QUARTERLY

MARKET PERSPECTIVES

Q3 2025

WEALTH MANAGEMENT INSIGHTS FROM STIFEL'S CIO OFFICE

The second quarter highlighted the underlying resilience of the U.S. economy and markets despite fresh macro headwinds. While "Liberation Day" tariffs and escalating trade tensions sparked volatility early in the quarter, markets ultimately stabilized as policy risks moderated and geopolitical tensions eased.

The Federal Reserve (Fed) maintained rates, signaling two cuts by year-end as headline consumer inflation cooled to 2.4% year over year, nearing target. Unemployment remained low at 4.1%, and payroll growth moderated, suggesting a relatively healthy yet cooling jobs market. Despite muted consumer sentiment, discretionary spending remained resilient.

Equity markets climbed the "wall of worry." The S&P 500 recovered from an early double-digit decline, with the technology and consumer discretionary sectors leading gains, driven by AI optimism and solid earnings. Non-U.S. equities outperformed, supported by a weaker dollar, Chinese stimulus, and European defense sector strength.

Fixed income markets were mixed, with core bonds posting modest gains and high-yield outperforming. Commodities declined, led by oil, while gold rose as a safe haven. The dollar's continued slide reflects rising fiscal concerns and questions over its long-term reserve currency status.

Looking ahead, we remain constructive on the economy and markets, with cooling inflation, stable employment, and easing trade risks supporting a positive outlook into the second half of 2025.

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MACROECONOMIC OVERVIEW

Markets entered the second quarter on edge, rattled by "Liberation Day" tariffs, escalating trade tensions, and renewed recession fears, all of which sent volatility sharply higher. While GDP contracted 0.5% in Q1, the estimated 2.1% growth in Q2 highlights underlying economic resilience. The Fed revised its 2025 GDP growth forecast down to 1.4% from 1.7%, reflecting expectations for continued but more modest expansion compared to last year.

Labor market strength remains a bright spot, though signs of cooling are present. The unemployment rate fell to 4.1% after holding steady at 4.2% from March through May. Payroll gains have averaged 130,000 in the first half of 2025 compared to 171,000 in the second half of 2024. Inflation continued to ease despite tariff concerns, with headline and core CPI falling to 2.4% and 2.8%, respectively, year over year – down from 3.0% and 3.3%, respectively, at the start of the year – approaching the Fed's 2% target. While this progress could justify a rate cut, the Fed left rates unchanged on concerns over tariff price pressures. The latest "dot plot" indicates officials still anticipate two 25-basis-point cuts by year-end.

Consumer sentiment remained subdued. The University of Michigan Consumer Sentiment Index was 60.7 in June, following the prior two months' 52.2 – still well below the 71.1 reading a year earlier and the 83.9, 10-year average. Year-over-year spending growth slowed to 4.5% in May from 5.2% in April, with the discretionary categories seeing mixed but reduced spending intentions.

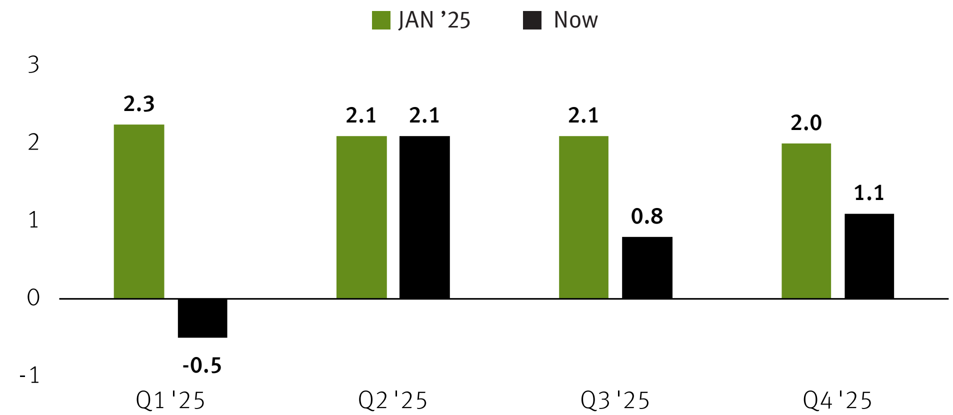
A 0.9% decline in retail sales for the month suggests consumers may have front-loaded purchases ahead of the tariff rollout.

