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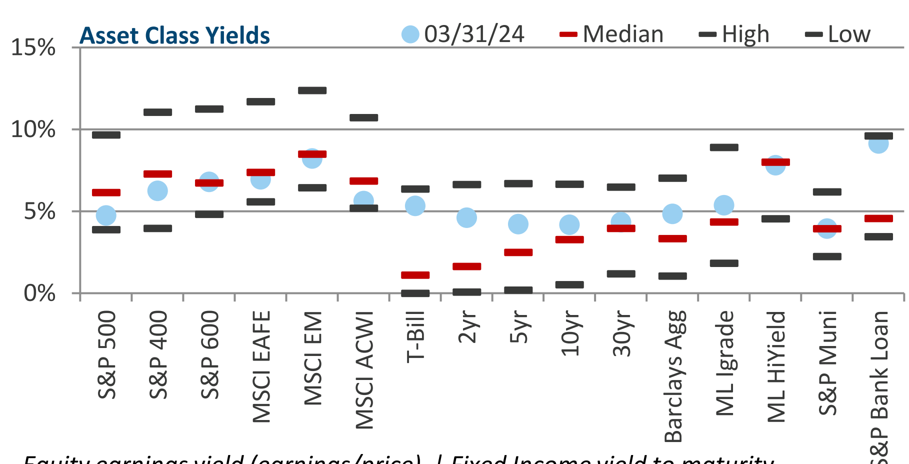
Major Asset Class Returns

Index	Q1'24	2023	2022
S&P 500	11%	26%	-18%
S&P Mid Cap 400	10%	16%	-13%
Russell 2000	5%	17%	-20%
MSCI EAFE	6%	19%	-14%
MSCI Emerging Markets	2%	10%	-20%
MSCI All Country World	8%	23%	-18%
T-Bill	1%	5%	2%
7-10yr Tsy	-1%	4%	-15%
Barclays Aggregate	-1%	6%	-13%
ML Investment Grade	0%	8%	-15%
ML High Yield	1%	13%	-11%
S&P Muni	0%	6%	-8%
S&P Bank Loan	2%	13%	-1%

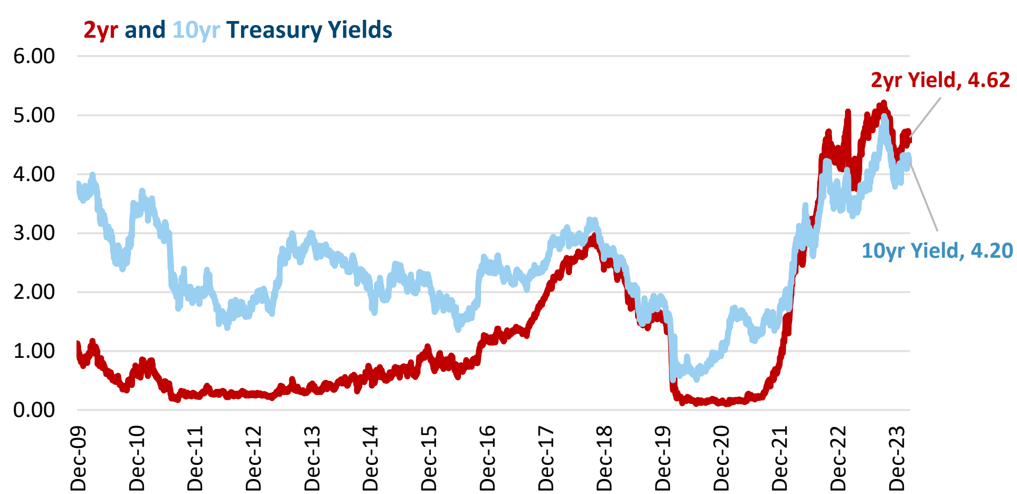
Overview: The S&P 500 (+11% Q1), Russell 2000 (+5% Q1), MSCI EAFE (+6% Q1), MSCI EM (+2% Q1), and MSCI ACWI (+8% Q1) all rallied in Q1, as the 2024 trend of rising equities led by a narrow group of stocks continued. For Fixed Income, the 10yr yield was 4.20% at the end of Q1, versus 3.88% on 12/29/23, a notable reversal. This kept duration sensitive asset classes such as the Bloomberg/Barclays Aggregate (-1% Q1), 7-10yr Treasury (-1% Q4), ML Igrade (0% Q1), and S&P Muni (0% Q1) flat to start the year. With more credit than duration, the ML High Yield (+1% Q1) was up slightly, as were the low duration S&P Bank Loan Index (+2% Q1) and T-Bills (+1% Q1).

Asset Class Yields Are Near Averages: As of the end of Q1'24, asset class yields (earnings yield for equities, yield to maturity for fixed income) for equities are at or below average. For Fixed Income, short maturities (T-Bill through 5yr Treasury, Bank Loans) are well above average, while longer duration fixed income is back above average after yields rose in Q1'24.

