THE SEDORIC GROUP

of Steward Partners

2022

ANNUAL OUTLOOK

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SUMMARY AND COMMENTARY

So Far in 2022

It's hard to envision a worse start for markets in 2022. As much as investors may have enjoyed opening their statements over the better part of the past twelve years, it was always a matter of time before a confluence of events, many of which we've discussed at length, would lead to a material correction within markets. We may not enjoy it, but the cyclicality of markets is normal even if the imbalances leading up to the peaks and troughs leave you feeling and/or believing, "this time is different."

Coming into 2022, we cautioned everyone about U.S. equity valuations being historically expensive, as were real estate, cryptocurrency, and private equity markets. We also expressed concern over the low-interest rate policy given the resurgence of inflation.

"Whether this market has crested or is merely digesting the past 18 months of frenzied appreciation depends on who wins the ongoing tug of war between inflation and deflationary forces. It's a question trillions of dollars await an answer to." – The Sedoric Group's 2022 Outlook

With inflation having since prevailed and underlying inflationary forces being fanned by regional covid policies and the tragic ongoing crisis in Ukraine, stock and bond markets around the world have corrected dramatically.

In the fixed income world, if you were to compare bond market events over the first six months of the year to that of a hurricane, the bond markets may now be in the stage of 'clean up and recovery,' albeit with some financial and emotional scars to go along with it. Yields and income streams are now at their most generous level in over 12 years, which is a welcome shift for the investors and institutions who have been seeking it.

SUMMARY AND COMMENTARY

So Far in 2022 (cont.)

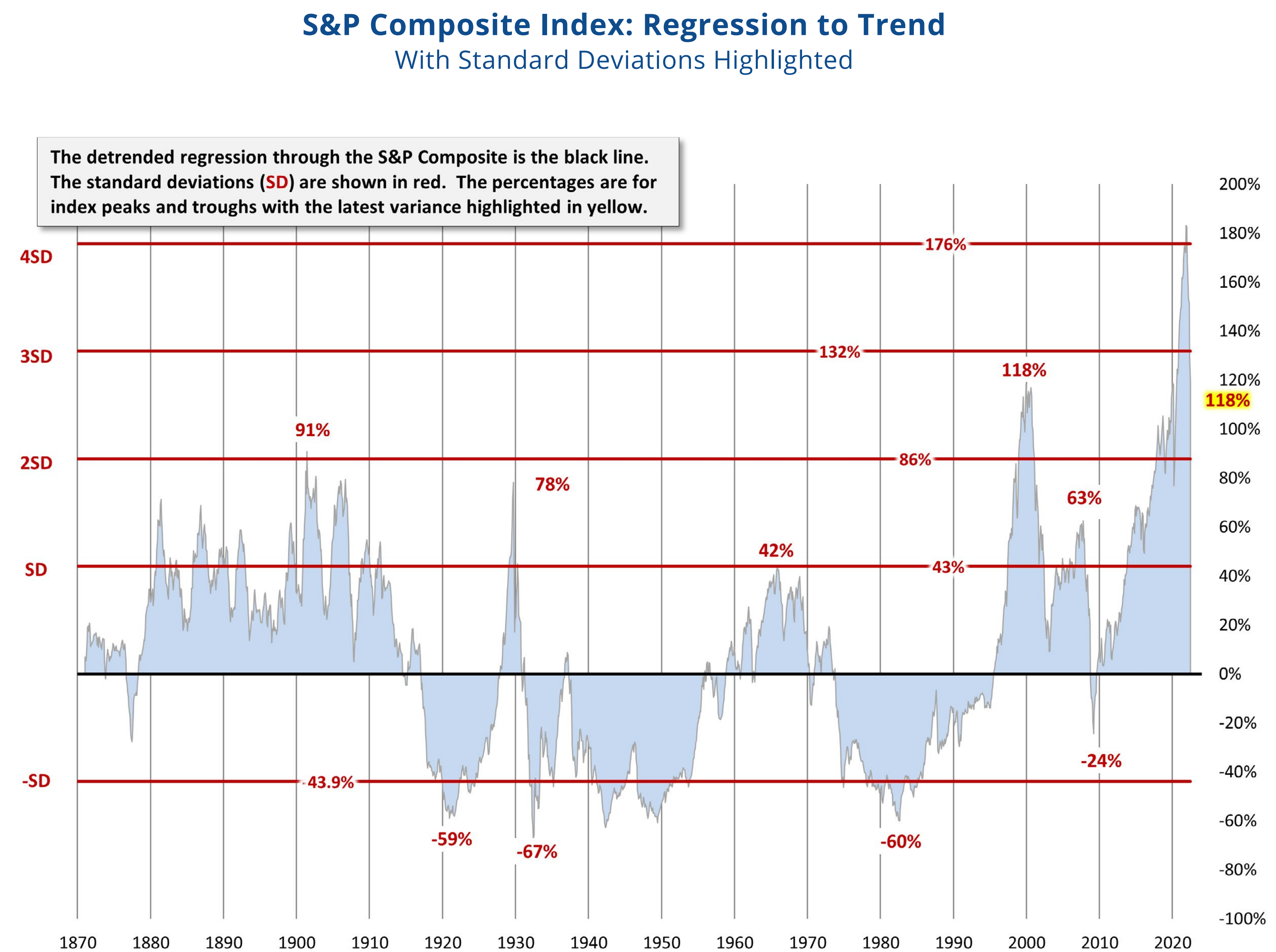
On the other hand, equity markets may still be within the eye of the storm with additional downside exposure depending on a multitude of factors, including the ongoing presence of elevated inflation, the reaction of central banks and their interest rate policies, global geopolitical events, the ongoing crisis in Ukraine, Covid response policies, consumer demand and sentiment, and the depth and duration of a potential recession.

