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Q3 2026 *Insight in Review*

What every Inspire investor should know



Quarterly Research

Inspire Insight

Insight In Review

Inspire Insight is a publicly available stock and fund screening tool for Christian investors. This update is a roundup of research findings from the third quarter of 2026.

Article by

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Introduction

Every quarter, the headlines shift, but the questions a biblically responsible investor asks stay the same: **Who profits, and from what?**

Q3 2026 delivered no shortage of answers – some from the usual suspects and some from new actors to the BRI landscape. Artificial intelligence ventured into the publicly traded space, bringing with it a slew of features antithetical to biblical values, which ultimately led Inspire to screen out one of the year's most anticipated IPOs. Nike's market capitalization has declined substantially, and the company was recently removed from the S&P 100. Separately, Inspire's engagement team has pressed Nike on its DEI programs through shareholder inquiries. Nike declined to cooperate, and the effort drew mainstream national attention.

Prediction markets posted their first-ever monthly decline even as they signed stadium-naming-scale sponsorship deals, while also proving that sexual titillation is still an unfortunately popular marketing ploy via Novig's campaign featuring a disrobed Sydney Sweeney. Federal courts, federal agencies, and federal budgets all moved on abortion, embryonic stem cells, and fertility treatment in the same ninety days.

Next is a roundup of stories Inspire investors should know from the third quarter of 2026.

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THE THROUGHLINE

Screening isn't a one-time filter applied at IPO, but an ongoing discipline that must keep pace with how companies, ownership structures, and public policy shift quarter to quarter.

01 Screening Category of Note: **Sexually Explicit & Exploitation**

SpaceX Screened Negative.

The single most consequential Q3 story for Inspire clients **happened at home.**



When SpaceX went public on June 12, 2026, Inspire's research team assigned it a negative Impact Score, disqualifying it from every Inspire ETF – not because of the rocket business, but because of what SpaceX now owns. SpaceX's absorption of X (formerly Twitter) triggered violations in both the Exploitation and Sexually Explicit screening categories, tied to X's documented failures around child sexual exploitation material and the allowance of pornographic content on the platform.

That determination sits inside a much bigger Q3 story about generative AI and image-based abuse. Research from AI Forensics found that in a single week around New Year's, roughly 12,500 prompts sent to Grok (xAI's chatbot, also under Musk's ownership) produced 20,000 images, 2% of which depicted apparent minors. California ordered Musk's AI company to stop sharing sexual deepfakes immediately. By Q3, the problem had spread to open-source infrastructure: researchers found Hugging

Face's tools were being widely used to generate nonconsensual deepfake pornography despite industry pledges to crack down, a problem made worse considering the upcoming purchase of Hugging Face by the juggernaut tech company NVIDIA.

Federal prosecutors also brought some of the first charges under the new Take It Down Act, against two men who published over 360 albums of AI-generated pornography depicting roughly 90 women, including sitting politicians. Forty-six states now have deepfake-specific laws on the books.

WHAT IT MEANS FOR INVESTORS

SpaceX is the clearest illustration this quarter of how ownership structure, not a headline business model, can trigger a negative screen. Investors who assume a rocket company or an AI company is "clean" because of its primary line of business should watch for this pattern to repeat as AI labs increasingly own or control consumer platforms.

02 Screening Category of Note: **Gambling**

Prediction Markets Hit a Wall – Then Sign the Yankees.



Kalshi and Polymarket had their first monthly volume decline in a year in August 2026, falling 14.5% to $45.3 billion combined, as more than a dozen states pursue enforcement actions or litigation against the platforms over sports event contracts (see Inspire's own research, which correlates prediction markets with the gambling industry). Connecticut sued Kalshi outright; Arizona is pursuing criminal charges alleging violations of state betting and election law.

Yet in the same quarter, the industry kept expanding its cultural footprint: Polymarket struck a sponsorship deal with the New York Yankees, and Kalshi signed a multi-year agreement to become the exclusive prediction-market partner of the US Open, with on-court signage starting with the 2026 tournament. Traditional sports betting also grew, Minnesota launched a tribal-led sports betting model in Q3, with DraftKings, FanDuel, and BetMGM expected to follow via secondary partnerships.