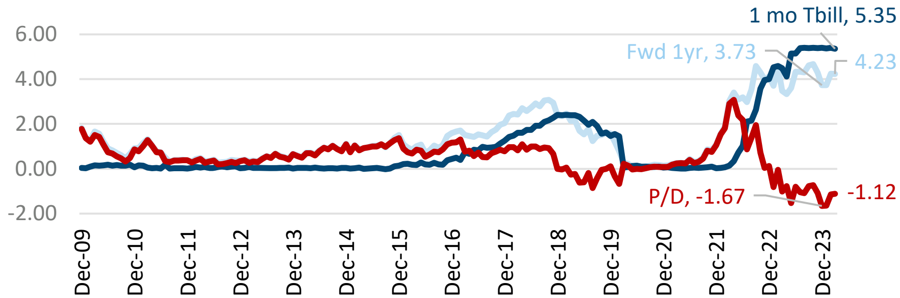
Interest Rates Re-rate Higher: Just one quarter after declining rates were the market driver in Q4'23, rising rates were the most significant driver to Q1'24 markets. The 10yr rose from 3.88% to 4.20% during the quarter, as markets, which began the year pricing 6 or 7 rate cuts in 2024, reconsidered the Fed's commitment to its three rate cut projection. Additionally, the market's pricing of a first Fed rate cut retreated from March to June. As evident in the chart below, both the 10yr and the 2yr yield are in the middle of the range between their October 2023 high (when Fed rate hike fears peaked) and the December 2023 lows (when markets were most aggressive on the number of 2024 rate cuts). Consequently, they currently reflect a balanced outlook.



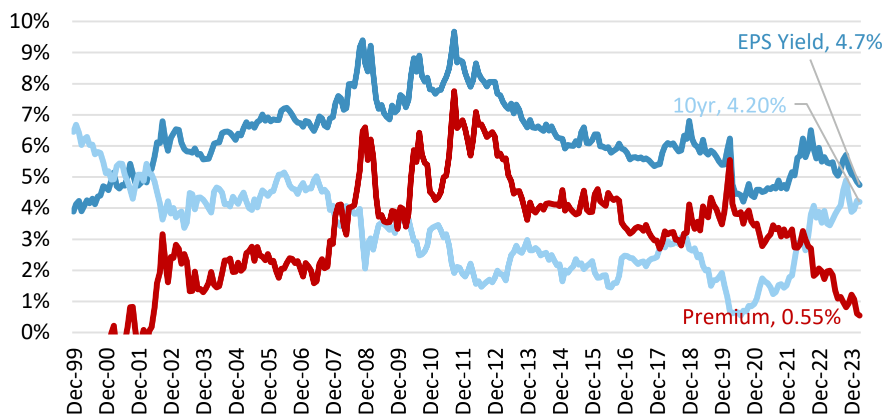
Equity earnings yield (earnings/price) | Fixed Income yield to maturity



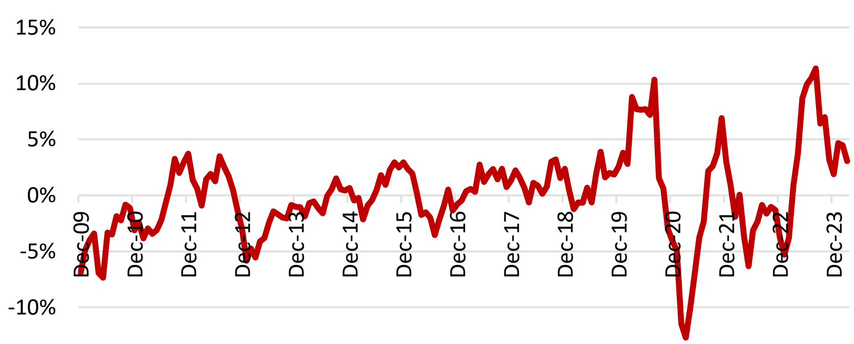
1 Mo Tbill, Forward 1yr Treasury Yield, and Premium / Discount



S&P 500 Forward Earnings Yield vs 10yr Tsy, 2000 to 2024



S&P 500 vs S&P Equal Weight, Rolling 6 Month Relative Returns



Not So Fast, Forward Rate Cuts: Driving the Q1'24 rise in rates was the market's shift in Fed rate cut expectations for 2024. During Q4'23, interest rates declined as markets began to anticipate a rapid campaign of rate cuts. It appears the market had gotten ahead of itself by the start of 2024.

One way to assess market rate expectations is to compare the yield on the 1 month T-Bill today (a good measure of where Fed Funds currently are) to the 1 year forward rate, or where markets think the 1yr Treasury yield will be in 12 months. The 1 year forward rate is calculated by looking at the current 1yr and 2yr rate, then finding the rate that links them.