We believe it's a misnomer to claim uncertainty today is greater than in the past or any time we may have felt more comfortable. But, we feel it's only prudent to acknowledge the wide range of realistic near-term outcomes associated with such a unique mix of market, geopolitical, and economic factors. Without the clairvoyance to declare what comes next or the ability to afford big bets and be wrong, we must instead trust the thoughtful plans built to reflect your goals and values to help guide our decisions during times of distress.

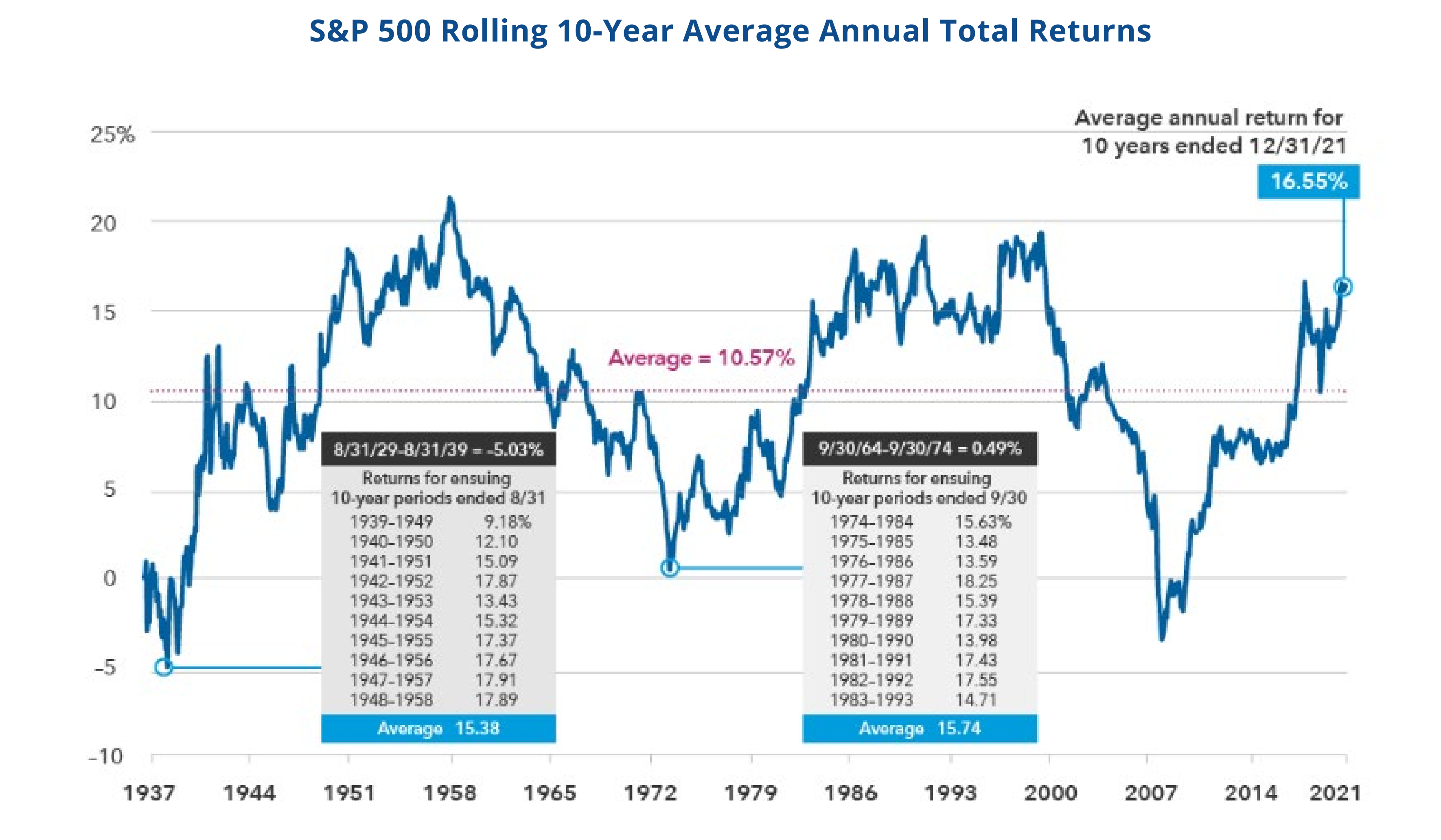
As you'll see in the pages that follow, the first half of 2022 was historic for unpleasant reasons, but like all bear markets, this too shall pass. In our opinion, a reset was necessary to help pave the path for the creation and preservation of wealth in the years to come. Remember: recessions and corrections represent points in time, while the creation and preservation of wealth happens over time.

Equity Valuations: 4 Standard Deviations Coming Into 2022, Down From Over 180% Above Trend to 118%.

- We cautioned about excessive valuations coming into this year.
- A full reversion to the mean would equate to further downside.
- Too late to sell, too early to buy.



