QUARTERLY MARKET PERSPECTIVES

Q3 **2026**

WEALTH MANAGEMENT INSIGHTS FROM STIFEL'S CIO OFFICE

Executive Summary

The second quarter rewarded patience: After an unsettled start to the year, markets didn't just stabilize – they roared back, with the S&P 500 advancing 15.2%, even as firmer inflation and a higher path for interest rates reshaped the outlook.

Two developments defined the quarter. At the Federal Reserve, new Chair Kevin Warsh placed greater weight on price stability and shifted away from forward guidance, reinforcing a higher-for-longer rate environment. And in the Middle East, the United States and Iran reached a memorandum of understanding that began winding down the conflict and reopening the Strait of Hormuz – removing a tail risk that had weighed on energy markets since the first quarter. Beneath these headlines, the economy continued to grow, supported by a broadening artificial-intelligence investment cycle, fiscal support, and a resilient if uneven consumer, with corporate earnings remaining the engine of equity returns.

Stabilization extended across asset classes. Equities recovered toward our year-end target as leadership broadened beyond the largest technology names; Treasury yields drifted higher as the market repriced the rate path; credit spreads stayed tight; oil eased as supply fears faded; gold held a partial hedge role; and the dollar firmed.

Looking ahead, our second-half outlook is a modest recalibration rather than a change in direction. We have maintained our growth outlook, raised our inflation forecast, and now expect the Fed to hold rates steady. We continue to look for a positive, earnings-driven equity return this year, and we see the environment favoring a continued broadening out of returns beyond the Magnificent 7. We remain constructive, while acknowledging that firmer inflation, geopolitical uncertainty, and the upcoming midterm elections point to the potential for more volatility ahead.

IN THIS ISSUE:

Executive Summary 1

Macroeconomic Overview 2

Equity Markets 4

Fixed Income 4

Commodities 4

Dynamic Asset Allocation 5

Capital Market Returns 8

STIFEL

Macroeconomic Overview

The second quarter confirmed that inflation and interest rates would settle at higher levels than we had anticipated at the start of 2026, even as the economy stayed resilient and a major geopolitical risk began to recede. The growth story remained broadly intact; the policy backdrop firmed.

A NEW CHAIR AND A HIGHER BAR FOR RATE CUTS

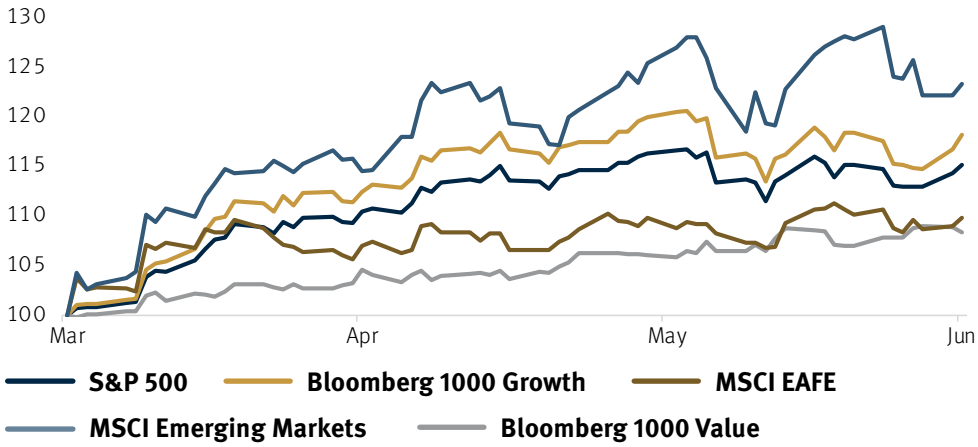
Under new Chair Kevin Warsh, the Fed has emphasized price stability and shifted away from forward guidance that characterized prior regimes. At its June 17 meeting – the first under his leadership – the Fed held its target range at 3.5% to 3.75% in a unanimous vote, while its updated projections showed officials still saw room for a possible rate increase this year; and Warsh launched a broad review of the central bank's policy framework. With inflation firmer than expected and the labor market still solid, the case for near-term easing that we carried into the year has faded, and we now expect the Fed to remain on hold. As inflation cools later in the year, we also see worries about additional hikes receding, leaving policy in a holding pattern rather than on a clear path in either direction. Markets have largely absorbed this message, repricing the rate path higher and affirming the higher-for-longer theme that has been present this cycle.