At the end of 2023, with the 1 month T-Bill at 5.40% and the forward 1 yr rate at 3.72%, the discount was a record 1.67%. Fast forward to 3/31/24, and that discount has declined to 1.12% as the forward 1 year rate has risen to 4.23%. In other words, the market has gone from pricing 7 rate cuts (1.67% is approximately seven 25 bps rate cuts) by the end of 2024, to just 4 by March 2025. This volatility in market expectations has occurred even though the Fed has been steady with its outlook for 3 rate cut in 2024, as originally suggested back in Decmeber 2023.

As noted on 12/31/23: *Current soft landing hopes, which are pushing both interest rates lower and stock markets higher, do not take into account a recession in the coming year. Thus the risk is either the bond market is vulnerable to rates rising if the economy remains resilient, or stocks are vulnerable, as they are trading near all time highs.* This explains how solid economic data in Q1'24 resulted in Equities rising while Fixed Income was flat to lower.

Rising Rates and Rising Stocks Pressures the Equity Premium: The chart to the left shows the earnings yield on the S&P 500, the yield on the 10yr Treasury, and the difference between the two, known as the Equity Premium. A higher Equity Premium means stock investors are getting more compensation relative to bonds. From 2002 to 2007, prior to the Fed's QE interventions, a 1-3% Equity Premium was common. This suggests the Equity Premium of 0.55% is low and makes stocks sensitive to interest rate changes.

Broader Market? A major theme for 2023 was that S&P 500 returns were highly concentrated in just a few large stocks, which is evident by comparing the S&P 500 (which is capitalization weighted) to the Equal Weight S&P 500 (with the same members, but each has an equal 0.2% contribution). Looking at rolling 6 month returns in the chart to the left, the gap had surpassed 10% on 6/30/23, for only the third time since 1992. In the subsequent 6 month period, Q3 and Q4 of 2023, it narrowed to just 2%. But in Q1'24, with the S&P up 11% versus the Equal Weight up 7%, the 6 month rolling gap is back up to 3% (although its down from 5% as of the end of February after a good March for Equal Weight). While less concentrated than their recent peak, markets remain top heavy.

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Equity Markets Summary

Headline Indices	Q1'24	2023	2022	Fwd PE*	Avg PE**	+/- avg
Dow	6.1%	16.2%	-6.9%			
Nasdaq	9.3%	44.6%	-32.5%			
Russell 2000	5.2%	16.9%	-20.4%			
Asset Classes	**Q1'24**	**2023**	**2022**	**Fwd PE***	**Avg PE****	**+/- avg**
S&P 500	10.6%	26.3%	-18.1%	21.1	16.2	30%
S&P Mid Cap 400	10.0%	16.4%	-13.1%	16.0	13.7	17%
S&P Small Cap 600	2.5%	16.1%	-16.1%	14.7	14.8	-1%
MSCI EAFE	5.8%	18.9%	-14.0%	14.4	13.5	6%
MSCI Emerging Markets	2.2%	10.3%	-19.7%	12.2	11.8	3%
MSCI AC World	8.3%	22.8%	-18.0%	17.7	14.6	22%
S&P 500 Sectors	**Q1'24**	**2023**	**2022**	**Fwd PE***	**Avg PE****	**+/- avg**
Consumer Discretionary	5.0%	42.4%	-37.0%	26.2	18.8	40%
Consumer Staples	7.5%	0.5%	-0.6%	20.4	18.1	13%
Energy	13.7%	-1.3%	65.7%	13.1	13.3	-2%
Financials	12.5%	12.1%	-10.5%	15.8	13.0	22%
Healthcare	8.8%	2.1%	-2.0%	19.5	16.2	20%
Industrials	11.0%	18.1%	-5.5%	21.7	16.5	32%
Technology	12.7%	57.8%	-28.2%	28.2	17.7	59%
Materials	8.9%	12.5%	-12.3%	21.4	15.3	40%
Communication Services	15.8%	55.8%	-39.9%	19.0	17.7	7%
Utilities	4.6%	-7.1%	1.6%	16.1	14.8	9%
Growth vs Value	**Q1'24**	**2023**	**2022**	**Fwd PE***	**Avg PE****	**+/- avg**
S&P Growth	12.8%	30.0%	-29.4%	27.4	18.7	46%
S&P Value	8.1%	22.2%	-5.2%	16.4	13.4	22%
International	**Q1'24**	**2023**	**2022**	**Fwd PE***	**Avg PE****	**+/- avg**
Eurozone	7.9%	23.9%	-17.2%	13.4	12.2	10%
Germany (DAX)	10.4%	20.3%	-12.3%	13.0	12.6	3%
UK (FTSE)	2.8%	3.8%	0.9%			
Japan (Nikkei)	17.2%	22.3%	2.7%			
MSCI Asia Pac xJapan	1.9%	7.7%	-17.2%	15.0	14.5	4%
S. Korea (KOSPI)	4.2%	2.5%	-12.9%	14.6	18.5	-21%
India (Sensex)	2.1%	20.3%	5.8%			
China (Shenzhen)	-9.4%	-6.7%	-19.9%	11.1	10.0	12%
S&P Latin America 40	-2.1%	34.0%	11.4%	8.4	11.2	-25%
Brazil (Bovespa)	-4.5%	22.3%	4.7%	7.9	10.3	-23%
Mexico	0.1%	22.7%	-5.7%	13.3	14.3	-7%

Asset Classes: Equities rose in Q1'24. The S&P 500 (+10.6% Q1), the Russell 2000 (+5.2% Q1), the MSCI EAFE (+5.8% Q1) and the MSCI EM (+2.2% Q1) rallied to finish the year higher. The global MSCI ACWI (+8.3% Q1), as it covers all these indices, was higher as well.

