WINTHROP WEALTH

QUARTERLY MARKET COMMENTARY · Q3 2026

Third Quarter 2026

Market Review & Outlook

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Third Quarter 2026 Highlights

- **US Equity Markets:** The S&P 500 increased by +2.3% in the third quarter, bringing the year-to-date return to +12.7%. The index reached a new all-time closing high just shy of 7,800 in mid-August before moving mostly sideways through quarter end. Strong corporate earnings, upward revisions to estimates, and significant AI infrastructure investment provided fundamental support. This helped offset market pressure from the ongoing US/Iran war, which contributed to rising oil prices, inflation, and interest rates. Leadership was mixed across styles and sectors, with quarterly gains more concentrated in the largest companies.

- **Treasury Yields:** Treasury yields moved significantly higher during the third quarter. Short-term Treasury yields increased as the Fed raised rates in September and markets began pricing additional hikes. Long-term yields were pressured by elevated oil prices, stronger economic data, heavy borrowing tied to AI infrastructure, continued concerns around federal debt and deficits, and a broader rise in global yields. The 10-Year Treasury yield peaked at 5.30% on the final day of the quarter, the highest level since 2007. If long-term rates continue to move higher, we would expect pressure for additional policy measures to build.

- **US Fixed Income Market:** The Bloomberg US Aggregate Bond Index (Agg) decreased by -3.5% as yields moved sharply higher. Year-to-date, the Agg is lower by -2.9%. In our opinion, intermediate-term bonds remain an attractive investment opportunity as the yield to maturity on the US Agg Bond Index increased to 5.6% at quarter-end.

- **The Fed:** At their September 16th meeting, the Federal Reserve raised the top end of the Federal Funds rate by 0.25% to 4.00%, the first rate hike since 2023. Chair Warsh's comments suggest that he believes rates should move higher, and markets are now pricing in nearly four total additional hikes by the end of 2027. We continue to believe that the duration of the conflict in the Middle East and the direction of oil prices will have an important influence on inflation and future Fed decisions.

- **US Economy:** The US economy appears to be gaining momentum despite a growing list of risks. Real GDP is estimated to increase by approximately +2.2% in both 2026 and 2027, supported by resilient consumer spending and continued investment in artificial intelligence infrastructure. The labor market has also strengthened, while higher inflation and interest rates, elevated energy prices, tighter monetary policy, and geopolitical uncertainty are important risks to our outlook.

- **Short-Term Market Outlook:** We continue to take a measured view of the market. Encouragingly, corporate earnings have been strong, while consumer spending and significant AI infrastructure investment have helped to sustain economic growth. Even as the S&P 500 has generated a double-digit gain so far this year, valuations have compressed as earnings growth has outpaced stock price appreciation. While the fundamental backdrop is constructive, we believe market volatility could stay elevated as investors navigate the US/Iran conflict, higher inflation and interest rates, uncertainty around the future path of monetary policy, new supply from recent and potential IPOs, and growing leverage. In this environment, we believe it is prudent to stay disciplined by maintaining regular rebalancing toward long-term targets, opportunistically raising cash for distributions, and positioning portfolios to manage downside risk while being prepared to participate in potential upside. Periods of uncertainty have historically created opportunities to rebalance portfolios, harvest tax losses where appropriate, and reposition toward more attractive long-term investments. *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:** 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 9/30/26

US Equity Markets

The S&P 500 increased by +2.3% in the third quarter, bringing the year-to-date return to +12.7%. The index reached a new all-time closing high just shy of 7,800 in mid-August before moving mostly sideways through quarter end. Strong corporate earnings, upward revisions to estimates, and significant AI infrastructure investment provided fundamental support. This helped offset market pressure from the ongoing US/Iran war, which contributed to rising oil prices, inflation, and interest rates. Leadership was mixed across styles and sectors, with quarterly gains more concentrated in the largest companies.