THE MIDDLE EAST: A FRAGILE DE-ESCALATION

The geopolitical overhang that defined the first quarter eased meaningfully in the second. In mid-June, the United States and Iran agreed to a 14-point memorandum of understanding, signed by President Trump at the Group of Seven summit. The two sides declared an immediate end to military operations on all fronts, including in Lebanon. The agreement provides for reopening the Strait of Hormuz, through which a significant share of global oil and liquefied natural gas flows, with Iran ensuring the safe passage of commercial vessels and the United States removing its naval blockade. It also waives sanctions on Iranian oil for an initial 60-day period and starts a 60-day clock to negotiate a final deal addressing Iran's nuclear program. We would characterize it as a ceasefire rather than a durable peace: implementation risk is real, the timeline is compressed, and a breakdown in talks could reintroduce the supply concerns that drove energy prices higher earlier in the year. Even so, the agreement removed a substantial tail risk and was the principal reason energy prices and market volatility eased into quarter-end.

FIGURE 1. MARKET PERFORMANCE

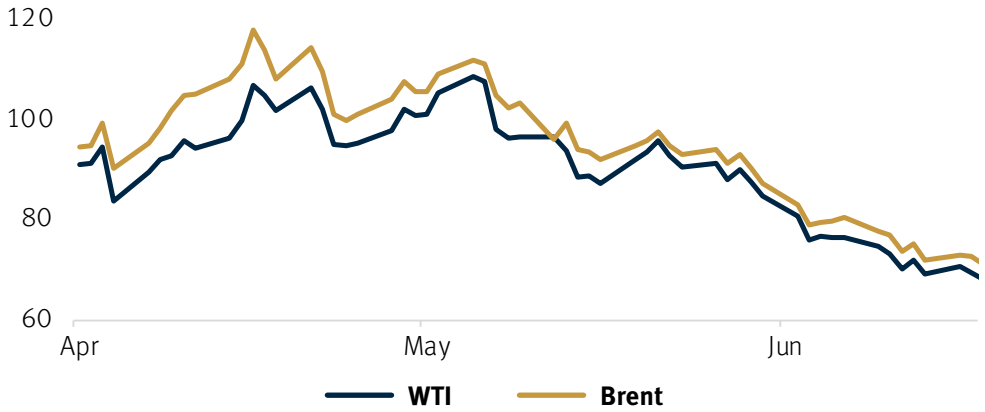
Q2 2026, Indexed to 100



Source: Stifel CIO Office via Bloomberg

FIGURE 2. VOLATILE OIL PRICES EASE AS DEAL FINALIZES

WTI & Brent Crude, USD per Barrel



Source: Stifel CIO Office via Bloomberg

INFLATION FIRMS ON ENERGY, BUT WE STILL SEE ROOM TO COOL

Inflation is on a path to end the year higher than our original base case, driven principally by the energy pass-through from the conflict and higher services prices. The Fed's preferred gauge, the core PCE price index, rose 3.4% year over year in May – its highest reading since late 2023, and up from 3.3% in April – while the headline PCE measure reached 4.1%, lifted by energy. As a result, we have raised our core PCE inflation forecast for the year to a range of 2.75% to 3.25%. With the conflict de-escalating, we see strong potential for those energy effects to fade; at the same time, structural forces such as nearshoring, sustained investment demand, and geopolitical fragmentation, are likely to keep inflation above the Fed's 2% target.

