STIFEL

FAVORITE 15

March 2026

Insights From Stifel's CIO Office

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P/E = price-to-earnings ratio

GEOPOLITICAL DASHBOARD:
A FRAGMENTED WORLD

The world is shifting from an era of globalization to one marked by increased localization and protectionism, increasing geopolitical risks, and uncertainty. The Stifel Geopolitical Dashboard aims to identify and assess the likelihood and investment considerations of key geopolitical risks and events that have the potential to create market volatility over the next three to five years.

LEGEND

Certain	Expected to occur; strong evidence or clear trends already in motion
Highly Likely	Strong possibility; multiple indicators suggest it will occur
Likely	Reasonable chance of happening; emerging signals present, uncertainty remains
Unlikely	Possible; there are some signals, but it's not expected
Highly Unlikely	Very rare; little to no evidence to suggest occurrence

RISK	HOW IT COULD UNFOLD	LIKELIHOOD (3–5 YEARS)	INVESTMENT CONSIDERATIONS
U.S.-China Competition	Strategic competition for global leadership intensifies across various fronts, including technological, economic, and social influence.	Certain	Tariffs, trade restrictions, and protectionist policies will challenge companies reliant on China for supply chains and revenue. India and Mexico may benefit.
Cyberattack(s)	A major cyberattack on the world's leading companies, government agencies, or infrastructure that paralyzes an entire industry or sector.	Highly Likely	Cybersecurity firms stand to benefit as demand for robust data protection and security measures rises. Increasing focus on and awareness of data privacy.
Escalating Cold War(s)	Emergence of competing geopolitical blocs and tensions rise through increasingly hostile actions, sanctions, or military posturing.	Highly Likely	Defense and cybersecurity companies may benefit from increased militarization and higher defense spending, while some corporations might deem certain regions as not investable.
U.S. Financial Instability	Rising debt levels and higher interest costs accelerate the *Fiscal Transition*, weakening confidence in U.S. creditworthiness and financial markets.	Likely	Diminished confidence in U.S. Treasuries and the U.S. dollar, both of which are pillars of global capital markets. Likely sharp economic and market downturn.
Climate Policy Error	Net-zero commitments and regulations without economic and societal readiness spark inflation and an economic slowdown.	Likely	Look for companies focused on energy efficiency and innovative solutions for potential opportunities. Nuclear power is an example.
Structurally Higher Inflation	A combination of deglobalization, supply chain reconfiguration, and labor shortages keep inflation above the Federal Reserve's 2% target for a prolonged period of time.	Likely	Consider sectors and companies with strong pricing power and the ability to pass on costs or asset classes that can provide a diversification benefit or hedge against inflation.
European Fragmentation	Disagreements on key political and policy issues lead to a withdrawal from the European Union by a member nation.	Unlikely	Increased market volatility. Likely weakness in the euro as well as sectors impacted by trade disruptions.
Aging Population Strain	Longer lifespans drive up healthcare demand and cost, placing added pressure on budgets and economic stability.	Unlikely	Focus on investment opportunities arising from an aging population, including the increased demand for healthcare, leisure and travel, and financial services.
Introduction of BRICS Currency	Brazil, Russia, India, China, and South Africa (BRICS) establish a new reserve currency backed by a basket of their respective currencies.	Unlikely	Potential decline in demand for U.S. dollars and a weakening of its value. Consider diversifying in markets outside the U.S.

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GEOPOLITICAL DASHBOARD:
A FRAGMENTED WORLD

MILITARY CONFLICTS

RISK	HOW IT COULD UNFOLD	LIKELIHOOD (3–5 YEARS)	INVESTMENT CONSIDERATIONS
South China Sea Military Conflict	Competing claims over territory escalate into military confrontation, drawing U.S. involvement.	Likely	More than $3 trillion worth of global trade, or a third of maritime trade, passes through the South China Sea annually. A conflict would severely disrupt supply chains.
Middle East War	While other regional conflicts are possible, a primary risk is that Israel and Iran enter into a full-scale aerial war.	Likely	Global oil market will be disrupted, driving up energy prices and impacting global supply chains. Defense and energy sectors would likely benefit.
Militarization of Space	Nations deploy technologies designed to disable or disrupt rival satellites, increasing the risk of space becoming an active conflict zone and threatening commercial networks.	Likely	Defense and aerospace contractors will likely outperform. Commercial satellite operators may face soaring insurance costs while global logistics would be severely disrupted.
Venezuela/ Caribbean Escalation	U.S. involvement in Venezuela expands beyond isolated strikes, or pressure broadens to other regional actors (e.g., Cuba, Colombia), increasing the risk of spillover tensions and episodic regional instability.	Unlikely	Energy price and inflation risk sensitivity rise. Episodic "risk-off" bids may favor quality balance sheets and defensives; elevated dispersion across emerging markets credit/equities.
Russia-NATO Confrontation	An accidental strike, miscalculation, or aggressive interference by Russia triggers direct engagement with NATO.	Unlikely	This will likely lead to a spike in oil prices. Perceived safe-haven assets such as gold, U.S. Treasuries, and the U.S. dollar may benefit.
Indian-Pakistan Tensions	The fragile ceasefire breaks down and the two countries enter into a war, disrupting regional stability and drawing in international powers.	Unlikely	A nuclear war is the worst-case scenario. India, the world's most populous country, is emerging as a "swing state" in the context of geopolitics.
China Invades Taiwan	China asserts its claim over Taiwan and attempts to achieve "reunification," triggering a major geopolitical crisis.	Unlikely	Severe disruption in global trade, potentially crippling the semiconductor industry given Taiwan's central role in chip production.
North Korea War	A provocation, miscalculation, or perceived threat leads North Korea or South Korea toward direct military conflict.	Highly Unlikely	War remains unlikely given the Kim regime's priority on preserving the dynasty and the overwhelming military disparity favoring the U.S.-South Korea alliance. Investors should monitor deepening Russia-North Korea ties as a potential destabilizer.

