

Morgan Stanley

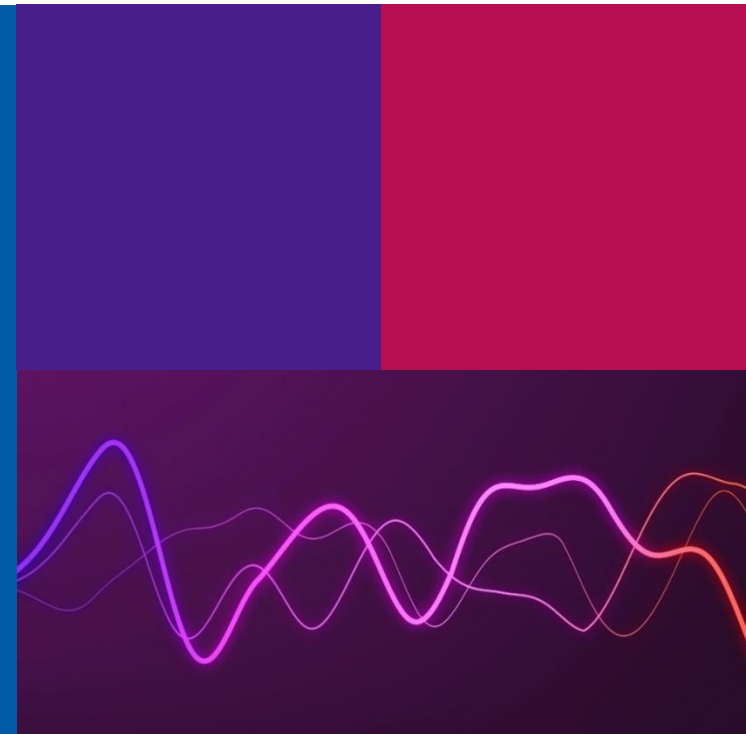
INVESTMENT MANAGEMENT

The BEAT

Bonds | Equities | Alternatives | Transition

Monthly Global Market and Asset Allocation Guide

July 2025



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The **BEAT** provides connectivity between changing market events and implications for investor portfolios.

Spanning **B**onds, **E**quities, **A**lternatives and **T**ransition*, this monthly review provides timely information across a broad array of markets and investment topics.

Each edition explores investment ideas, identifies areas of focus and provides a comprehensive outlook on asset allocation — all supported by a concise review of economic and asset class data through clear and impactful charts.

We believe The **BEAT** is a critical desk reference that enables more informed discussion and understanding of financial markets.



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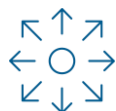
*Transition is an asset allocation view, which refers to cash, cash equivalents or liquid short-duration assets, such as short-dated Treasuries, that can be used to “transition” to other asset classes.

TOP IDEAS

Key Themes for the Second Half of 2025 (2H25)

**2H25: Uncertainty Gives Way to Clarity**

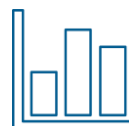
Less volatility. 2H25 will resolve the uncertainty stemming from 1H25 surrounding tariffs, budget and tax policies in the US. It remains to be seen if the fallout from tariff policies leads to a more pronounced slowing of economic activity and higher inflation—the stagflation scenario—or if the economy muddles through without a recession. Our view is the latter. The resolution of the US budget and tax plan could be a tailwind for economic activity as it may add stimulus through accelerated depreciation, increased capital expenditure (cap-ex) and further deregulation that shifts the engine of growth from the government to the more productive private sector. While these were “known unknowns” in 1H25, they will become “known knowns” in the second half of the year, something we expect will suppress volatility from first half levels.

**Productivity and What's in the Price**

More productive growth. An underappreciated change in policy is the reduction in Federal outlays/spending that is starting to take hold. Post Covid, government spending and policies influenced and crowded out private sector activity from employment growth to Green initiatives that influenced corporate spending and investment. This change in policy is hard to measure immediately, but instead shows up in business investment and cap-ex, which, in turn, feeds into GDP. The big difference is that it is driven by the private sector, not public, such that invested money has a higher multiplier effect. This creates the case for a non-consensus upside surprise potential in US asset prices and valuations. We are shifting our thinking along these lines for 2H25.

**Less Monetary Policy Support: Spreads Do The Heavy Lifting**

It's not going to be easy. 2H25 may see less easing from global central banks than 1H25. The European Central Bank (ECB) and Bank of England (BoE) policy had been easing, and many thought the Fed was certain to ease as well. All of which aided the duration contribution to bond returns. Now the ECB and BoE may find it more difficult to ease at their previous pace, and the Fed may not ease at all. Much depends on the inflation fallout from tariff policies, meaning there may be a loss of support for bond returns from interest rates in 2H25. As a result, it may now all come down to carry and spread performance to drive returns as the tailwind from rates may be lost. We still like our barbell strategy as a global fixed income theme in 2H25, one that pairs higher-yielding debt with high-quality short duration assets.

**Counter Consensus: Underappreciated Upside Risk to US Equities**

A different view. The consensus narrative indicates that upside is limited to equities due to valuations. But we think full-year 2025 earnings estimates may be understated in analyst expectations by about \$9, based on the historical relationship implied by the run rate of the year's earnings. This may be because analysts are hedging downside economic surprises due to the fallout from future tariffs. We think data slogs through, which provides room for upside earnings surprises in 2H25. This would not only lead to further earnings increases into 2026 but also suggest that current P/E valuations may be overstated. It is the basis of why we are looking to add to US equity exposure for 2H25.

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TOP IDEAS

The Portfolio Solutions Group – Our Top Thematic 2H25 Ideas

US vs. Europe: More Scope for Upside Surprise in the US

Changing course. The secular tailwinds that supported Europe's outperformance during 1H25 remain in place, but the corresponding valuation re-rating makes the case for further upside in 2H25 less likely. Meanwhile, despite strong Q1 earnings results in the US, full year expectations were revised lower as markets built in expectations for a 2H25 slowdown. If tariffs prove not as punitive to the US economy as expected, could current estimates be too low? It remains to be seen, but there seems to be more scope for positive surprises in the US relative to Europe as we move into the second half of the year.

US: Large Caps To Continue Leadership vs. SMID (Small/Mid Caps)

The story remains the same. After underperforming SMID in 1Q25, large cap tech has retaken leadership by virtue of continued relative strength in earnings revisions. By comparison, SMID have continued to lag as 1) earnings revisions have disappointed on a relative basis and 2) weakness in the US dollar (USD) has added additional headwinds as SMID segments have less foreign sales exposure. As we move into 2H25, we believe large caps will continue to lead in the US, and as such have opted to close our overweight (O/W) in US mid caps.

Rates: Replace US Treasuries (FX-Hedged) with Euro Government Bonds

Carry on. US and EU yields have been trading in a relatively narrow range over recent months, and a continuation of this trend presents an opportunity for investors to pick up an additional 80-90 basis points (bps) of stable carry. What's the risk? If US Treasury (UST) yields fall substantially relative to the EU. However, we continue to see that scenario as unlikely given ongoing fiscal concerns, resilient economic growth and a Fed reluctant to deliver substantial easing.

Credit: Being Tactical with Spreads Near All-Time Tights

The waiting game. Following the tariff-induced widening in early-mid April, credit spreads have returned to near all-time tight levels. At ~300 bps, High Yield (HY) spreads remain fairly contained relative to the trend in defaults, which remain somewhat elevated by comparison. While our "no recession" base case outlook should keep default risks at bay, spreads at current levels keep the risk reward asymmetry unfavorable. Having said that, we would consider adding some exposure on any short-term weakness that brings valuations closer to more reasonable levels. In the meantime, we prefer taking on equity rather than credit risk.

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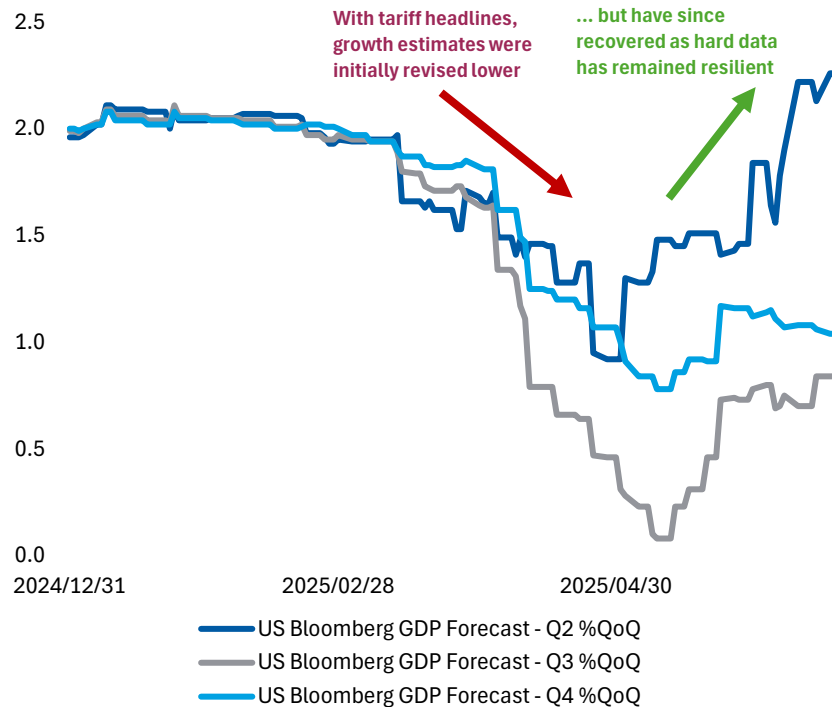
TOP THEMES

While Tariff Uncertainty Persists, Growth Weakness Has Yet To Materialize

Following the onset of tariff announcements during 1Q25, economist forecasts for GDP growth for the rest of the year were revised downward across the board, consistent with the deterioration in soft data (surveys, sentiment etc.). As hard data weakness has yet to materialize, the consequent improvement in soft data has accompanied a recovery in growth forecasts.

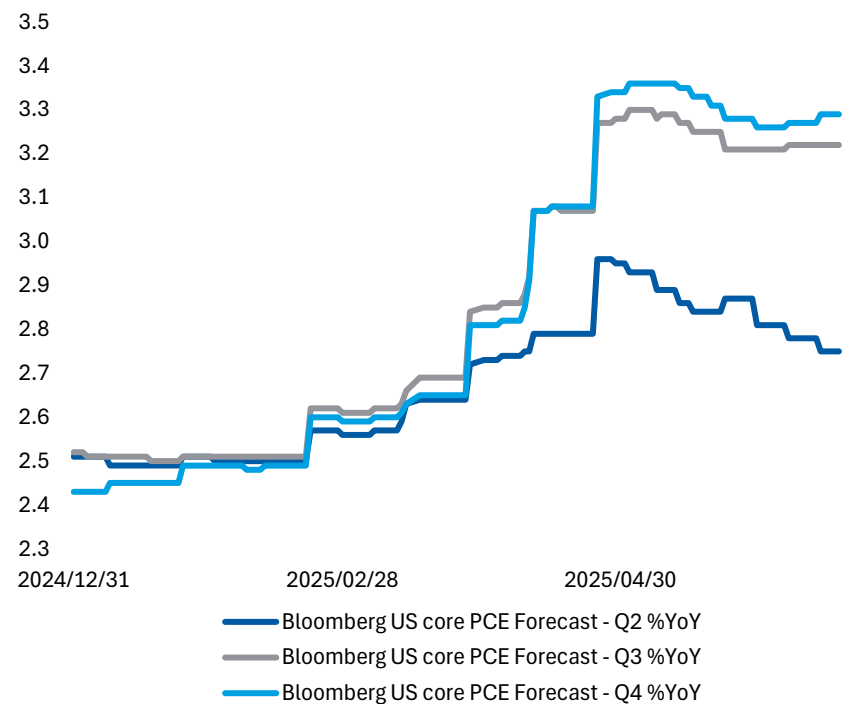
Recent Growth Estimates Have Been Trending Higher...

Bloomberg US GDP forecast %QoQ (survey-weighted avg.)



... While Estimates for Inflation Have Stabilized

Bloomberg US core PCE forecast %YoY (survey-weighted avg.)



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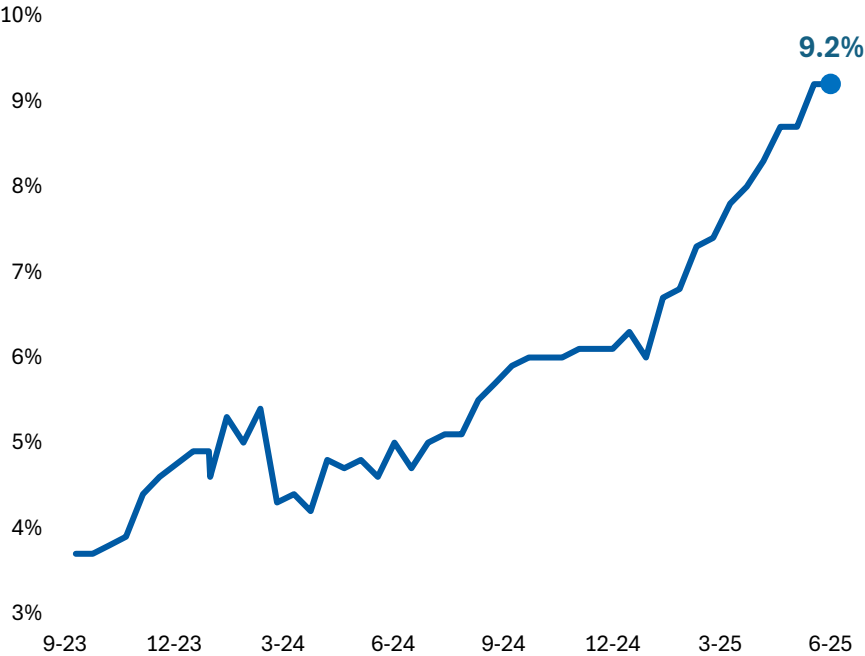
TOP THEMES

AI: Shifting From Infrastructure Investment To Adoption

Following two years of heavy infrastructure investment, the AI story is likely to shift more significantly to the adoption stage in 2H25 and 2026. As measured by the Census Bureau, economy-wide adoption remains in the early stages, but has doubled in the past 12 months. While there are an increasing number of metrics covering AI adoption, markets remain in the early stages of understanding the translation to adoption-phase winners and losers.

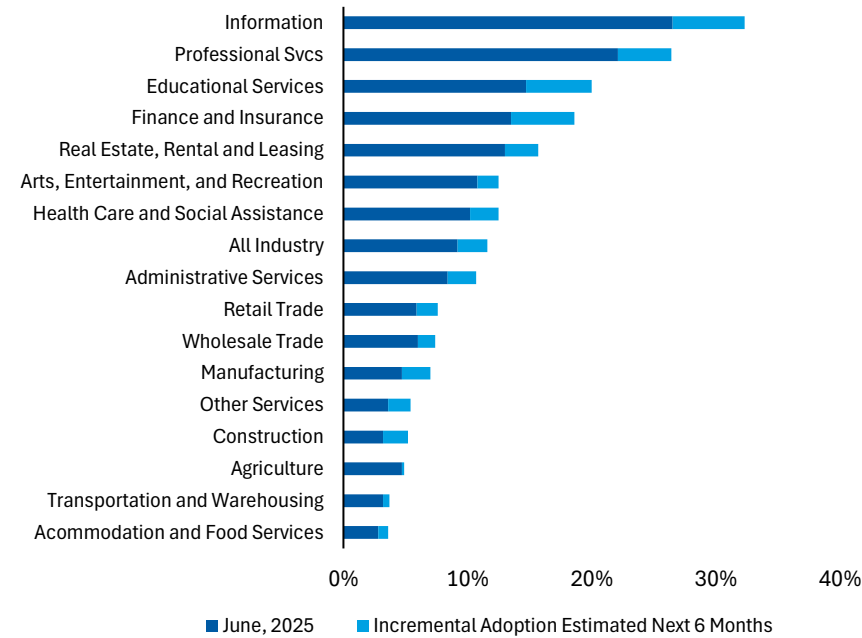
Economy-Wide AI Adoption Has Accelerated in 2025

Economy-wide firm AI adoption rate



Adoption Trends Are Stronger for Services Sectors

AI adoption and 6-month estimated increase by sector



Source: Census Bureau, MSIM. As of June 18, 2025. For illustrative purposes only. Not a recommendation to buy or sell any security. It is not possible to invest directly in an index. The views and opinions expressed are those of the portfolio management team at the time of writing/of this presentation and are subject to change at any time due to market, economic, or other conditions, and may not necessarily come to pass. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass. **Past performance is not indicative of future results.**

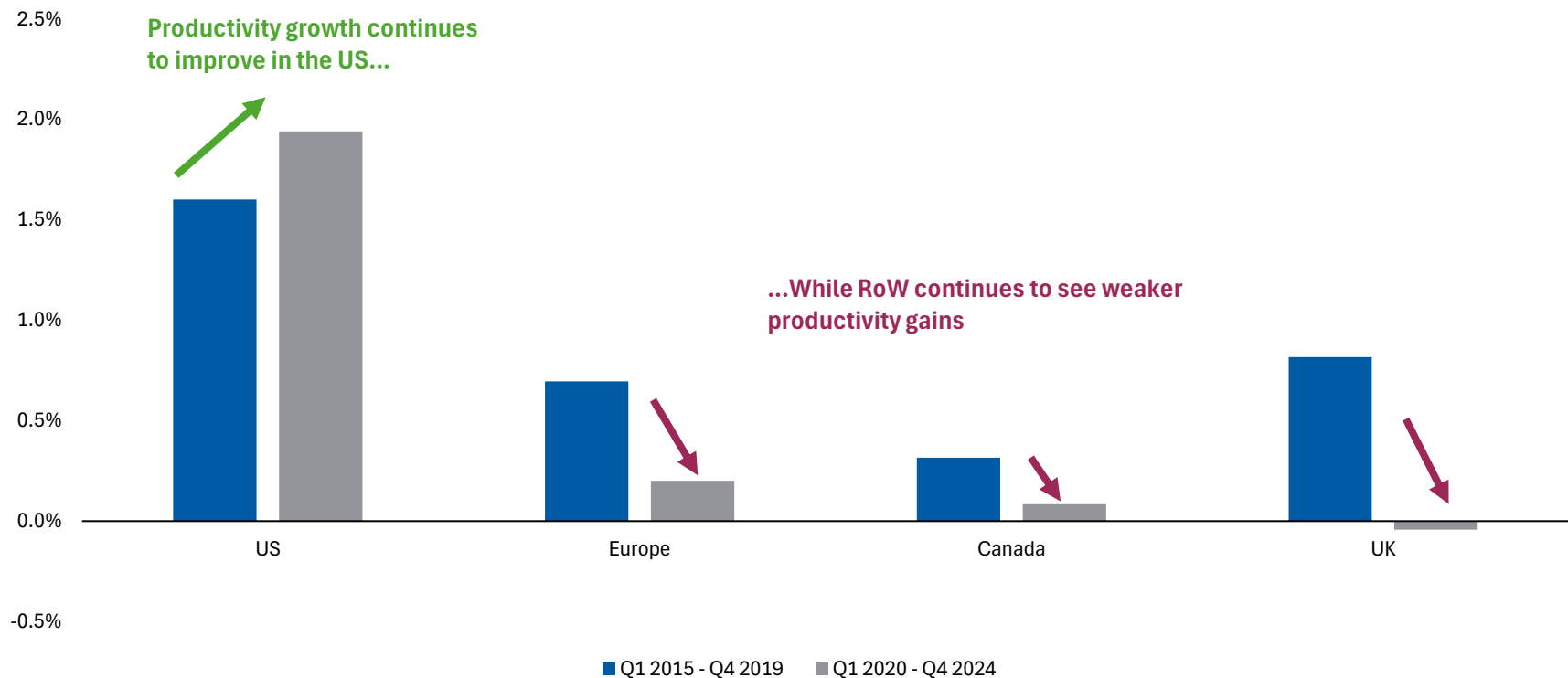
TOP THEMES

Labor Productivity Remains a Key Growth Driver in the US

Productivity trends remain a key driver of economic growth trends across regions. The US continues to boast the strongest trend and has widened its outperformance vs. the rest of the world (RoW).

US Labor Productivity Growth Has Widened Its Outperformance vs. RoW

Labor productivity (output per hour) annualized growth



Source: Bloomberg, MSIM. As of June 16, 2025. For illustrative purposes only. Not a recommendation to buy or sell any security. It is not possible to invest directly in an index. The views and opinions expressed are those of the portfolio management team at the time of writing/of this presentation and are subject to change at any time due to market, economic, or other conditions, and may not necessarily come to pass. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass. **Past performance is not indicative of future results.**

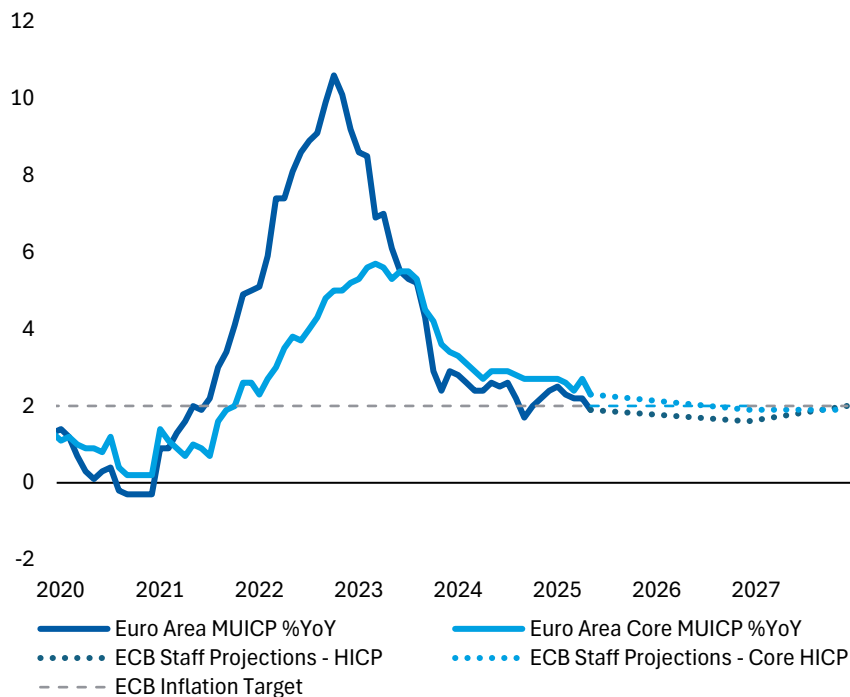
TOP THEMES

Disinflationary Trends Remain Stronger in Europe Relative to the US

European inflation has returned to central bank targets, contrasting trends in the US where inflation remains stubbornly above target. With inflation back to target, the ECB rate cutting cycle is likely close to finished. Meanwhile, with inflation above target and growth proving resilient (thus far), the Fed may not deliver as much easing as markets expect.

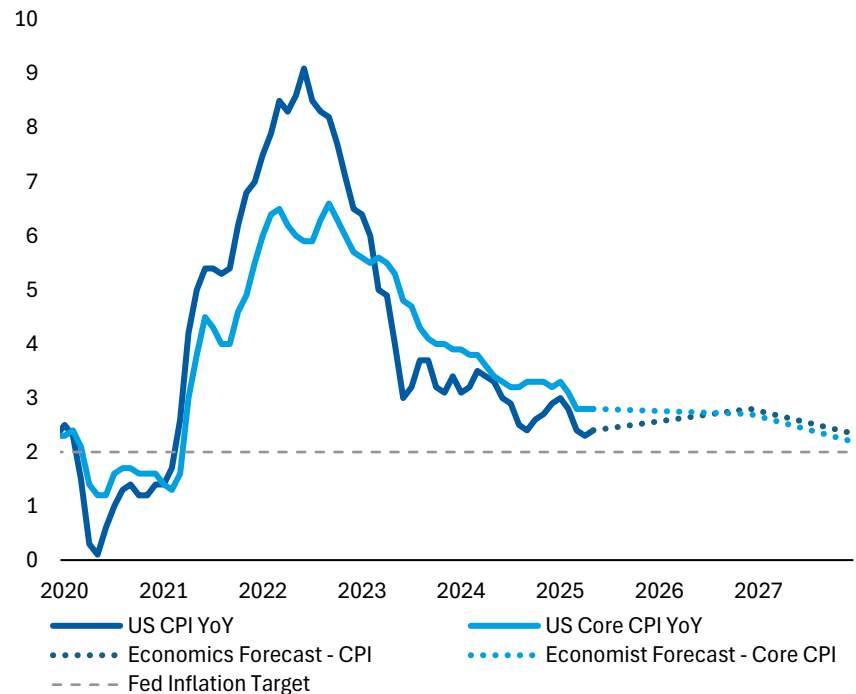
Eurozone Inflation Has Returned to ECB Targets...