WHAT IT MEANS FOR INVESTORS

Regulatory friction hasn't slowed prediction markets' push into mainstream sports and civic life – if anything, tennis and baseball sponsorships this quarter show the category normalizing faster than regulators can respond. And with prediction market functionality embedded in typical trading platforms like Robinhood, this industry continues to grow in complexity.

Sex Still Sells.

Sydney Sweeney bares it all to promote gambling

On September 9, 2026, sports-prediction app Novig launched its first national ad campaign starring actress Sydney Sweeney, who is also a strategic partner and equity holder in the company, nude except for a football, a tennis racket, and other sporting equipment strategically placed to “preserve” her modesty. Novig described the campaign as "bold," with Sweeney framing the concept as an effort to "cut through the noise and put the focus entirely on sports."

This sexually charged campaign was met with controversy from a variety of different groups, specifically female athletes and Olympians who felt the marketing disregarded the hard work and effort that goes into athletics, while at the same time sexualizing the sports industry as a whole. However, despite criticism (or because of it), the marketing campaign seemed to have paid off, as Novig skyrocketed in searches, app store downloads, and even generated roughly $317 million between September 10–16. The gamble to place this ad before the start of the football season has paid off, as it immediately garnered nearly 50 million views upon release, and the app itself rose quickly to become #13 in the sports category on the Apple App Store (at the time of this writing).

The Novig campaign isn't an isolated marketing choice; it's a high-profile instance of a pattern the gambling industry has leaned on for years, now converging with the prediction-market boom covered above. Sportsbook and prediction-market advertising is disproportionately aimed at men: a University of Cambridge study found gambling ads on Meta platforms reach young men at 2.3 times the rate of young women – the exact demographic most likely to develop problem gambling behavior. Academic researchers studying "betting with mates" have documented how gambling apps have woven themselves into the “traditional” male identity, with gamified dashboards and social sharing features that reward engagement the same way a slot machine rewards a pull of the lever. Pairing that ecosystem with a sex-forward celebrity spokesmodel isn't incidental; it's a second, older persuasion lever layered on top of a newer one, both aimed at the same audience.

The stakes behind that targeting are not abstract. A Fairleigh Dickinson University study found that roughly 10% of men aged 18 to 30 now show signs of problem gambling, versus about 3% of the general population. In states that legalized sports betting, gambling disorder diagnoses have risen 61% overall – and more than doubled among adults 18 to 29, the population most exposed to app-based, always-on wagering. Ninety percent of bets today are placed on a phone rather than at a casino or racetrack, and more than half are live, in-game bets – meaning the product is not just accessible but engineered for compulsive, moment-to-moment use, removing the prior psychological safeguard of physical distance

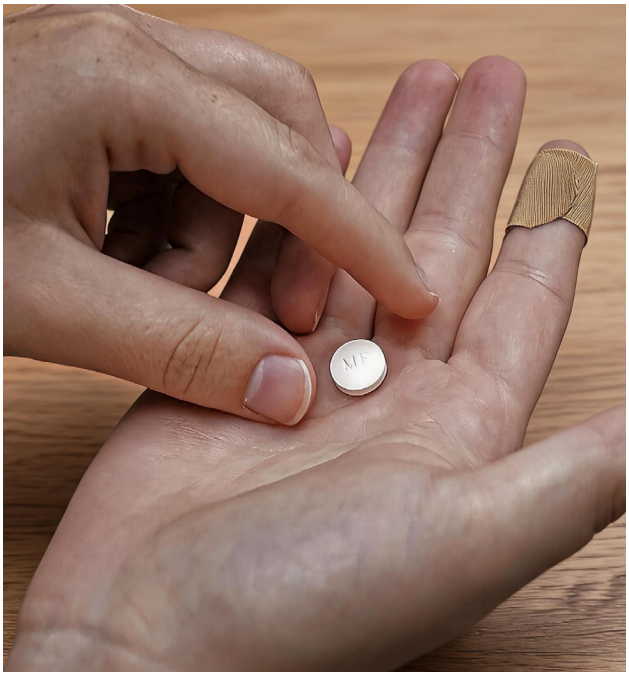
and hours of operation checking compulsive gambling decisions. Layering sexualized celebrity marketing on top of an app already optimized for habitual engagement (in the same way easily accessible pornography is) compounds a public-health problem that was already concentrated among young men before Sweeney ever picked up a football.

