Q2'2025 Market Review & Outlook

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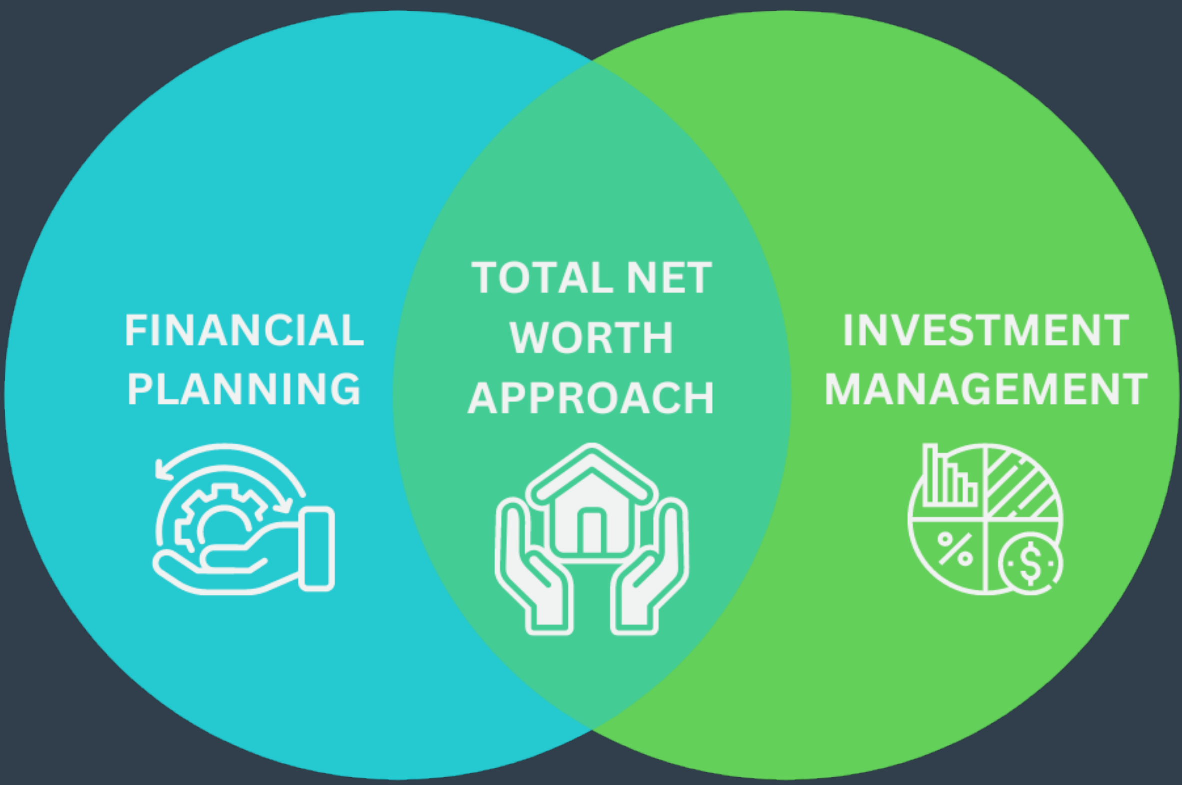

At Winthrop Wealth, we follow a **Total Net Worth Approach** to wealth management that combines both comprehensive financial planning and investment management. The financial plan helps define cash flow needs, seeks to optimize account structures, considers tax mitigation strategies, and determines the appropriate asset allocation based on the client's willingness and ability to take risk. Based on the output of the financial plan, our investment management process designs a well-diversified portfolio constructed with a long-term methodology based on prudent risk management, asset allocation, and security selection. *For clients who receive both financial planning and investment advisory services under agreement. No strategy assures success or protects against loss. Investing involves risk, including loss of principle.*

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Second Quarter 2025 Highlights

- **US Equity Markets:** The US equity market staged a powerful rebound in the second quarter, with the S&P 500 rising by +10.9% - marking its best quarterly return since Q4 2023. The index is now up +6.2% year-to-date in 2025. The rally was primarily driven by tariff de-escalation, along with stronger-than-expected corporate earnings, better-than-feared inflation data, and a growing anticipation of upcoming FOMC rate cuts.

- **Treasury Yields:** The Treasury yield curve steepened over the quarter, as most rates - including the 10-Year - held steady, while the longest maturities increased. The Federal Reserve influences short-term interest rates by setting the Federal Funds rate, while the market determines long-term yields based on supply dynamics and investor demand, which vary with expectations of future inflation and economic growth.

- **US Fixed Income Market:** The Bloomberg US Aggregate Bond index (Agg), which acts as a proxy for the intermediate-term investment-grade bond market, increased by +1.2% despite the small change in the 10-Year Treasury yield. The Agg is now higher by +4.0% in 2025. All else equal, we expect intermediate-term bonds to provide both ballast and positive returns once yields either stabilize or decline. Bonds did provide ballast during the recent bout of market volatility earlier this year, gaining +1% while the equity market declined by nearly -19%. In our opinion, intermediate-term bonds remain an attractive investment opportunity, as the yield to maturity on the US Aggregate Bond Index ended the quarter at 4.5%.

- **Inflation:** The Fed began lowering interest rates in 2024 as inflation decelerated toward more normal levels, but new concerns have emerged that tariffs could spark a resurgence.

- **The Fed:** At their June 18th meeting, the FOMC left the top end of the Federal Funds rate unchanged at 4.50%. The FOMC's most recent Summary of Economic Projections (SEP) showed that the median participant expects they will lower rates to 3.9% in 2025 and to 3.6% in 2026. The next FOMC meeting is on July 30th.

