August 2026

MARKET BRIEF

July 2026 brought a mixed set of signals. The labor market cooled, with payrolls down 23,000 and the unemployment rate holding largely steady at 4.1%, though health care continued to add jobs at a steady pace. Consumer confidence eased to 90.8 as views of current conditions softened for a third straight month. Equity markets were similarly split: the Dow added 0.3% and the S&P 500 held close to flat, just below 7,490, while the Nasdaq pulled back 3.2% amid a rotation away from AI and chip names.

Unemployment Rate Holds Firm

In July 2026, the unemployment rate changed little at 4.1%, down from 4.2% in June. Nonfarm payroll employment fell by 23,000. Health care remained the lone bright spot, adding 22,000 jobs, though that gain lagged its own 12-month pace of 36,000 a month. Financial activities kept shedding jobs as well (-14,000), a decline that has now erased 121,000 positions since May 2025. Employment also declined in local government education (-50,000) and retail trade (-19,000). May 2026 data was revised down by 66,000 (from +129,000 to +63,000) and June 2026 by 37,000 (from +57,000 to +20,000), resulting in total nonfarm payroll employment jobs 103,000 lower than previously reported.

Bureau of Labor Statistics

Consumer Confidence Dipped in June

The Conference Board's Consumer Confidence Index® fell 1.4 points to 90.8 (1985=100) in July, down from an upwardly revised 92.2 in June. The Present Situation Index dropped 3.6 points to 114.9, a third consecutive monthly decline. The Expectations Index held flat at 74.7, remaining below the 80 level the Conference Board associates with recession risk. Preliminary results reflect responses collected July 1-22, a period that overlapped with the ongoing conflict in the Middle East.

"Consumer confidence moderated slightly in July, continuing a general downward sloping trajectory since late 2021," said Dana M. Peterson, Chief Economist, The Conference Board. "The Present Situation Index was less positive for a third consecutive month while the Expectations Index remained in negative territory. Consumer appraisals of current business conditions and, to a lesser extent, perceptions of the current labor market both softened. Looking ahead, consumers anticipate little improvement in business conditions over the next six months, but expectations for the labor market were slightly less negative. Expectations for household incomes moderated but remained optimistic overall."

The Conference Board

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S&P Cotality Case-Shiller Index

The S&P Cotality Case-Shiller U.S. National Home Price NSA Index was up 1.1% year-over-year in May 2026, an improvement from April's 0.9% pace. The 10-City Composite ran hotter at 2.4%, and the 20-City Composite came in at 1.6%.

"May's data suggests that U.S. home prices continue to decline in real terms, with the S&P Cotality Case-Shiller National Home Price Index up a modest 1.1% year over year," said Rebecca Kaufman, Associate Director of Commodities at S&P Dow Jones Indices. "At the same time, inflation peaked at 4.2% in May, its highest level in over three years. Even on a nominal basis, the market remains noticeably weaker than a year ago. In May 2025, the National Home Price Index was up 2.4% year over year."

S&P Cotality Case-Shiller National Home Price Index

The Consumer Price Index

The Consumer Price Index for All Urban Consumers (CPI-U) edged up 0.1% in July on a seasonally adjusted basis, a reversal from June's 0.4% decline. The index for energy fell 1.5% in July.

The index for all items less food and energy rose 0.2% in July after being unchanged in June. Components that decreased over the month include motor vehicle insurance, prescription drugs, and lodging away from home. Conversely, the components for medical care, airline fares, communication, education, and recreation were among the major components that increased in July.

The all items index rose 3.4% for the 12 months ending July, down from 3.5% in June. The all items less food and energy index rose 2.5% over the year, easing slightly from a 2.6% increase over the 12 months ending June. The energy index increased 14.7% for the 12 months ending July. The food index increased 3.0% over the last year.

Bureau of Labor Statistics

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PUBLIC MARKET

July 2026 was a weak month for the Nasdaq and essentially flat for the broader market, even as the Dow posted modest gains. The S&P 500 finished down 0.1%, the Dow finished up 0.3%, and the Nasdaq Composite fell 3.2%. The divergence tracked a broader pullback from tech and chip names, as investors grew more skeptical about near-term payoffs from AI infrastructure spending, a shift that favored value-oriented, cyclical benchmarks like the Dow while dragging the tech-heavy Nasdaq down. The month closed with the S&P just below 7,490.

