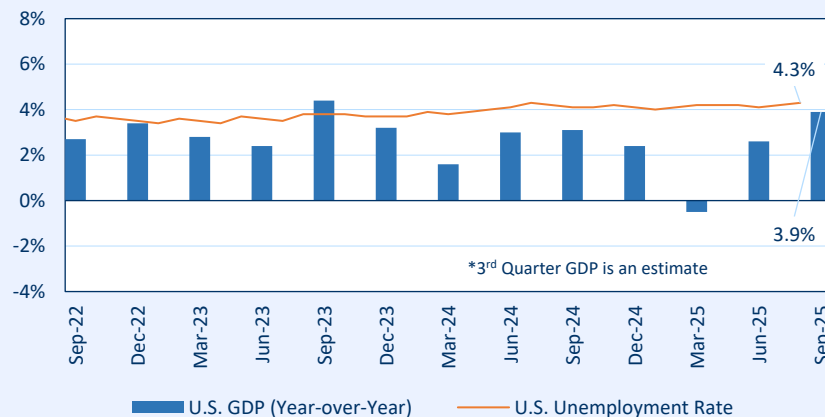


U.S. Economic Conditions

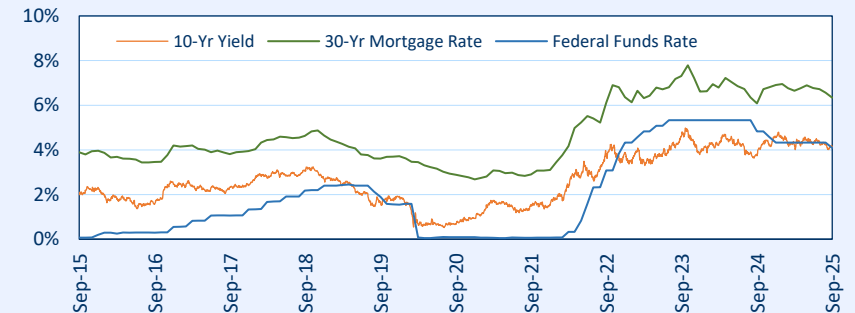
The resilience of the U.S. economy has been a surprise to many over the past five years (through COVID and the higher interest rate environment since 2022). However, since consumption is the largest economic contributor, the degree of resiliency is less surprising when you factor in 1) the amount of stimulus used to offset the impacts of COVID, 2) the strength of the labor market in recent years, and 3) the impact favorable market returns have had on wealth in America. Another key factor has been the unprecedented amount of money that is being invested in Artificial Intelligence during the third major technological advancement in the past 30 years (after the internet and cloud computing). With this said, these positive influences have been counterbalanced by more restrictive interest rate levels (since 2022) and higher consumer prices (inflation). These factors are traditionally more impactful, which is why many economists have been surprised that the economy has not slowed in a more rapid and substantial manner. We mention this because the impact of these slowing influences has been broadening over time, and during the 3rd quarter, the effect seemed to be more substantial in the labor market (a key factor for the Federal Reserve). This leaves us at or near a potential inflection point, where the Fed is actively attempting to remove the restrictive nature of policy without reigniting more meaningful inflation - and uncertainty surrounding the ultimate impact of tariffs is making this especially challenging. It goes without saying that the path forward is unclear, which is reflected in the markets currently with odd realities like risk-on assets (stocks) and risk-off assets (gold) reaching all-time highs simultaneously.

