

Lives, Fortunes, and Sacred Honor

Weekender

July 4, 2026

I am well aware of the Toil and Blood and Treasure, that it will cost Us to maintain this Declaration, and support and defend these States. Yet through all the Gloom I can see the Rays of ravishing Light and Glory.

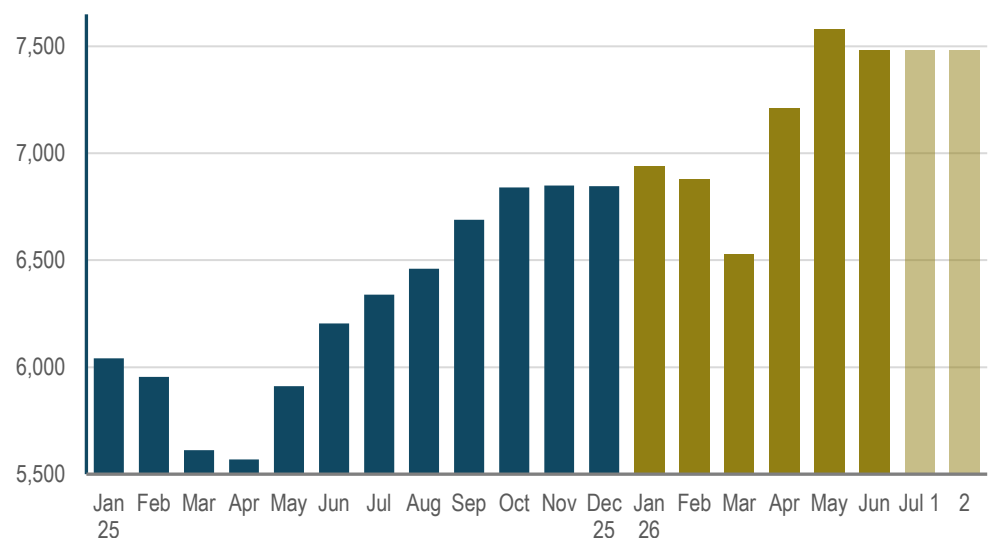
John Adams

Good morning and welcome to the *Weekender* for July 4, 2026, the 250th anniversary of the signing of the *Declaration of Independence*. Friday, July 3, was a holiday, and US financial markets were closed. US equity markets, as measured by the S&P 500, were up 1.8% for the week ended Thursday. A tug-of-war between strong second-quarter-ending momentum and a midweek technology correction defined the week. A pivotal miss in jobs data triggered a reset in interest rate expectations. Oil's sharp decline to pre-war levels was driven by a sense that, despite isolated flares, tensions were sure to revert to pre-war levels. Oil's move acted as a cross-asset catalyst, benefitting bonds and gold and pressuring energy equities.

In this *Weekender*, we will provide a summary of last week's market moves. The remaining will focus on the *Declaration of Independence*.

S&P 500 Index Levels

(Source: Bloomberg)



In June, the US economy created only 57,000 jobs, a large miss relative to expectations. June’s data was accompanied by downward revisions of the previous month’s data. May’s job creation was 172,000. Lower oil prices will certainly feed through to the rest of the economy and remove some of the edge on inflation created by the Iran War. We believe weaker job creation and lower inflation will help the new Federal Reserve chair lay the foundation for lower rates in the future.

Since the beginning of June, a long-sought-after shift has been underway. For most of the first half of the year, returns have been remarkably lopsided. The largest players and names, either directly or indirectly tied to artificial intelligence, have been the motors driving markets. More recently, investors have expressed some skepticism about whether productivity gains from artificial intelligence will be worth the investment. Although we are in the early stages of the AI revolution, any palpable gains from AI technology have been elusive. The trinket value of artificial intelligence is prominent in every social media ad. As a research and analytical tool, it is already a force multiplier. But until AI adoption moves toward semi-autonomous agents, its impact will be tantamount to asking existing employees to do more while using AI.