GROWTH REMAINS RESILIENT

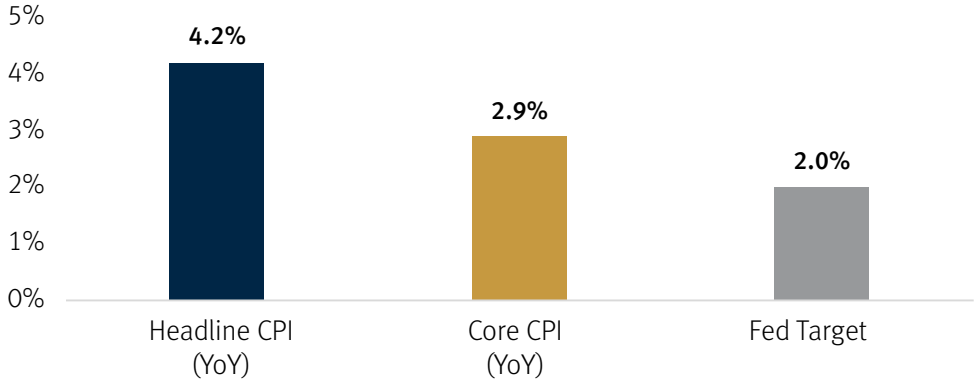
Economic growth held up well. Real GDP rose at a 2.1% annualized rate in the first quarter, according to the second estimate, an improvement from the 0.5% pace of the fourth quarter of 2025. We maintain our full-year U.S. real GDP forecast of 1.75% to 2.5%, leaning toward the upper half of the range. The labor market stayed firm, with the economy adding 172,000 jobs in May and the unemployment rate holding at 4.3%. Unemployment had held within a narrow 4.3% to 4.5% band since the middle of 2025, which is part of why the Fed had felt little urgency to ease. The artificial-intelligence capital-expenditure cycle continued to broaden beyond the large hyperscalers and into the physical economy: power, data-center buildout, networking, and the infrastructure required to support adoption. Fiscal support from the One Big Beautiful Bill Act, together with a consumer that has remained resilient if uneven, helped offset the drag from still-restrictive monetary policy. Consumer spending, in particular, has continued at a moderate pace, supported by income growth and low unemployment, even as it has become more segmented across income cohorts and increasingly reliant on a drawdown in savings.

TRADE AND FISCAL POLICY IN TRANSITION

Trade policy continued its move toward a more durable framework following the first quarter's Supreme Court ruling on tariff authority. The temporary surcharge that bridged the period is set to lapse in July, and we expect more targeted, legally resilient measures to follow rather than broad-based tariffs. Over time, easing tariff pressure should provide a modest, if gradual, tailwind to disinflation. On the fiscal side, the deficit trajectory remains a consideration for markets and is one reason we expect the term premium to stay elevated.

