Chart Book

The Era Of Transformation Part 3: R You Ready?

July 2026
Q2 2026

We have entered an "Era of Transformation" that features unparalleled innovation, record capital investment and corporate profitability, supply chain shortages, a massive need for new and upgraded infrastructure, and shifting demographic patterns.

With ongoing shortages across "CLAMPS" (Compute, Light, Architecture, Memory, Power and Stacks) and key resources, we expect rising productivity, continued reflation in asset prices, strong profit margins, a rebalancing of portfolio allocations, an opportunity set within equity markets, and relatively range-bound interest rates.

Despite the potential for sharp corrections and rebounds, rising capital investment, above-trend growth, and durable supply-side expansion support our Equity overweight in the U.S. (Small-, Mid-, and Large-cap) and Emerging Markets. We continue to prefer a high level of portfolio diversification both within and across asset classes.

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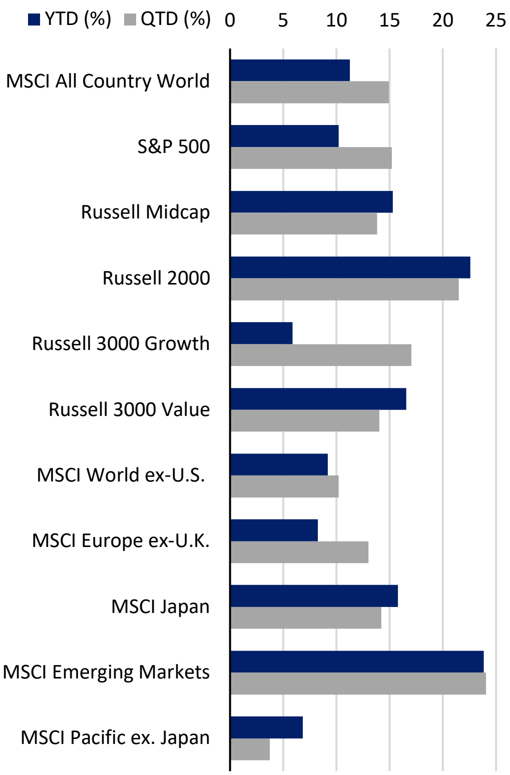
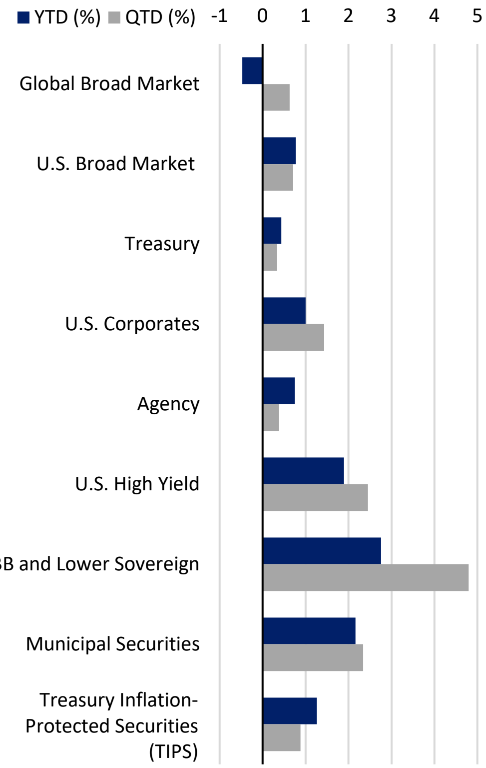
2nd Quarter Recap & Major Index Total Returns

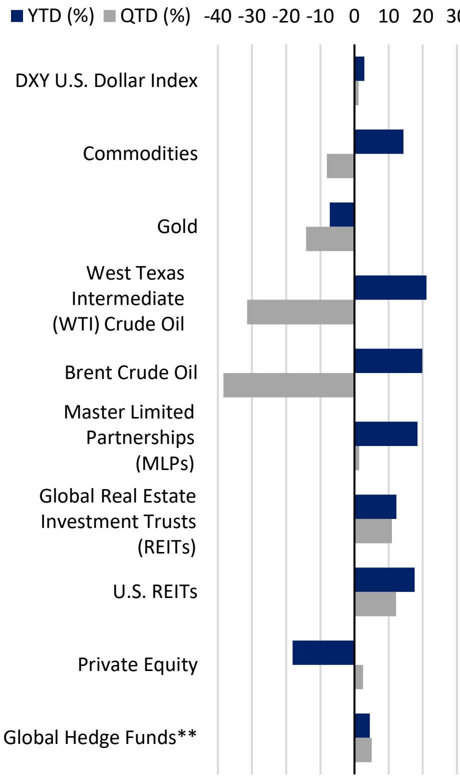
- Following a choppy start to 2026 and a fragile geopolitical backdrop, our view remains constructive. The accelerated Artificial Intelligence (AI) buildout should remain a key driver for Equity markets, along with rotation across leadership groups, robust U.S. earnings growth, and a bifurcated, yet resilient U.S. consumer. We remain vigilant of several risks, including elevated headlines, a fragmented geopolitical landscape, and shifting interest rate dynamics.
- Global Equities rebounded in the second quarter, with Emerging Markets continuing their strong start to 2026. U.S. Equities were stronger with Small-caps outperforming both Large- and Mid-caps, meanwhile Growth outperformed Value. Fixed Income was higher across the board as investors reassessed their expectations for the trajectory of monetary policy. Commodities experienced a quarterly loss led by WTI and Brent Crude oil.
- BofA Global Research* expects stable global growth of 3.2% in 2026 and 3.5% in 2027, following an estimated 3.5% in 2025. U.S. real gross domestic product (GDP) grew by an estimated 2.1% in 2025 and is expected to grow by 2.2% in 2026 and 2027, with China and the Euro area expected to grow by 4.5% and 0.5% in 2026 and 4.5% and 1.3% in 2027, respectively.



	YTD	QTD
MSCI All Country World	11.2	14.9
S&P 500	10.2	15.2
Russell Midcap	15.3	13.8
Russell 2000	22.6	21.5
Russell 3000 Growth	5.9	17.1
Russell 3000 Value	16.6	14.0
MSCI World ex-U.S.	9.2	10.2
MSCI Europe ex-U.K.	8.3	13.0
MSCI Japan	15.8	14.2
MSCI Emerging Markets	23.8	24.1
MSCI Pacific ex. Japan	6.8	3.7



	YTD	QTD
Global Broad Market	-0.5	0.6
U.S. Broad Market	0.8	0.7
Treasury	0.4	0.3
U.S. Corporates	1.0	1.4
Agency	0.7	0.4
U.S. High Yield	1.9	2.5
BBB and Lower Sovereign	2.8	4.8
Municipal Securities	2.2	2.3
Treasury Inflation-Protected Securities (TIPS)	1.3	0.9



	YTD	QTD
DXY U.S. Dollar Index	2.9	1.2
Commodities	14.4	-8.1
Gold	-7.2	-14.1
West Texas Intermediate (WTI) Crude Oil	21.0	-31.4
Brent Crude Oil	19.8	-38.4
Master Limited Partnerships (MLPs)	18.5	1.4
Global Real Estate Investment Trusts (REITs)	12.3	11.0
U.S. REITs	17.6	12.2
Private Equity	-18.1	2.5
Global Hedge Funds**	4.4	5.0

Many products that pursue Alternative Investment strategies, specifically Private Equity and Hedge Funds, are available only to qualified investors. Source: Bloomberg. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY.** Total returns referenced in USD for all indexes, except Brent and WTI Crude Oil where price returns are used and MSCI indexes where net total return is used. All Fixed Income categories are represented by ICE BofA indexes. Other asset classes represented by the following indexes: MLPs (Alerian MLP Index), Commodities (Bloomberg Commodity Index), Gold (Gold Spot Price), U.S. REITs (FTSE EPRA Nareit United States Index), Global REITs (FTSE EPRA Nareit Global Index), Private Equity (LPX 50 USD Index), and Global Hedge Funds (HFRX Global Hedge Fund Index). *BofA Global Research is research produced by BofA Securities, Inc. ("BofAS") and/or one or more of its affiliates. BofAS is a registered broker-dealer, Member SIPC, and wholly owned subsidiary of Bank of America Corporation. **Global Hedge Fund performance as of June 29, 2026. **Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to appendix for glossary, asset class proxies, index definitions and important disclosures.**

The Era of Transformation: R You Ready?

Part 1 R	Part 2 R	Part 3 R
Shorter Term 3 to 12 months	**Medium Term** 12 to 24 months	**Long Term** 24+ months
Risks elevated	**Re-industrialization**	**Rebalancing**
Robust corporate earnings	**Re-shoring**	**Re-globalization**
Rotation across Equities	**Robotics**	**Reconstruction**
Resilient consumer	**Renaissance in biotechnology**	**Rearmament**

The current environment is defined by a series of reinforcing trends. The AI buildout continues to accelerate, supported by significant capital investment, while the supply of key inputs in the medium term, such as memory and compute, remains constrained. At the same time, capital investment in infrastructure needed to drive this buildout, including energy, electricity, and basic materials, remains strong and continues to surprise to the upside. This backdrop is driving upward revisions to corporate earnings and margins and should support broader equity market leadership. As a result, we maintain an overweight to Equities, emphasize diversification across sectors and geographies and view periods of market weakness as potential buying opportunities.

Source: Chief Investment Office as of June 30, 2026. CIO views are subject to change. **FOR INFORMATIONAL PURPOSES ONLY.**

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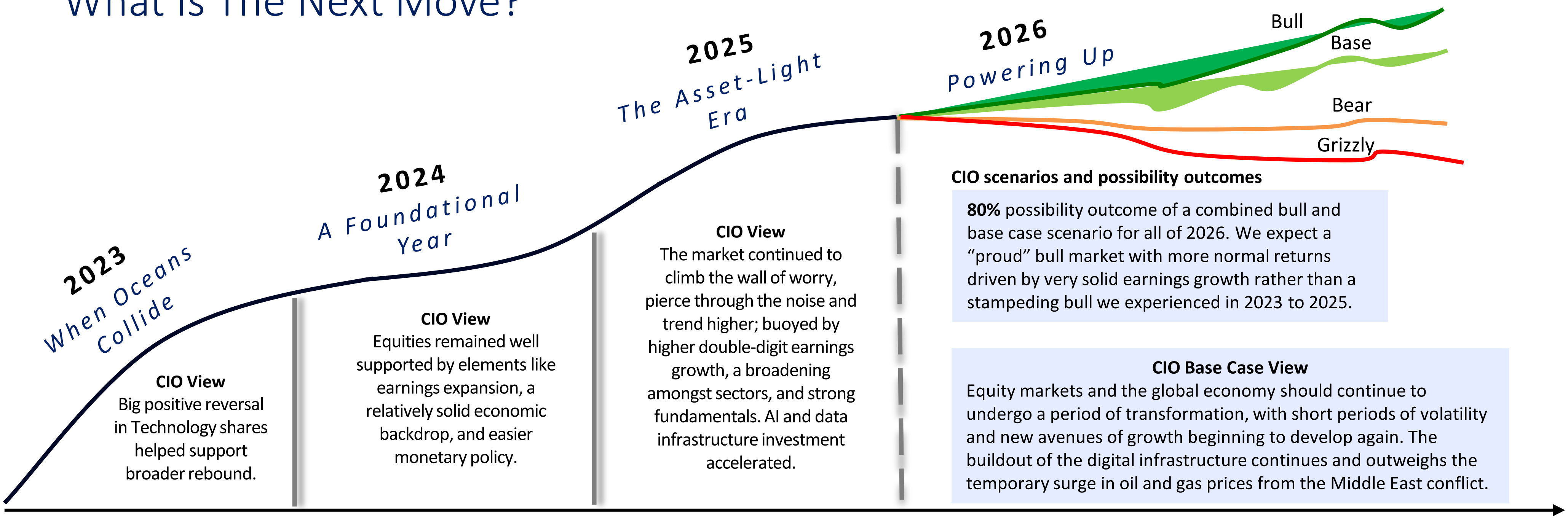
What Is The Next Move?



SCENARIO 1 BULL CASE (approximately 25% possibility outcome)

- Bull case raised to 25% from 15% as earnings momentum surprises further.
- Geopolitical tensions ease significantly and peace accelerates.
- A new economic re-expansion builds, and growth is well above trend in 2026.
- Extended pause on rates or one hike at most with profits and economic growth well above trend.
- Yield curve steepens as yields on the back-end rise as economic growth increases above trend and short rates slip.
- Long-term bull market continues as earnings rise higher-than-expected through 2026. Bull market in metals.
- AI capital investment (capex) accelerates lifting the Technology sector again.

SCENARIO 2 BASE CASE (approximately 55% possibility outcome)

- U.S. GDP maintains its momentum as fiscal bill impact is felt and Middle East tensions ease considerably.
- One-time price increases from oil and gas surge do not materialize into an "economy-wide" resurgence in inflation.
- Limited hikes later in the year as job growth remains healthy and inflation sticky.
- Earnings growth for S&P 500 is double digit percentages in 2026.
- The AI wave continues but "leaders" and "laggards" become clearer.
- Broader participation within the Equity markets including Emerging Markets and small/mid capitalization shares continues.
- Financials, Utilities, Industrials, Consumer Discretionary, Basic Materials rise. Technology sectors extend their leadership.

SCENARIO 3 BEAR CASE (approximately 15% possibility outcome)

- Bear case drops to 15% from 25% as Iran conflict dissipates and oil prices fall.
- Geopolitical tensions re-escalate.
- Stagflation worries build as the growth slump bites and inflation remains well above target.
- Expectations for monetary policy are recalibrated with the potential for rate hikes rising sharply even in the face of slow growth.
- Earnings begin to decline early as a growth slump ensues and AI capex fizzles.
- Unemployment rate rises above 5% as recession risk increases.
- Defensive areas of the market outperform as technology bubble concerns materialize.
- Recession odds rise alongside midterm concerns.

SCENARIO 4 GRIZZLY CASE (approximately 5% possibility outcome)

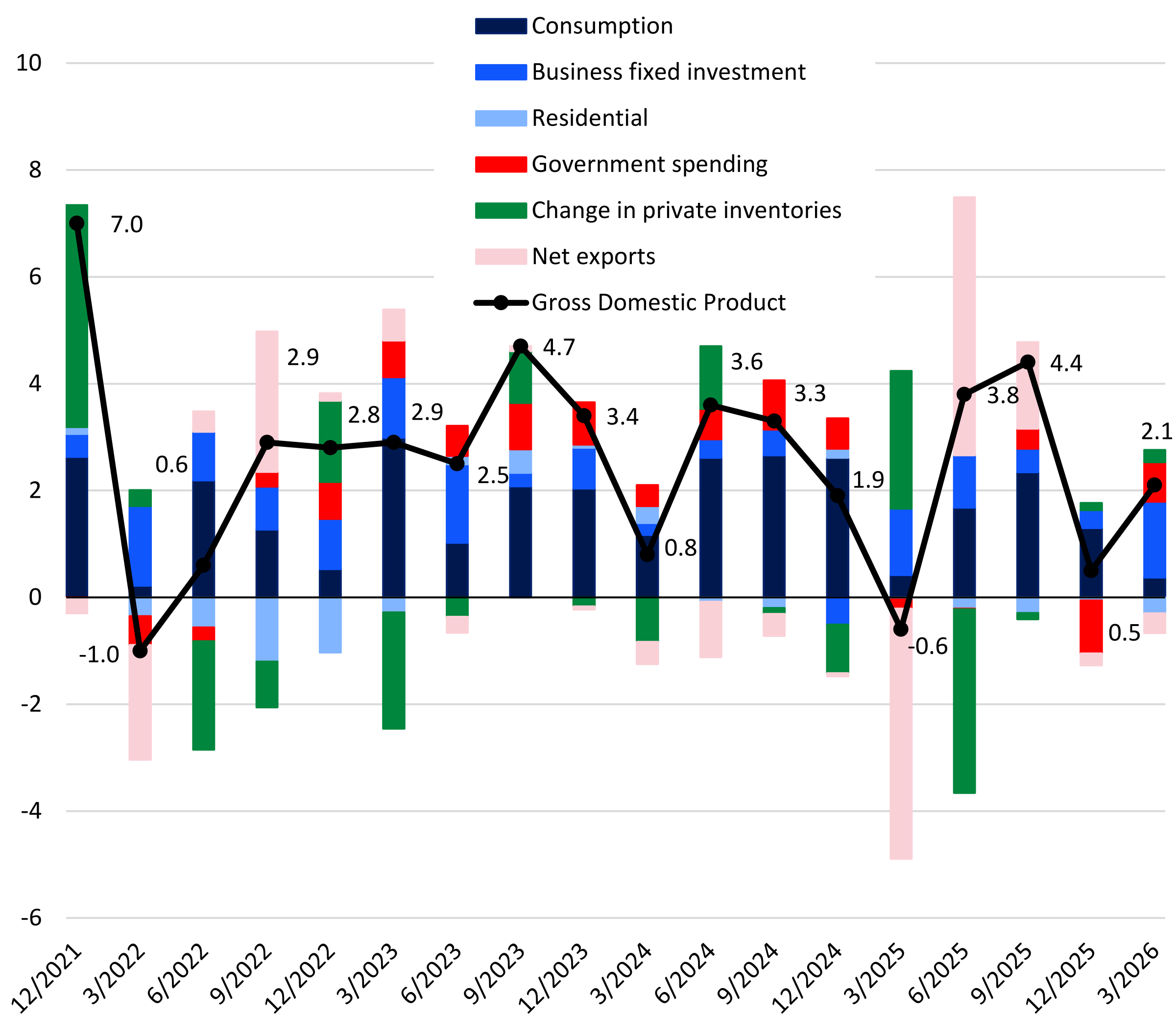
- Trade wars develop again and stick.
- Geopolitical tensions boil over into broader conflict.
- Sharp economic hard landing, not just deterioration, unfolds.
- Fed policy requires new emergency measures and aggressive cuts.
- A sharp fall in earnings ensues as spreads widen and AI capex deteriorates.
- Credit stress unfolds further in the lower quality credits impacting investor sentiment in the high-quality sector.
- Fixed Income significantly outperforms Equities as risk aversion rises sharply.
- U.S. dollar rallies.
- Defensive assets outperform sharply.
- S&P 500 falls into protracted bear market territory.

Black line represents the lifecycle of the CIO economic process and is not meant to represent any specific investment, index or performance of any kind. Source: CIO. Data as of June 30, 2026. CIO views are subject to change. **FOR INFORMATIONAL PURPOSES ONLY.** Economic or financial forecasts are inherently limited and should not be relied on as indicators of future investment performance. **Please refer to index definitions and important disclosures at the end of this presentation.**

An Economy with Signs of Improvement

Contributors to Real GDP Growth

Quarter-over-Quarter (QoQ), seasonally adjusted (SA) annualized rate (%)



- The economy expanded by a seasonally adjusted annual growth rate of 2.1% in Q1. Growth was driven by increases in consumer spending, business investment, and government spending.
- Consumption accounts for almost 70% of U.S. GDP. In Q1, consumer spending remained resilient given low unemployment, solid wage growth and positive wealth effects.
- We remain constructive on the U.S. economy due to potential fiscal tailwinds for the consumer and corporations and continued AI-related investment.

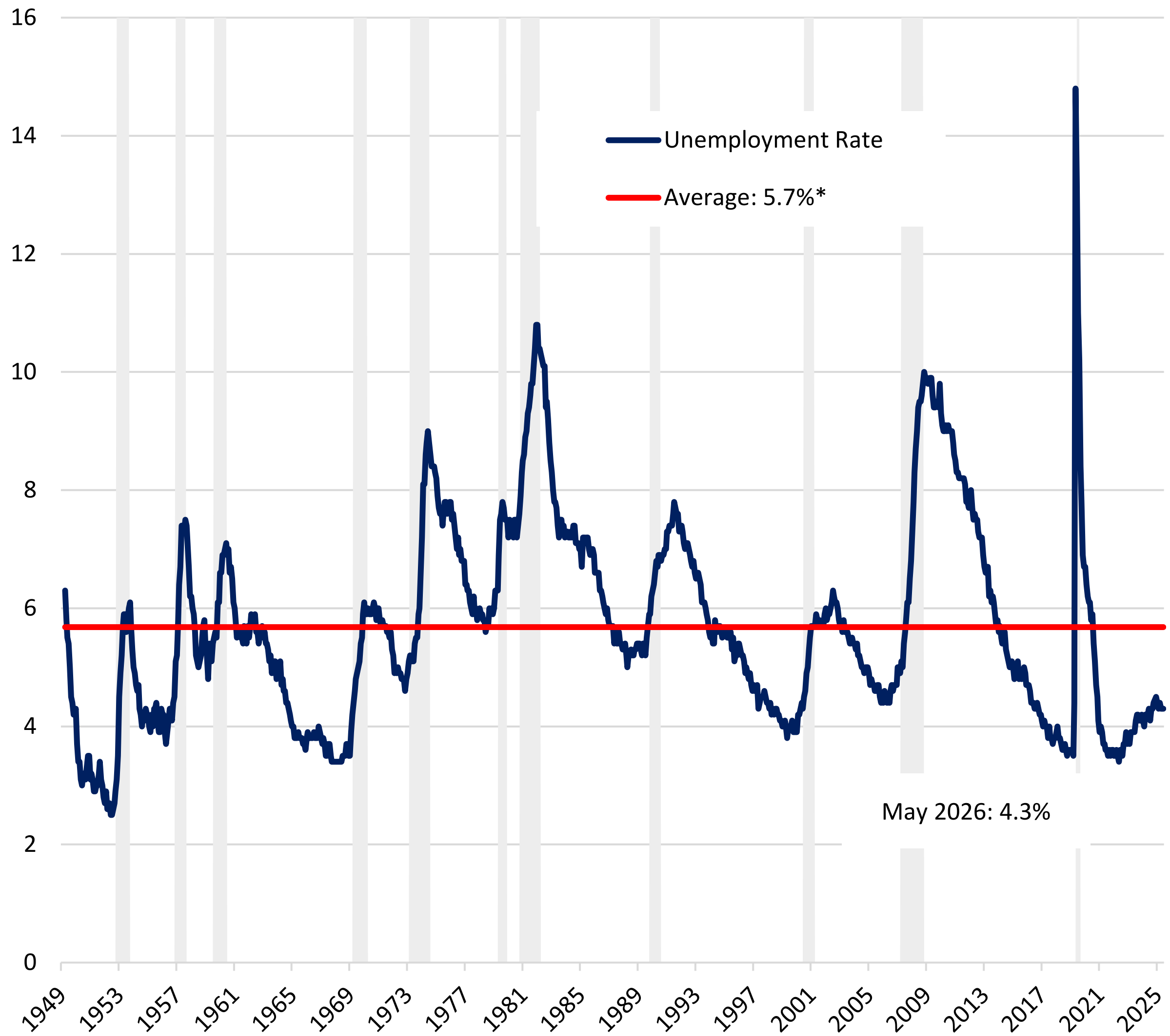
CIO Key Considerations

We remain overweight the U.S. given durable earnings growth, strong balance sheets in aggregate, and relatively healthy consumer fundamentals.

Sources: Bureau of Economic Analysis, Bloomberg. Data through Q1 2026, as of June 25, 2026. Latest data available. **FOR INFORMATIONAL PURPOSES ONLY. Please refer to the appendix for important disclosures.**

A Stabilizing Labor Market

U.S. Unemployment Rate, seasonally adjusted (SA) (%)



- Contrary to doubts, the job market has remained resilient with the unemployment rate oscillating in the mid-4% range since mid-2025.
- Since 2021, the unemployment rate has stayed well below its long-term average of 5.7%. More recently, the labor market has stabilized with stronger-than-expected nonfarm payroll gains in the first half of 2026.
- Additionally, an aging population has contributed to a lower labor force participation rate, placing downward pressure on the unemployment rate.

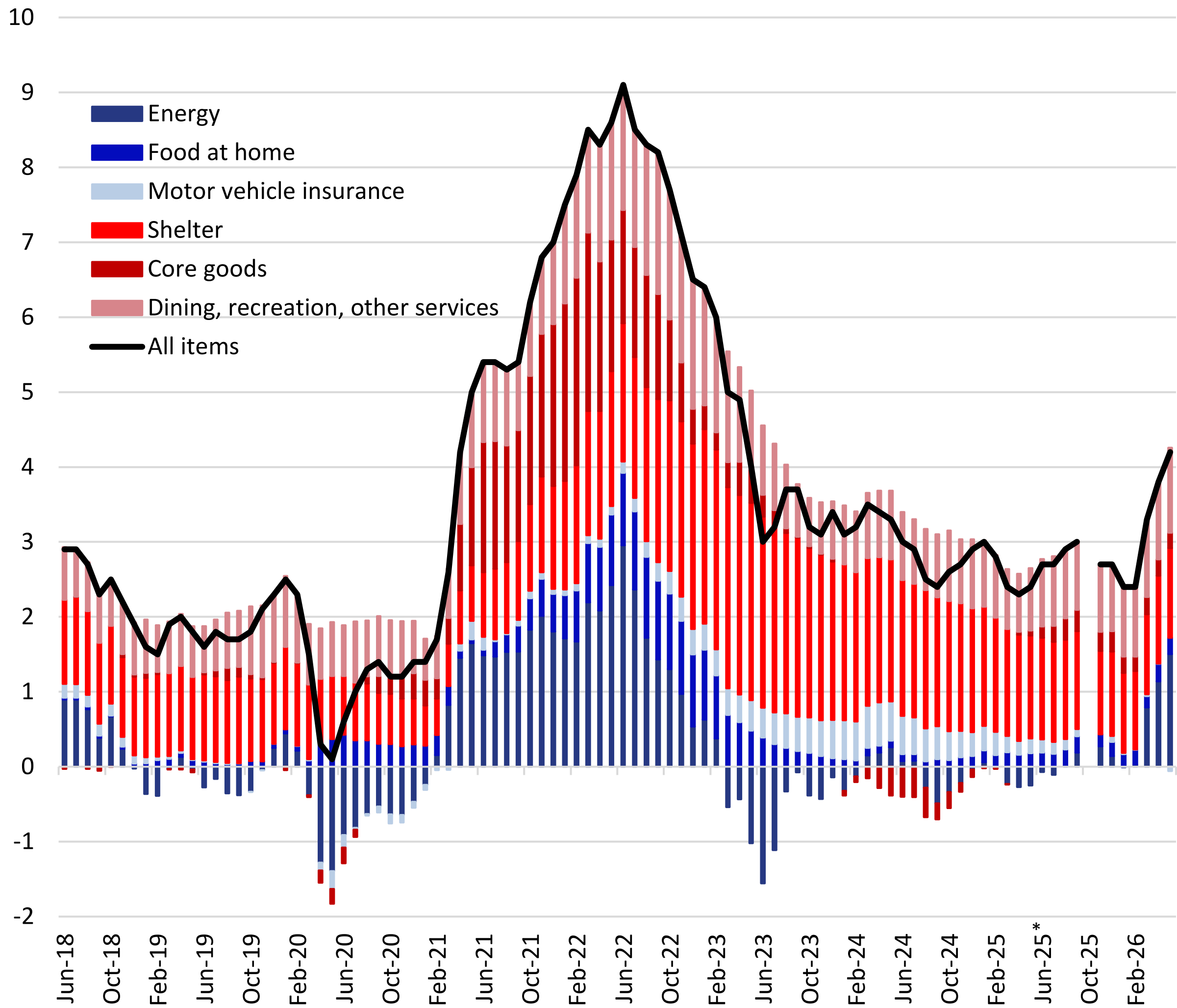
CIO Key Considerations

Amid evolving labor market dynamics, we continue to view productivity-enhancing AI, robotics and automation as key themes.

Gray areas represent recessionary periods. *Refers to average since 1950. Sources: Bureau of Labor Statistics (BLS), Bloomberg. Data through May 2026, as of June 30, 2026. Latest data available. Note: The BLS did not release an unemployment figure for October 2025. **FOR INFORMATIONAL PURPOSES ONLY. Please refer to appendix for important disclosures.**

Inflation Trend Key to Watch in Second Half of 2026

Contribution to Year-over-Year (YoY) % change in Consumer Price Index (CPI), not seasonally adjusted (NSA)



- Headline CPI inflation has risen over the last few months owing to higher energy prices. In May, the core measure, which excludes volatile components including food and energy, rose to 2.9% YoY.
- Prices are still above levels seen pre-pandemic; however, YoY inflation is well below historic highs. Long-term inflation expectations remain anchored near the Federal Reserve's (Fed) 2% target.
- Affordability is likely to remain a theme ahead of midterm elections. A recent revival in core goods' contribution to inflation bears watching.