US Equity Market Performance								
Broad Market	**3rd Quarter**	**2026**	**Style**	**3rd Quarter**	**2026**	**Sector**	**3rd Quarter**	**2026**
S&P 500	2.30%	12.73%	Russell 1000 Growth	0.92%	6.30%	Communication Services	3.64%	4.48%
Russell 3000	1.40%	12.41%	Russell 1000 Value	2.61%	19.23%	Financials	-0.12%	-1.43%
Dow Jones Industrial Average	-2.34%	7.19%				Consumer Staples	-1.90%	5.98%
Nasdaq	2.61%	16.09%				Materials	-2.81%	8.82%
			Sector	**3rd Quarter**	**2026**	Consumer Discretionary	-5.09%	-5.82%
Size	**3rd Quarter**	**2026**	Energy	17.23%	40.28%	Real Estate	-5.57%	5.31%
Mid Cap (S&P 400)	-6.36%	9.87%	Technology	7.20%	28.38%	Industrials	-9.66%	8.54%
Small Cap (Russell 2000)	-7.19%	13.87%	Health Care	6.46%	10.15%	Utilities	-12.39%	-5.65%

Source: Bloomberg

Key Points

- **Market Resilience:** The S&P 500 advanced during the quarter despite elevated oil prices, persistent inflation, a Fed rate hike, and sharply higher long-term Treasury yields (please see our graphic on how interest rates impact stock prices). The ability of equities to absorb this combination of risks thus far has been notable. These conditions reinforce our belief in the importance of maintaining a disciplined long-term perspective. Please see our Principles for Long-Term Investing commentary.

- **US/Iran Conflict and Energy Prices:** The US/Iran war continued through the quarter, disrupting normal energy flows through the Strait of Hormuz and keeping oil prices elevated. WTI crude oil ended the quarter at approximately $90 per barrel. The path of the conflict remains an important variable for oil prices and, in turn, inflation, interest rates, and FOMC policy.

- **Earnings Support the Market:** Corporate earnings have provided an important foundation for market returns. S&P 500 earnings are expected to increase by approximately +32% in 2026 and +15% in 2027. Technology is at the center of this strength, with projected earnings growth of roughly +64% in the third quarter, led by approximately +126% growth for semiconductor companies. Large cloud computing companies are expected to spend approximately $800 billion on capital expenditures in 2026 and $1.1 trillion in 2027. That spending is helping fuel higher earnings, as significant investment flows to companies supplying the processors, memory, networking equipment, and other infrastructure required to build and operate AI systems.

- **Mixed Leadership:** Value outperformed Growth (+2.6% versus +0.9%), but sector leadership was mixed. Technology (+7.2%) joined Energy (+17.2%) and Health Care (+6.5%) among the top performers. Gains were more concentrated in the largest companies, with the Magnificent 7 increasing +11.1% compared with a -2.2% decline for the other 493 companies in the S&P 500. Small caps (-7.2%), mid caps (-6.4%), and international stocks (+0.5%) all lagged large-cap US stocks. While participation narrowed during the quarter, the year-to-date picture is broader, with the S&P 493, small caps, and international stocks still ahead of the S&P 500.
    - Market rotations have been pronounced in recent years, reinforcing the importance of diversification. In many of our managed portfolios, we aim to have meaningful exposure to companies and industries benefiting from long-term AI-related growth, while also maintaining diversification across other areas of the market that may benefit from different economic and market cycles. We believe that diversification can help deliver more consistent and less volatile results than an all-eggs-in-one-basket approach. *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.*

- **Upcoming Catalysts:** BLS Employment Report (10/2), Q3 Earnings Season Begins (10/13), CPI Inflation (10/14), Retail Sales (10/15), FOMC Decision (10/28), PCE Inflation (10/29), Q3 GDP (10/29), Midterm Elections (see our Pre-Election Commentary).

Fixed Income Markets

Interest Rates

Treasury yields moved significantly higher during the third quarter. Short-term Treasury yields increased as the Fed raised rates in September and markets began pricing additional hikes. Long-term yields were pressured by elevated oil prices, stronger economic data, heavy borrowing tied to AI infrastructure, continued concerns around federal debt and deficits, and a broader rise in global yields. The 10-Year Treasury yield peaked at 5.30% on the final day of the quarter, the highest level since 2007. Against this backdrop, Treasury expanded its bond buyback program for longer-dated securities, a small step that suggests Washington is becoming more sensitive to the rise in yields. If long-term rates continue to move higher, we would expect pressure for additional policy measures to build.

