LITTLE HOUSE CAPITAL

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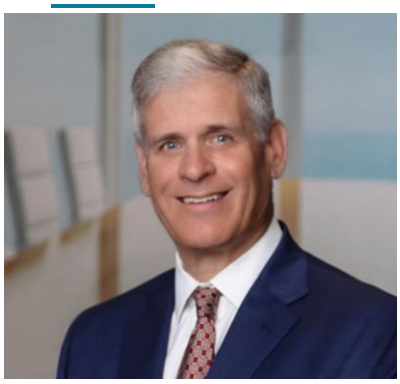
Product Recap and Comments
CORE+
Q3 2026

Our Founder



Robert C. Stimson, CPA

Founder, Chief Executive Officer & Chief Investment Officer

Company Overview

Little House Capital, LLC is an SEC Registered Investment Advisor. The firm was established to redefine the wealth management experience by integrating investment management, financial planning, and complex estate and tax strategies. We provide seamless and comprehensive goal-based solutions that seek to achieve desired outcomes for individuals, families, trusts and institutions.

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Overview

In Q3 2026, Little House Capital's CORE+ product posted a gross return of 1.4% (1.1% net), bringing the year-to-date gross return to 15.7% (14.8% net). CORE+ outperformed its benchmark which returned 12.7% year-to-date. The CORE+ trailing three-year annualized return stands at 24.9% gross (23.7% net). At quarter-end, CORE+ maintained a diversified portfolio of 42 holdings.

The portfolio trailed its benchmark for the quarter as stock selection and sector allocation detracted. The shortfall was concentrated in Information Technology, where our semiconductor holdings gave back a portion of their strong second-quarter gains. This was partially offset by favorable selection in Consumer Discretionary and Financials, along with a modest overweight to Financials as well. Key investments in Meta, CME Group, and Merck contributed meaningfully to returns, while positions in KLA Corp, Intel, and Goldman Sachs detracted from the portfolio's performance.

Market conditions became more challenging in the third quarter as the ongoing conflict in the Middle East kept oil prices elevated, leading to revived inflation concerns. The Federal Reserve ultimately raised its policy rate by 25 basis points in September. Treasury yields rose materially, with the 10-year yield reaching its highest level since 2007. Despite pressure from higher rates, earnings expectations remained supportive. Market leadership shifted as enterprise software recovered on strong earnings and AI monetization, while Industrials gave back part of their first-half gains and Financials weakened late in the quarter.

Meta (+28.8%), CME Group (+19.2%), and Merck (+13.8%) were the quarter's major winners. Meta's rebound was from the successful release of its Muse AI agent, which reintroduced it as a key competitor to other leading AI labs. CME benefited from record trading activity as geopolitical tensions and persistent inflation concerns drove heavy hedging across rates, equities, and commodities. Merck rallied to all-time highs after positive Phase 3 data for its melanoma cancer vaccine eased concerns about growth beyond the Keytruda patent cliff, building on momentum from a second-quarter earnings beat and raised full-year guidance.

KLA Corp (-35.2%), Intel (-13.9%), and Goldman Sachs (-10.5%) detracted from performance. KLA Corp gave back part of its strong first-half gains as investors took profits in richly valued semiconductor equipment names. Intel retreated from its late-June peak as investors became increasingly focused on its foundry business, which remains deeply unprofitable and has yet to prove successful at scale. Goldman declined from its mid-July record high as rising bond yields clouded the outlook for dealmaking.

Listed below are major position changes made during the quarter (this excludes existing positions that may have been added to or trimmed).

New Positions: Eli Lilly (LLY), Cadence Design (CDNS), NextEra Energy (NEE), Walt Disney (DIS)

Sold Positions: ResMed (RMD), Home Depot (HD), Netflix Inc (NFLX), Public Service Enterprise Group (PEG), Celestica Inc (CLS)

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