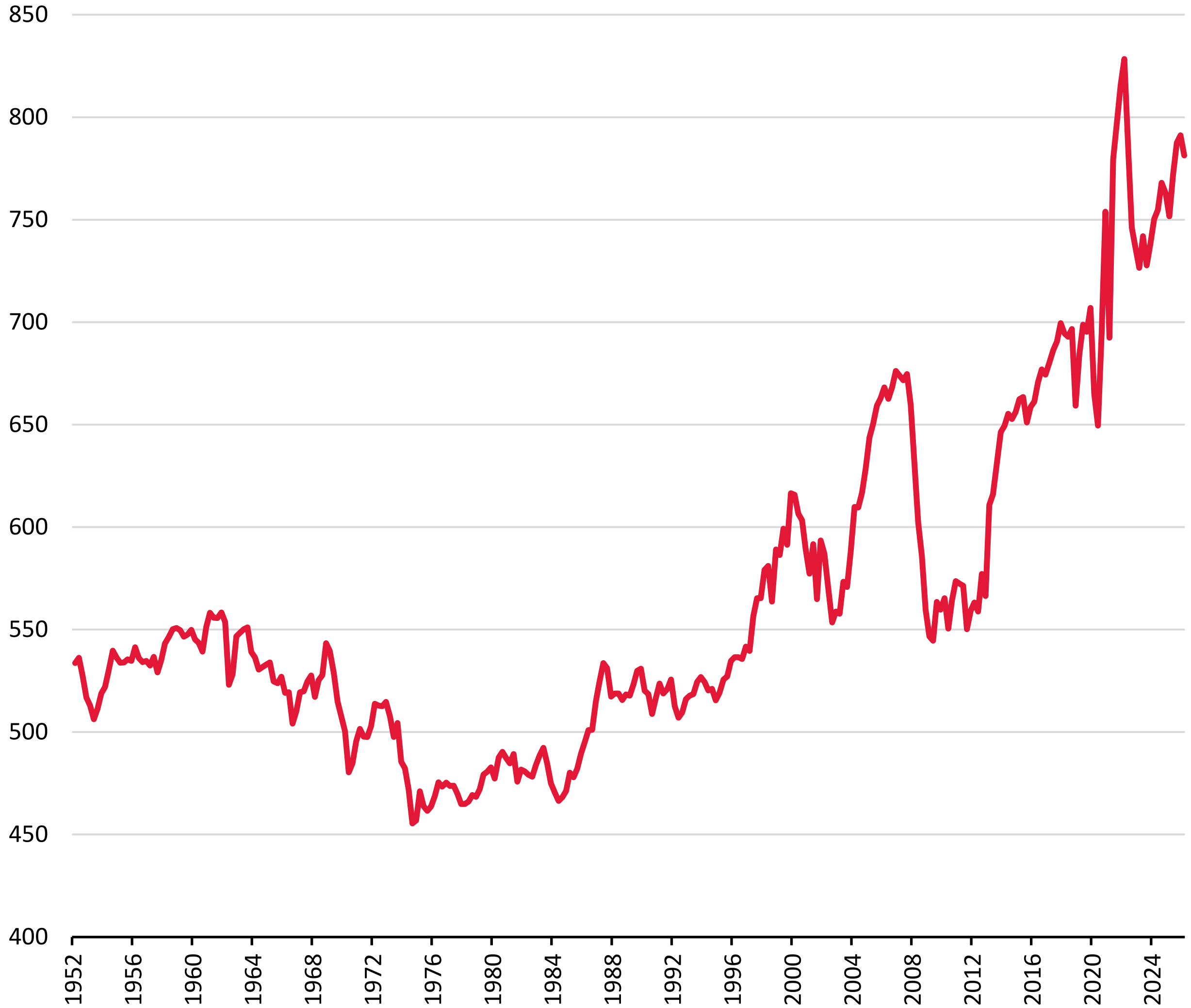
CIO Key Considerations

Well-diversified allocations with special attention to the inflation hedging properties of assets are important for long-term wealth accumulation in this environment.

Sources: Bureau of Labor Statistics (BLS), Bloomberg. Data through May 2026, as of June 10, 2026. Latest data available. *The BLS did not collect survey data for October 2025 due to a lapse in appropriations amid the U.S. government shutdown. Additionally, BLS did not provide motor vehicle insurance data for November 2025. **FOR INFORMATIONAL PURPOSES ONLY. Please refer to appendix for index definitions. It is not possible to invest directly in an index.**

Surging Wealth Helps Explain Resiliency in Spending

Household Net Worth as a Percent of Disposable Personal Income (%)



- Household net worth reached $183 trillion as of Q1 2026. The ratio of wealth to disposable income has risen markedly this decade, fueled in part by ample equity and home price appreciation.
- Wealth effects have become more significant as retirees with a larger propensity to consume out of wealth comprise a greater share of the U.S. population.
- This deeper pool of savings has helped aggregate demand become less vulnerable to cyclical downturns and helps explain why spending growth has outpaced income growth in recent months.

CIO Key Considerations

We expect consumption to remain resilient in aggregate in 2026, enabling solid economic growth. A pullback in high-income spending would be a tail risk to watch.

Source: Federal Reserve. Data as of June 11, 2026. Latest data available. **FOR INFORMATIONAL PURPOSES ONLY. Please refer to appendix for important disclosures.**

The Animal Spirits Live on: Business Formation at Record Highs

Business Applications in Millions, 12-Month Moving Total

- Animal spirits are alive and well in the U.S. with business formation running at an annual pace of 6 million–a record high and more than double the average of 2.8 million per year between 2005 and 2019.
- The rise of generative AI has made launching new businesses easier, faster, and cheaper, reducing barriers to entry and fueling a rise in solo-founder startups.
- A dynamic, entrepreneurial economy goes hand in hand with solid Equity returns, with risk-taking fundamental to the S&P 500's compound annualized total return of 11.7% since 1945.*

CIO Key Considerations

Home to the world's most innovative companies and a risk-taking entrepreneurial culture, the U.S. remains our preferred region in portfolios.

*Bloomberg as of June 30, 2026. Source: U.S. Census Bureau. Data as of June 10, 2026. Latest data available. **FOR INFORMATIONAL PURPOSES ONLY. Please refer to appendix for important disclosures.**

Moderate Dollar Depreciation, Not Outright Debasement

Real Broad Trade-Weighted Dollar Index
January 2006 = 100

- The dollar entered 2025 at its most overvalued level since 1985 and its intentional devaluation via the "Plaza Accord."*
- After weakening against major currencies in 2025, the greenback shifted to slight strength in the first half of 2026 amid heightened geopolitical uncertainty, resilient U.S. economic data and shifting rate expectations.
- The U.S. dollar remains the world's reserve currency, comprising 57% of global foreign exchange reserves in Q1 2026 according to the International Monetary Fund.

CIO Key Considerations

The U.S. remains the world's largest, wealthiest and most competitive economy, which should continue to drive investment in dollar-denominated U.S. assets.

*Plaza Accord was a 1985 agreement among G-5 nations (US, Japan, West Germany, France, UK) to depreciate the US dollar against the Japanese yen and German mark, reducing massive US trade deficits. Source: Bloomberg. Data as of June 30, 2026. Latest data available. **FOR INFORMATIONAL PURPOSES ONLY. Please refer to appendix for index definitions and important disclosures.**

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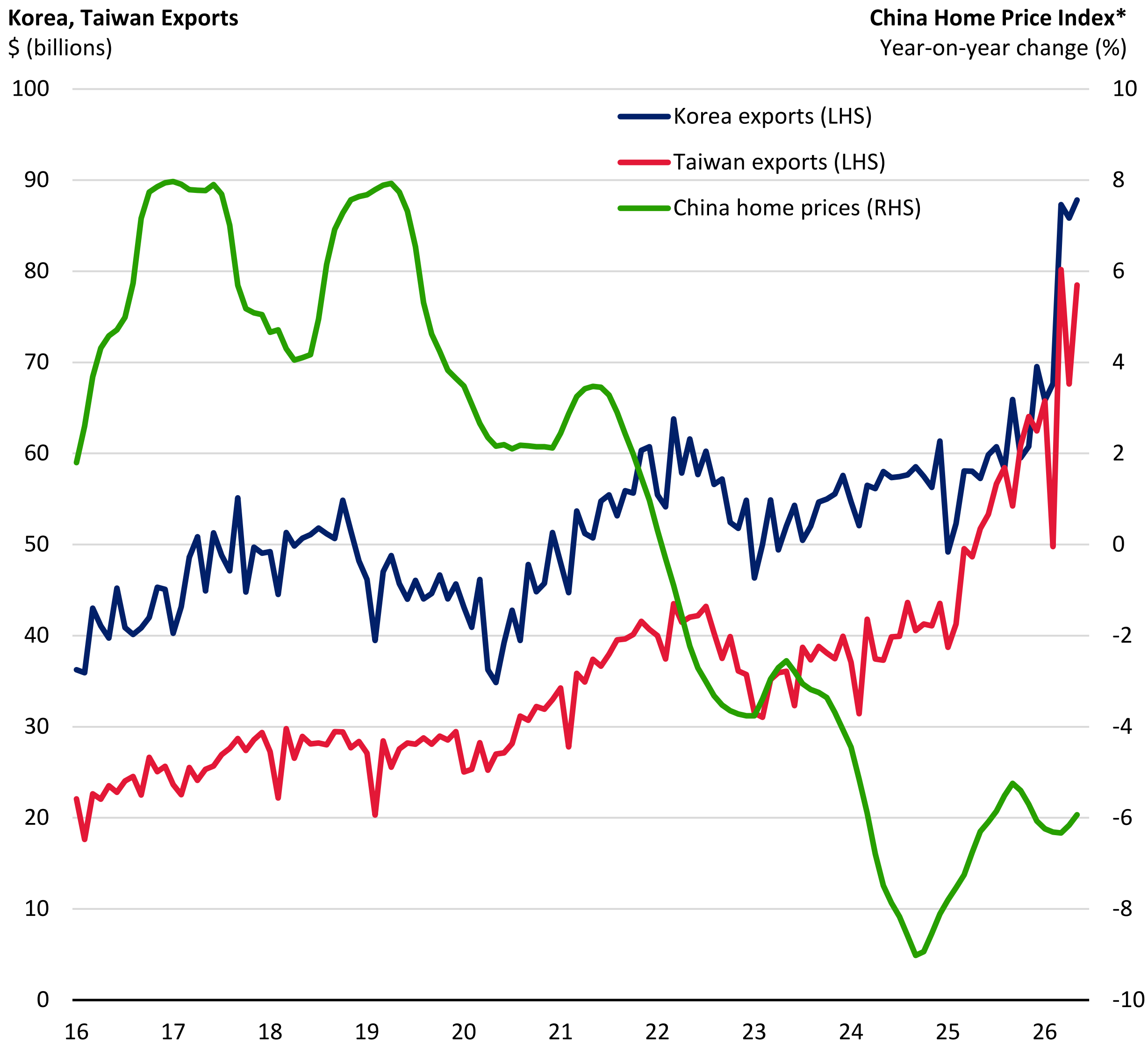
Bifurcation in Asia's Economic Growth



- AI-infrastructure investment has been a strong tailwind for growth in technology-linked Asian economies as the data center buildout drives demand for semiconductors and other Information Technology hardware.
- Surging exports lifted GDP growth in Korea and Taiwan to respective multi-year highs of 3.8% and 14.6% in Q1.
- China's growth has nonetheless remained subdued. Its AI-enabling export exposure is largely limited to electrical and mechanical machinery such as coatings, optical fibers, pumps and fans, while it remains highly-dependent on semiconductor imports. At the same time, ongoing weakness in housing and consumption continues to weigh on domestic demand.

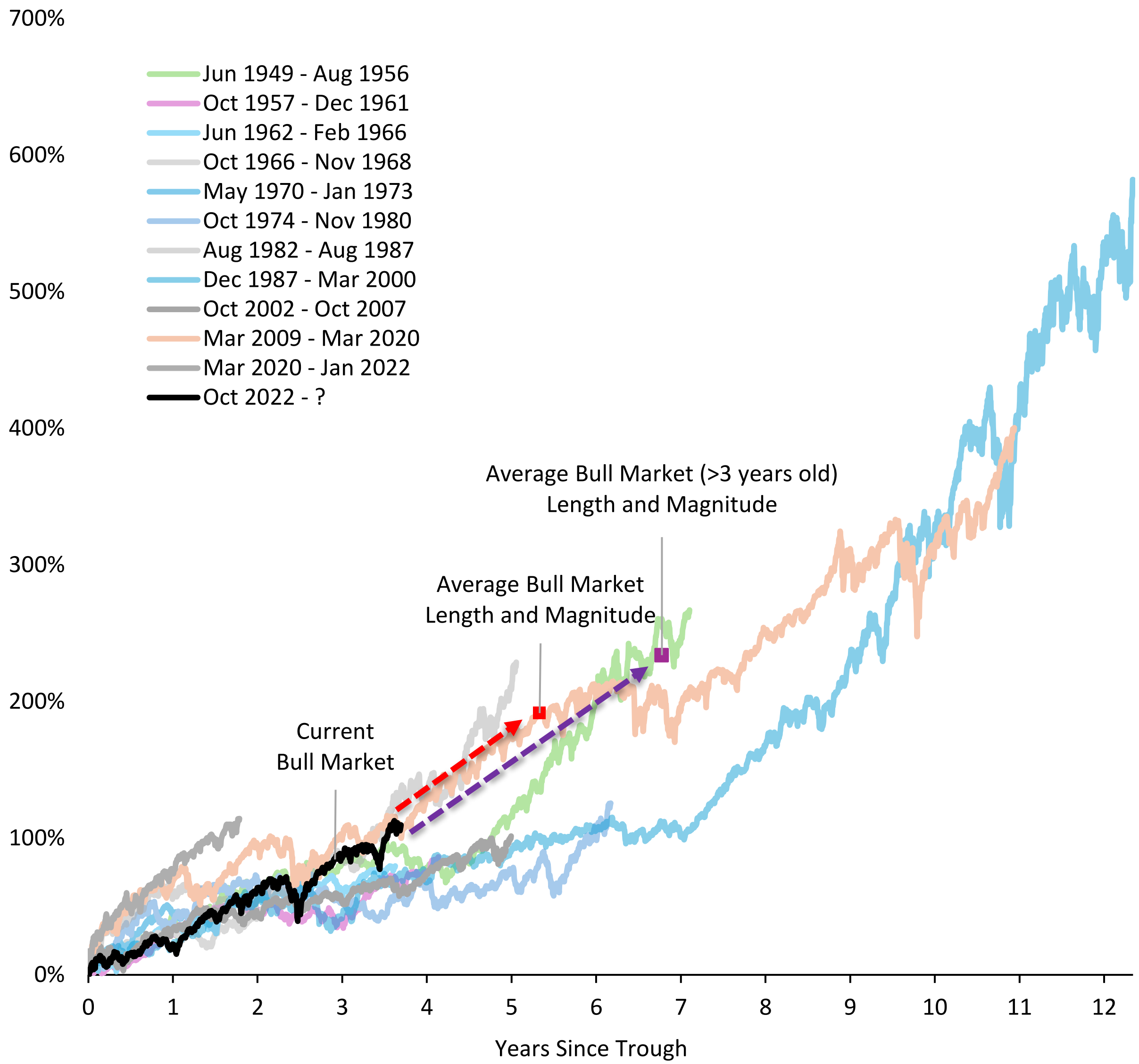
CIO Key Considerations

AI investment spending is likely to remain a growth driver for economies exposed to related capex, equipment and components. Asia on balance remains a key beneficiary, but weak domestic demand continues to be a headwind for China.

*China 70-city existing home price index. Source: Bloomberg. Data as of May 2026. Latest data available. **FOR INFORMATIONAL PURPOSES ONLY. Please refer to appendix for index definitions and important disclosures.**

Mapping this Bull Market's Trajectory: How High? How Long?

S&P 500 Cumulative Bull Market Price Return (Trough to Peak)



- The S&P 500 has gained around 110% since October 2022, underscoring a resilient bull market now more than 3.5 years old despite intermittent volatility tied to factors like global tariffs or geopolitical conflicts.
- We view this cycle as fundamentally supported by robust corporate earnings trends, with structural tailwinds from reshoring, re-industrialization, robotics and a renaissance in biotechnology helping to extend the expansion.
- Historical comparisons suggest the rally may still have room to run, as bull markets since 1949 have averaged around 192% returns over around 5.5 years, while those extending beyond three years—like today—have historically delivered closer to around 234% over nearly seven years.

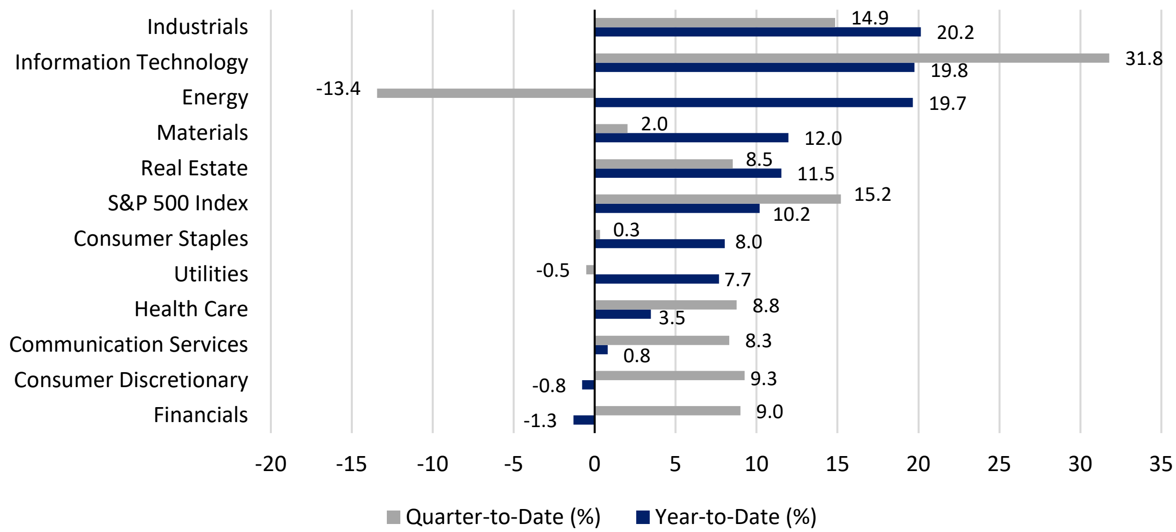
CIO Key Considerations

We believe U.S. Equities remain well positioned for attractive returns over the long term. Given the U.S. market's exposure to transformative growth themes, we maintain an overweight stance and view pullbacks as potential opportunities to add exposure.

The red dashed arrow line illustrates the path from the current bull market to the length and cumulative price return of the average bull market since 1949. The purple dashed arrow line illustrates the path from the current bull market to the length and cumulative price return of the average bull market since 1949 that has lasted more than three years. Dotted lines are for illustrative purposes only. Source: Bloomberg. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Past performance is no guarantee of future results. It is not possible to invest directly in an index. Please refer to appendix for index definitions and important disclosures.**

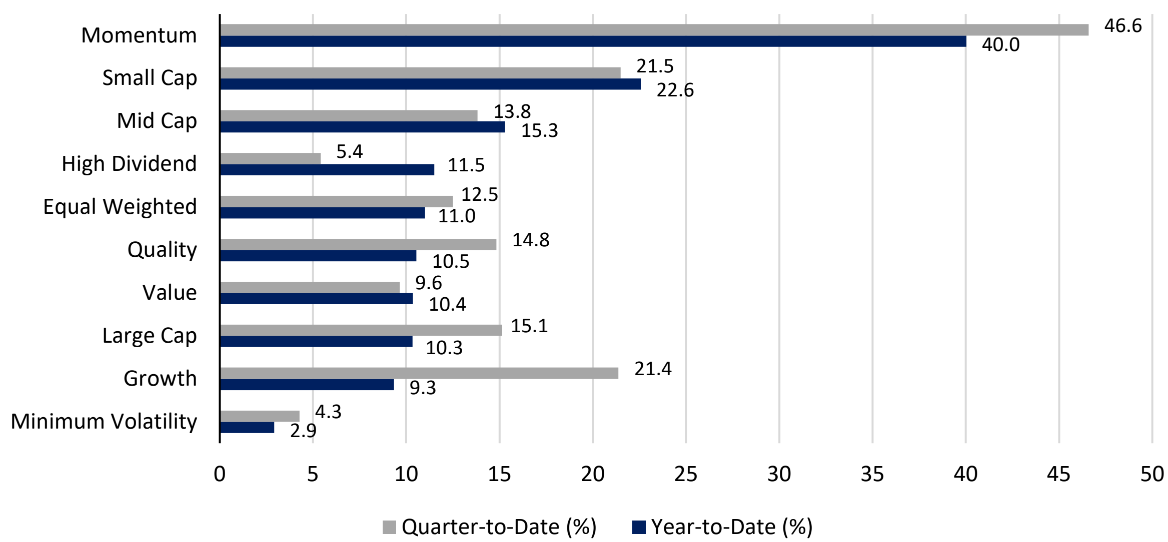
Sector and Factor Performance Barometer

Performance by S&P 500 Index Sector



- U.S. Equity sectors were largely positive in Q2 with Energy and Utilities being the only laggards. Information Technology posted its best quarter since Q4 2001, reversing its losses from Q1.
- The renewed strength within Technology was fueled by increased optimism on accelerating AI capex. Additionally, focus has shifted from AI enablers to AI adopters, further highlighting the rotation within equity markets.
- All factors are now positive YTD, illustrating a risk-on environment led by momentum and Small-caps. Similarly, Growth strongly outperformed Value in Q2.

Performance by Factor



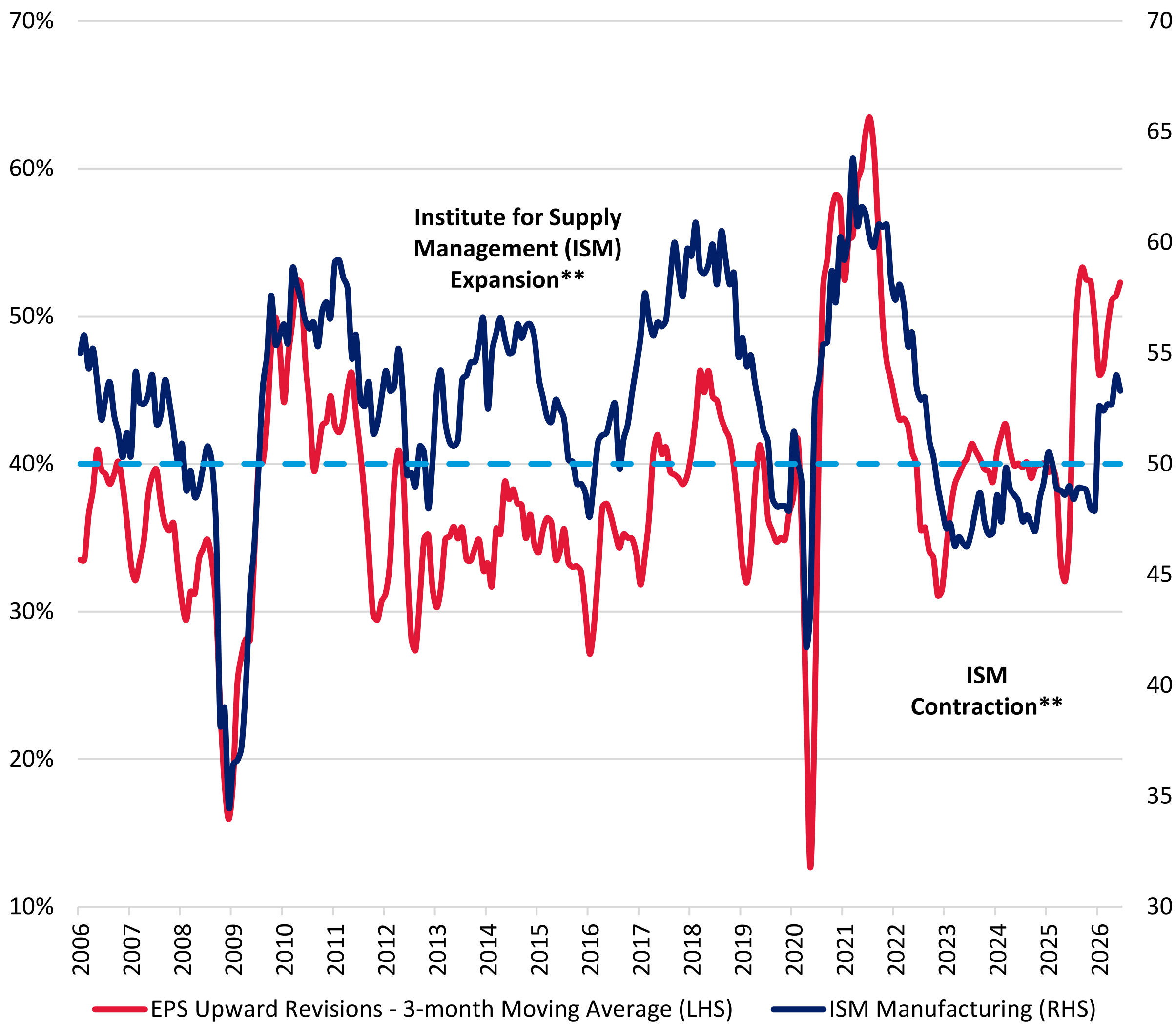
CIO Key Considerations

Maintaining a balanced, diversified portfolio with exposure across cyclical industries, rate-sensitive and growth sectors remains a key priority during periods of heightened market volatility.

Source: Bloomberg. Data as of June 30, 2026. Total returns referenced. Large-cap, Mid-cap, and Small-cap are represented by Russell Indexes. Equal Weighted, Value, Growth, Quality, High Dividend, Minimum Volatility and Momentum are represented by MSCI USA Indexes. **FOR INFORMATIONAL PURPOSES ONLY. Past performance is no guarantee of future results. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Please refer to appendix for index definitions and important disclosures.**

Industrial Cycle Supports Earnings Acceleration

S&P 500 Annual Earnings Per Share (EPS) Upward Revisions as % of Total (Upward, Down, Unchanged)



- Fiscal support and reshoring tailwinds have energized U.S. economic activity. The ISM Manufacturing PMI* has remained in expansion territory for five consecutive months, reinforcing our constructive earnings outlook.
- Annual earnings revisions have improved meaningfully since mid-2025, underpinned by significant capex, resilient U.S. consumers, and the re-industrialization cycle.
- Manufacturing upcycles typically coincide with upward earnings revisions and broader earnings participation beyond Technology, providing an additional tailwind to sustain double-digit earnings growth in 2026.

CIO Key Considerations

Our constructive earnings outlook is a key pillar within our overweight to U.S. Equities. We favor exposure to both Growth and Value, emphasizing broad diversification.