Public Trading Multiples

As of July 31, 2026

Category	EV / Revenue	EV/ EBITDA	Revenue Growth 1 Year	Revenue Growth 3 Year	EBITDA Growth 1 Year	EBITDA Growth 3 Year	EBITDA Margin
Healthcare and Life Sciences							
Healthcare Technology	3.6x	17.1x	6.6%	6.6%	21.2%	23.7%	4.5%
Healthcare Equipment and Supplies	3.5x	15.0x	6.0%	4.6%	6.9%	6.7%	17.1%
Healthcare Providers and Services	0.6x	11.1x	8.3%	8.0%	1.1%	0.5%	9.6%
Healthcare and Life Sciences Aggregate	2.6x	14.4x	7.0%	6.4%	9.7%	10.3%	10.4%
Technology							
IT Services	2.5x	13.0x	6.1%	4.2%	9.3%	7.8%	14.6%
Software	7.6x	17.8x	14.8%	11.7%	8.0%	20.3%	9.1%
Computers and Other Electronic Equipment	3.0x	18.7x	20.4%	7.8%	41.4%	16.7%	32.2%
Technology Aggregate	4.4x	16.5x	13.8%	7.9%	19.6%	14.9%	18.6%
Industrial and Distribution							
Aerospace and Defense	3.4x	21.0x	12.5%	8.2%	20.1%	10.9%	13.2%
Building Products	2.0x	12.8x	1.8%	-0.2%	-0.9%	0.3%	14.4%
Construction and Engineering	1.0x	11.6x	2.7%	2.1%	12.2%	6.3%	5.3%
Machinery	2.3x	16.3x	4.1%	2.8%	4.5%	4.8%	11.6%
Distributors	1.1x	13.4x	0.9%	-3.1%	-0.6%	-3.2%	4.2%
Industrial and Distribution Aggregate	2.0x	15.0x	4.4%	2.0%	7.1%	3.8%	9.7%
Consumer Products							
Food and Beverage	1.9x	11.3x	6.4%	1.9%	2.9%	3.2%	15.8%
Household and Personal Products	2.9x	13.9x	1.5%	0.6%	-0.5%	2.9%	12.4%
Household Durables	1.2x	10.2x	-0.5%	0.5%	-4.7%	-2.1%	8.5%
Textiles, Apparel, and Luxury Goods	1.9x	10.1x	6.3%	3.3%	3.6%	0.1%	8.1%
Consumer Products Aggregate	1.9x	11.4x	3.4%	1.6%	0.3%	1.0%	11.2%
Business Services							
Human Resource and Employment Services	1.5x	13.8x	3.5%	1.8%	10.6%	4.0%	11.3%
Research and Consulting Services	2.5x	13.2x	5.0%	4.4%	5.2%	8.0%	16.7%
Business Services Aggregate	2.0x	13.5x	4.3%	3.1%	7.9%	6.0%	14.0%

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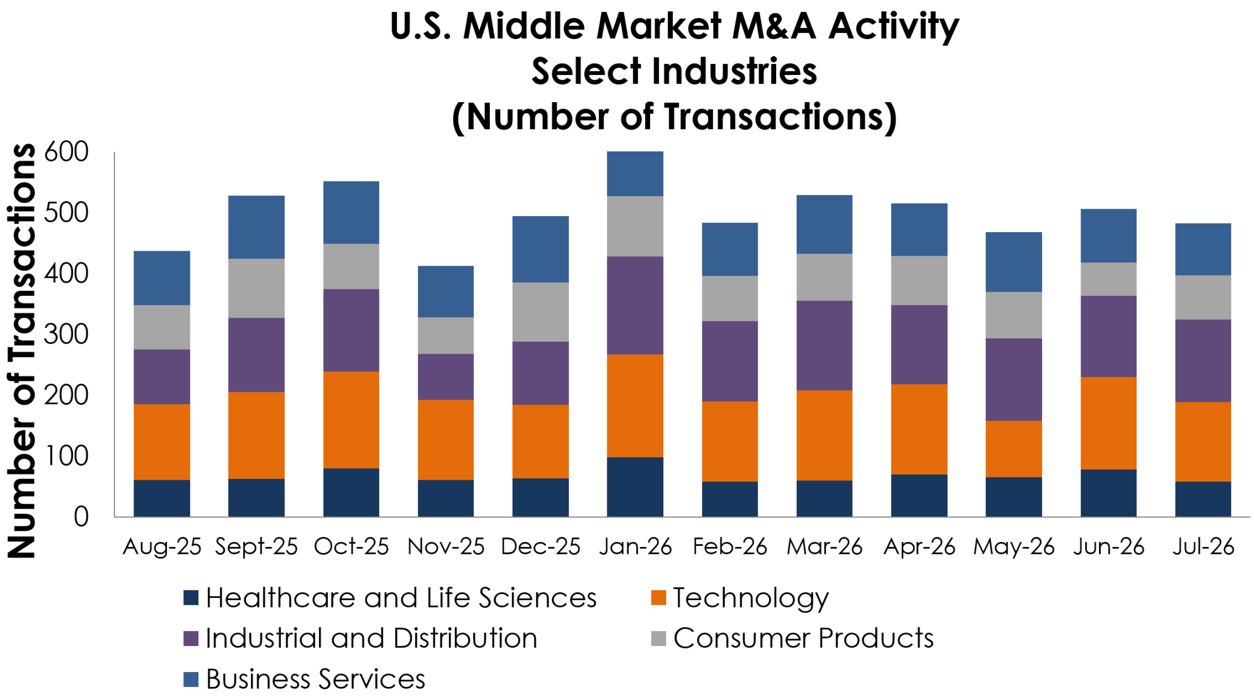
M&A MARKET