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IRAN CONFLICT

What Happened:

- Months of indirect U.S.-Iran nuclear negotiations failed
- U.S. and Israel launched coordinated strikes on Iran (Feb. 28)
- Iran retaliated with missile and drone attacks across region and U.S. bases

Initial Market Reaction:

- Strait of Hormuz effectively closed; oil prices up
- Uncertainty and volatility elevated
- Equity markets mixed to lower

Key focus areas:

- Impact on oil markets
- Duration of the conflict
- Risk of military escalation and conflict expansion
- Risks to critical infrastructure, shipping, and supply chain logistics

What We think:

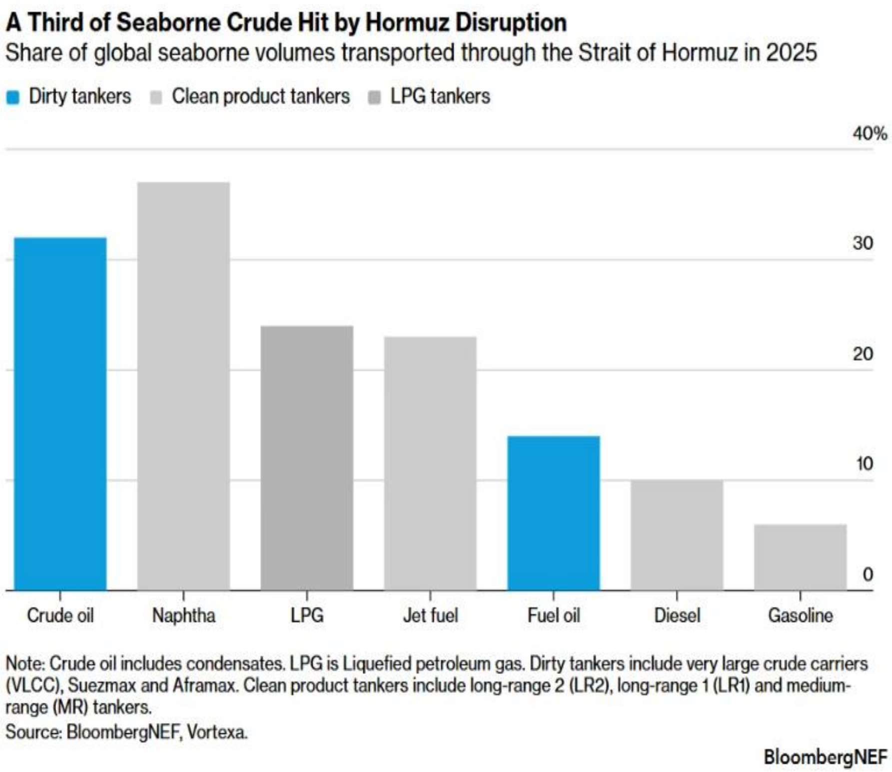
Markets will stay volatile as the conflict evolves

Higher energy costs can be inflationary; one or two rate cuts by the Federal Reserve this year

SightLines: Iran Conflict: What Happened, and What It Means for Markets

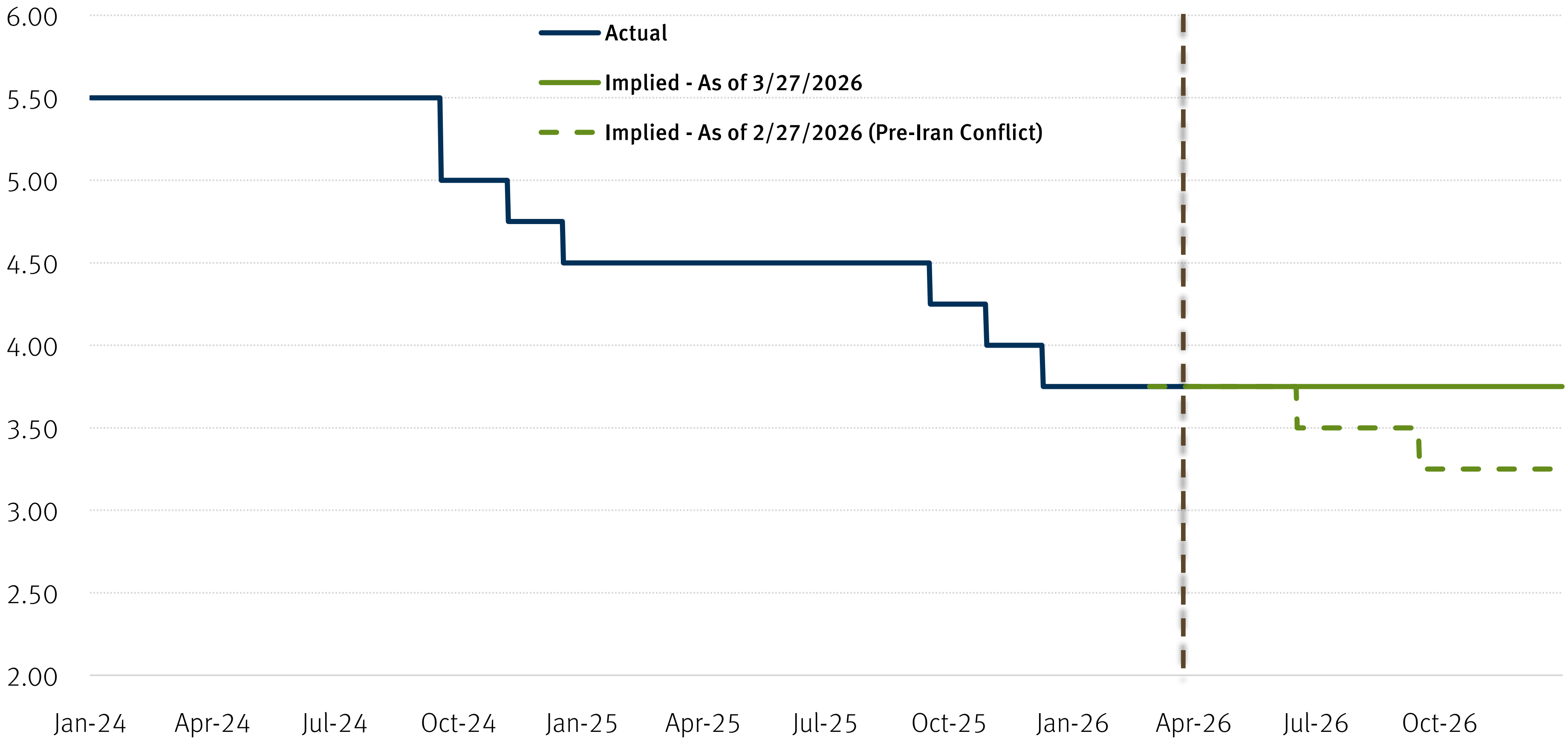
About 14 million barrels per day, or 32% of global seaborne crude oil, normally transit through the strait of Hormuz – trade which is all but stopped.