Trade policy dominated headlines following the Trump administration's sweeping tariff measures. April, the White House announced a 10% tariff on all U.S. imports, with significantly higher reciprocal tariffs on select countries, including China and Vietnam. A temporary 90-day pause on those reciprocal measures offered some relief, as the administration pursued bilateral trade negotiations. Key deadlines in July and August are approaching, with several major trading partners – including China, Canada, and the European Union – reporting constructive progress.

Geopolitical risks remained in focus during the quarter. Tensions in the Middle East initially escalated as Israel launched strikes on Iranian nuclear and military sites, followed by targeted U.S. strikes. A ceasefire was reached after 12 days, with Iran signaling openness to negotiations – easing fears of broader regional conflict and potential disruptions to oil flows through the Strait of Hormuz. Meanwhile, the Ukraine-Russia peace talks have stalled, with neither side achieving breakthroughs in negotiations. Ongoing uncertainty in Europe's

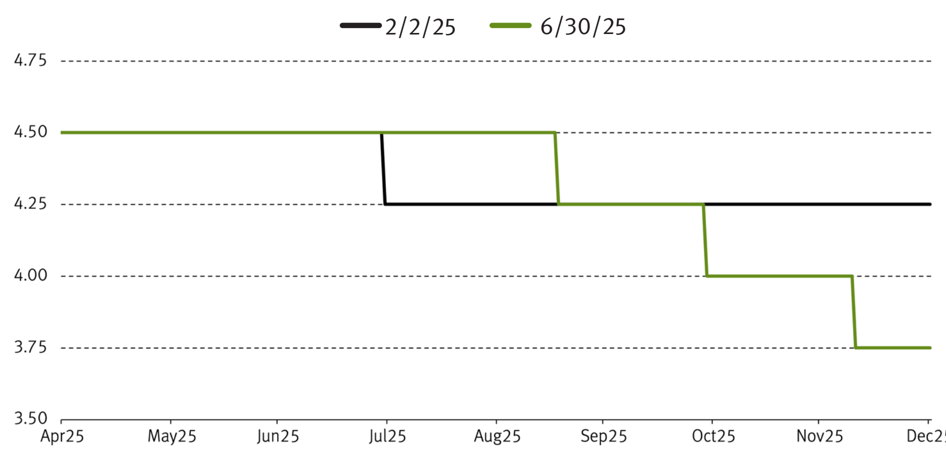
Figure 1. Consensus GDP Forecasts

Quarter-over-quarter, Seasonally-adjusted annual rate (%)



Source: Stifel CIO Office via Bloomberg

Figure 2. Fed Funds Target Rate – Upper Bound



Source: Stifel CIO Office via Bloomberg security landscape has prompted NATO allies to agree to boost defense spending targets to 5% of GDP.

EQUITY MARKETS

U.S. equities faced a volatile start to the second quarter, with the market reeling from President Trump's "Liberation Day" tariff announcements. The S&P 500 fell 11% in the days following the announcement, bringing the index within striking distance of bear market territory – down 19% from its February 19, 2025, peak. Heightened uncertainty led some companies to suspend forward guidance or issue wider ranges, while analysts broadly revised estimates lower.