Source: FactSet, Bloomberg. *Purchasing Managers' Index. **An ISM manufacturing reading above 50 indicates that the manufacturing sector economy is generally expanding; below 50 indicates it is generally contracting. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to appendix for glossary, index definitions and important disclosures.**

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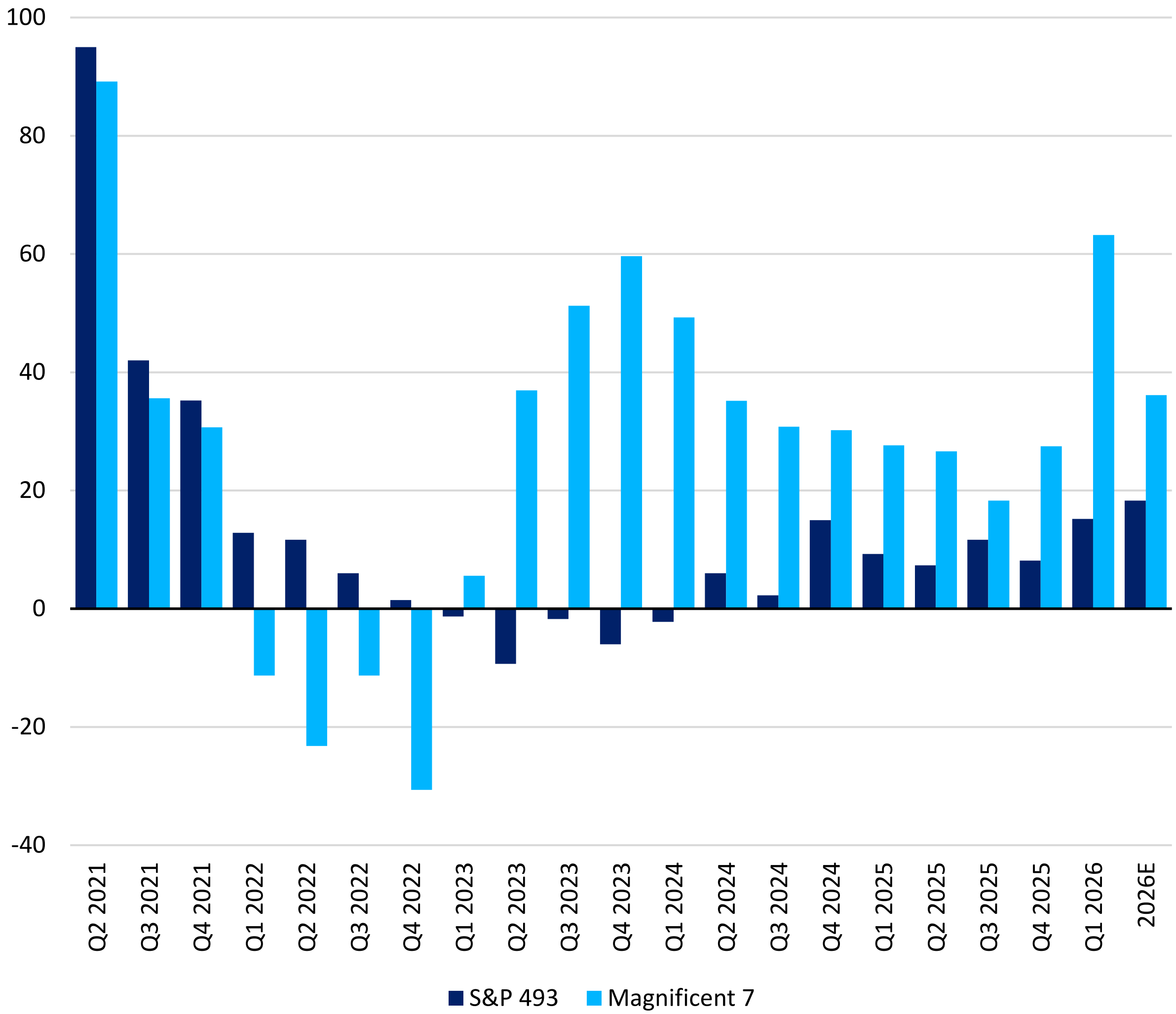
Record Earnings for Both Technology and the Rest of the Index

Quarterly EPS Growth: Magnificent 7* vs. S&P 493
YoY Growth (%)



- Q1 2026 marked the S&P 500's sixth straight quarter of double-digit earnings growth. 12-month forward profit margins remain at record highs.
- The Magnificent 7 continued to produce impressive growth in Q1, boosted in part by one-time investment gains, but strength extended to the rest of the index. The S&P 493 logged its best quarter of earnings growth in five years.
- Sector-wise, earnings growth broadened to ten of 11 S&P 500 sectors in Q1, seven of which saw growth exceeding 15% YoY.

CIO Key Considerations

We expect solid corporate earnings to be the primary driver of U.S. Equity returns in 2026 rather than multiple expansion.

*Includes Alphabet, Amazon, Apple, Meta, Microsoft, NVIDIA, and Tesla. S&P 493 refers to S&P 500 excluding the Magnificent 7. 2026E = 2026 full-year estimate as of July 1, 2026. Source: FactSet. Data as of July 1, 2026.
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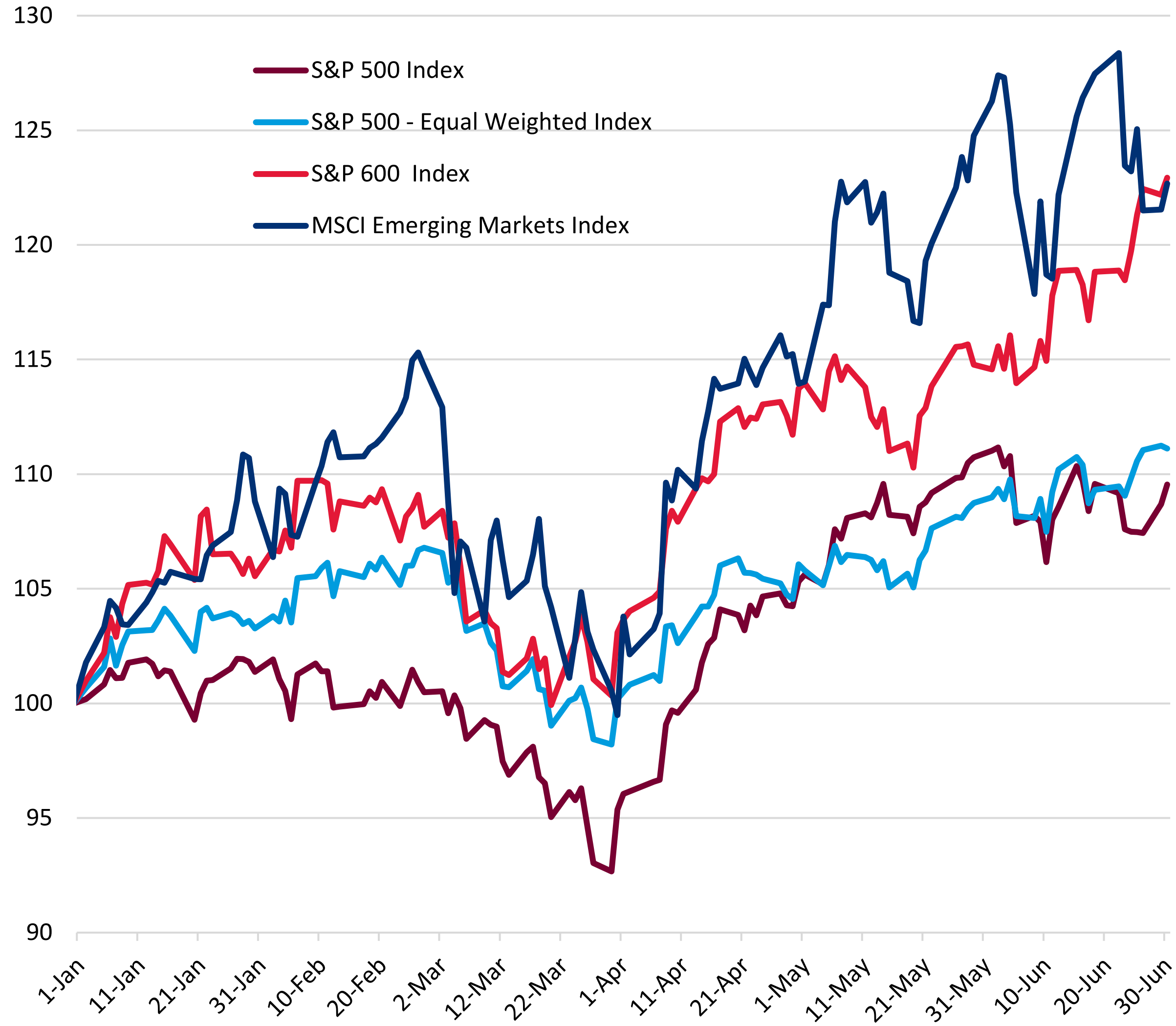
The Rotation Across Equities Continues

Normalized to 100 as of December 31, 2025



- Technology has led the rally off the March 30 lows, but renewed strength within this cohort has not come at the expense of the broader market.
- A YTD lens has provided a clearer perspective. While AI remains the primary engine of returns, market participation has broadened meaningfully. Strength is extending down the capitalization spectrum, with Small-caps outperforming Large-caps, and internationally, where Emerging Markets were among the top performers.
- The takeaway: Diversification across and within Equities has been rewarded this year as new pockets of market leadership have emerged.

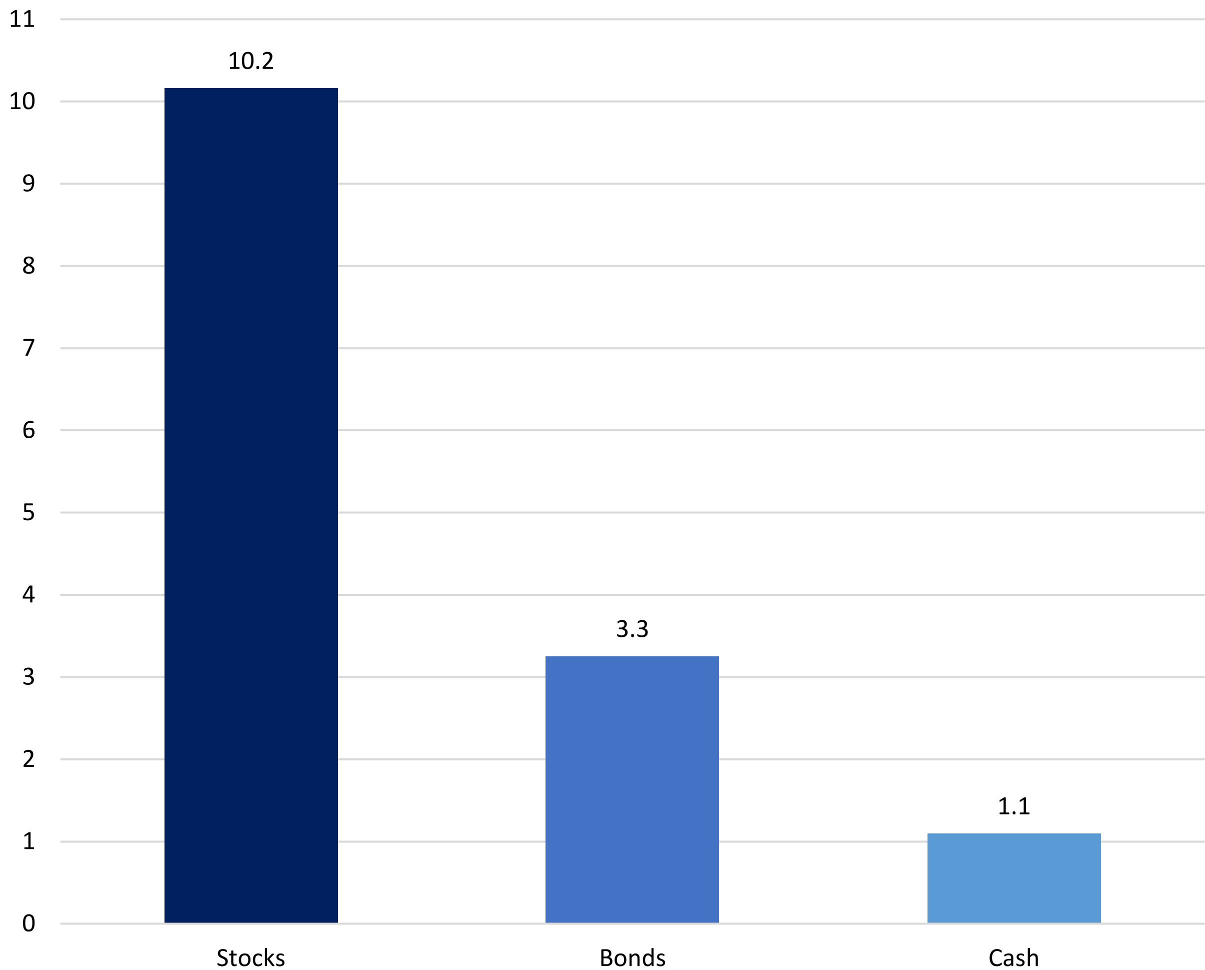
CIO Key Considerations

As market dynamics evolve, we continue to emphasize the importance of maintaining the highest level of diversification in portfolios.

Source: Bloomberg. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to the appendix for asset class proxies, index definitions and important disclosures.**

Stocks Lead the Way: Real Returns After Inflation

Average Annual Total Returns After Average Annual Inflation (%)
1978 - 2025



- The latest geopolitical flare-up has raised concerns that inflation could reaccelerate. The risk may warrant a closer look at real returns across asset classes throughout history.
- Since 1978, Equities delivered annual total returns that far exceeded the rate of inflation, on average. Bonds also provided moderate returns after inflation, on average, while offering income and stability in portfolios.
- Meanwhile, cash has barely kept up with rising prices over the long-term. While it’s essential that investors maintain appropriate levels of cash in portfolios, it should not be viewed as a long-term investment.

CIO Key Considerations

On average, Equities have historically generated relatively attractive returns after inflation. We maintain an Equity overweight in 2026.

Source: Bloomberg. Annual data as of December 31, 2025. Latest data available. Stocks = S&P 500 Index. Bonds = Bloomberg U.S. Aggregate Bond Index. Cash = ICE BofA U.S. 3-Month Treasury Bill Index. Annual total returns after average annual YoY U.S. CPI referenced for inflation. **FOR INFORMATIONAL PURPOSES ONLY. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to the appendix for asset class proxies, index definitions and important disclosures.**

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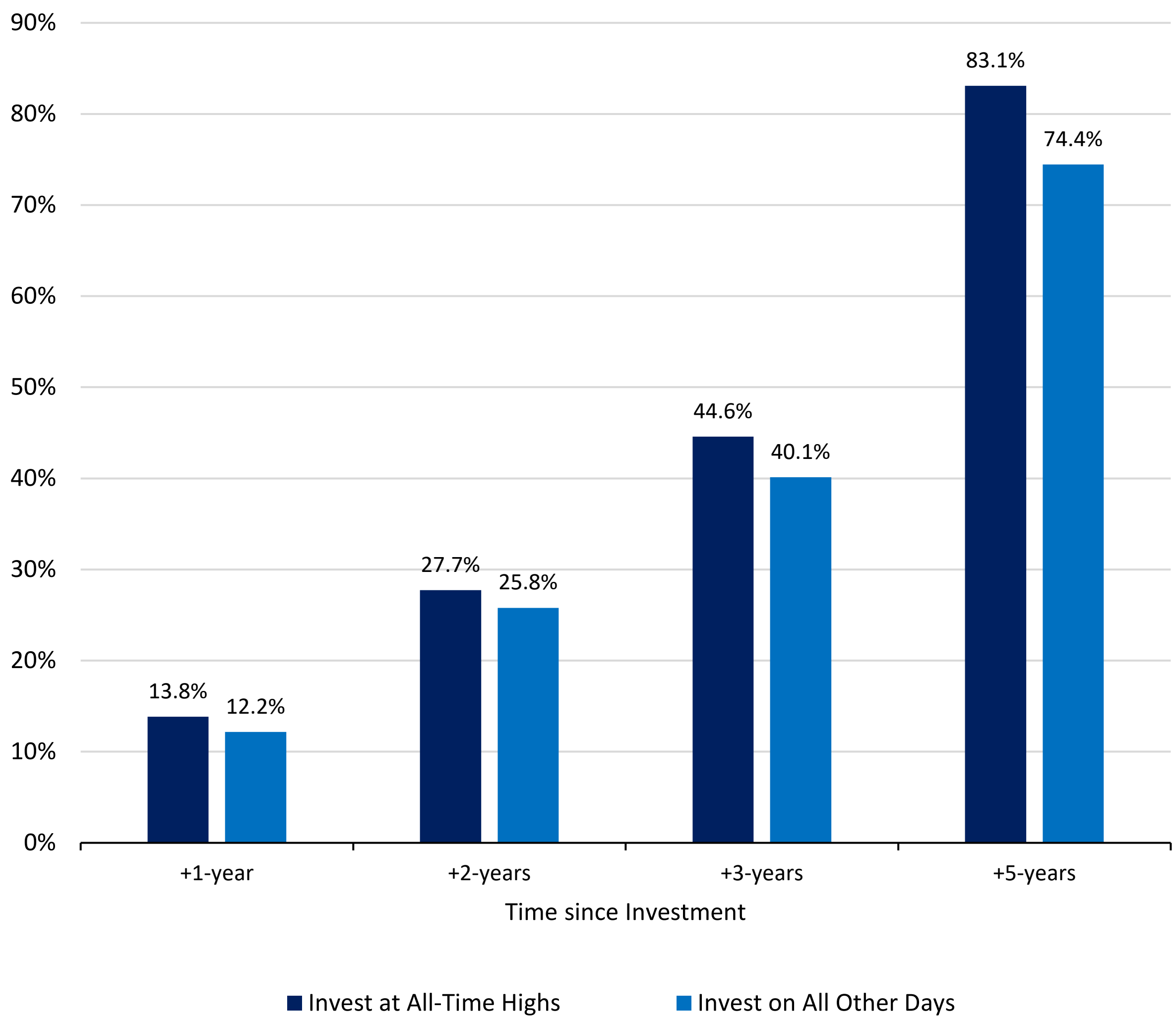
Investing at All-Time Highs

S&P 500 Average Forward Total Returns (1990-2026*)



- While it may seem counterintuitive, investing on the day of a new all-time high has resulted in slightly higher forward returns than investing on any other day since 1990, on average.
- In part, that's because all-time highs have been clustered together during past secular bull market cycles, when Equities tend to have some forward momentum. Looking out one year from each all-time high that the S&P 500 has achieved on a total return basis since 1990, drawdowns of greater than 10% have occurred less than 5% of the time.
- Investing at all-time highs may feel uncomfortable, but avoiding the market altogether due to seemingly stretched valuations could lead to missed potential opportunities for returns.

CIO Key Considerations

Starting valuations are important inputs in the portfolio construction process and may influence long-term outcomes, but they are ultimately just one of many factors to consider when deciding to invest.

Source: Bloomberg. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to appendix for asset class proxies, index definitions and important disclosures.**

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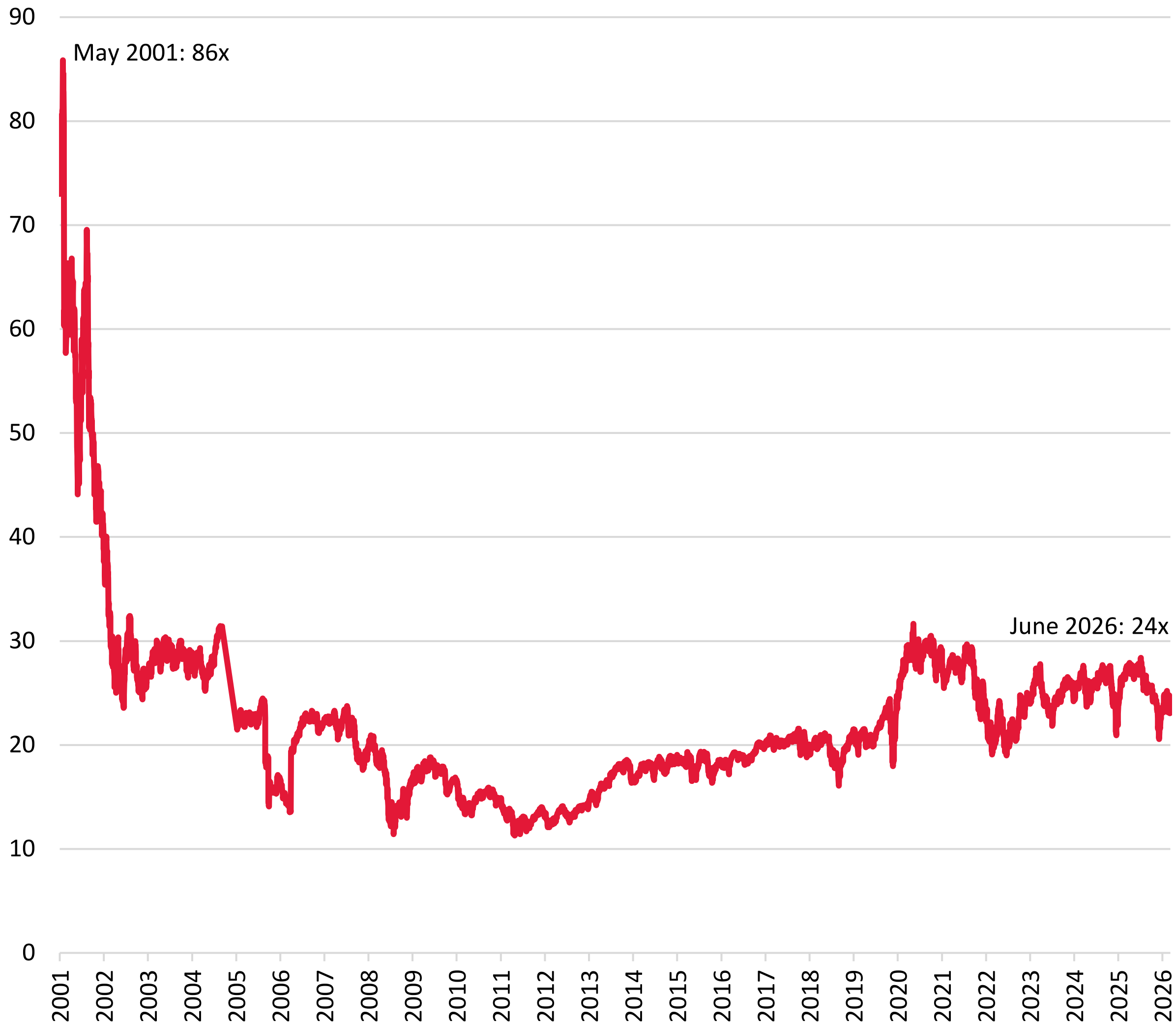
“Dot-Com” Parallels: Superficial Similarities, Structural Differences

Nasdaq 100 Index - Blended Forward 12m Price-to-Earnings (P/E) Ratio



- While today’s market backdrop invites comparisons to the dot-com era, we continue to see important differences.
- The current cycle is underpinned by far stronger fundamentals: Innovation-driven Equities significantly outpaced their earnings-generating capacity during the dot-com era, but today the Technology sector was among the primary contributors to S&P 500 earnings growth.
- Valuations remain elevated but fundamentally supported: The Nasdaq 100 Index traded with a price-to-earnings (P/E) ratio of 86x in 2001 versus 24x today, which is in the 69th percentile going back to 2001. Stronger earnings and more grounded valuations have continued to set this cycle apart.

CIO Key Considerations

While secular tailwinds and solid fundamentals may continue to support AI-oriented Equities, investors should look to avoid overexposure to any one area of the market.

Source: Bloomberg. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to appendix for glossary and index definitions.**

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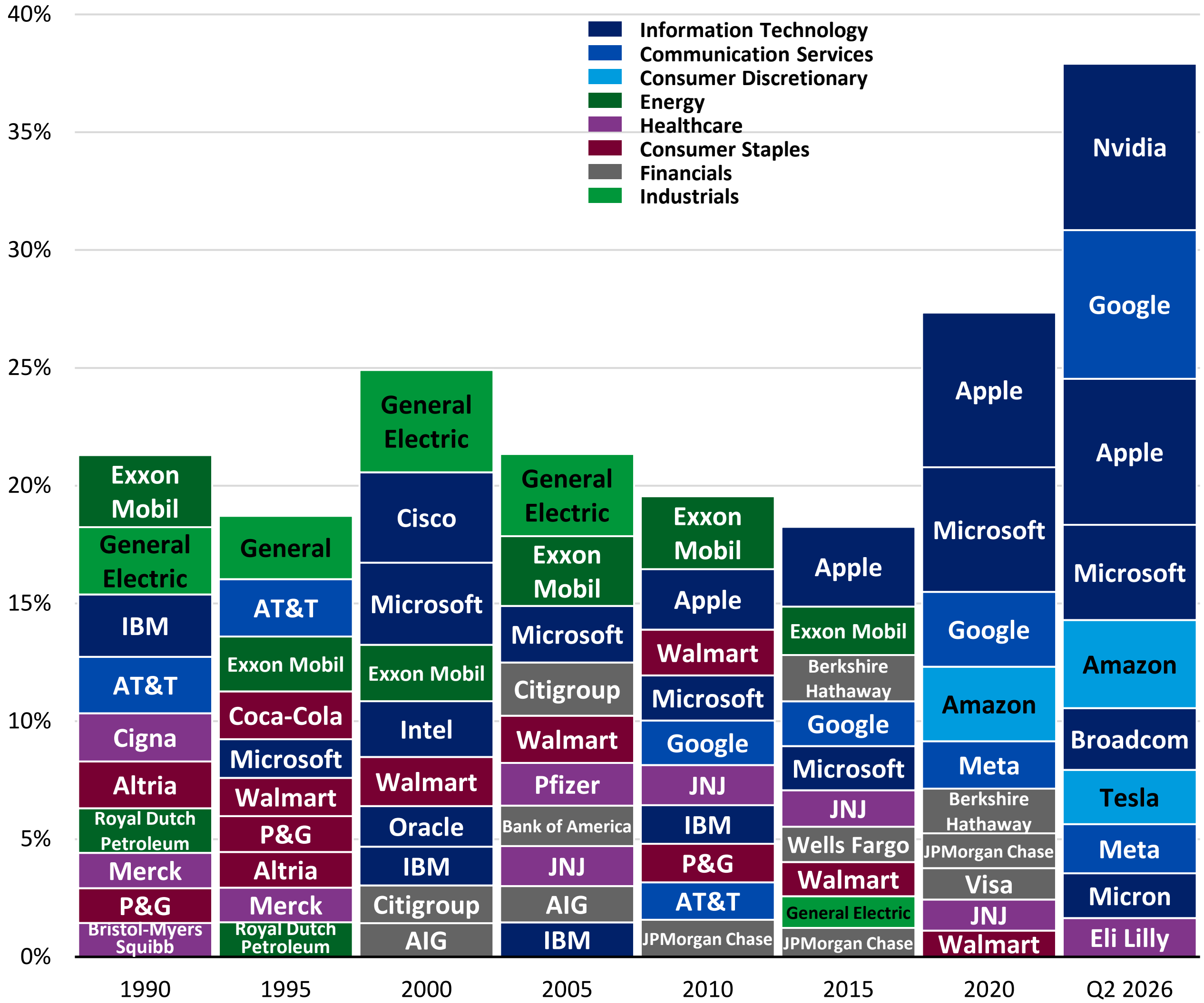
Taking Stock of Historical Market Leadership

Top 10 Companies by Market Cap
Percent of Total S&P 500 Market Cap



- The composition of leaders within the S&P 500 differs substantially from decades prior.
- Technology made up nearly 40% of the S&P 500 by the end of Q2. This share hovers near highs reached in 2000.*
- Concentration remains a reality of today's leadership, with the three largest companies in the S&P 500 accounting for nearly one-fifth of the overall index.*

CIO Key Considerations

Diversification helps investors guard against overexposure to one area of the market and seeks to mitigate portfolio concentration.