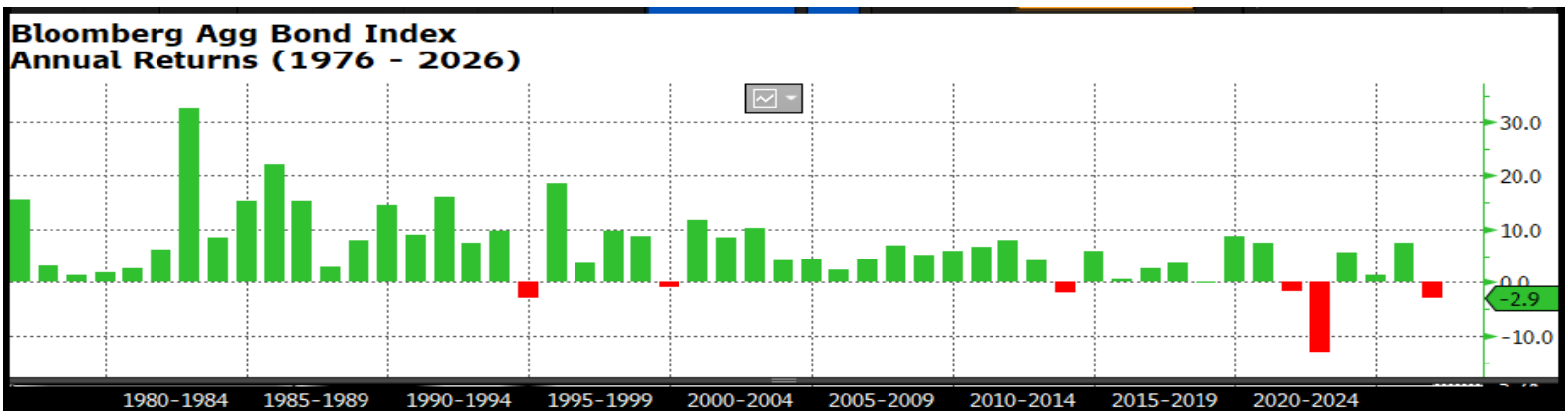
- **Short-Term Treasury Yields:** The Federal Reserve influences short-term interest rates by setting the Federal Funds rate.
  - Quarter-end levels: 3-Month: 4.11% (+0.3%), 6-Month: 4.33% (+0.4%), 12-Month: 4.54% (+0.6%).
  - According to Bloomberg, markets are now pricing in at least one more rate hike this year and nearly four total additional hikes by the end of 2027.
  - Short-term Treasury yields remain attractive for cash management or funding anticipated liabilities. For longer-term capital, we continue to favor extending duration or using a diversified fixed income portfolio to lock in higher yields and reduce reinvestment risk. *Investing involves risk including loss of principal. No strategy assures success or protects against loss.*
- **Long-Term Treasury Yields:** The market determines long-term yields based on supply dynamics, including elevated federal debt issuance and investor demand, which vary with expectations for future inflation and economic growth.
  - Quarter-end levels: 10-Year: 5.28% (+0.8%), 20-Year: 5.67% (+0.7%), 30-Year: 5.63% (+0.7%).

Intermediate-Term Bonds

The Bloomberg US Aggregate Bond Index (Agg), which serves as a proxy for the intermediate-term investment-grade bond market, decreased by -3.5% as yields moved sharply higher. Year-to-date, the Agg is lower by -2.9%. Bond prices move inversely to interest rates and credit spreads. Please see our Bond Primer.

As a reminder, we hold fixed income to seek ballast, stability, and income. Higher inflation expectations and rising rates have weighed on bond returns this year, but the same increase in interest rates that pressures bond prices today also improves the future total return capability of the asset class through the potential for higher income, price appreciation, or both. We continue to believe intermediate-term bonds can provide both ballast and attractive returns as yields eventually stabilize or decline. The 10-Year Treasury yield previously reached 5% in October 2023. Since then, the Bloomberg US Aggregate Bond Index has generated approximately +15.3% in total return (+4.9% annualized).

In our opinion, intermediate-term bonds offer an attractive investment opportunity. The yield to maturity on the US Aggregate Bond Index ended the quarter at 5.6%. Yield to maturity represents the estimated annualized return an investor can expect if bonds are held to maturity and all interest and principal payments are made as scheduled. Historically, higher starting bond yields have been associated with higher future returns, which strengthens our conviction over the long term. *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

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.

