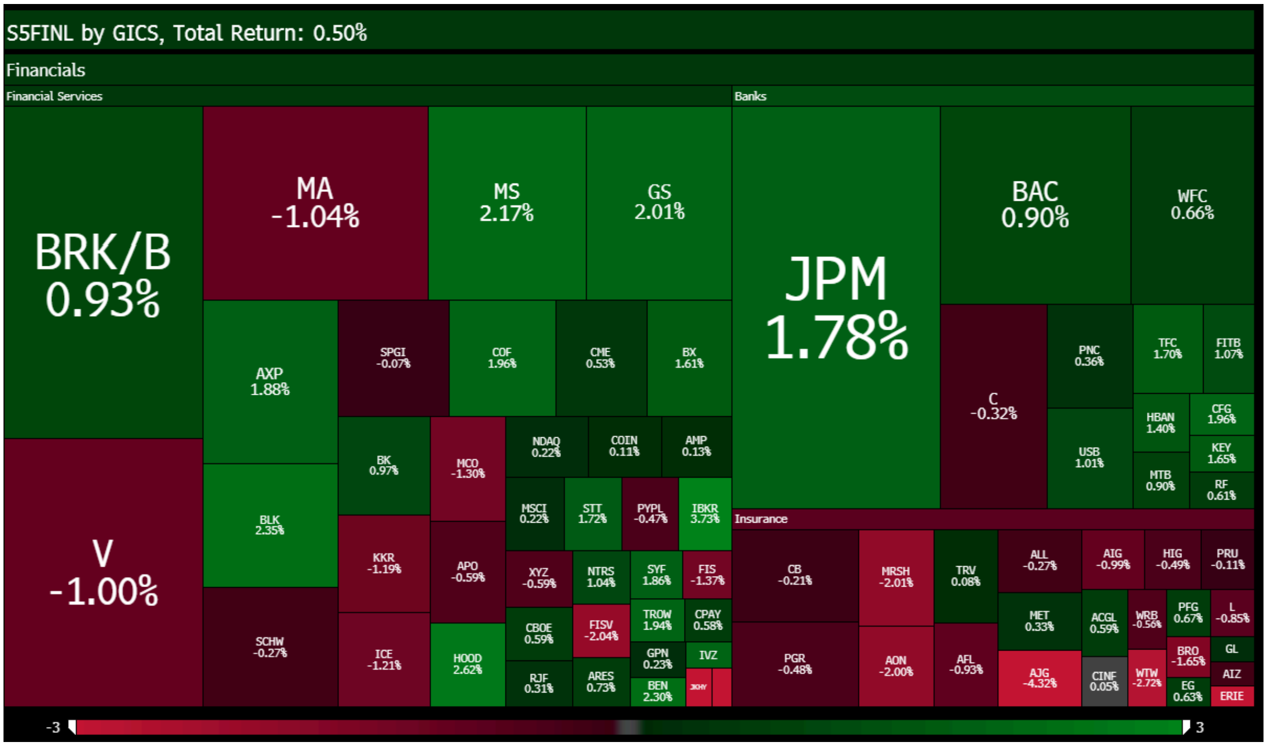
Source: Bloomberg, as of 05/07/26. Past performance not indicative of future results.

Overseas

Ticker		Last	Net	%1D
OVERSEAS (7)				
Eur Banks	d	268.94	+1.53	+.57%
Europe	d	645.56	-.57	-.09%
DAX	d	24878.54	-40.15	-.16%
Italian Banks		2457.80	-13.07	-.53%
Eur REITs	d	540.11	-2.90	-.53%
UK Banks		387.74	-2.37	-.61%
Eur Insurance	d	506.80	-3.64	-.71%

Source: Bloomberg, as of 05/07/26. Past performance not indicative of future results.

Heat Map



Source: Bloomberg, as of 05/07/26. Past performance not indicative of future results.