The tech-driven NASDAQ (+9.3% Q1) outpaced the traditional Dow Jones (+6.1% Q1).

Valuations (based on forward PE vs their 20yr average) for the S&P 500 are 30% above average, while the rest are around average, with the S&P 600 the lowest (1% below). While performance has been concentrated in the top market cap stocks, so too are the above average valuations.

S&P Sectors: All sectors were higher in Q1. 2023 standouts Communications (+16% Q1) and Technology (+13% Q1) were joined by cyclically sensitive Energy (+14% Q1), Financials (+13%) and Industrials (+11% Q1) with double digit returns. Less cyclical Staples (+8% Q1), Healthcare (+9% Q1) and Utilities (+4% Q1) posted more modest returns. Meanwhile, 2023 outperformer Discretionary (+5% Q1) was weighed on by Tesla.

Growth vs Value: The combination of technology and cyclical enthusiasm allowed Growth (+13% Q1) to outperform Value (+8% Q1). As a result of this outperformance, Growth's PE is at a higher premium to its average than Value, at 46% versus 22%.

Global Markets: Globally, markets were mixed in Q1. Europe (+8% Q1) and Japan (+17% Q1) reflected positive returns in the EAFE region, while Emerging Markets were mixed, with China (-9% Q1) and the regional S&P Latin America Index (-2% Q4, +34% '23) lower, while Asia outside of China was higher, with India (+2% Q1) and Asia xJapan (+2%) higher.

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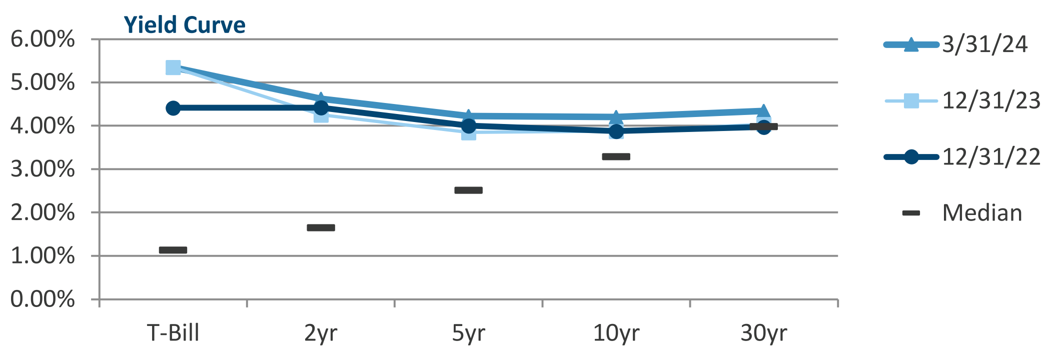
Fixed Income Markets Summary

Headline Indices	Q1'24	2023	2022	Yield	Spread	Avg*	+/- avg
Bloomberg Barc Agg	-0.8%	5.5%	-13.0%	4.85%	0.65%	0.39%	0.26%
ML Investment Grade	-0.1%	8.4%	-15.4%	5.39%	1.19%	1.20%	-0.01%
ML High Yield	1.5%	13.4%	-11.2%	7.83%	3.63%	4.69%	-1.06%
S&P Nat'l Muni	-0.4%	6.2%	-8.1%	3.96%	-0.24%	0.75%	-0.99%
S&P Leveraged Loan	2.0%	13.2%	-0.7%	9.16%	3.81%	3.85%	-0.04%
T-Bill	1.3%	5.1%	1.5%				
NYMEX 7-10yr Tsy	-1.4%	3.6%	-14.9%				
Treasury Yields	**3/31/24**	**12/31/23**	**12/31/22**			**Avg***	**+/- avg**
T-Bill	5.35%	5.35%	4.41%			1.13%	4.22%
2yr	4.62%	4.25%	4.42%			1.66%	2.97%
5yr	4.22%	3.85%	4.00%			2.52%	1.70%
10yr	4.20%	3.88%	3.88%			3.29%	0.91%
30yr	4.34%	4.03%	3.97%			3.99%	0.36%
10yr Sovereign Yields	**3/31/24**	**12/31/23**	**12/31/22**			**Avg***	**+/- avg**
US	4.20%	3.88%	3.88%			2.43%	1.77%
Germany	2.30%	2.00%	2.53%			1.31%	0.99%
Japan	0.72%	0.61%	0.42%			0.26%	0.46%
UK	3.94%	3.53%	3.66%			2.02%	1.91%
France	2.80%	2.53%	3.07%			2.25%	0.56%
Spain	3.15%	2.95%	3.61%			3.61%	-0.46%
Italy	3.66%	3.74%	4.64%			3.89%	-0.23%
China	2.35%	2.57%	2.86%			3.26%	-0.91%
Brazil	11.22%	10.46%	12.90%			11.06%	0.16%
Mexico	9.27%	8.95%	9.02%			7.42%	1.85%



Asset Classes: The bond market was mixed in Q1'24 as interest rates were higher, as shown by the returns of the Bloomberg Barclays Aggregate Bond Index (-1% Q1).