FIGURE 3. INFLATION FIRMS ABOVE TARGET

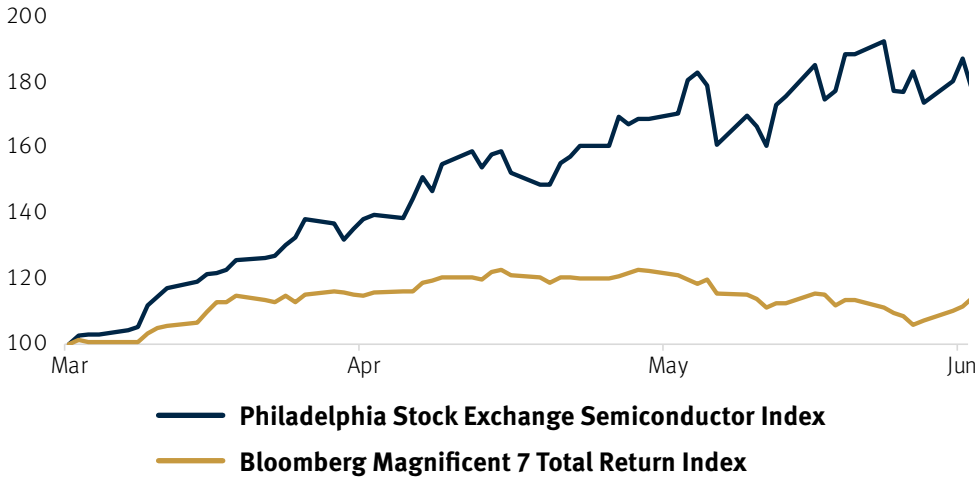
May 2026 Consumer Price Index



Source: Stifel CIO Office via Factset

FIGURE 4. SEMICONDUCTOR SURGE

Semiconductors vs. Mag 7, Indexed to 100



Source: Stifel CIO Office via Bloomberg

EQUITY MARKETS

U.S. EQUITIES SURGE

After a 4.4% decline in the first quarter, the S&P 500 rose 15.2% in the second as fears around the conflict eased and earnings came through. First-quarter results, reported during the quarter, reinforced the advance, with S&P 500 earnings growing 29% year over year on revenue growth of roughly 10% – confirming that the recovery was driven more by earnings than by multiple expansion. Leadership broadened beyond the largest technology names across sectors, styles, and market capitalizations, a healthier composition consistent with our expectation that earnings, not richer valuations, will propel markets higher.

The AI narrative that produced sharp, and at times indiscriminate, selling gave way to a more measured assessment, with markets focusing on which companies can convert AI investment into profit growth rather than pricing in broad disruption. We continue to view bouts of AI-related volatility as a repricing of elevated expectations rather than a deterioration in fundamentals, and we believe such episodes present selective opportunities for long-term investors.

GLOBAL EQUITIES

Non-U.S. markets, which had been at the center of the first quarter's sell-off given their sensitivity to higher oil prices and trade disruption, stabilized as the energy shock faded. Within developed markets, Japan remained well supported by domestic reflation, corporate-governance reform, and rising shareholder returns. The Nikkei 225 returned 37.3% for the quarter. Europe faced a more uneven backdrop, with modest growth and continued sensitivity to energy and external shocks. In emerging markets, attractive valuations and exposure to AI supply chains provided support, with the MSCI Emerging Markets Index up 24.1% for the quarter. We maintain our overweight to emerging markets relative to non-U.S. developed markets as well as our overweight to Japanese stocks relative to European stocks to start the quarter.

FIXED INCOME

Fixed income spent the quarter adjusting to a higher-for-longer reality. As the market repriced the Fed's rate path and absorbed firmer inflation, Treasury yields drifted higher across the curve: the two-year ended near 4.2% and the 10-year near 4.5%, while the 30-year approached 5.0%, leaving the curve positively sloped and steeper at the long end as heavy issuance and persistent deficits pressured longer maturities.

We have lifted our 10-year Treasury range by 25 basis points to 4.25% to 4.75% for the second half, consistent with our view that a deficit-focused fiscal trajectory keeps the term premium elevated.

Credit held up well, with solid corporate fundamentals leaving spreads tight – investment-grade spreads closed the quarter at 26 basis points, while high-yield spreads closed 277 basis points. As the credit cycle matures, we expect spreads could widen modestly, but we have lowered our base-case ranges to reflect continued resilience: 75 to 125 basis points for investment grade and 300 to 350 basis points for high yield, both slightly wider than current levels.

COMMODITIES

Commodity markets were dominated by the conflict and its resolution. Oil, the primary inflation risk entering the quarter, was volatile. Brent crude oil climbed back toward the mid-$90s as the conflict intensified in June, before falling to near pre-conflict levels after the memorandum eased concerns about a prolonged closure of the Strait of Hormuz.

Natural gas, which had seen sharp regional moves tied to liquefied natural gas supply, similarly stabilized as the worst-case scenarios failed to materialize.