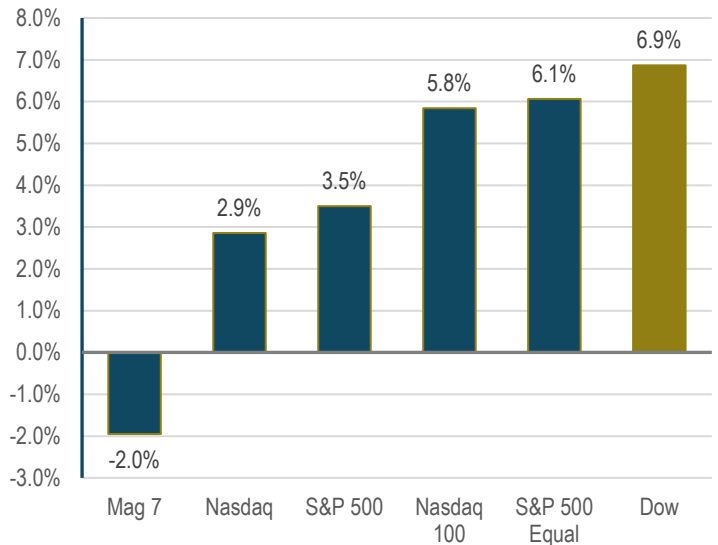
Financial markets have been taking the long view, using infrastructure spend as the metric for how big things are going to be. We believe that with the Iran War increasingly satiated, markets will look increasingly toward fundamentals. For the AI trade, markets are looking for the “beef” as evidence, rather than rocketing alfalfa sales as a proxy for its unlimited future. As evidence, marginal investment dollars are moving toward companies with strong cash flows, justifiable valuations, and a future that can be predicted with greater certainty than by prognostication.

The Dow Industrial Average, composed mostly of reliable companies that form the backbone of production and employment in the United States, hit an all-time high on Thursday, the last trading day of the week. Returns from other major indices reveal an interesting reallocation afoot, away from the AI trade that drove markets for three years, onto the forgotten names of the real economy. We are positioned for this trend to gain traction as the year progresses.

Period Returns

June 1 - July 2, 2026

(Source: Bloomberg)



One More Thing

One more thing. In this *Weekender*, we celebrate the anniversary of the signing of the *Declaration of Independence*. Doing so honors a disparate band of men who came together and acted against the opinions of the majority of their constituents but wholly in their best interests. Putting the justifications for rebellion in print was a critical act of attestation that has served as a *raison d’être* for the most consequential nation in modern history. More powerful than the debates, concessions, and signatures were the daily acts of defiance by every member of every household that made separation common sense. Acts like thousands of women, stewards of colonial households, who refused to buy cloth from England and, in defiance of their King, met together at their local church to spin their own cloth.

Fifty Years to the Day

Fifty years to the day after the Continental Congress adopted the *Declaration of Independence* on July 4, 1826, two older men lay dying, six hundred miles apart. At Monticello, Thomas Jefferson had roused on the evening of the third of July to ask his physician, “Is it the Fourth?” Told that it soon would be, he held on through the night and died in the early afternoon the next day. The same afternoon, at Quincy, Massachusetts, John Adams sank toward his own end. His last words, as they have come down to us, were

“Thomas Jefferson survives”. On their face, these words were spoken in ignorance that his old friend and rival had died a few hours before him. Although some say he spoke those words as he saw his friend in the spirit. Two men, among the most responsible for American independence, had died within hours of one another, on its golden jubilee.

A grieving and astonished nation did not think it an accident. John Quincy Adams, the sitting president and John Adams’s son, wrote in his diary that such a wonderful coincidence could only be read as a “visible and palpable” mark of “Divine favor,” before which he would humble himself in silent adoration. His official proclamation went further, declaring that the deaths gave “confidence to the belief that the patriotic efforts of these illustrious men were Heaven-directed,” and that the country stood “under the special protection of a kind Providence.” A month later, before a packed Faneuil Hall, Daniel Webster called the passing a “dispensation of the Divine Providence” — proof, he said, that America and its benefactors were objects of Heaven’s care. When, five years on, a third president, James Monroe, also died on the Fourth of July, even the doubtful found the pattern difficult to dismiss.