Duration: The primary driver of fixed income performance was duration, which was evident in the Treasury market, with the longer duration 7-10 yr Treasury Index (-1% Q1) declining, while the near zero duration 90 day T-Bill (+1% Q1) rose.

Credit: Economic optimism was the key factor pushing interest rates up, and while that hurt duration, it supported credit. The ML High Yield index (+2% Q1) benefited from high credit exposure offsetting its duration, while the low duration S&P Leveraged Loan Index (+2% Q1) was the leading fixed income sector. With more balanced exposures to duration and credit, the ML Investment Grade Index (0% Q1) and S&P Nat'l Muni Index (0% Q1) were flat. Across the credit spectrum, spreads are at or below average, which leaves less of a cushion if the economic backdrop should deteriorate.

Treasury Yields: The resilience of the US economy boosted interest rates, with the 10yr Treasury yield rising from 3.88% at year end to 4.20% as of 3/31/24. This was a partial retracement back towards its 4.99% peak on 10/19/23.

Yield Curve: The yield curve is the best tool to examine rate shifts across different maturities. While, the 10yr was up 32 bps to 4.20%, the T-Bill was flat at 5.35%, reflecting the Fed's holding steady. The best reflection of expected Fed policy is the 2yr Treasury, and it had the biggest move of Q1'24, rising nearly 37 bps to 4.25% as the market backtracked on its hopes for an aggressive rate cut campaign from the Fed.

Global Rates: Globally, interest rates followed the US higher in Q1, with the German 10yr yield rising 30 bps to 2.30%.

Major Economic Indicators and Consensus Forecasts

	2024/2025 Average Forecast				Actual		
	12m ch	Mar-24	Dec-23	Mar-23	Dec-23	Avg*	+/- avg
US GDP	0.38	1.93	1.45	1.55	3.13	2.24	0.90
EU GDP	-0.40	0.95	1.10	1.35	0.07	1.75	-1.68
Japan GDP	-0.15	0.85	0.95	1.00	1.28	1.19	0.09
UK GDP	-0.53	0.75	0.80	1.28	-0.25	2.07	-2.32
China GDP	-0.45	4.45	4.43	4.90	5.25	8.00	-2.75
US CPI	0.35	2.70	2.60	2.35	3.14	2.33	0.81
EU CPI	-0.24	2.41	2.48	2.65	2.39	1.53	0.86
Japan CPI	0.45	1.88	1.83	1.43	2.89	0.60	2.29
China CPI	-1.10	1.30	1.65	2.40	-0.48	1.84	-2.33
US UnN	-0.50	4.10	4.20	4.60	3.70	4.00	-0.30
EU UnN	-0.18	6.65	6.65	6.83	6.50	7.90	-1.40
Japan UnN	0.05	2.40	2.40	2.35	2.60	2.60	0.00
UK UnN	-0.10	4.50	4.60	4.60	3.90	4.20	-0.30
China UnN	0.40	5.10	4.95	4.70	5.10	5.10	0.00

Foreign Exchange		Q1'24	2023	2022	2021	2020	2019
Euro		-1%	6%	-9%	-6%	8%	-3%
Yen (Japan)		-1%	-6%	-19%	-8%	5%	4%
Pound (UK)		0%	6%	-10%	-1%	3%	1%
Yuan (China)		-1%	0%	-11%	3%	7%	-1%
Won (S. Korea)		-3%	2%	-10%	-7%	7%	-5%
Real (Brazil)		-1%	7%	7%	-5%	-21%	-8%
Peso (Mexico)		2%	12%	11%	-6%	-3%	4%
Commodities		**Q1'24**	**2023**	**2022**	**2021**	**2020**	**2019**
Oil	$84	17%	-10%	6%	56%	-21%	35%
Gold	$2,214	7%	15%	0%	-4%	25%	18%
Copper	$4.00	3%	2%	-15%	27%	26%	6%

GDP: Shifting economic forecasts show how market expectations have changed in the past year. Compared to March 2022, the 2024/2025 blended US GDP growth has risen from 1.55% to 1.93%, a reflection of the solid economic data in 2023 and fading recession expectations. Notably, much of this increase occurred just in Q1'24. Globally, however, most GDPs have drifted lower. One catch on all this is that 2024 and 2025 GHDP forecasts have come down as 2023 growth expectations rose from recession levels at the start of 2023. But this is also a legitimate message, as the improved 2023 outcome buoyed 2023 markets. For good equity returns to continue, growth expectations need to be maintained.