Gold held a partial hedge role after a volatile first quarter, trading near $4,000 an ounce as higher real yields and a firmer dollar left it range-bound. The U.S. dollar strengthened against a basket of currencies to a 13-month high as geopolitical fears receded and the higher-for-longer rate path supported the currency. We expect commodities to remain closely tied to the durability of the U.S.-Iran agreement: continued de-escalation would ease inflation pressure and support our base case, while a breakdown in negotiations could potentially raise the risk of a more difficult mix of higher inflation and slower growth.

DYNAMIC ASSET ALLOCATION

Our positioning is a modest recalibration rather than a wholesale shift, emphasizing quality and income within an outlook that remains constructive. Within U.S. equity, we are neutral across size and style, continuing to favor diversification across growth and value with a preference for high-quality companies that can sustain earnings in a higher-for-longer environment. Regionally, we hold a neutral stance on U.S. versus non-U.S. equity; we favor Japan and emerging markets and remain more selective on Europe and China for the reasons discussed above.

In fixed income, we favor high-quality income – investment-grade corporates and agency mortgage-backed securities as sources of income and ballast – while remaining selective in high yield, where tight spreads leave limited margin for error.

For investors able to handle illiquidity, we believe a diversified allocation to private assets and hedge funds can complement public-market exposure, particularly in an environment where we expect more volatility ahead.

On balance, the economy's resilience leaves us constructive, even as firmer inflation, higher rates, and the durability of the Middle East de-escalation could produce more volatility in the quarters ahead. AI monetization, the consumer, and policy will shape the year, and we will adjust positioning as the evidence warrants.

DYNAMIC ASSET ALLOCATION

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

VIEW LEGEND

U	N	O
Underweight	Neutral	Overweight

	ASSET CLASS	CHANGE	VIEW			COMMENTS
U.S. Equity	U.S. Large Cap Equity	=		N		While easing policy supports small caps, higher absolute rates and weaker earnings visibility offset the case; large caps offer greater earnings durability, supporting a neutral stance.
	U.S. Small Cap Equity	=		N		
	U.S. Large Cap Growth Equity	=		N		We believe investors should remain diversified across both growth and value styles. Recent rotation has been swift, but we believe it supports broader leadership rather than a wholesale move away from growth.
	U.S. Large Cap Value Equity	=		N		
Regional Equity Views	U.S. Equity	=		N		While recent volatility has eased valuation pressure, market concentration and high earnings expectations still leave returns sensitive to earnings execution.
	Non-U.S. Equity	=		N		Attractive valuations outside the U.S. are tempered by slower growth, policy divergence, and elevated geopolitical risk.
	Europe	=	U			Fiscal support and an easier policy backdrop are helping, but growth remains modest and uneven, with continued sensitivity to energy and external shocks. We remain selective rather than broadly constructive.
	Japan	=			O	Japan remains supported by reflation, improving domestic growth, and ongoing corporate reform. Better capital spending, rising shareholder returns, and a constructive earnings outlook support our overweight stance.
	Emerging Markets	=			O	Strong earnings growth and attractive valuations make emerging markets compelling. A weaker U.S. dollar and exposure to AI supply chains, global capex, and reshoring trends further support the case versus developed markets.
	China	=		N		Early signs of consumer improvement are emerging, but weak confidence, property softness, and uneven earnings visibility keep us selective. Risk/reward is becoming more balanced.