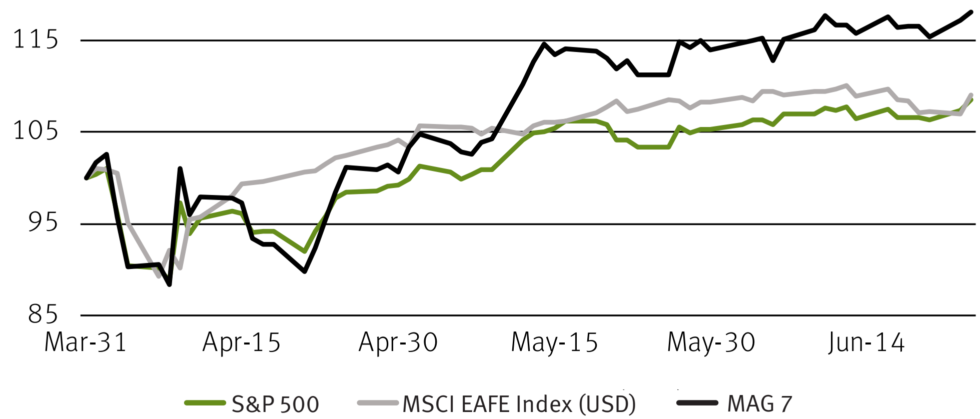
Despite the challenging backdrop, markets climbed the "wall of worry" as key risks proved less severe than initially feared. Trade policy developments provided relief after the unexpectedly hawkish April 2 announcement. President Trump paused higher tariffs on all countries except China, granted temporary exemptions for electronics and auto parts, finalized a UK trade deal, reached a détente with China after tariff rates briefly exceeded 100%, and delayed a planned 50% EU tariff deadline by over a month.

Sector performance saw a sharp reversal from Q1. Information technology and consumer discretionary – Q1's worst performers – led Q2 gains, rising 20% and 11%, respectively. Conversely, energy and health care, which had outperformed in Q1, declined 9% and 8%, respectively.

Corporate earnings also provided a bright spot, with S&P 500 earnings growing +13.3% year over year, significantly outpacing the +7.2% consensus at the start of the quarter. Standout sectors included health care (+44% YoY), communication services (+29%), and technology (+16.4%), driven by AI and cloud demand, while energy lagged due to lower oil prices. Approximately 78% of companies beat EPS estimates, exceeding historical averages despite tariff uncertainties. Looking ahead, earnings for Q2 2025 are expected to show moderate growth of approximately 5% year over year, reflecting a slowdown compared to recent quarters, with revenue growth estimated at 4.2%.

Non-U.S. equities outperformed, lifted by a weaker U.S. dollar and easing trade tensions. The MSCI ACWI ex-U.S. gained 12% in USD terms, bringing year-to-date returns to 17.9%. European equities rose 2.8% locally, but currency strength pushed USD returns to 11.9%. Defense stocks were strong again in Europe following a NATO pledge to boost military spending, while the ECB delivered two 25-basis-point rate cuts. Emerging markets also posted double-digit gains, with Korea rebounding on post-election stability and China eking out modest gains amid economic stimulus and ongoing trade friction.

Figure 3. Market Performance
Quarter-to-date, indexed to 100



Source: Stifel CIO Office via Bloomberg

FIXED INCOME

Moody's became the third major agency to downgrade the U.S. sovereign credit rating, lowering it from Aaa to Aa1. The downgrade cited rising debt levels and interest burdens amid a prolonged high-rate environment and continued lack of fiscal reform progress. In response, the 10-year Treasury yield briefly spiked from 4.4% to 4.6% before stabilizing in the 4.35%-4.45% range, still above where it started the quarter.

Core bonds delivered mixed performance. The Bloomberg U.S. Aggregate Bond Index returned 1.2%, as falling inflation expectations offset upward yield pressure from fiscal risks. Municipal bonds lagged, with the Bloomberg Municipal Bond Index down 0.1%, weighed by supply pressures and investor preference for higher-yielding alternatives. In contrast, high-yield bonds performed strongly, gaining 3.5%, supported by solid corporate earnings and easing fears of a recession.

Looking ahead, we expect yields to remain range-bound between 4.25% and 4.75% over the remainder of 2025 reflecting a balance between fiscal sustainability concerns and slowing economic growth.