Nominal and core inflation with ECB projections



... While US Inflation Is Expected To Remain Above Target

Nominal and core inflation with median economist forecasts



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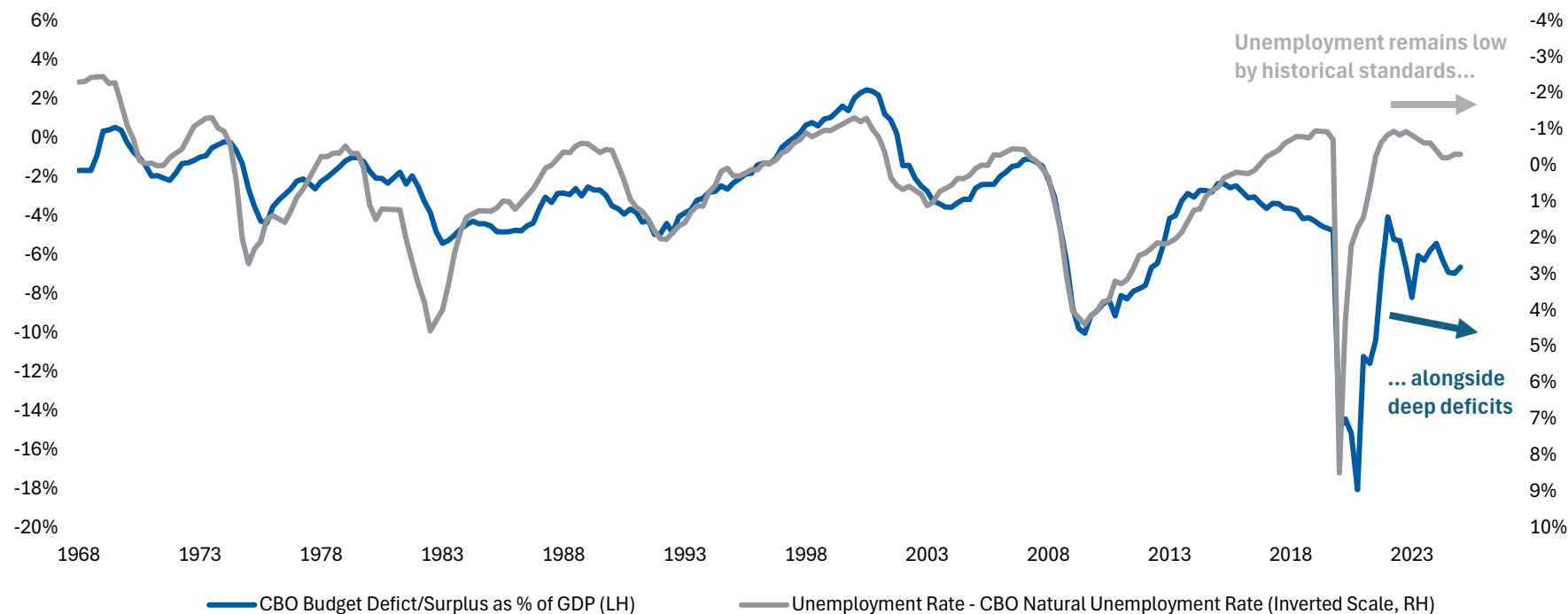
TOP THEMES

US Deficit Is the Key Structural Issue, but not Likely a Near-Term Catalyst

The current fiscal deficit sits at roughly 7% of GDP, while the unemployment rate is essentially in line with the Congressional Budget Office's (CBO) estimated natural rate, representing an unprecedented imbalance by historical comparison. Any fiscal tightening would likely be painful and avoided unless forced by crisis. Despite focus on the issue, it seems unlikely any such crisis will be a 2025 catalyst.

Fiscal Deficits Currently Reside at Unprecedented Levels Relative to Unemployment

CBO budget deficit/surplus as % of GDP (LH), unemployment less CBO natural unemployment rate (inverted, RH)



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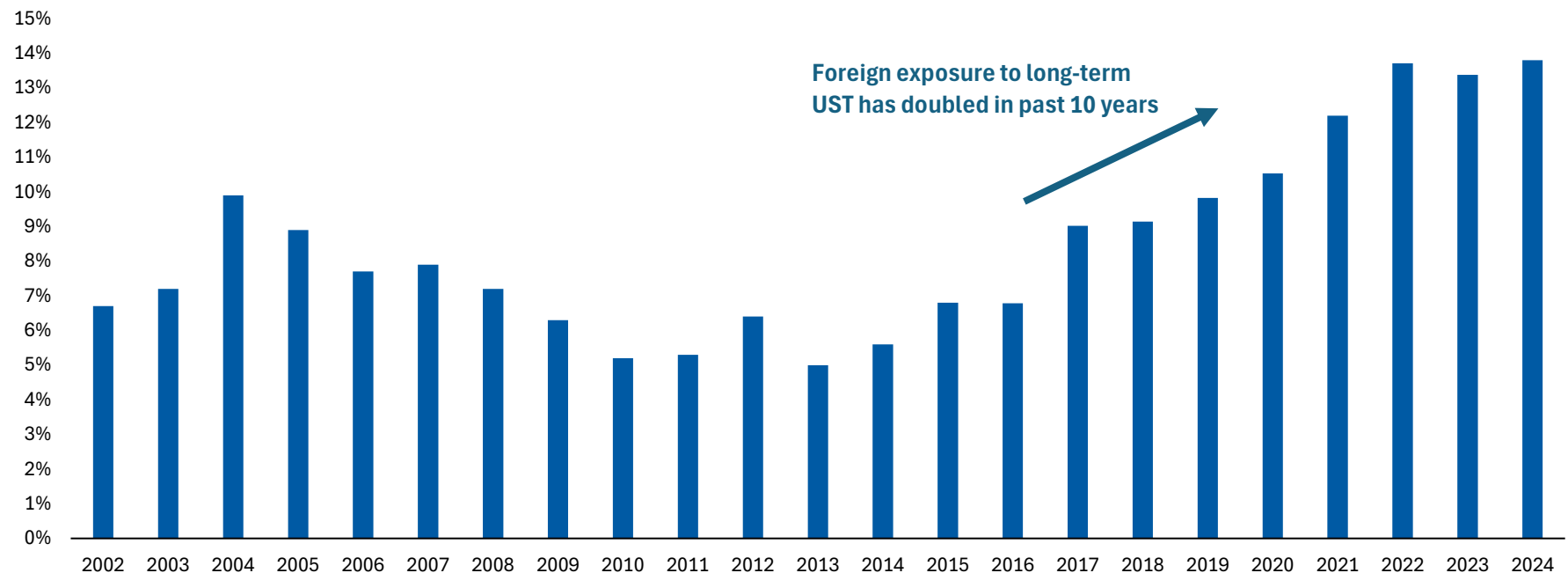
TOP THEMES

Further Rebalancing May Be in Store for US Bonds and the USD

While we do not believe that US bonds or the USD are losing their respective status as a safe haven asset and reserve currency, there may be scope for foreign investors to rebalance their US exposure in bonds (as well as equities). Foreign ownership of long duration US Treasuries has doubled over the past decade and currently sits at record levels. A rebalancing of this exposure would apply further pressure to US long-term yields and the USD.

Foreign Exposure to Duration in US Treasury Markets Is the Highest on Record

Share of foreign US Treasury holdings with maturity greater than 10 years



Source: Apollo Chief Economist, MSIM. As of June 16, 2025. For illustrative purposes only. Not a recommendation to buy or sell any security. It is not possible to invest directly in an index. The views and opinions expressed are those of the portfolio management team at the time of writing/of this presentation and are subject to change at any time due to market, economic, or other conditions, and may not necessarily come to pass. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass. **Past performance is not indicative of future results.**

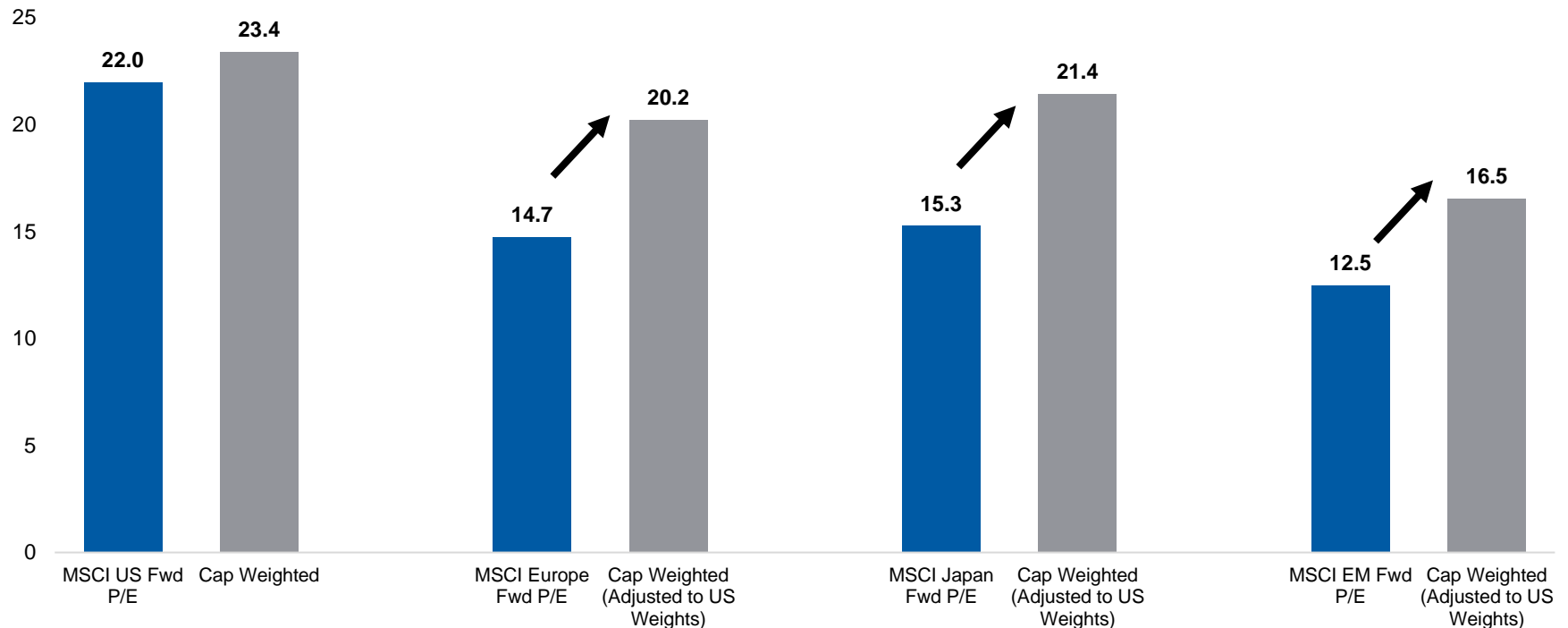
TOP THEMES

Europe and Ex-US May Not Be as Cheap as some May Think

The market convention for calculating index level P/E ratios is based on weighted earnings, which discounts the contribution from constituents with higher valuations/lower earnings base. Market-cap-weighted P/E ratios, after adjusting for industry group weight differences vs US equities, suggest non-US equities are trading at narrower discounts.

US vs Europe/Ex-US Valuation Differentials Might Be Narrower than Commonly Perceived

Market conventional vs. adjusted forward P/E



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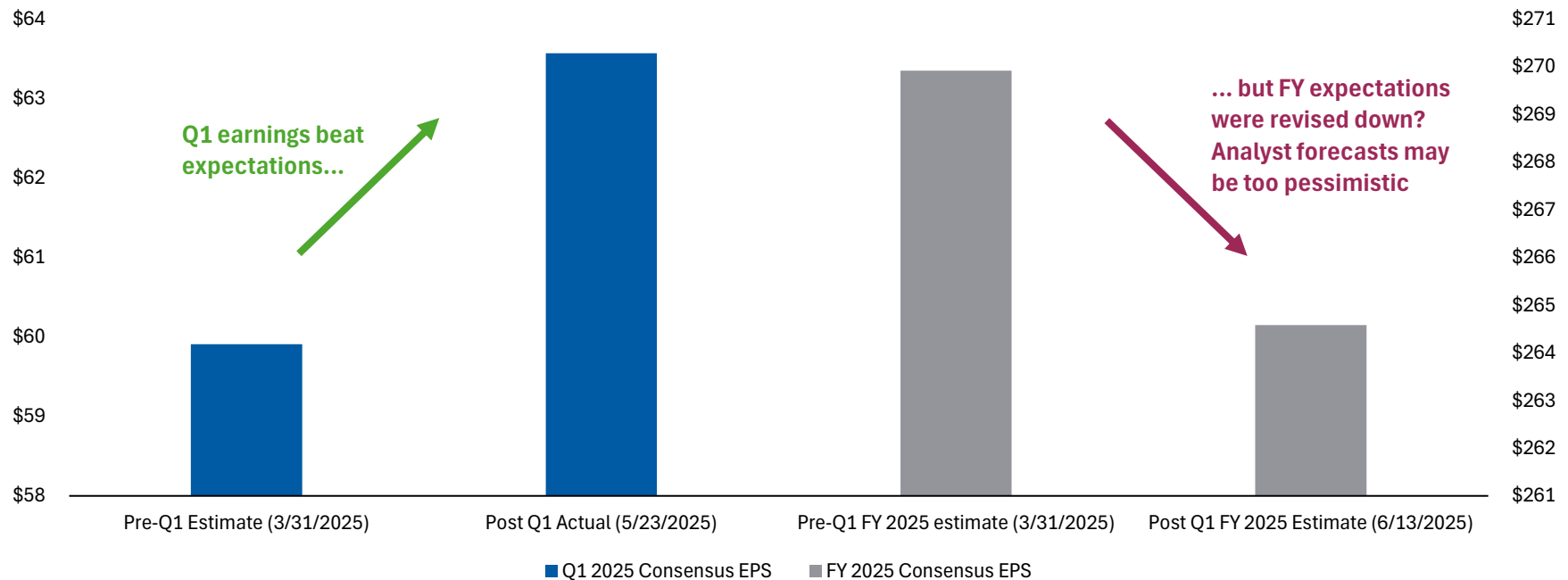
TOP THEMES

If Tariff Headwinds Prove More Benign, Are Estimates Too Low in the US?

At ~22x forward earnings, the S&P 500 is not cheap statistically. However, valuation must be viewed in the context of earnings estimates. Actual earnings in Q1 exceeded expectations by ~\$4. All else equal, this should have raised FY estimates by the same amount, but FY estimates were cut by ~\$5 with a 2H25 slowdown clearly built into consensus. If growth remains resilient amid higher tariffs, there may be scope for some upside surprise in earnings expectations.

Despite a Strong First Quarter, Full Year Estimates Have Been Cut in Anticipation of a 2H25 Slowdown

Q1 2025 S&P 500 EPS estimate evolution (LH), FY 2025 S&P 500 EPS estimate evolution (RH)



Source: Fundstrat, Factset, MSIM. As of June 13, 2025. For illustrative purposes only. Not a recommendation to buy or sell any security. It is not possible to invest directly in an index. The views and opinions expressed are those of the portfolio management team at the time of writing/of this presentation and are subject to change at any time due to market, economic, or other conditions, and may not necessarily come to pass. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass. **Past performance is not indicative of future results.**

TOP IDEAS

Downgrade European Equity; Near Term, We Are More Positive on the US

Diversification flows and continued weakness in the USD can support Euro equity returns (esp. in USD terms). However, we don't view these factors as sufficient to sustain near-term regional outperformance. Much of the recent "good news" has been priced in, the earnings outlook favors the US and fast money could lighten up on EU equity exposure.

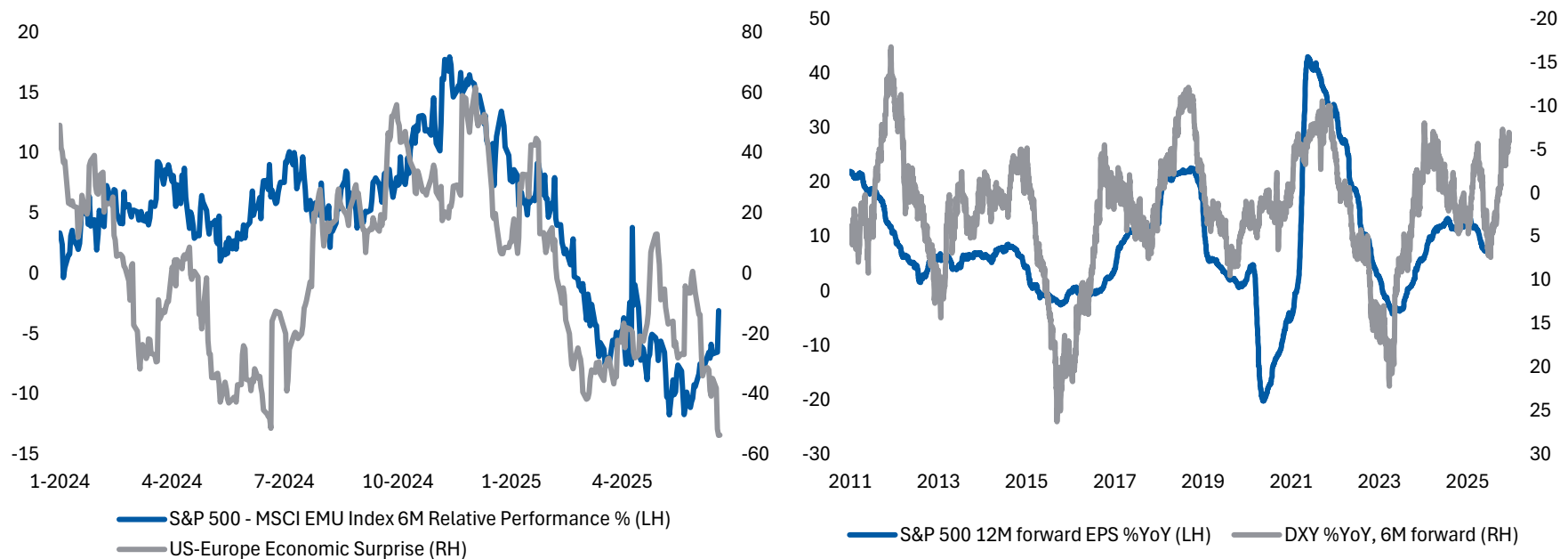
Both US Macro and Earnings Data Could Surprise to the Upside in 2H 2025

Rolling 6M rel. performance (LH), rel. economic surprise (RH)

A Weaker USD Supports S&P 500 Earnings Growth

US Dollar Index (DXY) YoY% 6m forward (RH),

S&P 500 12m fwd. EPS (LH)



Source: Bloomberg, Citi, MSIM. As of June 19, 2025. For illustrative purposes only. Not a recommendation to buy or sell any security. It is not possible to invest directly in an index. The views and opinions expressed are those of the portfolio management team at the time of writing/of this presentation and are subject to change at any time due to market, economic, or other conditions, and may not necessarily come to pass. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass. **Past performance is not indicative of future results.**

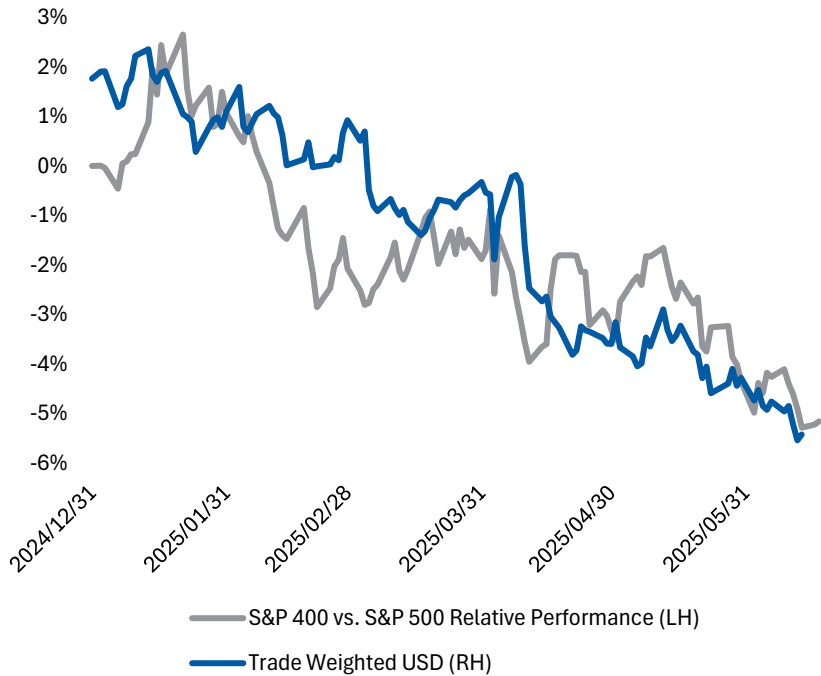
TOP IDEAS

Downgrade US Mid Cap: FX Helps Explain Regional Performance Trends

The SMID vs. Large cap trade has exhibited divergent patterns across regions in 2025 to date. While growth has served as a consistent relative performance driver historically, FX has been a key variable this year. With less foreign revenue exposure than large caps, US SMID has lagged amid weakness in the USD, while the opposite effect is in evidence in Europe.

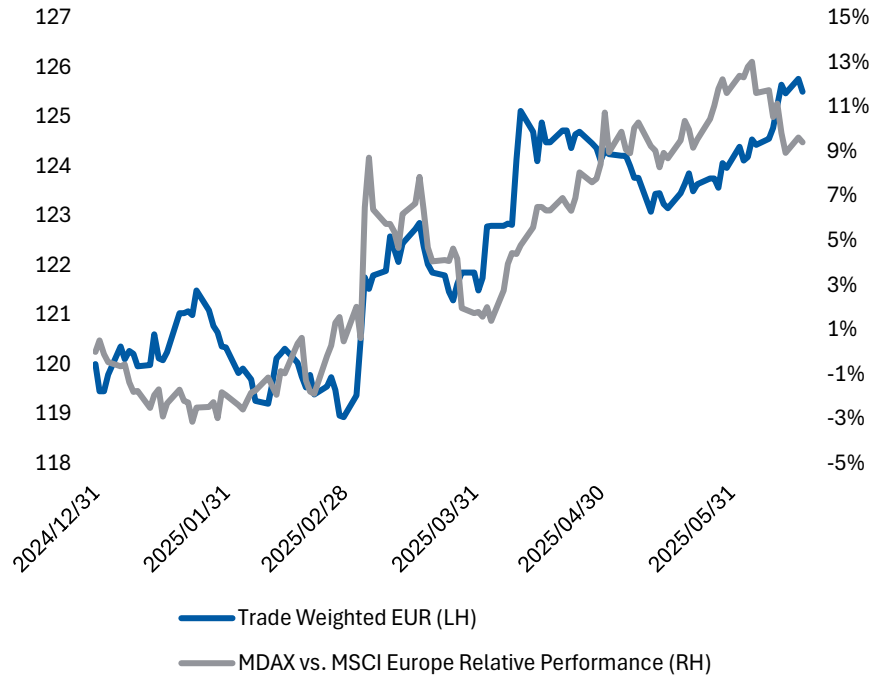
USD Weakness Has Negatively Impacted US SMID...

YTD relative performance (LH), US trade weighted USD (RH)



...While The Opposite Effect Is Seen in Europe

YTD relative performance (RH), trade weighted EUR (LH)



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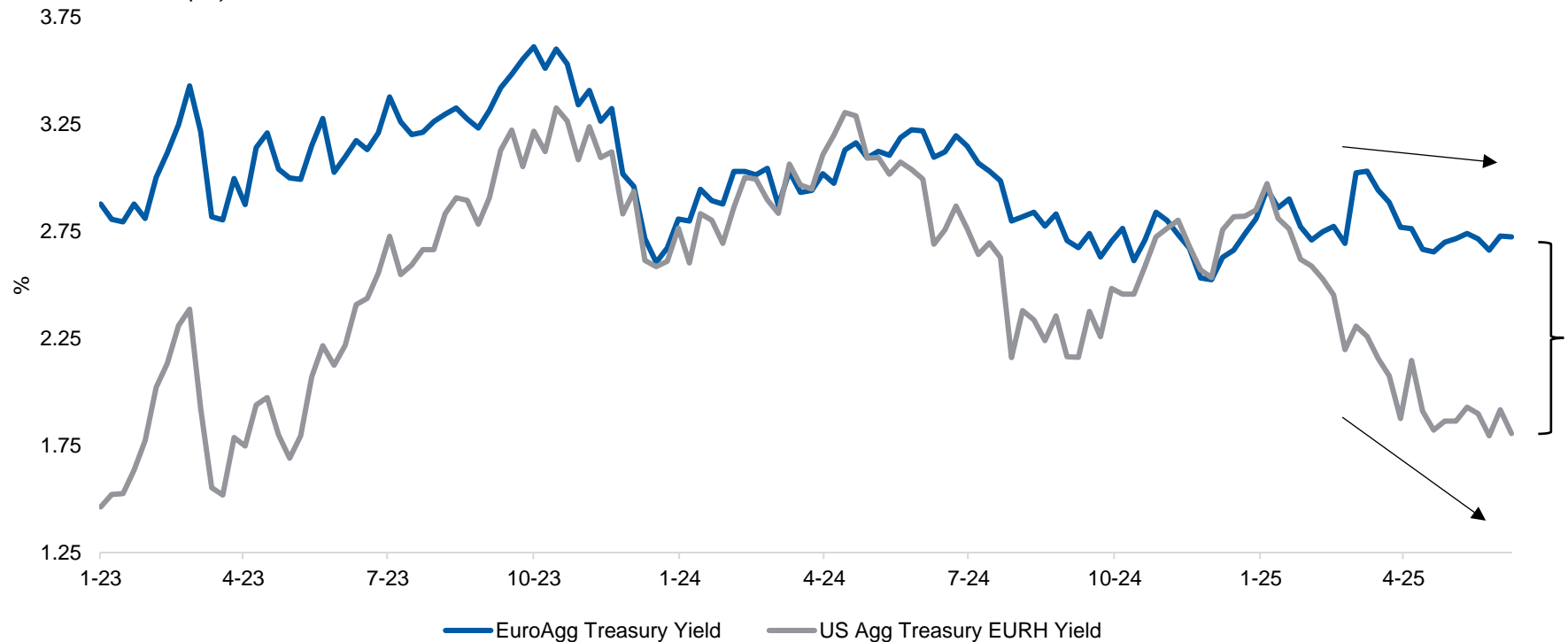
TOP IDEAS

Overweight Euro vs US Treasuries

The opportunity for investors to pick up an additional 80-90 bps has returned with renewed policy-rate divergence between the Fed and the ECB. We believe Euro-based investors are better off by avoiding EUR/USD hedging costs, while USD-based investors can pick up additional carry by hedging EUR back to USD.