Whether or not one shares that conviction, it is the right place to begin. Nearly to a man, the signers of the *Declaration* believed that Providence had a hand in their work, and said so in the founding documents themselves. To see why, it may be useful to return to a sweltering, shuttered room in Philadelphia.

An Improbable Convergence

In the summer of 1776, fifty-six men did something that should not have been possible then and likely could never have been replicated. They agreed.

They agreed on almost nothing else. They came from thirteen colonies that regarded one another as near-foreign countries. They were divided by religion, region, interest, and points of view. Benjamin Franklin at seventy to Edward Rutledge at twenty-six. Some were feral radicals who had wanted separation for years. Others were reluctant moderates who had pleaded for reconciliation with the King until the final weeks. John Dickinson, among the most respected men in the room, would not sign at all. Jefferson’s draft contained a clause condemning the slave trade;

it was struck out to hold the southernmost colonies and Northern shipping interests together. This moral debt would be assuaged in the bloody battles between brothers four score and seven years later. The importance of their deliberations compelled men who agreed on so little to remain engaged despite tantrums, name-calling, and gut-wrenching compromises until agreement could be forged.

A Firm Reliance on Divine Providence

God is often blamed or credited after the fact. But not in this instance. Written into the founding itself, the *Declaration* appeals four times to the divine — to “the Laws of Nature and of Nature’s God,” to men “endowed by their Creator” with unalienable rights, to “the Supreme Judge of the world,” and, in its closing line, to “a firm reliance on the protection of divine Providence.” Those who wrote and endorsed the words also believed, and said plainly, that their cause was watched over.

George Washington said it most often. He credited “the signal interpositions of Providence” for the survival of a ragged army that, by every rational measure, should have been destroyed. In his first inaugural address, he insisted that no people were more bound to acknowledge “the invisible hand which conducts the affairs of men” than the Americans. Some of what he called Providence, a later age would call luck: in August of 1776, his army trapped against the East River after a crushing defeat on Long Island, a night withdrawal of nine thousand men was concealed at first light by an improbable fog that held until the last boats had reached Manhattan, and then lifted. Washington did not think it was luck.

Nor did Franklin, the least pious among them. When the Constitutional Convention deadlocked eleven years later, the old man rose to remind the delegates that “God governs in the affairs of men,” and that if a sparrow could not fall to the ground without His notice, it was unlikely an empire could rise without His aid. That skeptics and believers alike reached for the same explanation is itself part of the record. And it lent the twin deaths at the jubilee their peculiar power: the men who had begun with a reliance on Providence seemed, to those who mourned them, to have been gathered up by it at the last.

A Nation Founded on a Proposition

The *Declaration* was not merely a notice of separation from Britain; it was a claim about human beings and the just origins of government. *We hold these truths to be self-evident, that all men are created equal* — with that sentence, a new kind of nation came into view. Nearly every country before it had been founded on blood, soil, language, or dynasty, on the accident of who one’s ancestors were. America was founded on a proposition. To be an American would be to assent to an idea.

This is the origin of the country’s peculiar character: its identity is aspirational rather than inherited. And the ideal was sure to outlive and outrun the men who wrote it. To be sure, all of us falter in living up to our ideals. Even true ones. Several who declared that all men are created equal held other men in bondage. But they wrote it down, and once written, it could not be unwritten. It became the standard against which the nation would forever measure itself and, again and again, be found wanting.

That is why the *Declaration* became the possession of everyone the founders had left out. Lincoln called its promise the “apple of gold” that the Constitution was framed to protect. Frederick Douglass, invited to speak on the Fourth of July, turned the document’s own words into an indictment of the country’s betrayal of them. The women at Seneca Falls wrote their grievances in their cadences. A century later, Martin Luther King, Jr., called it a promissory note to which every American had fallen heir. The genius of the founding was not that it achieved justice but that it defined it and left the definition lying in the road for every later generation to take up and pursue.