- **US Economy:** There is now growing evidence that tariffs are weighing on economic growth and putting upward pressure on inflation. Most investors, economists, and business professionals expect that these trade frictions, if sustained, will continue to disrupt supply chains, raise input costs, dampen overall spending, and eventually weigh on the labor market. The key point here is if sustained - if President Trump is able to reach new trade deals or scale back proposed tariffs, the current economic slowdown may ultimately prove to be just a soft patch on the path to continued expansion.

- **Short-Term Market Outlook:** While we're encouraged by the market rebound to new all-time highs, we recognize that the primary driver of this year's market volatility - tariffs - will likely remain an overhang. With several key dates on the horizon, tariffs remain a significant risk that we are not yet prepared to take off the table. We've seen continued evidence that President Trump uses tariffs as a dial, adjusting them based on the status of ongoing negotiations and the state of the markets. In our view, while the market's advance to new highs reflects underlying resilience, we still expect elevated volatility and a wide trading range over the coming months as investors await developments on tariffs, tax policy, inflation, corporate earnings, and the overall health of the labor market and economy.

- **Long-term Investment Philosophy:** Our long-term outlook remains optimistic for investors with both a comprehensive financial plan and investment process. Markets have historically increased over time despite frequent drawdowns as successful corporations have been able to figure out ways to generate profits through advances in innovation and productivity. To capitalize on the power of compounding, we believe in the benefits of staying **D**isciplined, **O**pportunistic, and **D**iversified, while striving to **M**itigate fees, taxes, and expenses. In our opinion, adhering to a structured process and executing on all these components should help keep our clients on track toward pursuing their long-term objectives. *Historically, equity markets have recovered from recessions and downturns. Past performance is no guarantee of future returns. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.*

All data sourced from Bloomberg as of 6/30/25

US Equity Markets

The US equity market staged a powerful rebound in the second quarter, with the S&P 500 rising by +10.9% - marking its best quarterly return since Q4 2023. The index is now up +6.2% year-to-date in 2025. The rally was primarily driven by tariff de-escalation, along with stronger-than-expected corporate earnings, better-than-feared inflation data, and a growing anticipation of upcoming FOMC rate cuts.

US Equity Market Performance								
Broad Market	**Q2 2025**	**2025**	**Style**	**Q2 2025**	**2025**	**Sector**	**Q2 2025**	**2025**
S&P 500	10.94%	6.20%	Russell 1000 Growth	17.84%	6.08%	Consumer Discretionary	11.52%	-3.87%
Russell 3000	10.99%	5.74%	Russell 1000 Value	3.79%	6.00%	Financials	5.51%	9.19%
Dow Jones Industrial Average	5.46%	4.55%				Utilities	4.26%	9.41%
Nasdaq	17.97%	5.86%				Materials	3.13%	6.03%
			Sector	**Q2 2025**	**2025**	Consumer Staples	1.11%	6.40%
Size	**Q2 2025**	**2025**	Technology	23.71%	8.05%	Real Estate	-0.06%	3.52%
Mid Cap (S&P 400)	6.71%	0.19%	Communication Services	18.49%	11.14%	Health Care	-7.18%	-1.11%
Small Cap (Russell 2000)	8.50%	-1.79%	Industrials	12.94%	12.72%	Energy	-8.56%	0.77%

Source: Bloomberg

Key Points

- **Near Bear Market, Followed by New All-Time Highs:** After President Trump's tariff announcements on April 2nd, the S&P 500 fell -12% over the next four trading days, bringing the index close to a bear market with a peak-to-trough decline of nearly -19%. From there, the market began to recover as trade tensions eased. The S&P 500 rose nearly +25% from April 8th through quarter-end, ending the period at a new all-time closing high of 6,205. The recent market performance reinforces our belief in the importance of maintaining a long-term perspective. Please see our Principles for Long-Term Investing.

- **Volatility Surges**: The S&P 500 closed up or down by at least 2% on ten trading days in the second quarter - more than in all of 2023 and 2024 combined.

- **Tariff Wars and Whiplash:** Investors had no choice but to endure Trump's Tariff Rollercoaster, with new measures announced, delayed, or exempted almost daily throughout the quarter. The US has reached framework agreements with China and the UK, while negotiations remain ongoing with the European Union, Japan, India, and other key trading partners. The July 9th Reciprocal Tariff Deadline is fast approaching and could trigger new tariffs if deals are not finalized – though it may also be extended:
    - The environment remains very fluid, with new headlines on tariffs and negotiations occurring constantly. As we stated in our Post-Election commentary, President Trump used the threat of tariffs with some success during his first administration, although it created market volatility and weighed on the economy. We hope that the current round of tariffs and negotiations ultimately leads to more favorable trade terms for the US, stronger protections for intellectual property, and the onshoring of critical supply chains—without causing lasting harm to economic growth or business and consumer confidence.

- **Magnificent 7 Stocks Boost Growth and Large Caps:** In a reversal from last quarter, when all were negative, six of the Magnificent 7 stocks increased by more than double digits, including Nvidia (+46%), Microsoft (+33%), Meta (+28%), Tesla (+23%), Amazon (+15%), and Alphabet (+14%). These stocks helped drive Growth (+17.8%) over Value (+3.8%) and Large Caps (+10.9%) over Mid Caps (+6.7%) and Small Caps (+8.5%).
    - We construct diversified portfolios across regions, countries, market caps, factors, styles, sectors, and industries and tilt toward the areas we feel provide the most potential benefit. Our view remains that diversified portfolios can lead to more consistent and less volatile results than a single asset class or an 'all-eggs-in-one-basket' approach. Please see our Client Question on Asset Allocation for our views on portfolio construction. *There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.*

- **Sector Performance:** Eight of eleven sectors posted gains for the quarter, with Technology (+23.7%) and Communication Services (+18.5%) leading the way. Health Care (-7.2%) declined primarily due to a -40% drop in UnitedHealth Group. Energy (-8.6%) was the worst-performing sector, despite ongoing geopolitical tensions, as the price of WTI crude oil fell -6.5%

- **Upcoming Catalysts:** BLS Employment Report (7/3), Reciprocal Tariff Deadline (7/9), CPI Inflation (7/15), Unofficial Start of Q2 Earnings Season (7/15), Retail Sales (7/17), Q2 GDP (7/30), PCE Inflation (7/31), Fed's Jackson Hole Conference (8/21).