*As of June 30, 2026. Source: Bloomberg. Data as of June 30, 2026. **Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or its securities.** Note: Global Industry Classification Standard (GICS) classification as of 2026 adopted for sector grouping. Annual data reflects market capitalization by calendar year. Q2 2026 market cap as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Past performance is no guarantee of future results. Please refer to appendix for index definitions and important disclosures.**

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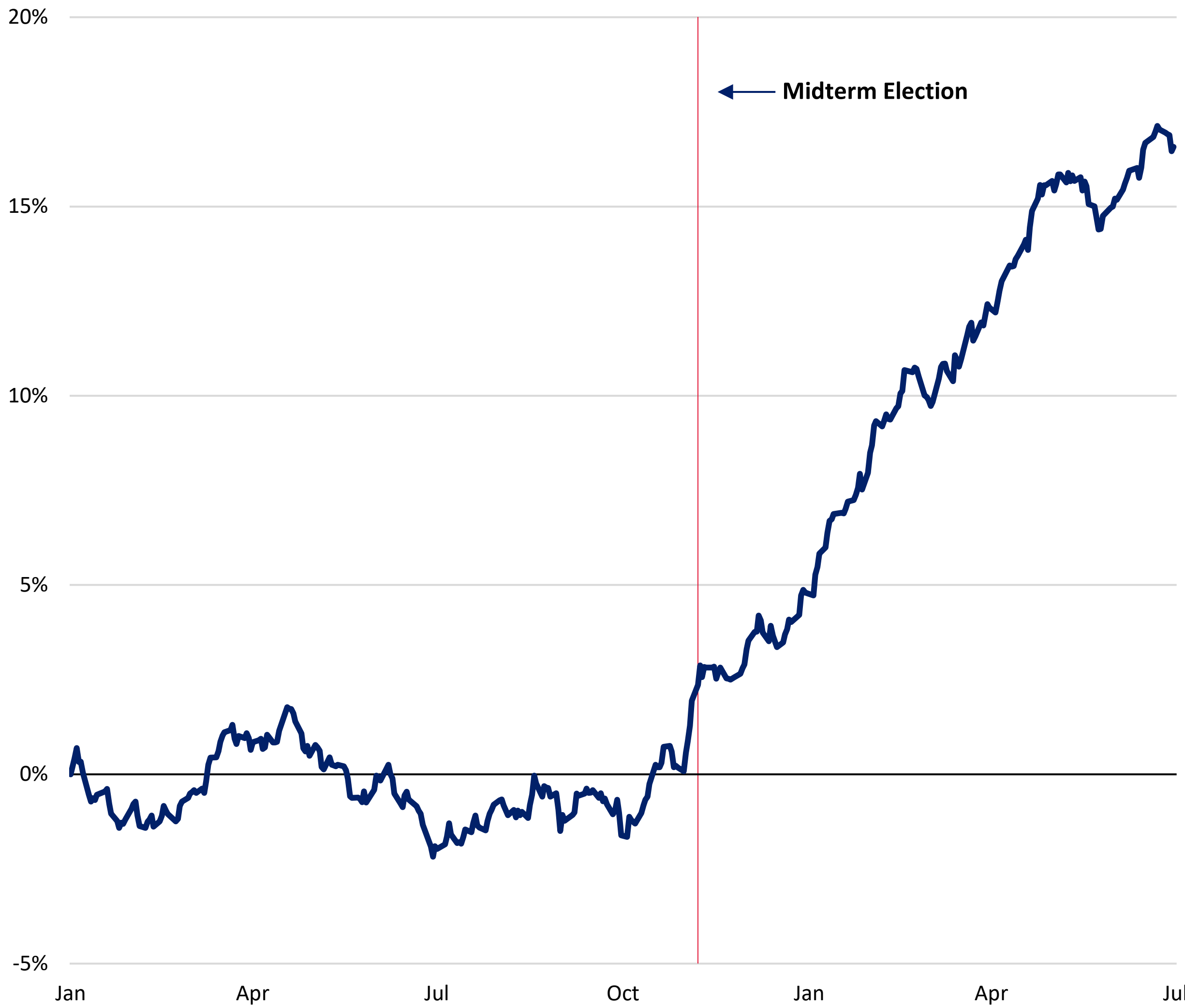
A Look Back at U.S. Equity Performance in Midterm Election Years

Average S&P 500 Performance Before and After Midterm Elections (1950-2022)*



- A look at historical performance suggests that the months leading up to midterm elections can be choppy for U.S. Equities.
- The trend around midterm elections over the last 75 years points to weaker pre-election returns followed by impressive positive returns in the months following the election, on average. Post-election clarity can remove pre-election policy uncertainty.
- In the post-war period, the S&P 500 has delivered positive total returns post-election 100% of the time over both 6- and 12-month horizons, averaging 14.9% and 18.3% respectively.

CIO Key Considerations

Uncertainty leading up to midterm elections can provide a compelling buying opportunity, historically speaking.

*Average S&P 500 performance beginning in January of midterm election years and ending midway through the following year. Source: Bloomberg. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Past performance is no guarantee of future results. Please refer to appendix for index definitions and important disclosures.** The Chief Investment Office (CIO) views and opinions expressed are for informational purposes only, are made as of the date of this material, and are subject to change without notice.

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IPO Buzz Meets Market Reality

Initial Public Offering (IPO) History of the Largest S&P 500 Constituents and Subsequent Index Performance

		S&P 500 Index Forward Total Return		
Name	**IPO Pricing Date**	**6 Mo**	**12 Mo**	**24 Mo**
Nvidia	21-Jan-99	12%	18%	11%
Apple	12-Dec-80	6%	2%	20%
Microsoft	13-Mar-86	1%	29%	21%
Amazon	14-May-97	12%	36%	65%
Google	18-Aug-04	11%	13%	23%
Broadcom	5-Aug-09	7%	15%	24%
Facebook	17-May-12	5%	31%	50%
Tesla	28-Jun-10	18%	23%	29%
Berkshire Hathaway	8-May-96	15%	30%	78%
JP Morgan	5-Mar-69	-5%	-6%	7%
Average		***8%***	***19%***	***33%***

- A pipeline of IPOs—primarily within the AI and broader Technology and Telecommunications sectors—has recently attracted significant investor attention and media focus.
- Major IPOs may broaden public access to innovation leaders, but near-term effects on Equity indexes may be limited by constrained float and index-inclusion guardrails.
- Following the IPOs of companies that are now among the S&P 500's largest constituents, forward index returns have historically been positive—averaging 8%, 19%, and 33% over 6-, 12-, and 24-month periods.

CIO Key Considerations

High-profile AI and technology IPOs are drawing attention, but the near-term index impact may be more limited than the headlines suggest.

Source: Bloomberg. Data as of June 30, 2026. Total return referenced. **FOR INFORMATIONAL PURPOSES ONLY. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to appendix for asset class proxies, index definitions and important disclosures.**

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Risk Monitor: Fed Rate Hikes Back in Focus

Expectations for Fed interest rate hikes this year have been building amid elevated inflation and a more hawkish tone from policymakers. In our view, the primary risk to our constructive base case would be a sharp rise in rates driven by a more aggressive Fed response. In other words, if the Fed is forced to hike rates quickly to contain inflation, then valuations and growth enthusiasm could be called into question. That said, we think the Fed will remain highly data-dependent ahead, with a particular focus on whether inflation pressures begin to ease as geopolitical risks moderate. History suggests equity performance during hiking cycles can vary meaningfully based on growth, inflation and earnings dynamics, reinforcing why we continue to emphasize a greater degree of diversification ahead.

What Happened to Stocks When the Fed Hiked Rates?

Fed Funds Rate (FFR) Hike		Cycle Duration	FFR Level		FFR Change	S&P 500 Forward Total Return After First Fed Rate Hike			Annualized Total Return
First	Last	(Months)	Start	End	(Basis Points)	+3 months	+6 months	+12 months	From First to Last Hike
Mar 1988	May 1989	13.6	6.50%	9.75%	+325	5.2%	6.8%	16.6%	23.8%
Feb 1994	Feb 1995	11.9	3.00%	6.00%	+300	-3.3%	-1.0%	4.8%	3.0%
Jun 1999	May 2000	10.5	4.75%	6.50%	+175	-6.2%	7.4%	7.2%	9.1%
Jun 2004	Jun 2006	24.0	1.00%	5.25%	+425	-1.9%	7.3%	6.3%	7.6%
Dec 2015	Dec 2018	36.1	0.00%	2.25%	+225	-1.6%	1.4%	11.3%	8.7%
Mar 2022	Jul 2023	16.3	0.00%	5.25%	+525	-15.5%	-10.4%	-7.6%	5.2%
Average		18.7			+329	-3.9%	1.9%	6.4%	9.6%
Median		15.0			+313	-2.6%	4.1%	6.8%	8.2%
% Positive						16.7%	66.7%	83.3%	100.0%

Equity Watch List

- Monetary policy outlook and shifting expectations for interest rates
- Trajectory of Middle East conflict
- Impact of elevated oil prices on inflation and the consumer
- The outlook for AI investment and competition
- Progression of global earnings estimates
- Evolving dynamics within Private Credit

Risk Considerations

- Protracted conflict in the Middle East and higher-for-longer oil prices posing a risk to earnings, inflation, and capex
- Escalation in AI concerns due to an earnings miss, supply shock, or tighter credit conditions
- Potential for a pullback in high-income consumer spending
- Potential for slower-than-expected labor market stabilization
- Global fiscal concerns, as well as sticky inflation and its potential impact on Fed policy ahead
- Geopolitical uncertainty and heightened global protectionist measures

Change in FFR based on the lower bound of the target FFR range. Sources: Federal Reserve, Bloomberg. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY.** Views and opinions expressed are for informational purposes only, are made as of the date of this material, and are subject to change without notice. **Please refer to appendix for asset class proxies, index definitions and important disclosures. Past performance is no guarantee of future results.**

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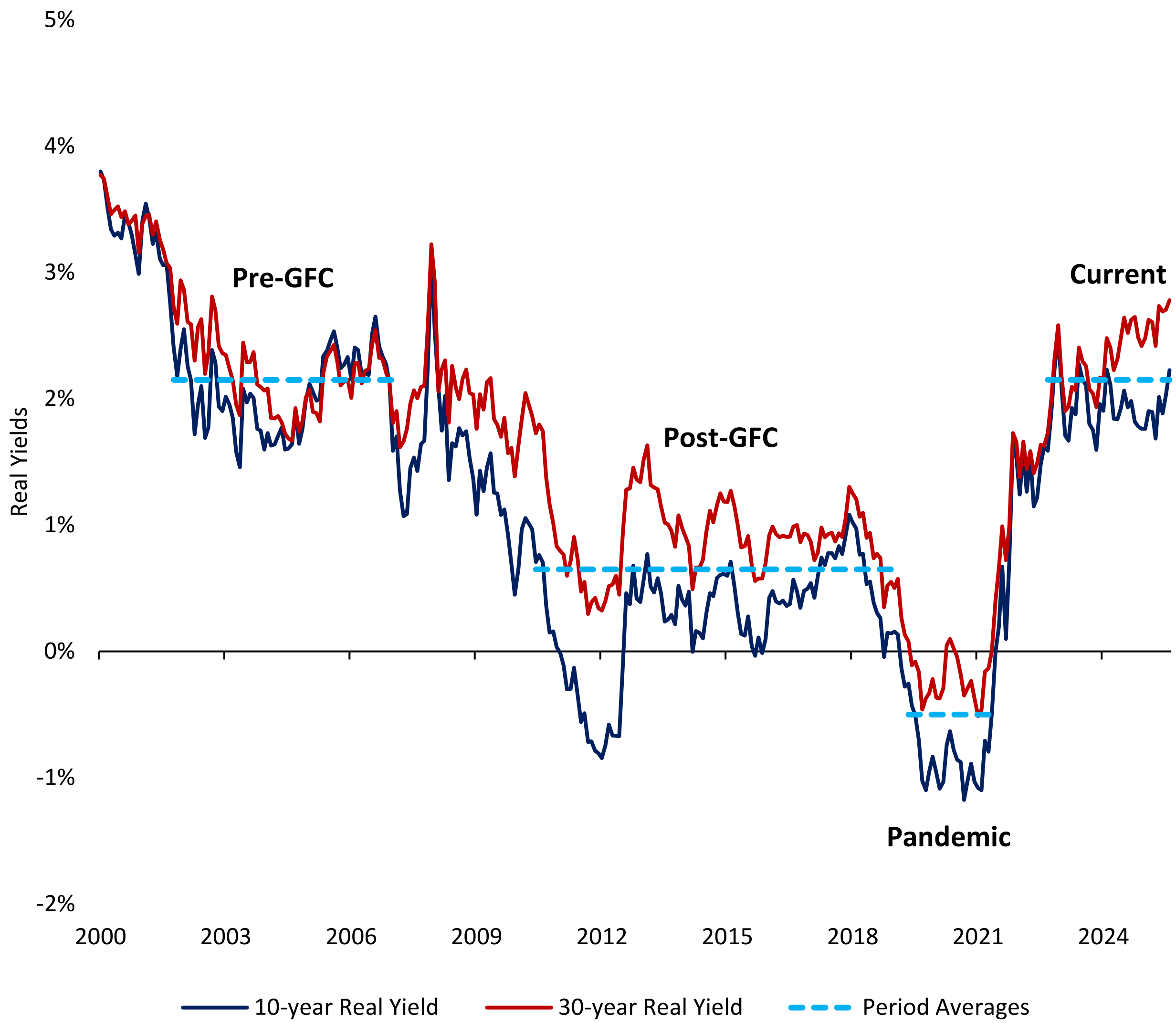
High Real Yields Create an Attractive Opportunity for Fixed Income



- While nominal Treasury yields have risen significantly since the pandemic, so too have real yields, reaching near pre-2008/2009 Global Financial Crisis (GFC) levels.
- Real yields—that is to say yields in excess of inflation—are positive for Fixed Income investors, and we believe investors are now more adequately compensated for inflation risk.
- However, we do not expect real yields to hit the high levels seen from the late 1990s to early 2000s.

CIO Key Considerations

In our view, this is an opportune time for clients to extend portfolio duration toward strategic targets, generating meaningful income relative to cash with limited credit risk and enhancing portfolio diversification.

Sources: Bloomberg, Inflation Indexed U.S. 10-Year Government Bond, Inflation Indexed U.S. 30-Year Government Bond. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Please refer to appendix for glossary, asset class proxies, index definitions and important disclosures. Past performance is no guarantee of future results.**

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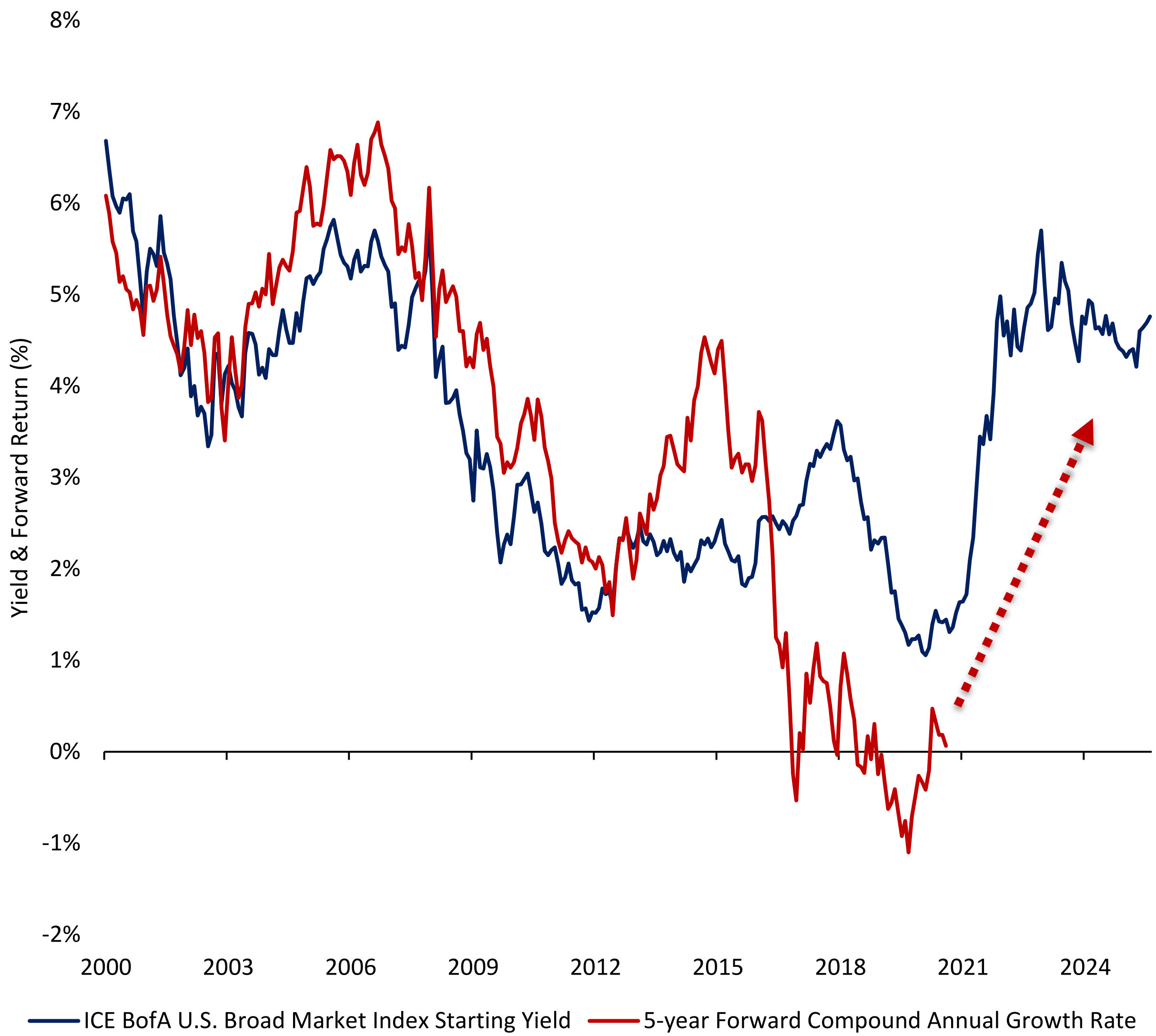
Starting Yield As a Driver for Fixed Income Returns



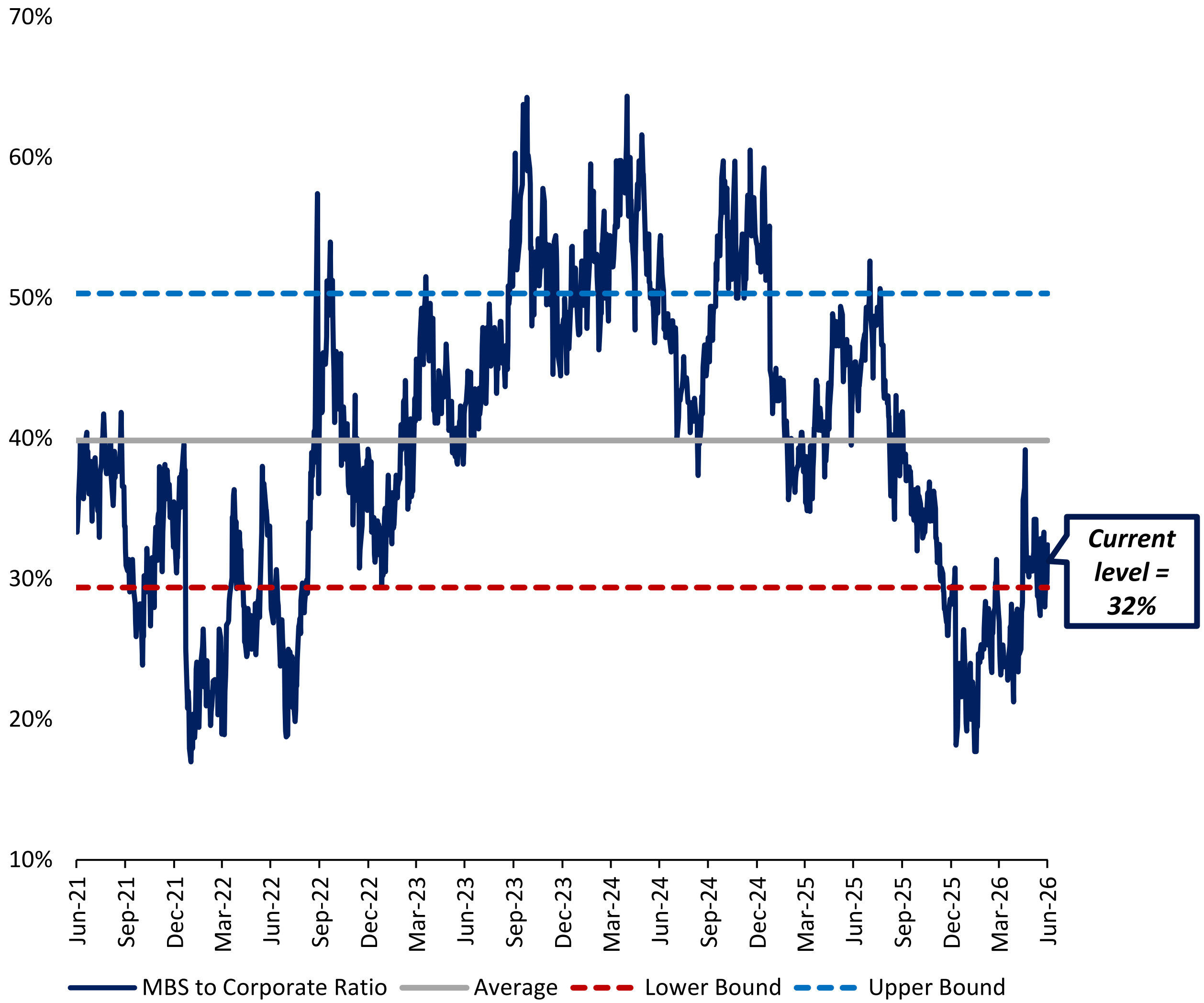
- Starting yields have historically been highly correlated (approximately 80%) with future returns and have provided a buffer against potential rate volatility.
- Higher starting yields could help cushion against price drawdowns should interest rates rise.
- Given sticky inflation and high real yields, we continue to expect range-bound nominal Treasury yields but also recognize a wide variety of potential outcomes for Fed policy with ongoing geopolitical uncertainty and a stabilizing labor market.

CIO Key Considerations
In our view, this is a potentially opportune time for clients to extend portfolio duration toward strategic targets, generating meaningful income relative to cash with limited credit risk and enhancing portfolio diversification.

Sources: Bloomberg, ICE BofA U.S. Broad Market Index. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Please refer to appendix for asset class proxies, index definitions and important disclosures. Past performance is no guarantee of future results.**

Agency Mortgage-backed Securities: Balanced Outlook

MBS to Corporate Option-Adjusted Spread (OAS) Ratio (%)



- We maintain a neutral outlook for agency Mortgage-backed Securities (MBS).
- The MBS-to-Corporate OAS ratio sits near the lower bound of its five-year range, indicating that mortgage spreads are relatively tight versus corporate spreads on a historical basis.
- Rate volatility has stabilized and remains well below the March peak, leaving the backdrop broadly stable.
- We continue to monitor two key developments: the MBS portfolio run-off under the new Fed Chair and ongoing Government-Sponsored Enterprises (GSE) privatization efforts, both of which could materially impact performance.

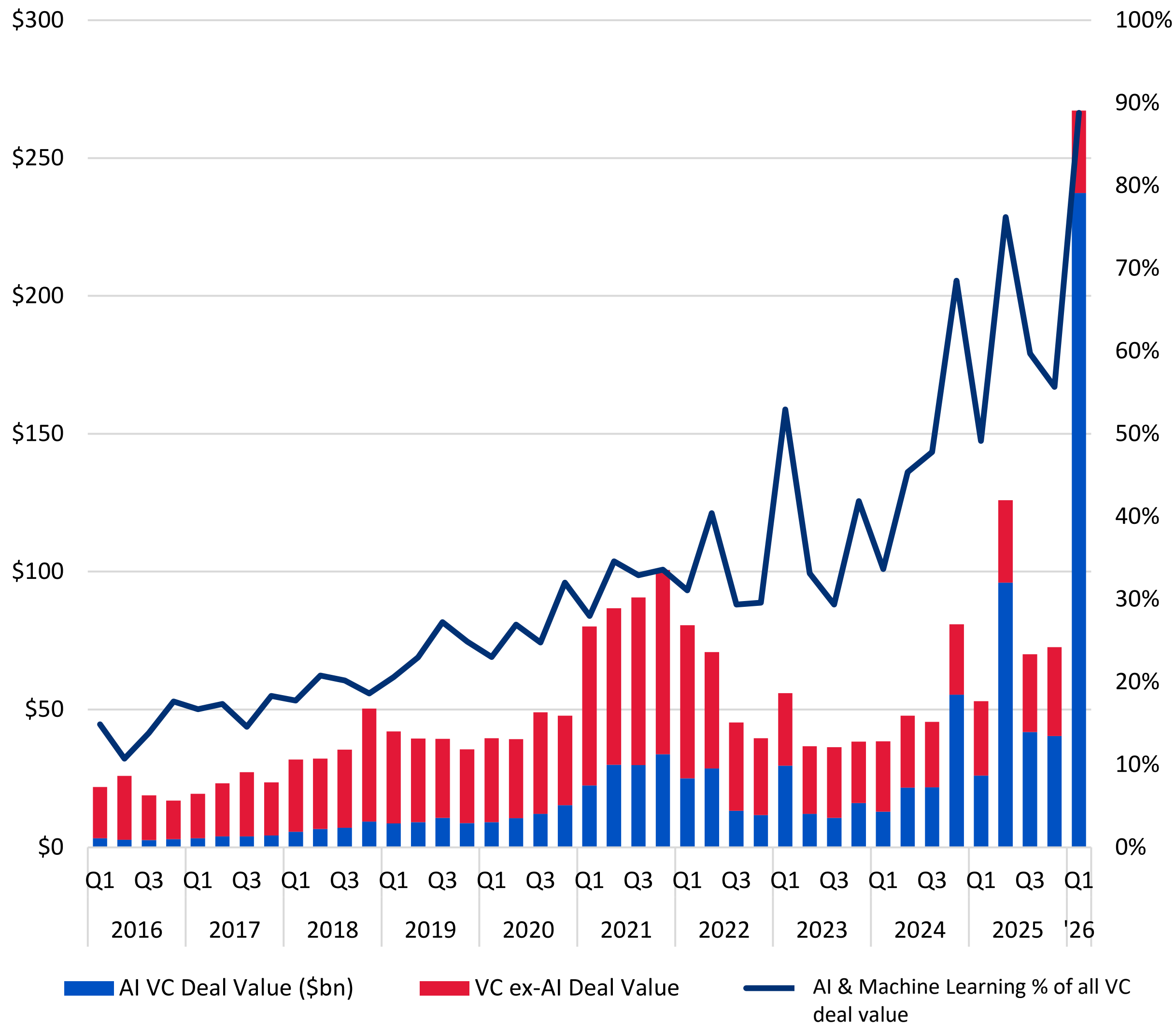
CIO Key Considerations

In multi-asset class portfolios, within IG Taxable, we are slightly underweight MBS in favor of Equities.

MBS=Bloomberg U.S. MBS Index. Corporate=Bloomberg U.S. Corporate Index. Upper/Lower Bound denotes ±1 standard deviation. Source: Bloomberg. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Past performance is no guarantee of future results. Please refer to appendix for asset class proxies, index definitions and important disclosures.**

Alternative Investments*: Artificial Intelligence & Venture Capital

U.S. VC AI Deal Value, in billions



- AI-focused Venture Capital (VC) deal volume surged to around $237 billion in Q1, representing around 88% of total VC activity.
- Activity was concentrated in a small number of large transactions, underscoring both the scale of opportunity in AI and increasing capital concentration risk.
- While VC remains the primary channel for accessing early-stage AI innovation, investors can mitigate concentration risk through broader diversification across private equity (e.g., buyouts) and other Alternatives such as Private Credit and Real Assets.

CIO Key Considerations

Allocating to Alternatives allows qualified investors to access opportunities not available through traditional strategies, potentially improving returns or increasing diversification.