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COMMODITIES

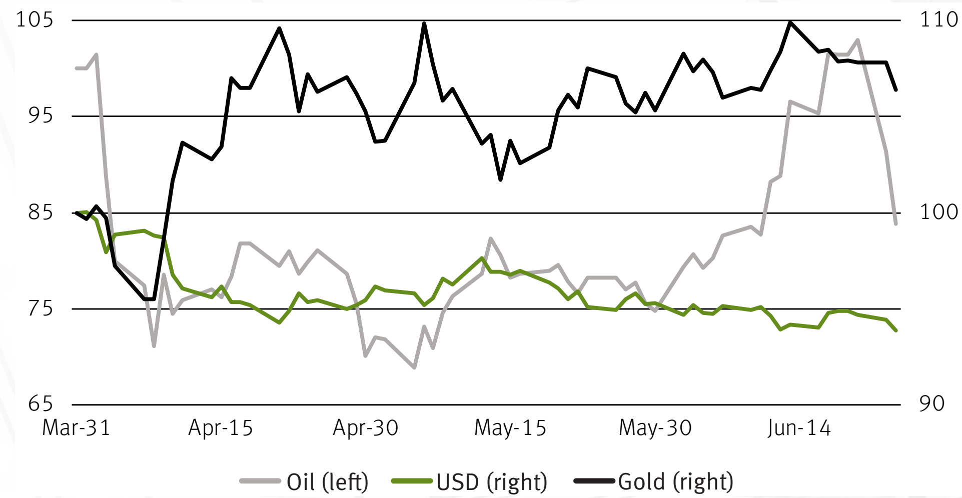
Commodities posted mixed results in the second quarter. The S&P GSCI Commodity Index declined 4.6%, largely due to a 9% drop in oil prices as both OPEC and non-OPEC producers increased output. While oil saw a brief rally during June's Middle East conflict, prices ended the quarter significantly lower, reflecting ample global supply and subdued demand growth.

Gold, in contrast, gained 6.4%, reinforcing its role as a safe-haven asset amid persistent global uncertainty, geopolitical tensions, and investor concerns over slowing economic growth. The metal was buoyed by easing real yields and growing expectations of potential Fed rate cuts later this year.

Meanwhile, the U.S. dollar continued its slide with the U.S. Dollar Index falling 10% over the quarter. The greenback's muted response to geopolitical tensions – despite its traditional "risk-off" appeal – highlights rising market concerns over U.S. fiscal sustainability and questions about the dollar's long-term status as the world's reserve currency.

Figure 4. Commodities

Quarter-to-date, indexed to 100



Source: Stifel CIO Office via Bloomberg

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DYNAMIC ASSET ALLOCATION

The following table summarizes our thinking across various asset classes and regions.

Underweight | Neutral | Overweight

	ASSET CLASS	CHANGE	CURRENT: Underweight	CURRENT: Neutral	CURRENT: Overweight	COMMENTS
EQUITY	**U.S. Equity vs. Non-U.S. Equity**	=		■		We guide investors to diversify between U.S. and non-U.S. equity, maintaining a neutral allocation versus our SAA. U.S. equities benefit from strong economic growth and innovation, but starting valuations may pose a headwind if company earnings underwhelm. Outside the U.S., attractive valuations are offset by geopolitical tensions and sluggish economic growth, softening their appeal.
EQUITY	**U.S. Large Cap vs. U.S. Small Cap**	=	■			Large cap companies offer stability and earnings resilience but face valuation pressures after strong performance in mega cap tech. Small caps are more vulnerable to higher-for-longer interest rates, which challenge companies reliant on financing or carrying significant debt. However, a favorable economic backdrop and an earnings recovery still present opportunities within small cap for skilled active investors.
EQUITY	U.S. Large Value vs. U. S. Large Growth	=		■		We believe investors should be diversified across both value and growth styles. We expect returns to broaden out beyond the M7 and have a preference for quality companies and those that are expected to benefit from our long-term investment themes. Value offers attractive relative valuations and benefits from higher yields, while growth continues to gain support from innovations like AI.
EQUITY	**Non-U.S. Developed Markets vs. Emerging Markets**	=		■		Both developed and emerging markets remain vulnerable to idiosyncratic risks and headwinds from geopolitical tensions, economic challenges, and an “America First” agenda from the incoming Trump administration. Despite ongoing stimulus, China continues to grapple with structural challenges stemming from its high debt levels and aging population, compounded by persistent issues in its real estate market.
EQUITY	Europe vs. Japan	=	■			Japanese equities have given back some of their gains recently, but we believe there is still the potential for relative outperformance. Japan’s domestic reflation along with corporate governance reform are likely to enhance shareholder value in the medium-to-long term. In Europe, policy uncertainty in France and Germany, weaker Chinese growth, and the Russia-Ukraine war remain headwinds for the growth outlook.