Notable M&A transactions in July include Vertex Pharmaceuticals' $10B acquisition of Crinetics Pharmaceuticals, OCS Group's $4.2B acquisition of Mitie, Iberdrola's $2.3B acquisition of Caruna, Argenx's $2.2B acquisition of Forte Biosciences, and Apple's $2B acquisition of Q.ai.

U.S. middle market M&A activity decreased slightly in July. Transaction volume dipped, while consumer products transaction volume was up moderately.



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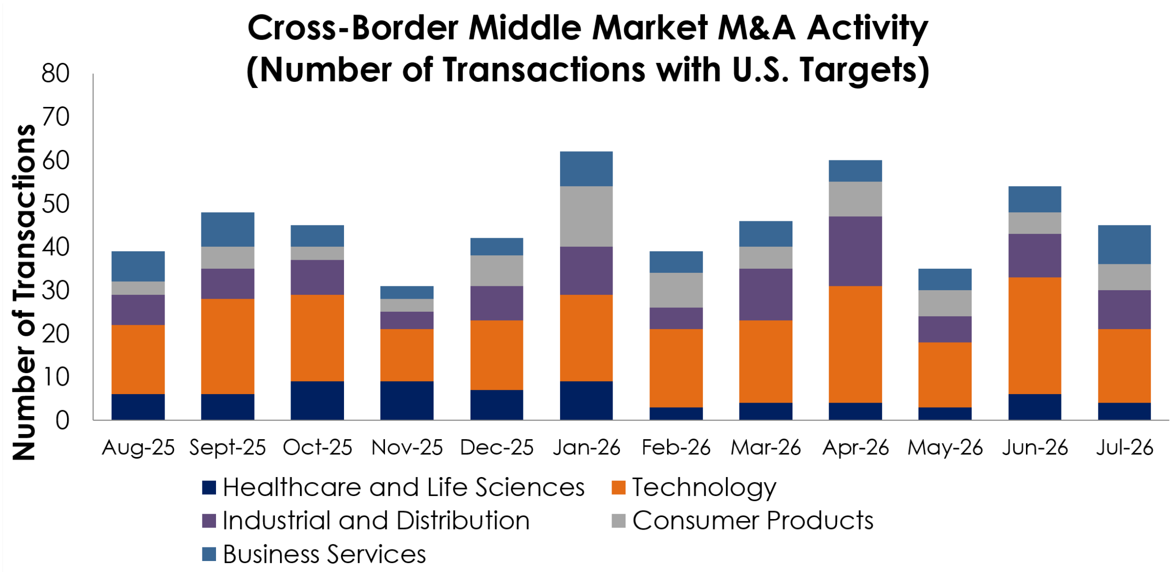
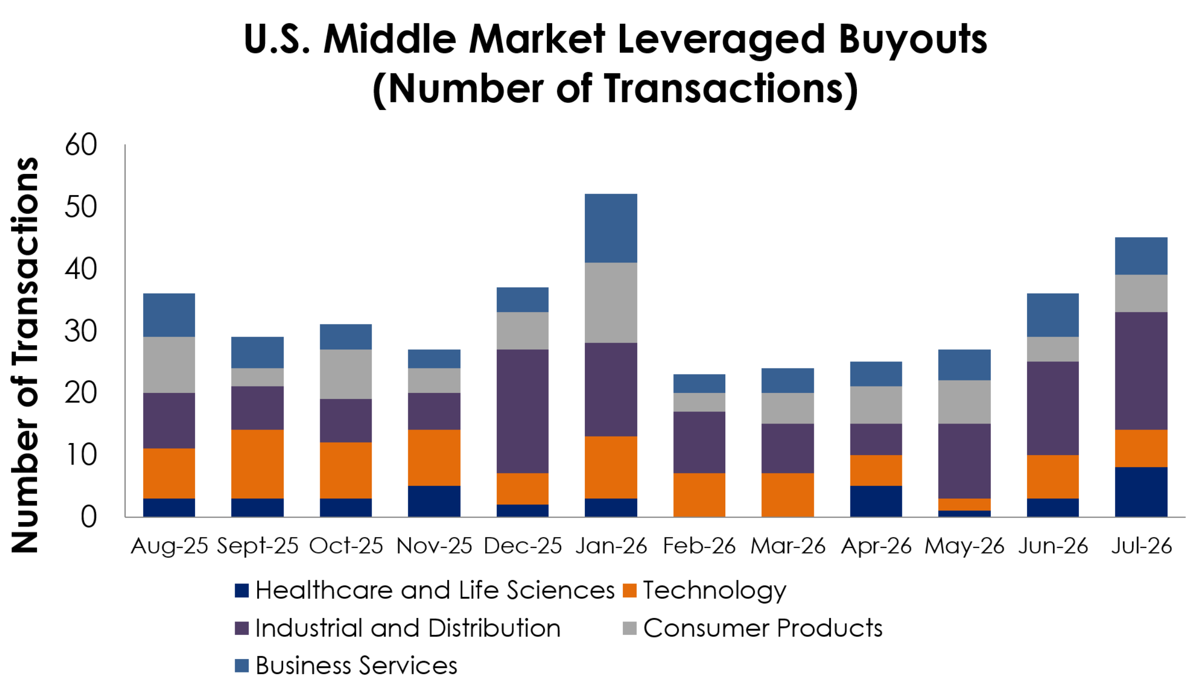
Cross-border middle market M&A activity fell slightly in July, primarily due to a notable decrease in Technology transaction volume. Transaction volume in business services and consumer products increased in July.