***Many products that pursue Alternative Investment strategies, specifically Private Equity & Credit and Hedge Strategies, are available only to qualified investors**. Source: PitchBook. Data through March 31, 2026. Latest data available. **FOR INFORMATIONAL PURPOSES ONLY. Past performance is no guarantee of future results. Indexes are unmanaged and do not take into account fees or expenses. Please refer to appendix for glossary and important disclosures.**

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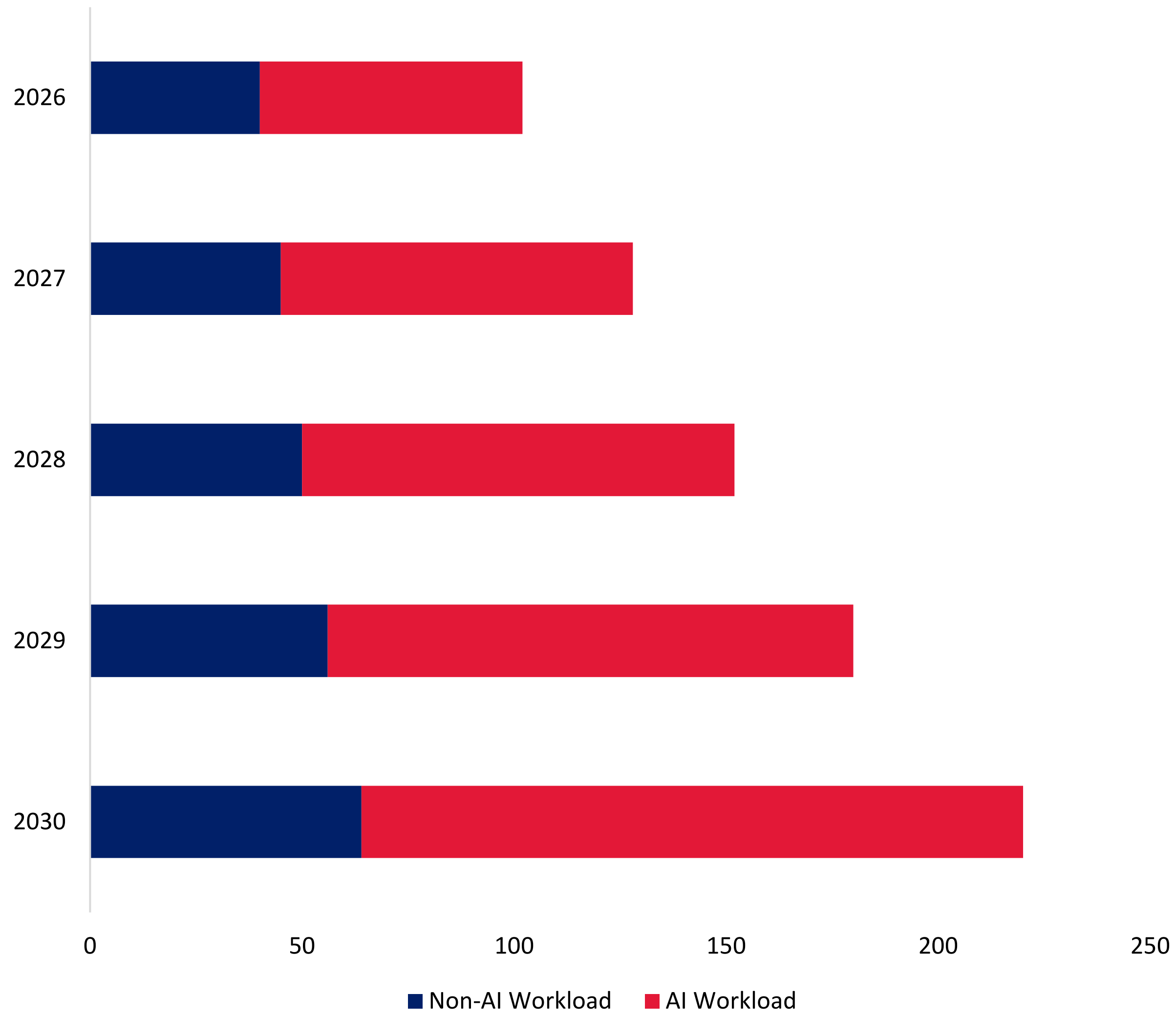
Infrastructure: Data Center Demand Remains a Focal Theme

Estimated global data center capacity demand, gigawatts



- AI data center capacity demand is expected to grow 2.5 times faster than non-AI capacity between 2026 and 2030, requiring vast investments in U.S. energy infrastructure.
- Increasing AI demand has reinforced the importance of energy and digital infrastructure assets, anchoring data center expansion as a focal strategic investment theme.
- Infrastructure can offer attractive attributes that can complement the structural digitization and energy-transition demand, such as long-duration cash flows, downside mitigation, and hedging against inflation.

CIO Key Considerations

The infrastructure investment opportunity has continued to expand. We expect potential opportunities to develop in the coming years in both public and private markets.

Source: McKinsey & Company, McKinsey Data Center Demand Model. Data as of June 30, 2026. Latest data available. **FOR INFORMATIONAL PURPOSES ONLY. Please refer to appendix for important disclosures. Many products that pursue Alternative Investment strategies, specifically Private Equity & Credit and Hedge Strategies, are available only to qualified investors.**

CIO Asset Classes and Sector Views

Asset Class	Underweight	Slightly Underweight	Neutral	Slightly Overweight	Overweight
Equities				●	
U.S. Large-cap				●	
U.S. Mid-cap				●	
U.S. Small-cap				●	
International Developed		●			
Emerging Markets				●	
Fixed Income		●			
U.S. Investment-grade Taxable		●			
International		●			
Global High Yield Taxable		●			
U.S. Investment-grade Tax Exempt		●			
U.S. High Yield Tax Exempt		●			
Alternative Investments*					
Hedge Strategies			●		
Private Equity**			●		
Private Credit**			●		
Private Real Estate			●		
Tangible Assets			●		

Sector	Underweight	Slightly Underweight	Neutral	Slightly Overweight	Overweight
Industrials				●	
Consumer Discretionary				●	
Financials				●	
Information Technology			●		
Energy			●		
Materials			●		
Utilities			●		
Healthcare			●		
Communication Services		●			
Real Estate		●			
Consumer Staples		●			

- We maintain our Equity overweight relative to Fixed Income, while we continue to emphasize diversification, non-U.S. exposure with a slight bias toward Emerging Markets, above benchmark positioning in Industrials, Consumer Discretionary, and Financials and benchmark exposure to Technology.
- Secular tailwinds may support Growth, while Value continues to trade at a relative discount and dividend-oriented Value stocks remain attractive. We suggest a disciplined and balanced approach between Value and Growth for long-term investors.
- We are neutral across Fixed Income in all-Fixed Income low-tax sensitivity portfolios. We still favor a significant allocation to bonds in a well-diversified portfolio.
- For qualified investors, we continue to emphasize potential long-term growth and income opportunities in Alternative Investments.

ALTERNATIVE INVESTMENTS NOTE: Given the differences in liquidity characteristics between Alternative Investments and traditional investments, the Alternative Investments portfolio positioning and CIO asset class views have been neutral rated versus our strategic allocations. These types of investments, in our opinion, should not be viewed at the asset class level on a tactical basis, rather the tactical positioning should be expressed at the subasset level.
***Many products that pursue Alternative Investment strategies, specifically Private Equity & Credit and Hedge Strategies, are available only to qualified investors.** Source: GWIM Investment Strategy Committee (GWIM ISC) as of July 2026. **FOR INFORMATIONAL PURPOSES ONLY.** **Effective 1/2026 Private equity and Private Credit are shown as separate asset classes**.** Please refer to the July 2026 Viewpoint for more detailed weightings information. The Chief Investment Office (CIO) views and opinions expressed are for informational purposes only, are made as of the date of this material, and are subject to change without notice. All sector and asset allocation recommendations must be considered in the context of an individual investor's goals, time horizon, liquidity needs and risk tolerance. **Please refer to appendix for asset class and sector proxies and index definitions.**

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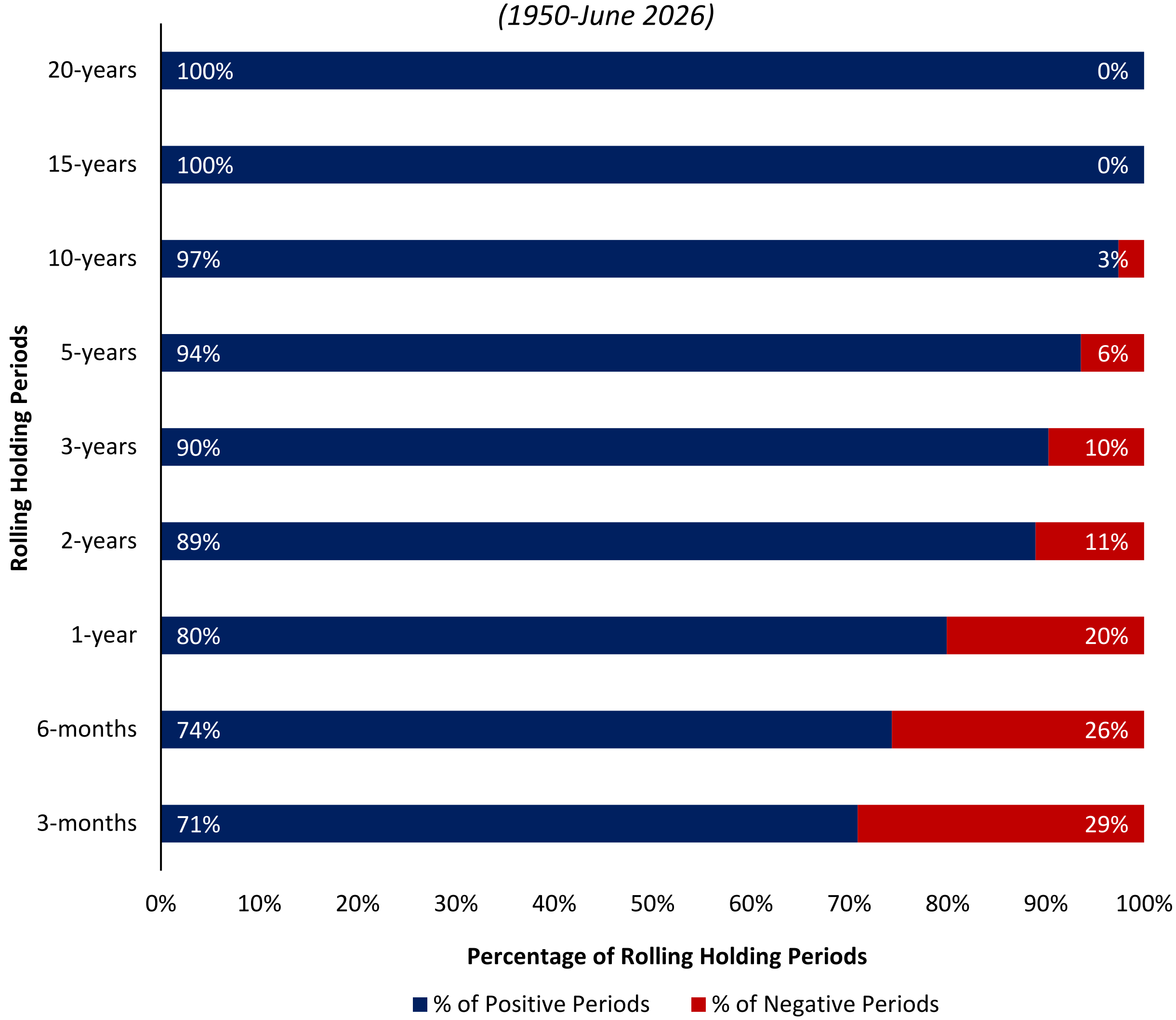
Patience Pays: Let Time Work for You

S&P 500: Frequency of Positive vs. Negative Annualized Total Returns Across Rolling Holding Periods
(1950-June 2026)

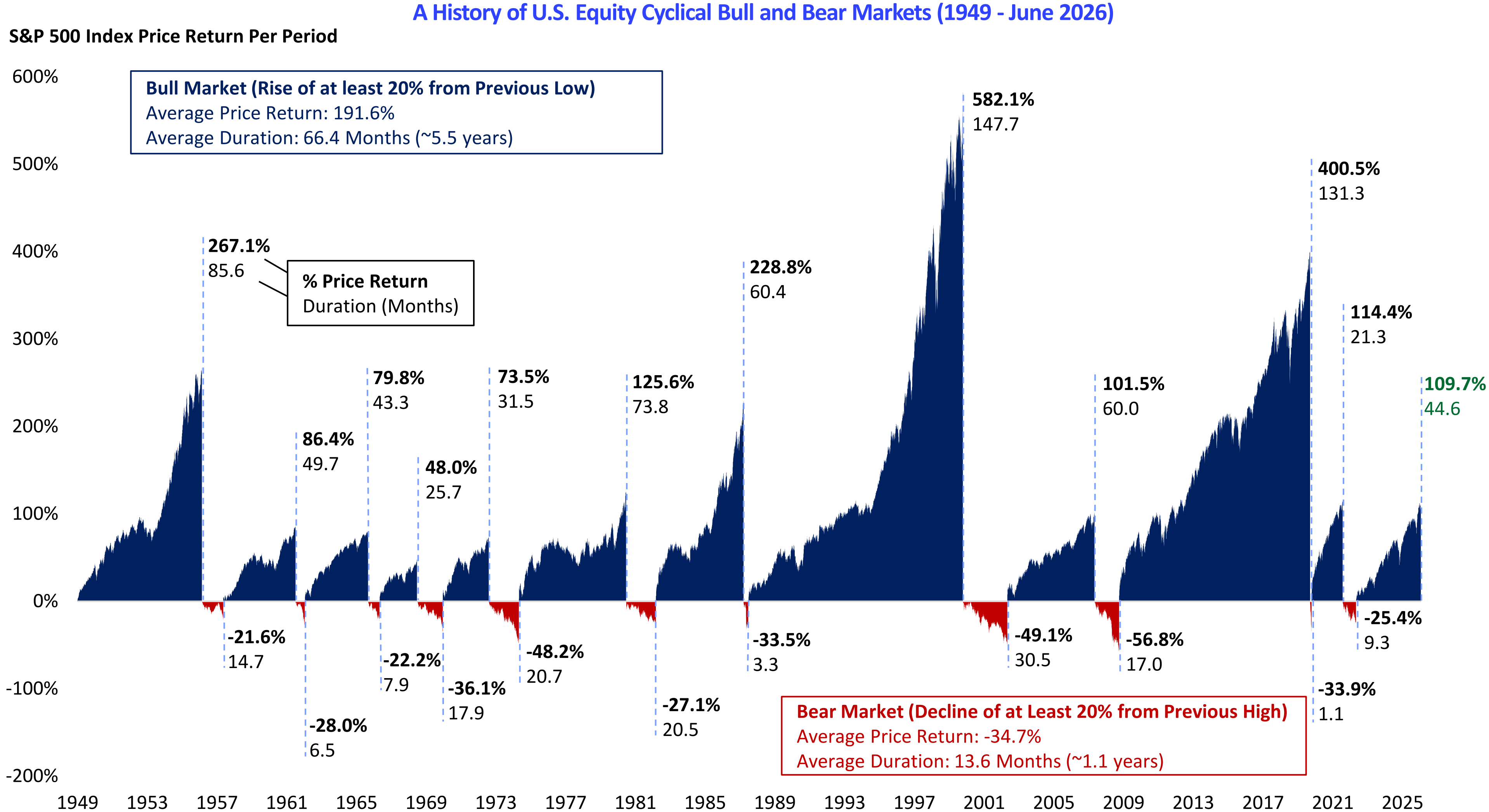


- History shows longer holding periods increase the likelihood of positive returns. Over every 15- and 20-year rolling period since 1950, the S&P 500 delivered a positive annualized total return—100% of the time.
- In other words, investors who stayed invested for 15+ years never experienced a negative average yearly return, even through recessions, wars, inflation, shocks and crises.
- Why? Short-term volatility tends to smooth out over time. Losses early in the period have been historically offset by recoveries and the power of compounding later.
- The key message is simple: Markets may feel risky day-to-day, but the longer you stay invested, the more often you may experience gains. Time does not eliminate risk, but it has historically helped to shift the odds of success in your favor.

CIO Key Considerations
Align investment horizons with goals. For long-term objectives, the historical probability of positive outcomes supports disciplined allocation and rebalancing.

Annualized total returns based on monthly data. Sources: Bloomberg. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to appendix for index definitions and important disclosures.**

Recoveries Follow Downturns

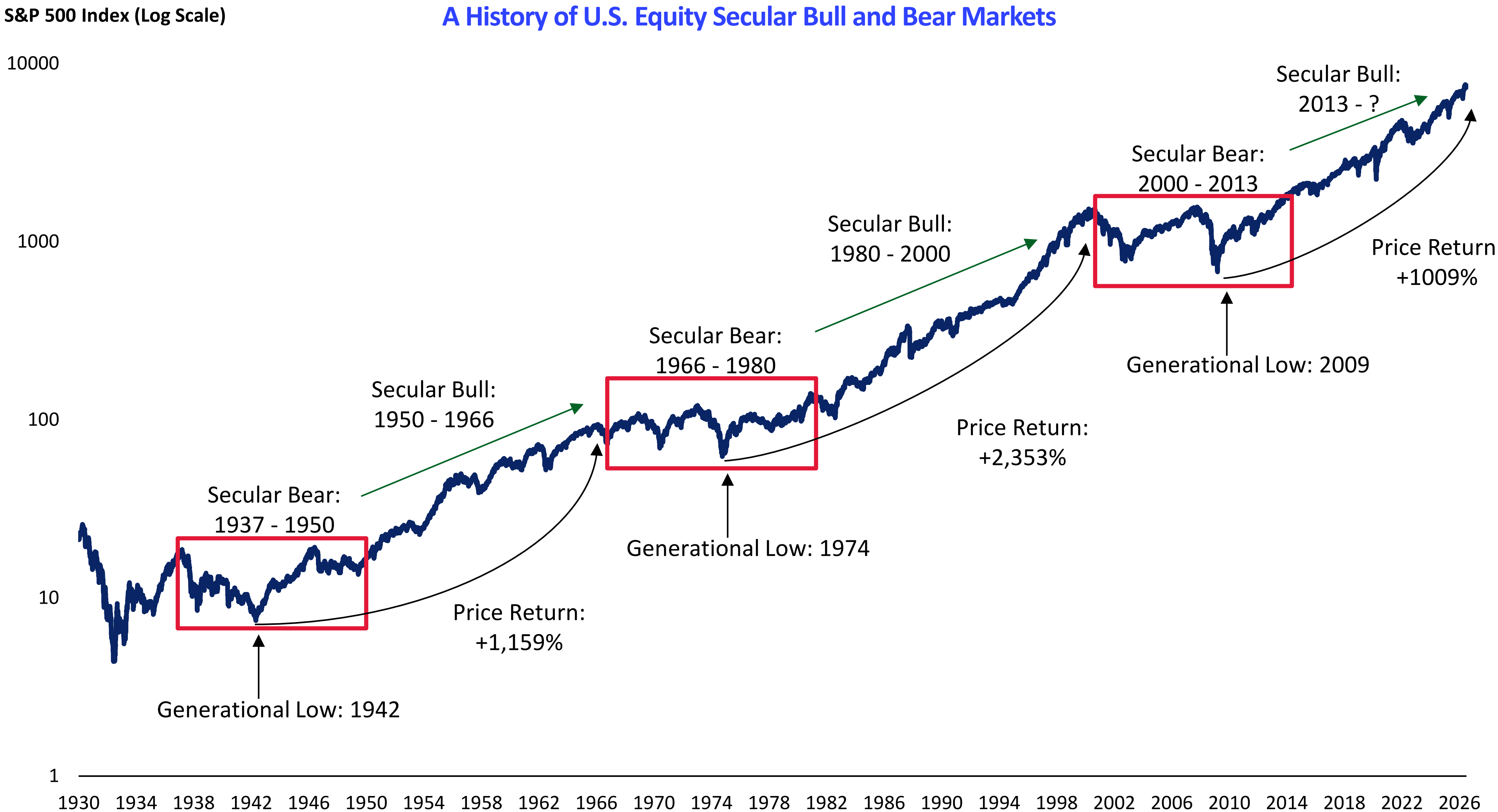


CIO Key Considerations

While every cyclical bear market is different in terms of drivers, duration and declines, every past market downturn has been followed by a recovery.

Asset allocation and diversification do not ensure a profit or protect against loss in declining markets. Sources: Bloomberg; Yardeni Research. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to appendix for glossary, asset class proxies, index definitions and important disclosures.**

The Secular Bull Should Be Set to March On…



CIO Key Considerations

Secular bull markets are long-term uptrends in Equities that generally undergo multiple business and market cycles.
We expect accelerated AI innovation and the asset-light era to power the ongoing secular bull market cycle forward.

Sources: Chief Investment Office, BofA Global Research; Bloomberg. Data as of June 30, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to appendix for glossary, asset class proxies, index definitions and important disclosures.**

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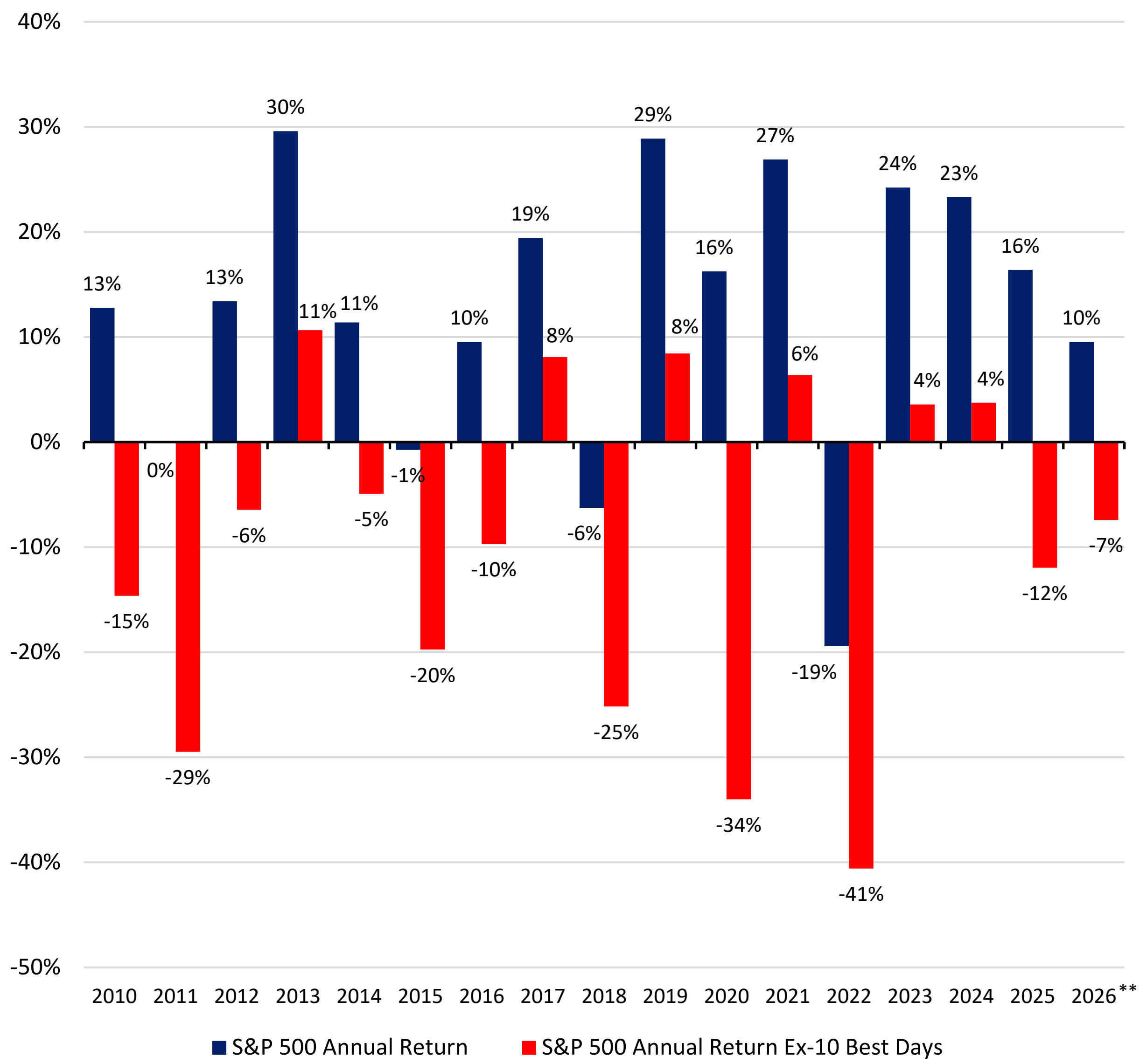
Time in the Market Matters



- Time in the market is a necessary ingredient for a successful investment strategy, as opposed to timing the market. In an attempt to invest at the "perfect time", investors are likely to impair their returns.
- A longer investment horizon can be associated with an increased probability of generating positive returns.
- Since 1930, the S&P 500 has returned 34,862%, while the index has only returned 133% when you exclude the 10 best days per decade. Since the start of this decade, the index has returned 132% overall, but when you exclude the 10 best days the return falls to 22%.*

CIO Key Considerations

Excluding the best days of performance for the S&P 500 has drastically cut down returns historically. We suggest staying the course and remaining invested according to an established investment plan.

*Calculated by BofA Global Research. Data as of June 30, 2026. **Data as of June 30, 2026. Source: Bloomberg. Data as of June 30, 2026. Price returns used. **FOR INFORMATIONAL PURPOSES ONLY. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to appendix for glossary, asset class proxies, index definitions and important disclosures.**

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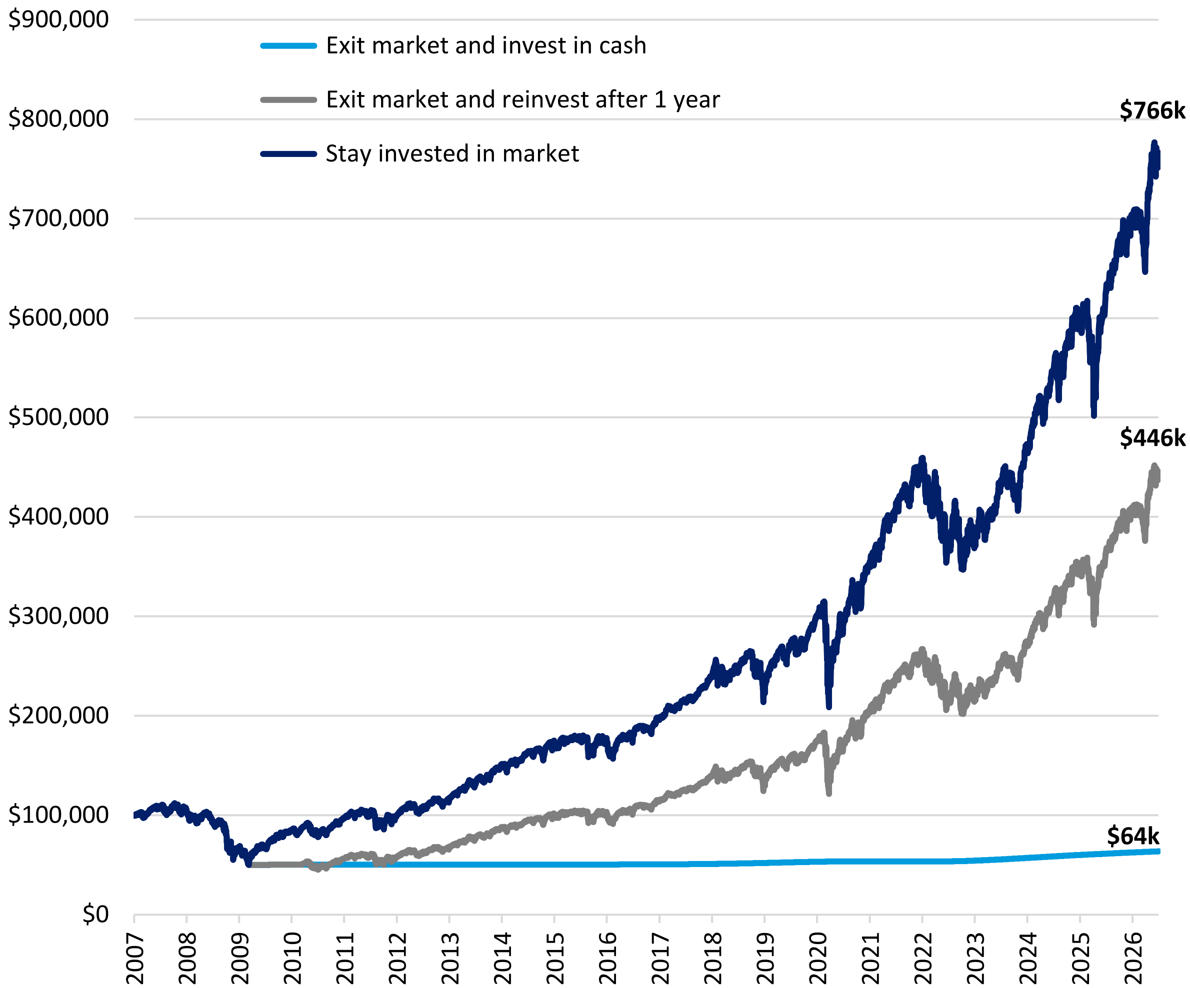
The Risk of Avoiding Risk

Hypothetical Portfolio Value



- Indiscriminately selling out of the market has the potential to influence long-term portfolio outcomes:
  - ➢ If you started out with a $100,000 Equity portfolio at the beginning of 2007, and you sold at the market bottom to invest in cash, you would only have around $64,000 today.
  - ➢ If you sold at the bottom and reinvested in Equities after one year (i.e., attempted to time the market), you would have about $446,000 today.
  - ➢ If you had stayed invested throughout the entire time frame, your initial investment of $100,000 would have grown to around $766,000 today.