WHAT IT MEANS FOR INVESTORS

This sexualized marketing isn't just a modesty concern in isolation; it's a documented industry tactic for capturing the specific demographic, specifically the most vulnerable to gambling's compulsive design. While sexualized marketing is not a new trend, the combining of the two most addictive elements (sex and gambling) and targeting it toward young men is beginning to have devastating and life-altering consequences.

04 Abortion Services & Abortifacients

Mifepristone Litigation Paused, Not Resolved.



A federal judge in Texas paused the Florida/Texas attorneys general lawsuit seeking to revoke the FDA's original approval of mifepristone on August 31, 2026 – the case won't be heard again until at least December 1, with the FDA granted a stay to continue a safety review. That follows a May 2026 Supreme Court order blocking a lower-court ruling that would have restricted nationwide mail and telehealth distribution of the drug. The litigation, in other words, is on pause, not resolved and a live issue the Inspire research team is continuing to monitor heading into Q4 2026.

05 Embryonic Stem Cells

NIH Signals a Shift.

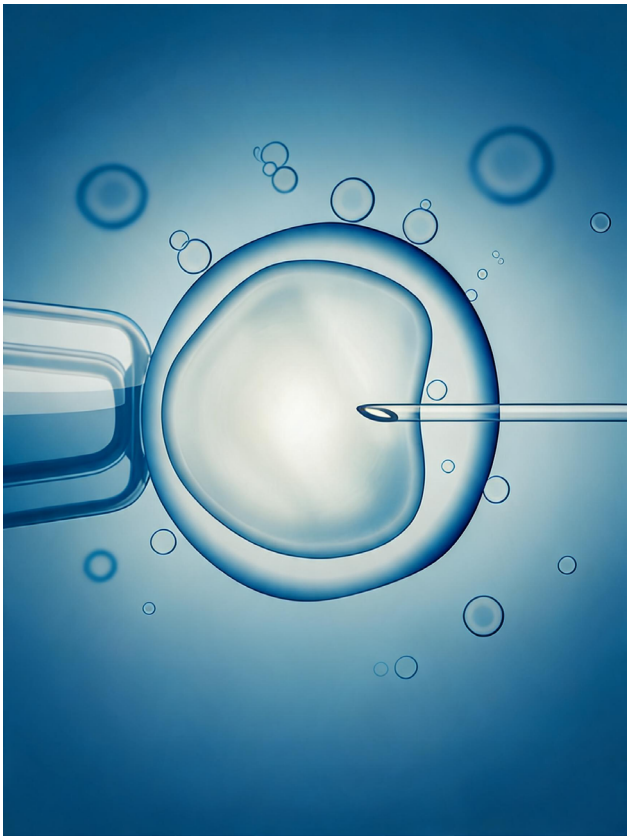
In a policy move that cuts against decades of momentum, the National Institutes of Health (NIH) proposed in early 2026 to reduce (and potentially replace) its reliance on human embryonic stem cell research, opening a public comment period on emerging alternative biotechnologies and pausing approval of new lines for its Human Embryonic Stem Cell Registry. The stem-cell research establishment pushed back hard: the International Society for Stem Cell Research, representing nearly 5,000 scientists and clinicians, formally urged NIH to continue funding embryonic stem cell work, calling it essential to continued therapeutic progress.

Why it matters

This is a rare instance of federal science policy moving in a direction Inspire investors would welcome – a shift toward alternative cell technologies (such as induced pluripotent stem cells) that avoid the embryo-destruction concern at the heart of this screen. It will be worth watching which biotech names lean into non-embryonic alternatives as NIH funding priorities shift.

Federal Government Leans In.