Since the U.S.-Israeli campaign began, at least 22 civilian ships – tankers, container ships, and other bulk carriers – have been attacked, according to data from the Institute for the Study of War and AEI Critical Threats project.



Source: Institute for the Study of War and AEI Critical Threats Project (as of March 11, 2026), Reuters

Fed Funds Target Rate - Upper Bound



Source: Stifel CIO Office via Bloomberg, as of March 27, 2026

MONITORING THE CONFLICT

Category	Description	Change Since the War Began
Energy	Natural Gas	From $2.85 to $3.00
	Oil, WTI	From $67 to $94
Market Volatility	VIX Index	38.2%
	MOVE Index	56.7%
Fixed Income Markets	Bloomberg U.S. Agg	-2.5%
	Bloomberg U.S. HY	-1.5%
Equity Markets	S&P 500	-5.8%
	MSCI EAFE	-9.7%
	MSCI Japan	-9.7%
	MSCI EM	-9.9%

Category	Description	% Current Levels
Breakevens	1-Year Breakeven	5.1%
	2-Year Breaveken	3.3%
	1-year, 1-year Forward	1.5%
Rates	10-year	4.4%

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Source: Stifel CIO Office via Bloomberg, as of March 26, 2026

OIL (WTI) - Spot Price

Lindsey Piegza, Ph.D. Quotes

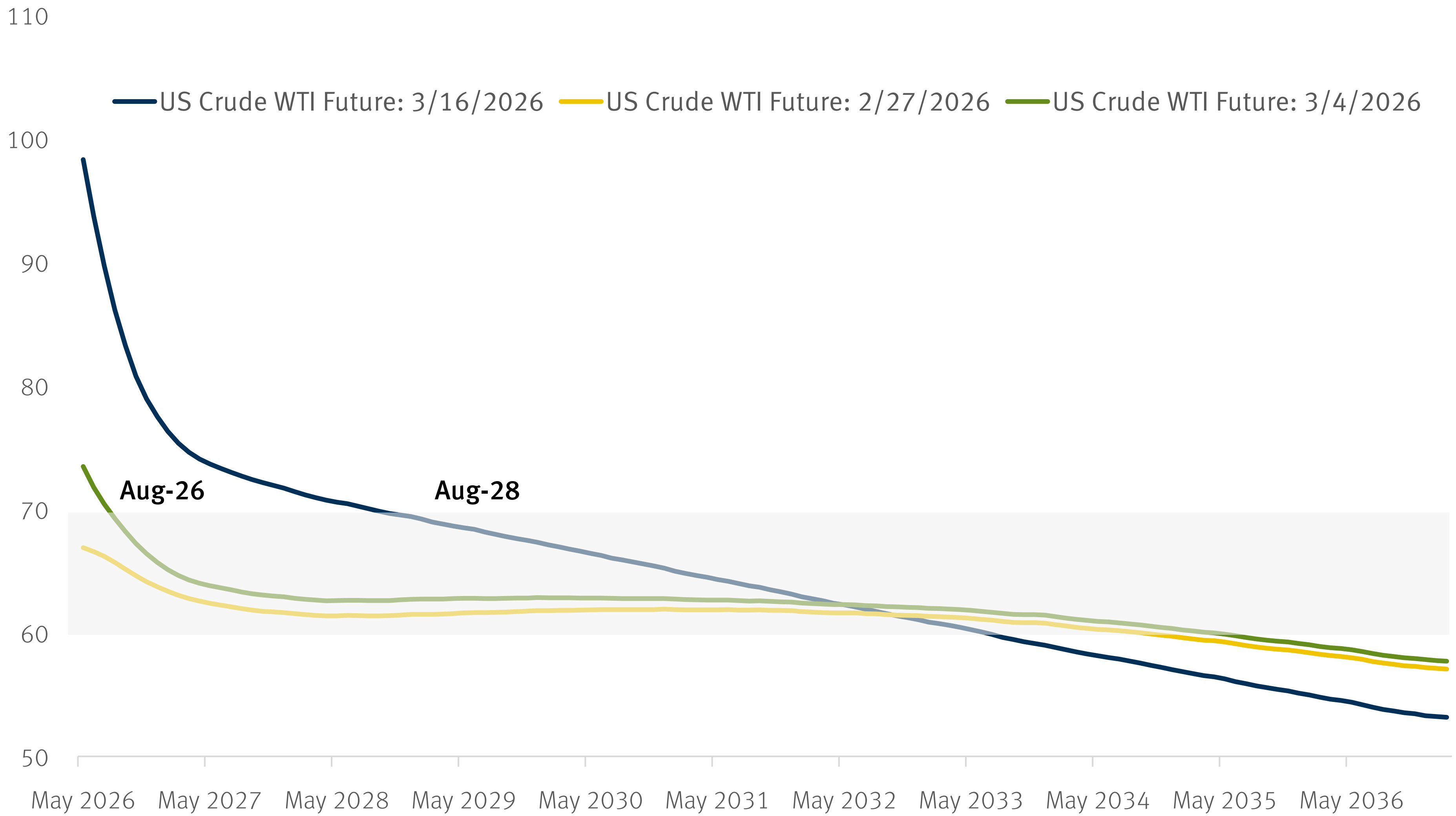
"Every $10 price hike in oil roughly translates into a loss of global GDP by one- to two-tenths of a percentage point."

"In fact, it's broadly estimated that a $1 hike at the pump can be associated with a loss of over $1 billion in expenditures elsewhere, potentially translating then into a loss of up to several tenths of a percentage point in growth annually."

Source: Stifel CIO Office via Bloomberg, as of March 26, 2026

OIL – FORWARD CURVE

The oil futures curve has deepened its inversion since the war began.