US-EU Hedged Yield Differentials Are Re-widening

Yield to Worst (%)



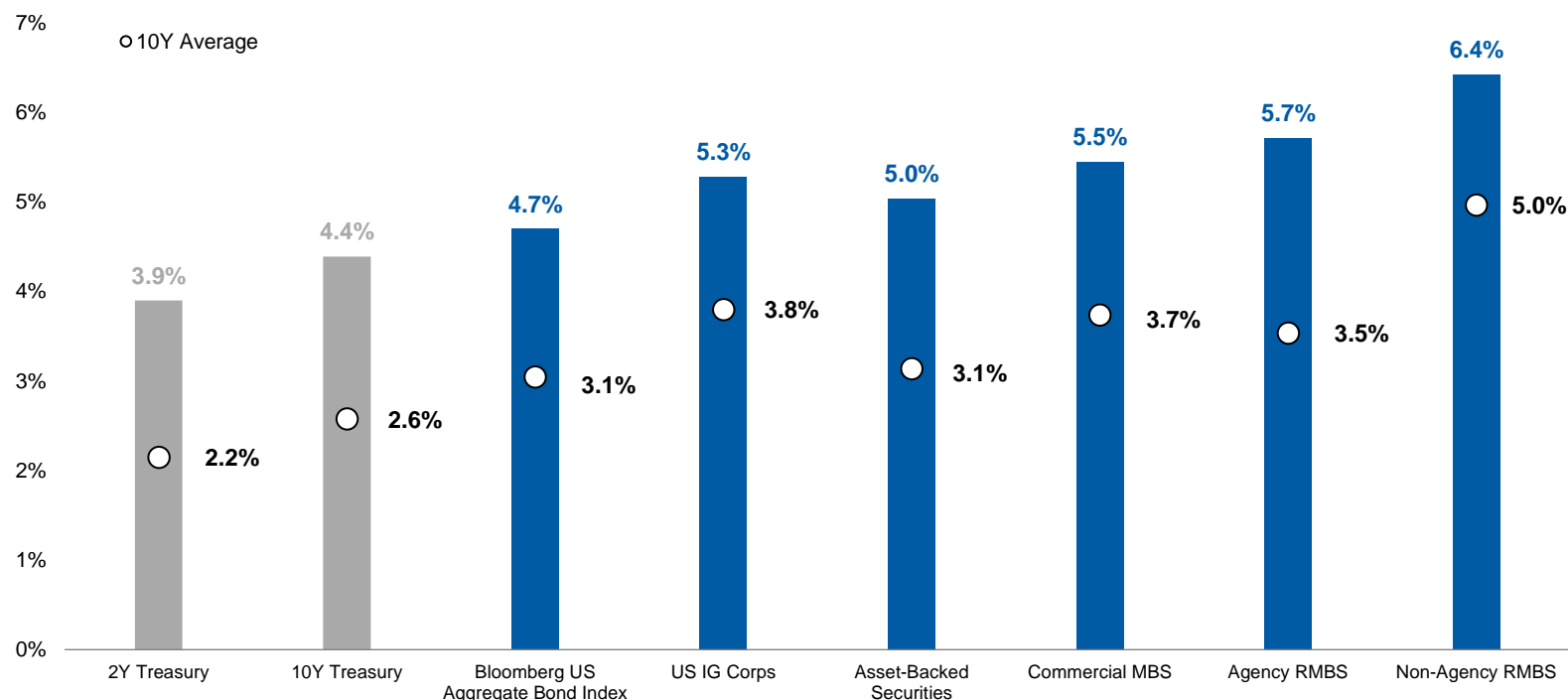
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Yields are attractive across a variety of fixed income sectors

The combination of rising U.S. Treasury yields and wider spreads across many fixed income sectors has left absolute yields at attractive levels versus the last 10 years.

Current Yield vs. 10-Year Average

Yield to Maturity (%)



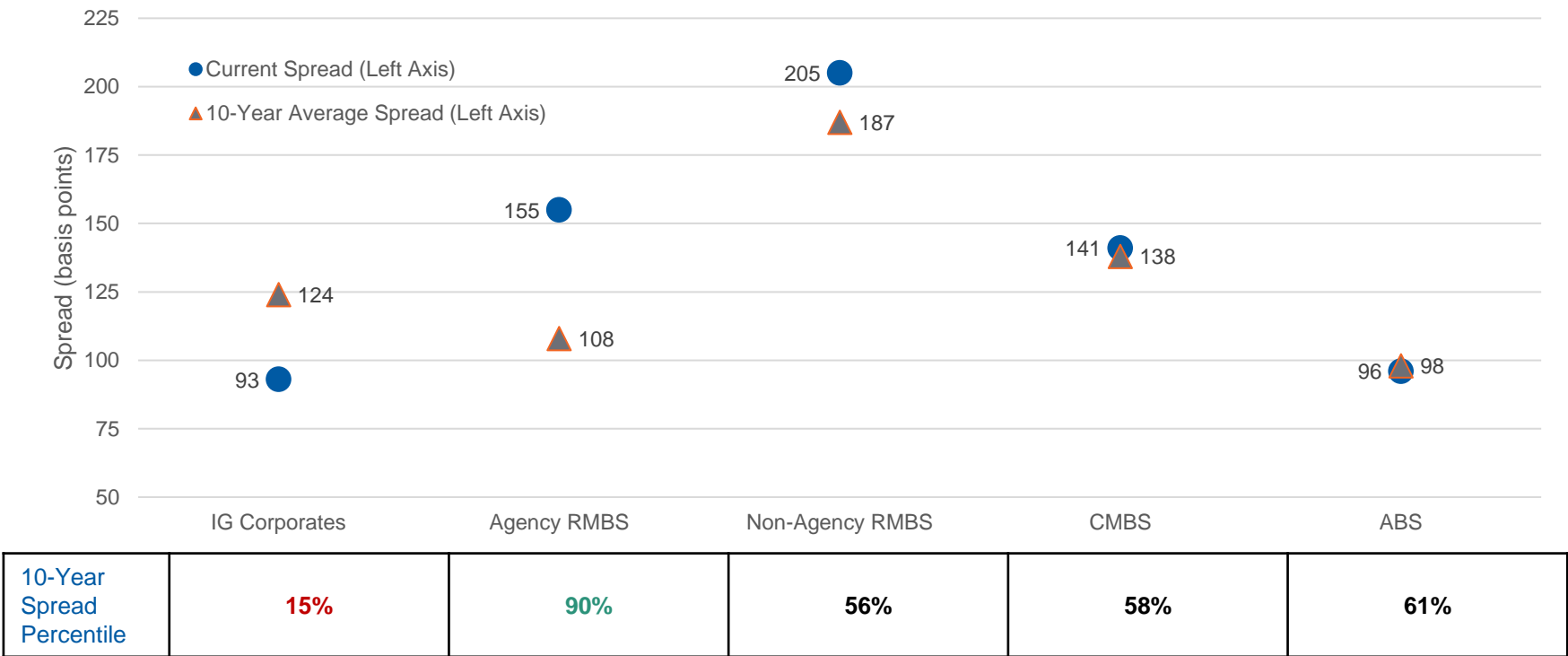
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Securitized spreads appear more attractive than IG corporates

While yields are high across most sectors, securitized markets appear more attractively-valued than other investment grade sectors, such as IG corporates

Current Spreads, 10-Year Average and 10-Year Spread Percentile

As of 6/30/25



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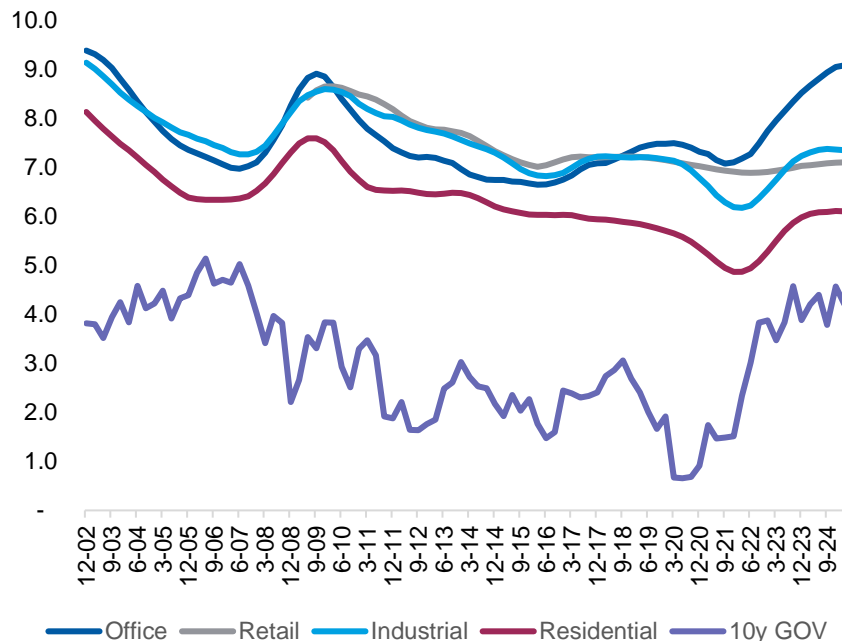
TOP IDEAS

Real Estate Fundamentals Continue to Improve

Real estate has been experiencing a repricing over the last few years in response to higher interest rates, cyclical oversupply and, in certain sectors, secular demand destruction. That said, the long-term operating outlook is markedly improving, with future supply materially decreasing and the demand destruction seen in certain sectors stabilizing. Entry pricing is meaningfully lower, providing a margin of safety and an interesting access point to improving fundamentals.

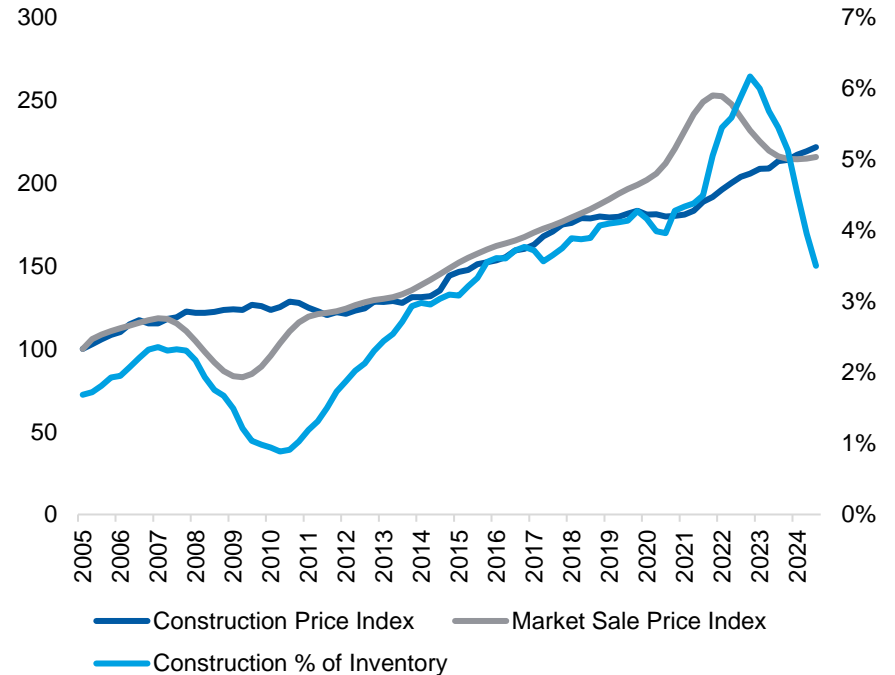
U.S. Cap Rates Have Stabilized...

Real estate sector cap rates (%)



...and Asset Valuations Are Below Replacement Cost

Residential price index (LH), construction as % of inventory (RH)

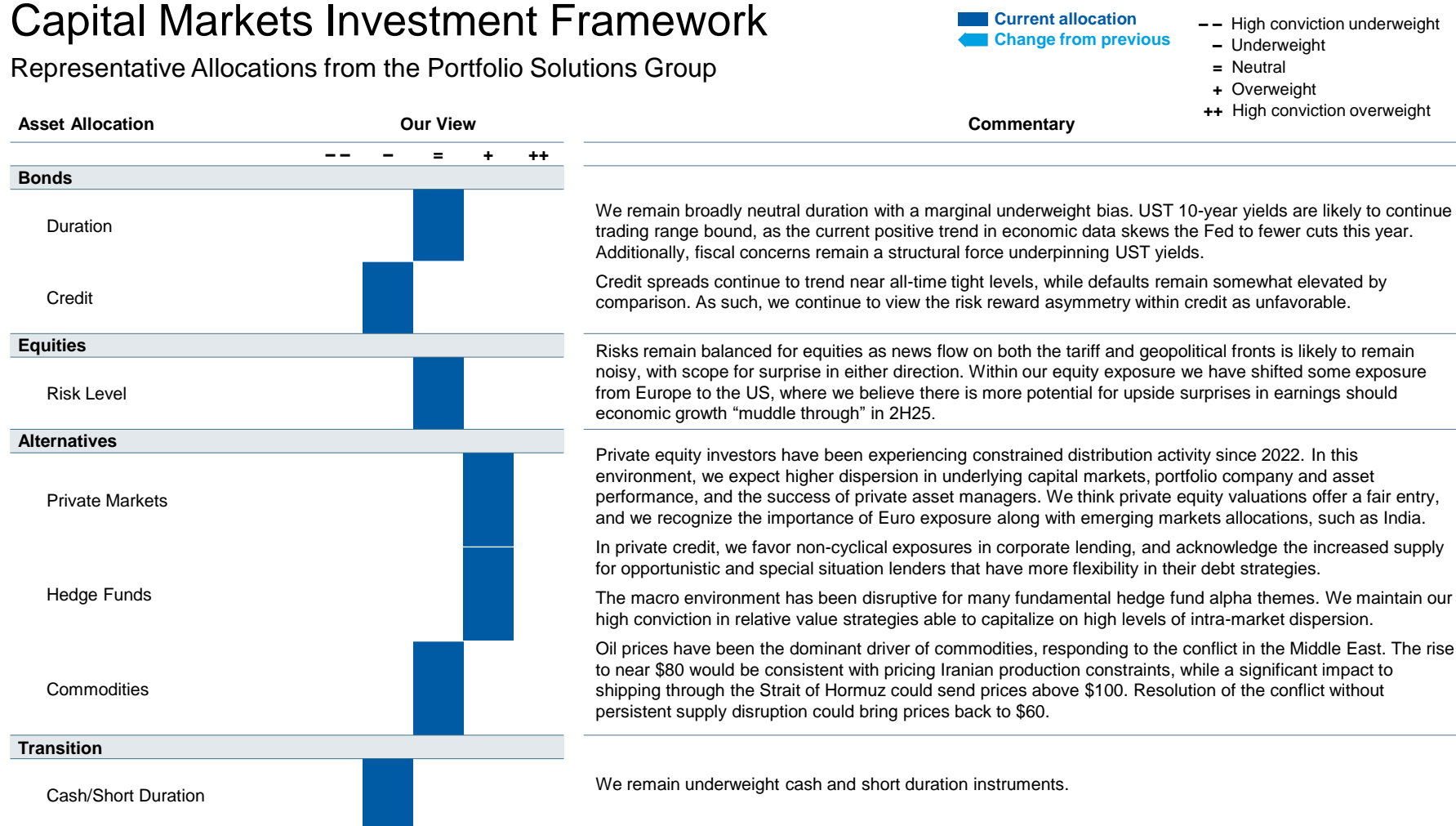


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TOP IDEAS

Capital Markets Investment Framework

Representative Allocations from the Portfolio Solutions Group



For informational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. The tactical views expressed above are a broad reflection of our team's views and implementations, expressed for client communication purposes. Individual team allocations may differ. The information herein does not contend to address the financial objectives, situation or specific needs of any individual investor. The signals represent the Portfolio Solutions Group view on each asset class.

TOP IDEAS

Global Fixed Income

Representative Positioning from Portfolio Solutions Group

Fixed Income	Our View						Commentary
	--	-	=	+	++		
Bonds							
U.S. Treasuries (USTs)						At ~4.40%, the 10-year yield continues to trade around the middle of our conceptual range. The continued resilience in US economic data likely skews the Fed to fewer cuts this year.	
Inflation Linked Bonds						We see some value in inflation-lined bonds, particularly in the longer sections of the curve with 5Y/5Y inflation currently at 2.29%.	
Eurozone Govt. Bonds						We remain neutral on European duration; Germany's fiscal pivot is likely to result in a higher trading range for European rates compared to post-GFC. Additionally, fiscal spending and higher energy prices likely reduce the ECB's appetite to deliver further rate cuts.	
EM Hard Currency Govt. Bonds						EMD spreads are tight vs corporate credit, particularly in the lower-rated parts of the market. However, fundamentals remain relatively strong, aided by a weaker USD. We remain neutral for now given the higher quality-adjusted carry and fundamental backdrop, but are growing more cautious.	
EM Local Currency Govt. Bonds						At the GBI-EM index level, real rates are near central bank targets and FX valuations are broadly in-line with longer term medians. However, we see pockets of value in the EM Local space, but would prefer to access the asset class in an active manner; we see much less value in it passively.	
Public Credit							
Municipal Bonds						Munis remain at reasonably attractive levels even after accounting for lower effective tax rates under the current proposed tax plan.	
Investment Grade (IG)						IG spreads remain tight relative to the number of risks out there. The asset class has poor convexity in the current environment.	
MBS/ABS						We continue to hold a high conviction in ABS as yield per unit of credit quality remains attractive.	
High Yield (HY)						We remain underweight HY in the US and overweight in Europe. European HY continues to offer more attractive spread than US HY, once adjusting for ratings differentials. We are more comfortable with the default backdrop in Europe as well.	
Bank Loans						We remain neutral on bank loans. We like the high carry and the floating rate nature of the asset class, but continue to hold concerns related to trends in defaults. Loan defaults have outpaced HY over the past twelve months by the largest margin on record.	

■ Current allocation
 ◀ Change from previous

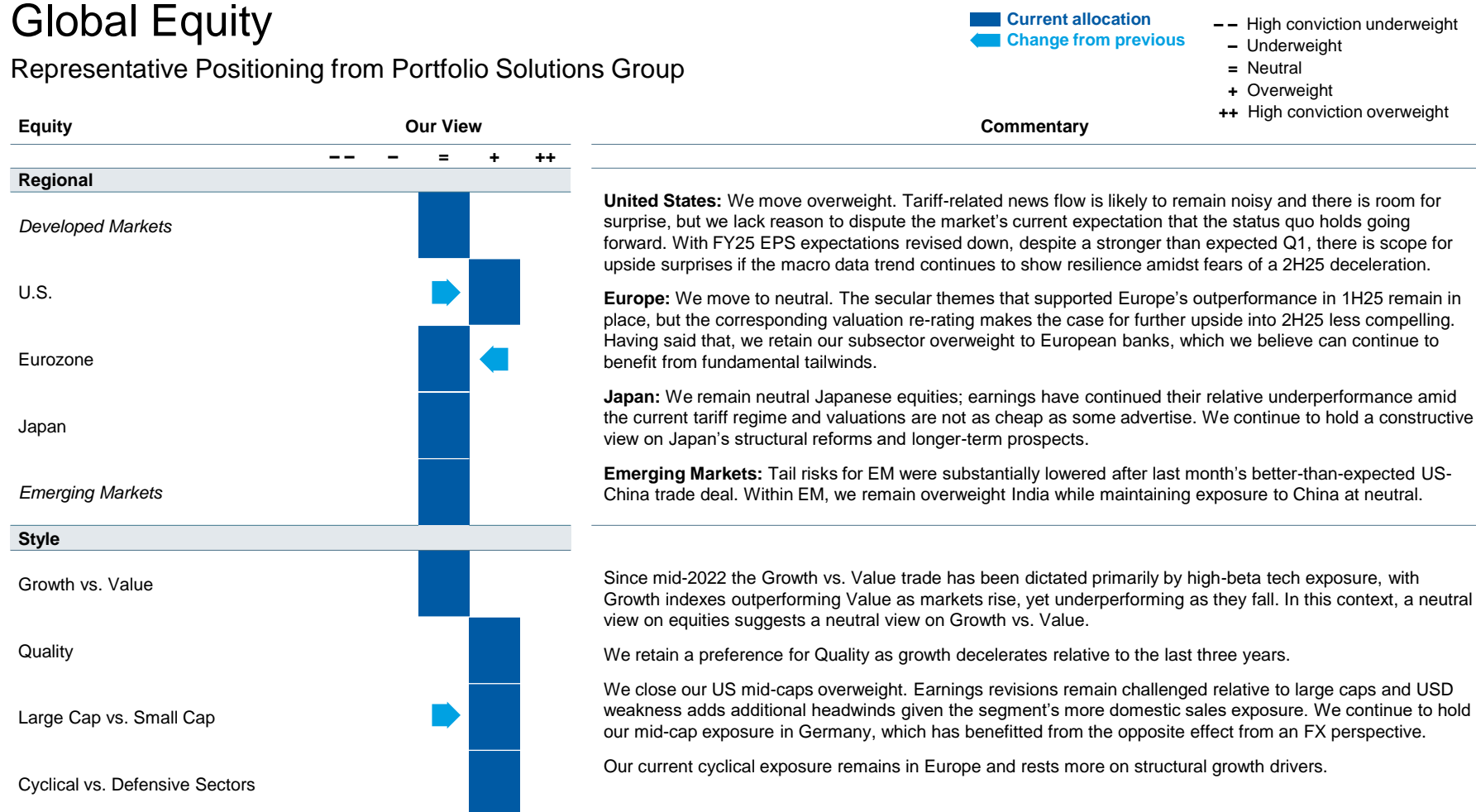
-- High conviction underweight
 - Underweight
 = Neutral
 + Overweight
 ++ High conviction overweight

For informational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. The tactical views expressed above are a broad reflection of our team's views and implementations, expressed for client communication purposes. Individual team allocations may differ. The information herein does not contend to address the financial objectives, situation or specific needs of any individual investor. The signals represent the Portfolio Solutions Group view on each asset class.