Monetary Policy

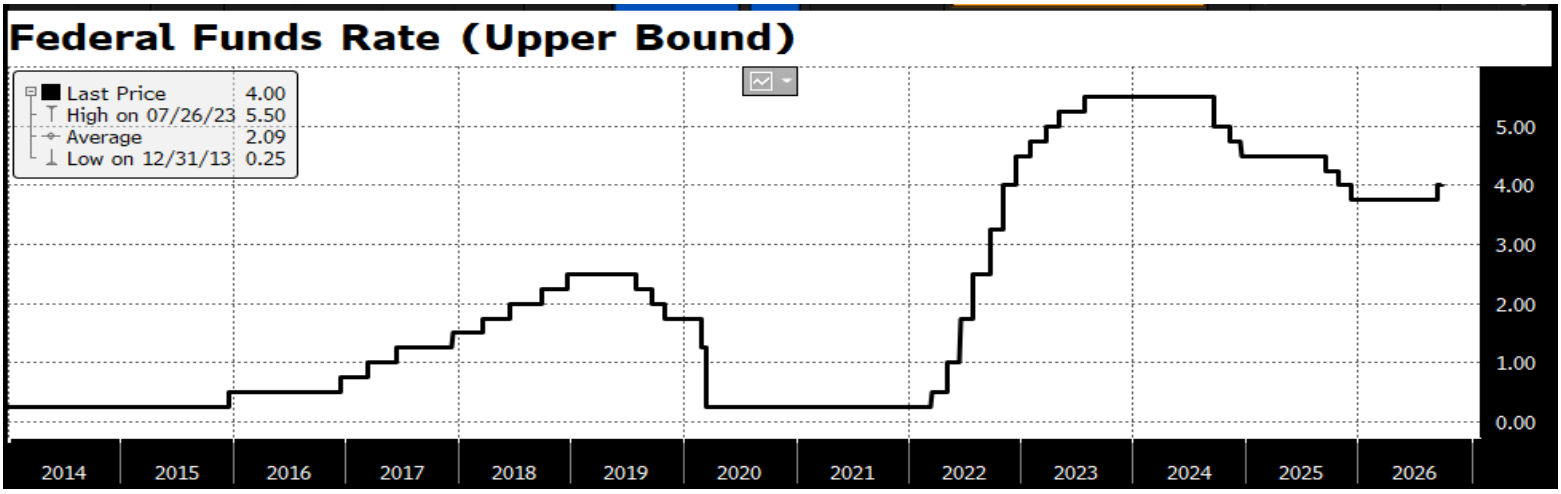
"The American economy appears to be strengthening… I would be hard-pressed to describe broad financial conditions as restrictive. So we removed a dose of accommodation… our predominant focus is on the price stability side of our mandate. The plain fact is that inflation is too high and has been for too long."

Fed Chair Kevin Warsh, FOMC Press Conference (September 2026)

At their September 16th meeting, the Federal Reserve raised the top end of the Federal Funds rate by 0.25% to 4.00%. The move reversed the interest rate cut from December 2025 and was the first rate hike since 2023. Over the last several months, we have consistently said that the duration of the conflict in the Middle East and the path of oil prices would be important variables for inflation and the Fed's next move. Unfortunately, tensions persisted throughout the quarter, oil prices moved higher and inflation stayed elevated. The decision to raise rates was a unanimous 12-0 vote, a significant change from July when the committee voted 9-3 to leave rates unchanged and three members preferred a hike. The unanimous decision sent a clear message of Fed independence, as the hike came despite President Trump's repeated public calls for lower interest rates.

While Chair Warsh still avoids explicit forward guidance, his comments on the economy suggest that he believes rates should move higher. He described the economy as strengthening, said inflation is too high and has not meaningfully improved, emphasized that the Fed's predominant focus is price stability, characterized financial conditions as not restrictive, and said the September hike only "removed a dose of accommodation." Warsh's communication style can be difficult to interpret. His message strongly implies where he thinks rates should go, but he provides no framework for how future decisions will be made. As a result, markets are left to infer the path of interest rates from his rhetoric rather than from a clear decision-making process.

The market responded by pushing interest rates higher. The 2-Year Treasury yield, which tends to be particularly sensitive to expectations for Fed policy over the next several years, increased from 4.17% to 4.89% during the quarter. According to Bloomberg, markets are now pricing in at least one more rate hike this year and nearly four total additional hikes by the end of 2027. Our view going forward has not changed much. The duration of the conflict in the Middle East and the direction of oil prices should continue to have an important influence on inflation and future Fed decisions. If oil prices stay elevated and inflation does not improve, the Fed will likely continue raising rates. A meaningful decline in energy prices would reduce some of that pressure and could allow the Fed to slow or pause the tightening cycle.