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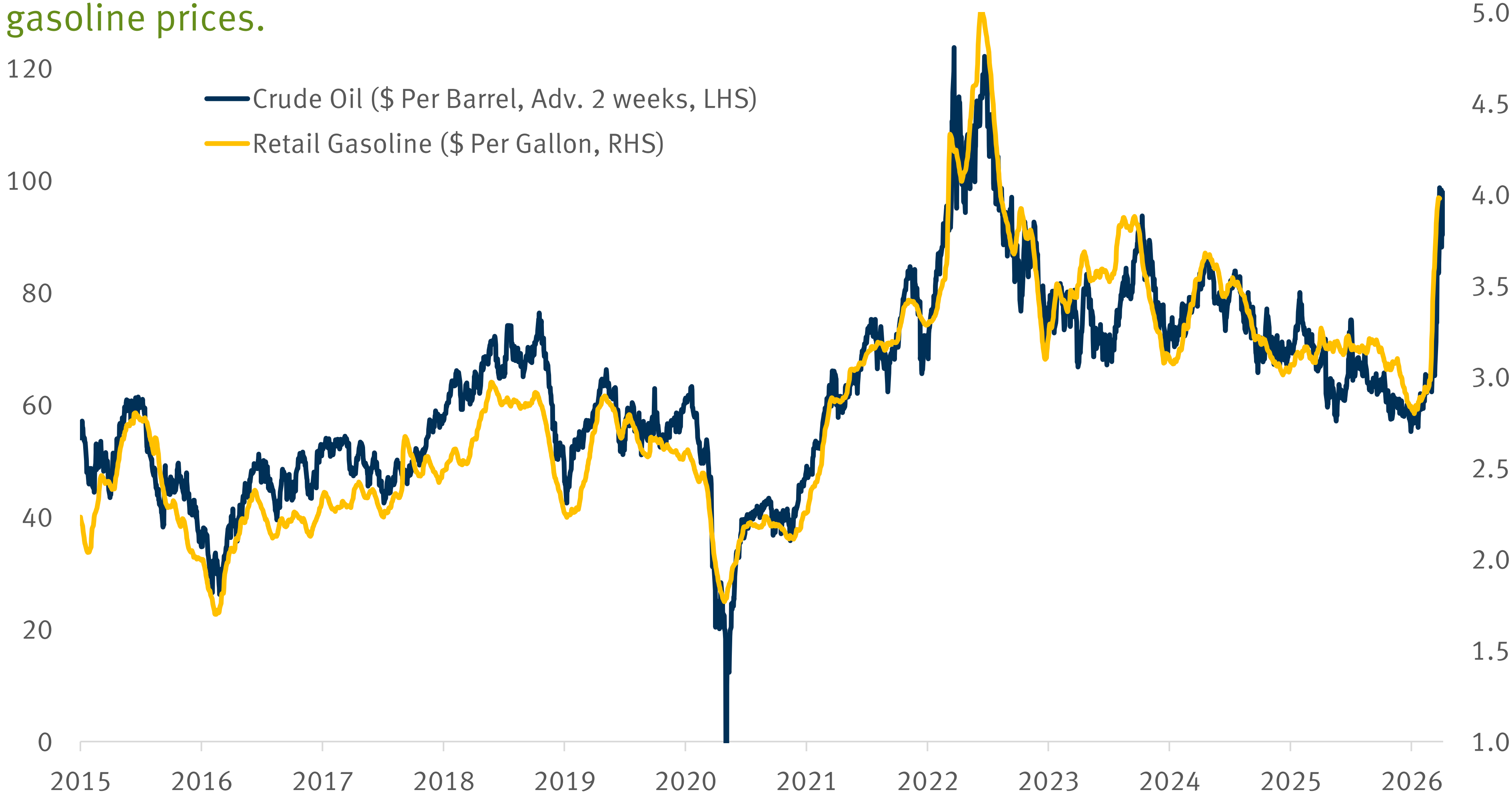
Source: Stifel CIO Office via Bloomberg, as of March 27, 2026

As a modest net energy exporter, the U.S. is better positioned than most to absorb a negative global supply shock. That said, rising oil prices still pose a meaningful risk to gasoline prices.



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Note that the chart has been truncated for the period of negative oil prices.
Source: Stifel CIO Office via Bloomberg, as of March 27, 2026

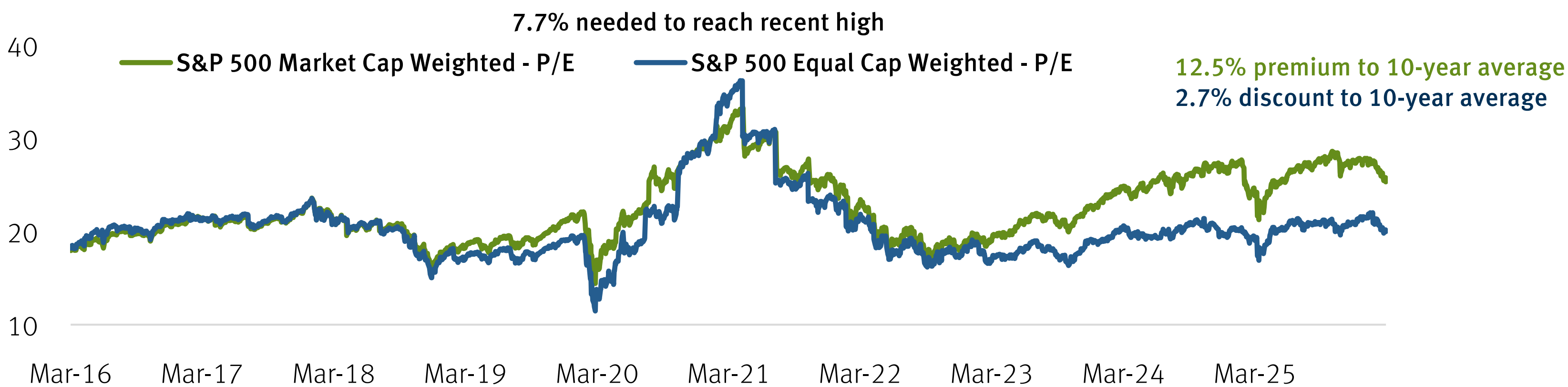
NEAR-TERM RISKS AND OPPORTUNITIES

EPS	S&P 500 P/E						
	19x	20x	21x	22x	23x	24x	25x
$330	6,270	6,747	6,930	7,260	7,590	7,907	8,250
$317	6,019	6,477	6,653	6,970	7,286	7,591	7,920
$310	5,890	6,338	6,510	6,820	7,130	7,428	7,750
$300	5,700	6,134	6,300	6,600	6,900	7,188	7,500
$290	5,510	5,929	6,090	6,380	6,670	6,948	7,250
$280	5,320	5,725	5,880	6,160	6,440	6,709	7,000
$270	5,136	5,527	5,677	5,947	6,218	6,477	6,758