Fixed Income Markets

Interest Rates

The Treasury yield curve steepened over the quarter, as most rates - including the 10-Year - held steady, while the longest maturities increased. The Federal Reserve influences short-term interest rates by setting the Federal Funds rate, while the market determines long-term yields based on supply dynamics and investor demand, which vary with expectations of future inflation and economic growth.

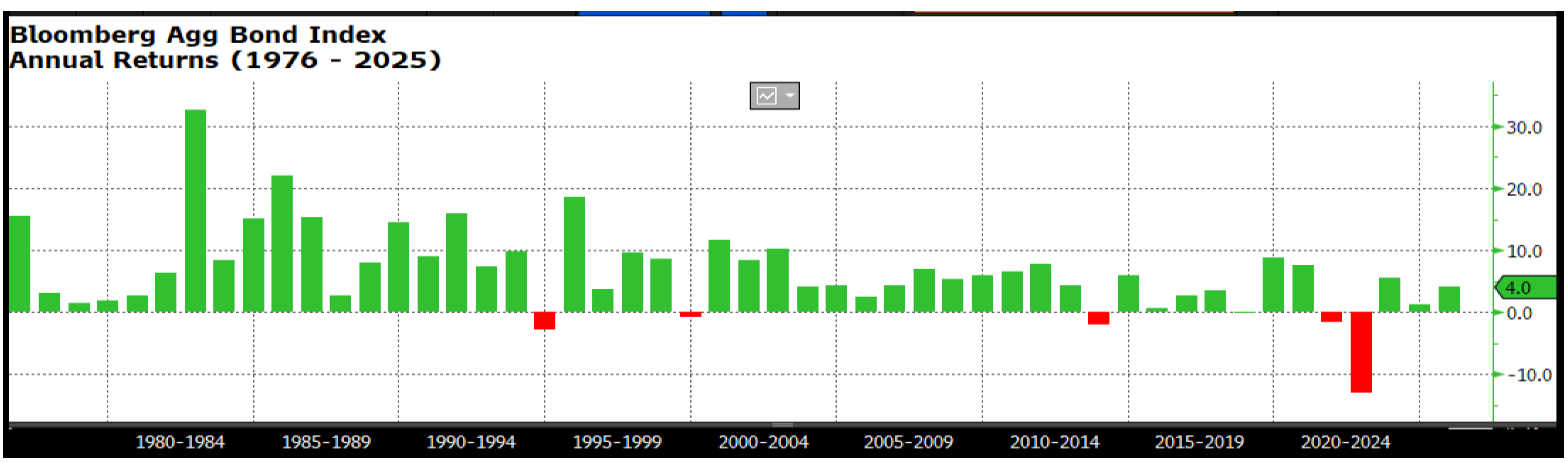
- **Short-Term Treasury Yields:** According to Bloomberg, market pricing indicates nearly three 0.25% rate cuts this year, so short-term yields should decline in the coming months. Short-term yields were above +5% for most of 2023 and 2024.
    - Quarter-end levels: 3-Month: 4.29% (-0%), 6-Month: 4.25% (+0%), 12-Month: 3.97% (-0.1%).
    - Investing in short-term Treasuries with +5% yields was a great strategy over the past several quarters, but we believe that opportunity has passed, and investors now face reinvestment risk with lower rates at maturity. We suggest using short-term Treasuries to fund anticipated liabilities, and to invest any excess cash in longer maturities or in a diversified portfolio. *Investing involves risk including loss of principal. No strategy assures success or protects against loss.*
- **Long-Term Treasury Yields:** Despite a wide trading range, the 10-Year Treasury ended the quarter nearly flat amid mixed economic and inflation signals.
    - Quarter-end levels: 10-Year: 4.23% (+0%), 20-Year: 4.77% (+0.2%), 30-Year: 4.77% (+0.2%).
    - Moody's also followed Fitch (2023) and S&P (2011) in downgrading US debt by one notch below AAA, citing concerns over the deficit and rising interest rate costs. We hope this serves as a wake-up call to Congress. In our opinion, reducing the deficit and slowing the growth of [federal debt] would significantly help stabilize long-term interest rates.

Intermediate-Term Bonds

The Bloomberg US Aggregate Bond index (Agg), which acts as a proxy for the intermediate-term investment-grade bond market, increased by +1.2% despite the small change in the 10-Year Treasury yield. Bond prices move inversely to interest rates and credit spreads. The Agg is now higher by +4.0% in 2025. Please see our [Bond Primer].

After some challenging periods over the last few years and negative results in the month, we continue to recommend a patient approach for intermediate term bonds. All else equal, we expect intermediate-term bonds to provide both ballast and positive returns once yields either stabilize or decline. Bonds did provide ballast during the recent bout of market volatility earlier this year, gaining +1% while the equity market declined by nearly -19%. We'll also highlight that bonds performed well in a relatively stable interest rate environment during the quarter.

In our opinion, intermediate-term bonds remain an attractive investment opportunity, as the yield to maturity on the US Aggregate Bond Index ended the quarter at 4.5%. Yield to maturity is defined as the estimated annualized rate of return an investor can expect on a bond if purchased today and held to maturity, assuming the issuer makes all their interest and principal payments (i.e., no defaults). In our view, patient investors should be optimistic about intermediate-term fixed income returns over the next several years. *Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price.*



Source: Bloomberg

Inflation

Everyone that I know is forecasting a meaningful increase in inflation in coming months from tariffs, because someone has to pay for the tariffs.