Source: Bloomberg

US Economy

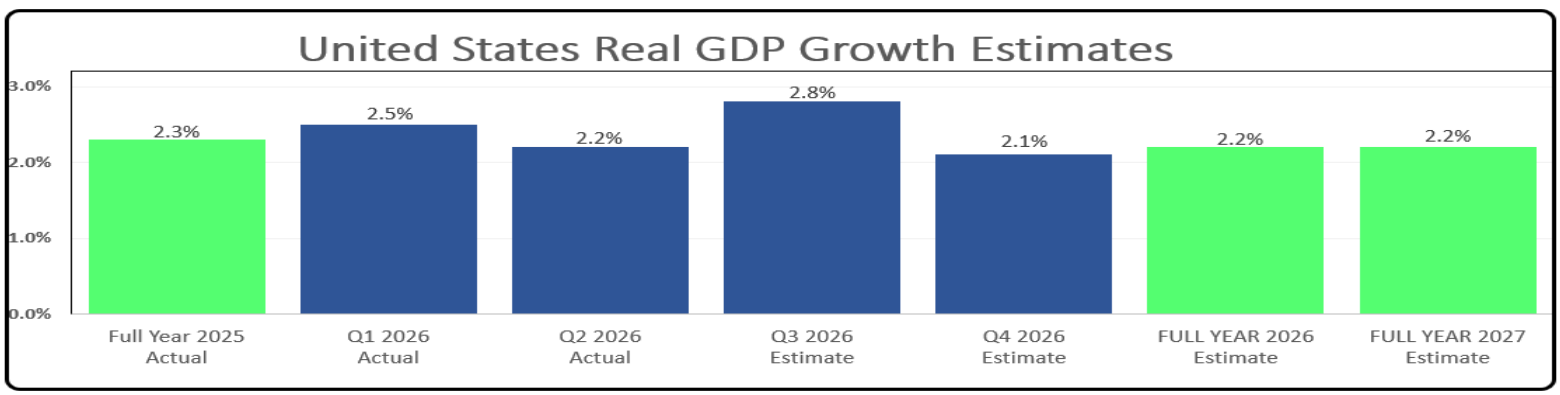
"As long as the US consumer keeps spending and the AI build-out keeps happening, things continue to motor along. And while the tail risks keep growing — geopolitical instability, domestic political questions, the trade war, inflation, energy prices— … the underlying economy and, therefore, the markets keep powering forward."

- Scott Kleinman, Co-President, Apollo Asset Management, Barclays Global Financial Services Conference (September 2026)

The US economy appears to be gaining momentum despite a growing list of risks. Real GDP is estimated to increase by approximately +2.2% in both 2026 and 2027, supported by resilient consumer spending and continued investment in artificial intelligence infrastructure. Consumer spending at the upper end of the income spectrum remains bolstered by the wealth effect, as rising asset prices and home values increased household net worth to a record of approximately $196 trillion in the second quarter.

The labor market has also strengthened. The Bureau of Labor Statistics employment report showed +162,000 jobs added last month, well above the roughly +50,000 pace observed over the last year. Initial and continuing jobless claims have been trending lower, suggesting layoffs remain limited. The next major update will be the BLS employment report on October 2nd. At the same time, inflation has accelerated over the past several months, with Core PCE inflation increasing +3.0% year-over-year in August, well above the Fed's 2% target. While the economy continues to power forward, higher inflation and interest rates, elevated energy prices, tighter monetary policy, and geopolitical uncertainty are important risks to our outlook.

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)	**-0.7%**	-1.1%	↑	-3.2%	↑	-2.7%	↑	0.1%	↓	Conference Board
Financial Conditions Index	**1.03**	1.24	↓	1.01	↑	0.46	↑	0.27	↑	Bloomberg
ISM Manufacturing Index	**54.6**	53.3	↑	48.9	↑	50.7	↑	53.1	↑	Institute for Supply Mgmt
ISM Services Index	**55.4**	54.0	↑	50.3	↑	54.1	↑	55.6	↓	Institute for Supply Mgmt
Consumer										
Retail Sales (Y/Y)	**5.4%**	5.9%	↓	3.8%	↑	4.6%	↑	5.1%	↑	US Census Bureau
Michigan Consumer Sentiment	**48.1**	49.5	↓	55.1	↓	62.3	↓	76.8	↓	University of Michigan
Debt-to-Service Ratio	**9.8%**	9.1%	↑	9.2%	↑	9.7%	↑	9.7%	↑	Federal Reserve
Labor Market										
Unemployment Rate	**4.1%**	4.2%	↓	4.4%	↓	4.0%	↑	4.5%	↓	Bureau of Labor Statistics
Change in Nonfarm Payrolls	**162,000**	31,000	↑	76,000	↑	196,017	↓	120,117	↑	Bureau of Labor Statistics
JOLTS Job Openings	**7,079,000**	7,182,000	↓	7,169,000	↓	8,749,517	↓	7,867,475	↓	Bureau of Labor Statistics
Housing Market										
Existing Home Sales (Annual Rate)	**3,980,000**	4,130,000	↓	4,080,000	↓	4,420,800	↓	4,981,300	↓	Ntl Association of Realtors
Case-Shiller Home Price Index (Y/Y)	**2.5%**	2.2%	↑	1.4%	↑	6.6%	↓	6.5%	↓	S&P
30-Year Fixed Rate Mortgage	**7.2%**	6.6%	↑	6.4%	↑	6.5%	↑	5.1%	↑	Bankrate.com
Inflation										
Core PCE Inflation (Y/Y)	**3.0%**	3.1%	↓	2.8%	↑	3.8%	↓	2.8%	↑	Bureau of Econ Analysis
Consumer Price Index (Y/Y)	**3.4%**	3.5%	↓	3.0%	↑	4.5%	↓	3.3%	↑	Bureau of Labor Statistics
Average Hourly Earnings (Y/Y)	**3.1%**	3.4%	↓	3.8%	↓	4.4%	↓	3.9%	↓	Bureau of Labor Statistics