Consensus 2026 EPS

Consensus 2025 EPS

Current S&P 500 Index Level



Earnings

- For 2026, the forecast has been revised slightly upward to 17.2%, compared to 14.9% at the beginning of the year.
- For 2027, the forecast has been revised slightly upward to 16.6%, compared to 15.0% at the beginning of the year.

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EPS = Earnings Per Share

*Source: Stifel CIO Office, FactSet, and Bloomberg, as of March 26, 2026

MARKET PERFORMANCE

Index	2023	2024	2025	Year to Date
S&P 500 Index	26.3%	25.0%	17.9%	-5.1%
S&P 500 Eq. Weight.	13.8%	13.0%	11.4%	0.2%
S&P High Dividend	5.5%	11.1%	3.3%	6.8%
S&P 500 Low Vol. High Div.	1.7%	18.3%	3.7%	3.9%
MSCI U.S. High Dividend	6.8%	11.7%	12.0%	5.3%
NASDAQ Composite Index	44.7%	29.6%	21.2%	-7.8%
S&P 500 Financials	12.1%	30.5%	15.0%	-10.1%
KBW Reg. Banking	-0.4%	13.2%	6.5%	1.8%
Bloomberg U.S. 1000	26.7%	24.2%	17.5%	-5.0%
Bloomberg U.S. 1000 Eq. Wt.	19.9%	13.1%	10.9%	-1.4%
Bloomberg U.S. 1000 Value	9.4%	13.6%	16.5%	5.2%
Bloomberg U.S. 1000 Growth	36.1%	28.9%	17.9%	-8.5%
Bloomberg Magnificent 7	107.0%	67.3%	24.9%	-13.3%
NYSE FANG+ Index	96.4%	51.0%	20.8%	-13.1%
S&P 600 Index	15.9%	8.6%	6.0%	3.1%
S&P 600 Quality Index	24.3%	7.8%	1.4%	0.1%
Bloomberg U.S. 2000	17.1%	12.0%	11.1%	1.5%
MSCI EAFE Index	18.2%	3.8%	31.2%	-0.6%
MSCI EM Index	9.8%	7.5%	33.6%	3.5%
Bloomberg U.S. Agg	5.5%	1.3%	7.3%	-0.8%

Source: Stifel CIO Office via Bloomberg, as of March 26, 2026

FOUR POSSIBLE SCENARIOS

The motivations and goals of four distinct parties will define the timing and shape of an off-ramp.

- *How quickly does this conflict move to an off-ramp?*
- *What factors are driving this timing?*
- *What are the near-, medium-, and long-term implications for the global economy and markets?*

MANAGED OFF-RAMP

(50% Probability)

- **Timeline**: Resolved within weeks.
- **Action**: All parties accept a "face-saving" stand-down.
- **Market**: Oil prices recede and shipping normalizes quickly.

SHADOW WAR

(25% Probability)

- **Timeline**: Persists for months.
- **Action**: U.S./Israel declare victory; Iran continues proxy/intermittent attacks.
- **Market**: Ongoing volatility as markets remain "shaken" by friction.

SEVERE TAIL

(15% Probability)

- **Timeline:** Prolonged for many months.
- **Action:** Blockade of Strait of Hormuz and defense system depletion.
- **Market:** Inflation spikes alongside supply disruption; potential deflation.

REGIME CHANGE

(10% Probability)

- **Timeline:** Long term (many months).
- **Action:** U.S./Israel focus explicitly on toppling the regime.
- **Market:** Sustained high inflation; remote chance of internal uprising.

SightLines: Unpacking Motivations: Four Scenarios to an End to the War With Iran

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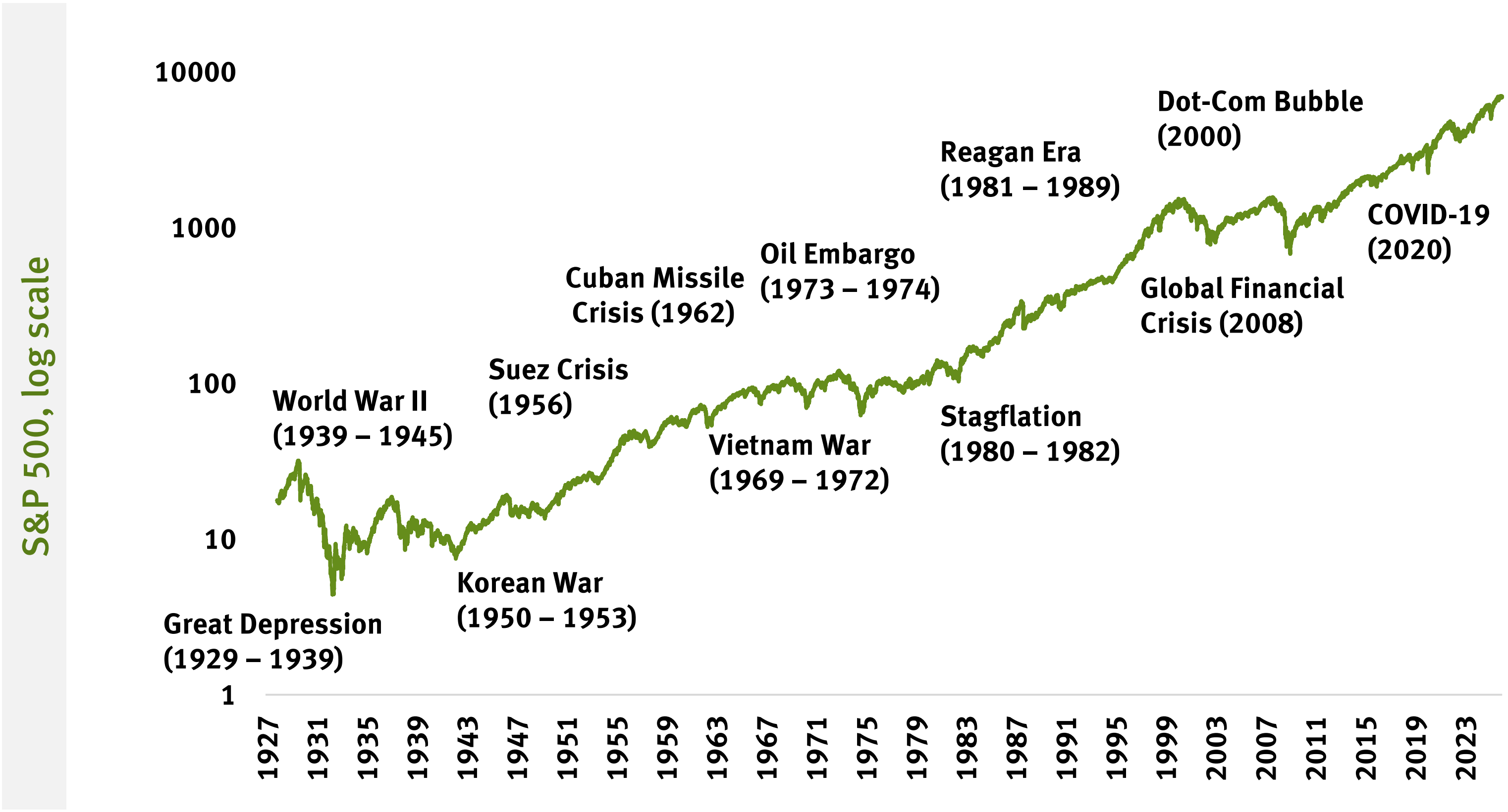
KEY WATCHPOINTS