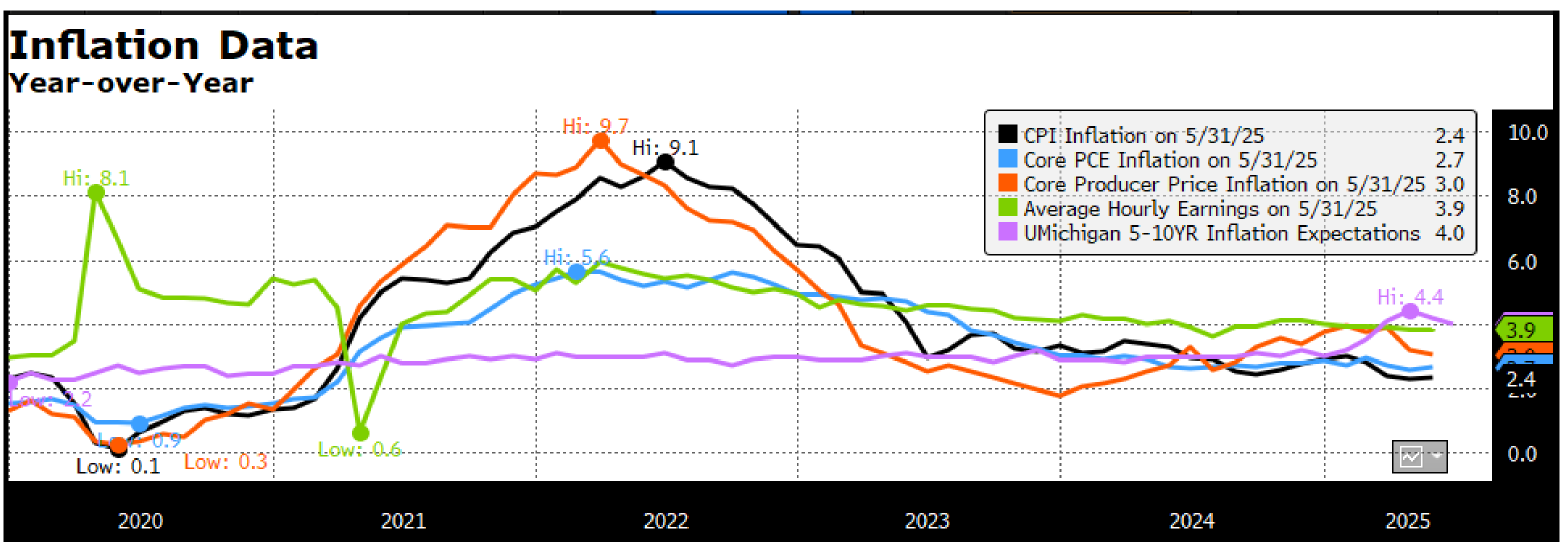
- Fed Chair Jerome Powell, FOMC Press Conference (June 2025)

The surge in inflation since early 2021 was driven by supply chain bottlenecks, rising energy prices, strong consumer demand fueled by a solid labor market, and unprecedented levels of stimulus. The Fed began lowering interest rates in 2024 as inflation decelerated toward more normal levels, but new concerns have emerged that tariffs could spark a resurgence.

The Fed breaks inflation into three categories: goods, housing, and non-housing core services. Goods inflation is rising in response to tariffs, housing remains elevated at 4.1% year-over-year but is gradually easing, and non-housing services have slowed to 3.1% and continue to decelerate. While parts of inflation are showing encouraging signs, tariffs have become a key risk—though one that could shift quickly depending on trade policy developments.

Here are several key inflation indicators and a chart tracking the data since the start of 2020:

- **The Bureau of Labor Statistics Consumer Price Index (CPI)** is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. The index includes food and energy prices.
    - Latest Reading: 2.4% (May). Peak: 9.1% (June 2022).
- **The Core Personal Consumption Expenditure (PCE) Index** measures the prices paid by consumers for goods and services based on surveys of what businesses are selling. Core means that the index excludes food and energy prices. This is the Fed's preferred inflation measure, which they target at an average of 2%.
    - Latest Reading: 2.7% (May). Peak: 5.6% (February 2022).
- **The Core Producer Price Index (PPI)** measures the average change in the selling prices received by domestic producers for their output. The prices included in the PPI are from the first commercial transaction for many products and some services.
    - Latest Reading: 3.0% (May). Peak: 9.7% (March 2022).
- **The Bureau of Labor Statistics Average Hourly Earnings** tracks total hourly renumeration (in cash or in kind) paid to employees in return for work done (or paid leave). Data is from the Current Employment Statistics (CES) survey.
    - Latest Reading: 3.9% (May). Peak: 8.1% (April 2020).
- **The University of Michigan Inflation Expectations** data is based on a monthly survey designed to gauge consumer expectations. Participants are asked for their view on annual inflation over the next 5 to 10 years.
    - Latest Reading: 4.0% (June). Peak: 4.1% (March 2025).



Source: Bloomberg

The Fed

The Federal Reserve serves as the central bank of the United States and performs critical functions designed to promote the health of the economy and stability of the financial system. The three key entities include the Board of Governors, twelve Federal Reserve Banks, and the Federal Open Market Committee (FOMC). The FOMC sets monetary policy in accordance with its mandate from Congress: to promote maximum employment and stable prices. According to the Fed, "monetary policy directly affects interest rates; it indirectly affects stock prices, wealth, and currency exchange rates. Through these channels, monetary policy influences spending, investment, production, employment, and inflation in the United States." Please see our Client Question on the Fed.

Interest Rates		Balance Sheet		Commentary
Federal Funds Rate	Federal Funds Rate 2025 Change	Fed Balance Sheet	Fed Balance Sheet 2025 Change	June 2025 FOMC Statement
4.25% - 4.50%	No Change.	$6.7 Trillion	- $224 Billion	The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. Uncertainty about the economic outlook has diminished but remains elevated. The Committee is attentive to the risks to both sides of its dual mandate.