(continued on next page)

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DYNAMIC ASSET ALLOCATION (CONTINUED)

The following table summarizes our thinking across various asset classes and regions.

■ Underweight ■ Neutral ■ Overweight

	ASSET CLASS	CHANGE	CURRENT (Underweight)	CURRENT (Neutral)	CURRENT (Overweight)	COMMENTS
FIXED INCOME	**U.S. Investment Grade vs. U.S. High Yield**	=		■		We recently moved to neutral between investment-grade and high-yield bonds. High-yield corporate spreads are tight, leaving little margin for error, but corporate fundamentals remain strong, and the rate-cutting cycle should mitigate some of the downside risks. In investment grade, we expect returns to be primarily driven by carry, offering steady income in a stable rate environment.
FIXED INCOME	Corporates Government/Agency MBS	=		■		We remain neutral within the fixed income super sectors but believe there is opportunity within the asset class for active management. Asset-backed and mortgage-backed securities are attractive with 30-year mortgage rates remaining elevated, tempering prepayment risks.
FIXED INCOME	**Duration**	=		■		We view duration as a diversifier in a multi-asset class portfolio given the macroeconomic uncertainty and volatility in yields, and so we remain neutral on duration as compared to the overall market. Investors holding cash should consider extending duration.
ALTERNATIVES	**Private Assets**	=		■		For investors interested in alternative investments and able to handle illiquidity, exposure to some combination of private equity, private debt, and/or private real estate can be considered as part of a diversified portfolio.
ALTERNATIVES	**Hedge Funds**	=		■		For investors interested in alternative investments and able to handle less liquidity who have conviction about manager skill, exposure to hedge funds can be a helpful part of a diversified portfolio. This is especially true in volatile, low-return environments.

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FIGURE 5. CAPITAL MARKET RETURNS (AS OF JUNE 30, 2025)

NORTH AMERICAN EQUITY	MTD (%)	QTD (%)	YTD (%)	1 YEAR (%)	3 YEAR (%)*	5 YEAR (%)*
Bloomberg U.S. 3000 Index	5.15	11.16	5.75	15.12	19.01	15.89
Standard & Poor's 500	5.09	10.94	6.20	15.16	19.71	16.64
Standard & Poor's 500 Equal Weight	-11.5	13.80	13.00	3.10	-3.40	10.60
Standard & Poor's/TSX (CAD)	2.91	8.53	10.17	26.37	16.09	15.02
U.S. EQUITY BY SIZE/STYLE						
Bloomberg U.S. 1000 Index	5.15	11.31	6.17	15.45	19.50	16.15
Bloomberg U.S. 1000 Growth Index	5.69	15.24	6.30	15.50	22.91	16.48
Bloomberg U.S. 1000 Value Index	3.73	1.98	5.91	12.60	12.23	14.96
Bloomberg U.S. 2000 Small Cap Index	5.09	7.84	-3.04	7.99	9.85	11.16
Bloomberg U.S. 2000 Small Cap Growth Index	5.39	11.06	-1.50	10.09	10.56	7.96
Bloomberg U.S. 2000 Small Cap Value Index	4.67	3.77	-5.01	5.30	8.85	15.36
Bloomberg U.S. Microcap Index	6.66	13.13	-5.75	10.93	2.47	7.97
Bloomberg Magnificent 7 Index	6.12	21.00	1.66	24.21	43.49	34.31
INTERNATIONAL EQUITY (USD)						
MSCI AC World ex U.S.	3.39	12.03	17.90	17.72	13.99	10.13
MSCI EAFE	2.20	11.78	19.45	17.73	15.97	11.16
MSCI Europe	2.06	11.38	23.05	18.38	17.21	12.38
MSCI Pacific	3.62	14.23	14.63	19.05	10.42	9.00
MSCI Japan	1.71	11.36	11.73	13.88	15.03	8.76
MSCI Emerging Markets	6.01	11.99	15.27	15.29	9.70	6.81