1. **Energy & Shipping**
   - Strait of Hormuz status
   - OPEC+ / IEA response
   - War-risk insurance, tanker rates
2. **Military & Escalation Dynamics**
   - Scope of targeting
   - Proxy activation
   - Cyber operations
3. **Politics & Geopolitics**
   - U.S.: Public sentiment, administration messaging (midterms)
   - Iran: Leadership stability, protest activity
   - China/Russia/India/Turkey response and import behavior
4. **Diplomacy & Off-Ramps**
   - Backchannel activity with intermediaries
   - Gulf state posture
5. **Markets & Economy**
   - Oil prices and futures curve
   - Inflation and expectations
   - Equity and bond market volatility

Almost 100 years of S&P 500 history

Over the last century, markets have been resilient through various shocks – whether it's inflation, war, or geopolitical crisis. Market volatility is a part of investing, and fluctuations in the short term shouldn't distract you from your long-term goals and objectives.



Almost 100 years of S&P 500 history

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HISTORICAL GEOPOLITICAL SHOCKS

Event	Start Date	S&P 500 Price Return: One Week	1 Month	3 Months	6 Months	12 Months	Primary Trigger/Incident
Korean War	6/28/1950	-1.1%	-1.1%	5.7%	10.8%	17.6%	Initial North Korean invasion across the 38th Parallel
Suez Crisis	10/29/1956	2.6%	2.6%	-4.1%	-1.4%	-12.3%	Israel occupies Egypt's Sinai Peninsula
1958 Lebanon Crisis	7/15/1958	2.9%	2.9%	14.4%	23.7%	32.8%	U.S. Marines land in Beirut (Operation Blue Bat)
Berlin Crisis	8/14/1961	1.0%	1.0%	5.2%	4.0%	-15.1%	Erection of the Berlin Wall begins
Cuban Missile Crisis	10/16/1962	-6.3%	-6.3%	14.2%	21.0%	26.6%	President Kennedy informed of missile sites (start of "13 Days")
Vietnam (Tonkin)	8/3/1964	-1.5%	-1.5%	2.6%	5.5%	2.0%	Gulf of Tonkin naval engagement involving USS Maddox
India-Pakistan War	8/5/1965	0.7%	0.7%	7.6%	7.9%	-4.1%	Outbreak of hostilities following Operation Gibraltar
Six-Day War	6/5/1967	4.1%	4.1%	5.9%	7.5%	10.7%	Israel initiates Operation Focus airstrikes
Vietnam (Tet Offensive)	1/30/1968	-1.1%	-1.1%	4.9%	5.1%	10.2%	Surprise North Vietnamese offensive begins
Yom Kippur War	10/5/1973	1.4%	1.4%	-9.1%	-14.1%	-42.2%	Egypt and Syria launch surprise attack
Fall of Saigon	4/30/1975	2.0%	2.0%	1.0%	2.8%	17.3%	Capture of Saigon; final U.S. evacuation
Iran Hostage Crisis	11/5/1979	1.7%	1.7%	12.3%	4.5%	24.0%	Storming of the U.S. Embassy in Tehran
Soviet-Afghan War	12/24/1979	0.1%	0.1%	-8.0%	6.1%	23.3%	Soviet tanks cross into Afghanistan
Iran-Iraq War	9/22/1980	-5.3%	-5.3%	4.1%	4.1%	-10.2%	Full-scale Iraqi invasion of western Iran
Force in Lebanon	8/25/1982	0.6%	0.6%	13.1%	25.9%	39.8%	Multinational force including U.S. Marines lands in Beirut
Gulf War	8/2/1990	-3.3%	-3.3%	-13.5%	-4.4%	9.0%	Iraq invades Kuwait; defense forces overwhelmed
Croatian War	4/1/1991	2.0%	2.0%	1.8%	4.5%	9.8%	Plitvice Lakes incident; outbreak of independence war
Kosovo War	2/27/1998	0.6%	0.6%	4.6%	3.3%	21.2%	KLA escalates attacks; Serbian army responds
9/11 Terror Attacks	9/11/2001	-5.5%	-5.5%	4.3%	6.7%	-18.2%	Coordinated terrorist attacks on WTC and Pentagon
Iraq War (Invasion)	3/20/2003	-0.8%	-0.8%	15.4%	17.5%	26.1%	"Shock and Awe" coalition invasion begins
Madrid Bombing	3/11/2004	1.4%	1.4%	2.2%	1.3%	10.7%	Coordinated terrorist train bombings
Crimea Annexation	2/20/2014	0.8%	0.8%	2.6%	7.7%	14.0%	Russian aggression/illegal crossing of Ukrainian border
COVID-19 Crash	2/19/2020	-8.0%	-8.0%	-13.7%	-0.1%	16.2%	S&P 500 reaches peak before pandemic sell-off
Russia-Ukraine War	2/24/2022	1.7%	1.7%	-7.2%	-3.7%	-4.9%	Russia launches full-scale invasion of Ukraine
Israel-Iran War	4/12/2024	-3.0%	-3.0%	9.0%	13.1%	-1.2%	Iran launches direct drone and missile attack on Israel
	Median	**0.6%**	**0.6%**	**4.3%**	**5.1%**	**10.7%**	
	Average	**-0.5%**	**-0.5%**	**3.0%**	**6.4%**	**8.1%**	