Source: Federal Reserve and Bloomberg

Interest Rates: At their June 18th meeting, the FOMC left the top end of the Federal Funds rate unchanged at 4.50%. The FOMC's most recent Summary of Economic Projections (SEP) showed that the median participant expects they will lower rates to 3.9% in 2025 and to 3.6% in 2026. According to Bloomberg, market pricing indicates nearly three 0.25% rate cuts this year, with the first expected in September. The next FOMC meeting is on July 30th.

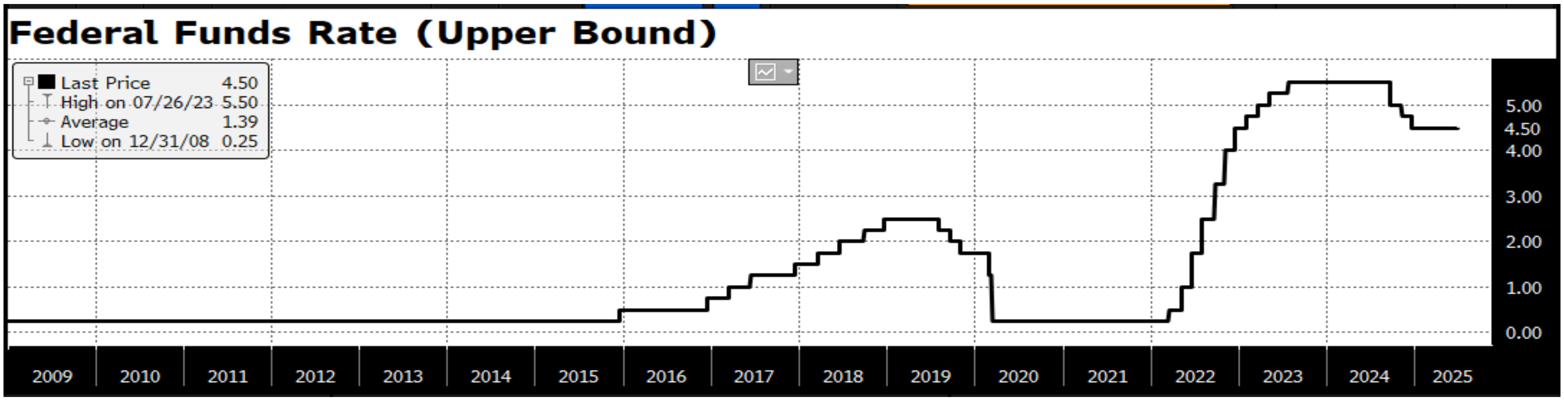
Balance Sheet – Quantitative Tightening: In March, the Fed announced that its balance sheet runoff, or Quantitative Tightening program, would slow down again from a monthly pace of $60 billion to $40 billion - $5 billion in Treasuries and $35 billion in agency mortgage-backed securities. The Fed's balance sheet now stands at about $6.7 trillion, down from a peak of nearly $9 trillion in 2022. The Fed still thinks they can reduce the balance sheet close to its pre-pandemic size.

Despite elevated uncertainty, the economy is in a solid position. The unemployment rate remains low, and the labor market is at or near maximum employment. The effects of tariffs will depend, among other things, on their ultimate level. Even so, increases in tariffs this year are likely to push up prices and weigh on economic activity.

- Fed Chair Jerome Powell, Semiannual Monetary Policy Report to the Congress (June 2025)

The Fed has remained in a 'wait-and-see' mode on interest rate changes in recent months, seeking greater clarity on trade policy developments, inflation, and the broader economic response. While many investors - and even the President - have called for rate cuts, the Fed has held firm. The policy dilemma is clear: Should the Fed lower rates to support economic growth, risking a resurgence of inflation? Or should they hold steady - or even raise rates - at the risk of a significant labor market slowdown and a potential recession?

Fed Chair Powell recently acknowledged that the FOMC would have already lowered rates if not for the inflation-related uncertainty stemming from tariffs. We suspect this 'wait-and-see' approach will persist for only a few more months, after which the FOMC is likely to cut rates - either because tariff-induced inflation proves less persistent than feared or begins to weigh more heavily on the labor market.



Source: Bloomberg

US Economy

Data indicated that the US economy continued to grow at the end of the second quarter, but that the outlook remains uncertain while inflationary pressures have risen sharply in the past two months.

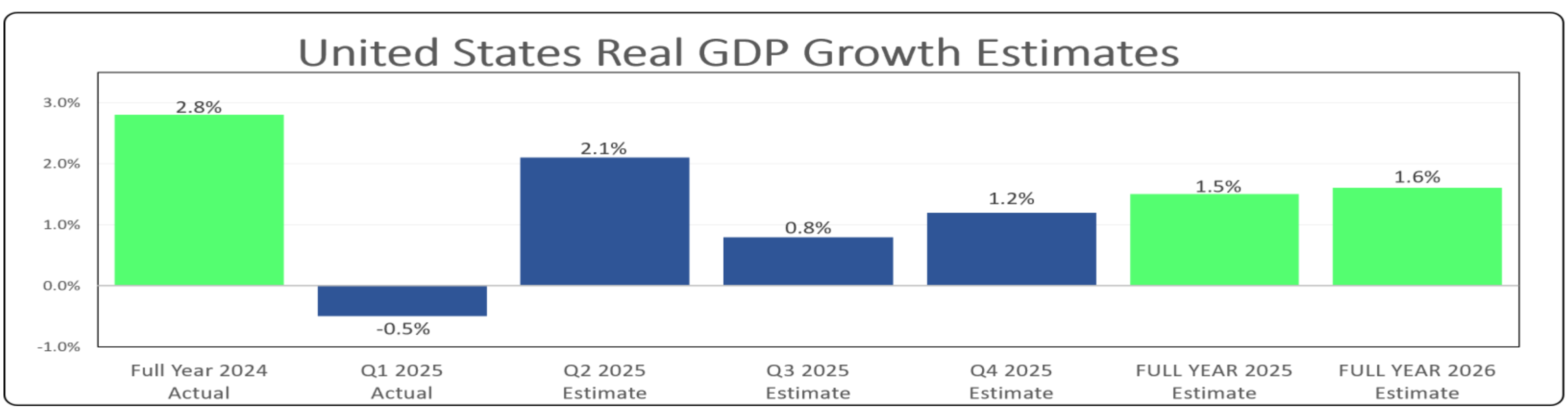
- Chris Williamson, Chief Business Economist, S&P Global Flash US PMI (June 2025)