Last Session’s Monitor

Ticker	%1D	%5D	1 Month	%3M	%YTD	1 Year	Ticker
Indices (4)							
NDX	+2.09%	+5.2%	+18.2%	+14.1%	+13.3%	+43%	NDX
SPX	+1.46%	+3.2%	+11.3%	+6.2%	+7.6%	+31%	SPX
Real Estate	+1.35%	+2.4%	+7.1%	+6.8%	+11.4%	+8%	S5RLST
Financials	+.50%	-.2%	+3.8%	-4.4%	-5.5%	+5%	S5FINL
Fins Subsectors (13)							
Mortgage Finance	+1.74%	-3.5%	+2.7%	-6.8%	-11.2%	+9%	GSSITHMF
Traditional AMs	+1.54%	+4.7%	+16.2%	+6.7%	+11.3%	+39%	GSFINTRD
Consumer Finance	+1.42%	+2.1%	+10.5%	-6.3%	-16.4%	+10%	GSFINCON
Moneycenters	+.98%	+1.0%	+7.1%	-1.9%	+.2%	+40%	GSFINMNY
Regional Banks	+.85%	+2.1%	+5.1%	-2.9%	+10.2%	+23%	GSSIRBNK
IB/Capital Markets	+.78%	+2.3%	+12.0%	-2.0%	+1.1%	+33%	GSSIINBK
S&P 500 Financials Index	+.50%	-.2%	+3.8%	-4.4%	-5.5%	+5%	S5FINL
Reinsurance	+.44%	+1.6%	+3.5%	+1.8%	+5.6%	+11%	GSSIREIN
Life Insurance	+.06%	+1.2%	+9.2%	-.1%	+.9%	+10%	GSFINLIF
Exchanges & Biz Serv	-.26%	-.1%	+0.5%	+3.3%	-3.2%	-4%	GSFINXCH
Alts	-.59%	+6.6%	+14.3%	-9.3%	-19.8%	-13%	GSFINALT
P&C Insurance	-.80%	-1.4%	-1.0%	-8.2%	-7.2%	+2%	GSFINPAC
Payments	-1.20%	-2.7%	+5.7%	-3.5%	-10.4%	-10%	GSTMTPAY
Real Estate (9)							
Office	+3.43%	+6.4%	+18.2%	+.4%	-1.8%	-5%	GSSIREOF
Healthcare	+3.00%	+4.3%	+6.3%	+4.1%	+9.3%	+18%	GSSIHCRT
Industrial	+1.93%	+3.6%	+8.6%	+2.8%	+8.4%	+14%	GSSIREID
Lodging	+1.36%	+3.6%	+15.3%	+10.6%	+18.0%	+30%	GSSIHTRR
Towers, Data, Other	+1.26%	+2.3%	+7.6%	+8.9%	+15.1%	+3%	GSSIRESP
NYC Exposed	+1.10%	+2.7%	+12.0%	+.4%	-1.3%	-10%	GSFINNYR
Retail	+.84%	+1.6%	+4.7%	+5.7%	+13.1%	+15%	GSSIRERT
Residential	+.33%	+1.2%	+6.9%	+2.3%	--	-12%	GSSIRERE
Fins Factors/Topical (12)							
REIT Most Short	+2.35%	+4.1%	+12.2%	+2.3%	+8.3%	+16%	GSCBMSRE
Fins De-Reg	+1.22%	+.9%	+7.7%	-4.7%	+.5%	+33%	GSFINREG
Fins 12 month winners	+1.07%	+3.0%	+11.4%	+1.8%	+2.3%	+24%	GSFINMOL
Fins Cheap	+1.01%	+1.3%	+6.4%	-1.7%	+5.5%	+30%	GSFINVLL
Capital Markets Exposure	+.85%	+2.4%	+12.0%	-7.7%	-9.8%	+14%	GSFINCAP
Fins Market Cap Size Pair	+.56%	-.3%	-1.9%	-3.1%	-10.1%	-11%	GSFISIZE
Fins low growth	+.46%	+1.1%	+9.1%	-4.5%	-4.3%	+15%	GSFINGRS
Fins Buybacks	+.32%	+1.5%	+8.1%	--	+1.2%	+28%	GSFINBYB
Fins high growth	+.03%	+2.1%	+9.5%	-1.4%	-5.6%	+8%	GSFINGRL
Fins Expensive	-.11%	+.3%	+5.1%	-5.9%	-11.5%	-8%	GSFINVLS
Fins Most Short	-.28%	+2.3%	+7.9%	-3.7%	-2.5%	+10%	GSCBMSFN
Fins 12 month losers	-1.09%	-1.1%	+3.4%	-5.2%	-11.5%	--	GSFINMOS
Market Baskets (40)							
Crypto exposed	+9.72%	+29.4%	+53.9%	+51.2%	+47.8%	+180%	GSCBBTC1
GLP1 at Risk	+3.57%	+2.6%	-2.4%	-12.1%	-13.9%	-12%	GSHLCGLP
High Beta 12M Winners	+3.49%	+13.4%	+30.3%	+31.9%	+53.2%	+139%	GSCBHMOM
Reflation	+3.16%	+8.7%	+26.4%	+20.2%	+30.3%	+68%	GSXUREFL
Travel/Leisure	+3.06%	+3.2%	+5.5%	-7.4%	-.3%	+19%	GSCNSLEI
Reopening	+2.83%	+4.1%	+6.9%	-3.5%	+3.1%	+28%	GSCMREOP
TMT AI	+2.76%	+9.9%	+25.8%	+29.6%	+37.0%	+98%	GSTMTAIP
Most Rolling Short	+2.73%	+7.7%	+17.8%	+15.4%	+26.9%	+84%	GSCBMSAL
Retail Favorites	+2.64%	+9.2%	+23.7%	+14.1%	+8.6%	+47%	GSXURFAV
HF VIPs	+2.45%	+6.6%	+17.1%	+11.8%	+13.7%	+43%	GSTHHVIP
Stagflation Underperform	+2.35%	+6.8%	+17.4%	+9.7%	+20.4%	+77%	GSXUSTGS
Tech mega cap	+2.03%	+2.4%	+18.2%	+10.5%	+6.9%	+50%	GSTMTMEG
Cyclicals	+1.91%	+3.4%	+13.5%	+8.8%	+13.0%	+45%	GSSBCYCL
Long Duration Equities	+1.88%	+5.9%	+7.3%	+4.0%	-4.4%	+10%	GSTHLDUR
Rate Sensitive	+1.83%	+4.8%	+16.7%	+15.8%	+20.1%	+52%	GSTHUSTY
Stay at home	+1.83%	+4.4%	+7.3%	+7.2%	+5.3%	+15%	GSXUSTAY
Strong balance sheet	+1.70%	+5.6%	+16.0%	+12.4%	+15.3%	+35%	GSTHSBAL
CRE Exposure	+1.67%	+2.7%	+9.8%	+1.0%	+5.1%	+7%	GSFINCRE
Rep. Policy Winners	+1.56%	+6.5%	+13.7%	+11.6%	+22.9%	+64%	GS24REPL
Rep. Policy Losers	+1.53%	+2.3%	+1.6%	-7.4%	+3.4%	+14%	GS24REPS
Buybacks	+1.45%	+3.9%	+9.8%	+6.0%	+6.9%	+26%	GSTHREPO
Secular Growth	+1.37%	+5.0%	+13.1%	+9.7%	+4.2%	+12%	GSXUSGRO
ESG Favs	+1.37%	+3.5%	+11.4%	-1.5%	+6.8%	+27%	GSXUESGF
Inflation Outperform	+1.27%	+1.9%	+5.7%	-3.0%	+7.8%	+20%	GSXUCPIL
Commodity Sensitive	+1.15%	+2.8%	+0.2%	+4.7%	+22.7%	+72%	GSXUCOMO
Metaverse	+.99%	+2.5%	+14.8%	+11.2%	-3.3%	+24%	GSXUMETA
Fins Deregulation	+.88%	+2.2%	+8.4%	-4.5%	-3.6%	+22%	GSFINWIN
Inflation Underperform	+.80%	+1.7%	+2.7%	-8.5%	+1.7%	-1%	GSXUCPIS
HY Debt Equities	+.76%	+2.2%	+6.7%	+3.7%	+12.9%	+31%	GSXUHYGE