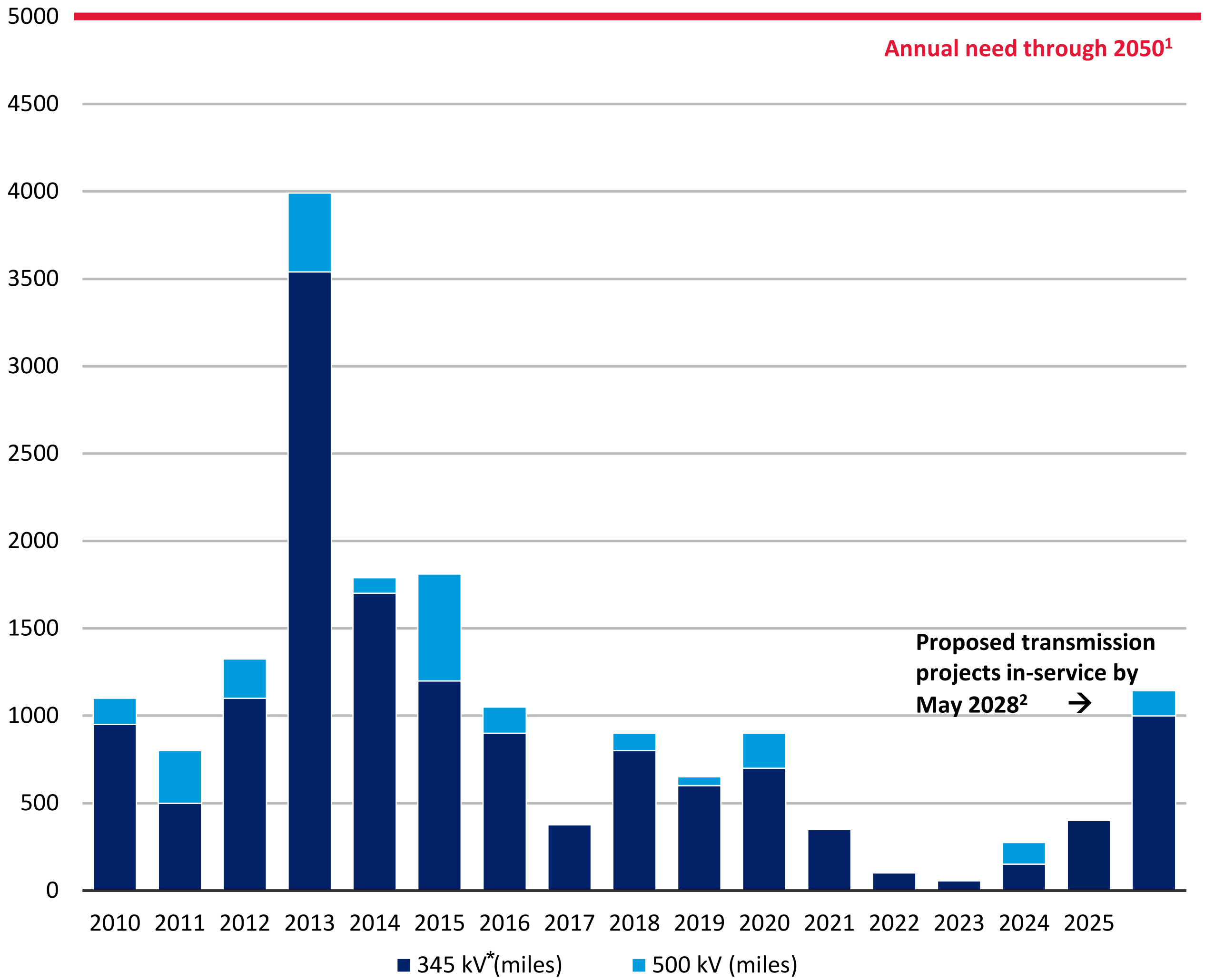
CIO Key Considerations

Staying invested throughout periods of uncertainty may help achieve better outcomes.

Source: Bloomberg. Data as of June 30, 2026. Equities are represented by the S&P 500 Index. Cash is represented by the ICE BofA U.S. 3-Month Treasury Bill Index. Latest data available. **FOR INFORMATIONAL PURPOSES ONLY. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to appendix for glossary, asset class proxies, index definitions and important disclosures.**

Power Surge: Building Out the Grid of the Future

Miles of new high capacity transmission lines built over the last 15 years



- Power demand has entered a structural upcycle: AI/data centers, re-industrialization, and broader electrification are driving the strongest sustained growth in electricity demand in decades, reinforcing a multi-year capex cycle.
- The grid is the binding constraint: high-voltage transmission buildout and replacement remain well below required levels, creating a widening gap between demand growth and infrastructure capacity.
- This mismatch extends the cycle: transmission, power equipment, and materials are scaling more slowly than demand, prolonging the investment cycle across infrastructure, Industrials, and Utilities.

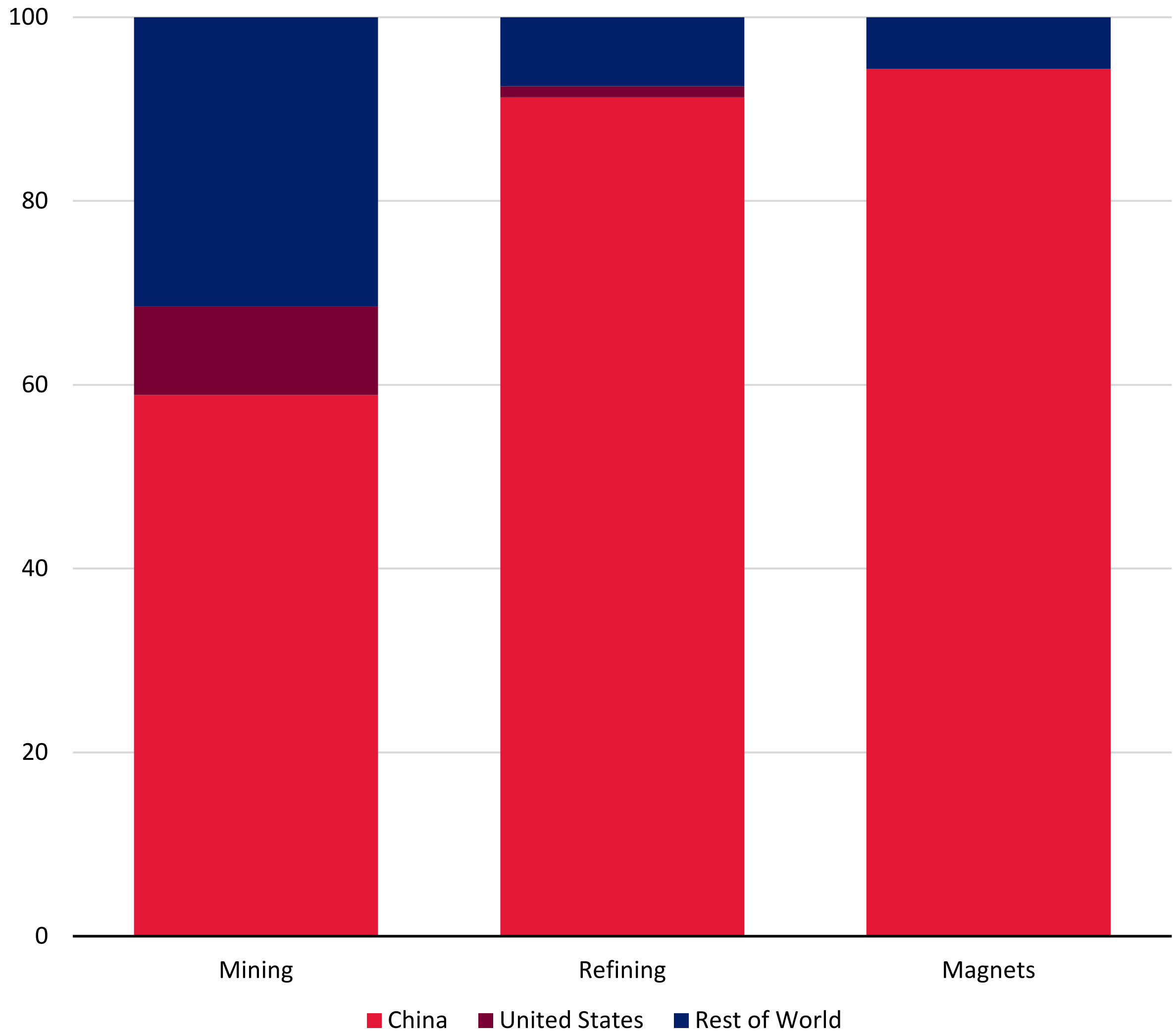
CIO Key Considerations

Transmission delays are an investable theme across Utilities, Industrials, and Materials. Consider diversified exposure across grid modernization and transmission equipment, power infrastructure for AI load growth, and metals-linked materials.

*kV=kilovolt. 500 kV represents higher voltage transmission versus 345 kV. [1]Department of Energy 2024 National Transmission Planning Study. [2]Federal Energy Regulatory Commission (FERC) as of December 2025, projects reflect high probability of completion. Source: 2010-2022 values from Grid Strategies "FEWER NEW MILES Strategic industries held back by slow pace of transmission"; July 2025, 2023 numbers from FERC as of April 2024; 2024 and 2025 numbers from FERC as of December 2025. The 2013 spike reflects a year when several large, multi-year regional transmission programs reached completion at the same time including Texas Competitive Renewable Energy Zones (CREZ) and other projects across Southwest Power Pool (SPP), Midcontinent Independent System Operator (MISO), and the West. **FOR INFORMATIONAL PURPOSES ONLY. Please refer to appendix for important disclosures.**

CIO Thematic Investing: All Eyes on Rare Earths

Share of Global Supply of Magnet Rare Earths and Magnet Manufacturing (%)



- Rare earth elements (REEs) stand at the heart of several investment themes ranging from AI and electrification to healthcare innovation and aerospace and defense applications.
- Permanent magnets in particular account for roughly 95% of total rare earth consumption by value and power critical technologies including industrial motors, AI data centers, defense systems, electric vehicles, and more. Demand for magnet REEs has doubled since 2015.
- From mining to refining to magnet manufacturing, the production and supply of rare earths is highly concentrated geographically in China. Diversification of these supply chains will require major investment in the coming years.

CIO Key Considerations

Our themes of Transformative Innovation, Resilient Infrastructure, Future Security and Changing Demographics each carry long-term implications for economic growth, the cost of capital, and global earnings, in our view.

Source: International Energy Agency. Data refers to 2024, as of April 8, 2026. Latest data available. **FOR INFORMATIONAL PURPOSES ONLY. Please refer to appendix for important disclosures.** The Chief Investment Office (CIO) views and opinions expressed are for informational purposes only, are made as of the date of this material, and are subject to change without notice.

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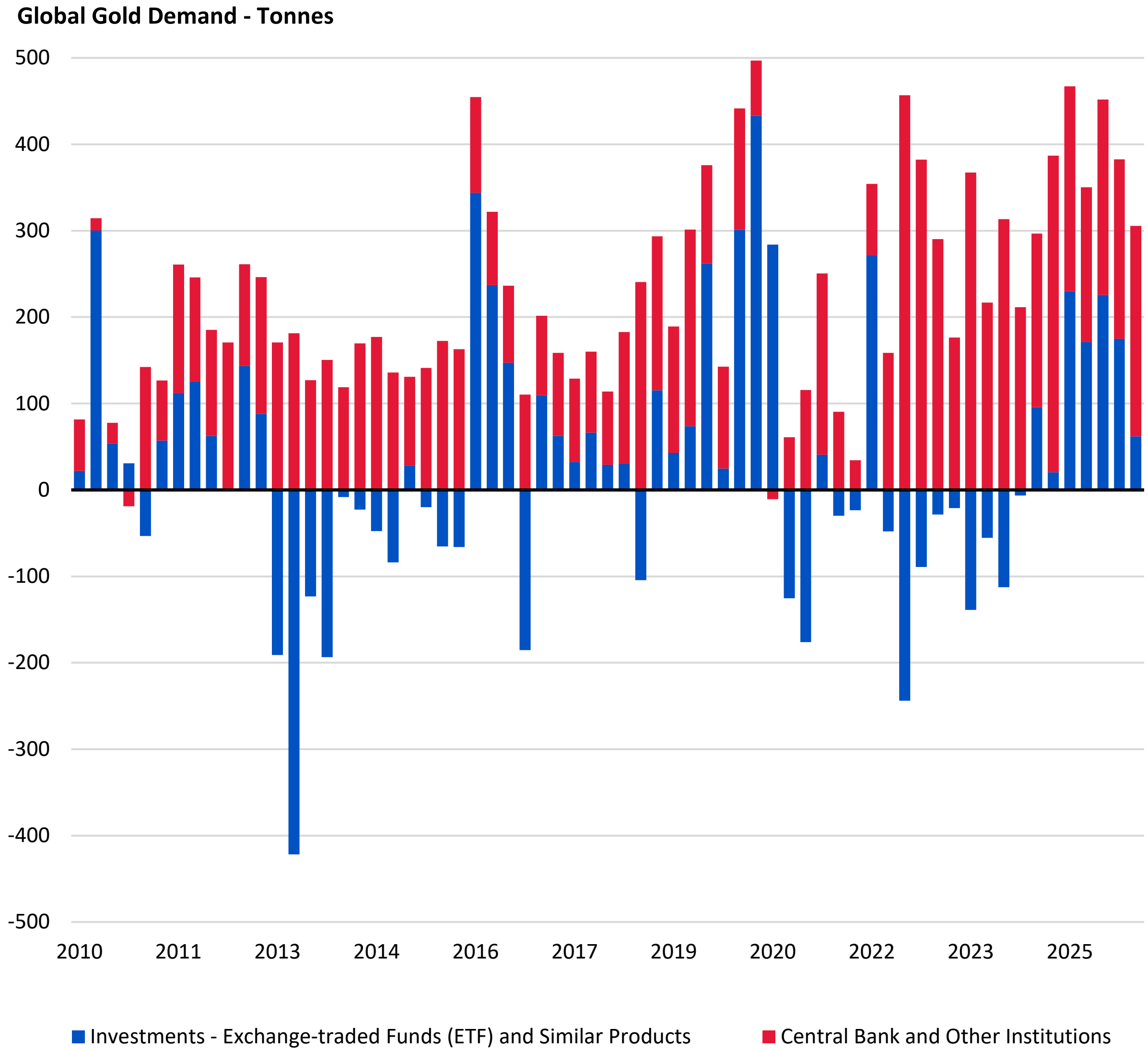
Gold Dynamics Tested in 2026



- Gold fell roughly 24% between the beginning of the Iran conflict and the end of Q2. In Q1, retail demand fell 64.6% from the previous quarter, while demand from central banks and other institutions rose 17.3%.
- Energy-driven inflation pressures pushed global yields materially higher, raising the opportunity cost for gold relative to interest-bearing assets. Relative weakness also aligns with gold's historical inverse relationship with real rates and its role as a liquidity source.
- Gold remains a structural diversifier, underpinned by central banks seeking diversification, expanding fiscal deficits, resumption of U.S. dollar moderation, and a fragmented geopolitical landscape.

CIO Key Considerations

Gold may provide diversification through bouts of market volatility and economic weakness or uncertainty.

Sources: World Gold Council, Bloomberg. Global Gold demand represents quarterly data through Q1 2026. Data as of April 29, 2026. Latest data available. **FOR INFORMATIONAL PURPOSES ONLY. Past performance is no guarantee of future results. Please refer to appendix for glossary, asset class proxies, index definitions and important disclosures.**

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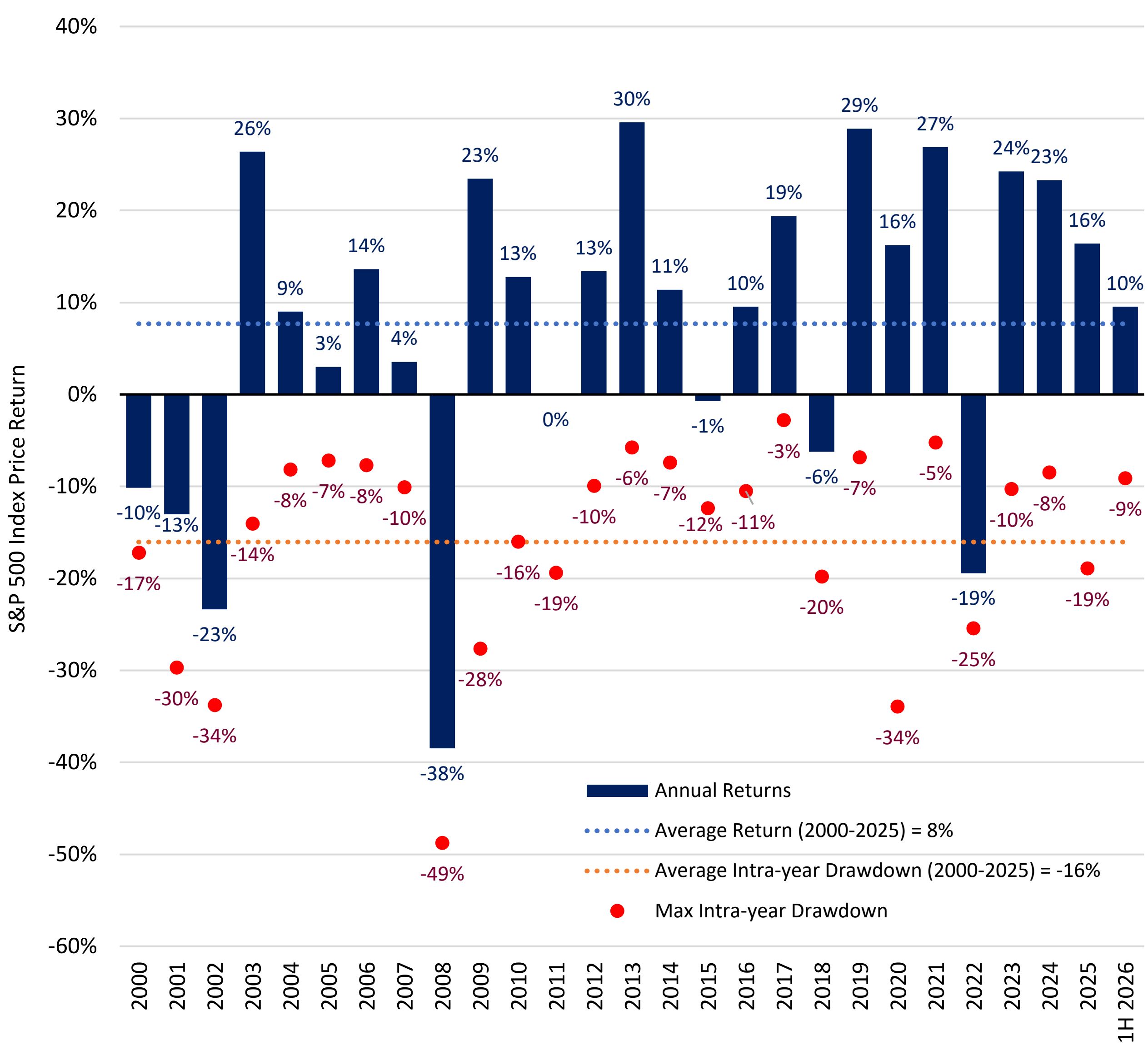
Volatility is Normal



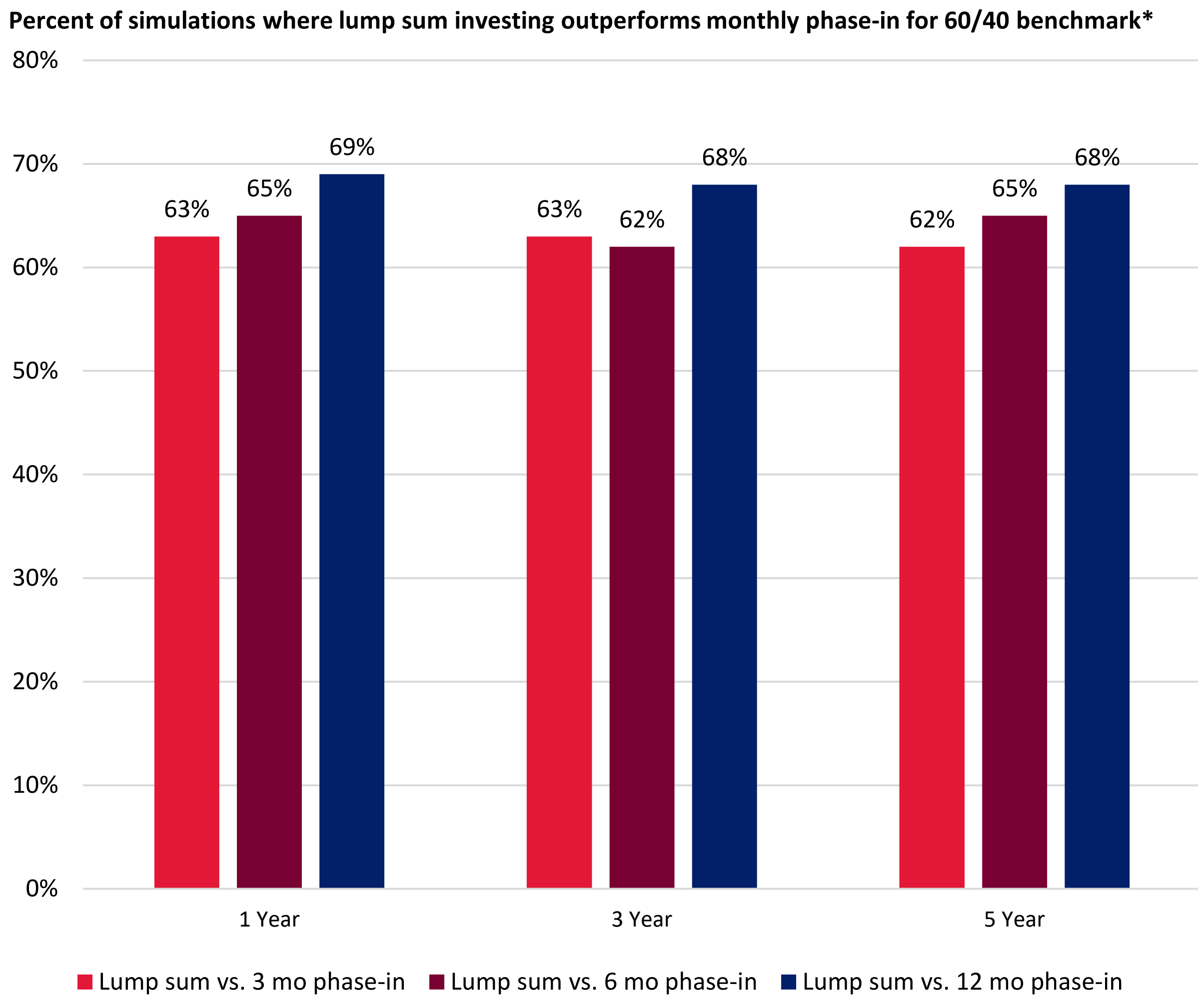
- Remember that market volatility is normal and is an integral part of investing. Even years that culminate in positive returns overall can see notable intra-year drawdowns.
- Since 2000, annual returns for the S&P 500 have always been greater than the max intra-year drawdown by an average of 24%.
- Moreover, in the 3-, 6-, and 12-months after the S&P 500 enters >10% correction territory, the index has seen average forward returns of 5.6%, 11.0%, and 13.6%, respectively.*

CIO Key Considerations

During volatile times, periods of weakness may provide attractive buying opportunities for investors to add to their investments.

*Refers to market corrections from 1980-2025. Source: Bloomberg. Data as of June 30, 2026. Price returns referenced. **FOR INFORMATIONAL PURPOSES ONLY. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to appendix for glossary, asset class proxies, index definitions and important disclosures.**

Dollar-Cost Averaging vs. Lump Sum Investing



- Our study indicates that a lump sum investing approach, which entails investing a sum of money all at once, typically has a higher likelihood of outperforming a Dollar-Cost Averaging (DCA) approach, which entails gradually investing a sum of money over time.
- Across 1-, 3-, and 5-year periods, a lump sum investing approach has outperformed a DCA approach about 62% to 69% of the time. The longer the DCA phase-in period, the more often lump sum tends to outperform.
- However, a DCA approach may mitigate concerns of lump-sum investing during times of volatility, helping investors to deploy cash at regular intervals.

CIO Key Considerations

We continue to emphasize the importance of adhering to a disciplined and consistent investment process.