Uncertainty is the word of the day regarding the economy. There is now growing evidence that tariffs are weighing on economic growth and putting upward pressure on inflation. Most investors, economists, and business professionals expect that these trade frictions, if sustained, will continue to disrupt supply chains, raise input costs, dampen overall spending, and eventually weigh on the labor market. The key point here is if sustained - if President Trump is able to reach new trade deals or scale back proposed tariffs, the current economic slowdown may ultimately prove to be just a soft patch on the path to continued expansion.

We will be watching inflation and labor market indicators closely. Core PCE inflation was 2.7% in May - still above the Fed's 2% target - and is likely to move higher in the coming months. While the labor market remains solid, with an unemployment rate of 4.2%, continuing jobless claims have risen to 1.97 million - the highest level since late 2021. Going forward, the trajectory of economic growth and inflation will largely depend on developments in trade policy and how businesses and consumers adjust to changing conditions.

United States Economic Data

Data Point	Latest Reading	Historical Readings				Historical Averages				Source
		3-Months Ago		12-Months Ago		5-Year Average		10-Year Average		
Economic Indicators										
Leading Economic Indicators (Y/Y)	**-4.0%**	-3.5%	↓	-4.5%	↑	-1.6%	↓	0.5%	↓	Conference Board
Financial Conditions Index	**0.49**	0.06	↑	0.99	↓	0.34	↑	0.11	↑	Bloomberg
ISM Manufacturing Index	**48.5**	49.0	↓	48.3	↑	52.6	↓	53.1	↓	Institute for Supply Mgmt
ISM Services Index	**49.9**	50.8	↓	49.2	↑	55.7	↓	55.9	↓	Institute for Supply Mgmt
Consumer										
Retail Sales (Y/Y)	**3.3%**	5.1%	↓	2.0%	↑	7.7%	↓	5.3%	↓	US Census Bureau
Michigan Consumer Sentiment	**60.7**	57.0	↑	68.2	↓	68.8	↓	81.6	↓	University of Michigan
Debt-to-Service Ratio	**9.8%**	9.6%	↑	9.1%	↑	9.5%	↑	9.8%	↓	Federal Reserve
Labor Market										
Unemployment Rate	**4.2%**	4.2%	↑	4.1%	↑	4.6%	↓	4.6%	↓	Bureau of Labor Statistics
Change in Nonfarm Payrolls	**139,000**	120,000	↑	87,000	↑	442,017	↓	150,192	↓	Bureau of Labor Statistics
Continuing Jobless Claims	**1,974,000**	1,844,000	↑	1,856,000	↑	2,880,182	↓	2,824,404	↓	Department of Labor
Housing Market										
Existing Home Sales (Annual Rate)	**4,030,000**	4,020,000	↑	3,930,000	↑	4,929,800	↓	5,143,300	↓	Ntl Association of Realtors
Case-Shiller Home Price Index (Y/Y)	**3.4%**	4.1%	↓	6.6%	↓	9.2%	↓	7.0%	↓	S&P
30-Year Fixed Rate Mortgage	**6.8%**	6.8%	↓	7.3%	↓	5.6%	↑	4.8%	↑	Bankrate.com
Inflation										
Core PCE Inflation (Y/Y)	**2.7%**	2.7%	↓	2.6%	↑	3.6%	↓	2.6%	↑	Bureau of Econ Analysis
Consumer Price Index (Y/Y)	**2.4%**	2.4%	↑	3.0%	↓	4.3%	↓	3.0%	↓	Bureau of Labor Statistics
Average Hourly Earnings (Y/Y)	**3.9%**	3.9%	↑	3.9%	↑	4.5%	↓	3.7%	↑	Bureau of Labor Statistics



Source: Winthrop Wealth, Bloomberg

Outlook

Economic Growth	Monetary Policy
Uncertainty is the word of the day regarding the economy. There is now growing evidence that tariffs are weighing on economic growth and putting upward pressure on inflation. Most investors expect that these trade frictions, if sustained, will eventually weigh on the labor market. The key point here is if sustained - if President Trump is able to reach new trade deals or scale back proposed tariffs, the current economic slowdown may ultimately prove to be just a soft patch. **Real GDP Estimates:** • 2025: +1.5% • 2026: +1.6%	The top end of the Federal Funds rate remains at 4.50%. The FOMC's most recent Summary of Economic Projections (SEP) showed that the median participant expects they will lower rates to 3.9% in 2025 and to 3.6% in 2026. The Fed has remained in a 'wait-and-see' mode on interest rate changes in recent months, seeking greater clarity on trade policy developments, inflation, and the broader economic response. We suspect this approach will persist for only a few more months, after which the FOMC is likely to cut rates - either because tariff-induced inflation proves less persistent than feared or begins to weigh more heavily on the labor market.

Corporate Earnings	Valuation
S&P 500 earnings estimates declined early in the quarter due to tariff-related uncertainty, but they have stabilized in recent weeks. Second quarter 2025 earnings season kicks off in mid-July. **S&P 500 Earnings Estimates** • 2025: $264 (+9%) • 2026: $300(+14%) Over long time periods, earnings drive stock prices.	Valuations continue to look stretched. The P/E ratio is calculated as the current price divided by the earnings-per-share. • Forward P/E (next 12-months): 22.1x. • 25-Year Peak (2020): 23.4x. • 25-Year Average: 16.6x. Valuation analysis is subjective and typically based on interest rates, earnings growth estimates, and historical or relative values.