TOP IDEAS

Global Equity

Representative Positioning from Portfolio Solutions Group



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TOP IDEAS

Alternatives

Representative Positioning from Portfolio Solutions Group

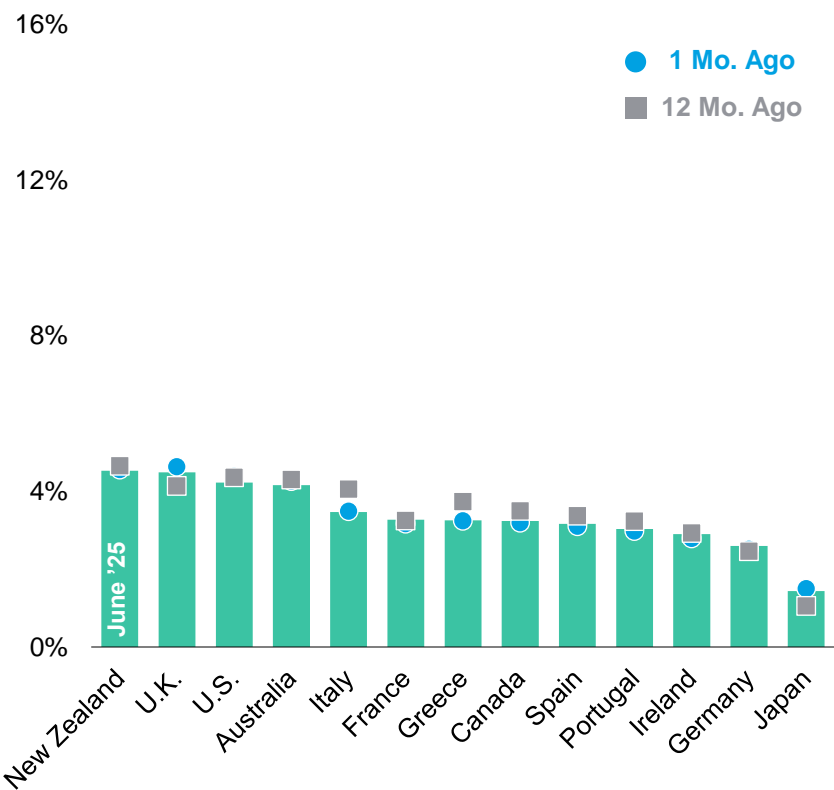
Alternative Assets	Commentary
Private Markets	
Private Equity	<p>Private equity investors have been experiencing constrained distribution activity since 2022, when the shift in the interest rate regime triggered adjustments across capital markets. There was optimism after last year's US election that directional clarity and pro-market policy could support a recovery in distribution levels, but the recovery in investor cash flows has been more delicate than expected due to the shock factor and uncertainty associated with recent policy announcements. We think valuations offer a fair entry point for new investments. Successful strategies will minimize downside exposure to the exogenous risks such as GDP growth, inflation and changes to global trade. We think they will be associated with organic growth initiatives using relatively modest leverage, and will likely participate, either as enablers or adopters, in the transformational technology changes that are taking place. While US private equity is expected to benefit from its deep network of specialist private equity managers, European private opportunities potentially increases in its competitiveness as recently announced growth-related policies provide a tailwind and the country-specific nature of European private equity now potentially represents an advantage because of the resulting focus on local revenues. We are constructive on India private equity due to both domestically driven growth, as well as the potential to invest in alternative global supply chains, although we note manager selection will be very important.</p>
Private Real Assets	<p>Commercial real estate currently offers compelling entry valuations at a time of stabilizing fundamentals. The 2022 to 2024 period was a challenging one for real estate, characterized by high interest rates, oversupply and difficult fundraising. In response to these dynamics, pricing has reset materially lower while the cost and availability of debt has stabilized and future supply is much lower. Private equity real estate fundraising has yet to recover, however, presenting a unique opportunity for those with capital willing to invest in the sector, particularly in growing, fundamentally strong sectors such as industrial, residential and net lease.</p> <p>Infrastructure companies have demonstrated very strong cost pass-through and margin stability, often through fixed construction costs and contracted revenues linked to inflation. They've also demonstrated impressive demand growth in sectors such as power and data and are not directly impacted by tariffs from a revenue perspective; they are not expected to produce goods that are sold to the US, although transportation assets are linked to trade volumes. In relation to the cost impact from tariffs, the renewables supply chain is worth watching closely, with batteries and solar being more exposed to China, and wind power generation equipment less so due to more established supply chains through Europe and Mexico. Uncertainty around policy and costs will put pressure on poorly capitalized developers which could lead to excellent buying opportunities.</p>
Private Credit	<p>Within corporate lending, liability management exercises (LMEs) continue to increase. Within Direct Lending we are focused on lower risk strategies – senior secured first liens, tier one sponsors, clean credit stories, non-cyclicals, strong management teams and defendable market leading positions. Pricing and terms in Europe offer a risk-adjusted enhancement to US direct lending. More broadly, the increased challenges being faced by corporate borrowers are providing opportunities for opportunistic and special situation lenders that have a greater degree of flexibility in their debt mandates. Real estate debt is also currently attractive, as traditional bank lenders remain less active, yet property fundamentals stabilize and pricing has reset.</p>
Liquid Alternatives	
Hedge Funds	<p>The macro driven environment has been disruptive for many fundamental hedge fund alpha themes. However, we are cognizant that rich environments for stock picking alpha tend to follow these periods and expect an expanding opportunity set in the second half of 2025. We continue to prefer specialist hedge fund portfolio managers best positioned to analyze and adapt to the ongoing stimuli, including trade rhetoric, geopolitical tensions, a rapidly evolving AI landscape and disparate global monetary policy regimes. Highly liquid macro strategies have been responsive to rapidly changing market dynamics, and we believe will continue to contribute to performance should broader volatility persist. We maintain our high conviction in relative value strategies able to capitalize on high levels of intra-market dispersion.</p>
Commodities	<p>Oil prices have been the dominant driver of commodities, responding to the conflict in the Middle East. The rise to near \$80 would be consistent with pricing Iranian production constraints, while a significant impact to shipping through the Strait of Hormuz could send prices above \$100. Resolution of the conflict without persistent supply disruption could bring prices back to \$60.</p>

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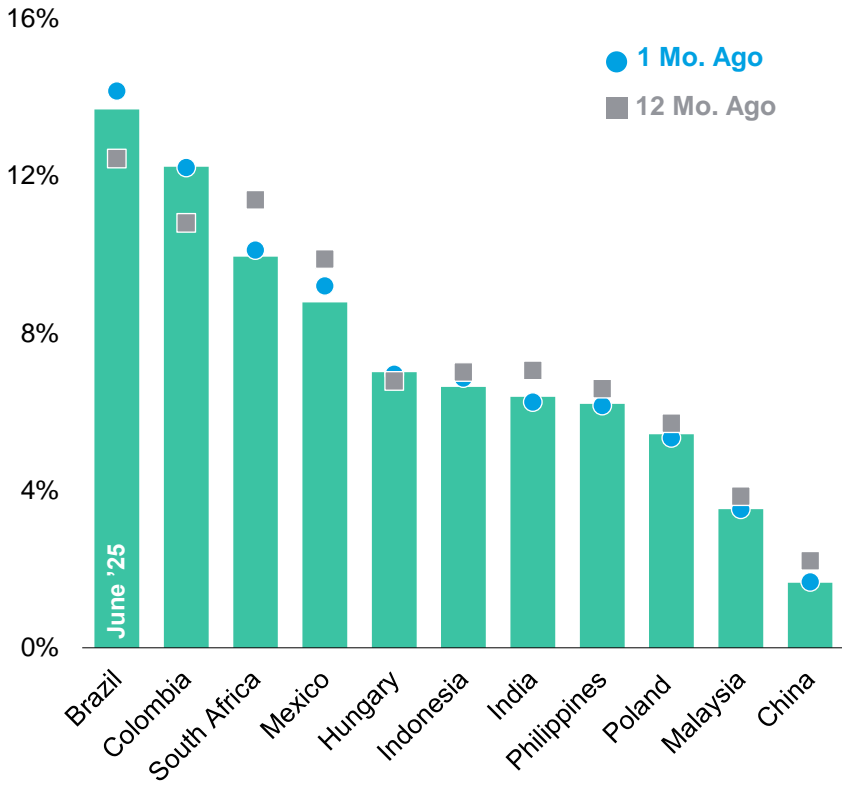
BONDS

Sovereign Bond Yields

Developed Markets
(10 yr. Yield)



Emerging Markets
(10 yr. Yield)



Past performance is no guarantee of future results.
It is not possible to invest directly in an index. Source: Factset as of 6/30/25. Data provided is for informational use only. See end of report for important additional information.

BONDS

Key Rates (%)

Security	Current	12-Mo. Ago	Average	Minimum	Maximum
1-Week SIFMA	1.92	3.88	2.95	1.86	4.21
Secured Overnight Financing Rate	4.45	5.33	4.66	4.26	5.40
1-Mo SOFR	4.32	5.34	4.62	4.29	5.35
3-Mo SOFR	4.29	5.32	4.55	4.21	5.32
2-Yr Treasury	3.71	4.72	4.06	3.54	4.76
5-Yr Treasury	3.79	4.34	4.03	3.41	4.61
10-Yr Treasury	4.23	4.37	4.25	3.62	4.79
30-Yr Treasury	4.79	4.54	4.56	3.93	5.08
2-Yr Japan	0.76	0.36	0.58	0.26	0.88
10-Yr Japan	1.44	1.06	1.17	0.80	1.58
2-Yr German Bund	1.86	2.81	2.13	1.66	2.93
10-Yr German Bund	2.60	2.47	2.42	2.03	2.91
2-Yr UK Gilt	3.82	4.21	4.08	3.53	4.60
10-Yr UK Gilt	4.49	4.15	4.37	3.74	4.89
Bloomberg US Agg	4.51	5.00	4.66	4.10	5.11
Bloomberg Global Agg	3.47	3.90	3.59	3.26	3.96
Bloomberg US Corporate	4.99	5.48	5.15	4.64	5.55
Bloomberg US Long Corporate	5.71	5.70	5.64	5.07	6.15
Bloomberg US Municipal	3.96	3.72	3.69	3.28	4.47
Bloomberg US Long Municipal	4.90	4.23	4.38	3.94	5.16
US High Yield	7.05	7.86	7.42	6.98	8.65
US Loans	8.42	9.77	8.94	8.36	9.86

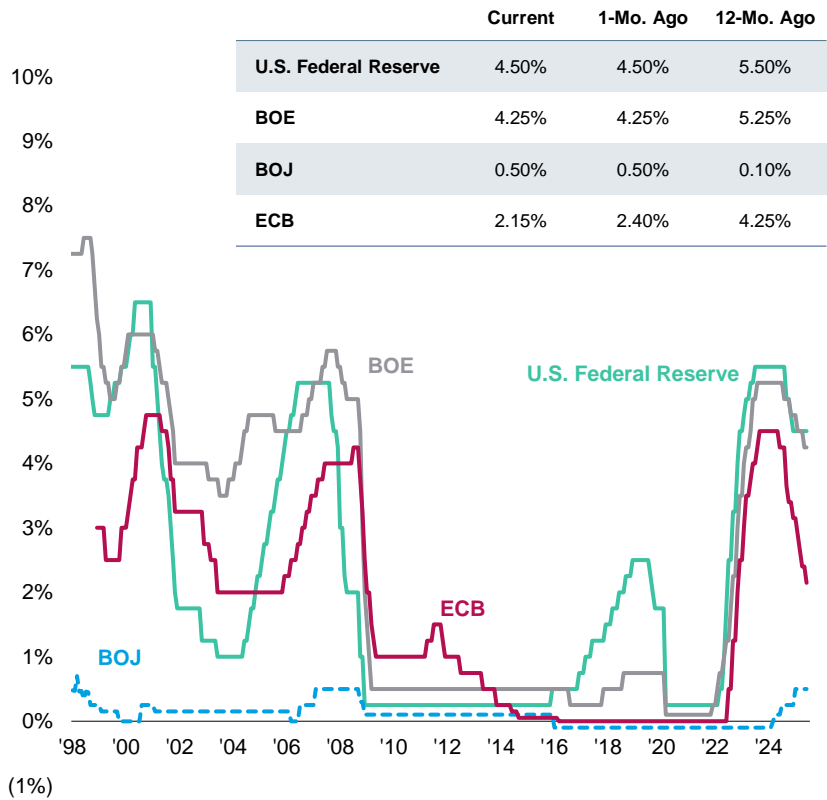
Past performance is no guarantee of future results.

It is not possible to invest directly in an index. Source: Bloomberg, Leveraged Commentary & Data (LCD), and Factset as of 6/30/25. Current represents most recent month. Average, minimum, and maximum measure a 12-month period ending most recent month. Data provided is for informational use only. US High Yield is represented by ICE BofA US High Yield Index. US Loans is represented by Morningstar LSTA U.S. Leveraged Loan Index. Bloomberg indices and ICE BofA US HY index using yield to worst. Morningstar LSTA U.S. Leveraged Loan Index using yield to maturity. SOFR is the Secured Overnight Financing Rate, a broad measure of secured overnight U.S. Treasury repo rates. See end of report for important additional information.

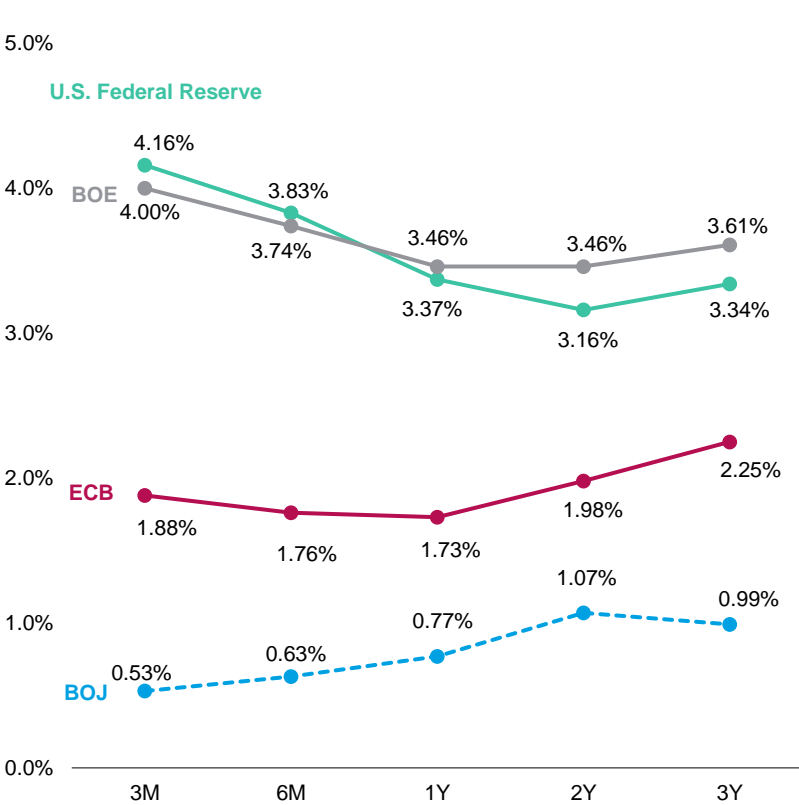
BONDS

Monetary Policy

Central Bank Policy Rates



Market Expectations for Future Central Bank Rates

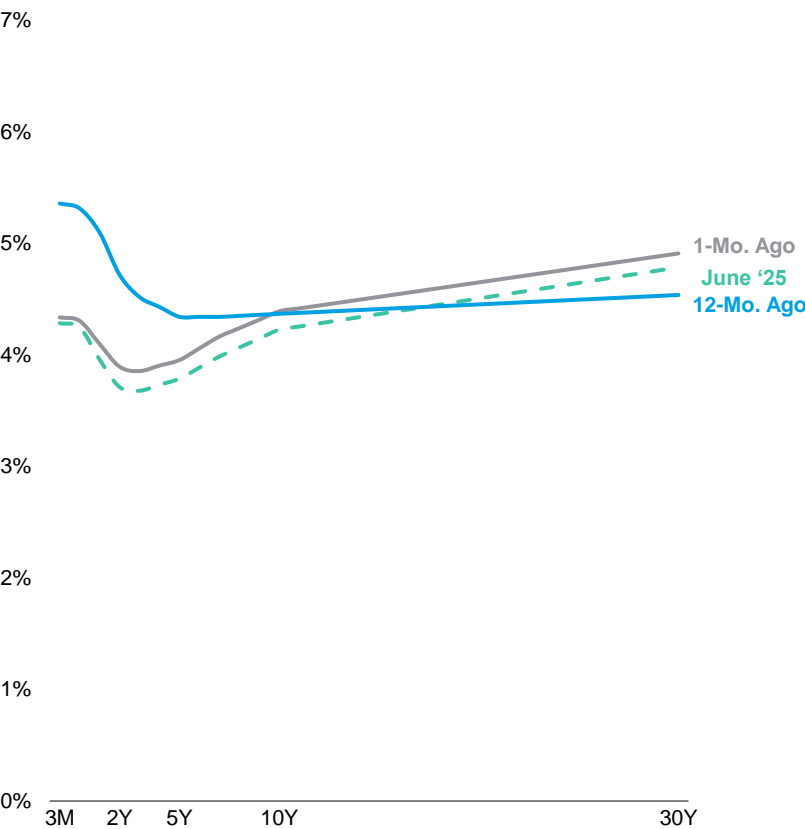


Source: Bloomberg, Factset as of 6/30/25. Data provided is for informational use only. See end of report for important additional information. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

BONDS

U.S. Treasury Yields

U.S. Treasury Yield Curves



Security	Yields & Performance				
	Yield (%)			Total Return (%)	
	Current	1-Mo. Ago	12-Mo. Ago	1-Mo.	12-Mo.
3-mo. Treasury	4.29	4.34	5.36	0.33	4.68
6-mo. Treasury	4.25	4.31	5.32	0.35	4.82
2-yr. Treasury	3.71	3.90	4.72	0.59	5.40
3-yr. Treasury	3.68	3.86	4.52	0.74	6.12
5-yr. Treasury	3.79	3.96	4.34	1.11	6.29
10-yr. Treasury	4.23	4.39	4.37	1.63	5.26
30-yr. Treasury	4.79	4.91	4.54	2.41	-0.16

Source: Factset, Morningstar as of 6/30/25. Data provided is for informational use only. Past Performance is not a reliable indicator of future results. See end of report for important additional information.

BONDS

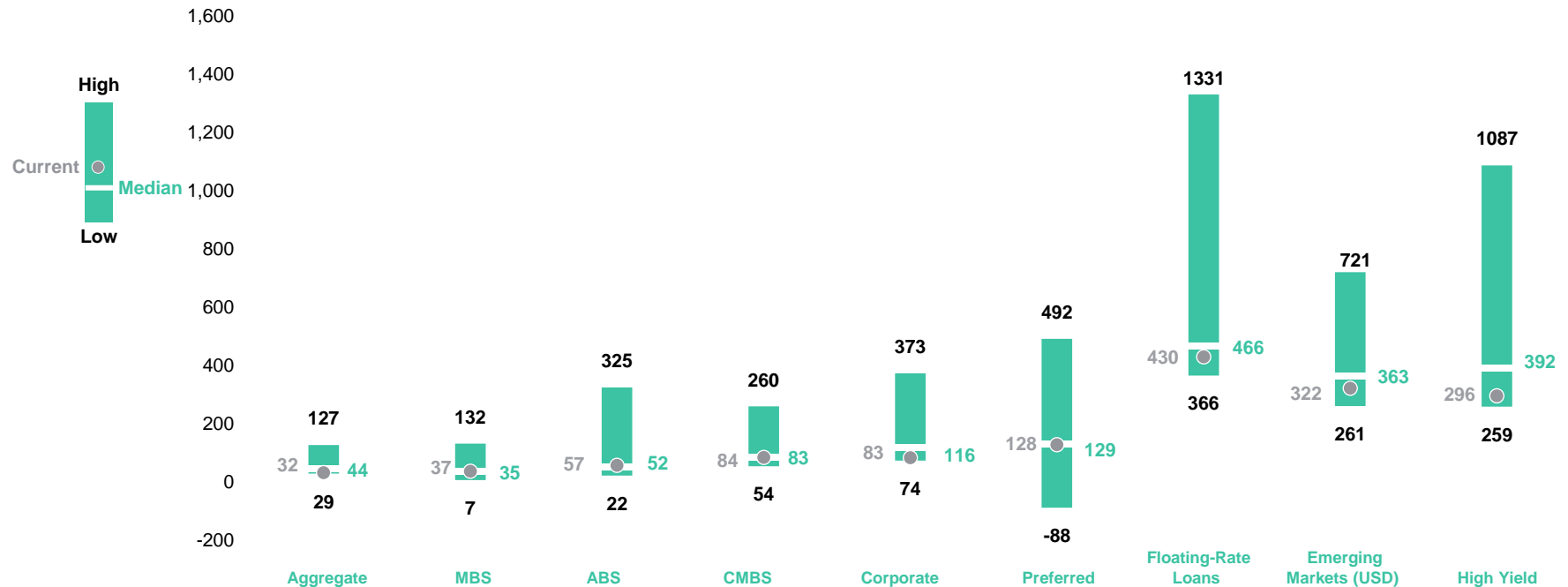
Characteristics and Performance Analysis

Index	Averages						Total Returns (%)						
	Coupon (%)	Price (\$)	Yield to Worst (%)	Spread (bps)	Maturity (yrs.)	Duration (yrs.)	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y	10Y
U.S. High Grade													
Bloomberg U.S. Aggregate Index	3.56	92.7	4.51	32	8.3	6.1	1.54	1.21	4.02	6.08	2.55	-0.73	1.76
U.S. Treasury	3.15	93.1	4.03	–	7.7	5.9	1.25	0.85	3.79	5.30	1.53	-1.60	1.20
U.S. Mortgage Backed Securities	3.42	90.1	4.93	37	7.8	6.0	1.78	1.14	4.23	6.52	2.32	-0.60	1.30
U.S. Asset Backed Securities	4.72	100.0	4.41	57	3.6	2.7	0.87	1.38	2.93	6.33	4.30	1.94	2.30
U.S. Commercial Mortgage Backed Securities	3.45	95.3	4.69	84	4.4	4.0	1.22	1.88	4.49	7.74	3.85	0.86	2.52
U.S. Corp. Investment Grade	4.39	94.0	4.99	83	10.4	6.8	1.87	1.82	4.17	6.91	4.34	0.14	2.94
Bloomberg Municipal Bond Index	4.63	99.6	3.96	–	13.3	6.8	0.62	-0.12	-0.35	1.11	2.50	0.51	2.20
Bloomberg Taxable Municipal Bond Index	4.41	92.6	4.99	–	14.1	7.7	2.15	0.81	3.82	5.54	2.99	-0.43	3.13
ICE BofA US Inflation-Linked Treasury Index	1.11	93.9	1.60	–	7.4	5.6	0.99	0.35	4.61	5.71	2.09	1.44	2.67
ICE BofA Preferred Index (Fixed Rate)	5.48	89.4	6.07	128	–	6.5	1.65	0.93	1.01	3.59	5.74	2.68	4.08
U.S. High Yield													
ICE BofA US High Yield Index	6.55	97.1	7.05	296	4.7	2.9	1.86	3.57	4.55	10.24	9.85	6.01	5.29
Morningstar LSTA U.S. Leveraged Loan Index	S+3.30	97.1	8.42	430	4.5	–	0.80	2.32	2.81	7.29	9.69	7.45	5.15
Emerging Markets													
J.P. Morgan EM Bond Index (EMBI) Global Diversified	5.47	88.4	7.54	322	–	6.5	2.41	3.32	5.64	9.97	8.86	1.79	3.53
J.P. Morgan Corp. EM Bond Index (CEMBI) Broad Diversified	5.43	96.0	6.32	221	–	4.3	1.39	1.57	4.03	7.82	7.59	3.02	4.07
J.P. Morgan Govt. Bond Index-EM (GBI-EM) Global Diversified	5.61	–	6.01	–	–	5.3	2.79	7.62	12.26	13.81	8.47	1.88	2.11
Global Developed Markets													
Bloomberg Global Aggregate Ex-U.S. Index	2.32	96.0	2.62	28	8.5	7.0	2.19	7.29	10.01	11.21	2.74	-1.63	0.61
FTSE World Government Bond Index	2.60	–	3.27	–	–	6.9	1.86	4.58	7.27	8.49	1.68	-2.49	0.56
ICE BofA European Union Government Bond Index	2.19	94.1	2.72	37	8.8	7.2	3.17	10.62	14.07	14.36	4.56	-1.48	0.69
ICE BofA Developed Mkts HY Ex-Sub Fincl Index (USD Hedged)	6.26	97.3	6.71	325	3.6	2.9	1.57	3.34	4.34	10.14	10.22	6.06	5.41
Bloomberg Euro-Aggregate Corporates (EUR)	2.66	97.8	3.10	92	5.1	4.5	0.26	1.81	1.80	6.05	4.17	0.52	1.43
Bloomberg Pan-European High Yield Euro (EUR)	4.88	98.6	5.54	303	3.9	3.3	0.42	2.09	2.73	8.12	9.19	4.45	3.91

Past performance is no guarantee of future results. It is not possible to invest directly in an index. Source: Bloomberg, J.P. Morgan, ICE BofA Data Indices, LLC, Factset, and Leveraged Commentary & Data (LCD), as of 6/30/25. Data provided is for informational use only. See end of report for important additional information. Yield to maturity is shown for the Morningstar LSTA U.S. Leveraged Loan Index and the FTSE World Government Bond Index. S+ refers to SOFR (Secured Overnight Financing Rate) as the base rate. Loan Index spread represents the three-year discounted spread over SOFR. Returns of the ICE BofA Developed Mkts HY Ex-Sub Financial Index are USD Hedged. The averages for the index are unhedged. Returns and averages for the Bloomberg Euro-Agg Corps and Bloomberg Pan-Euro HY indices are in EUR (unhedged).