(continued on next page)

DYNAMIC ASSET ALLOCATION

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

	ASSET CLASS	CHANGE	VIEW			COMMENTS
Fixed Income	Treasuries	=	U			While Treasuries remain an important source of liquidity and portfolio ballast, heavy issuance, persistent fiscal deficits, and a higher-for-longer or volatile rate environment limit their return potential.
	Investment-Grade Credit	=			O	A resilient economy and strong corporate fundamentals support investment-grade corporates as a high-quality income source.
	Mortgage-Backed Securities	=			O	Agency MBS provide higher income and wider spreads than Treasuries, while offering comparable risk and stronger yields than most credit sectors.
	High Yield	=		N		Credit fundamentals remain solid, but spreads are tight. High yield offers income but less margin for error if growth slows. Neutral positioning reflects a preference for selectivity over beta exposure.
Alternatives	Private Assets	=		N		For investors interested in alternative investments and able to handle illiquidity, exposure to some combination of alternatives can be considered as part of a diversified portfolio.
	Hedge Funds	=		N		

VIEW LEGEND

U Underweight N Neutral O Overweight

CAPITAL MARKET RETURNS

(As of June 30, 2026)

NORTH AMERICAN EQUITY	MTD (%)	QTD (%)	YTD (%)	1 YEAR (%)	3 YEAR (%)*	5 YEAR (%)*
Bloomberg U.S. 3000 Index	-0.32	15.71	11.11	23.15	20.42	12.24
Standard & Poor's 500	-0.95	15.20	10.21	22.32	20.61	13.41
Standard & Poor's 500 Equal Weight	2.37	11.39	12.11	19.16	14.50	9.11
Standard & Poor's/TSX (CAD)	-4.32	3.94	3.94	34.83	21.18	15.19
U.S. EQUITY BY SIZE/STYLE						
Bloomberg U.S. 1000 Index	-0.58	15.49	10.61	22.43	20.55	12.59
Bloomberg U.S. 1000 Growth Index	-1.51	18.17	9.10	21.04	21.82	12.78
Bloomberg U.S. 1000 Value Index	2.17	8.42	14.70	26.20	17.69	11.73
Bloomberg U.S. 2000 Small Cap Index	5.98	20.97	23.03	40.92	18.51	7.12
Bloomberg U.S. 2000 Small Cap Growth Index	6.69	24.28	23.44	41.39	18.73	5.49
Bloomberg U.S. 2000 Small Cap Value Index	5.01	16.83	22.47	40.48	18.17	9.00
Bloomberg U.S. Microcap Index	1.46	18.44	16.39	39.21	14.39	-0.56
Bloomberg Magnificent 7 Index	-8.81	11.71	-1.74	20.73	31.63	23.75
INTERNATIONAL EQUITY (USD)						
MSCI AC World ex U.S.	-0.59	14.49	13.68	27.66	18.82	8.79
MSCI EAFE	0.07	10.82	9.44	20.23	16.44	9.05
MSCI Europe	0.94	10.93	7.81	18.64	16.18	9.50
MSCI Pacific	-3.02	3.74	6.83	12.42	12.66	5.20
MSCI Japan	-0.32	14.21	15.78	29.11	18.49	9.49
MSCI Emerging Markets	-1.41	24.05	23.85	43.51	23.03	7.20

CAPITAL MARKET RETURNS

(As of June 30, 2026)