U.S. Gross Domestic Product and Unemployment

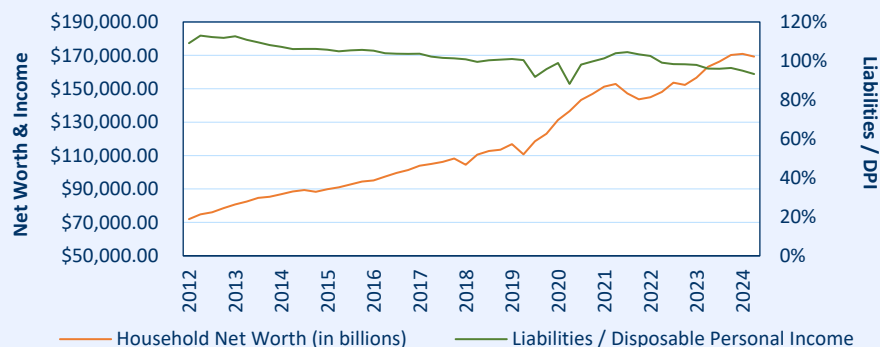


Interest Rates and Yields

Date	12/31/2024	3/31/2025	6/30/2025	9/30/2025
10-Year Yield	4.58	4.23	4.24	4.16
30-Year Mortgage Rate	6.91	6.65	6.77	6.34
Federal Funds Rate	4.33	4.33	4.33	4.09



Consumer Finances



Corporate Earnings



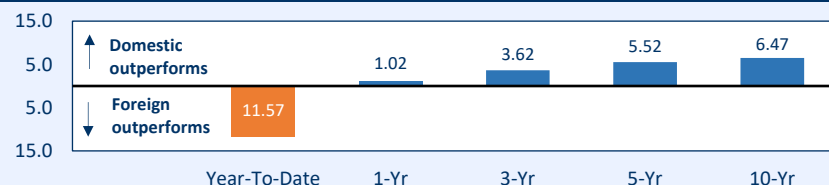
U.S. Stock Market

U.S. equities continued an impressive run off April lows in the 3rd quarter, and strong corporate earnings, an expectation of lower interest rates in the quarters to come, and a general easing of trade tensions have all been key drivers. The Russell 3000 Index (total U.S. market) gained 8.2% for the quarter, bringing its year-to-date return up to 14.4%. Within the U.S. market, growth stocks regained market leadership during the 3rd quarter (particularly in the Technology sector). This was driven by the prospect of lower interest rates and continued optimism related to Artificial Intelligence (AI). AI optimism is certainly not a new factor, but the hype train seemed to hit a new gear in recent months in terms of the amount of capital that is being spent to build out advanced computing capabilities. With this said, we should note that at current valuation levels, the large and mega-cap growth areas of the market could be susceptible to larger market movement if companies fall short of lofty expectations or if any cracks emerge in the broader AI story. In other market segments, valuations are more attractive. In fact, in a reversal of what has generally occurred in recent years, small caps outperformed large caps in the 3rd quarter. Moving forward, the outlook for U.S. equities remains mixed. Higher valuations and an uncommon level of uncertainty in the U.S. and abroad is creating concern. However, expectations for a more accommodative monetary and fiscal policy environment should be supportive of earnings (a top market driver).

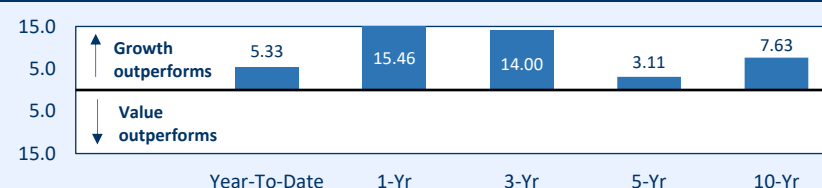
Market Segment		YTD	1-Year	3-Year	5-Year	10-Year
Russell 3000	Broad Indices	14.4%	17.4%	24.1%	15.7%	14.7%
S&P 500		14.8%	17.6%	24.9%	16.5%	15.3%
Russell 2000		10.4%	10.8%	15.2%	11.6%	9.8%
Large Growth	Category	15.3%	21.7%	28.1%	13.7%	15.9%
Large Blend		13.1%	14.6%	22.3%	14.8%	13.7%
Large Value		11.3%	9.7%	17.1%	14.1%	10.9%
Mid Growth		9.3%	13.4%	17.2%	8.0%	11.3%
Mid Blend		7.7%	7.7%	16.1%	12.7%	10.4%
Mid Value		7.9%	6.1%	15.2%	14.5%	9.7%
Small Growth		6.3%	8.1%	14.0%	7.7%	10.5%
Small Blend		6.3%	6.3%	14.5%	12.7%	9.6%
Small Value		5.0%	5.1%	14.0%	15.4%	9.1%