BONDS

Spread Analysis (bps)



	Aggregate	MBS	ABS	CMBS	Corporate	Preferred	Floating-Rate Loans	Emerging Markets (USD)	High Yield
Max Spread Date	3/20/2020	3/19/2020	3/26/2020	3/25/2020	3/23/2020	3/23/2020	3/20/2020	3/23/2020	3/23/2020
Min Spread Date	4/14/2021	4/14/2021	6/21/2021	6/21/2021	11/08/2024	12/6/2017	4/20/2018	2/1/2018	1/22/2025
Spread on 12/31/24	34	43	44	80	80	77	424	325	292
Spread on 12/31/23	42	47	68	126	99	148	490	384	334
Spread on 12/31/22	51	51	76	120	130	227	645	452	479

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BONDS

Corporate Bond Market Update

	Averages						Total Returns (%)						
	Coupon (%)	Price (\$)	Yield to Worst (%)	Spread (bps)	Maturity (yrs.)	Duration (yrs.)	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y	10Y
U.S. High Grade													
Bloomberg U.S. Corp. Investment Grade Index	4.39	94.0	4.99	83	10.4	6.8	1.87	1.82	4.17	6.91	4.34	0.14	2.94
AAA Index	3.47	83.8	4.75	34	16.5	9.9	1.87	0.84	3.55	4.22	1.03	-2.88	2.02
AA Index	3.76	89.9	4.70	47	12.4	7.8	1.75	1.33	3.79	5.75	2.55	-1.43	1.80
A Index	4.28	94.2	4.86	71	10.2	6.8	1.85	1.80	4.22	6.68	3.79	-0.37	2.64
BBB Index	4.63	94.7	5.18	102	10.2	6.6	1.90	1.95	4.21	7.36	5.20	0.90	3.41
U.S. High Yield													
ICE BofA U.S. High Yield Index	6.55	97.1	7.05	296	4.7	2.9	1.86	3.57	4.55	10.24	9.85	6.01	5.29
BB Index	5.91	99.4	5.85	171	4.9	3.1	1.74	3.46	4.96	8.91	8.74	5.06	5.28
B Index	7.28	98.9	7.12	305	4.5	2.6	2.06	3.47	4.20	9.30	9.82	5.78	4.86
CCC Index	7.22	82.8	12.80	886	3.9	2.7	1.71	4.28	3.58	18.38	14.15	10.46	6.36
Morningstar LSTA U.S. Leveraged Loan Index	S+3.30	97.1	8.42	430	4.5	-	0.80	2.32	2.81	7.29	9.69	7.45	5.15
BBB Index	S+1.89	100.1	6.16	185	5.1	-	0.62	1.93	3.17	6.94	8.29	5.96	4.44
BB Index	S+2.53	99.6	6.94	266	4.9	-	0.72	2.13	3.08	7.36	9.29	6.56	4.61
B Index	S+3.54	97.9	8.51	435	4.4	-	0.87	2.46	2.82	7.72	10.32	7.79	5.47
CCC Index	S+4.74	81.0	18.04	1366	3.4	-	1.11	2.31	1.73	4.02	7.71	8.76	6.10
D Index	-	63.1	-	-	-	-	-4.04	-8.79	-17.41	-22.78	-28.74	-20.21	-18.89

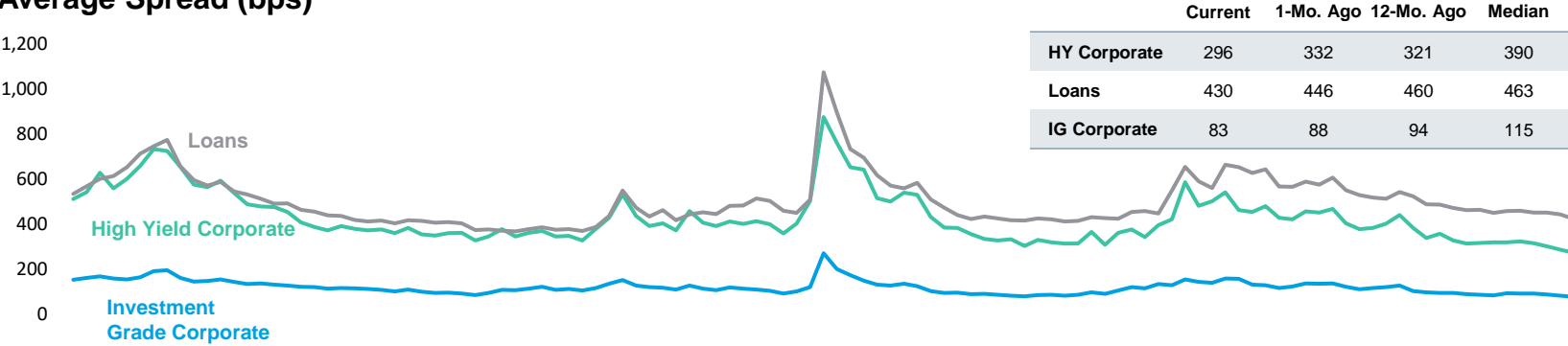
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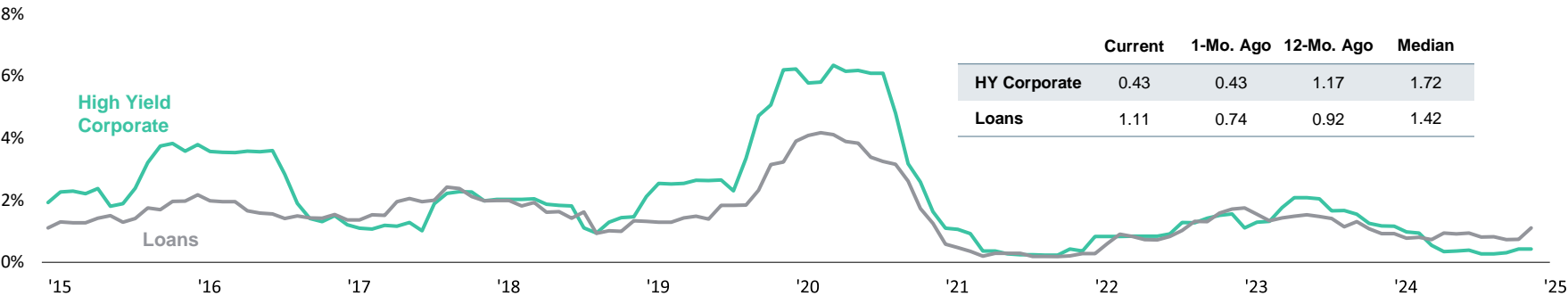
BONDS

Corporate Bond Market Update

Average Spread (bps)



Annual Default Rate



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It is not possible to invest directly in an index. Source: J.P. Morgan and Leveraged Commentary & Data (LCD), as of 6/30/25. Data provided is for informational use only. See end of report for important additional information. Corporate spreads are in basis points and measure option-adjusted yield spread relative to comparable maturity U.S. Treasuries. Loan Index spread represents the three-year discounted spread over SOFR (Secured Overnight Financing Rate).

BONDS

Municipal Bond Market Update

	Averages					Total Returns (%)						
	Coupon (%)	Price (\$)	Yield To Worst (%)	Maturity (yrs.)	Duration (yrs.)	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y	10Y
Bloomberg Municipal Bond Index	4.63	99.6	3.96	13.3	6.8	0.62	-0.12	-0.35	1.11	2.50	0.51	2.20
AAA Index	4.57	100.5	3.77	12.8	6.9	0.54	-0.09	-0.43	1.00	2.08	-0.05	1.77
AA Index	4.65	100.6	3.83	13.0	6.7	0.61	-0.04	-0.34	1.13	2.31	0.25	2.00
A Index	4.62	97.9	4.23	13.6	6.8	0.68	-0.24	-0.27	1.17	3.01	1.02	2.64
BBB Index	4.61	93.9	4.74	16.8	7.6	0.76	-0.64	-0.51	1.05	3.57	1.97	3.18
5-Year Index	4.74	105.8	3.13	4.9	3.6	0.91	1.35	2.27	4.29	2.66	0.93	1.84
10-Year Index	4.60	103.8	3.66	9.9	6.0	0.87	0.78	1.04	2.32	2.75	0.71	2.42
22+ Year Index	4.69	92.9	4.90	26.6	11.1	0.31	-1.94	-3.38	-2.10	1.96	-0.51	2.27
Bloomberg High Yield Municipal Bond Index	4.80	64.2	5.81	19.2	7.6	0.59	-1.14	-0.33	1.76	4.46	3.15	4.45
Hospital	5.34	67.5	6.11	20.4	7.0	0.76	-1.24	0.19	4.89	4.55	3.12	3.53
IDR/PCR	4.56	38.7	6.26	18.6	8.0	-0.58	-2.21	-1.33	-0.71	3.79	2.50	5.04
Tobacco	2.46	18.8	6.52	27.0	12.9	-2.05	-4.58	-3.26	-4.30	3.22	1.11	6.39
Puerto Rico	3.59	53.2	4.96	18.3	8.2	0.80	-2.47	-2.02	-0.53	4.42	3.15	5.55

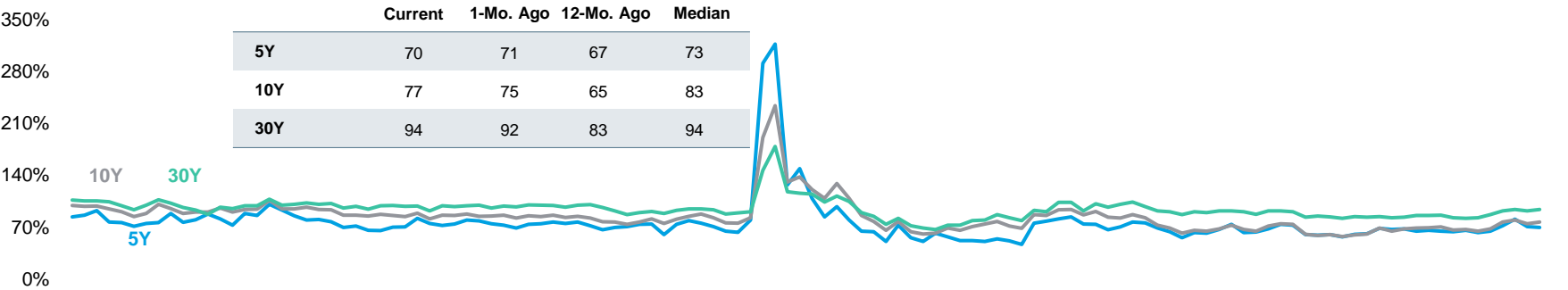
Past performance is no guarantee of future results.

It is not possible to invest directly in an index. Source: Bloomberg, Morningstar as of 6/30/25. Coupon and Yield To Worst figures are based on average market prices while Price is based on an average of par value. Data provided is for informational use only. See end of report for important additional information.

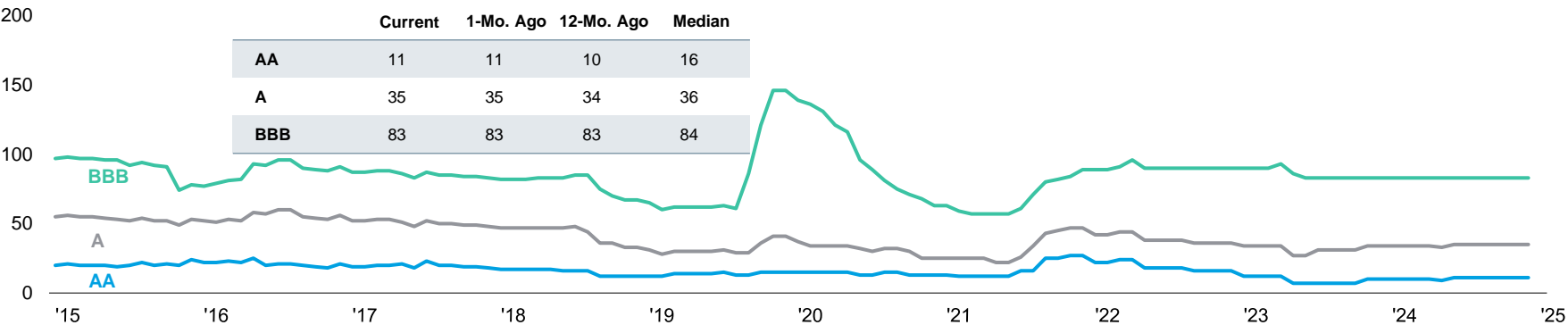
BONDS

Municipal Bond Market Update

AAA Muni-to-Treasury Yield Ratios



Credit Quality Spreads vs. AAA (bps)



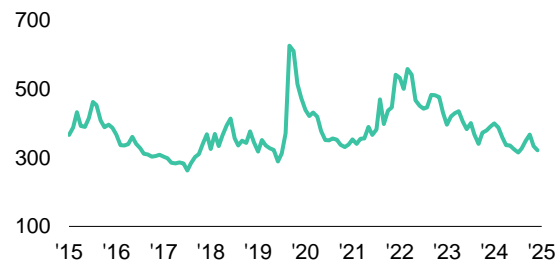
Past performance is no guarantee of future results. It is not possible to invest directly in an index. Source: Bloomberg as of 6/30/25. Data provided is for informational use only. See end of report for important additional information. All spreads are in basis points and measure option-adjusted yield spread relative to comparable maturity U.S. Treasuries.

BONDS

Emerging Markets Bond Market Update

Sovereign EMD Spreads (USD)

Bps

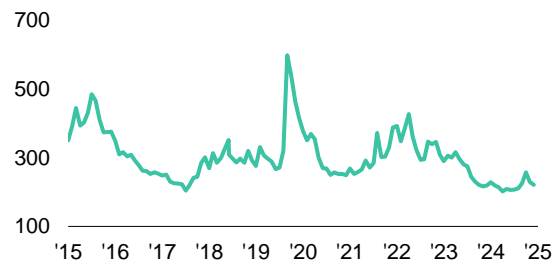


Avg. Spread (bps)

Current	322
1-Mo. Ago	334
12-Mo. Ago	391
Median	368

Corporate EMD Spreads (USD)

Bps

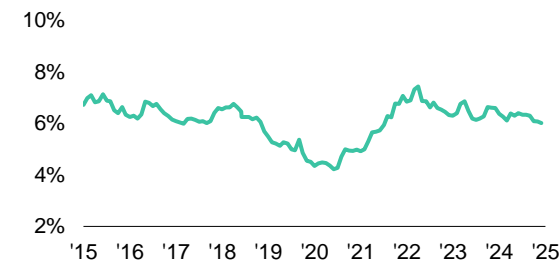


Avg. Spread (bps)

Current	221
1-Mo. Ago	230
12-Mo. Ago	219
Median	292

Local EMD Yields (%)

Bps



Avg. Yield (%)

Current	6.01
1-Mo. Ago	6.07
12-Mo. Ago	6.60
Median	6.28

Averages

	Coupon (%)	Price (\$)	Yield (%)	Duration
JPMorgan Emerging Markets Bond Index (EMBI) Global Diversified	5.47	88.4	7.54	6.5
JPMorgan Corporate Emerging Markets Bond Index (CEMBI) Broad Diversified	5.43	96.0	6.32	4.3
JPMorgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified	5.61	–	6.01	5.3

Total Returns (%)

	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y	10Y
JPMorgan Emerging Markets Bond Index (EMBI) Global Diversified	2.41	3.32	5.64	9.97	8.86	1.79	3.53
JPMorgan Corporate Emerging Markets Bond Index (CEMBI) Broad Diversified	1.39	1.57	4.03	7.82	7.59	3.02	4.07
JPMorgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified	2.79	7.62	12.26	13.81	8.47	1.88	2.11

Past performance is no guarantee of future results.

It is not possible to invest directly in an index. Source: J.P. Morgan, Morningstar as of 6/30/25. Data provided is for informational use only. See end of report for important additional information. All spreads are in basis points and measure option-adjusted yield spread relative to comparable maturity U.S. Treasuries.

BONDS

Asset Class Return Analysis (%)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD 2025
Higher	Municipal 3.30	High Yield 17.49	EMD (Local Currency) 15.21	Municipal 1.28	Investment Grade 14.54	Global Agg Ex-U.S. 10.11	High Yield 5.36	Bank Loan -0.77	High Yield 13.46	Bank Loan 8.95	EMD (Local Currency) 12.26
	MBS 1.51	EMD (Hard Currency) 10.19	Global Agg Ex-U.S. 10.51	MBS 0.99	EMD (Hard Currency) 14.42	Investment Grade 9.89	Bank Loan 5.20	Municipal -8.53	Bank Loan 13.32	High Yield 8.20	Global Agg Ex-U.S. 10.01
	EMD (Corp. Bonds) 1.30	Bank Loan 10.16	EMD (Hard Currency) 9.32	Treasury 0.86	High Yield 14.41	Treasury 8.00	Municipal 1.52	High Yield -11.22	EMD (Local Currency) 12.70	EMD (Corp. Bonds) 7.63	EMD (Hard Currency) 5.64
	EMD (Hard Currency) 1.23	EMD (Local Currency) 9.94	EMD (Corp. Bonds) 7.96	Bank Loan 0.44	EMD (Local Currency) 13.47	EMD (Corp. Bonds) 7.13	EMD (Corp. Bonds) 0.91	EMD (Local Currency) -11.69	EMD (Hard Currency) 11.09	EMD (Hard Currency) 6.54	High Yield 4.55
	Treasury 0.84	EMD (Corp. Bonds) 9.65	High Yield 7.48	EMD (Corp. Bonds) -1.65	EMD (Corp. Bonds) 13.09	High Yield 6.17	Investment Grade -1.04	MBS -11.81	EMD (Corp. Bonds) 9.08	Investment Grade 2.13	MBS 4.23
	Investment Grade -0.68	Investment Grade 6.11	Investment Grade 6.42	Global Agg Ex-U.S. -2.15	Bank Loan 8.64	EMD (Hard Currency) 5.88	MBS -1.04	EMD (Corp. Bonds) -12.26	Investment Grade 8.52	MBS 1.20	Investment Grade 4.17
	Bank Loan -0.69	MBS 1.67	Municipal 5.45	High Yield -2.26	Municipal 7.54	Municipal 5.21	EMD (Hard Currency) -1.51	Treasury -12.46	Municipal 6.40	Municipal 1.05	EMD (Corp. Bonds) 4.03
	High Yield -4.64	Global Agg Ex-U.S. 1.49	Bank Loan 4.12	Investment Grade -2.51	Treasury 6.86	MBS 3.87	Treasury -2.32	Investment Grade -15.76	Global Agg Ex-U.S. 5.72	Treasury 0.58	Treasury 3.79
	Global Agg Ex-U.S. -6.02	Treasury 1.04	MBS 2.47	EMD (Hard Currency) -4.61	MBS 6.35	Bank Loan 3.12	Global Agg Ex-U.S. -7.05	EMD (Hard Currency) -16.45	MBS 5.05	EMD (Local Currency) -2.38	Bank Loan 2.81
Lower	EMD (Local Currency) -14.92	Municipal 0.25	Treasury 2.31	EMD (Local Currency) -6.21	Global Agg Ex-U.S. 5.09	EMD (Local Currency) 2.69	EMD (Local Currency) -8.75	Global Agg Ex-U.S. -18.70	Treasury 4.05	Global Agg Ex-U.S. -4.22	Municipal -0.35

Past performance is no guarantee of future results. It is not possible to invest directly in an index. In general, fixed income investments are subject to credit and interest rate risks. High yield investments may have a higher degree of credit and liquidity risk. Foreign securities are subject to currency, political, economic and market risks. Investors should carefully review the risks of each asset class prior to investing. Source: Morningstar as of 6/30/25. Data provided is for informational use only. See end of report for important additional information. Investment Grade represented by Bloomberg U.S. Corporate Index. MBS represented by Bloomberg U.S. Mortgage Backed Securities (MBS) Index. Treasury represented by Bloomberg U.S. Treasury Index. High Yield represented by ICE BofA US High Yield Index. Municipal represented by Bloomberg Municipal Bond Index. Bank Loan represented by Morningstar LSTA U.S. Leveraged Loan Index. Global Agg Ex-U.S. represented by Bloomberg Global Aggregate Ex-USD Index. EMD (Local Currency) represented by J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified. EMD (Hard Currency) represented by J.P. Morgan Emerging Markets Bond Index (EMBI) Global Diversified. EMD (Corp. Bonds) represented by J.P. Morgan Corporate Emerging Market Bond Index (CEMBI) Broad Diversified.

EQUITIES

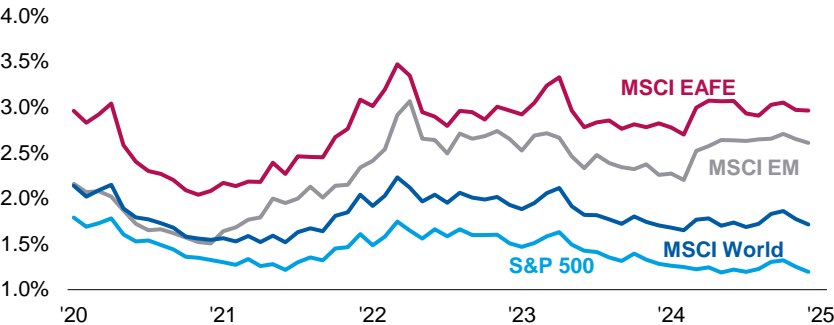
Performance: Market Barometer (%)



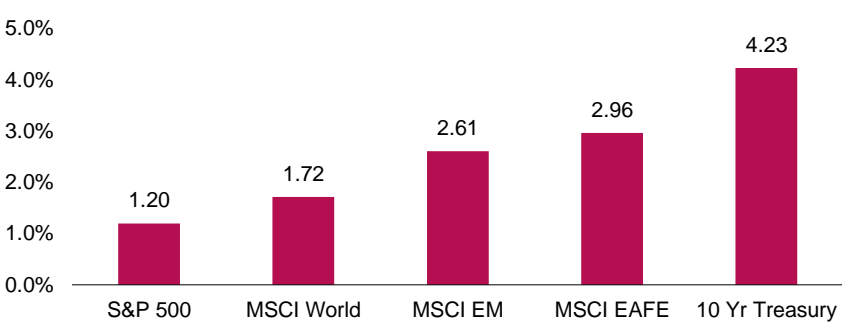
EQUITIES

Dividend Yields and Volatility Analysis

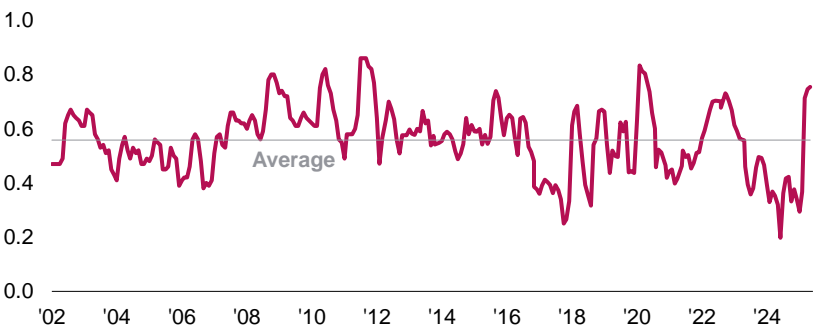
Historical Yields



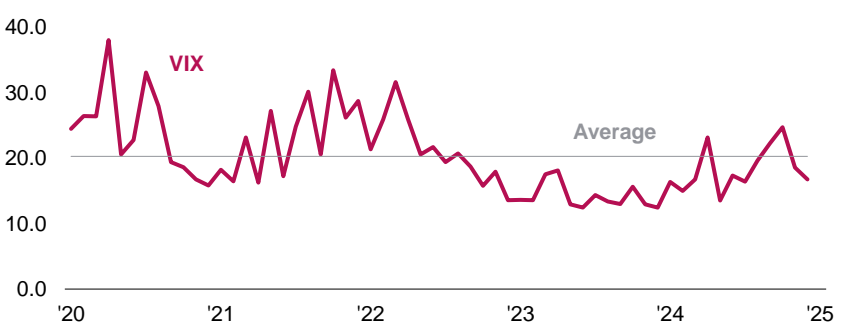
Current Yields



Correlation of S&P 500 Stocks



CBOE Market Volatility Index (VIX)

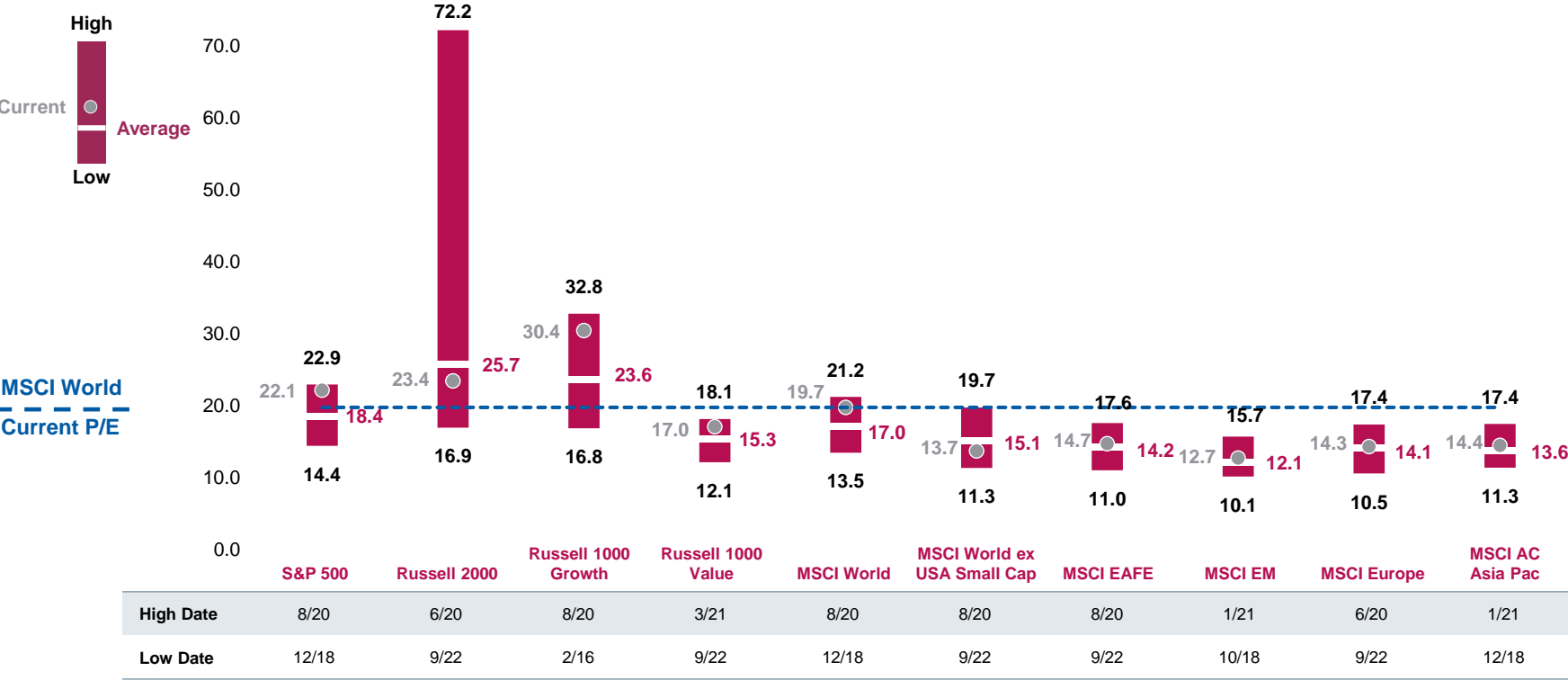


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It is not possible to invest directly in an index. Source: FactSet and Ned Davis Research as of 6/30/25. Correlation of S&P 500 Stocks is measured by the median 63-day rolling correlation of one day returns data provided is for informational use only. See end of report for important additional information.