SOURCE: https://www.advisorperspectives.com/dshort/updates/2022/07/05/regression-to-trend-118-above-trend-in-june



SOURCE: *Capitol Group, Morningstar, RIMES, Standard & Poor's. As of 12/31/21.*
Capital Group, How to Handle Market Declines

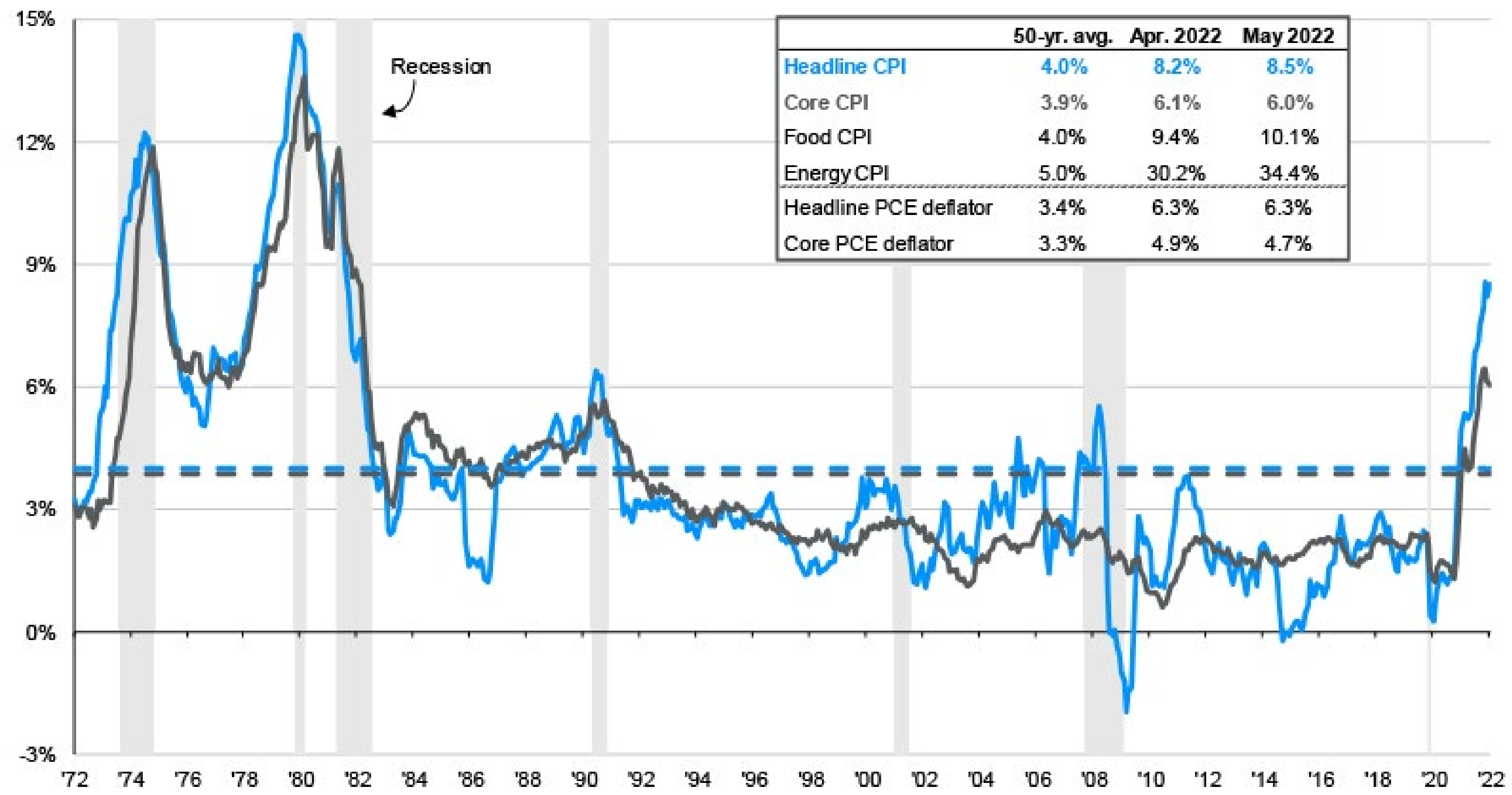
S&P 500 Rolling 10-Year Average Annual Total Returns: Similar to the Late 90's, Well Above Average Returns Were Unlikely to Continue.

- In 1998 and 1999, Tom cautioned clients about the belief that double-digit returns would continue.
- Per surveys conducted by Natixis in 2021, investor expectations were again wildly unrealistic with millennials assuming real annualized returns of 16.3% into the future.

Inflation Was Not Transitory: The Return of Inflation Has at Least Temporarily Put an End to the Low-Interest Rate Era.