Source: Stifel CIO Office via FactSet, as of March 2, 2026. Calculations assume 30 days per month.

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INDEX DESCRIPTIONS

Indices are unmanaged and are not available for direct investment. Past performance is no guarantee of future results. Index returns include the reinvestment of dividends but do not include adjustments for brokerage, custodian, and advisory fees.

Bloomberg U.S. Treasury Bills 1-3 Months Index includes all publicly issued zero-coupon U.S. Treasury Bills that have a remaining maturity of less than three months and more than one month, are rated investment grade, and have $250 million or more of outstanding face value.

Bloomberg U.S. Corporate IG Index is an unmanaged index considered representative of fixed-rate investment-grade taxable bond debt.

Bloomberg U.S. Aggregate Corporate Index is an unmanaged index considered representative of fixed-rate investment-grade taxable bond debt.

Bloomberg U.S. Corporate High Yield is an unmanaged index considered representative of fixed-rate, noninvestment-grade debt.

Bloomberg U.S. Government Bond Index is an unmanaged index considered representative of fixed-rate, investment-grade U.S. Government debt.

Bloomberg Global Aggregate This index provides a broad-based measure of the global investment-grade, fixed-rate debt market.

Bloomberg U.S. 100 Equal Weight is an equity benchmark that tracks the performance of the 100 largest companies listed on the NASDAQ exchange within five specific sectors. It assigns a 1% weight to each constituent at rebalancing.

DXY Index is a measure of the value of the U.S. dollar relative to the value of a basket of currencies of the majority of the U.S.'s most significant trading partners.

S&P 500 Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

S&P 500 Equal Weight Index is the equal-weight version of the widely regarded Standard & Poor's 500 Index, which is generally considered representative of the U.S. large capitalization market. The index has the same constituents as the capitalization-weighted S&P 500, but each company in the index is allocated a fixed weight of 0.20% at each quarterly rebalancing.

S&P 500 Financials Index comprises those companies included in the S&P 500 that are classified as members of the GICS® financials sector.

Bloomberg U.S. 1000 Value Index provides exposure to companies with superior value factor scores based on their earnings yield, valuation, dividend yield, and growth.

Bloomberg U.S. 1000 Growth Index provides exposure to companies with superior growth factor scores based on their earnings yield, valuation, dividend yield, and growth.

Bloomberg U.S. 1000 Index is a float market-cap-weighted benchmark of the 1000 most highly capitalized U.S. companies.

Bloomberg U.S. 2000 Index is a float market-cap-weighted benchmark of the lower 2000 in capitalization of the Bloomberg U.S. 3000 Index.

MSCI EAFE Index captures large and mid cap representation across Developed Markets countries around the world, excluding the U.S. and Canada. With 914 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

MSCI Emerging Markets (EM) Index captures large and mid cap representation across 23 Emerging Markets (EM) countries. With 837 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

Morgan Stanley Market implied pace of hikes index (MSPOKE) is the number of Fed rate hikes in the 12 months following the first rate hike implied by the Eurodollar interest rate futures market.

MSCI World Index is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed markets.

The MSCI Japan Index is designed to measure the performance of the large and mid cap segments of the Japanese market.

INDEX DESCRIPTIONS

The MSCI U.S. High Dividend Yield Index is based on the MSCI USA Index, its parent index, and includes large and mid cap stocks. The index is designed to reflect the performance of equities in the parent index (excluding REITs) with higher dividend income and quality characteristics than average dividend yields that are both sustainable and persistent.

Bloomberg Magnificent Seven Index is an equal-dollar weighted equity benchmark consisting of a fixed basket of seven widely-traded companies classified in the United States and representing the Communications, Consumer Discretionary and Technology sectors as defined by Bloomberg Industry Classification System (BICS).

S&P 500 Quality High Dividend Index is designed to measure the performance of S&P 500 members that exhibit both high quality and high dividend yield characteristics.

The S&P 600 Index is a capitalization-weighted index that represents the U.S. small capitalization market, including 600 domestic stocks chosen for market size, liquidity, and industry representation.

The S&P SmallCap 600 Quality Index is designed to measure the 120 highest-quality stocks in the S&P SmallCap 600 on the basis of their quality score, which is calculated using three fundamental measures: return on equity, accruals ratio, and financial leverage ratio.

Wilshire 5000 Index is a market-capitalization-weighted index of the market value of all stocks actively traded in the United States.

VIX is a trademarked ticker symbol for the Chicago Board Options Exchange Market Volatility Index, a popular measure of the implied volatility of S&P 500 index options.

Cboe S&P 500 Dispersion Index (DSPX℠) measures the expected dispersion in the S&P 500® over the next 30 calendar days, as calculated from the prices of S&P 500 index options and the prices of single stock options of selected S&P 500 constituents, using a modified version of the VIX® methodology.

EURO STOXX 50 is a stock index of Eurozone stocks designed by STOXX, an index provider owned by Deutsche Börse Group. According to STOXX, its goal is "to provide a blue-chip representation of Supersector leaders in the Eurozone.

Cash & Cash Equivalent is represented by the Bloomberg U.S. Treasury 3-6 months Bill Index, comprised of treasury bills issued by the U.S. government with less than one year to maturity.