EQUITIES

Valuation Analysis

Regions/Styles: Current NTM P/E vs. 10-Year High, Low, Average

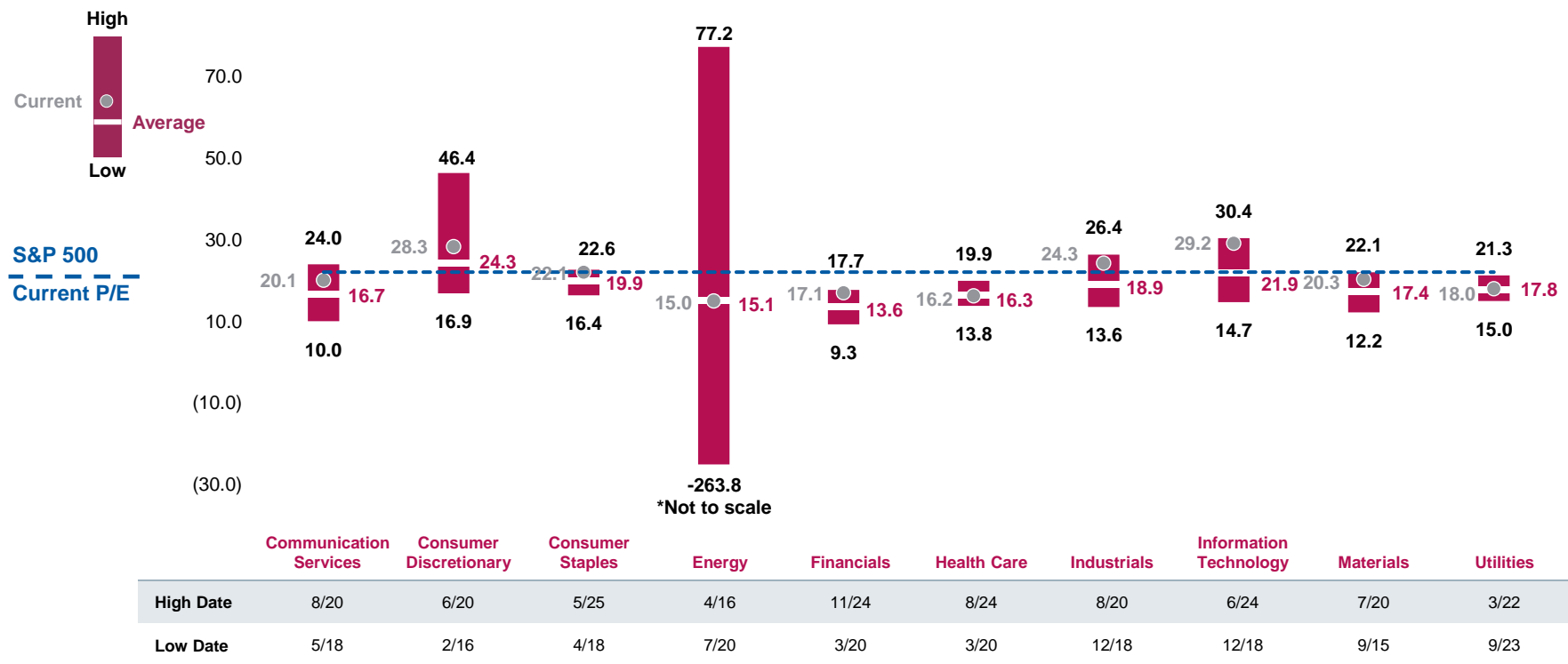


Source: FactSet as of 6/30/25. NTM P/E is market price per share divided by expected earnings per share over the next twelve months. Data provided is for informational use only. See end of report for important additional information. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

EQUITIES

Valuation Analysis

S&P 500 Sectors: Current NTM P/E vs. 10-Year High, Low, Average

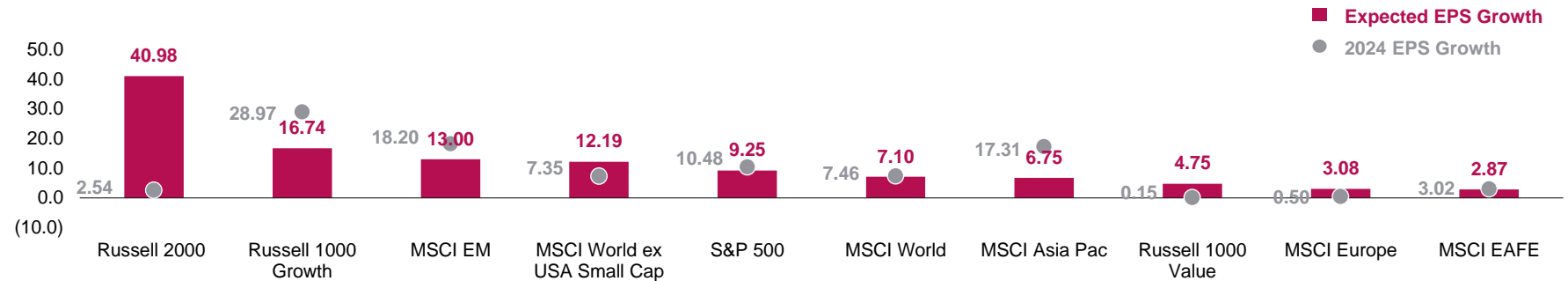


Source: FactSet as of 6/30/25. NTM P/E is market price per share divided by expected earnings per share over the next twelve months. The Real Estate sector is excluded from this 10-year chart since the sector was created on August 31, 2016. Data provided is for informational use only. See end of report for important additional information. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

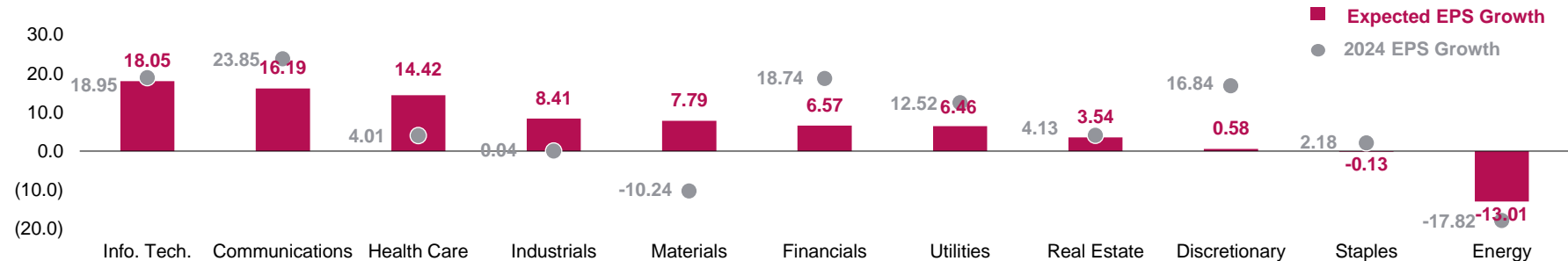
EQUITIES

Corporate Earnings Growth

Regions/Styles



S&P 500 Sectors

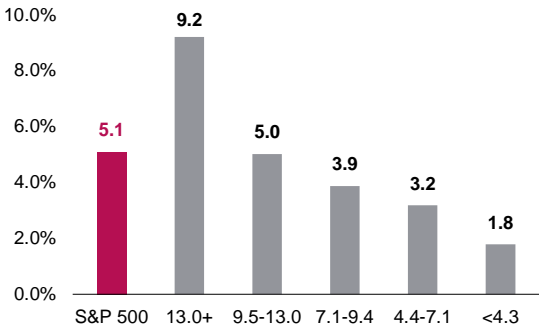


Source: FactSet as of 6/30/25. Expected EPS Growth is defined as the expected % change in the EPS growth from the beginning of the current calendar year through the end of the calendar year. 2024 EPS Growth is defined as the % change in EPS from the beginning of the year through the end of the year. Data provided is for informational use only. See end of report for important additional information. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

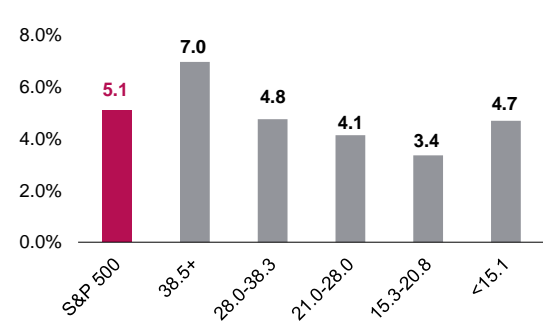
EQUITIES

S&P 500 Index: 1-Month Return Analysis

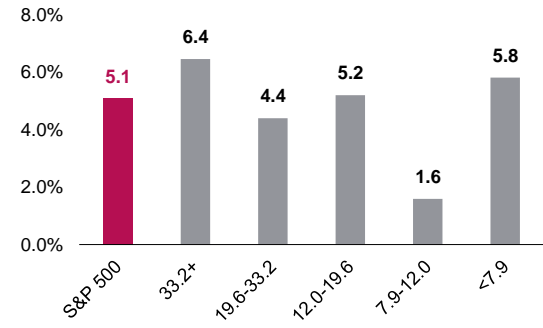
3-5 Year Earnings Growth



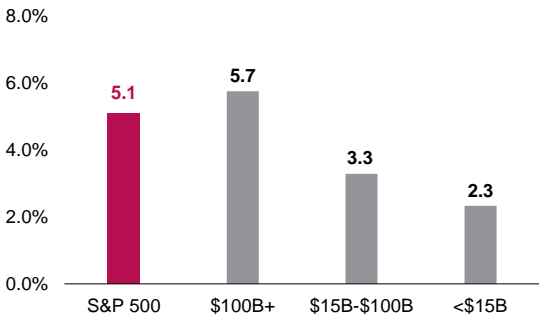
Trailing 12 Month P/E



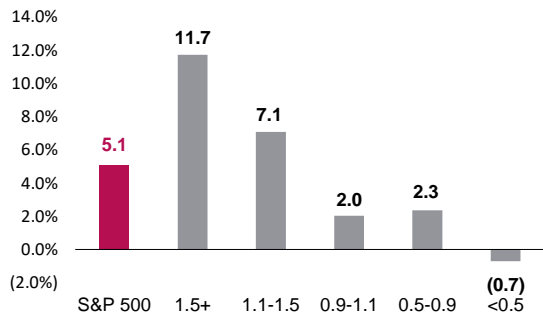
Return On Equity



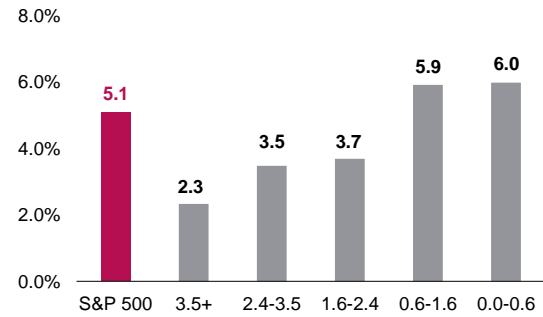
Market Cap



Beta



Dividend Yield

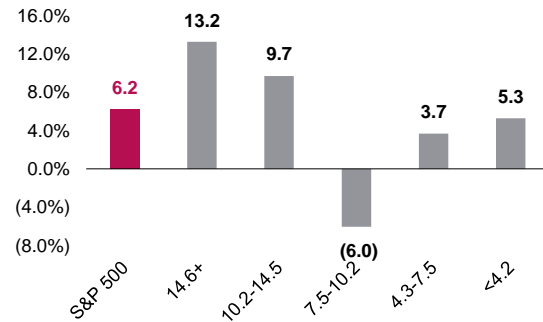


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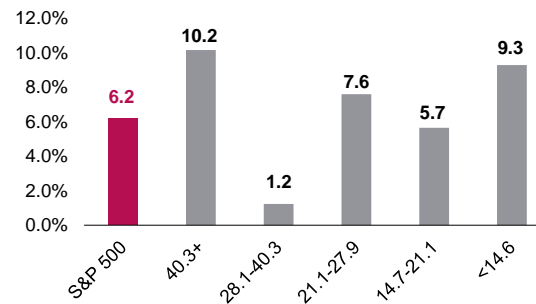
EQUITIES

S&P 500 Index: YTD Analysis

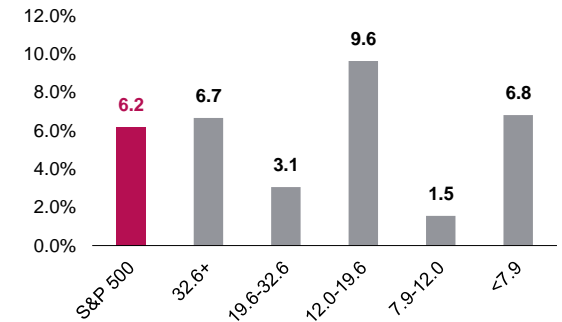
3-5 Year Earnings Growth



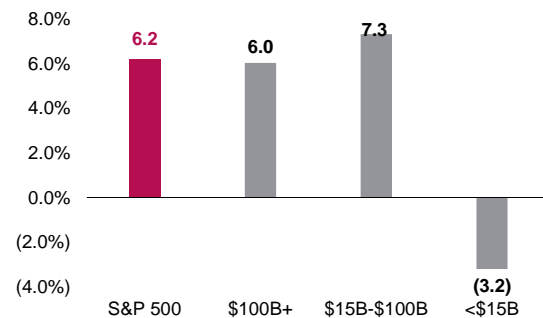
Trailing 12 Month P/E



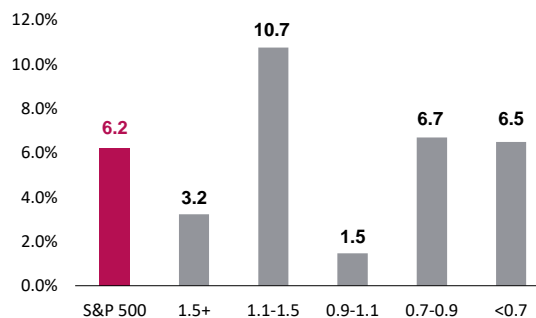
Return On Equity



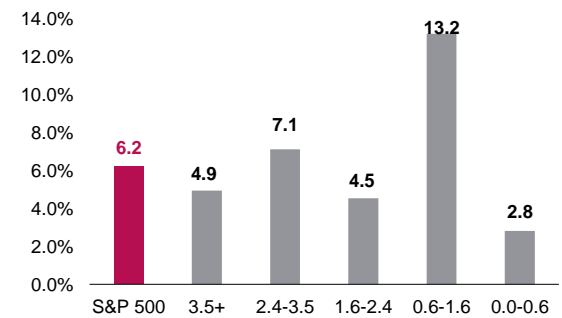
Market Cap



Beta



Dividend Yield



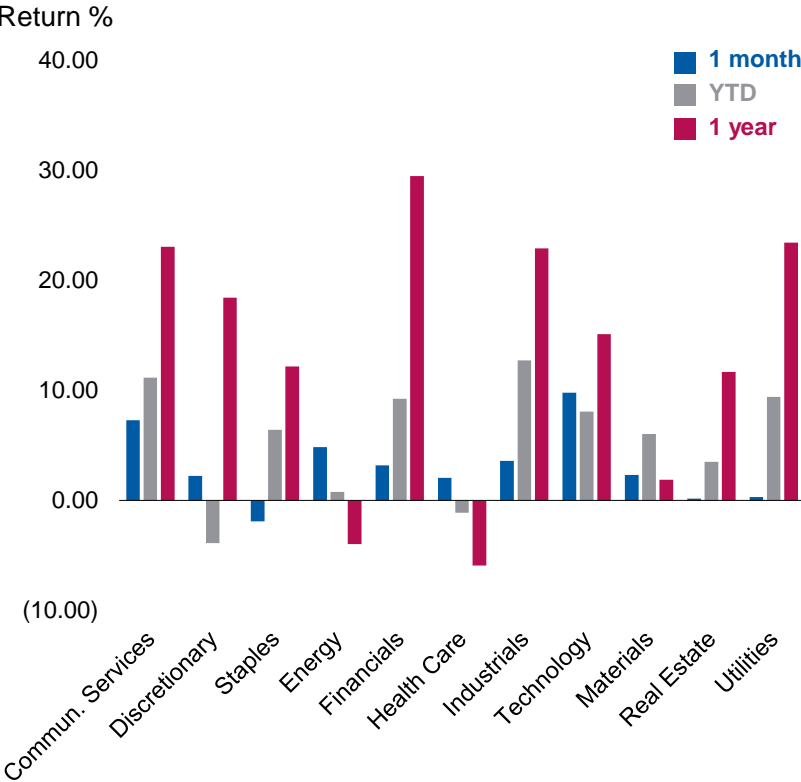
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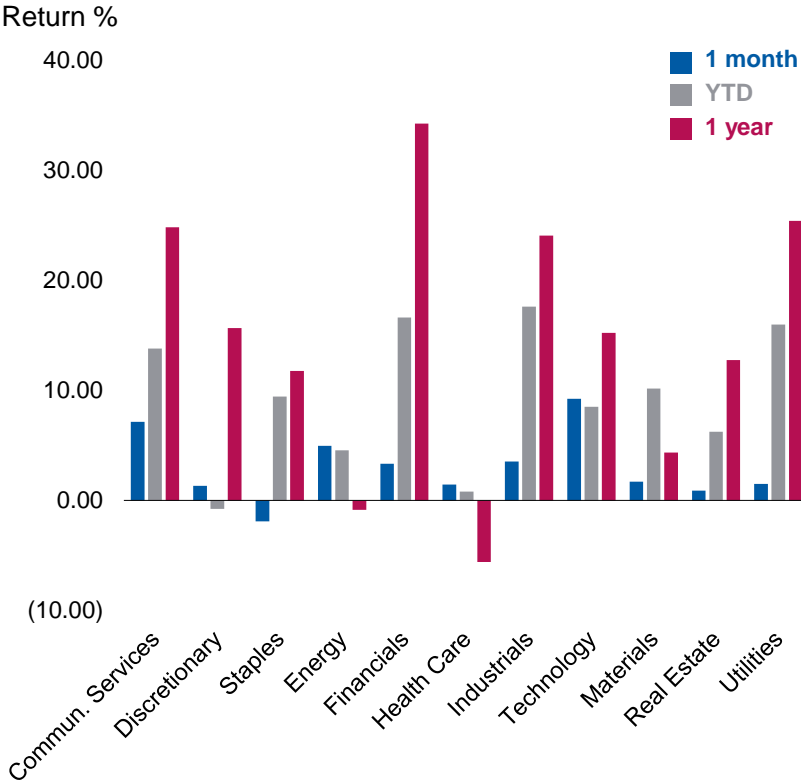
EQUITIES

Index Sectors: Return Analysis

S&P 500



MSCI World

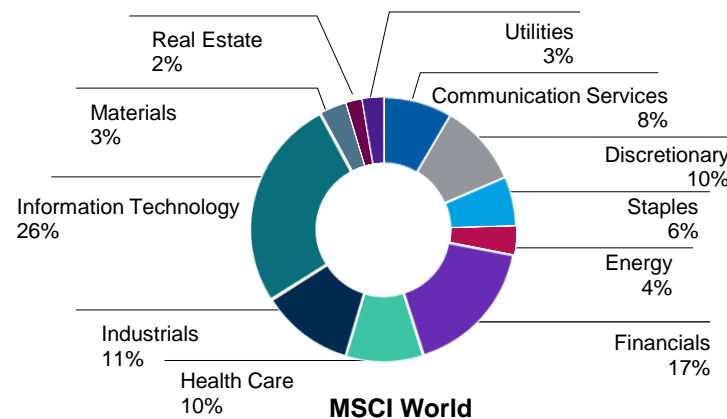
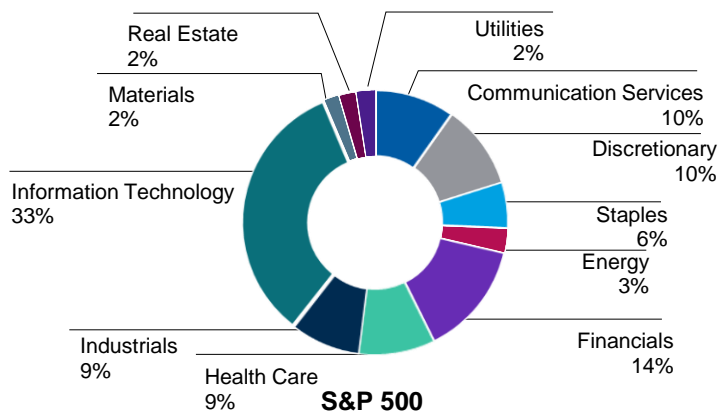


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EQUITIES

Current Characteristics and Sector Weights

	S&P 500	R2000	R1000G	R1000V	MSCI World	MSCI World ex USA Small Cap	MSCI EAFE	MSCI EM	MSCI Europe	MSCI Asia Pac
Number of Holdings	504	1989	385	874	1325	2183	695	1203	402	1244
Maximum Market Cap	\$3,854.96B	\$15.72B	\$3,854.96B	\$2,329.12B	\$3,854.96B	\$12.24B	\$316.43B	\$893.96B	\$316.43B	\$893.96B
Minimum Market Cap	\$5.20B	\$0.05B	\$0.83B	\$0.83B	\$1.63B	\$0.17B	\$2.13B	\$0.11B	\$2.39B	\$0.11B
Dividend Yield	1.20	1.37	0.50	1.90	1.72	2.92	2.96	2.61	3.13	2.41
NTM PE	22.09	23.40	30.41	17.04	19.73	13.69	14.67	12.68	14.28	14.42
Price to Book	5.15	1.94	14.74	2.88	3.64	1.45	2.01	1.99	2.21	1.86
Price to Cash Flow	18.66	14.51	29.34	13.04	15.12	8.70	9.80	8.49	9.16	10.05
Price to Sales	3.14	1.19	6.08	1.93	2.46	0.94	1.49	1.59	1.51	1.53
Est 3-5 Yr EPS Growth	11.20	12.38	13.35	8.93	10.39	9.76	7.84	11.73	8.84	8.72
5Yr. Div Growth Rate	6.30	8.84	4.53	6.46	6.61	8.24	6.84	2.09	8.27	2.62



Source: FactSet as of 6/30/25. Data provided is for informational use only. See end of report for important additional information. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

EQUITIES

Asset Class Return Analysis (%)