CPI and Core CPI

% Change vs. Prior Year, Seasonally Adjusted



	50-yr. avg.	Apr. 2022	May 2022
Headline CPI	4.0%	8.2%	8.5%
Core CPI	3.9%	6.1%	6.0%
Food CPI	4.0%	9.4%	10.1%
Energy CPI	5.0%	30.2%	34.4%
Headline PCE deflator	3.4%	6.3%	6.3%
Core PCE deflator	3.3%	4.9%	4.7%

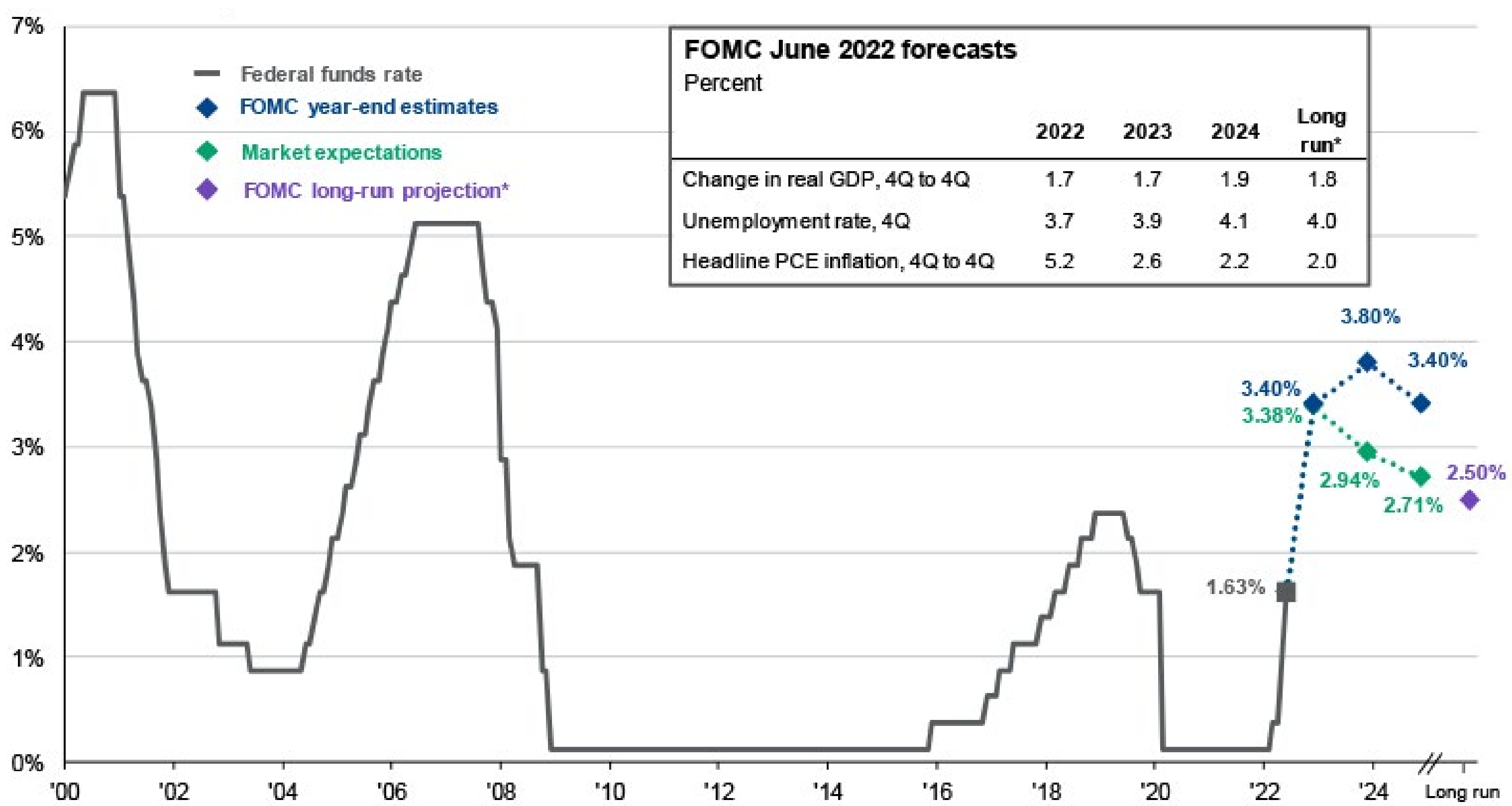
SOURCES: *BLS, FaceSet, J.P. Morgan Asset Management.*

CPI used is CPI-U and values shown are % change vs. one year ago. Core CPI excluding food and energy prices. The Personal Consumption Expenditure (PCE) deflator employs an evolving chain-weighted basket of consumer expenditures instead of the fixed-weight basket used in CPI calculations. Guide to the Markets – U.S. Data are as of June 30, 2022.

https://am.jpmorgan.com/us/en/asset-management/institutional/insights/market-insights/guide-to-the-markets/

Federal Funds Rate Expectations

FOMC and Market Expectations for the Federal Funds Rate



SOURCES: *Bloomberg, FactSet, Federal Reserve, J.P. Morgan Asset Management. Market expectations are based off of the respective Federal Funds Futures contracts for December expiry. *Long-run projections are the rates of growth, unemployment and inflation to which a policymaker expects the economy to converge over the next five to six years in absence of further shocks and under appropriate monetary policy. Forecasts are not a reliable indicator of future performance/ Forecasts, projects and other forward-thinking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections, and other forward-looking statements, actual events, results or performance may differ materially from those reflected or completed.*
Guide to the Markets – U.S. Data are as of June 30, 2022.

https://am.jpmorgan.com/us/en/asset-management/institutional/insights/market-insights/guide-to-the-markets/

The Dramatic Rise of Inflation Has Caused a Rapid Spike in Interest Rate Expectations.