Source: Winthrop Wealth, Bloomberg

Short-Term Outlook: While we're encouraged by the market rebound to new all-time highs, we recognize that the primary driver of this year's market volatility - tariffs - will likely remain an overhang. With several key dates on the horizon, tariffs remain a significant risk that we are not yet prepared to take off the table. We've seen continued evidence that President Trump uses tariffs as a dial, adjusting them based on the status of ongoing negotiations and the state of the markets. A stock market rally may embolden the President to escalate tariffs and increase pressure on other countries. Conversely, a market selloff often prompts him to soften his tone and either delay or remove tariffs. In our view, while the market's advance to new highs reflects underlying resilience, we still expect elevated volatility and a wide trading range over the coming months as investors await developments on tariffs, tax policy, inflation, corporate earnings, and the overall health of the labor market and economy.

As we outlined in our Navigating Volatile Markets commentary, during periods of market stress, we believe that having the right mindset, a comprehensive financial plan, and a thorough investment process can provide confidence in working toward your long-term financial goals. During inevitable market declines, while they can certainly be uncomfortable, we seek to utilize the volatility as an opportunity to make lemonade out of lemons by tax-loss harvesting or reallocating to more attractive securities. **In many of our managed portfolios, we looked for tax-loss harvesting opportunities and rebalanced into equities where appropriate during the market selloff in early April.** During difficult market periods, we believe those who were able to either stay invested, rebalance, or add to their existing holdings will eventually be rewarded. *Historically, equity markets have recovered from recessions and downturns. Past performance is no guarantee of future returns. Consider your own risk tolerance, financial circumstances, and time horizon.*

Long-term Investment Philosophy: In our view, investors with a globally diversified portfolio and a long-term time horizon should remain optimistic. Markets have historically increased over time despite frequent drawdowns as successful corporations have been able to figure out ways to generate profits through advances in innovation and productivity. To capitalize on the power of compounding, we believe in the benefits of staying **D**isciplined, **O**pportunistic, and **D**iversified, while striving to **M**itigate fees, taxes, and expenses.

In our opinion, adhering to a structured process and executing on all these components should help keep our clients on track toward pursuing their long-term objectives. *Historically, equity markets have recovered from recessions and downturns. Past performance is no guarantee of future returns. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.*

SECOND QUARTER 2025 MARKET RETURNS

US Equity												
Index	**2nd Quarter**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**20-Year**
S&P 500	10.94%	6.20%	25.00%	26.26%	-18.12%	28.68%	18.39%	15.14%	19.67%	16.61%	13.62%	10.72%
Russell 3000	10.99%	5.74%	23.80%	25.93%	-19.22%	25.64%	20.88%	15.28%	19.04%	15.93%	12.93%	10.51%
Dow Jones Industrial Average	5.46%	4.55%	14.99%	16.18%	-6.86%	20.95%	9.72%	14.72%	14.97%	13.51%	12.04%	10.16%
Nasdaq	17.97%	5.86%	29.60%	44.70%	-32.51%	22.21%	45.05%	15.70%	23.68%	16.06%	16.24%	13.33%
S&P 400	6.71%	0.19%	13.89%	16.39%	-13.10%	24.73%	13.65%	7.50%	12.77%	13.40%	9.22%	9.47%
Russell 2000	8.50%	-1.79%	11.52%	16.88%	-20.46%	14.78%	19.93%	7.66%	9.96%	10.00%	7.09%	7.73%
Russell 1000 Growth	17.84%	6.08%	33.35%	42.67%	-29.14%	27.59%	38.49%	17.21%	25.72%	18.13%	16.99%	12.98%
Russell 1000 Value	3.79%	6.00%	14.35%	11.41%	-7.56%	25.12%	2.78%	13.68%	12.72%	13.89%	9.16%	8.09%

International Equity												
MSCI Index	**2nd Quarter**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**20-Year**
EAFE	11.78%	19.45%	3.82%	18.24%	-14.45%	11.26%	7.82%	17.73%	15.95%	11.15%	6.50%	5.81%
Europe	14.05%	27.93%	2.64%	22.94%	-17.86%	13.54%	7.89%	24.93%	21.02%	13.12%	7.43%	5.60%
Japan	11.36%	11.73%	8.31%	20.32%	-16.65%	1.71%	14.48%	13.88%	15.02%	8.75%	6.06%	5.14%
China	2.01%	17.33%	19.42%	-11.20%	-21.93%	-21.72%	29.49%	33.78%	3.06%	-0.99%	2.11%	7.89%
Emerging Markets	11.99%	15.27%	7.50%	9.83%	-20.09%	-2.54%	18.31%	15.29%	9.69%	6.80%	4.81%	6.45%
All Country World (ACWI)	11.53%	10.05%	17.49%	22.20%	-18.36%	18.54%	16.25%	16.17%	17.33%	13.64%	9.99%	8.18%
ACWI ex US	12.03%	17.90%	5.53%	15.62%	-16.00%	7.82%	10.65%	17.72%	13.98%	10.12%	6.12%	5.83%