Where embryonic stem cell policy moved one direction, fertility treatment policy moved the other way decisively. On May 10, 2026, the Departments of Labor, HHS, and Treasury jointly proposed a rule letting employers offer IVF and fertility benefits as a standalone "excepted benefit" (similar to dental or vision coverage) with a $120,000 lifetime cap, adjusted for inflation starting in 2028. The administration also struck a deal with drug manufacturer EMD Serono to cut out-of-pocket costs on common IVF medications; more than 19,000 Americans have already used the discount, saving a combined $15 million. At the state level, California's SB 729 took effect January 1, 2026, requiring large-group health plans (100+ employees) to cover up to three egg retrievals and unlimited embryo transfers, affecting an estimated nine million enrollees.



WHAT IT MEANS FOR INVESTORS

The important takeaway is that IVF is being normalized and subsidized as standard employee benefit infrastructure, not treated as a niche or contested medical procedure. While Inspire's screening specifically targets companies that perform IVF treatment or create IVF technologies, a natural byproduct of this normalization is to expect more employers and insurers to add IVF riders as this rule finalizes.

07 Screening Category of Note: **Alcohol**

A Quarter of Retrenchment.



Both legacy vice categories kept contracting. NielsenIQ data showed total U.S. beverage-alcohol sales down 2.6% year-over-year in the four weeks ending July 11, 2026, with volumes down 4.7%; beer and wine values fell 3.9% and 3.2% respectively. The trend was severe enough that Jim Beam halted production at its flagship Clermont, Kentucky distillery for all of 2026 – the first pause in the site's modern history. Adult alcohol use has fallen from 67% in 2022 to 54% in 2025.

Tobacco saw structural retrenchment too: British American Tobacco is eliminating or outsourcing roughly 9,000 roles globally under its "Fit2Win" restructuring, targeting £600 million in annual savings by 2028. Washington state expanded its 95% tobacco tax to cover nicotine pouches and vaping products, continuing a state-by-state regulatory squeeze on the reduced-risk nicotine category even as companies like Japan Tobacco leaned harder into it (Reduced-Risk Product volumes up 44.2% in Q1 2026, driven by its Ploom device).

WHAT IT MEANS FOR INVESTORS

Both the alcohol and tobacco categories are shrinking as consumer categories. Still, the corporate response differs: alcohol producers are cutting production, while tobacco companies are pivoting product mix toward nicotine-delivery alternatives rather than exiting the space – a distinction worth watching in how Impact Scores treat "reduced risk" tobacco pivots versus genuine exits.

08 Cannabis

Rescheduling Momentum Continues.

Following the DOJ/DEA's April 2026 order moving FDA-approved, state-licensed medical cannabis products to Schedule III, the industry kept expanding through Q3: 24 states plus D.C. now permit non-medical adult use, and 40 states allow medical cannabis in some form. Florida's medical marijuana market alone generated roughly $1.19 billion in sales through the first seven months of 2026, and consolidation continued with SNDL's acquisition of Surterra Holdings, adding 43 Florida dispensaries and a 175,000-square-foot cultivation facility to its footprint.

Why it matters

Federal rescheduling is easing the tax and research burden on cannabis operators (apparent "relief" from the punishing 280E tax rule in particular, as cited by those in the cannabis industry), likely accelerating consolidation and mainstream capital flowing into names that would trigger this screen.

09 State-Owned Enterprises

Beijing Widens Its Retaliation Toolkit.

China spent Q3 building out its counter-sanctions regime rather than de-escalating. Beijing's State Council passed new regulations in April 2026 (Decree No. 835) broadening its ability to retaliate against foreign entities enforcing sanctions or export controls it deems improperly extraterritorial – with penalties including fines, visa cancellations, asset freezes, and trade curbs for non-compliant firms. In May, China's Ministry of Commerce issued its first-ever blocking order under its 2021 Blocking Rules, shielding five Chinese "teapot" oil refineries from U.S. sanctions enforcement. By August, ahead of a Xi Jinping visit, China layered on new drone-export curbs and sanctioned additional U.S. defense firms in response to Taiwan arms sales.