- Higher interest rates are meant to quell inflation by reducing demand/consumption. This sets off a chain reaction throughout markets and asset prices adjust accordingly.

Bad Company: A Historically Awful Start to 2022 Joins the Likes of the Great Depression, the 1937 Crash, WWII, the 1970's Bear Market, the Dot-Com Bubble, and the 2008 Crash.

Total Returns Through July 1, 2022

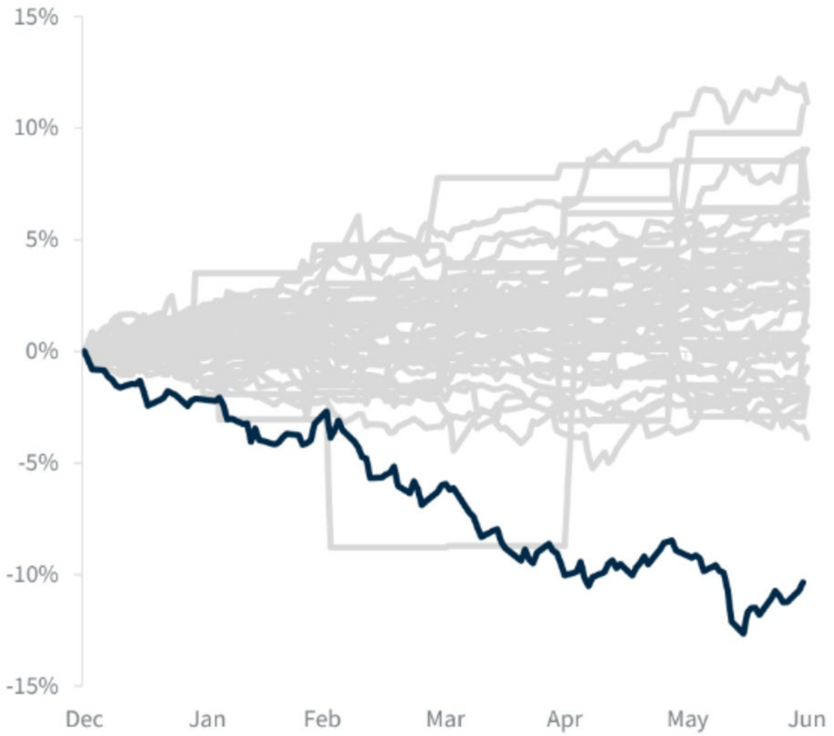
US Equity	YTD	1 Year
S&P 500	-19.11	-10.15
DJIA	-13.54	-8.46
NASDAQ	-28.6	-22.84
Russell 1000 Value	-11.75	-6.25
Russell 1000 Growth	-27.35	-18.2
Russell 2000 Value	-16.07	-15.75
Russell 2000 Growth	-28.87	-33.39
Global Equity	**YTD**	**1 Year**
MSCI EAFE	-20.18	-18.55
MSCI EAFE Growth	-27.3	-24.32
MSCI EAFE Value	-12.85	-12.97
S&P Dev Small ex US	-24.9	-25.53
EAFE Dividend	-23.96	-22.53
MSCI EM	-18.27	-25.52

Total Return

Fixed Income	YTD	1 Year
Bloomberg US Agg	-9.81	-9.71
Bloomberg US Government	-8.56	-8.31
Bloomberg US Government Long	-20.7	-17.9
Bloomberg US High Yield	-14.03	-12.78
Bloomberg US TIPS	-8.06	-4.3
Bloomberg Municipal	-8.66	-8.26
JPM EMBI Global Diversified	-19.55	-20.45
JPM GBI EM Global Diversified	-14.76	-19.24
Real Assets & Commodities	**YTD**	**1 Year**
DJ US REIT	-19.76	-5.31
DJ Commodity	20.77	27.67