Sector		YTD Return	Trailing Price-to-Earnings (P/E) Ratio		
			Sept. 30 2025	20-yr Avg	Relative to 20-yr Avg.
S&P 500 Index	U.S. Market	14.8%	28.1	19.3	146%
Basic Materials	Cyclical	12.4%	26.1	18.8	139%
Consumer Cyclical		5.3%	30.6	20.8	147%
Financial Services		14.0%	19.2	14.4	134%
Real Estate		6.2%	32.8	29.4	112%
Comm. Services	Sensitive	22.5%	21.3	19.3	111%
Energy		6.4%	17.1	14.9	115%
Industrials		16.3%	27.3	19.6	139%
Technology		20.5%	39.5	23.3	169%
Consumer Defensive	Defensive	2.0%	24.7	20.5	120%
Healthcare		3.5%	24.4	22.2	110%
Utilities		21.1%	22.2	18.4	121%

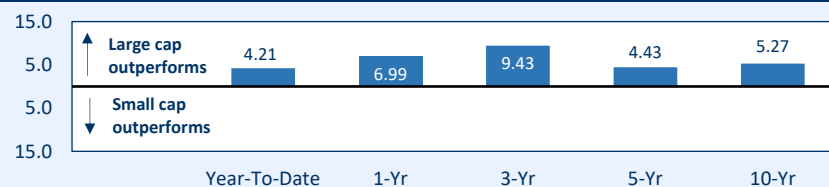
U.S. Stock vs. Foreign Stock



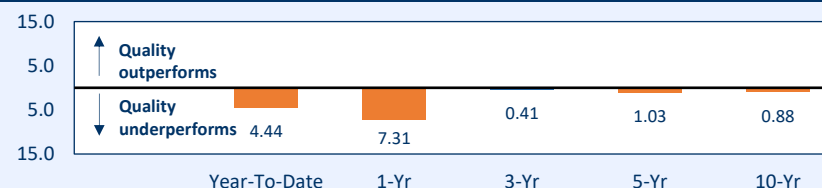
Growth Stock vs. Value Stock



Large Cap Stock vs. Small Cap Stock



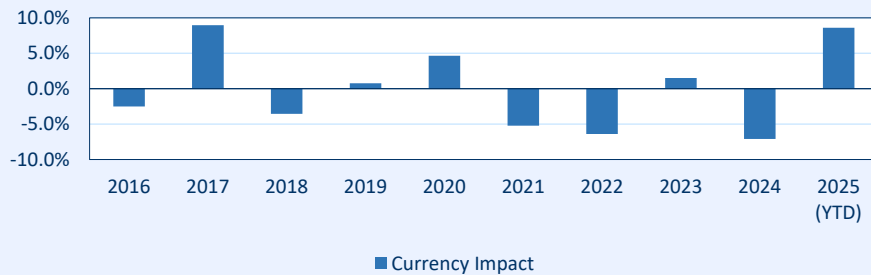
Quality Stock vs. Low Quality Stock



Foreign Economic Conditions & Stock Markets

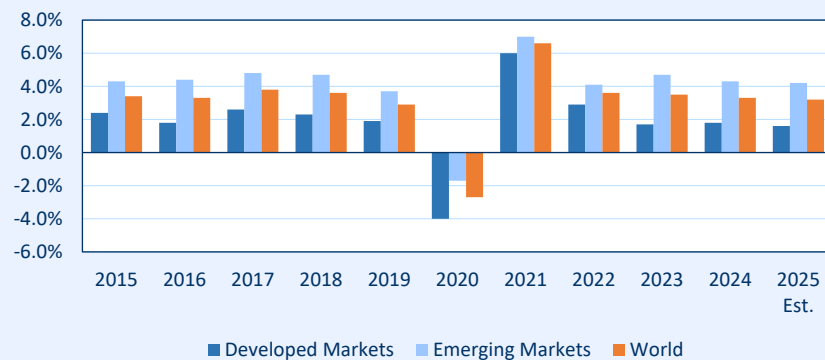
There were signs of foreign economic improvement during the 3rd quarter, and this included better-than-expected data from the Eurozone and Japan. In addition, the U.S. reached new trade agreements with both the European Union and Japan during the period, which helped to calm fears about a tariff-induced slowdown in the near-term. Conversely, Chinese economic data was softer than expected and trade tensions with the U.S. have begun to heat up around access to rare earth minerals. Given this relatively positive backdrop (overall), equity market performance was favorable during the 3rd quarter, and YTD gains remain more favorable than they have been in recent periods. *The MSCI ACWI ex-U.S. IM Index (total foreign market) has risen 26.0% through the end of September, which is 11.6% higher than its domestic counterpart.* Overall, foreign stock market outperformance in 2025 was not a material shock given more attractive valuations coming into the year, the decline of the U.S. dollar, and improved economic data. However, this does highlight the importance of remaining well-diversified.