Jefferson and Adams: A Rivalry Reconciled

If the creed was the founding’s gift, then its words and its defense belonged to two men who could hardly have been less alike. Thomas Jefferson was tall, reserved, and elegant, a Virginia planter of refined taste. He was placed on the drafting committee beside John Adams, the short, blunt, combustible Massachusetts lawyer whom Jefferson would later call the “Colossus of Independence” for his thunder on the floor of Congress. When the committee turned to Jefferson to write the draft, he proposed that Adams do it instead. Adams

refused and gave his reasons: a Virginian should lead; he himself was “obnoxious, suspected, and unpopular”; and, he added, Jefferson could write ten times better than he could. So Jefferson wrote, and Adams became the document’s fiercest champion. The author and the advocate made an odd and effective pair.

Their friendship deepened during their diplomatic years in Paris and London, where the two families grew close. John’s wife, Abigail Adams, and Jefferson kept up a warm correspondence of their own. Then politics came between them. Eventually, political parties formed. Adams became a Federalist, wary of disorder and inclined toward a strong national government. Jefferson led the Republicans, wary of concentrated power and devoted to the states. The election of 1796 made them uneasy partners — Adams as president, Jefferson as his vice president, drawn from opposing camps. The election of 1800 made them enemies. It was among the ugliest contests in the nation’s history. When Jefferson prevailed, a grieving and embittered Adams left Washington before dawn on inauguration day rather than watch his rival take the oath. For eleven years, the two did not exchange a word.

They were brought back together by a fellow signer. Dr. Benjamin Rush of Philadelphia, who loved them both and spent years pressing for a reconciliation, and on the first day of 1812, Adams finally broke the silence with a short, friendly letter. Jefferson answered in kind, and so began one of the great correspondences in the English language — more than a hundred and fifty letters over fourteen years, ranging across philosophy, religion, books, aging, grief, and the meaning of the revolution they had made together. Two aging men who had wounded each other deeply in public spent their last years explaining themselves to each other in private, and left their country a model of how adversaries might become friends again. Theirs was a friendship broken by ambition and mended by time. Two men who had wagered everything on the same idea, and who, at last, from the bosom of brotherhood and friendship, forgave each other for disagreeing about what it all meant.

The Unsigned Founders: Abigail Adams and Mercy Otis Warren

No account of our Founders is complete without the women whose minds shaped them and whose labors made their public lives possible. John Adams's marriage to Abigail Smith was one of the great partnerships of the age. Through his long absences, years in Philadelphia and on assignment abroad, the two kept up a correspondence of more than a thousand letters in which she was his closest confidante and shrewdest counselor, and he treated her judgment as the equal of any of his colleagues. She ran the family farm and finances through war and inflation, and educated their children, including a future president, largely on her own.

Her most famous words were a challenge to her husband. In the spring of 1776, as the men in Philadelphia debated independence, she wrote to him to remind the men to remember the ladies in the new code of laws, and not to put unlimited power into the hands of husbands, for "all men would be tyrants if they could." Women, she warned, would not hold themselves bound by laws in which they had no voice. It was a claim the Revolution was not yet willing to honor — but, like the *Declaration's* own promise, it had been set down and could not be unsaid. Critics who resented her influence took to calling her "Mrs. President." She wore it well.

If Abigail Adams was the movement's confidante, Mercy Otis Warren was its pen and, in time, its first historian. Sister of the patriot James Otis and a friend of the Adamses, she turned her wit against the Crown in a series of satirical plays and pamphlets in the early 1770s — works such as *The Adulateur* and *The Group* — that mocked royal officials and stiffened patriot resolve at a time when a woman publishing political satire, even anonymously, was itself a quiet act of defiance.

When the war was won and a new Constitution proposed, she did not fall silent. Writing as "A Columbian Patriot," she published a widely read argument against ratifying the document as it stood, warning that it lacked a bill of rights. A concern the first ten amendments would soon answer. In 1805, she produced a three-volume history of the Revolution, among the earliest ever written and the first by a woman, drawn

from her own acquaintance with many of its leading figures.