FIGURE 5. CAPITAL MARKET RETURNS (AS OF JUNE 30, 2025)

U.S.FIXED INCOME	MTD (%)	QTD (%)	YTD (%)	1 YEAR (%)	3 YEAR (%)*	5 YEAR (%)*
Bloomberg U.S. Treasury Bills: 1-3 Months	0.34	1.07	2.13	4.75	4.66	2.82
Bloomberg U.S. Aggregate	1.54	1.21	4.02	6.08	2.55	-0.73
Bloomberg Gov't/Credit	1.47	1.22	3.95	5.89	2.61	-0.83
Bloomberg Treasury	1.25	0.85	3.79	5.30	1.53	-1.60
Bloomberg U.S. TIPS	0.95	0.48	4.67	5.84	2.34	1.61
Bloomberg Municipal Bond Index	0.62	-0.12	-0.35	1.11	2.50	0.51
Bloomberg U.S. Credit	1.83	1.82	4.22	6.83	4.19	0.12
Bloomberg Corporate High Yield	1.84	3.53	4.57	10.28	9.93	5.94
REAL ESTATE/COMMODITIES/ALTERNATIVES						
Wilshire U.S. Real Estate Securities Index	0.46	-0.76	1.74	11.25	6.46	9.15
Wilshire Global ex U.S. Real Estate Securities Index	3.25	12.83	16.50	14.96	5.84	5.32
Wilshire Global Real Estate Securities	1.02	1.76	4.40	11.48	6.08	7.88
Bloomberg Commodity Index	2.41	-3.08	5.53	5.77	0.13	12.68
S&P GSCI Commodity (S&P GSCI)	4.48	-2.81	1.94	0.25	-0.37	17.69
Wilshire Liquid Alternatives Index	1.38	1.81	2.59	3.34	4.35	3.73
Wilshire Liquid Alternative Equity Hedge Index	2.12	4.39	4.40	6.04	8.78	7.93
Wilshire Liquid Alternative Event Driven Index	0.79	2.45	4.01	3.68	3.60	2.93
Wilshire Liquid Alternative Global Macro Index	0.98	-2.36	-2.80	-6.36	-1.28	2.63
Wilshire Liquid Alternative Multi-strategy Index	1.53	1.06	2.24	1.50	4.57	3.92
Wilshire Liquid Alternative Relative Value Index	0.96	1.12	2.45	4.38	2.77	1.41
Wilshire Focused Liquid Alternative Index	0.91	1.18	2.31	2.45	3.51	3.28

Source: Stifel Investment Strategy via Bloomberg as of June 30, 2025

DISCLOSURE

The MSCI Japan Index is designed to measure the performance of the large and mid cap segments of the Japanese market. With 322 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

The MSCI EM (Emerging Markets) Europe, Middle East and Africa Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the emerging market countries of Europe, the Middle East, and Africa.

The Bloomberg U.S. Aggregate Bond Index is a broad-based flagship benchmark that measures the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related, and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS (agency and nonagency). Provided the necessary inclusion rules are met, U.S. Aggregate-eligible securities also contribute to the multicurrency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt.