Currency Impact on Foreign Investment (made by U.S. investors)



Return	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
In Local Currency	7.0%	18.2%	-10.6%	20.8%	6.0%	13.0%	-9.6%	14.1%	12.6%	17.4%
Currency Impact	-2.5%	9.0%	-3.5%	0.8%	4.6%	-5.2%	-6.4%	1.5%	-7.1%	8.6%
Net In U.S. Dollars	4.5%	27.2%	-14.2%	21.5%	10.7%	7.8%	-16.0%	15.6%	5.5%	26.0%

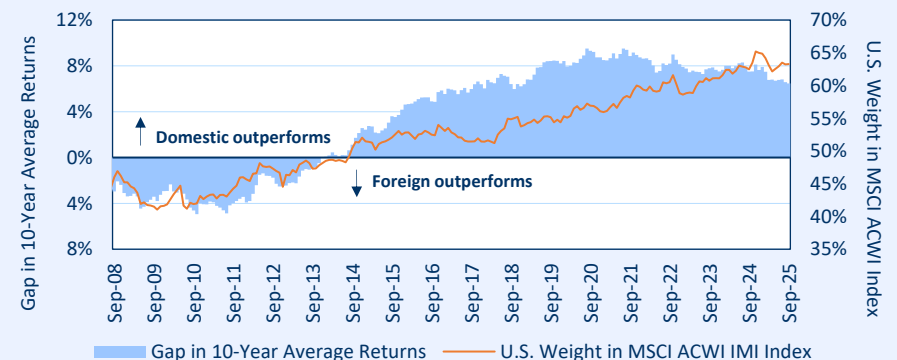
Global Gross Domestic Product



Foreign Stock Performance

Market Segment	YTD	1-Year	3-Year	5-Year	10-Year
MSCI ACWI ex-U.S. IM	26.0%	16.4%	20.5%	10.2%	8.2%
Developed Markets	25.6%	15.4%	21.4%	10.8%	8.1%
Emerging Markets	25.9%	16.0%	18.2%	7.6%	8.0%
Foreign Large Growth	18.9%	10.7%	18.4%	6.0%	8.0%
Foreign Large Blend	25.0%	15.8%	21.0%	10.3%	8.0%
Foreign Large Value	29.7%	20.2%	23.2%	13.6%	8.1%
Foreign Small/Mid Growth	21.1%	12.1%	16.5%	4.5%	7.1%
Foreign Small/Mid Blend	27.0%	17.3%	20.2%	9.7%	8.0%
Foreign Small/Mid Value	32.3%	23.4%	23.9%	14.4%	8.9%