CPI: The year over year rise in inflation expectations contributed to tighter central bank policy. For the US, on a year over year basis, the CPI forecast has moved up from 2.35% to 2.70%. Part of the Fed's reasoning for halting rate hikes is evident in the inflation forecast being nearly unchanged from three months ago. EU inflation expectations, where a much larger energy impact from the Russia-Ukraine conflict has been seen, has seen inflation expectations come down.

Unemployment: Unemployment forecasts have come down, from 4.6% versus 4.1% twelve months ago in the US, but just 10 bps in the past three. This drop in unemployment expectations is one sign of the strength of the economy.

Foreign Exchange: Most major currencies fell versus the dollar in Q1'24, as rising interest rates in the US spurred demand for the dollar relative currencies. But with most central banks on the same page, the relative currency moves were minor.

Commodities: Oil rose in Q1'24, from $72 to $84/bbl, or 17%. Since the start of 2023 (after the Russian invasion of Ukraine in 2022), oil has been in a $65 to $95 trading range, ebbing and flowing based on market sentiment on the global economy. With economic optimism ticking up in Q1'24, so too has oil. Gold rose 7% in Q1'24, as the prospect of rate cuts from the Fed spurred interest in the inflation hedge.

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Index Returns | 2007 to Present

	Q1'24	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Dow	6.1%	16.2%	-6.9%	20.9%	9.7%	25.3%	-3.5%	28.1%	16.5%	0.2%	10.0%	29.7%	10.2%	8.4%	14.1%	22.7%	-31.9%	8.9%
Nasdaq	9.1%	43.4%	-33.1%	21.4%	43.6%	35.2%	-3.9%	28.2%	7.5%	5.7%	13.4%	38.3%	15.9%	-1.8%	16.9%	43.9%	-40.5%	9.8%
Russell 2000	5.2%	16.9%	-20.4%	14.8%	20.0%	25.5%	-11.0%	14.6%	21.3%	-4.4%	4.9%	38.8%	16.3%	-4.2%	26.9%	27.2%	-33.8%	-1.6%
S&P 500	10.6%	26.3%	-18.1%	28.7%	18.4%	31.5%	-4.4%	21.8%	12.0%	1.4%	13.7%	32.4%	16.0%	2.1%	15.1%	26.5%	-37.0%	5.5%
S&P Mid Cap 400	10.0%	16.4%	-13.1%	24.8%	13.7%	26.2%	-11.1%	16.2%	20.7%	-2.2%	9.8%	33.5%	17.9%	-1.7%	26.6%	37.4%	-36.2%	8.0%
S&P Small Cap 600	2.5%	16.1%	-16.1%	26.8%	11.3%	22.8%	-8.5%	13.2%	26.6%	-2.0%	5.8%	41.3%	16.3%	1.0%	26.3%	25.6%	-31.1%	-0.3%
MSCI EAFE	5.8%	18.9%	-14.0%	11.8%	8.3%	22.7%	-13.4%	25.6%	1.5%	-0.4%	-4.5%	23.3%	17.9%	-11.7%	8.2%	32.5%	-43.1%	11.6%
MSCI Emerging Markets	2.2%	10.3%	-19.7%	-2.2%	18.7%	18.9%	-14.2%	37.8%	11.6%	-14.6%	-1.8%	-2.3%	18.6%	-18.2%	19.2%	79.0%	-53.2%	39.8%
MSCI All Country World	8.3%	22.8%	-18.0%	19.0%	16.8%	27.3%	-8.9%	24.6%	8.5%	-1.8%	4.7%	23.4%	16.8%	-6.9%	13.2%	35.4%	-41.8%	12.2%
S&P Growth	12.8%	30.0%	-29.4%	32.0%	33.5%	31.1%	0.0%	27.4%	6.9%	5.5%	14.9%	32.8%	14.6%	4.7%	15.1%	31.6%	-34.9%	9.1%
S&P Value	8.1%	22.2%	-5.2%	24.9%	1.4%	31.9%	-9.0%	15.4%	17.4%	-3.1%	12.4%	32.0%	17.7%	-0.5%	15.1%	21.2%	-39.2%	2.0%
Barclays Aggregate Bond	-0.8%	5.5%	-13.0%	-1.5%	7.5%	8.7%	0.0%	3.5%	2.6%	0.5%	6.0%	-2.0%	4.2%	7.8%	6.5%	5.9%	5.2%	7.0%
ML Investment Grade	-0.1%	8.4%	-15.4%	-1.0%	9.8%	14.2%	-2.2%	6.5%	6.0%	-0.6%	7.5%	-1.5%	10.4%	7.5%	9.5%	19.8%	-6.8%	4.7%
ML High Yield	1.5%	13.4%	-11.2%	5.4%	6.2%	14.4%	-2.3%	7.5%	17.5%	-4.6%	2.5%	7.4%	15.6%	4.4%	15.2%	57.5%	-26.4%	2.2%
S&P Nat'l Muni	-0.4%	6.2%	-8.1%	1.6%	4.9%	7.4%	1.0%	5.1%	0.4%	3.3%	8.9%	-3.3%	6.5%	11.2%	2.0%	12.2%	-2.8%	
S&P Leveraged Loan	2.0%	13.2%	-0.7%	3.5%	2.8%	10.7%	-0.6%	3.3%	10.9%	-2.8%	1.0%	5.0%	10.5%	0.6%	9.7%	52.2%	-28.2%	1.7%
T-Bill	1.3%	5.1%	1.5%	0.0%	0.6%	2.2%	1.8%	0.8%	0.3%	0.0%	0.0%	0.0%	0.1%		0.1%	0.1%		
7-10yr Tsy	-1.4%	3.6%	-14.9%	-3.1%	10.0%	8.5%	0.9%	2.6%	1.1%	1.6%	9.0%	-6.0%	4.2%	15.6%	9.4%	-6.0%	18.0%	10.2%