Overall LBO transaction volume saw a 23% increase in July, with all tracked sectors seeing increased deal volume this month.



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SELECT MIDDLE MARKET M&A TRANSACTIONS – CONSUMER

Bed Bath & Beyond Acquires The Container Store
Full Article

Bed Bath & Beyond completed its previously announced acquisition of The Container Store. Under the terms of the deal, TCS Merger Sub, LLC, a wholly owned subsidiary of Bed Bath & Beyond, merged with and into The Container Store, with The Container Store surviving as a wholly owned subsidiary of Bed Bath & Beyond. Bed Bath & Beyond also issued over $100 millon in convertible senior notes.

These companies have long-standing ties to each other. Bed Bath & Beyond almost acquired 40% of The Container Store for $40 million in 2024. This deal ultimately fell apart, and soon, The Container Store filed for bankruptcy. Bed Bath & Beyond's CEO, Marcus Lemonis, said, "This transaction will fill critical gaps in both our retail and home services strategy."

Starco Brands Acquires Custom Bakehouse
Full Article

Starco Brands completed its acquisition of Custom Bakehouse, a highly strategic transaction that advances its long-term vision of building a fully integrated consumer products platform by strengthening the Company's manufacturing capabilities and brand portfolio.

"Custom Bakehouse has spent more than three decades earning a reputation for deep formulation and manufacturing excellence, and that is exactly the kind of scale and capability we look for," said Ross Sklar, Chairman and Chief Executive Officer of Starco. "We have always believed that manufacturing is far more than production, it is a strategic asset, an innovation hub and fuel for growth. Bringing Custom Bakehouse into Starco gives us direct control of more of the value chain, IP creation, manufacturing and distribution, and allows the Company to move fast across our portfolio."

Havis Acquires Pro-Gard Products
Full Article

Havis, a leading provider of mission-critical vehicle equipment and technology solutions, acquired Pro-gard Products, a nearly 60-year-old manufacturer of law enforcement vehicle protection, prisoner transport systems, partitions, gun racks, storage, and specialty equipment.

"This acquisition strengthens Havis' ability to deliver the complete law enforcement vehicle platform today's public safety agencies require," said *Max Rogers, CEO of Havis*. "Together, we can help agencies, OEMs, dealers, upfitters, and distributors build safer, more secure, and more productive vehicles." This acquisition strengthens Havis' ability to deliver fully integrated vehicle solutions from a single source.

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FURTHER INFORMATION

Mirus Capital Advisors is a premier independent middle-market investment bank delivering sophisticated transaction advice with precision execution and proven results. With close to 40 years of experience and 450+ completed transactions, Mirus provides M&A advisory, capital raising, and fairness opinion and valuation services to corporations, private equity firms, public companies, and boards of directors across the technology, industrial, business services, healthcare and life sciences, and consumer sectors. The firm's experienced team leverages deep industry expertise, established relationships, and global reach through its international network to broaden possibilities and deliver premium outcomes for clients. Mirus has earned national recognition for excellence in the middle market, including multiple Deal of the Year honors. Our affiliate Mirus Securities, Inc. is a registered broker-dealer and FINRA member.

For any questions about the Middle Market Monitor or Mirus Capital Advisors, please contact Mirus Capital Advisors at 781-418-5900 or visit http://merger.com. You can also contact our senior bankers directly:

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