Foreign vs. U.S. Performance and Allocation



Fixed Income Markets

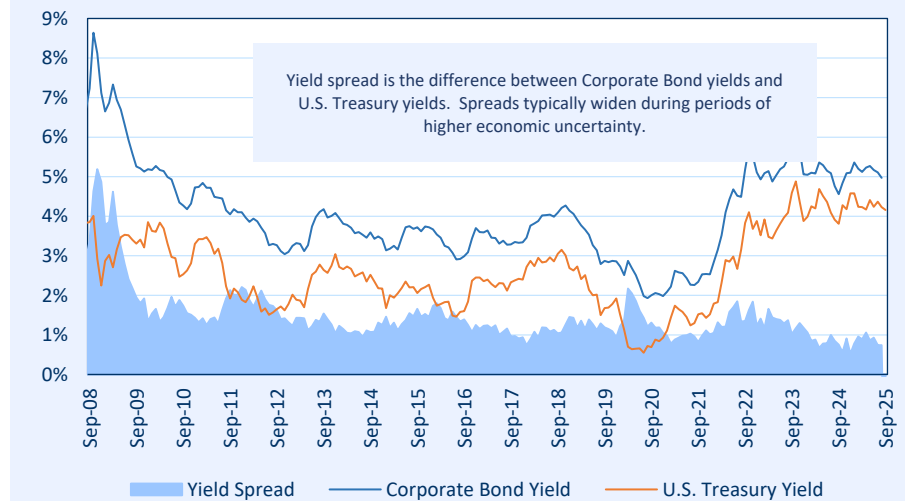
Following a nine-month pause, Federal Open Market Committee (FOMC) members voted to reduce interest rates by a quarter percentage point in their latest September meeting. This shift was primarily in response to a weakening labor market, with concerns about the potential for higher tariffs to cause a one-time price shift rather than persistent inflation. While the Federal Reserve (Fed) has continued to stress that changes in policy will be data dependent, the consensus is for the Fed to cut rates two more times by the end of 2025. *This expectation is based on the Fed's own "dot plot" projections, which show the median Fed member expects the Federal Funds Rate to be in the 3.50% to 3.75% range by yearend.*

From a performance perspective, bond returns were positive in the 3rd quarter as interest rates declined. The 10-year Treasury yield began the year at 4.58% and finished the 3rd quarter at 4.16%. As is generally the case during falling rate environments, longer-term maturities outperformed shorter-term maturities. Also, in line with the 1st half of 2025, Corporate bonds (both investment grade and high-yield) continued to outperform high-quality U.S. Treasuries. Overall, the bond market outlook is relatively positive, as today's higher starting yields provide stronger income opportunities and greater portfolio resilience amid a potential trend down in interest rates (which would further contribute to returns).

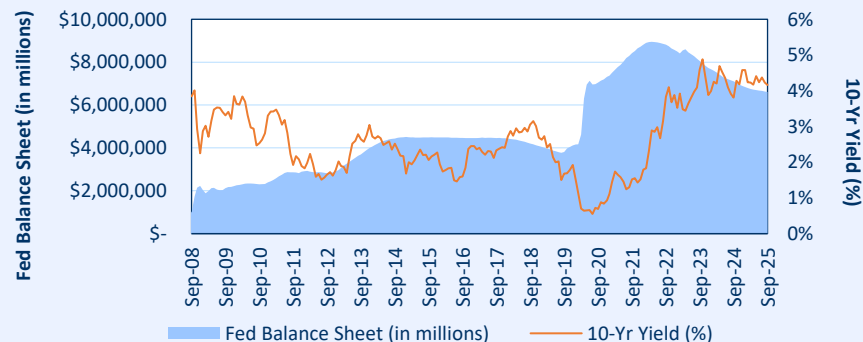
Fixed Income Performance

Sector, Maturity, Region	Avg. Yield	Avg. Maturity	YTD	1-Yr	3-Yr	5-Yr	10-Yr
Agency MBS	4.74%	7.4	4.9%	3.8%	4.6%	0.7%	1.9%
U.S. Treasuries	3.94%	6.7	5.1%	2.4%	3.7%	-0.8%	1.3%
U.S. TIPS	1.55%	7.2	6.9%	3.8%	4.9%	1.4%	3.0%
Municipals	3.66%	13.5	2.6%	1.4%	4.7%	0.9%	2.3%
Invest. Grade Corporate	4.81%	10.5	6.9%	3.6%	7.1%	0.3%	3.1%
High-Yield Corporate	6.70%	4.8	7.2%	7.4%	11.1%	5.5%	6.2%
Emerging Markets	7.08%	11.2	8.5%	6.9%	10.4%	1.9%	4.0%
Short-Term Bond	4.16%	3.7	4.8%	4.7%	5.6%	2.2%	2.4%
Intermediate-Term Bond	4.45%	8.0	6.3%	3.4%	5.6%	0.4%	2.3%
Long-Term Bond	4.83%	19.0	7.3%	1.5%	6.2%	-2.2%	2.7%
Foreign Bond	2.90%	8.5	2.3%	3.0%	5.2%	0.9%	2.6%
U.S. Bond	4.37%	8.3	6.1%	2.9%	4.9%	-0.4%	1.8%