Source: FactSet. Data as of June 30, 2026. *Performance is calculated using a traditional 60/40 benchmark with the 60% equity allocation using the MSCI All Country World Index and the 40% fixed income allocation using the Bloomberg Global Aggregate Index. Results are based on 1000 historical simulations. Each phase-in invests a fraction of the money each month. For example, in the 3-month phase-in, 1/3 of the money is invested the first month, another third the second month, so that all of the money is invested after 3 months. The time periods used were 1 year, 3 years, and 5 years. Each simulation would randomly pick 12, 36, or 60 months of returns from each benchmark and then calculate the returns over that time period using a 60%/40% equity/fixed income split that was rebalanced monthly. For each strategy and time period, the top and bottom bars show the maximum and minimum returns achieved across all simulations, while the middle box shows the median return. These performance results are not based on actual performance and are hypothetical simulations of a historical benchmark return. The returns shown are just one of the potential outcomes and using a different benchmark or time period will lead to different returns and results. These returns are purely for educational purposes and should not be viewed as realized returns or forecasts of portfolio performance. Cash returns for any uninvested cash are assumed to be 0%. **FOR INFORMATIONAL PURPOSES ONLY. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Past performance is no guarantee of future results. Please refer to appendix for glossary, asset class proxies, index definitions and important disclosures.**

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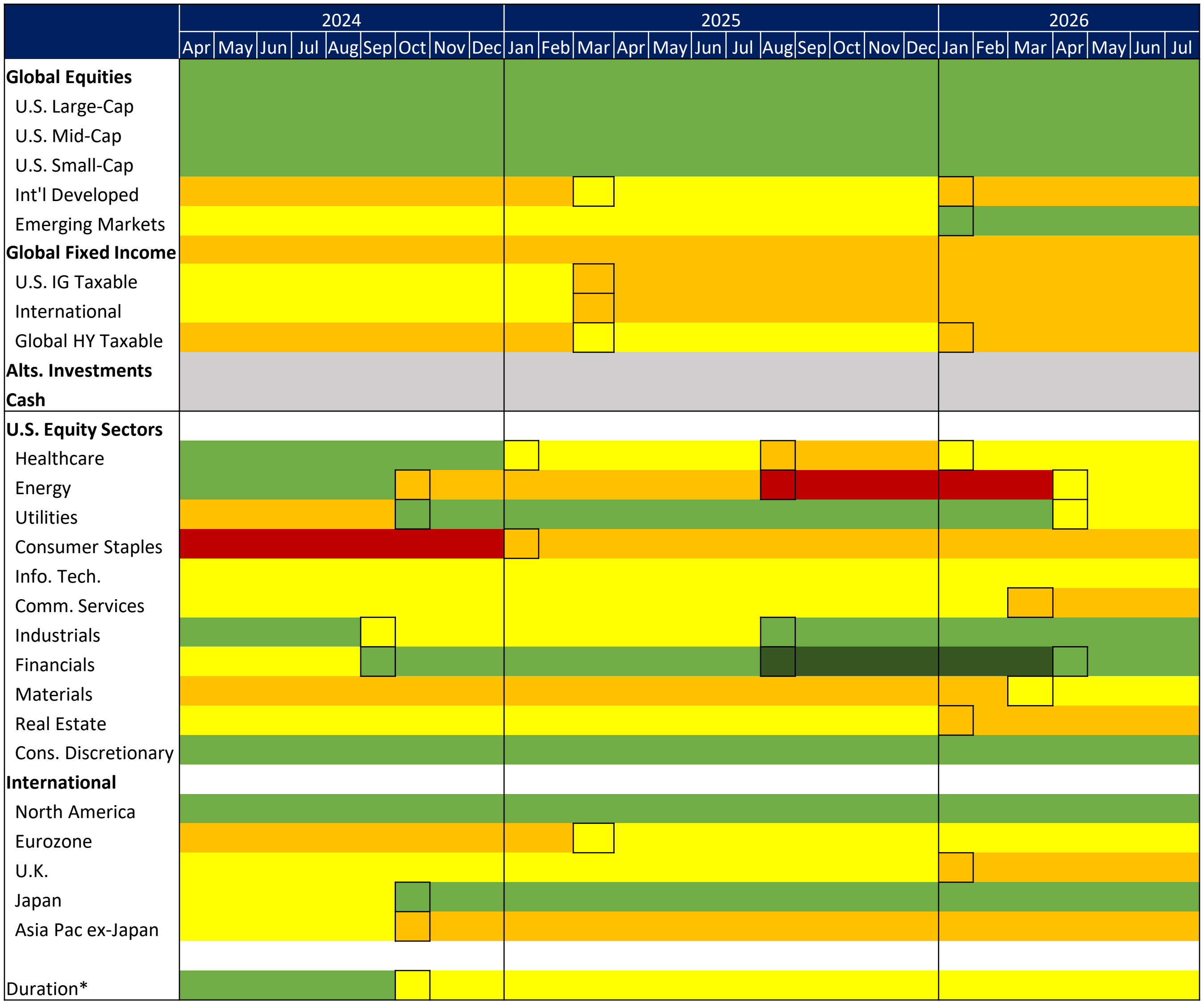
Investment Strategy Committee Tactical Heat Map

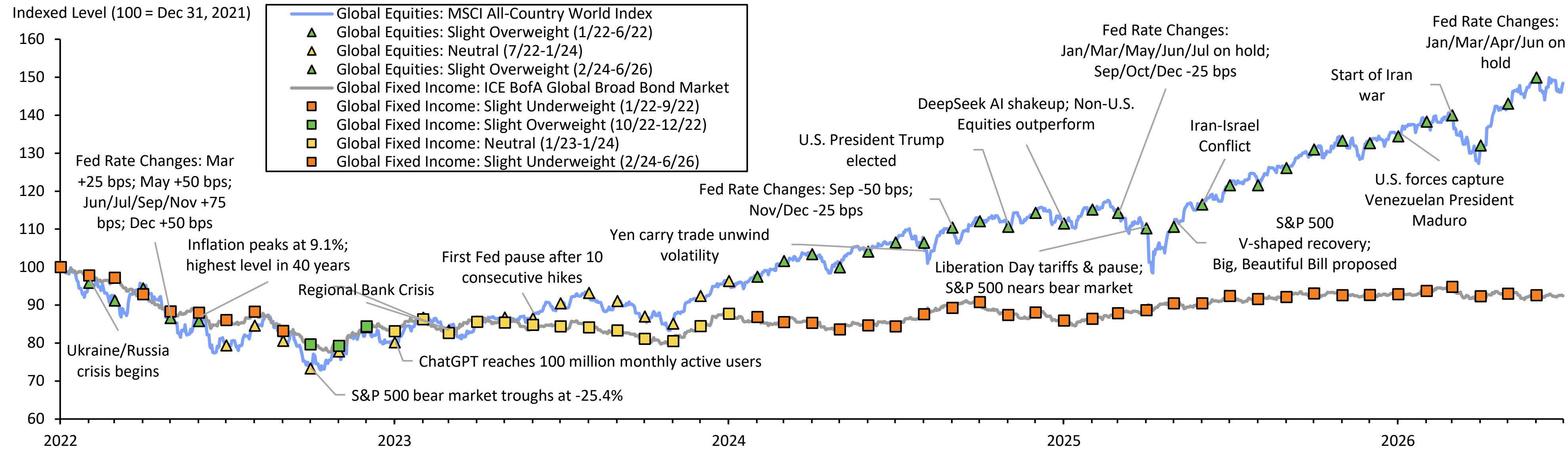


- We remain overweight Equities relative to Fixed Income and continue to be balanced and diversified across all asset classes within multi-asset class portfolios.
- We are constructive on Fixed Income but remain underweight to fund our Equity overweight in diversified portfolios. We maintain a balanced approach across segments in all-Fixed Income low-tax-sensitive portfolios.
- Long-term investors that drift too far from their asset allocation objectives as market volatility picks up from time to time should consider rebalancing on weakness.

CIO View	CIO View: Duration
Full Overweight	Long
Slight Overweight	Slightly Long
Neutral	Neutral
Slight Underweight	Slightly Short
Full Underweight	Short
Month of Change	Month of Change
Strategic Target	

*Duration relative to strategic benchmark. CIO views as of June 30, 2026. Past performance is no guarantee of future results. Notes: Feb 24: Funded the increase in Equities from Fixed Income, lowering allocation to Taxable bonds; Oct 24: Rebalanced multi-asset portfolios back to tactical targets; Mar 25: Increased allocation to Equities relative to Fixed Income. Within Equities, trimmed the magnitude of the OW to U.S. Small-caps, with proceeds going to U.S. Large-caps. Within Fixed Income, decreased rate risk (U.S. Govs and MBS) and increased credit risk (High Yield); May 25: Within Fixed Income, neutral across all segments in all-Fixed Income low-tax sensitivity portfolios; Oct 25: Rebalanced multi-asset portfolios back to tactical targets. Within Equities, trimmed the magnitude of the OW to U.S. Large-Cap Value to reflect a more equal balance between Large-cap Value and Large-cap Growth. Within International Developed, downgraded the UK and slightly reduced exposure to North America to fund Emerging Markets upgrade. Within U.S. Equity Sectors, downgraded allocations in Utilities from SOW to Neutral and Financials from OW to SOW. This funded our upgrade to Energy from UW to Neutral. **Please refer asset class proxies, asset class disclosures and index definitions at the end of this presentation. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Please refer to appendix for glossary, asset class proxies, index definitions and important disclosures.**

Investment Strategy Committee Tactical Strategy Timeline



May:
→ International Developed downgraded
→ Healthcare upgraded
→ Utilities upgraded
→ Information Technology downgraded
→ Communication Services downgraded
→ Industrials downgraded
→ Real Estate upgraded
→ Consumer Discretionary downgraded
→ Eurozone downgraded

Jul:
→ Global Equities downgraded
→ U.S. Small-Cap downgraded
→ U.S. IG* Taxable upgraded
→ Utilities upgraded
→ Consumer Staples upgraded
→ Materials downgraded
→ Consumer Discretionary downgraded
→ Fixed Income Duration lengthened

Oct:
→ Global Fixed Income upgraded
→ U.S. IG Taxable upgraded
→ Int'l Fixed Income upgraded
→ Fixed Income Duration lengthened

Jan:
→ Global Fixed Income downgraded
→ Healthcare upgraded
→ Real Estate downgraded

Apr:
→ Communication Services upgraded
→ Financials downgraded
→ Real Estate downgraded

Jul:
→ Fixed Income Duration lengthened

Oct:
→ Energy upgraded
→ Utilities downgraded

Feb:
→ Global Equities upgraded
→ U.S. Small-Cap upgraded
→ Global Fixed Income downgraded
→ U.S. IG Taxable downgraded
→ Healthcare downgraded
→ Energy downgraded
→ Utilities downgraded
→ Consumer Staples downgraded
→ Industrials upgraded
→ Real Estate upgraded
→ Consumer Discretionary upgraded

Sep:
→ Industrials downgraded
→ Financials upgraded

Oct:
→ Energy downgraded
→ Utilities upgraded
→ Japan upgraded
→ Asia Pac ex-Japan downgraded
→ Fixed Income Duration shortened

Jan:
→ Healthcare downgraded
→ Consumer Staples upgraded

Mar:
→ International Developed upgraded
→ U.S. IG Taxable downgraded
→ Int'l Fixed Income downgraded
→ Global HY Taxable upgraded
→ Eurozone upgraded

Aug:
→ Financials upgraded
→ Industrials upgraded
→ Healthcare downgraded
→ Energy downgraded

Jan:
→ Global HY Taxable downgraded
→ International Developed downgraded
→ Emerging Markets upgraded
→ U.K. downgraded
→ Healthcare upgraded
→ Real Estate downgraded

Mar:
→ Materials upgraded
→ Communication Services downgraded

Apr:
→ Energy upgraded
→ Utilities downgraded
→ Financials downgraded

Overweight
Slight Overweight
Neutral
Slight Underweight
Underweight

*Investment Grade. MSCI All-Country World Price Index and ICE BofA Global Broad Bond Market Index are all normalized at a level of 100 as of December 31, 2021. Sources: Tactical views representative of the Global Wealth & Investment Management Investment Strategy Committee (GWIM ISC) as of July 7, 2026. Data: Bloomberg as of June 30, 2026. CIO asset class views are relative to the CIO Strategic Asset Allocation (SAA) of a multi-asset portfolio. Tactical strategy weightings are for a 12- to 18-month time horizon and based on the relative attractiveness of each asset class. **Past performance is no guarantee of future results. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Please refer to appendix for glossary, asset class proxies, index definitions and important disclosures.**

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Economic Forecasts

7/2/2026	Q1 2026A	Q2 2026E	Q3 2026E	Q4 2026E	2026E	2027E
Real global GDP (% y/y annualized)	-	-	-	-	3.2	3.5
Real U.S. GDP (% q/q annualized)	2.1	2.5	2.5	2.4	2.2	2.2
CPI inflation (% y/y)*	2.7	3.9	3.2	2.9	3.2	2.1
Core CPI inflation (% y/y)*	2.5	2.8	2.7	2.9	2.7	2.4
Unemployment rate (%)	4.3	4.3	4.3	4.2	4.3	4.2
Fed funds rate, end period (%)	3.63	3.63	3.88	4.13	4.13	4.13

- U.S. growth continues due to strong investment and solid consumer spending supported by low unemployment, positive wealth effects, and wage and salary growth. Lower energy prices are likely to stimulate second half spending.
- Inflation has likely peaked with the collapse of energy prices and as it recedes should reduce the pressure for higher interest rates and bolster household purchasing power. Long-term inflation expectations have been declining with energy prices and remain consistent with well anchored inflation near the Fed's 2% target.
- Corporate profits are strong, fueled by the boom in AI spending and solid global growth. Profit margins are rising with the increasing share of economic activity concentrated in high margin technology companies. Rising stock values are also bolstering profits as cross holdings among technology companies rise in value and get marked to market. The profit cycle is also broadening to other areas helped by tax and regulatory policies to encourage investment. Lower energy prices are shifting the mix of profits back toward non-energy producers.

The forecasts in the table above are the base line view from BofA Global Research team. *Forecast as of June 12, 2026. Latest data available. The Global Wealth & Investment Management (GWIM) Investment Strategy Committee (ISC) may make adjustments to this view over the course of the year and can express upside/downside to these forecasts. A=Actual. E=Estimate. Data as of July 2, 2026. Sources: BofA Global Research; GWIM ISC as of July 7, 2026. **FOR INFORMATIONAL PURPOSES ONLY.** BofA Global Research is research produced by BofA Securities, Inc. ("BofAS") and/or one or more of its affiliates. BofAS is a registered broker-dealer, Member SIPC, and wholly owned subsidiary of Bank of America Corporation. There can be no assurance that the forecasts will be achieved. There is no guarantee that this trend will continue. **Please refer to appendix for glossary and important disclosures.**

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Asset Class Performance with 60/40% Allocation & Private Equity

Key market index returns, 2017 – 2026*, highest to lowest

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026*
Emerging Markets Equity 37.28%	Real Estate 11.12%	US Large Cap Equity 31.75%	US Large Cap Equity 22.37%	US Large Cap Equity 27.90%	Tangible Assets 16.09%	US Large Cap Equity 29.85%	US Large Cap Equity 27.44%	Emerging Markets Equity 33.57%	Private Equity 27.50%
International Developed Equity 24.21%	International Fixed Income 3.17%	US Mid Cap Equity 30.54%	Private Equity 20.96%	Tangible Assets 27.11%	Cash 1.46%	International Developed Equity 17.94%	US Mid Cap Equity 15.34%	International Developed Equity 31.85%	Emerging Markets Equity 23.85%
US Large Cap Equity 22.96%	Cash 1.87%	US Small Cap Equity 25.52%	US Small Cap Equity 19.96%	US Mid Cap Equity 22.58%	Real Estate -0.91%	US Mid Cap Equity 17.23%	Private Equity 13.70%	Private Equity 22.98%	US Small Cap Equity 22.57%
US Mid Cap Equity 18.52%	Investment Grade Fixed Income 0.01%	International Developed Equity 22.49%	Emerging Markets Equity 18.31%	Real Estate 22.05%	Hedge Funds -4.20%	US Small Cap Equity 16.93%	US Small Cap Equity 11.54%	US Large Cap Equity 19.19%	US Mid Cap Equity 15.30%
60/40% Allocations 15.80%	US Large Cap Equity -3.08%	Private Equity 22.43%	US Mid Cap Equity 17.10%	Private Equity 19.34%	International Fixed Income -11.89%	60/40% Allocations 15.53%	60/40% Allocations 10.99%	60/40% Allocations 16.32%	Tangible Assets 14.36%
US Small Cap Equity 14.65%	High Yield Fixed Income -4.06%	60/40% Allocations 19.45%	60/40% Allocations 12.76%	US Small Cap Equity 14.82%	High Yield Fixed Income -12.71%	High Yield Fixed Income 14.04%	Hedge Funds 9.75%	Tangible Assets 15.77%	International Developed Equity 9.19%
Private Equity 13.16%	Hedge Funds -4.75%	Emerging Markets Equity 18.42%	Hedge Funds 11.83%	International Developed Equity 12.62%	Investment Grade Fixed Income -13.01%	Emerging Markets Equity 9.83%	High Yield Fixed Income 9.19%	US Small Cap Equity 12.81%	US Large Cap Equity 9.08%
High Yield Fixed Income 10.43%	60/40% Allocations -5.64%	High Yield Fixed Income 12.56%	International Developed Equity 7.59%	60/40% Allocations 10.51%	International Developed Equity -14.29%	Private Equity 9.33%	Emerging Markets Equity 7.50%	Hedge Funds 12.41%	Hedge Funds** 7.10%
Real Estate 8.90%	US Mid Cap Equity -9.06%	Hedge Funds 10.45%	Investment Grade Fixed Income 7.51%	Hedge Funds 10.16%	60/40% Allocations -16.22%	International Fixed Income 8.16%	Tangible Assets 5.38%	High Yield Fixed Income 12.06%	60/40% Allocations 7.00%
Hedge Funds 8.59%	US Small Cap Equity -11.01%	Investment Grade Fixed Income 8.72%	High Yield Fixed Income 7.03%	High Yield Fixed Income 0.99%	US Mid Cap Equity -17.32%	Hedge Funds 8.12%	Cash 5.25%	US Mid Cap Equity 10.60%	High Yield Fixed Income 2.14%
Investment Grade Fixed Income 3.54%	Tangible Assets -11.25%	Tangible Assets 7.69%	Real Estate 6.91%	Cash 0.05%	US Large Cap Equity -19.77%	Investment Grade Fixed Income 5.53%	International Developed Equity 4.70%	Investment Grade Fixed Income 7.30%	Cash 1.74%
International Fixed Income 2.51%	Private Equity -13.08%	International Fixed Income 7.57%	International Fixed Income 4.20%	Investment Grade Fixed Income -1.54%	Emerging Markets Equity -20.09%	Cash 5.02%	International Fixed Income 3.43%	Real Estate 4.55%	Real Estate*** 1.68%
Tangible Assets 1.70%	International Developed Equity -14.09%	Real Estate 5.66%	Cash 0.67%	International Fixed Income -1.67%	US Small Cap Equity -20.44%	Real Estate -1.18%	Real Estate 1.68%	Cash 4.18%	International Fixed Income 1.47%
Cash 0.86%	Emerging Markets Equity -14.57%	Cash 2.28%	Tangible Assets -3.12%	Emerging Markets Equity -2.54%	Private Equity -21.96%	Tangible Assets -7.91%	Investment Grade Fixed Income 1.25%	International Fixed Income 2.49%	Investment Grade Fixed Income 0.62%

Indexes referenced: Cash = ICE BofA U.S. 3-month Treasury Bill Index, US Large Cap Equity = Russell Top 200 Index, US Mid Cap Equity = Russell Mid Cap Index, US Small Cap Equity = Russell 2000 Index, International Developed Equity = MSCI World ex US Index, Emerging Markets Equity = MSCI Emerging Markets Index, Investment Grade Fixed Income = Bloomberg US Agg Bond Index, International Fixed Income = ICE BofA Global Broad Market Ex US Hedged Index, High Yield Fixed Income = Bloomberg Global High Yield Index, Hedge Funds = HFRI Fund Weighted Composite Index, 60/40% Allocations = 60% MSCI ACWI / 40% Bloomberg US Aggregate Bond Index, Real Estate = 80% NCREIF U.S. Property Index (NPI) & 20% FTSE NAREIT Composite REIT Index , Tangible Assets = Bloomberg Commodity Index, Private Equity = Russell Micro Cap Index. Total Returns referenced. Source: Morningstar Direct. Income and dividends are included in all returns figures. Performance of 60/40% Allocations is intended to illustrate the effect of asset allocation and diversification. It is not an advertisement or representation of any investment advisory products or services offered by Merrill. *Data as of June 30, 2026. **Hedge Funds Data is as of May 31, 2026. Real Estate Benchmark is a blend of 80% NCREIF NPI & 20% NAREIT Composite for the year 2020, 2021,2022, 2023, 2024 & 2025 (subject to revision). ***Real Estate data as of March 31, 2026. **FOR INFORMATIONAL PURPOSES ONLY. Past performance is no guarantee of future results. Results shown are based on an index and are illustrative; they assume reinvestment of income and no transaction costs or taxes. Indexes are unmanaged. Direct investment cannot be made in an index. Past performance is no guarantee of future results. Please refer to appendix for glossary, asset class and sector proxies, methodology and important disclosures.**

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Asset Class Volatility with 60/40% Allocation & Private Equity

Key market index volatility, 2017 – 2026*, highest to lowest

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026*
Private Equity 9.85%	Private Equity 18.84%	Private Equity 17.45%	Private Equity 37.41%	Private Equity 17.46%	US Small Cap Equity 24.55%	Private Equity 26.13%	Private Equity 21.22%	US Small Cap Equity 13.05%	Emerging Markets Equity 22.21%
US Small Cap Equity 7.42%	US Small Cap Equity 18.51%	US Small Cap Equity 17.08%	US Small Cap Equity 34.86%	Tangible Assets 13.46%	Private Equity 23.50%	US Small Cap Equity 23.19%	US Small Cap Equity 20.44%	US Large Cap Equity 12.44%	Tangible Assets 17.50%
Emerging Markets Equity 6.26%	US Mid Cap Equity 14.86%	Emerging Markets Equity 15.75%	US Mid Cap Equity 30.71%	US Small Cap Equity 11.09%	US Mid Cap Equity 23.15%	US Mid Cap Equity 19.26%	US Mid Cap Equity 15.12%	Private Equity 12.41%	International Developed Equity 13.66%
Tangible Assets 5.47%	US Large Cap Equity 14.84%	US Mid Cap Equity 14.25%	International Developed Equity 25.77%	US Mid Cap Equity 10.87%	US Large Cap Equity 21.79%	Emerging Markets Equity 17.32%	Emerging Markets Equity 11.88%	High Yield Fixed Income 11.41%	Private Equity 12.96%
Real Estate 4.83%	Emerging Markets Equity 14.79%	US Large Cap Equity 12.18%	Emerging Markets Equity 24.95%	US Large Cap Equity 10.74%	Emerging Markets Equity 20.70%	International Developed Equity 16.53%	US Large Cap Equity 10.01%	Tangible Assets 9.02%	US Large Cap Equity 12.81%
US Mid Cap Equity 4.13%	International Developed Equity 11.84%	International Developed Equity 11.14%	US Large Cap Equity 24.66%	Emerging Markets Equity 10.61%	International Developed Equity 20.43%	US Large Cap Equity 13.57%	International Developed Equity 9.60%	Emerging Markets Equity 7.73%	US Small Cap Equity 12.63%
US Large Cap Equity 3.79%	Tangible Assets 9.00%	Tangible Assets 9.36%	Tangible Assets 19.96%	International Developed Equity 9.60%	Tangible Assets 20.08%	60/40% Allocations 12.06%	Tangible Assets 8.24%	International Developed Equity 7.52%	US Mid Cap Equity 9.34%
International Developed Equity 3.72%	60/40% Allocations 7.57%	60/40% Allocations 7.06%	High Yield Fixed Income 17.01%	60/40% Allocations 5.91%	60/40% Allocations 14.47%	Tangible Assets 10.90%	60/40% Allocations 7.10%	Investment Grade Fixed Income 6.80%	60/40% Allocations 8.38%
High Yield Fixed Income 2.18%	Hedge Funds 5.03%	High Yield Fixed Income 5.60%	60/40% Allocations 14.65%	Hedge Funds 4.79%	High Yield Fixed Income 12.32%	High Yield Fixed Income 8.20%	Investment Grade Fixed Income 5.67%	US Mid Cap Equity 6.54%	Hedge Funds** 5.25%
International Fixed Income 2.07%	Real Estate 4.55%	Hedge Funds 4.71%	Hedge Funds 13.28%	High Yield Fixed Income 3.82%	Investment Grade Fixed Income 7.98%	Investment Grade Fixed Income 8.13%	Real Estate 4.10%	International Fixed Income 5.51%	High Yield Fixed Income 3.67%
60/40% Allocations 1.77%	High Yield Fixed Income 3.87%	Real Estate 4.41%	International Fixed Income 3.46%	Real Estate 3.64%	International Fixed Income 6.32%	Hedge Funds 5.57%	Hedge Funds 3.71%	60/40% Allocations 5.19%	International Fixed Income 2.86%
Investment Grade Fixed Income 1.46%	Investment Grade Fixed Income 2.98%	Investment Grade Fixed Income 3.28%	Investment Grade Fixed Income 3.27%	International Fixed Income 2.94%	Hedge Funds 5.08%	International Fixed Income 4.80%	High Yield Fixed Income 3.63%	Hedge Funds 3.91%	Investment Grade Fixed Income 2.43%
Hedge Funds 1.14%	International Fixed Income 1.56%	International Fixed Income 3.17%	Real Estate 1.46%	Investment Grade Fixed Income 2.72%	Real Estate 4.13%	Real Estate 3.60%	International Fixed Income 3.17%	Cash 1.95%	Cash 0.02%
Cash 0.09%	Cash 0.10%	Cash 0.10%	Cash 0.30%	Cash 0.01%	Cash 0.43%	Cash 0.20%	Cash 0.11%	Real Estate 0.92%	Real Estate*** N.A

Indexes referenced: Cash = ICE BofA U.S. 3-month Treasury Bill Index, US Large Cap Equity = Russell Top 200 Index, US Mid Cap Equity = Russell Mid Cap Index, US Small Cap Equity = Russell 2000 Index, International Developed Equity = MSCI World ex US Index, Emerging Markets Equity = MSCI Emerging Markets Index, Investment Grade Fixed Income = Bloomberg US Agg Bond Index, International Fixed Income = ICE BofA Global Broad Market Ex US Hedged Index, High Yield Fixed Income = Bloomberg Global High Yield TR Index, Hedge Funds = HFRI Fund Weighted Composite Index, 60/40% Allocations = 60% MSCI ACWI / 40% Bloomberg US Aggregate Bond TR Index, Real Estate = 80% NCREIF U.S. Property Index (NPI) & 20% FTSE NAREIT Composite REIT Index , Tangible Assets = Bloomberg Commodity Index, Private Equity = Russell Micro Cap Index. Total Returns referenced. Source: Morningstar Direct. Income and dividends are included in all returns figures. FOR INFORMATIONAL PURPOSES ONLY. Performance of 60/40% Allocations is intended to illustrate the effect of asset allocation and diversification. It is not an advertisement or representation of any investment advisory products or services offered by Merrill. Source: Morningstar Direct. Standard deviation (annualized) is a statistical measurement of the range of an asset class's total returns over the respective calendar years. In general, a higher standard deviation means greater volatility. Volatility is calculated on the basis of monthly returns. Real Estate Benchmark is a blend of 80% NCREIF NPI & 20% NAREIT Composite for the year 2020, 2021, 2022, 2023, 2024, & 2025 (subject to revision). Real Estate configuration before 2020 was 50% NCREIF Property Index (NPI) & 50% NCREIF Transaction Based Index (TBI). *Data as of June 30, 2026. **Hedge Funds Data as of May 31, 2026. ***Real Estate Data is currently not available. **FOR INFORMATIONAL PURPOSES ONLY. Past performance is no guarantee of future results. Results shown are based on an index and are illustrative; they assume reinvestment of income and no transaction costs or taxes. Indexes are unmanaged. Direct investment cannot be made in an index. Please refer to appendix for glossary, asset class and sector proxies and important disclosures.**

U.S. Equities

Historical Sector Performance

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Energy 34.40%	Cons Staples -15.43%	Technology 61.72%	Real Estate 32.32%	Utilities 19.91%	Financials 28.81%	Cons Disc 43.08%	Real Estate 30.19%	Cons Disc 10.11%	Energy 27.36%	Technology 38.83%	Health Care 6.47%	Technology 50.29%	Technology 43.89%	Energy 54.64%	Energy 65.72%	Technology 57.84%	Comm Svcs 40.23%	Comm Svcs 33.55%	Industrials 20.15%
Materials 22.53%	Health Care -22.81%	Materials 48.59%	Cons Disc 27.66%	Cons Staples 13.99%	Cons Disc 23.92%	Health Care 41.46%	Utilities 28.98%	Health Care 6.89%	Comm Svcs 23.48%	Materials 23.84%	Utilities 4.11%	Comm Svcs 32.69%	Cons Disc 33.30%	Real Estate 46.19%	Utilities 1.57%	Comm Svcs 55.80%	Technology 36.61%	Technology 24.04%	Technology 19.76%
Utilities 19.38%	Utilities -28.98%	Cons Disc 41.31%	Industrials 26.73%	Health Care 12.73%	Real Estate 19.74%	Industrials 40.68%	Health Care 25.34%	Cons Staples 6.60%	Financials 22.80%	Cons Disc 22.98%	Cons Disc 0.83%	Financials 32.13%	Comm Svcs 23.61%	Financials 35.04%	Cons Staples -0.62%	Cons Disc 42.41%	Financials 30.56%	Industrials 19.42%	Energy 19.66%
Technology 16.31%	Comm Svcs -30.49%	Real Estate 27.10%	Materials 22.20%	Real Estate 11.39%	Comm Svcs 18.31%	Financials 35.63%	Technology 20.12%	Technology 5.92%	Industrials 18.86%	Financials 22.18%	Technology -0.29%	S&P 500 31.49%	Materials 20.73%	Technology 34.53%	Health Care -1.95%	S&P 500 26.29%	Cons Disc 30.14%	S&P 500 17.88%	Materials 11.97%
Cons Staples 14.18%	Cons Disc -33.49%	S&P 500 26.46%	Energy 20.46%	Comm Svcs 6.26%	Health Care 17.89%	S&P 500 32.39%	Cons Staples 15.98%	Real Estate 4.68%	Materials 16.69%	Health Care 22.08%	Real Estate -2.22%	Industrials 29.37%	S&P 500 18.40%	S&P 500 28.71%	Industrials -5.48%	Industrials 18.13%	S&P 500 25.02%	Utilities 16.04%	Real Estate 11.52%
Industrials 12.03%	Energy -34.87%	Industrials 20.93%	Comm Svcs 18.97%	Cons Disc 6.13%	S&P 500 16.00%	Technology 28.43%	Financials 15.20%	Comm Svcs 3.40%	Utilities 16.28%	S&P 500 21.83%	S&P 500 -4.38%	Real Estate 29.01%	Health Care 13.45%	Materials 27.28%	Financials -10.53%	Materials 12.55%	Utilities 23.43%	Financials 15.02%	S&P 500 10.21%
Comm Svcs 11.95%	S&P 500 -37.00%	Health Care 19.70%	S&P 500 15.06%	Energy 4.72%	Industrials 15.35%	Cons Staples 26.14%	S&P 500 13.69%	S&P 500 1.38%	Technology 13.85%	Industrials 21.03%	Cons Staples -8.38%	Cons Disc 27.94%	Industrials 11.06%	Health Care 26.13%	Materials -12.27%	Real Estate 12.36%	Industrials 17.47%	Health Care 14.60%	Cons Staples 8.03%
Health Care 7.15%	Industrials -39.92%	Financials 17.22%	Cons Staples 14.11%	Technology 2.41%	Materials 14.97%	Materials 25.60%	Industrials 9.83%	Financials -1.53%	S&P 500 11.96%	Cons Staples 13.49%	Comm Svcs -12.53%	Cons Staples 27.61%	Cons Staples 10.75%	Cons Disc 24.43%	S&P 500 -18.11%	Financials 12.15%	Cons Staples 14.87%	Materials 10.54%	Utilities 7.69%
S&P 500 5.49%	Real Estate -42.31%	Cons Staples 14.89%	Financials 12.13%	S&P 500 2.11%	Technology 14.82%	Energy 25.07%	Cons Disc 9.68%	Industrials -2.53%	Cons Disc 6.03%	Utilities 12.11%	Financials -13.03%	Utilities 26.35%	Utilities 0.48%	Comm Svcs 21.57%	Real Estate -26.13%	Health Care 2.06%	Energy 5.72%	Energy 8.68%	Health Care 3.47%
Cons Disc -13.21%	Technology -43.14%	Energy 13.82%	Technology 10.19%	Industrials -0.59%	Cons Staples 10.76%	Utilities 13.21%	Materials 6.91%	Utilities -4.84%	Cons Staples 5.38%	Real Estate 10.85%	Industrials -13.29%	Materials 24.58%	Financials -1.69%	Industrials 21.12%	Technology -28.19%	Cons Staples 0.52%	Real Estate 5.23%	Cons Disc 6.04%	Comm Svcs 0.80%
Real Estate -17.85%	Materials -45.66%	Utilities 11.91%	Utilities 5.46%	Materials -9.75%	Energy 4.61%	Comm Svcs 11.47%	Comm Svcs 2.99%	Materials -8.38%	Real Estate 3.39%	Energy -1.01%	Materials -14.70%	Health Care 20.82%	Real Estate -2.17%	Cons Staples 18.63%	Cons Disc -37.03%	Energy -1.33%	Health Care 2.58%	Cons Staples 3.90%	Cons Disc -0.77%
Financials -18.63%	Financials -55.32%	Comm Svcs 8.93%	Health Care 2.90%	Financials -17.06%	Utilities 1.29%	Real Estate 1.60%	Energy -7.78%	Energy -21.12%	Health Care -2.69%	Comm Svcs -1.25%	Energy -18.10%	Energy 11.81%	Energy -33.68%	Utilities 17.67%	Comm Svcs -39.89%	Utilities -7.08%	Materials -0.04%	Real Estate 3.15%	Financials -1.18%

Source: Morningstar Direct. U.S. equities represented by the S&P 500 Index GICS sectors. Returns calculated are total returns. **FOR INFORMATIONAL PURPOSES ONLY.** Data as of June 30, 2026. Results shown are based on an index and are illustrative; they assume reinvestment of income and no transaction costs or taxes. Indexes are unmanaged. **Direct investment cannot be made in an index. Past performance is no guarantee of future results. Please refer to appendix for asset class and sector proxies and important disclosures.**

Appendix

Glossary

Alpha is a measure of the active return on an investment, the performance of that investment compared with a suitable market index.