IPOs	+.74%	+4.8%	+6.1%	+3.3%	-2.2%	+10%	GSXUEIPO
Stagflation Outperformer	+.49%	+.8%	+0.7%	+.6%	+9.3%	+26%	GSXUSTGL
Labor Cost Sensitive	+.47%	+.7%	+1.4%	-6.4%	+4.0%	+20%	GSXUWAGE
Tax Loss 2025	+.32%	+.7%	+5.5%	-1.5%	+1.6%	-6%	GSCBMF25
GLP1 Winners	+.08%	+2.7%	+7.2%	-3.8%	-3.2%	+13%	GSHLCBMI
Infrastructure	-.12%	+7.5%	+20.4%	+15.7%	+34.7%	+80%	GSXUINFS
Bond Proxies	-.25%	+.3%	-0.4%	-2.0%	+5.1%	-1%	GSXUBOND
Renewables	-.33%	+6.2%	+12.4%	+5.8%	+18.9%	+96%	GSXURNEW
Short Duration Equities	-.41%	+1.7%	+8.1%	+3.2%	+10.4%	+41%	GSTHSDUR
High Beta 12M Losers	-.53%	+.8%	+5.6%	--	+.2%	+35%	GSCBLMOM
Markets Factors/Pairs (6)							
High momentum	+4.01%	+12.5%	+22.5%	+31.1%	+51.4%	+73%	GSPRHIMO
Growth/value	+1.48%	+4.6%	+5.4%	-1.3%	-11.2%	-12%	GSPUMFGV
HF Positioning	-.28%	-1.1%	-1.1%	-4.7%	-13.5%	-30%	GSPRHVMS
Staglfation	-1.87%	-5.7%	-14.3%	-9.5%	-10.9%	-32%	GSPUSTAG

Source: Bloomberg, as of 05/07/26. Past performance not indicative of future results.