The Bloomberg U.S. Government/Credit Bond Index is a broad-based flagship benchmark that measures the non-securitized component of the U.S. Aggregate Index. It includes investment-grade, U.S. dollar-denominated, fixed-rate Treasuries, government-related, and corporate securities.

The Bloomberg U.S. Treasury Index measures U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury. Treasury bills are excluded by the maturity constraint, but are part of a separate Short Treasury Index. STRIPS are excluded from the index because their inclusion would result in double-counting. The U.S. Treasury Index is a component of the U.S. Aggregate, U.S. Universal, Global Aggregate, and Global Treasury Indices.

The Bloomberg U.S. Treasury U.S. TIPS index includes all publicly issued, U.S. Treasury inflation-protected securities that have at least one year remaining to maturity, are rated investment grade, and have $250 million or more of outstanding face value.

The Bloomberg U.S. Municipal Index covers the U.S. dollar-denominated, long-term, tax-exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

The Bloomberg U.S. Credit Index measures the investment-grade, U.S. dollar-denominated, fixed-rate, taxable corporate and government-related bond markets. It is composed of the U.S. Corporate Index and a non-corporate component that includes foreign agencies, sovereigns, supranationals, and local authorities.

The Bloomberg U.S. Corporate High Yield Bond Index measures the U.S. dollar-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Barclays EM country definition, are excluded.

The Bloomberg Global Aggregate Bond Index is a flagship measure of global investment-grade debt from twenty-four local currency markets. This multi-currency benchmark includes treasury, government-related, corporate, and securitized fixed-rate bonds from both developed and emerging markets issuers.

The Bloomberg Emerging Markets Hard Currency Aggregate Index is a flagship hard currency Emerging Markets debt benchmark that includes U.S. dollar-denominated debt from sovereign, quasi-sovereign, and corporate EM issuers.

The Wilshire U.S. REIT Index is a float-adjusted market capitalization-weighted index that measures U.S. publicly traded real estate investment trusts (REITs), excluding mortgage REITs, net-lease REITS, real estate finance companies, home builders, large landowners and sub-dividers, hybrid REITS, and companies that have more than 25% of their assets in direct mortgage investments.

The Wilshire ex U.S. Real Estate Investment Trust Index℠ (Wilshire ex U.S. REIT) measures global publicly traded real estate investment trusts, less all U.S. securities.

The Wilshire ex U.S. REIT is a subset of the Wilshire ex U.S. Real Estate Securities Index℠ (Wilshire ex U.S. RESI).

The Wilshire Global REIT Index is a float-adjusted, market capitalization-weighted index that measures global publicly traded real estate investment trusts (REITs), excluding mortgage REITs, net-lease REITS, real estate finance companies, home builders, large landowners and sub-dividers, hybrid REITS, and companies that have more than 25% of their assets in direct mortgage investments.

Bloomberg Commodity Index (BCOM) is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted two-thirds by trading volume and one-third by world production, and weight-caps are applied at the commodity, sector, and group level for diversification. Roll period typically occurs from the sixth to the tenth business day based on the roll schedule.

The S&P GSCI (formerly the Goldman Sachs Commodity Index) serves as a benchmark for investment in the commodity markets and as a measure of commodity performance over time. The index was originally developed by Goldman Sachs. In 2007, ownership transferred to Standard & Poor's, which currently owns and publishes it. Futures of the S&P GSCI use a multiple of 250. The S&P GSCI contains as many commodities as possible, with rules excluding certain commodities to maintain liquidity and investability in the underlying futures markets. The index currently comprises 24 commodities from all commodity sectors.

The Wilshire Liquid Alternative Index℠ measures the collective performance of the five Wilshire Liquid Alternative strategies that make up the Wilshire Liquid Alternative Universe. The Wilshire Liquid Alternative Index (WLIQA) is designed to provide a broad measure of the liquid alternative market by combining the performance of the Wilshire Liquid Alternative Equity Hedge Index℠ (WLIQAEH), Wilshire Liquid Alternative Global Macro Index℠ (WLIQAGM), Wilshire Liquid Alternative Relative Value Index℠ (WLIQARV), Wilshire Liquid Alternative Multi-Strategy Index℠ (WLIQAMS), and Wilshire Liquid Alternative Event Driven Index℠ (WLIQAED).