Why it matters

The widening gap between U.S. and Chinese regulatory regimes raises the compliance and reputational stakes for any multinational with state-linked Chinese counterparties or suppliers. This geopolitical risk layer compounds the direct SOE screen for investors with global supply-chain exposure.

Corporate Retreat, Documented in the Data.

Inspire's June 2026 "A Retreat Into The Shadows" Pride Month review already covered the sponsorship pullback in depth, so we won't re-tread that ground here. Worth flagging for Q3: the Human Rights Campaign's 2026 Corporate Equality Index describes this cycle as defined by "volatility, heightened political scrutiny, and deep uncertainty" for corporate LGBT policy – while also reporting that its highest-scoring companies post net income more than eight times higher than lower-scoring peers, a data point activists are using to argue the retreat is a strategic mistake. A federal rule further restricting Medicaid/CHIP funding for transgender-youth care was also flagged by advocacy groups in August 2026 as a live policy fight heading into Q4.

As part of Inspire's engagement endeavors, the firm led a shareholder proposal at Nike's September 8, 2026 annual meeting, filed on behalf of shareholder William C. Cunningham, asking the company to evaluate and publicly report on the "benefits, costs, and legal, reputational, competitive, and other relevant risks" tied to its charitable giving. Inspire specifically questioned whether Nike's perfect 100 score on the Human Rights Campaign's Corporate Equality Index means its employee health plan covers gender-transition procedures for minors, including surgery, cross-sex hormone therapy, and puberty blockers – coverage details Nike has not publicly disclosed.

Nike urged shareholders to vote no, pointing to its proxy statement's position that existing policies already serve investors' interests, and the board's recommendation carried the day: the proposal was rejected on September 8, receiving less than 1% of votes cast. "Our ask is simply to provide transparency into what Nike is doing," said Inspire's own Tim Schwarzenberger. "If the company has analyzed the risk of these organizations, then let us see it." This vote was heralded as an opening move rather than a defeat, encouraging that faith-based investors "have a voice." After 18 years in the index, Nike was removed from the S&P 100 amid a substantial decline in market value. Inspire continues to believe that Nike's commitment to this level of activism is out of step with the interests of many of its shareholders.

> "Our ask is simply to provide transparency into what Nike is doing. If the company has analyzed the risk of these organizations, then **let us see it.**"
>
> **Tim Schwarzenberger**

The Bottom Line.

Looking ahead to Q4, several of this quarter's open threads are set to come to a head as the political calendar gets loudest. The paused mifepristone litigation is scheduled to resume no earlier than December 1 – right as the November midterms reshape state attorneys general offices and Congress, either of which could accelerate or stall the case depending on the outcome. The IVF "excepted benefit" rule and the EU's ESG-ratings authorization deadline (November 2) are both due to finalize or bind in Q4, and Nike's proxy season loss won't be the last word. All of this is under the growing specter of the United States' midterm elections, which are primed to be one of the most consequential midterms in recent history and will inevitably affect culture and financial markets alike.

None of this is destiny; a change in control of Congress, a surprise court ruling, or even a slow news quarter could scramble it all. But if Q3 was a quarter when policy and culture moved in several directions at once, Q4 looks like the quarter when a few of those threads get pulled tight. For Inspire investors, the throughline isn't any single headline; it's the reminder that screening isn't a one-time filter applied at IPO, but an ongoing discipline that must keep pace with how companies, ownership structures, and public policy shift quarter to quarter. It is a mandate of stewardship to know the signs of the times and shrewdly make decisions founded on our continued mission to glorify God in all that we do.

"And of the children of Issachar, which were men that had understanding of the times, to know what [they] ought to do."

1 CHRONICLES 12:32

About this report



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Chris is responsible for sourcing and evaluating reliable sources to accurately screen companies and assign them an Inspire Impact Score, and curates screening categories to maintain clarity and alignment with Inspire's faith-based mission.

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This paper was prepared by Inspire Investing Research, September 2026. Scripture quotations are from the English Standard Version (ESV) unless otherwise noted.

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