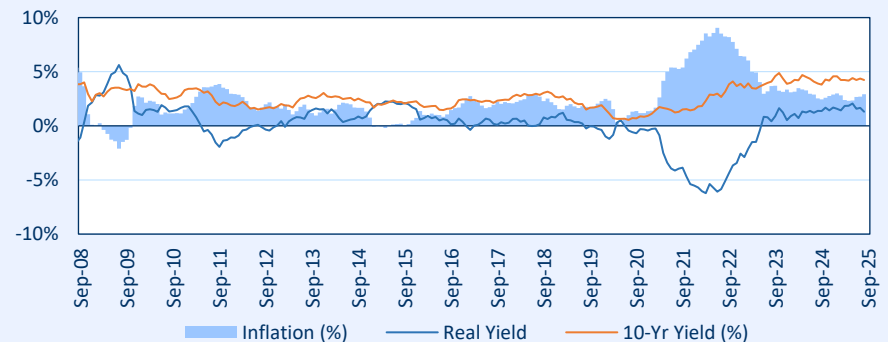
Yield Spreads



Federal Reserve Balance Sheet and 10-Year Treasury Yield



Year-Over-Year Inflation Data and Real Yield



Definitions:

Federal Funds Rate - The interest rate set by the Federal Open Market Committee (FOMC), the governing body of the Federal Reserve Bank, which determines the amount banks charge for overnight lending of their reserve balances to other financial institutions. **Disposable Personal Income (DPI)** - The amount of total discretionary income received by a household net of taxes. **Liabilities / DPI** - The amount of total debt owed by households in relation to their DPI, measured as the aggregate of the entire U.S. population.

Data Sources:

Page 1:

Gross Domestic Product (GDP): Second quarter 2024 GDP is an advanced estimate from the U.S. Bureau of Economic Analysis. **Unemployment**: U.S. Bureau of Labor Statistics, Unemployment Rate, retrieved from FRED, Federal Reserve Bank of St. Louis. **10-Year Treasury**: U.S. Treasury, Daily Treasury Yield Curve Rates. **30-Year Mortgage Rates**: FreddieMac, Monthly Average Commitment Rate And Points On 30-Year Fixed-Rate Mortgages Since 1971. **Fed Funds Rate**: The effective federal funds rate (EFFR) is calculated as a volume-weighted median of overnight federal funds transactions reported in the FR 2420 Report of Selected Money Market Rates. Data from the Federal Reserve Bank of New York. **Household Net Worth**: Board of Governors of the Federal Reserve System (US), Households and Nonprofit Organizations; Net Worth, Level [TNWBSHNO], retrieved from FRED, Federal Reserve Bank of St. Louis. **Median Household Income**: U.S. Census Bureau, Real Median Household Income in the United States [MEHOINUSA672N], retrieved from FRED, Federal Reserve Bank of St. Louis. **Liabilities / Disposable Personal Income**: Board of Governors of the Federal Reserve, Balance Sheet of Households and Nonprofit Organizations, 1952 - 2024. **Earnings**: Standard & Poor's Global.