International	Q1'24	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
MSCI Eurozone	7.9%	23.9%	-17.2%	14.3%	8.5%	24.2%	-16.2%	29.0%	2.2%	-0.8%	-7.7%	30.0%	22.5%	-16.9%	-3.4%	32.8%	-47.1%	20.3%
Germany (DAX)	10.4%	20.3%	-12.3%	15.8%	3.5%	25.5%	-18.3%	12.5%	6.9%	9.6%	2.7%	25.5%	29.1%	-14.7%	16.1%	23.8%	-40.4%	22.3%
UK (FTSE)	2.8%	3.8%	0.9%	14.3%	-14.3%	12.1%	-12.5%	7.6%	14.4%	-4.9%	-2.7%	14.4%	5.8%	-5.6%	9.0%	22.1%	-31.3%	3.8%
Japan (Nikkei)	17.0%	19.7%	0.5%	5.3%	13.5%	4.2%	-1.6%	24.1%	-7.3%	13.1%	11.5%	65.8%	12.0%	-15.1%	6.3%	9.8%	-45.7%	-3.6%
MSCI Asia Pac xJapan	1.9%	7.7%	-17.2%	-2.7%	22.8%	19.5%	-13.7%	37.3%	7.1%	-9.1%	3.1%	3.7%	22.6%	-15.4%	18.4%	73.7%	-51.6%	37.2%
S. Korea (KOSPI)	4.2%	2.5%	-12.9%	9.6%	24.1%	-0.4%	-15.3%	24.8%	-0.4%	0.6%	-3.1%	5.8%	4.6%	-3.0%	22.4%	44.6%	-43.5%	33.1%
India (Sensex)	2.1%	20.3%	5.8%	23.2%	17.2%	15.7%	7.2%	29.6%	3.5%	-3.7%	31.9%	10.7%	28.0%	-23.6%	19.1%	83.3%	-51.8%	48.8%
China (Shenzhen)	-9.4%	-6.7%	-19.9%	12.0%	41.3%	19.1%	-29.7%	-9.8%	-4.4%	55.4%	30.5%	44.7%	-24.6%	-23.9%	10.0%	119.5%	-56.2%	152.0%
S&P Latin America 40	-2.1%	34.0%	11.4%	-12.7%	-11.3%	13.9%	-6.0%	26.9%	32.5%	-30.9%	-11.1%	-12.3%	6.4%	-18.3%	16.7%	97.1%	-49.4%	50.5%
Brazil (Bovespa)	-4.5%	22.3%	4.7%	-11.9%	2.9%	31.6%	15.0%	26.9%	38.9%	-13.3%	-2.9%	-15.5%	7.4%	-18.1%	1.0%	82.7%	-41.2%	43.6%
Mexico	0.0%	18.4%	-9.0%	20.9%	1.2%	4.6%	-15.6%	8.1%	6.2%	-0.4%	1.0%	-2.2%	17.9%	-3.8%	20.0%	43.5%	-24.2%	11.7%