		1-Mo.	3-Mo.	YTD	1Y	3Y	5Y	10Y	2024	2023	2022	2021	2020
U.S. Equities	S&P 500	5.09	10.94	6.20	15.16	19.71	16.64	13.65	25.02	26.29	-18.11	28.71	18.40
	Russell 1000 Defensive	2.12	4.31	2.92	9.75	14.34	12.99	12.19	18.55	20.23	-16.43	26.93	13.93
	Russell 1000 Dynamic	7.87	18.03	9.18	21.57	24.99	19.39	14.30	30.63	33.34	-21.94	25.57	27.69
	Russell 2500	4.61	8.59	0.44	9.91	11.31	11.44	8.39	12.00	17.42	-18.37	18.18	19.99
	Russell 1000 Growth	6.38	17.84	6.09	17.22	25.76	18.15	17.01	33.36	42.68	-29.14	27.60	38.49
	Russell 1000 Value	3.42	3.79	6.00	13.70	12.76	13.93	9.19	14.37	11.46	-7.54	25.16	2.80
	Russell Mid Cap	3.73	8.53	4.84	15.21	14.33	13.11	9.89	15.34	17.23	-17.32	22.58	17.10
	Russell 2000	5.44	8.50	-1.79	7.68	10.00	10.04	7.12	11.54	16.93	-20.44	14.82	19.96
	CBOE S&P 500 Buywrite BXM	2.66	1.90	-1.25	10.25	9.39	10.16	6.42	20.12	11.82	-11.37	20.47	-2.75
Global Equities	MSCI World	4.32	11.47	9.47	16.26	18.31	14.55	10.66	18.67	23.79	-18.14	21.82	15.90
	MSCI EAFE	2.20	11.78	19.45	17.73	15.97	11.16	6.51	3.82	18.24	-14.45	11.26	7.82
	MSCI EM	6.01	11.99	15.27	15.29	9.70	6.81	4.81	7.50	9.83	-20.09	-2.54	18.31
	MSCI AC Asia Pac	4.40	12.36	13.34	15.22	11.39	7.62	5.81	9.56	11.45	-17.22	-1.46	19.71
	MSCI ACWI	4.49	11.53	10.05	16.17	17.35	13.65	9.99	17.49	22.20	-18.36	18.54	16.25
	MSCI Europe	2.06	11.38	23.05	18.38	17.21	12.38	6.78	1.79	19.89	-15.06	16.30	5.38
	MSCI World Small Cap	4.73	11.58	7.42	14.47	12.16	10.98	7.57	8.15	15.76	-18.76	15.75	15.96
	MSCI World Ex USA Small Cap	4.56	16.82	20.79	22.92	13.40	9.82	6.64	2.76	12.62	-20.59	11.14	12.78
	FTSE 100	1.67	9.55	19.81	20.65	15.63	13.66	5.58	7.73	14.38	-7.01	17.36	-8.73
	FTSE All Small	5.56	18.77	17.52	20.49	13.08	13.49	6.25	8.62	12.57	-23.06	22.15	10.77
	STOXX Europe 600	2.14	11.77	23.31	19.06	17.37	12.26	6.87	1.97	19.87	-16.14	16.09	6.83
Nikkei 225 Average	6.67	17.84	11.37	15.69	14.82	7.93	7.07	8.45	22.05	-19.49	-4.69	23.99	
Sectors	S&P 500 Comm. Services	7.28	18.49	11.13	23.02	27.86	17.08	12.02	40.23	55.80	-39.89	21.57	23.61
	S&P 500 Cons Disc	2.23	11.52	-3.87	18.40	18.64	11.66	12.43	30.14	42.41	-37.03	24.43	33.30
	S&P 500 Cons Staples	-1.89	1.11	6.40	12.16	8.95	11.20	9.19	14.87	0.52	-0.62	18.63	10.75
	S&P 500 Energy	4.85	-8.56	0.77	-3.96	9.73	22.54	5.49	5.72	-1.33	65.72	54.64	-33.68
	S&P 500 Financials	3.19	5.52	9.23	29.45	20.75	19.99	12.46	30.56	12.15	-10.53	35.04	-1.69
	S&P 500 Health Care	2.05	-7.18	-1.11	-5.90	3.46	7.93	8.03	2.58	2.06	-1.95	26.13	13.45
	S&P 500 Industrials	3.57	12.94	12.72	22.89	21.12	18.43	12.43	17.47	18.13	-5.48	21.12	11.06
	S&P 500 Info Tech	9.77	23.71	8.05	15.10	31.79	23.02	23.21	36.61	57.84	-28.19	34.53	43.89
	S&P 500 Materials	2.32	3.13	6.03	1.86	8.42	11.56	8.45	-0.04	12.55	-12.27	27.28	20.73
	S&P 500 Real Estate	0.16	-0.07	3.51	11.66	4.17	7.17	7.59	5.23	12.36	-26.13	46.19	-2.17
	S&P 500 Utilities	0.32	4.26	9.41	23.40	8.62	11.14	10.66	23.43	-7.08	1.57	17.67	0.48

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EQUITIES

Asset Class Return Analysis (%)

Higher ↑

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD 2025
	Growth 5.67	Small-Cap 21.31	Emerging Markets 37.28	Growth -1.51	Growth 36.39	Growth 38.49	S&P 500 28.71	Value -7.54	Growth 42.68	Growth 33.36	International Small-Cap 20.79
	International Small-Cap 5.46	Value 17.34	International Small-Cap 31.04	S&P 500 -4.38	S&P 500 31.49	Small-Cap 19.96	Growth 27.60	International -14.45	S&P 500 26.29	S&P 500 25.02	International 19.45
	S&P 500 1.38	Mid-Cap 13.80	Growth 30.21	Value -8.27	Mid-Cap 30.54	S&P 500 18.40	Value 25.16	Mid-Cap -17.32	Global 22.20	Global 17.49	Emerging Markets 15.27
	International -0.81	S&P 500 11.96	International 25.03	Mid-Cap -9.06	Global 26.60	Emerging Markets 18.31	Mid-Cap 22.58	S&P 500 -18.11	International 18.24	Mid-Cap 15.34	Global 10.05
	Global -2.36	Emerging Markets 11.19	Global 23.97	Global -9.42	Value 26.54	Mid-Cap 17.10	Global 18.54	Global -18.36	Mid-Cap 17.23	Value 14.37	S&P 500 6.20
	Mid-Cap -2.44	Global 7.86	S&P 500 21.83	Small-Cap -11.01	Small-Cap 25.52	Global 16.25	Small-Cap 14.82	Emerging Markets -20.09	Small-Cap 16.93	Small-Cap 11.54	Growth 6.09
	Value -3.83	Growth 7.08	Mid-Cap 18.52	International -13.79	International Small-Cap 25.41	International Small-Cap 12.78	International 11.26	Small-Cap -20.44	International Small-Cap 12.62	Emerging Markets 7.50	Value 6.00
	Small-Cap -4.41	International Small-Cap 4.32	Small-Cap 14.65	Emerging Markets -14.58	International 22.01	International 7.82	International Small-Cap 11.14	International Small-Cap -20.59	Value 11.46	International 3.82	Mid-Cap 4.84
	Emerging Markets -14.92	International 1.00	Value 13.66	International Small-Cap -18.07	Emerging Markets 18.42	Value 2.80	Emerging Markets -2.54	Growth -29.14	Emerging Markets 9.83	International Small-Cap 2.76	Small-Cap -1.79

Lower ↓

Past performance is no guarantee of future results.

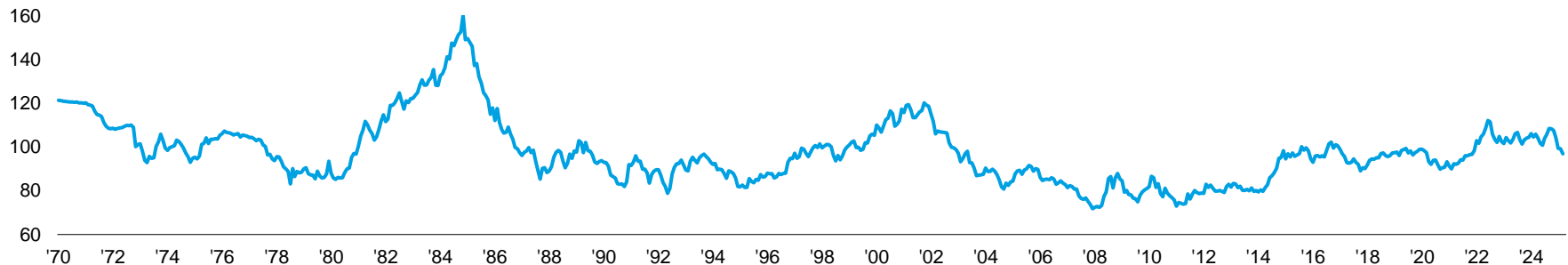
It is not possible to invest directly in an index. In general, Foreign securities are subject to currency, political, economic and market risks. The risks of investing in emerging market countries are greater than investments in foreign developed countries. Investors should carefully review the risks of each asset class prior to investing. Source: Morningstar as of 6/30/25. Data provided is for informational use only. See end of report for important additional information. Small-Cap represented by Russell 2000 Index. Emerging Markets represented by MSCI Emerging Markets Index. Value represented by Russell 1000 Value Index. Mid-Cap represented by Russell Midcap Index. Global represented by MSCI ACWI Index. Growth represented by Russell 1000 Growth Index. International represented by MSCI EAFE Index. International Small-Cap represented by MSCI World Ex USA Small Cap Index.

ALTERNATIVES

Developed Market Currency Performance and Yields

Currency	Spot Returns vs. USD (%)					Spot Returns vs. EUR (%)					Local Interest Rates (%)
	1-Mo.	YTD	1Y	3Y	5Y	1-Mo.	YTD	1Y	3Y	5Y	1Y
U.S. Dollar (USD)	-	-	-	-	-	-3.29	-11.79	-8.70	-3.79	-0.88	4.07
Euro (EUR) *	3.40	13.36	9.53	3.94	0.89	-	-	-	-	-	1.80
British Pound (GBP)	1.62	9.42	8.41	4.11	2.09	-1.72	-3.48	-1.02	0.16	1.19	1.59
Japanese Yen (JPY)	-0.10	8.80	11.36	-2.02	-5.67	-3.39	-4.02	1.68	-5.73	-6.50	0.74
Australian Dollar (AUD)	1.83	5.85	-1.87	-1.59	-0.98	-1.52	-6.63	-10.41	-5.32	-1.85	3.26
Canadian Dollar (CAD)	0.77	5.40	0.28	-1.86	-0.04	-2.55	-7.02	-8.44	-5.57	-0.92	2.60
New Zealand Dollar (NZD)	1.67	8.35	-0.38	-0.79	-1.17	-1.67	-4.42	-9.04	-4.55	-2.04	3.07
Norwegian Krone (NOK)	0.96	12.23	5.22	-0.80	-0.95	-2.36	-1.00	-3.94	-4.55	-1.82	3.70
Swedish Krona (SEK)	0.78	15.94	11.12	2.45	-0.45	-2.53	2.27	1.46	-1.43	-1.33	1.76
Danish Krone (DKK)	3.38	13.31	9.48	3.82	0.87	-0.02	-0.05	-0.04	-0.11	-0.02	1.48
Swiss Franc (CHF)	3.21	13.85	12.89	6.35	3.55	-0.18	0.43	3.07	2.32	2.64	1.76

U.S. Dollar Index

**Past performance is no guarantee of future results.**

It is not possible to invest directly in an index. *German Rate. Source: Factset, Bloomberg as of 6/30/25. Dollar is represented by the US Trade Weighted Dollar Index (DXY). Data provided is for informational use only. See end of report for important additional information.

ALTERNATIVES

Emerging Market Currency Performance and Yields

Currency	Spot Returns vs. USD (%)					Spot Returns vs. EUR (%)					Local Interest Rates (%)
	1-Mo.	YTD	1Y	3Y	5Y	1-Mo.	YTD	1Y	3Y	5Y	1Y
Asia, excluding Japan											
Chinese Renminbi (CNY)	0.42	1.87	1.40	-2.24	-0.26	-2.88	-10.14	-7.42	-5.94	-1.13	1.33
Malaysian Ringgit (MYR)	1.09	6.20	12.04	1.54	0.35	-2.23	-6.32	2.30	-2.31	-0.53	2.91
Indian Rupee (INR)	-0.22	-0.17	-2.77	-2.71	-2.52	-3.50	-11.94	-11.22	-6.40	-3.37	5.69
Indonesian Rupiah (IDR)	0.34	-0.86	0.86	-2.83	-2.53	-2.96	-12.55	-7.91	-6.51	-3.38	5.76
Philippine Peso (PHP)	-0.95	2.69	4.05	-0.80	-2.42	-4.21	-9.41	-5.00	-4.56	-3.28	5.58
Singapore Dollar (SGD)	1.25	7.11	6.41	3.00	1.84	-2.08	-5.51	-2.85	-0.90	0.94	1.76
South Korean Won (KRW)	2.23	9.08	1.99	-1.28	-2.28	-1.13	-3.78	-6.88	-5.02	-3.14	2.30
Taiwanese Dollar (TWD)	2.59	12.23	11.06	0.59	0.20	-0.78	-1.00	1.40	-3.22	-0.68	1.24
Thai Baht (THB)	0.98	4.88	12.88	2.84	-1.01	-2.34	-7.48	3.07	-1.06	-1.88	1.38
Latin America											
Brazilian Real (BRL)	5.02	13.19	1.77	-1.41	0.12	1.57	-0.15	-7.08	-5.15	-0.76	14.76
Chilean Peso (CLP)	1.27	6.55	1.12	0.12	-2.54	-2.06	-6.01	-7.67	-3.67	-3.40	4.78
Colombian Peso (COP)	1.91	7.85	1.45	0.62	-1.75	-1.44	-4.86	-7.38	-3.19	-2.62	8.94
Mexican Peso (MXN)	2.72	10.06	-3.21	2.22	4.11	-0.66	-2.91	-11.63	-1.66	3.19	8.31
Peruvian New Sol (PEN)	2.34	5.87	7.95	2.32	-0.07	-1.02	-6.61	-1.44	-1.56	-0.95	3.89

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ALTERNATIVES

Emerging Market Currency Performance and Yields

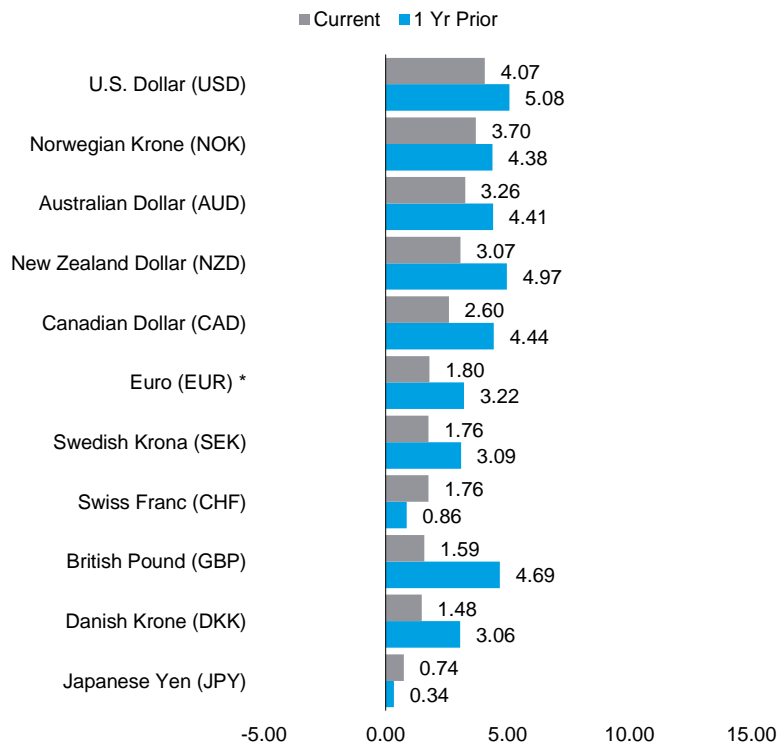
Currency	Spot Returns vs. USD (%)					Spot Returns vs. EUR (%)					Local Interest Rates (%)
	1-Mo.	YTD	1Y	3Y	5Y	1-Mo.	YTD	1Y	3Y	5Y	1Y
Europe											
Czech Koruna (CZK)	4.41	15.46	10.98	3.96	2.41	0.98	1.85	1.32	0.02	1.51	3.14
Hungarian Forint (HUF)	4.51	16.67	8.22	3.68	-1.51	1.08	2.92	-1.19	-0.24	-2.37	6.00
Polish Zloty (PLN)	3.62	14.30	11.24	7.55	1.82	0.21	0.83	1.57	3.48	0.93	4.31
Romanian Leu (RON)	3.08	11.05	7.33	3.03	-0.08	-0.31	-2.04	-2.00	-0.88	-0.96	6.74
Russian Ruble (RUB)	0.54	40.35	10.29	-11.20	-1.84	-2.76	23.80	0.70	-14.57	-2.71	--
Turkish New Lira (TRY)	-1.39	-11.14	-17.62	-25.14	-29.65	-4.63	-21.61	-24.78	-27.97	-30.27	36.54
Middle East and Africa											
Ghanaian Cedi (GHS)	-0.97	42.03	47.83	-8.15	-10.98	-4.22	25.29	34.97	-11.63	-11.77	17.90
Israeli Shekel (ILS)	4.50	8.20	11.87	1.32	0.55	1.07	-4.55	2.14	-2.52	-0.34	4.04
Kenyan Shilling (KES)	-0.04	0.08	0.00	-3.02	-3.79	-3.33	-11.72	-8.70	-6.69	-4.63	9.71
Moroccan Dirham (MAD)	2.58	12.37	10.54	3.81	1.49	-0.80	-0.87	0.92	-0.12	0.60	2.17
Nigerian Naira (NGN)	3.56	0.62	-1.27	-35.33	-24.10	0.15	-11.24	-9.85	-37.78	-24.76	19.70
South African Rand (ZAR)	1.61	6.18	2.75	-2.68	-0.45	-1.73	-6.33	-6.19	-6.36	-1.33	7.70
Ugandan Shilling (UGX)	1.17	2.92	3.20	1.43	0.73	-2.16	-9.21	-5.78	-2.42	-0.16	15.25
Zambian Kwacha (ZMK)	11.42	16.68	0.33	-11.04	-5.36	7.76	2.93	-8.39	-14.41	-6.19	14.50

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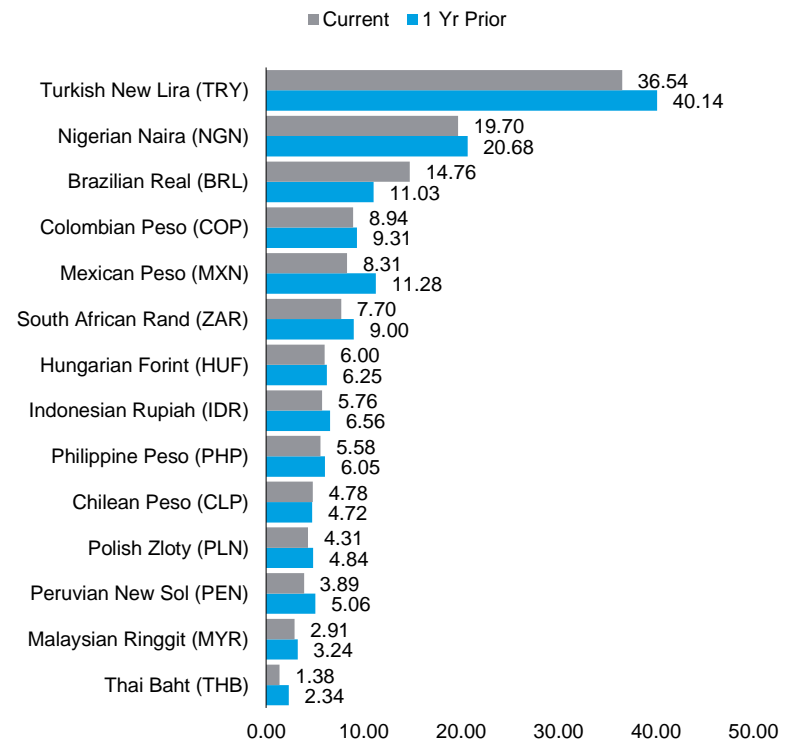
ALTERNATIVES

Local Sovereign Currency Yields

Developed Market Local Interest Rates % (1 Year)



Emerging Market Local Interest Rates % (1 Year)



Past performance is no guarantee of future results.

It is not possible to invest directly in an index. *German Rate. Source: Bloomberg as 6/30/25. Data provided is for informational use only. See end of report for important additional information.

ALTERNATIVES

Commodities Return Analysis (%)

Index	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y
Bloomberg Commodity Index	2.41	-3.08	5.53	5.77	0.13	12.68
Bloomberg Sub Agriculture	-1.92	-4.02	-2.08	0.39	-2.78	12.31
Coffee	-11.48	-19.10	-0.55	46.36	21.31	29.34
Corn	-4.98	-8.27	-9.98	-3.73	-10.37	7.83
Cotton	1.46	-1.71	-4.57	-10.94	-10.69	6.18
Soybean	1.02	3.34	3.21	-5.37	-3.70	11.87
Soybean Oil	11.55	16.29	29.36	21.32	-1.36	21.36
Sugar	-6.79	-14.26	-8.31	-12.40	7.69	13.44
Wheat	-1.51	-3.90	-7.56	-15.06	-21.80	-5.05
Bloomberg Sub Energy	5.81	-10.94	-1.16	-7.39	-12.31	11.61
Brent Crude	7.95	-7.66	-4.23	-10.48	-2.18	23.78
Heating Oil	13.30	3.08	8.29	-2.01	1.83	30.35
Natural Gas	-0.56	-22.22	2.18	-7.15	-40.59	-17.89
Unleaded Gas	4.10	-6.57	-3.48	-8.88	0.21	29.15
WTI Crude Oil	9.06	-5.16	-3.15	-7.49	-3.63	21.05

Index	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y
Bloomberg Sub Industrial Metals	5.74	-0.42	8.12	2.72	3.17	10.45
Aluminum	6.70	2.72	2.86	3.33	1.60	8.73
Copper	7.88	-0.17	24.92	14.92	12.93	14.14
Nickel	-0.16	-4.64	-1.37	-13.10	-12.62	3.53
Zinc	5.04	-3.25	-7.53	-5.61	-1.12	8.15
Bloomberg Sub Precious Metals	2.02	4.88	24.05	35.08	21.28	12.07
Gold	0.13	5.22	24.38	39.80	21.45	11.76
Platinum	27.26	31.58	48.14	33.20	16.37	10.23
Silver	8.94	3.72	22.89	21.15	20.51	13.22
Bloomberg Sub Livestock	1.99	8.57	13.71	24.74	14.26	12.78
Lean Hogs	1.06	8.57	6.13	29.41	4.53	15.89
Live Cattle	2.54	8.52	18.10	22.90	20.32	11.77

Past performance is no guarantee of future results.

It is not possible to invest directly in an index. Source: Morningstar as of 6/30/25. Data provided is for informational use only. See end of report for important additional information. Commodity represented by Bloomberg Commodity Index. Agriculture represented by Bloomberg Agriculture Subindex. Energy represented by Bloomberg Energy Subindex. Grains represented by Bloomberg Grains Subindex. Industrial Metals represented by Bloomberg Industrial Metals Subindex. Livestock represented by Bloomberg Livestock Subindex. Precious Metals represented by Bloomberg Precious Metals Subindex.