Total Return

Bonds: Worst Start to a Year on Record



Bloomberg Agg Total Return Through June 30 by Year

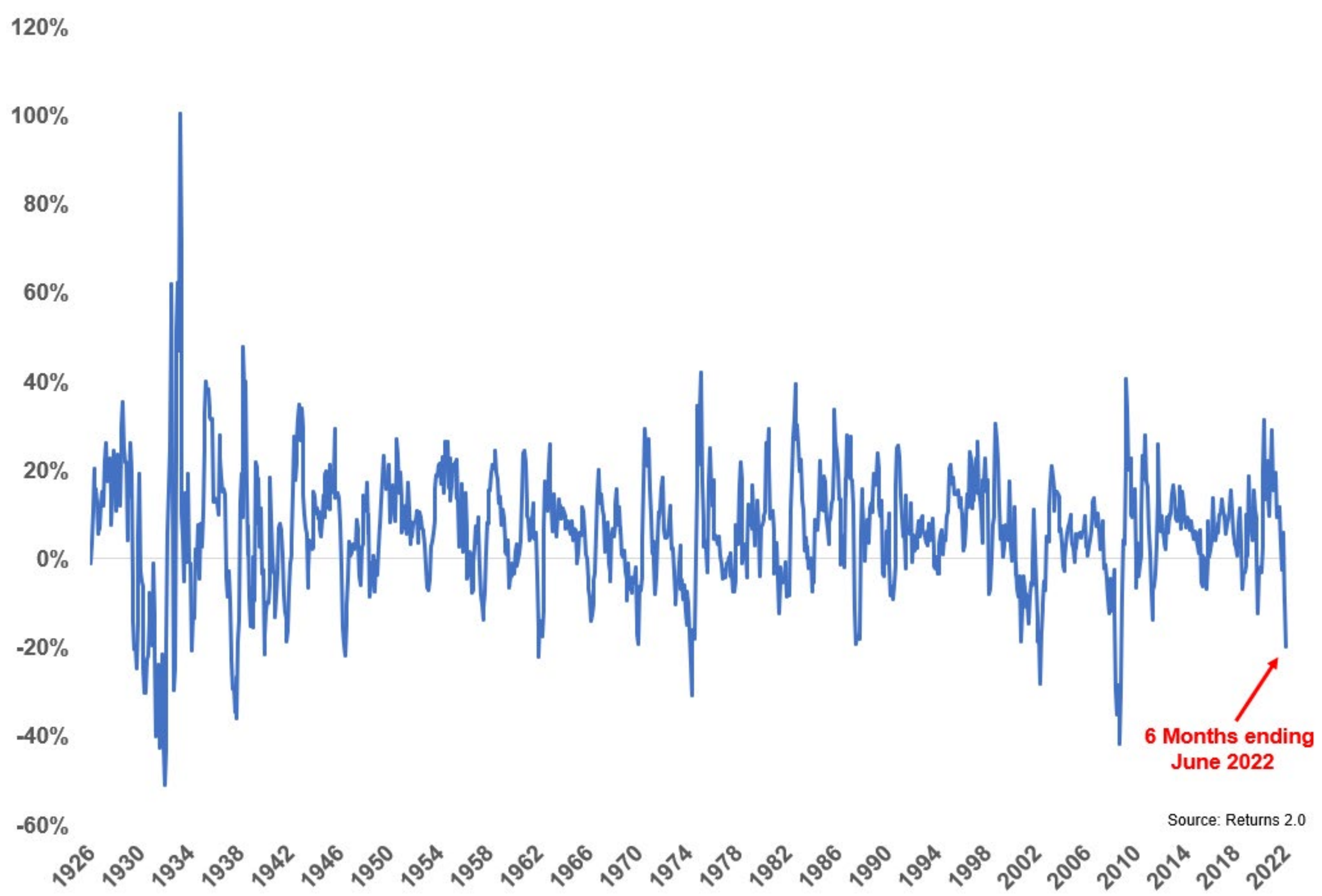
SOURCE: *Morningstar/Raymond James*

- The speed by which interest rates have, and are expected to rise, has led to a dramatic downturn in equity prices and rise in bond yields, and both broad categories being negative on the year.

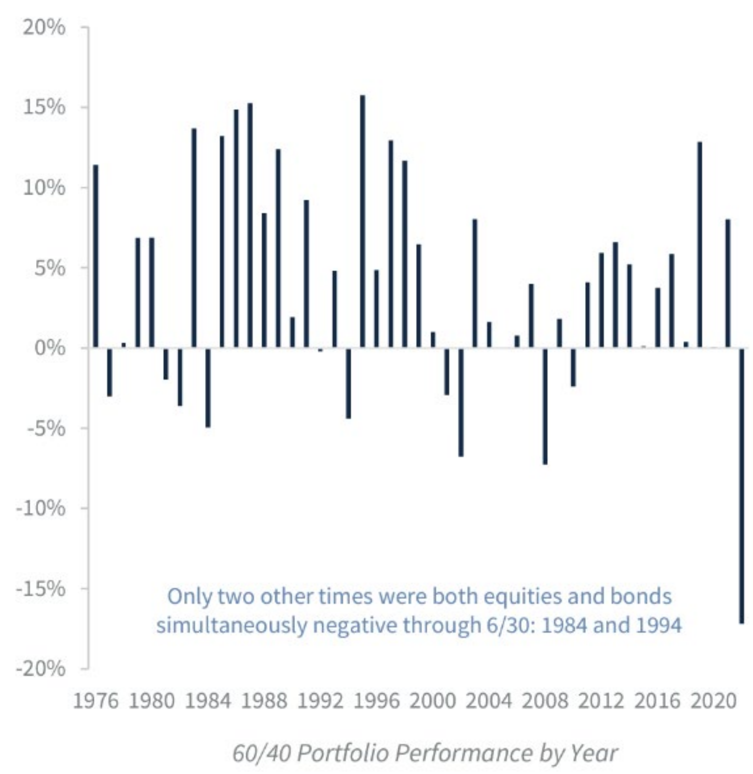
Equates to One of the Worst Balanced Returns in History.

- It's the 4th time over the past 100 years that stocks and bonds were down two quarters in a row at the same time. The last time this happened was in 1974.
- In the last nine months of 1931 stocks and bonds were negative for three quarters in a row.
- They've never both been down four quarters in a row.

60/40 Portfolio Rolling 6 Month Returns: 1926-2022



Even Diversification Benefits Limited



SOURCE: https://awealthofcommonsense.com/2022/07/the-worst-6-months-ever-for-financial-markets/

CURRENT THEMES AS WE LOOK AHEAD

Hidden Beneath the Surface of the Ongoing Banter About the Potential Magnitude of an Oncoming Recession Are Important Positive Developments for Long-Term Investors.