Page 2:

Index Data: Source - Morningstar Direct. Indices listed are as follows: Russell 3000 Index (broad U.S. market), S&P 500 (U.S. large cap), Large Growth (Russell 1000 Growth), Large Blend (Russell 1000), Large Value (Russell 1000 Value), Mid Growth (Russell Mid Cap Growth), Mid Blend (Russell Mid Cap), Mid Value (Russell Mid Cap Value), Small Growth (Russell 2000 Growth), Small Blend (Russell 2000), Small Value (Russell 2000 Value). **Sector Performance Data**: Source - Morningstar Direct. Represents Morningstar sector index performance. **Price to Earnings Data**: P/E ratios are trailing 12-month, sourced from Morningstar Direct. **Factor Performance Data**: Source - Morningstar Direct. U.S. Stock vs. Foreign Stock (Russell 3000 vs. MSCI ACWI ex-U.S. IM Index), Growth vs. Value (Russell 3000 Growth vs. Russell 3000 Value Index), Large Cap Stock vs. Small Cap Stock (S&P 500 vs. Russell 2000 Index), Quality Stock vs. Low Quality Stock (S&P 500 Quality Index vs. S&P 500 Index).

Page 3:

Gross Domestic Product: Source - imf.org. Gross Domestic Product (GDP) for Developed markets (advanced economies), Emerging markets (emerging and developing economies), and World represent year-over-year economic growth data. **Foreign Stock Performance**: Source - Morningstar Direct. In order from top to bottom, the indices used are as follows: the MSCI ACWI ex-U.S. IM Index (broad foreign market), the MSCI EAFE IM Index (Developed Markets), the MSCI EM IM Index (Emerging Markets), the MSCI ACWI ex-U.S. Large Growth Index, the MSCI ACWI ex-U.S. Large Blend Index, the MSCI ACWI ex-U.S. Large Value Index, the MSCI ACWI ex-U.S. Small/Mid Growth Index, the MSCI ACWI ex-U.S. Small/Mid Blend Index, and the MSCI ACWI ex-U.S. Small/Mid Value Index. **Currency Impact on Returns**: Source - Morningstar Direct. Represents the yearly returns for the MSCI ACWI ex-U.S. Local Currency Index (Local Currency) and the MSCI ACWI ex-U.S. USD Index (U.S. Dollar). The currency data represents the difference between the yearly returns of the MSCI ACWI ex-U.S. Index in U.S. dollars versus Local Currency. **Foreign vs. U.S. Performance and Allocation**: Source - Morningstar Direct. Represents 1) the 10-year rolling return difference between the Russell 3000 Index (domestic) and the MSCI ACWI ex-U.S. IM Index (foreign) and 2) the U.S. historical weight within the MSCI ACWI ex-U.S. Index.

Page 4:

Fixed Income Performance: Source - Morningstar Direct. Indices/categories listed are as follows: Agency MBS (Bloomberg US MBS Index), U.S. Treasuries (S&P/BGCantor U.S. Treasury Bond Index), U.S. TIPS (Bloomberg U.S. Treasury U.S. TIPS Index), Municipals (Bloomberg Municipal Index), Invest. Grade Corporates (Bloomberg US Corp Bond Index), High-Yield Corporates (Bloomberg High Yield Corporate Index), Emerging Markets (JPM EMBI Global Diversified Index), Short-Term Bond (Morningstar Short-Term Bond Category), Intermediate-Term Bond (Morningstar Intermediate Core-Plus Bond Category), Long-Term Bond (Morningstar Long-Term Bond Category), Foreign Bond (Bloomberg Global Agg ex USD Hedged USD), U.S. Bond (Bloomberg U.S. Aggregate Bond). **Yield Spreads**: Corporate Bond Yield - U.S. Department of the Treasury, 10-Year High Quality Market (HQM) Corporate Bond Par Yield [HQMCPB10YRP], retrieved from FRED, Federal Reserve Bank of St. Louis. Treasury Yield / Real Yield - U.S. Treasury, Daily Treasury Yield Curve Rates. **Federal Reserve Balance Sheet Size & 10-Year Treasury Yield**: Fed Balance Sheet - Board of Governors of the Federal Reserve System (US), Assets: Total Assets: Total Assets (Less Eliminations from Consolidation): Wednesday Level [WALCL], retrieved from FRED, Federal Reserve Bank of St. Louis. **Inflation Data & Real Yield**: Source - inflationdata.com. U.S. Treasury, Daily Treasury Yield Curve Rates. Real yield represents the 10-Year Treasury Bond Yield less the year-over-year change in the Consumer Price Index (CPI).

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