Source: Winthrop Wealth, Bloomberg

Outlook

Economic Growth	Monetary Policy
The US economy appears to be gaining momentum despite a growing list of risks. Consumer spending has been resilient, supported by the wealth effect, while AI infrastructure investment continues to support growth. The labor market has also strengthened, while higher inflation and interest rates, elevated energy prices, tighter monetary policy, and geopolitical uncertainty are important risks to our outlook. **Real GDP Estimates:** • 2026: +2.2% • 2027: +2.2%	The Federal Reserve raised the top end of the Federal Funds rate by 0.25% to 4.00% in September, the first rate hike since 2023. Chair Warsh's comments suggest that he believes rates should move higher as inflation remains above target and financial conditions are not restrictive. Without forward guidance, investors must continue to infer the path of monetary policy from incoming data and the Chair's comments. We believe the direction of oil prices will remain an important variable influencing inflation and future Fed decisions.
Corporate Earnings	**Valuation**
S&P 500 earnings estimates continue to move higher, supported by strong results and significant AI infrastructure investment. Third quarter 2026 earnings season begins in mid-October. **S&P 500 Earnings Estimates** • 2026: $361 (+32%) • 2027: $417 (+15%) Over long time periods, earnings drive stock prices.	Valuations have become more reasonable this year as earnings growth has outpaced stock price appreciation. The P/E ratio is calculated as the current price divided by the earnings-per-share. • Forward P/E (next 12-months): 19.0x. • 30-Year Peak (1999): 25.6x. • 30-Year Average: 17.4x. 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: We continue to take a measured view of the market. Encouragingly, corporate earnings have been strong, while consumer spending and significant AI infrastructure investment have helped to sustain economic growth. Even as the S&P 500 has generated a double-digit gain so far this year, valuations have compressed as earnings growth has outpaced stock price appreciation. Earnings have consistently exceeded expectations, while estimates for the coming quarters and years have continued to move higher. In our view, this is exactly what we would want to see, given the importance of earnings to stock prices over time.

While the fundamental backdrop is constructive, we believe market volatility could stay elevated for several reasons. The conflict between the US and Iran has kept energy prices high, adding to inflation pressures that prompted the Fed to raise rates and contributed to the increase in long-term Treasury yields. If the war continues and oil prices do not ease, tighter financial conditions could begin to weigh on economic growth, corporate earnings, and market valuations. The Fed's elimination of forward guidance has also reduced visibility into the future path of monetary policy, leaving markets particularly sensitive to the Chair's comments as investors try to determine what would prompt the next rate change. Additionally, public markets must absorb new supply from recent and potential IPOs, while growing leverage and the increased use of options could amplify price swings during periods of stress.

In this environment, we believe it is prudent to stay disciplined by maintaining regular rebalancing toward long-term targets, opportunistically raising cash for distributions, and positioning portfolios to manage downside risk while being prepared to participate in potential upside. Periods of uncertainty have historically created opportunities to rebalance portfolios, harvest tax losses where appropriate, and reposition toward more attractive long-term investments. As we outlined in our Navigating Volatile Markets commentary, maintaining the right mindset, a comprehensive financial plan, and a disciplined investment process can provide confidence in working toward long-term goals. *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.*

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THIRD QUARTER 2026 MARKET RETURNS