US Fixed Income												
Bloomberg Index	**2nd Quarter**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**20-Year**
Aggregate	1.21%	4.02%	1.25%	5.53%	-13.01%	-1.54%	7.51%	6.08%	2.55%	-0.73%	1.76%	3.09%
Treasury Bills	1.07%	2.13%	5.32%	5.14%	1.52%	0.04%	0.54%	4.75%	4.65%	2.82%	1.96%	1.65%
Corporates	1.82%	4.17%	2.13%	8.52%	-15.76%	-1.04%	9.89%	6.91%	4.34%	0.14%	2.94%	4.06%
Securitized MBS/ABS/CMBS	1.18%	4.22%	1.45%	5.08%	-11.67%	-1.04%	4.18%	6.58%	2.43%	-0.48%	1.38%	
High Yield	3.53%	4.57%	8.19%	13.45%	-11.19%	5.28%	7.11%	10.28%	9.92%	5.96%	5.37%	6.62%
Munis	-0.12%	-0.35%	1.05%	6.40%	-8.53%	1.52%	5.21%	1.11%	2.50%	0.51%	2.20%	3.32%

US Equity Sectors												
Index	**2nd Quarter**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**20-Year**
Technology	23.71%	8.05%	36.61%	57.84%	-28.19%	34.52%	43.88%	15.10%	31.75%	23.00%	23.18%	16.19%
Real Estate	-0.06%	3.52%	5.23%	12.35%	-26.13%	46.20%	-2.17%	11.66%	4.17%	7.17%	7.15%	
Industrials	12.94%	12.72%	17.30%	18.08%	-5.51%	21.10%	11.05%	22.71%	21.01%	18.36%	12.38%	10.15%
Energy	-8.56%	0.77%	5.72%	-1.42%	65.43%	54.39%	-33.68%	-3.96%	9.65%	22.42%	5.44%	6.25%
Consumer Discretionary	11.52%	-3.87%	30.14%	42.30%	-37.03%	24.43%	33.30%	18.40%	18.60%	11.63%	12.41%	11.48%
Communication Services	18.49%	11.14%	40.23%	55.80%	-39.89%	21.57%	23.61%	23.02%	27.83%	17.07%	12.01%	9.65%
Consumer Staples	1.11%	6.40%	14.87%	0.52%	-0.62%	18.63%	10.75%	12.16%	8.94%	11.19%	9.18%	9.90%
Utilities	4.26%	9.41%	23.43%	-7.08%	1.56%	17.67%	0.52%	23.40%	8.61%	11.14%	10.65%	8.75%
Materials	3.13%	6.03%	-0.04%	12.55%	-12.28%	27.28%	20.73%	1.86%	8.41%	11.55%	8.44%	8.48%
Financials	5.51%	9.19%	30.50%	12.10%	-10.57%	34.87%	-1.76%	29.35%	20.66%	19.90%	12.40%	6.18%
Health Care	-7.18%	-1.11%	2.58%	2.06%	-1.95%	26.13%	13.45%	-5.90%	3.45%	7.92%	8.03%	9.63%
										Annualized Returns		

Source: Bloomberg

DISCLOSURES

Content in this material is for general information only and not intended to provide specific advice or recommendations for any individual.

The economic forecasts set forth in this material may not develop as predicted and there can be no guarantee that strategies pro- moted will be successful.

All indexes mentioned are unmanaged indexes which cannot be invested into directly. Unmanaged index returns do not reflect fees, expenses, or sales charges. Index performance is not indicative of the performance of any investment. Past performance is no guarantee of future results.

The Standard & Poor's 500 Index is a capitalization weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
The S&P Midcap 400 Stock Index is an unmanaged index generally representative of the market for the stocks of mid-sized US companies.

The Russell 2000 Index is an unmanaged index generally representative of the 2,000 smallest companies in the Russell 3000 index, which represents approximately 10% of the total market capitalization of the Russell 3000 Index.

The Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

The Russell 3000 Growth Index is an unmanaged index comprised of those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 3000 Value Index measures the performance of those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values.

The prices of small cap stocks and mid cap stocks are generally more volatile than large cap stocks. The MSCI EAFE Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada.

The MSCI EAFE Index consists of the following developed country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.

The MSCI EM (Emerging Markets) Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the emerging market countries of the Americas, Europe, the Middle East, Africa and Asia. The MSCI EM Index consists of the following emerging market country indices: Brazil, Chile, Colombia, Mexico, Peru, Czech Republic, Egypt, Greece, Hungary, Poland, Qatar, Russia, South Africa. Turkey, United Arab Emirates, China, India, Indonesia, Korea, Malaysia, Philippines, Taiwan, and Thailand.

The MSCI US Broad Market Index captures broad US equity coverage. The index includes 3,204 constituents across large, mid, small and micro capitalizations, representing about 99% of the US equity universe.

International investing involves special risks such as currency fluctuation and political instability and may not be suitable for all investors. These risks are often heightened for investments in emerging markets.

The Barclays Capital US Corporate High Yield Bond index is an index representative of the universe of fixed-rate, non-investment grade debt.

The Bloomberg Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market.

The Bloomberg Barclays US Treasury Bills 1-3 Month Index is designed to measure the performance of public obligations of the U.S. Treasury that have a remaining maturity of greater than or equal to 1 month and less than 3 months. The Index includes all publicly issued zero coupon U.S. Treasury Bills that have a remaining maturity of less than 3 months and at least 1 month, are rated invest- ment grade, and have $300 million or more of outstanding face value.

Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price.

Government bonds and Treasury bills are guaranteed by the US government as to the timely payment of principal and interest and, if held to maturity, offer a fixed rate of return and fixed principal value.

Municipal bonds are subject to availability and change in price. They are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise. Interest income may be subject to the alternative minimum tax. Municipal bonds are federally tax-free but other state and local taxes may apply. If sold prior to maturity, capital gains tax could apply.

High yield/junk bonds (grade BB or below) are not investment grade securities, and are subject to higher interest rate, credit, and liquidity risks than those graded BBB and above. They generally should be part of a diversified portfolio for sophisticated investors.

The market value of corporate bonds will fluctuate, and if the bond is sold prior to maturity, the investor's yield may differ from the advertised yield.

Asset allocation does not ensure a profit or protect against loss. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio.

Diversification does not protect against market risk. All investing involves risk which you should be prepared to bear