Beta is a measure of an asset's risk in relation to the market or to an alternative benchmark or factors.

Capital Expenditures (CapEx) is money spent by a business or organization on acquiring or maintaining fixed assets, such as land, buildings, and equipment.

Dividend is the distribution of some of a company's earnings to a class of its shareholders, as determined by the company's board of directors.

Dry Powder in finance refers to readily available cash or liquid assets (like Treasuries) that investors (especially Private Equity/VC firms) hold, ready to be deployed for new investments, acquisitions, or opportunities, much like keeping gunpowder dry for battle; it signifies preparedness and strategic advantage, though too much can pressure risky investing.

Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) is a measure of a company's overall financial performance and is used as an alternative to net income in some circumstances.

Earnings Per Share (EPS) Growth is an illustration of the growth of earnings per share over time, this profitability metric is often depicted in a year-over-year fashion.

Emerging Market is a country that is progressing toward becoming advanced, as shown by some liquidity in local debt and Equity markets and the existence of some form of market exchange and regulatory body.

Equity Risk Premium is equal to the difference between the rate of return received from riskier Equity investments (e.g.; S&P 500) and the return of risk-free securities.

Equal Weighted is a proportional measure that gives the same importance to each stock in a portfolio or index fund, regardless of a company's size.

Exports are goods or services sold to parties in foreign countries.

Factor Investing is an investment strategy that tends to target specific drivers of asset class returns (such as earnings growth, for example) while also often enhancing diversification and reducing volatility.

GDP - Nominal: Gross Domestic Product (GDP) equals the total income of everyone in the economy or the total expenditure on the economy's goods and services. GDP includes only the value of final goods and services. Nominal GDP measures the value of goods and services at current dollar prices.

Growth is a style of investment strategy focused on capital appreciation. Those who follow this style, known as growth investors, invest in companies that exhibit signs of above-average growth, even if the share price appears expensive.

High Yield Leverage Debt is a bank loan to a company that has a large amount of debt.

Inflation refers to a general progressive increase in prices of goods and services in an economy.

Internal rate of return (IRR) represents the rate at which a historical series of cash flows are discounted so that the net present value of the cash flows equals zero. For pooled calculations, any remaining unrealized value in the fund is treated as a distribution in the most recent reporting period.

Momentum Investing is a system of buying stocks or other securities that have had high returns over the past three to twelve months, and selling those that have had poor returns over the same period.

Net Buyback is the repurchase of outstanding shares over the existing market cap of a company.

Net Total Return (NTR) reflects the price performance, plus the net amount of all special and regular dividends after applying an assumed foreign tax withholding rate.

Option-adjusted spread (OAS) is the measurement of the spread of a fixed-income security rate and the risk-free rate of return, which is then adjusted to take into account an embedded option.

Price/Earnings (P/E) Ratio is the ratio of the price of a stock and the company's earnings per share, this valuation metric is often quoted on a forward twelve month or trailing twelve month basis.

Price-to-Book Ratio compares a company's market value to its book value.

Price–to-sales (P/S) Ratio is a valuation metric for stocks. It is calculated by dividing the company's market capitalization by the revenue in the most recent year; or, equivalently, divide the per-share stock price by the per-share revenue.

Price Return (PR) reflects the price performance of the index but excludes the value of regular dividends.

Quality Investing is an investment strategy based on a set of clearly defined fundamental criteria that seeks to identify companies with outstanding quality.

Real GDP is an inflation-adjusted measure of the value of all goods and services produced in an economy.

Real Yield is the interest rate expressed in terms of real goods, i.e. nominal interest rate adjusted for expected inflation.

Redemption is the return of an investor's principal on a fixed income security such as a bond, mutual fund or preferred stock.

Standard Deviation is a statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution.

Spread is the difference between the bid and ask price or between the high and low price. For securities, it refers to the difference in yield on different securities.

Total Return (TR) reflects the price performance, plus the full value of all dividends, both special and regular.

Unemployment Rate represents the number of unemployed people as a percentage of the labor force (the labor force is the sum of the employed and unemployed).

Valuation is a financial assessment of the worth of an item.

Value is an investment strategy that involves picking stocks that appear to be trading for less than their intrinsic or book value.

World Trade Volume measures the difference between the movement of merchandise trade leaving a country (exports) and entering a country (imports).

Yield Curve is a curve on a graph in which the yield of fixed-interest securities is plotted against the length of time they have to run to maturity.

Z-score is a statistical measure that quantifies the distance (measured in standard deviations) a data point is from the mean of a data set.

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Asset Class and Sector Proxies

Securities indexes assume reinvestment of all distributions and interest payments. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Indexes are all based in U.S. dollars.

Inflation/IA SBBI U.S. Inflation Index measures the performance of U.S. inflation (not seasonally adjusted) which is the rate of change of consumer goods prices. The data is from Bureau of Labor Statistics. The value of the current month CPI is estimated by the average value of the previous two months CPI.
Inflation/Consumer Price Index (CPI) is a measure of the average change overtime in the prices paid by urban consumers for a market basket of consumer goods and services.
Core Inflation/Core Consumer Price Index includes CPI for all items less food and energy.
Inflation/Personal Consumption Expenditures (PCE) Price Index reflects changes in the prices of goods and services purchased by consumers in the United States.
Core Inflation/Core PCE Price Index includes PCE Price Index for all items less food and energy.
Cash/ICE BofA U.S. 3-month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. In order to qualify for inclusion, securities must be auctioned on or before the third business day before the last business day of the month and settle before the following calendar month end.
Cash/ICE US 1-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not less than, one month from the rebalancing date. To qualify for selection, an issue must have settled on or before the month-end rebalancing date.

EQUITY

Developed Asia Pacific ex-Japan/MSCI AC Asia Pacific Ex Japan Index captures large and mid cap representation across 4 of 5 Developed Markets countries (excluding Japan) and 8 Emerging Markets countries in the Asia Pacific region. With 1,073 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
Developed Europe ex-UK/ MSCI Europe Ex UK Index captures large and mid cap representation across 14 Developed Markets (DM) countries in Europe. With 332 constituents, the index covers approximately 85% of the free float-adjusted market capitalization across European Developed Markets excluding the UK.
Emerging Markets/MSCI Emerging Markets Index captures large and mid cap representation across 24 Emerging Markets countries. With 1,205 constituents, the index covers approximately 85% of the free float adjusted market capitalization in each country.
Europe/MSCI Europe Index captures large and mid-cap representation across 15 Developed Markets (DM) countries in Europe. With 403 constituents, the index covers approximately 85% of the free float-adjusted market capitalization across the European Developed Markets equity universe.
Global Equities/MSCI ACWI Index captures large and mid-cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. With 2,513 constituents, the index covers approximately 85% of the global investable equity opportunity set.
International Equity/MSCI World Ex USA Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries, excluding the United States. With 772 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
Japan/MSCI Japan Index designed to measure the performance of the large and mid cap segments of the Japanese market. With 179 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.
North America/MSCI North America Index is designed to measure the performance of the large and mid cap segments of the U.S. and Canada markets. With 619 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in the U.S. and Canada.
U.S. Large-cap Growth/Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years).
U.S. Large-cap Value/Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. Equity universe. It includes those Russell 1000 companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years).
U.S. Mid Cap/Russell Midcap Index measures the performance of the mid-cap segment of the U.S. Equity universe. The Russell Midcap Index is a subset of the Russell 1000® Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership.
U.S. Small cap Growth/Russell 2000 Growth Index measures the performance of the small-cap growth segment of the U.S. Equity universe. It includes those Russell 2000 companies with higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years).
U.S. Small-cap Value/Russell 2000 Value Index measures the performance of the small-cap value segment of the U.S. Equity universe. It includes those Russell 2000 companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years).
United Kingdom (UK)/MSCI United Kingdom Index is designed to measure the performance of the large and mid cap segments of the UK market. With 71 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in the UK.

SECTORS

S&P 500 sub-sectors and industry groups refer to Global Industry Classification Standard (GICS®) is an industry analysis framework that helps investors understand the key business activities for companies around the world, developed by MSCI and S&P Dow Jones Indices. The GICS structure consists of 11 Sectors, 25 Industry groups, 74 Industries and 163 sub-industries.

FIXED INCOME

Global Fixed Income/Bloomberg Global Aggregate Index is a flagship measure of global investment grade debt from a multitude local currency markets.
Global Fixed Income/ICE BofA Global Broad Market Index tracks the performance of investment grade debt publicly issued in the major domestic and Eurobond markets, including sovereign, quasi-government, corporate, securitized, and collateralized securities.
Global Corporates/ICE BofA Global Broad Market Corp Index (Hedged) tracks the performance of investment grade corporate debt publicly issued in the major domestic and euro-bond markets. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch).
Global Governments/ICE BofA Global Govt Bond Index + ICE BofA Global Large Cap Quasi-Govt Index (Hedged): (i) The ICE BofA Global Government Index tracks the performance of publicly issued investment grade sovereign debt denominated in the issuer's own domestic currency. (ii) The ICE BofA Global Large Cap Quasi-Government Index tracks the performance of Large-capitalization investment grade quasi-government debt publicly issued in the major domestic and euro-bond markets, including agency, foreign government, local government, supranational and government guaranteed securities. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch).
Global High Yield/Emerging Market/ICE BofA Global HY Country External Corp & Govt + ICE BofA Global High Yield Index (Unhedged): (i) The ICE BofA Global High Yield Country External Corporate & Government Index tracks the performance of USD and EUR denominated emerging market debt, including sovereign, quasi-government, and corporate securities. (ii) The ICE BofA Global High Yield Index tracks the performance of USD, CAD, GBP, and EUR denominated below investment grade corporate debt publicly issued in the major domestic or euro-bond markets.
Global Mortgages/ICE BofA Global Broad Market Collateralized Index (Hedged) tracks the performance of investment grade securitized and collateralized debt, including mortgage backed, asset backed, commercial mortgage backed, covered bond, and U.S. mortgage pass-through securities publicly issued in the major domestic and euro-bond markets. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch).
International Fixed Income/ICE BofA Global Broad Market ex USD Index (Hedged) is a subset of ICE BofA Global Broad Market Index excluding all securities denominated in U.S. dollars.
Treasury Inflation-Protected Securities (TIPS) /ICE BofA U.S. Inflation-Linked Treasury Index tracks the performance of U.S. dollar-denominated inflation linked sovereign debt publicly issued by the U.S. government in its domestic market.
U.S. Broad Market/ICE BofA U.S. Broad Market Index tracks the performance of U.S. dollar-denominated investment grade debt publicly issued in the U.S. domestic market, including U.S. Treasury, quasi-government, corporate, securitized, and collateralized securities.
U.S. Corporates/BBB/Sovereign/ICE BofA U.S. Corporate Index tracks the performance of U.S. dollar-denominated investment grade corporate debt publicly issued in the U.S. domestic market.
U.S. Government & Quasi Government/ICE BofA U.S. Treasury/Agency Index tracks the performance of U.S. dollar-denominated U.S. Treasury and non-subordinated U.S. agency debt issued in the U.S. domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of $1 billion for sovereigns and $250 million for agencies.
U.S. High Yield/ICE BofA U.S. High Yield Index tracks the performance of U.S. dollar denominated below investment grade corporate debt publicly issued in the U.S. domestic market.
U.S. Mortgage-backed Securities/ICE BofA U.S. Mortgage-Backed Securities Index tracks the performance of U.S. dollar denominated fixed rate residential mortgage pass-through securities publicly issued by U.S. agencies Fannie Mae, Freddie Mac and Ginnie Mae in the U.S. domestic market. 30-year, 20-year, and 15-year fixed rate mortgage pools are included in the Index provided they have at least one year remaining term to final maturity and a minimum amount outstanding of at least $5 billion per generic coupon and $250 million per production year within each generic coupon.
U.S. Municipals/Bloomberg U.S. Municipal Index is a benchmark that covers the U.S. dollar-denominated long-term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds.
U.S. Municipals/ICE BofA U.S. Municipal Securities Index tracks the performance of U.S. dollar-denominated investment grade tax-exempt debt publicly issued by U.S. states and territories, and their political subdivisions, in the U.S. domestic market.

ALTERNATIVE INVESTMENTS/COMMODITIES/REAL ESTATE

Hedge Funds/Hedge Strategies/HFRX Global Hedge Fund Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies; including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage.
Leveraged Loans/Morningstar LSTA U.S. Leveraged Loan Index is a market-value weighted index designed to measure the performance of the U.S. leveraged loan market.
Private Equity/Cambridge Associates (CA) U.S. Private Equity Index (Legacy Version): The Cambridge Associates U.S. Private Equity benchmark statistics are based on data compiled from more than 1,400 institutional-quality buyout, growth equity, private equity energy, and subordinated capital funds.

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Index Definitions

Securities indexes assume reinvestment of all distributions and interest payments. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Indexes are all based in U.S. dollars.

Alerian MLP Index is the leading gauge of energy infrastructure Master Limited Partnerships (MLPs). The capped, float-adjusted, capitalization-weighted index, whose constituents earn the majority of their cash flow from midstream activities involving energy commodities, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis (AMZX).
Bloomberg Commodity Index designed to provide liquid and diversified exposure to commodities via futures contracts. Is calculated on an excess return basis and reflects commodity futures price movements.
Bloomberg Global Aggregate Index is a flagship measure of global investment grade debt from a multitude local currency markets.
Bloomberg Global High Yield Index is a multi-currency flagship measure of the global high yield debt market. The index represents the union of the U.S. High Yield, the Pan-European High Yield, and Emerging Markets (EM) Hard Currency High Yield Indices. The high yield and emerging markets sub-components are mutually exclusive.
Bloomberg U.S. Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).
Bloomberg U.S. Aggregate Corporate Index measures the investment grade, fixed-rate, taxable corporate bond market.
Bloomberg U.S. EQ:FI 60:40 Index is designed to measure cross-asset market performance in the U.S. The index rebalances monthly to 60% equities and 40% fixed income. The equity and fixed income allocation is represented by Bloomberg U.S. Large Cap and Bloomberg U.S. Agg, respectively.
Bloomberg U.S. Mortgage Backed Securities (MBS) Index tracks fixed-rate agency mortgage backed pass-through securities guaranteed by Ginnie Mae, Fannie Mae, and Freddie Mac.
Bloomberg U.S. Municipal Index is a benchmark that covers the U.S. dollar-denominated long-term tax-exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds.
Bloomberg U.S. Treasury Index measures U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury. Treasury bills are excluded by maturity constraint, but are part of a separate Short Treasury Index.
Brent Crude Oil Futures reflects a generic ICE Brent Crude futures contract, which is a deliverable contract based on EFP delivery with an option to cash settle.
China 70-City Existing Home Price Index is calculated by Haver Analytics by averaging the indexes of the 70 cities weighted by their fixed share of the total nominal GDP of the 70 cities.
Dow Jones Industrial Average (DJIA) is a price-weighted measure of 30 U.S. blue-chip companies. The index covers all industries except transportation and utilities. It has been a widely followed indicator of the stock market since October 1, 1928.
Freddie Mac Enhanced U.S. 30 Year Mortgage Rate Freddie Mac surveys lenders on the rates and points for their most popular 30-year fixed rate. The survey is based on first-lien prime conventional conforming home purchase mortgages with a loan-to-value of 80 percent. In addition, the adjustable-rate mortgage (ARM) products are indexed to U.S. Treasury yields.
FTSE EPRA Nareit Global Index is designed to track the performance of listed real estate companies and REITS in both developed and emerging markets.
FTSE EPRA Nareit United States Index is designed to track the performance of listed real estate companies and REITs in the United States.
ICE BofA BBB & Lower Sovereign External Debt Index tracks the performance of U.S. dollar denominated emerging market and cross-over sovereign debt publicly issued in the Eurobond or U.S. domestic market.
ICE BofA Global Broad Market Index tracks the performance of investment grade debt publicly issued in the major domestic and Eurobond markets, including sovereign, quasi-government, corporate, securitized, and collateralized securities.
ICE BofA U.S. Broad Market Index tracks the performance of U.S. dollar-denominated investment grade debt publicly issued in the U.S. domestic market, including U.S. Treasury, quasi-government, corporate, securitized, and collateralized securities.
ICE BofA U.S. Composite Agency Index tracks the performance of U.S. dollar-denominated investment grade U.S. agency debt issued in the U.S. domestic market.
ICE BofA U.S. Corporate Index tracks the performance of U.S. dollar-denominated investment grade corporate debt publicly issued in the U.S. domestic market.
ICE BofA U.S. High Yield Index tracks the performance of U.S. dollar-denominated below investment grade corporate debt publicly issued in the U.S. domestic market.
ICE BofA U.S. Inflation-Linked Treasury Index tracks the performance of U.S. dollar-denominated inflation linked sovereign debt publicly issued by the U.S. government in its domestic market.
ICE BofA U.S. Municipal Securities Index tracks the performance of U.S. dollar-denominated investment grade tax-exempt debt publicly issued by U.S. states and territories, and their political subdivisions, in the U.S. domestic market.
ICE BofA U.S. Treasury Index tracks the performance of U.S. dollar-denominated sovereign debt publicly issued by the U.S. government in its domestic market.
Institute for Supply Management (ISM) Manufacturing PMI Index is based on data compiled from purchasing and supply executives nationwide. The composition of the Manufacturing Business Survey Panel is stratified according to the North American Industry Classification System (NAICS).
LPX50 Listed Private Equity USD Index is designed to represent the global performance of the 50 most highly capitalized and liquid Listed Private Equity companies. The index is diversified across regions, private equity investment styles, financing styles and vintages.
MSCI All Country World Index (ACWI) captures large and mid-cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. With 2,513 constituents, the index covers approximately 85% of the global investable equity opportunity set.
MSCI ACWI ex USA Index captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries (excluding the U.S.) and 24 Emerging Markets (EM) countries. With 1,977 constituents, the index covers approximately 85% of the global equity opportunity set outside the U.S.
MSCI EAFE (Europe, Australasia, and Far East) Index is an equity index which captures large and mid cap representation across 21 Developed Markets around the world, excluding the U.S. and Canada. With 689 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
MSCI Emerging Markets Index captures large and mid cap representation across 24 Emerging Markets countries. With 1,205 constituents, the index covers approximately 85% of the free float adjusted market capitalization in each country.
MSCI Pacific ex Japan Index captures large and mid cap representation across 4 of 5 Developed Markets (DM) countries in the Pacific region (excluding Japan). With 93 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
MSCI USA Equal Weighted Index represents an alternative weighting scheme to its market cap weighted parent index, the MSCI USA Index. At each quarterly rebalance date, all index constituents are weighted equally, effectively removing the influence of each constituent's current price.
MSCI USA Growth Index captures large and mid-cap securities exhibiting overall growth style characteristics in the U.S.
MSCI USA High Dividend Yield Index is designed to reflect the performance of equities in the MSCI USA Index (excluding REITs) with higher dividend income and quality characteristics than average dividend yields that are both sustainable and persistent.
MSCI USA Minimum Volatility Index aims to reflect the performance characteristics of a minimum variance strategy applied to the large and mid-cap USA equity universe.
MSCI USA Momentum Index is based on MSCI USA Index, its parent index, which captures large and mid-cap stocks of the U.S. market. It is designed to reflect the performance of an equity momentum strategy by emphasizing stocks with high price momentum, while maintaining reasonably high trading liquidity, investment capacity and moderate index turnover.
MSCI USA Quality Index is based on the MSCI USA Index, its parent index, which includes large and mid-cap stocks in the U.S. equity market. The index aims to capture the performance of quality growth stocks by identifying stocks with high quality scores based on three main fundamental variables: high return on equity (ROE), stable year-over-year earnings growth and low financial leverage.
MSCI USA Value Index captures large and mid-cap U.S. securities exhibiting overall value style characteristics.
MSCI U.S. REIT Index is a free float-adjusted market capitalization weighted index that is comprised of equity Real Estate Investment Trusts (REITs).
MSCI World Index captures large and mid-cap representation across 23 Developed Markets (DM) countries. With 1,308 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
MSCI World ex USA Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries, excluding the United States. With 772 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
Nasdaq-100 Index is a globally recognized index that tracks the performance of 100 of the largest non-financial companies listed on the Nasdaq Stock Market®, encompassing a diverse range of industries and sectors.
Real Federal Reserve Board (FRB) Broad Trade-Weighted Dollar Index is constructed using the currencies of the 26 most important U.S. trading partners for which bilateral trade with the U.S. accounts for at least 0.5 percent of total U.S. bilateral trade. The index represents real terms (adjusted using consumer price indexes).
Russell 1000 Index measures the performance of the large-cap segment of the U.S. equity universe. The Russell 1000 Index is a subset of the Russell 3000® Index which is designed to represent approximately 98% of the investable U.S. equity market. It includes approximately 1,000 of the largest securities based on a combination of their market cap and current index membership.
Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years).
Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. Equity universe. It includes those Russell 1000 companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years).
Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000® Index which is designed to represent approximately 98% of the investable U.S. equity market. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership.
Russell 3000 Growth Index measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 3000 companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years).
Russell 3000 Index measures the performance of the largest 3,000 U.S. companies designed to represent approximately 98% of the investable U.S. equity market, as of the most recent constitution.
Russell 3000 Value Index measures the performance of the broad value segment of the U.S. equity value universe. It includes those Russell 3000 companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years).
Russell Microcap Index measures the performance of the microcap segment of the U.S. equity market. Microcap stocks make up less than 2% of the U.S. equity market (by market cap, as of the most recent reconstitution) and consist of the smallest 1,000 securities in the small-cap Russell 2000® Index, plus the next 1,000 smallest eligible securities by market cap.
Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell Midcap Index is a subset of the
Russell Top 200 Index measures the performance of the largest cap segment of the U.S. equity universe. The Russell Top 200 Index is a subset of the Russell 3000® Index. It includes approximately 200 of the largest securities based on a combination of their market cap and current index membership and represents approximately 68% of the Russell 3000® Index, as of the most recent reconstitution.
S&P 500 Equal Weighted Index is the equal-weight version of the widely-used S&P 500. The index includes the same constituents as the capitalization weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance.
S&P 500 Index (SPX) market-capitalization-weighted index that is widely regarded as the best single gauge of large-cap U.S. equities. The index includes 500 leading companies and covers approximately 80% of available market capitalization. It is also an ideal proxy for the total market.
S&P 500 sub-sectors and industry groups refer to Global Industry Classification Standard (GICS®) including Information Technology Total Return TR USD; Consumer Discretionary TR USD; Industrials TR USD; Real Estate TR USD; Communication Services TR USD; Materials TR USD; Financials TR USD; Consumer Staples TR USD; Utilities TR USD; Energy TR USD; Healthcare TR USD.
S&P SmallCap 600 Index is a capitalization-weighted index that seeks to measure the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.
U.S. Dollar Index (DXY) indicates the general international value of the U.S. dollar. The index does this by averaging the exchange rates between the U.S. dollar and major world currencies.
West Texas Intermediate (WTI) Crude Oil Futures is a principal international pricing benchmark in U.S. dollars per barrel that reflects the NYMEX Division light, sweet crude oil futures contract which is the world's most liquid forum for crude oil trading and the world's largest volume future contract trading on a physical commodity. The contract trades in units of 1,000 barrels and the delivery point is Cushing, Oklahoma, which is also accessible to the international spot markets via pipelines.

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Alternative investments are intended for qualified investors only. Alternative Investments such as derivatives, hedge funds, private equity funds, and funds of funds can result in higher return potential but also higher loss potential. Changes in economic conditions or other circumstances may adversely affect your investments. Before you invest in alternative investments, you should consider your overall financial situation, how much money you have to invest, your need for liquidity, and your tolerance for risk.

Nonfinancial assets, such as closely-held businesses, real estate, fine art, oil, gas and mineral properties, and timber, farm and ranch land, are complex in nature and involve risks including total loss of value. Special risk considerations include natural events (for example, earthquakes or fires), complex tax considerations, and lack of liquidity. Nonfinancial assets are not in the best interest of all investors. Clients should always consult with your independent attorney, tax advisor, investment manager, and insurance agent for final recommendations and before changing or implementing any financial, tax, or estate planning strategy.

Investors should bear in mind that the global financial markets are subject to periods of extraordinary disruption and distress. During the financial crisis of 2008-2009, many private investment funds incurred significant or even total losses, suspended redemptions or otherwise severely restricted investor liquidity, including increasing the notice period required for redemptions, instituting gates on the percentage of fund interests that could be redeemed in any given period and creating side-pockets and special purpose vehicles to hold illiquid securities as they are liquidated. Other funds may take similar steps in the future to prevent forced liquidation of their portfolios into a distressed market. In addition, investment funds implementing alternative investment strategies are subject to the risk of ruin and may become illiquid under a variety of circumstances, irrespective of general market conditions.

Sustainable and Impact Investing and/or Environmental, Social and Governance (ESG) managers may take into consideration factors beyond traditional financial information to select securities, which could result in relative investment performance deviating from other strategies or broad market benchmarks, depending on whether such sectors or investments are in or out of favor in the market. Further, ESG strategies may rely on certain values based criteria to eliminate exposures found in similar strategies or broad market benchmarks, which could also result in relative investment performance deviating.

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