Her candor cost her and then vindicated her. That history portrayed John Adams as a man who had drifted toward monarchical sympathies, and the two old friends quarreled bitterly over it in a heated exchange of letters. Years later, they reconciled, with help from mutual friends. That a woman could criticize a former president to his face, and that the friendship could survive it, says something about that generation worth carrying forward: they took ideas seriously enough to fight over them. They took people seriously enough to listen, debate, disagree, accept, and forgive.

The Price They Pledged

The *Declaration* ends with what, to many, seems like a throwaway line. It closes with an easy-to-read sentence: "We mutually pledge to each other our Lives, our Fortunes, and our sacred Honor." This was not a flourish. In the eyes of the Crown, every signature was an act of treason, and the penalty for treason was the gallows. Had the Revolution failed, as seemed likely for many years, all of these men would have been hanged.

As July 4th approaches each year, an essay circulates claiming that five signers were captured and tortured to death as hunted traitors. It is stirring but largely false. But like fruit cake at Christmas, the story renews its circulation every year. Even so, the price the signers of the *Declaration* paid for liberty was dear.

These were, almost to a man, people with everything to lose — merchants, planters, and lawyers of standing and comfort. That is precisely the point. They were not desperate men gambling with nothing. They were men of means who wagered their means and their families' safety. Many died poorer than they had lived. A few died in obscurity or in debt. None, so far as the record shows, grew rich from having signed or served.

The Inversion of Our Age

A contrast with our own moment stands in stark relief. Set the signer's pledge beside our own moment, and a quieter contrast comes into view. The founders

pledged their fortunes to enter public life. In our age, public life has too often become a means of acquiring wealth.

The particulars change with the decade — the well-timed investment, the rich book contract, the doors and boardrooms that open only once high office has been held — but the pattern is bipartisan and familiar enough that Americans across the spectrum have come to expect it, and to resent it. Reformers in both parties periodically propose to curb it, and the proposals rarely go far, in part because they ask those who benefit to bind their own hands. The point is not to indict any person or faction. It is that the direction of the exchange has reversed. The signers staked private fortunes for a public cause; too often now, public station has become the means to a private one.

They were not saints — several died owing more than they owned, and a few had chased fortunes of their own. But the ethic they embodied is worth recovering: that office is a trust to be spent on behalf of others, not an asset to be grown while holding it.

Can We Keep It?

When Franklin emerged from the Constitutional Convention eleven years after the *Declaration* was signed, a woman is said to have asked him what kind of government the delegates had produced. “A republic,” he answered, “if you can keep it.”

Two hundred and fifty years on, the keeping is still in process. The signers did not bequeath a finished country; they bequeathed a dream, a vision, and an example. The creed that all are created equal and endowed with rights no government may justly withdraw remains the most demanding standard any nation has set for itself, and the labor of meeting it is never done. The example is quieter but no less exacting: that public purpose is worth private sacrifice, and that honor, the third and last thing they pledged, is the one possession a free people cannot afford to trade away.

What a people chooses to reward is the truest statement of what it believes. The founders trusted Providence, but they did not presume upon it: they pledged their lives and fortunes as though everything depended on their own exertion, and only then commended the result to Heaven. On the anniversary of the signing,

the fitting question is not whether we admire the fifty-six — that is easy — but whether we still recognize the ethic that moved them, and whether, having inherited their republic, we still mean, in Franklin’s words, to keep it.

Disclosure Statement

Index performance does not reflect the deduction of any fees and expenses, and if deducted, performance would be reduced. Indexes are unmanaged and investors cannot invest directly in an index. Past performance does not guarantee future results. Investing involves risk, including loss of principal.

The statements provided herein are based solely on the opinions of the author(s) and are being provided for general information purposes only. The information provided or any opinion expressed does not constitute an offer or a solicitation to buy or sell any securities or other financial instruments. Opinions expressed are subject to change without notice and are not intended as investment advice or to predict future performance. Economic forecasts set forth may not develop as predicted and there can be no guarantee that strategies promoted will be successful. The foregoing information has been obtained from sources considered to be reliable, but we do not guarantee it is accurate or complete. Consult your financial professional before making any investment decision.