- Bear markets and recessions are normal - how long do they last?
- Rising rates equate to higher income streams.
- Capital Market Assumptions (CMAs) improve.
- Dividends are important during low return decades.
- Equity markets shifting returns: what sector will lead performance in the future?

We May Not Enjoy Them, but Bear Markets and Recessions Are Normal.

- Since 1950, the S&P 500 has experienced a double-digit correction in almost 55% of calendar years. Of the 37 years to experience a double-digit correction, 19 finished the year positive.
- 13th 20% decline since WWII.
- “Bear markets and recessions are a feature, not a bug, of the system.”

Peak	Trough	% Decline	Peak-to-Trough (Months)	Breakeven (Months)
5/29/1946	10/9/1946	-26.6%	4	36
6/15/1948	6/13/1949	-20.6%	12	6
7/15/1957	10/22/1957	-20.7%	3	10
12/12/1961	6/26/1962	-28.0%	6	11
2/9/1966	10/7/1966	-22.2%	8	6
11/29/1968	5/26/1970	-36.1%	18	20
1/11/1973	10/3/1974	-48.2%	21	46
11/28/1980	8/12/1982	-27.1%	20	3
8/25/1987	12/4/1987	-33.5%	3	17
3/24/2000	10/9/2002	-49.1%	31	48
10/9/2007	3/9/2009	-56.8%	17	37
2/19/2020	3/23/2020	-33.9%	1	6
Averages		**-32.7%**	**12**	**21**

A history of declines: 1952-2021

Decline	Number of declines	Approx. average frequency
5% or more	187	Every 4.5 months
10% or more	57	Every 1.2 years
15% or more	21	Every 3.3 years
20% or more	12	Every 5.8 years

SOURCE: *Raymond James*

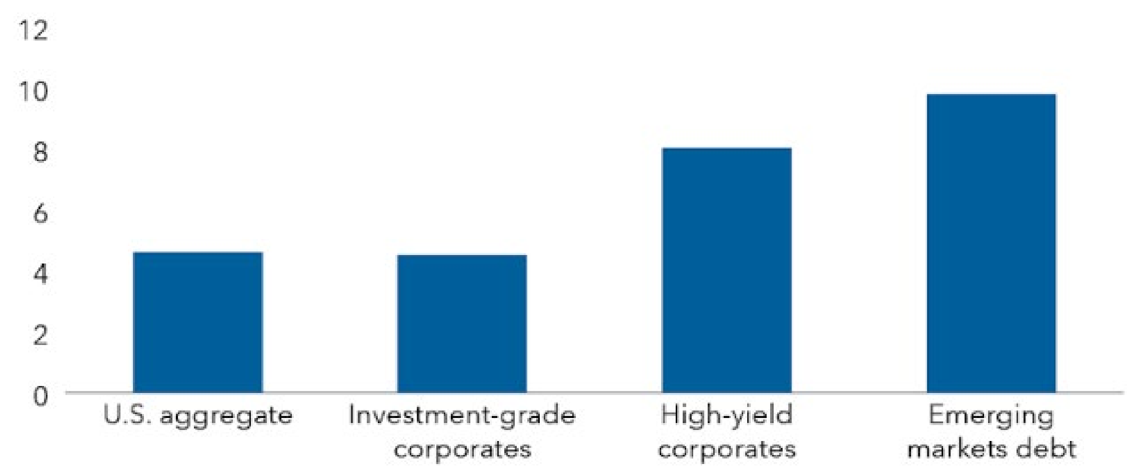
Bond Yields Have Climbed as Rates Jumped

Yields of key fixed income markets (%)	Recent low	6/15/22	Difference
Two-year U.S. Treasury	0.10	3.20	**+3.10**
10-year U.S. Treasury	0.51	3.29	**+2.79**
Investment-grade corporates	1.74	4.81	**+3.07**
High-yield corporates	3.53	8.32	**+4.79**
Emerging markets debt	4.36	7.71	**+3.35**
Municipal bonds	0.86	3.37	**+2.51**

Period of time considered from 2020 to present. Dates for lows from top to bottom in chart shown are: 2/5/21, 8/4/20, 12/31/20, 7/6/21, 1/4/21 and 7/27/21.

Higher Yields Have Boosted Total Returns

FOMC and Market Expectations for the Federal Funds Rate



Starting yield (%)	U.S. aggregate	Investment-grade corporates	High-yield corporates	Emerging markets debt
	3.96	4.81	8.32	7.71

Return data goes back to 2000 for all sectors except for emerging markets debt, which goes back to 2003. Based on average monthly returns for each sector when in a +/— 0.30% range of yield-to-worst.