US Equity													
Index	**3rd Quarter**	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**20-Year**
S&P 500	2.30%	12.73%	17.86%	25.00%	26.26%	-18.12%	28.68%	18.39%	15.72%	22.84%	13.76%	15.39%	11.20%
Russell 3000	1.40%	12.41%	17.13%	23.80%	25.93%	-19.22%	25.64%	20.88%	15.11%	22.22%	12.61%	14.79%	10.97%
Dow Jones Industrial Average	-2.34%	7.19%	14.92%	14.99%	16.18%	-6.86%	20.95%	9.72%	11.50%	16.99%	10.57%	13.19%	10.20%
Nasdaq	2.61%	16.09%	21.17%	29.60%	44.70%	-32.51%	22.21%	45.06%	19.26%	27.53%	14.06%	18.74%	14.33%
S&P 400	-6.36%	9.87%	7.48%	13.89%	16.39%	-13.12%	24.73%	13.65%	11.67%	14.50%	7.98%	10.52%	9.76%
Russell 2000	-7.19%	13.87%	12.79%	11.52%	16.88%	-20.46%	14.78%	19.93%	16.36%	17.74%	6.34%	9.94%	8.43%
Russell 1000 Growth	0.92%	6.30%	18.55%	33.35%	42.67%	-29.14%	27.59%	38.49%	7.49%	24.23%	13.65%	18.22%	13.40%
Russell 1000 Value	2.61%	19.23%	15.88%	14.35%	11.42%	-7.56%	25.12%	2.78%	23.76%	20.02%	11.88%	11.49%	8.58%

International Equity													
MSCI Index	**3rd Quarter**	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**20-Year**
EAFE	0.81%	10.33%	31.22%	3.82%	18.24%	-14.45%	11.26%	7.82%	15.69%	18.38%	9.32%	9.03%	5.38%
Europe	-2.16%	7.17%	40.30%	2.64%	22.94%	-17.86%	13.54%	7.89%	12.61%	20.14%	10.06%	9.81%	4.90%
Japan	5.96%	22.67%	24.60%	8.31%	20.32%	-16.65%	1.71%	14.48%	26.64%	21.42%	9.78%	9.44%	5.22%
China	3.66%	-11.86%	31.17%	19.42%	-11.20%	-21.93%	-21.72%	29.49%	-18.37%	9.75%	-2.10%	3.18%	5.54%
Emerging Markets	-0.37%	23.38%	33.57%	7.50%	9.83%	-20.09%	-2.54%	18.31%	29.22%	24.07%	8.94%	8.96%	6.48%
All Country World (ACWI)	1.60%	13.03%	22.34%	17.49%	22.20%	-18.36%	18.54%	16.25%	16.75%	21.71%	11.57%	12.39%	8.28%
ACWI ex US	0.48%	14.22%	32.39%	5.53%	15.62%	-16.00%	7.82%	10.65%	20.00%	20.52%	9.55%	9.18%	5.64%

US Fixed Income													
Bloomberg Index	**3rd Quarter**	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**20-Year**
Aggregate	-3.51%	-2.91%	7.30%	1.25%	5.53%	-13.01%	-1.54%	7.51%	-1.84%	4.05%	-0.64%	1.11%	2.94%
Treasury Bills	0.93%	2.75%	4.29%	5.32%	5.14%	1.52%	0.04%	0.54%	3.79%	4.59%	3.79%	2.43%	1.63%
Corporates	-3.94%	-3.11%	7.77%	2.13%	8.52%	-15.76%	-1.04%	9.89%	-2.30%	4.98%	-0.46%	2.01%	3.96%
Securitized MBS/ABS/CMBS	-4.06%	-3.12%	8.49%	1.45%	5.08%	-11.67%	-1.04%	4.18%	-1.49%	4.58%	-0.28%	0.97%	2.77%
High Yield	-1.82%	0.10%	8.62%	8.19%	13.45%	-11.19%	5.28%	7.11%	1.41%	8.02%	3.60%	5.06%	6.37%
Munis	-6.35%	-4.18%	4.25%	1.05%	6.40%	-8.53%	1.52%	5.21%	-2.68%	2.88%	-0.21%	1.50%	3.11%