ALTERNATIVES

Asset Class Return Analysis (%)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD 2025
Higher ↑ Lower	Multi-Strategy 3.84	MLP 18.31	Long/Short Equity 13.41	Fixed Income Arbitrage 1.10	Long/Short Equity 12.17	Convertible Arbitrage 10.25	MLP 40.17	MLP 30.92	MLP 26.56	MLP 24.41	Currency 7.95
	Long/Short Equity 3.55	Commodity 11.77	Currency 11.54	Global Macro -0.11	Global Macro 10.38	Long/Short Equity 7.86	Commodity 27.11	Managed Futures 19.12	Long/Short Equity 10.93	Long/Short Equity 14.78	Equity Market Neutral 7.69
	Equity Market Neutral 1.69	Convertible Arbitrage 6.60	Equity Market Neutral 8.45	Multi-Strategy -1.05	Managed Futures 9.01	Event Driven 6.95	Event Driven 12.92	Commodity 16.09	Event Driven 9.30	Event Driven 13.03	Long/Short Equity 5.36
	Convertible Arbitrage 0.81	Multi-Strategy 4.41	Multi-Strategy 6.83	Convertible Arbitrage -2.26	Event Driven 8.22	Global Macro 6.53	Global Macro 9.60	Global Macro 15.89	Currency 8.44	Multi-Strategy 8.66	MLP 4.38
	Fixed Income Arbitrage 0.59	Fixed Income Arbitrage 4.29	Fixed Income Arbitrage 6.52	Currency -3.33	Convertible Arbitrage 8.15	Multi-Strategy 5.60	Long/Short Equity 8.35	Equity Market Neutral 1.71	Multi-Strategy 8.04	Fixed Income Arbitrage 8.49	Fixed Income Arbitrage 4.10
	Global Macro 0.18	Global Macro 3.58	Event Driven 6.30	Event Driven -3.95	Commodity 7.69	Fixed Income Arbitrage 3.64	Managed Futures 8.19	Multi-Strategy 1.27	Fixed Income Arbitrage 7.71	Equity Market Neutral 8.05	Multi-Strategy 3.92
	Managed Futures -0.93	Currency 3.54	Convertible Arbitrage 5.01	Long/Short Equity -4.62	Multi-Strategy 7.25	Managed Futures 1.86	Multi-Strategy 6.97	Fixed Income Arbitrage -0.97	Equity Market Neutral 6.73	Convertible Arbitrage 7.35	Convertible Arbitrage 3.72
	Event Driven -6.29	Event Driven 2.68	Managed Futures 3.29	Equity Market Neutral -5.00	MLP 6.56	Currency 1.73	Convertible Arbitrage 6.33	Convertible Arbitrage -3.32	Convertible Arbitrage 4.04	Global Macro 5.52	Commodity 3.05
	Currency -7.61	Long/Short Equity -3.43	Global Macro 2.14	Managed Futures -6.67	Fixed Income Arbitrage 6.10	Equity Market Neutral 1.69	Equity Market Neutral 6.16	Long/Short Equity -5.77	Managed Futures -2.78	Commodity 5.38	Event Driven 2.12
	Commodity -24.66	Equity Market Neutral -4.58	Commodity 1.70	Commodity -11.25	Currency 5.20	Commodity -3.12	Fixed Income Arbitrage 5.22	Event Driven -6.80	Global Macro -5.19	Managed Futures 2.87	Global Macro 0.79
	MLP -32.59	Managed Futures -6.84	MLP -6.52	MLP -12.42	Equity Market Neutral 1.58	MLP -28.69	Currency -3.09	Currency -7.14	Commodity -7.91	Currency -1.08	Managed Futures -7.42

Past performance is no guarantee of future results. It is not possible to invest directly in an index. Source: Morningstar as of 5/31/25. *Data is on a 1-month lag. Data provided is for informational use only. Alternative investments often are speculative and include a high degree of risk. See end of report for important additional information. Global Macro represented by Credit Suisse Global Macro Index. MLP represented by Alerian MLP Index. Event Driven represented by Credit Suisse Event Driven Index. Multi-Strategy represented by Credit Suisse Multi-Strategy Index. Long/Short Equity represented by Credit Suisse Long/Short Equity Index. Convertible Arbitrage represented by Credit Suisse Convertible Arbitrage Index. Currency represented by J.P. Morgan EMLI+ Index. Equity Market Neutral represented by Credit Suisse Equity Market Neutral Index. Fixed Income Arbitrage represented by Credit Suisse Fixed Income Arbitrage Index. Managed Futures represented by Credit Suisse Managed Futures Index. Commodity represented by Bloomberg Commodity Index.

TRANSITION

Major Asset Classes Correlation Table

	S&P 500	International	Emerging Markets	Small Cap	U.S. Aggregate	Municipal	High Yield	Bank Loan	Commodities
S&P 500	1.00	0.85	0.69	0.87	0.38	0.42	0.80	0.60	0.39
International	0.83	1.00	0.79	0.77	0.43	0.47	0.80	0.59	0.42
Emerging Markets	0.62	0.74	1.00	0.62	0.40	0.44	0.70	0.56	0.47
Small Cap	0.83	0.74	0.57	1.00	0.29	0.34	0.77	0.64	0.37
U.S. Aggregate	0.60	0.67	0.62	0.50	1.00	0.84	0.49	0.15	-0.04
Municipal	0.65	0.68	0.67	0.55	0.89	1.00	0.57	0.29	0.04
High Yield	0.83	0.80	0.66	0.76	0.74	0.74	1.00	0.80	0.49
Bank Loan	0.58	0.57	0.55	0.59	0.34	0.37	0.68	1.00	0.49
Commodities	0.30	0.32	0.35	0.23	0.03	0.02	0.32	0.35	1.00

5 Years ended June 30, 2025
10 Years ended June 30, 2025

Past performance is no guarantee of future results.

It is not possible to invest directly in an index. Source: Morningstar as of 6/30/25. The table above shows the return correlation between various asset classes (represented by market indices as defined in this disclosure) over the past five and ten years. Data provided is for informational use only. See end of report for important additional information. S&P 500 is represented by the S&P 500 Index. International is represented by MSCI EAFE Index. Emerging Markets is represented by MSCI Emerging Markets Index. Small-Cap is represented by Russell 2000 Index. US Aggregate is represented by the Bloomberg Barclays Capital US Aggregate Bond Index. Municipal is represented by Bloomberg Barclays Municipal Bond Index. High Yield is represented by ICE BofA US High Yield Index. Bank Loan is represented by Morningstar LSTA U.S. Leveraged Loan Index. Commodities is represented by Bloomberg Commodity Index.

TRANSITION

Fund and ETF Flows by Category

Top 10 Open-End Mutual Fund Categories by Monthly Flows (\$MM)

	1 Mo.	3 Mo.	12 Mo.
Intermediate Core Bond	3,529	-20,751	13,162
Ultrashort Bond	3,136	6,013	13,124
Multisector Bond	2,619	1,685	33,357
Intermediate Government	2,371	-4,213	-13,450
Muni National Interm	1,927	-1,084	10,449
Short-Term Bond	1,759	1,630	1,150
High Yield Bond	1,681	-4,532	6,048
Muni National Short	1,143	602	-113
Miscellaneous Region	936	1,867	5,539
Nontraditional Bond	900	1,090	10,329

Bottom 10 Open-End Mutual Fund Categories by Monthly Flows (\$MM)

	1 Mo.	3 Mo.	12 Mo.
Mid-Cap Blend	-2,091	-3,574	-15,940
Global Large-Stock Blend	-2,147	-3,746	-13,776
Foreign Large Growth	-2,171	-7,929	-32,894
Global Large-Stock Growth	-2,306	-5,893	-17,393
Mid-Cap Growth	-2,452	-8,097	-33,192
Moderate Allocation	-2,837	-13,788	-45,110
Diversified Emerging Mkts	-3,480	-11,175	-25,129
Large Value	-3,895	-18,457	-72,800
Large Blend	-9,969	-4,780	-116,496
Large Growth	-10,573	-27,245	-127,319

Top 10 Exchange-Traded Fund Categories by Monthly Flows (\$MM)

	1 Mo.	3 Mo.	12 Mo.
Large Growth	12,650	24,957	100,953
Long Government	6,938	6,011	16,648
Digital Assets	6,756	8,159	39,272
Foreign Large Blend	6,393	21,758	71,098
Derivative Income	6,217	14,631	49,666
Corporate Bond	5,605	4,813	18,380
Foreign Large Value	5,159	7,709	14,496
Intermediate Core Bond	5,141	9,572	57,676
High Yield Bond	5,066	2,997	14,577
Large Blend	4,573	52,226	368,286

Bottom 10 Exchange-Traded Fund Categories by Monthly Flows (\$MM)

	1 Mo.	3 Mo.	12 Mo.
Mid-Cap Value	-551	-2,310	-1,977
Small Value	-608	-3,412	6,392
Short Government	-670	1,590	5,755
Equity Energy	-779	-5,069	-14,221
Health	-930	-3,421	-8,484
Natural Resources	-962	-2,999	-4,258
Financial	-1,098	-4,856	9,623
Commodities Focused	-1,314	10,515	20,933
Long-Term Bond	-1,956	-3,154	3,307
Trading--Leveraged Equity	-4,541	8,720	14,441

Source: Morningstar as of 5/31/25. Flow data is on a one-month lag. Data provided is for informational use only. See end of report for important additional information.

TRANSITION

Major Asset Class Return Analysis (%)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD 2025
Higher	Municipal 3.30	Small-Cap 21.31	Emerging Markets 37.28	Municipal 1.28	S&P 500 31.49	Small-Cap 19.96	S&P 500 28.71	Commodities 16.09	S&P 500 26.29	S&P 500 25.02	International 19.45
	S&P 500 1.38	High Yield 17.49	International 25.03	Bank Loan 0.44	Small-Cap 25.52	S&P 500 18.40	Commodities 27.11	Bank Loan -0.77	International 18.24	Small-Cap 11.54	Emerging Markets 15.27
	US Agg 0.55	S&P 500 11.96	S&P 500 21.83	US Agg 0.01	International 22.01	Emerging Markets 18.31	Small-Cap 14.82	Municipal -8.53	Small-Cap 16.93	Asset Allocation 9.79	Asset Allocation 6.68
	Bank Loan -0.69	Commodities 11.77	Small-Cap 14.65	High Yield -2.26	Asset Allocation 18.70	Asset Allocation 11.95	Asset Allocation 11.43	High Yield -11.22	Asset Allocation 14.09	Bank Loan 8.95	S&P 500 6.20
	International -0.81	Emerging Markets 11.19	Asset Allocation 14.02	S&P 500 -4.38	Emerging Markets 18.42	International 7.82	International 11.26	US Agg -13.01	High Yield 13.46	High Yield 8.20	Commodities 5.53
	Asset Allocation -2.03	Bank Loan 10.16	High Yield 7.48	Asset Allocation -5.40	High Yield 14.41	US Agg 7.51	High Yield 5.36	Asset Allocation -13.04	Bank Loan 13.32	Emerging Markets 7.50	High Yield 4.55
	Small-Cap -4.41	Asset Allocation 8.61	Municipal 5.45	Small-Cap -11.01	US Agg 8.72	High Yield 6.17	Bank Loan 5.20	International -14.45	Emerging Markets 9.83	Commodities 5.38	US Agg 4.02
	High Yield -4.64	US Agg 2.65	Bank Loan 4.12	Commodities -11.25	Bank Loan 8.64	Municipal 5.21	Municipal 1.52	S&P 500 -18.11	Municipal 6.40	International 3.82	Bank Loan 2.81
	Emerging Markets -14.92	International 1.00	US Agg 3.54	International -13.79	Commodities 7.69	Bank Loan 3.12	US Agg -1.54	Emerging Markets -20.09	US Agg 5.53	US Agg 1.25	Municipal -0.35
Lower	Commodities -24.66	Municipal 0.25	Commodities 1.70	Emerging Markets -14.57	Municipal 7.54	Commodities -3.12	Emerging Markets -2.54	Small-Cap -20.44	Commodities -7.91	Municipal 1.05	Small-Cap -1.79

Past performance is no guarantee of future results. It is not possible to invest directly in an index. Source: Morningstar as of 6/30/25. Data provided is for informational use only. Investing involves risks including the possible loss of principal. Investors should carefully review the risks of each asset class prior to investing. See end of report for important additional information. S&P 500 represented by the S&P 500 Index. International represented by MSCI EAFE Index. Emerging Markets represented by MSCI Emerging Markets Index. Small-Cap represented by Russell 2000 Index. US Aggregate represented by the Bloomberg Capital US Aggregate Bond Index. Municipal represented by Bloomberg Municipal Bond Index. High Yield represented by ICE BofA US High Yield Index. Bank Loan represented by Morningstar LSTA U.S. Leveraged Loan Index. Commodity represented by Bloomberg Commodity Index. The Asset Allocation portfolio assumes the following weights: 25% in the S&P 500 Index, 15% in the MSCI EAFE Index, 5% in the MSCI Emerging Markets Index, 10% in the Russell 2000 Index, 25% in the Bloomberg Capital US Aggregate Bond Index, 5% in the Bloomberg Municipal Bond Index, 5% in the Bloomberg US Corporate High Yield Index, 5% in the Morningstar LSTA U.S. Leveraged Loan Index, and 5% in the Bloomberg Commodity Index.

Portfolio Solutions Group

The Portfolio Solutions Group is a comprehensive multi-asset business, with activity across all asset strategies and type, both traditional and alternative, through solutions that span fully liquid (public assets), comprehensive (public and private assets) and fully private portfolios. Offerings are delivered by a managed portfolio or model, in discretionary or advisory format.

The team's expertise lies in partnering with institutional, intermediaries and high net worth investors to understand their unique needs and crafting solutions to help them achieve their overall investment objectives.



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*Chief Investment
Officer
Managing Director*



**EWA TUREK
SEMMELOTH**
Executive Director



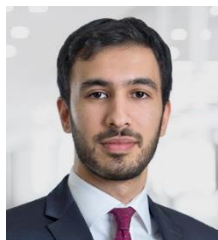
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Vice President



**SACHIN
RAGHAVAN**
Associate

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Fund Team

Index Definitions

The **Bloomberg Capital Expenditure Index** measures capital expenditure in the U.S.

Bloomberg Commodity Index is a broadly diversified index tracking futures contracts on physical commodities.

The **Bloomberg ECO Labor Market Surprise Index** measures economic data releases on the labor market compared to market expectations.

Bloomberg Euro-Aggregate Corporates Index consists of bonds issued in the euro or the legacy currencies of the 16 sovereign countries participating in the European Monetary Union (EMU)

Bloomberg Global Aggregate Ex-USD Index is a broad-based measure of global Investment Grade fixed-rate debt investments, excluding USD-denominated debt.

Bloomberg High Yield Municipal Bond Index is an unmanaged index of non-Investment Grade Municipal bonds traded in the U.S.

Bloomberg Magnificent 7 Index is an equal-dollar weighted equity benchmark consisting of Alphabet, Amazon, Apple, Microsoft, Meta, Nvidia and Tesla.

Bloomberg Municipal Bond Index is an unmanaged index of Municipal bonds traded in the U.S.

Bloomberg Pan-European High Yield Index covers the universe of fixed-rate, sub-investment-grade debt denominated in euros or other European currencies (except Swiss francs).

Bloomberg Taxable Municipal Bond Index is an unmanaged index of Taxable Municipal bonds traded in the U.S.

Bloomberg U.S. Agency Index measures agency securities issued by U.S. government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. government.

Bloomberg U.S. Aggregate Index is an unmanaged index of domestic investment-grade bonds, including corporate, government and mortgage-backed securities.

Bloomberg U.S. Asset Backed Securities (ABS) Index measures ABS with the following collateral type: credit and charge card, auto, and utility loans.

Bloomberg U.S. CMBS Index measures the market of conduit and fusion CMBS deals with a minimum current deal size of \$300mn.

Bloomberg U.S. Corporate Investment Grade Index is an unmanaged index that measures the performance of investment-grade corporate securities within the Barclays U.S. Aggregate Index.

Bloomberg U.S. Mortgage-Backed Securities (MBS) Index measures agency mortgage-backed pass-through securities issued by GNMA, FNMA, and FHLMC.

Bloomberg U.S. Treasury Index measures public debt instruments issued by the U.S. Treasury.

CBOE Volatility Index (VIX) tracks the implied volatilities of a wide range of S&P 500 Index options.

CBOE S&P 500 BuyWrite Index measures the performance of a hypothetical buy-write strategy on the S&P 500 Index.

Citigroup Eurozone Economic Surprise Index represents the sum of the difference between official economic results and forecasts in Europe.

Citigroup U.S. Economic Surprise Index represents the sum of the difference between official economic results and forecasts in the U.S.

The DAX consists of the 40 major German blue chip companies trading on the Frankfurt Stock Exchange.

ICE BofA US Inflation-Linked Treasury Index tracks the performance of USD denominated inflation linked sovereign debt publicly issued by the US government.

ICE BofA Fixed Rate Preferred Securities Index is an unmanaged index of fixed-rate, preferred securities issued in the U.S.

ICE BofA European Union Government Bond Index tracks the performance of sovereign debt publicly issued by countries that are members of the European Union.

ICE BofA U.S. High Yield Index is an unmanaged index of below-investment grade U.S. corporate bonds.

ICE BofA Developed Markets High Yield Ex-Subordinated Financial Index (Hedged) is an unmanaged index of global developed market below investment grade corporate bonds, USD hedged.

FTSE 100 Index is an unmanaged market-capitalization weighted index representing the performance of the 100 largest UK listed blue chip companies, which pass screening for size and liquidity.

FTSE All Small Index consists of all the companies in the FTSE SmallCap and FTSE Fledgling indices.

FTSE World Government Bond Index (WGBI) measures the performance of fixed-rate, local currency, investment-grade sovereign bonds.

J.P. Morgan Corporate Emerging Markets Bond Index (CEMBI) Broad Diversified is an unmanaged index of USD-denominated emerging market corporate bonds.

J.P. Morgan Emerging Markets Bond Index (EMBI) Global Diversified is an unmanaged index of USD-denominated bonds with maturities of more than one year issued by emerging markets governments.

J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified is an unmanaged index of local-currency bonds with maturities of more than one year issued by emerging market governments.

The MDAX lists German companies trading on the Frankfurt Stock Exchange. It includes the 50 Prime Standard shares that rank in size immediately below the companies included in the DAX index.

Morgan Stanley Capital International (MSCI) Emerging Markets Index is an unmanaged index of emerging markets common stocks

MSCI EMU Index (European Economic and Monetary Union) captures large and mid cap representation across the 10 Developed Markets countries in the EMU. With 229 constituents, the index covers approximately 85% of the free float-adjusted market capitalization of the EMU.

Morgan Stanley Capital International All Country Asia Pacific Index (MSCI AC Asia Pac) is an unmanaged total return, capitalization-weighted index that measures the performance of stock markets in 15 Pacific region countries, including Australia, China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Pakistan, the Philippines, Singapore, Sri Lanka, Taiwan and Thailand.

Morgan Stanley Capital International (MSCI) Japan Index is an unmanaged index designed to measure the performance of the large and mid cap segments of the Japan market.

Morgan Stanley Capital International (MSCI) World Index is an unmanaged index of equity securities in the developed markets.

Morgan Stanley Capital International (MSCI) World ex USA Small Cap Index is an unmanaged index of small-cap equity securities in the developed markets, excluding the United States.

Morgan Stanley Capital International All Country World (MSCI AC World) Index is an unmanaged free float-adjusted market-capitalization-weighted index designed to measure the equity market performance of developed and emerging markets.

Morgan Stanley Capital International Europe (MSCI Europe) Index is an unmanaged free float-adjusted market-capitalization-weighted index designed to measure the equity market performance of the developed markets in Europe.

Morgan Stanley Capital International Europe, Australasia, Far East (MSCI EAFE) Index is an unmanaged index of equities in the developed markets, excluding the U.S. and Canada.

MSCI USA Index is designed to measure the performance of the large and mid cap segments of the US market. With 625 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in the US.

MSCI China captures large and mid-cap representation across China A-shares, B-shares, H-shares, Red-chips and P-chips. It reflects the Mainland China and Hong Kong opportunity set from an international investor's perspective.

The **MSCI India Index** is designed to measure the performance of the large and mid cap segments of the Indian market.

ADDITIONAL INFORMATION

Index Definitions, Terms and About Risk

The **MSCI World Index** is a free float adjusted market capitalization weighted index that is designed to measure the global equity market performance of developed markets. The term "free float" represents the portion of shares outstanding that are deemed to be available for purchase in the public equity markets by investors. The performance of the Index is listed in U.S. dollars and assumes reinvestment of net dividends.

The **MSCI USA Health Care Index** is designed to capture the large and mid cap segments of the US equity universe. All securities in the index are classified in the Health Care sector as per the Global Industry Classification Standard.

Morningstar LSTA U.S. Leveraged Loan Index is an unmanaged index of the institutional leveraged loan market. Prior to August 29, 2022, the index name was S&P/LSTA Leveraged Loan Index.

Nikkei 225 Stock Average Index is unmanaged price-weighted index of 225 top-rated Japanese companies listed in the First Section of the Tokyo Stock Exchange.

Russell 1000 Index is an unmanaged index of 1,000 U.S. large-cap stocks.

Russell 1000 Growth Index is an unmanaged index of 1,000 U.S. large-cap growth stocks.

Russell 1000 Value Index is an unmanaged index of 1,000 U.S. large-cap value stocks.

Russell 2000 Index is an unmanaged index of 2,000 U.S. small-cap stocks.

Russell 2500 Index is an unmanaged index of approximately 2,500 U.S. small- and mid-cap U.S. stocks.

Russell Midcap Index is an unmanaged index of U.S. mid-cap stocks.

Standard & Poor's 400 Index is designed to measure the performance of 400 mid-sized U.S. companies, reflecting the distinctive risk and return characteristics of this market segment.

Standard & Poor's 493 Index is designed to measure the performance of the S&P 500 excluding the "Mag 7" i.e. Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla.

Standard & Poor's 500 Index is an unmanaged index of large-cap stocks commonly used as a measure of U.S. stock market performance.

STOXX Europe 600 Index is a fixed component number index designed to provide a broad yet liquid representation of large, mid and small capitalization companies in Europe.

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Municipal-to-Treasury Yield Ratios are relative value indicators that measure the richness or cheapness of Municipal bond yields to comparable maturity Treasury bond yields.

Terms

Yield to Worst is a measure which reflects the lowest potential yield earned on a bond without the issuer defaulting. The yield to worst is calculated by making worst-case scenario assumptions by calculating the returns that would be received if provisions, including prepayment, call or sinking fund, are used by the issuer.

About Risk

Bank Loans – There can be no assurance that the liquidation of collateral securing an investment will satisfy the issuer's obligation in the event of non-payment or that collateral can be readily liquidated. The ability to realize the benefits of any collateral may be delayed or limited. **Commodities** – The value of commodities investments will generally be affected by overall market movements and factors specific to a particular industry or commodity including weather, embargoes, tariffs, or health, political, international and regulatory developments. **Credit** – Investments in income securities may be affected by changes in the creditworthiness of the issuer and are subject to the risk of non-payment of principal and interest. The value of income securities also may decline because of real or perceived concerns about the issuer's ability to make principal and interest payments. **Duration** – Securities with longer durations tend to be more sensitive to interest rate changes than securities with shorter durations. **Equity** – Equity investment values are sensitive to stock market volatility. **Foreign** – Investments in foreign instruments or currencies can involve greater risk and volatility than U.S. investments because of adverse market, economic, political, regulatory, geopolitical, or other conditions. In emerging countries, these risks may be more significant. **Gov't Agency** – While certain U.S. Government-sponsored agencies may be chartered or sponsored by acts of Congress, their securities are neither issued nor guaranteed by the U.S. Treasury. **Income Market** – An imbalance in supply and demand in the income market may result in valuation uncertainties and greater volatility, less liquidity, widening credit spreads and a lack of price transparency in the market. There generally is limited public information about Municipal issuers. **Inflation-Linked** – Interest payments on inflation-linked securities may vary widely and will fluctuate as principal and interest are adjusted for inflation. Investments in inflation-linked securities may lose value in the event that the actual rate of inflation is different than the rate of the inflation index. **Interest Rate** – As interest rates rise, the value of certain income investments is likely to decline. **Lower-Rated** – Investments rated below Investment Grade (typically referred to as "junk") are generally subject to greater price volatility and illiquidity than higher rated investments. **Maturity** – Longer-term bonds typically are more sensitive to interest rate changes than shorter-term bonds. **Preferred Stocks** – When interest rates rise, the value of preferred stocks will generally decline. **Prepayment - MBS** – Mortgage-backed securities are subject to prepayment risk. **Prepayment - Bank Loan** – Bank Loans are subject to prepayment risk. **Real Estate** – Changes in real estate values or economic downturns can have a significant negative effect on issuers in the real estate industry, including REITs.

ADDITIONAL INFORMATION

Risk Considerations

Diversification does not eliminate the risk of loss.

In general, equity securities' values also fluctuate in response to activities specific to a company. Investments in foreign markets entail special risks such as currency, political, economic, and market risks. The risks of investing in emerging market countries are greater than risks associated with investments in foreign developed countries. Fixed income securities are subject to the ability of an issuer to make timely principal and interest payments (credit risk), changes in interest rates (interest-rate risk), the creditworthiness of the issuer and general market liquidity (market risk). In a rising interest-rate environment, bond prices may fall and may result in periods of volatility and increased portfolio redemptions. In a declining interest-rate environment, the portfolio may generate less income. Longer-term securities may be more sensitive to interest rate changes. Alternative investments are speculative, involve a high degree of risk, are highly illiquid, typically have higher fees than other investments, and may engage in the use of leverage, short sales, and derivatives, which may increase the risk of investment loss. These investments are designed for investors who understand and are willing to accept these risks. Performance may be volatile, and an investor could lose all or a substantial portion of its investment.

There is no guarantee that any investment strategy will work under all market conditions, and each investor should evaluate their ability to invest for the long-term, especially during periods of downturn in the market.

A separately managed account may not be appropriate for all investors. Separate accounts managed according to the Strategy include a number of securities and will not necessarily track the performance of any index. Please consider the investment objectives, risks and fees of the Strategy carefully before investing. A minimum asset level is required.

For important information about the investment managers, please refer to Form ADV Part 2.

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