The MSCI World ex USA All Cap Index captures large, mid, small, and micro cap representation across 22 of 23 Developed Markets (DM) countries (excluding the United States). With 8,138 constituents, the index covers approximately 99% of the free float-adjusted market capitalization in each country.

The MSCI EAFE Index (Europe, Australasia, and the Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada.

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

The MSCI Pacific Index captures large and mid cap representation across five Developed Markets (DM) countries in the Pacific region. With 470 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The Bloomberg U.S. 1000 Total Return Index is a float market-cap-weighted benchmark of the 1,000 most highly capitalized U.S. companies.

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

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

The Bloomberg U.S. 3000 Total Return Index is a float market-cap-weighted benchmark of the 3,000 most highly capitalized U.S. companies.

The Bloomberg U.S. 2000 Total Return Index is a float market-cap-weighted benchmark of the lower 2,000 in capitalization of the Bloomberg U.S. 3000 Index.

The Bloomberg U.S. 2000 Value Total Return Index provides exposure to companies with superior value factor scores based on their earnings yield, valuation, dividend yield, and growth.

The Bloomberg U.S. 2000 Growth Total Return Index is a float market-cap-weighted equity benchmark derived from membership of the Bloomberg U.S. 2000 Index.

The Bloomberg U.S. Micro Cap Total Return Index is a float market-cap-weighted benchmark of those securities in the U.S. Aggregate Equity Index with a market capitalization ranking of lower than 2,500.

The Standard & Poor's 500 Index is a capitalization-weighted index that is generally considered representative of the U.S. large capitalization market.

The S&P/TSX Composite Index is the benchmark Canadian index, representing roughly 70% of the total market capitalization on the Toronto Stock Exchange with about 250 companies included in it. The Toronto Stock Exchange is made up of over 1,500 companies.

The 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.

The NASDAQ-100 is a modified capitalization-weighted index that is comprised of the largest non-financial companies listed on the National Association of Securities Dealers Automated Quotation System stock market. It includes both foreign and domestic companies, and does not include any financial or investment companies.

The Bloomberg 1-3 Month U.S. Treasury Bill 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. In addition, the securities must be denominated in U.S. dollars and must be fixed rate and non-convertible.

The Zillow Observed Rent Index (ZORI): A smoothed measure of the typical observed market rate rent across a given region. ZORI is a repeat-rent index that is weighted to the rental housing stock to ensure representativeness across the entire market, not just those homes currently listed for-rent. The index is dollar-denominated by computing the mean of listed rents that fall into the 40th to 60th percentile range for all homes and apartments in a given region, which is once again weighted to reflect the rental housing stock. Details available in ZORI methodology.

The Wilshire Focused Liquid Alternative IndexSM is a subset of the Wilshire Liquid Alternative IndexSM and measures the performance of a focused basket of mutual funds that provides risk adjusted exposure to equity hedge, global macro, relative value, and event driven alternative investment strategies.

The Bloomberg Magnificent 7 Total Return Index is an equal-dollar weighted equity benchmark consisting of a fixed basket of 7 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).

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

Alternative investments involve a high degree of risk, often engage in leveraging and other speculative investment practices that may increase the risk of investment loss, can be highly illiquid, are not required to provide periodic pricing or valuation information to investors, may involve complex tax structures and delays in distributing tax information, are not subject to the same regulatory requirements as more traditional investments, and often charge high fees, which may erode performance. An investment is appropriate only for investors who have the capacity to absorb a loss of some or all of their investment.

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.

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.

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.

Past performance is not indicative of future results.

High yield bonds have greater credit risk than higher quality bonds.

When investing in bonds, it is important to note that as interest rates rise, bond prices will fall.

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.

Diversification and asset allocation do not ensure a profit or protect against loss.

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