U.S. FIXED INCOME	MTD (%)	QTD (%)	YTD (%)	1 YEAR (%)	3 YEAR (%)*	5 YEAR (%)*
Bloomberg U.S. Treasury Bills: 1-3 Months	0.30	0.91	1.80	3.96	4.74	3.61
Bloomberg U.S. Aggregate	0.24	0.67	0.62	3.79	4.16	0.08
Bloomberg Gov't/Credit	0.25	0.70	0.49	3.32	3.97	-0.10
Bloomberg Treasury	0.28	0.32	0.28	2.72	3.18	-0.42
Bloomberg U.S. TIPS	-0.47	0.89	1.15	3.42	3.98	1.01
Bloomberg Municipal Bond Index	0.96	2.50	2.32	7.03	3.76	1.05
Bloomberg U.S. Credit	0.20	1.33	0.85	4.34	5.19	0.38
Bloomberg Corporate High Yield	0.27	2.47	1.96	5.91	8.86	4.17
REAL ESTATE/COMMODITIES/ALTERNATIVES						
Wilshire U.S. Real Estate Securities Index	1.65	9.98	12.36	14.27	11.35	5.17
Wilshire Global ex U.S. Real Estate Securities Index	-2.88	1.61	-2.77	-0.53	7.64	-0.39
Wilshire Global Real Estate Securities	-0.14	6.50	7.27	9.25	9.82	3.32
Bloomberg Commodity Index	-8.54	-8.08	14.36	25.46	11.69	9.37
S&P GSCI Commodity (S&P GSCI)	-9.86	-11.38	24.09	30.39	14.56	13.34
Wilshire Liquid Alternatives Index	-0.31	2.60	2.63	7.61	6.11	3.01
Wilshire Liquid Alternative Equity Hedge Index	-0.66	4.65	2.90	10.66	9.81	6.33
Wilshire Liquid Alternative Event Driven Index	0.25	1.36	1.79	4.78	4.75	2.04
Wilshire Liquid Alternative Global Macro Index	-0.84	1.81	7.29	14.54	3.69	3.58
Wilshire Liquid Alternative Multi-strategy Index	0.07	3.29	5.49	11.13	7.40	3.52
Wilshire Liquid Alternative Relative Value Index	-0.11	1.02	0.46	2.94	3.76	0.64
Wilshire Focused Liquid Alternative Index	-0.13	1.89	2.48	6.62	5.26	2.46

Source: Stifel Investment Strategy via Bloomberg as of June 30, 2026

INDEX DESCRIPTIONS

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).

The STOXX Europe 600 Index is a free-float, market capitalization-weighted index consisting of 600 publicly traded stocks. The index represents large, mid, and small capitalization companies across 18 countries of the European region: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

The S&P 500 Semiconductors & Semiconductor Equipment (Industry Group) 35% Capped Index measures the performance of the constituents of the S&P 500 Semiconductors & Semiconductor Equipment (Industry Group), subject to a 35% company weight cap.

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.

The PHLX Semiconductor Sector IndexTM (SOXTM) is a modified market capitalization-weighted index composed of companies primarily involved in the design, distribution, manufacture, and sale of semiconductors.

The U.S. Dollar Index (USDX) tracks the strength of the dollar against a basket of currencies. It is a weighted geometric mean of the dollars value relative to the following select currencies: Euro, Japanese yen, Pound sterling, Canadian dollar's, Swedish krona, and Swiss franc.

The S&P Software & Services Select Industry Index comprises stocks in the S&P Total Market Index that are classified in the GICS Application Software, Interactive Home Entertainment, IT Consulting & Other Services and Systems Software sub-industries.

The ICE BofA MOVE Index (Merrill Lynch Option Volatility Estimate) is a premier market-implied measure of U.S. Treasury bond volatility, often referred to as the "VIX for bonds". It tracks a weighted basket of 1-month over-the-counter (OTC) options on 2-year, 5-year, 10-year, and 30-year Treasuries, reflecting market expectations of future interest rate volatility.

The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.

The Core CPI Index is a measure of CPI excluding food and energy prices.

The Personal Consumption Expenditures (PCE) price index, released each month in the Personal Income and Outlays report, reflects changes in the prices of goods and services purchased by consumers in the United States.

The Core PCE Price Index excludes volatile food and energy prices, revealing underlying inflation trends.

West Texas Intermediate (WTI), also known as Texas light sweet, is a grade of crude oil used as a benchmark in oil pricing. This grade is described as light because of its relatively low density, and sweet because of its low sulfur content. It is the underlying commodity of Chicago Mercantile Exchange's oil futures contracts.

DISCLOSURES

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.

Investing involves risks, including the possible loss of principal invested.

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.

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.

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.

501 North Broadway | St. Louis, Missouri 63102
Stifel, Nicolaus & Company, Incorporated | Member SIPC & NYSE | Stifel.com

0726.9004616.1