S&P 500 Sectors	Q1'24	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Consumer Discretionary	5.0%	42.4%	-37.0%	24.4%	33.3%	27.9%	0.8%	23.0%	6.0%	10.1%	9.7%	43.1%	23.9%	6.1%	27.7%	41.3%	-33.5%	-13.2%
Consumer Staples	7.5%	0.5%	-0.6%	18.6%	10.7%	27.6%	-8.4%	13.5%	5.4%	6.6%	16.0%	26.1%	10.8%	14.0%	14.1%	14.9%	-15.4%	14.2%
Energy	13.7%	-1.3%	65.7%	54.6%	-33.7%	11.8%	-18.1%	-1.0%	27.4%	-21.1%	-7.8%	25.1%	4.6%	4.7%	20.5%	13.8%	-34.9%	34.4%
Financials	12.5%	12.1%	-10.5%	35.0%	-1.7%	32.1%	-13.0%	22.2%	22.8%	-1.5%	15.2%	35.6%	28.8%	-17.1%	12.1%	17.2%	-55.3%	-18.6%
Healthcare	8.8%	2.1%	-2.0%	26.1%	13.4%	20.8%	6.5%	22.1%	-2.7%	6.9%	25.3%	41.5%	17.9%	12.7%	2.9%	19.7%	-22.8%	7.2%
Industrials	11.0%	18.1%	-5.5%	21.1%	11.1%	29.4%	-13.3%	21.0%	18.9%	-2.5%	9.8%	40.7%	15.3%	-0.6%	26.7%	20.9%	-39.9%	12.0%
Technology	12.7%	57.8%	-28.2%	34.5%	43.9%	50.3%	-0.3%	38.8%	13.8%	5.9%	20.1%	28.4%	14.8%	2.4%	10.2%	61.7%	-43.1%	16.3%
Materials	8.9%	12.5%	-12.3%	27.3%	20.7%	24.6%	-14.7%	23.8%	16.7%	-8.4%	6.9%	25.6%	15.0%	-9.8%	22.2%	48.6%	-45.7%	22.5%
Telecom	15.8%	55.8%	-39.9%	21.6%	23.6%	32.7%	-12.5%	-1.3%	23.5%	3.4%	3.0%	11.5%	18.3%	6.3%	19.0%	8.9%	-30.5%	11.9%
Utilities	4.6%	-7.1%	1.6%	17.7%	0.5%	26.3%	4.1%	12.1%	16.3%	-4.8%	29.0%	13.2%	1.3%	19.9%	5.5%	11.9%	-29.0%	19.4%

Blue to orange represents best to worst return for each period. Index data is total teturn.

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Index Definitions

Index	Description
Equity	
S&P 500	Large US companies ($10b+ market cap)
S&P Mid Cap 400	Medium US companies ($5-10b market cap)
Russell 2000, S&P Small Cap 600	Small US companies (<$10b market cap)
MSCI Europe Australia Far East	Foreign Developed. Returns are in US$
MSCI Emerging Markets	Emerging Markets. Returns are in US$
Fixed Income	
Barclays Aggregate	Represents the entire US bond market
S&P 3mo Tbill	Short term Treasury Bills
Barclays 7-10yr Tsy	Ten Year Treasury Bonds
Barclays 10yr TIPS	Treasury Inflation Protected Securities
S&P Nat'l Muni	Municipal Bonds
BofA/ML Corp	Investment Grade (Higher Credit Quality) Corporate Bonds
BofA/ML High Yield	High Yield (Lower Credit Quality) Corporate Bonds
S&P Leveraged Loan 100	Floating Rate Bank Loans
BofA / ML EM Debt	Emerging Market Debt
Alternatives	
HFRI Fund of Funds	Represents the entire hedge fund universe

GRIMES AND COMPANY

Disclosures

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-The Standard & Poor's 500 is a market capitalization weighted index of 500 widely held domestic stocks often used as a proxy for the U.S. stock market. The Standard & Poor's 400 is a market capitalization weighted index of 400 mid cap domestic stocks. The Standard & Poor's 600 is a market capitalization weighted index of 600 small cap domestic stocks.
-The NASDAQ Composite Index measures the performance of all issues listed in the NASDAQ stock market, except for rights, warrants, units, and convertible debentures.
-The MSCI EAFE Index (Europe, Australasia, Far East) 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 Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of 21 emerging markets. The MSCI All Country World Index is a free float adjusted market capitalization index designed to measure the performance of large and mid and cap stocks in 23 developed markets and 24 emerging markets. With over 2,800 constituents it represents over 85% of the global equity market.
-The Barlcays Aggregate Index represents the total return performance (price change and income) of the US bond market, including Government, Agency, Mortgage and Corporate debt.
-The BofA Merrill Lynch Investment Grade and High Yield Indices are compiled by Bank of America / Merrill Lynch from the TRACE bond pricing service and intended to represent the total return performance (price change and income) of investment grade and high yield bonds.
-The S&P/LSTA U.S. Leveraged Loan 100 is designed to reflect the largest facilities in the leveraged loan market. It mirrors the market-weighted performance of the largest institutional leveraged loans based upon market weightings, spreads and interest payments.
-The S&P Municipal Bond Index is a broad, comprehensive, market value-weighted index. The S&P Municipal Bond Index constituents undergo a monthly review and rebalancing, in order to ensure that the Index remains current, while avoiding excessive turnover. The Index is rules based, although the Index Committee reserves the right to exercise discretion, when necessary.
-The BofA Merrill Lynch US Emerging Markets External Sovereign Index tracks the performance of US dollar emerging markets sovereign debt publicly issued in the US and eurobond markets.
-The HFRI Fund of Funds index is compiled by the Hedge Funds Research Institute and is intended to represent the total return performance of the entire hedge fund universe.