US Equity Sectors													
Index	**3rd Quarter**	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**20-Year**
Technology	7.20%	28.38%	24.04%	36.61%	57.84%	-28.19%	34.53%	43.89%	30.20%	36.56%	23.52%	26.00%	17.94%
Real Estate	-5.57%	5.31%	3.15%	5.23%	12.35%	-26.13%	46.20%	-2.17%	2.29%	10.73%	2.20%	6.07%	4.18%
Industrials	-9.66%	8.54%	19.27%	17.30%	18.08%	-5.51%	21.10%	11.05%	9.48%	19.70%	12.97%	12.81%	10.15%
Energy	17.23%	40.28%	8.68%	5.72%	-1.42%	65.47%	54.39%	-33.68%	42.42%	14.43%	23.17%	10.24%	7.38%
Consumer Discretionary	-5.09%	-5.82%	6.04%	30.14%	42.30%	-37.03%	24.43%	33.30%	-5.15%	13.46%	5.61%	12.19%	11.27%
Communication Services	3.64%	4.48%	33.56%	40.23%	55.80%	-39.89%	21.57%	23.61%	12.06%	29.45%	12.87%	12.66%	9.70%
Consumer Staples	-1.90%	5.98%	3.90%	14.87%	0.52%	-0.62%	18.63%	10.75%	5.99%	10.10%	7.44%	8.09%	9.36%
Utilities	-12.39%	-5.65%	16.04%	23.43%	-7.08%	1.56%	17.67%	0.48%	-6.97%	13.61%	7.56%	8.25%	8.12%
Materials	-2.81%	8.82%	10.54%	-0.04%	12.55%	-12.28%	27.28%	20.73%	10.04%	9.66%	6.46%	9.72%	8.16%
Financials	-0.12%	-1.43%	14.97%	30.50%	12.10%	-10.57%	34.87%	-1.76%	0.55%	18.99%	9.15%	12.95%	5.35%
Health Care	6.46%	10.15%	14.60%	2.58%	2.06%	-1.95%	26.13%	13.45%	23.02%	11.27%	7.57%	10.93%	10.50%
	Calendar Year Returns								Annualized Returns				

Source: Bloomberg

DISCLOSURES

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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.

All investing involves risk, including the possible loss of principal.

INDEX DEFINITIONS / GLOSSARY

U.S. Equity Indexes.
S&P 500 Index: A capitalization-weighted index of 500 large-cap U.S. companies designed to measure broad U.S. equity market performance.

Russell 3000 Index: Measures the performance of the broad U.S. equity market and includes approximately 3,000 of the largest U.S. companies.

Dow Jones Industrial Average: A price-weighted index of 30 large, publicly traded U.S. companies.

Nasdaq Composite Index: Measures the performance of common equities listed on the Nasdaq Stock Market and is often used as a measure of growth-oriented and technology-related companies.

S&P MidCap 400 Index: Measures the performance of mid-sized U.S. companies.

Russell 2000 Index: Measures the performance of the small-cap segment of the U.S. equity universe.

Russell 1000 Growth Index: Measures the performance of large-cap U.S. companies with growth characteristics.

Russell 1000 Value Index: Measures the performance of large-cap U.S. companies with value characteristics.

Magnificent 7 / S&P 493: References to the Magnificent 7 generally refer to Alphabet, Amazon, Apple, Meta Platforms, Microsoft, NVIDIA, and Tesla. The S&P 493 refers to the companies in the S&P 500 Index excluding the Magnificent 7. These groupings are not separately investable indexes and may be calculated differently by different data providers.

MSCI Indexes.
MSCI EAFE Index: Designed to measure developed-market equity performance outside the United States and Canada.

MSCI Europe Index: Designed to measure equity market performance across developed markets in Europe.

MSCI Japan Index: Designed to measure large- and mid-cap equity performance in Japan.

MSCI China Index: Designed to measure large- and mid-cap equity performance in China.

MSCI Emerging Markets Index: Designed to measure large- and mid-cap equity performance across emerging market countries.

MSCI ACWI Index: Captures large- and mid-cap equity performance across developed and emerging markets globally.

MSCI ACWI ex USA Index: Captures large- and mid-cap equity performance across developed and emerging markets outside the United States.

Bloomberg Fixed Income Indexes.
Bloomberg U.S. Aggregate Bond Index: A broad-based benchmark that measures the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market.

Bloomberg Treasury Bill Indexes: Generally measure the performance of short-term U.S. Treasury bills.

Bloomberg U.S. Corporate Bond Indexes: Generally measure the performance of investment-grade corporate bonds.

Bloomberg Securitized Indexes: Generally measure sectors of the securitized bond market, including mortgage-backed securities, asset-backed securities, and commercial mortgage-backed securities.

Bloomberg High Yield Indexes: Generally measure the performance of below-investment-grade corporate bonds.

Bloomberg Municipal Bond Indexes: Generally measure the performance of the U.S. tax-exempt municipal bond market.

U.S. Equity Sectors:
U.S. equity sector references generally correspond to the sectors used to classify companies within broad U.S. equity indexes, including Information Technology, Real Estate, Industrials, Energy, Consumer Discretionary, Communication Services, Consume