U.S. Government Bonds is represented by the Bloomberg U.S. Government Bond Index, comprised of the U.S. Treasury and U.S. Agency indexes.

U.S. Corp IG Bonds is represented by the Bloomberg U.S. Corporate Bond Index, comprised of the investment grade, fixed-rate, taxable corporate bond market.

High-Yield Bonds is represented by the Bloomberg U.S. Corporate High Yield Bond Index, comprised of U.S. Dollar denominated, high-yield, fixed-rate corporate bond market securities.

INDEX DESCRIPTIONS

U.S. LC (Large Cap) equities is represented by the Bloomberg U.S. 1000 Index, comprised of a float market-cap-weighted benchmark of the 1,000 most highly capitalized U.S. companies.

U.S. SC (Small Cap) equities is represented by the Bloomberg U.S. 2000 Index, comprised of a float market-cap-weighted benchmark of the lower 2,000 in capitalization of the Bloomberg U.S. 3000 Index.

Developed International Equities is represented by the MSCI EAFE Index, comprised of equity securities that belong to markets outside of the U.S. and Canada.

Emerging Markets Equities is represented by the MSCI EM Index, comprised of equity securities that belong to emerging markets.

Moderate Bench stands for moderate benchmark portfolio return which is a blended portfolio of stocks (60% weight, represented by MSCI AC World Index) and bonds (40% weight, represented by Bloomberg U.S. Agg Gov/Credit).

MSCI AC World Index is comprised of equity securities belonging to 23 developed markets and 24 emerging markets countries.

MOVE Index measures U.S. bond market volatility by tracking a basket of OTC options on U.S. interest rate swaps. The Index tracks implied normal yield volatility of a yield curve weighted basket of at-the-money one-month options on the 2-year, 5-year, 10-year, and 30-year constant maturity interest rate swaps.

Bloomberg U.S. Government/Credit Bond Index is comprised investment grade, dollar-denominated, fixed-rate Treasuries, government-related and corporate securities.

KBW Nasdaq Regional Banking Index seeks to reflect the performance of U.S. companies that do business as regional banks of thrifts.

NYSE FANG+ Index is an equal-dollar weighted index designed to track the performance of highly-traded growth stocks of technology and tech-enabled companies in the technology, media & communications and consumer discretionary sectors such as Facebook, Apple, Amazon, Netflix, and Alphabet's Google.

NCREIF Property Index is a quarterly, unleveraged composite total return for private commercial real estate properties held for investment purposes only.

National Federation of Independent Business Small Business Optimism Index measures the overall optimism and outlook of small business owners regarding the economic conditions, sales expectations, hiring plans, and capital expenditures. It provides valuable insights into the sentiment of small businesses, which are a vital component of the U.S. economy.

The NASDAQ Composite Index is a capitalization-weighted index that is comprised of all stocks listed on the National Association of Securities Dealers Automated Quotation System stock market, which includes both domestic and foreign companies.

DISCLOSURES

Past performance does not guarantee future results. Investing involves risk, including the possible loss of principal. Asset allocation and diversification do not ensure a profit or protection against loss.

Dollar-cost averaging does not assure a profit or protect against a loss. Investors should consider their ability to continue investing during periods of falling prices.

Rebalancing may have tax consequences, which you should discuss with your tax advisor.

Alternative Investments or Non-Traditional Assets – Alternative investments may include, but are not limited to: Real Estate Investment Trusts (REITs), Commodities, Futures, Hedge Funds, Venture Capital, Limited Partnerships, etc.

Real Estate – When investing in real estate companies, property values can fall due to environmental, economic, or other reasons, and changes in interest rates can negatively impact the performance.

Commodities and Futures – The risk of loss in trading commodities and futures can be substantial. You should therefore carefully consider whether such trading is suitable for you in light of your financial condition. The high degree of leverage that is often obtainable in commodity trading can work against you as well as for you. The use of leverage can lead to large losses as well as gains.

Hedge Funds – Investors should be aware that hedge funds often engage in leverage, short-selling, arbitrage, hedging, derivatives, and other speculative investment practices that may increase investment loss. Hedge funds can be highly illiquid, are not required to provide periodic pricing or valuation information to investors and often charge high fees that can erode performance. Additionally, they may involve complex tax structures and delays in distributing tax information. While hedge funds may appear similar to mutual funds, they are not necessarily subject to the same regulatory requirements as mutual funds.

Venture Capital – Venture capital investments involve substantial risks. The risks associated with investing in companies in the start-up or expansion stages of development are greater than those of companies in later stages, because the companies' business concepts generally are unproven, and the companies have little or no track record.

Limited Partnerships – Generally, limited partnership investments are suitable only for a narrow class of relatively sophisticated investors. Limited partnership investments may be speculative in nature and be subject to resale restrictions or illiquidity. An investment is appropriate only for investors who have the capacity to absorb a loss of some or all of their investment.

Bonds – When investing in bonds, it is important to note that as interest rates rise, bond prices will fall. High-yield bonds have greater credit risk than higher quality bonds.

Duration – Duration is a measure of the sensitivity of the price – the value of principal – of a fixed income investment to a change in interest rates. Duration is expressed as a number of years.

Standard Deviation – Standard deviation is a measure of the dispersion of a set of data from its mean. It is calculated as the square root of variance by determining the variation between each data point relative to the mean. If the data points are further from the mean, there is higher deviation within the data set.

International and Emerging Markets – There are special considerations associated with international investing, including the risk of currency fluctuations and political and economic events. Investing in emerging markets may involve greater risk and volatility than investing in more developed countries.

Private Equity – Private equity funds are not appropriate for all investors. Investors should be aware that private equity funds may contain speculative investment practices that can lead to a loss of the entire investment. Private equity funds may invest in entities in which no secondary market exists and, as such, may be highly illiquid. The funds are not required to provide periodic pricing or valuation information to investors and often charge high fees that can erode performance. Additionally, they may involve complex tax structures and delays in distributing tax information.

DISCLOSURES CONTINUED

Short Positions – The investor should note that when a short position moves in an unfavorable way, the losses are theoretically unlimited. The broker will demand more collateral, and the manager might have to close out that short position at an inopportune time to limit any further losses.

Small Company Securities – Small company securities are typically more volatile and carry additional risks, since smaller companies generally are not as well established as larger companies.

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