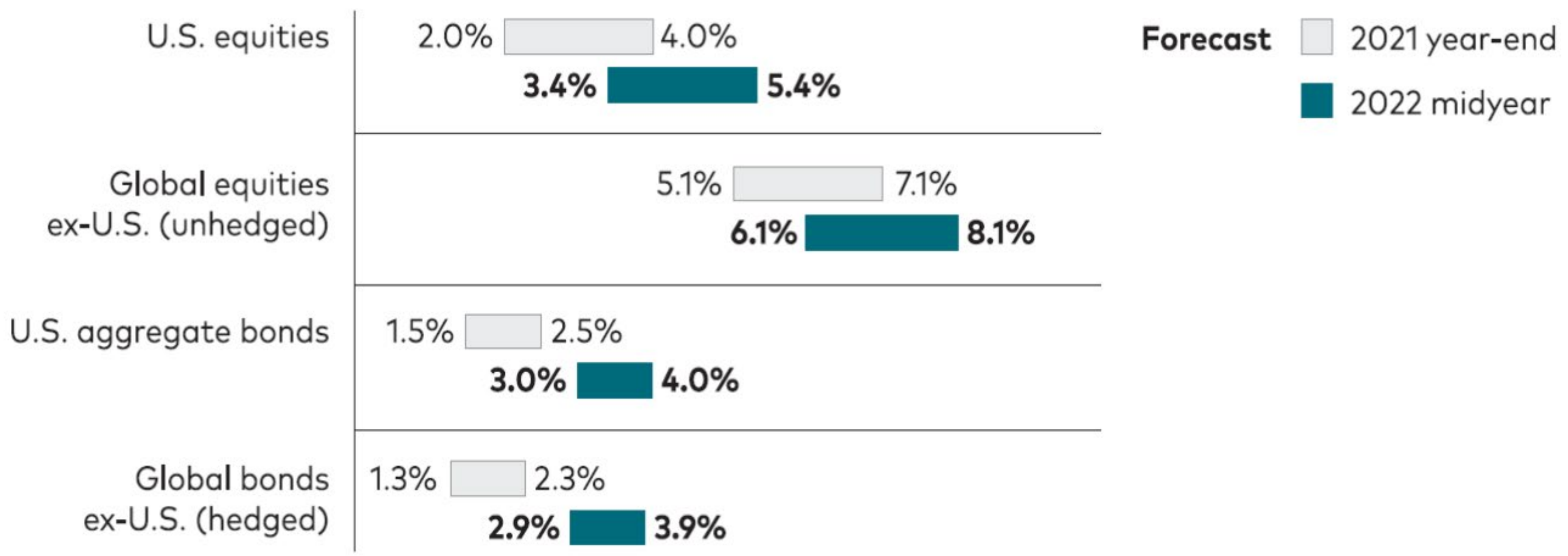
Rising Rates Equate to Higher Income Streams, Something Investors Have Sorely Missed Over the Past 12 Years.

- Projected yields are more generous today than they've been in over a decade.

SOURCES: *Capital Group's midyear outlook: Capital Group. Bloomberg, Bloomberg Index Services Ltd., JPMorgan., Federal Reserve. Yields as of 6/15/22. Returns as of 5/31/22. Sector yields above include Bloomberg U.S. Aggregate Index, Bloomberg U.S. Corporate Investment Grade Index, Bloomberg U.S. Corporate High Yield Index, 50%/50% JP Morgan EMBI Global/JP Morgan GBI-EM.*

Global Diversified blend and Bloomberg Municipal Bond Index. For chart on left: Period of time considered from 2020 to present. Dates for lows from top to bottom in chart shown are: 2/5/21, 8/4/20, 12/31/20, 7/6/21, 1/4/21 and 7/27/21. For chart on right: Return data goes back to 2000 for all sectors except for emerging markets debt, which goes back to 2003. Based on average monthly returns for each sector when in a +/— 0.30% range of yield-to-worst.

Capital Market Assumptions Improved Outlook.

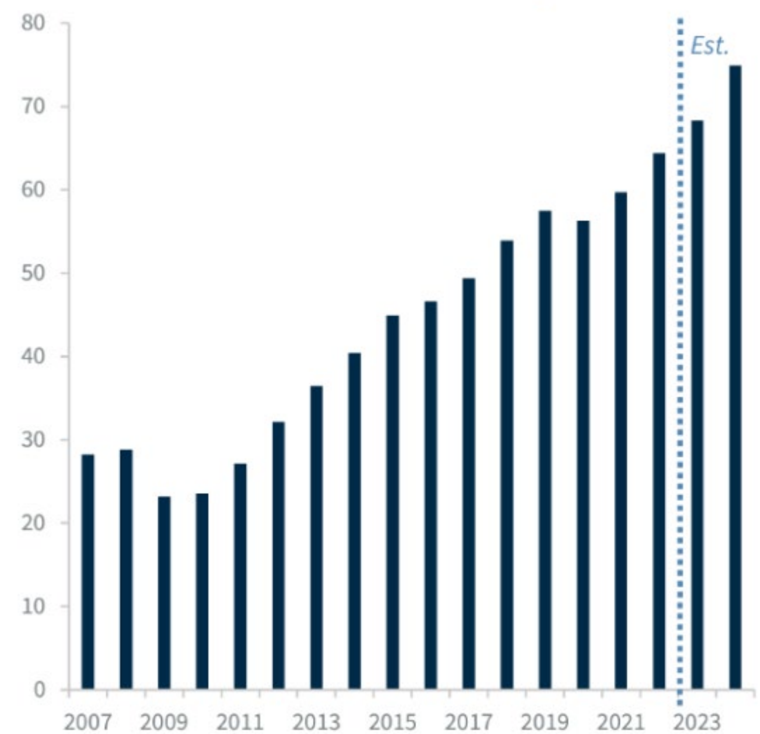


IMPORTANT: The projections and other information generated by the Vanguard Capital Markets Model© regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Distribution of return outcomes from the VCMM are derived from 10,000 simulations for each modeled asset class. Simulations are as of December 31, 2021, and May 31, 2022. Results from the model may vary with each use and over time.

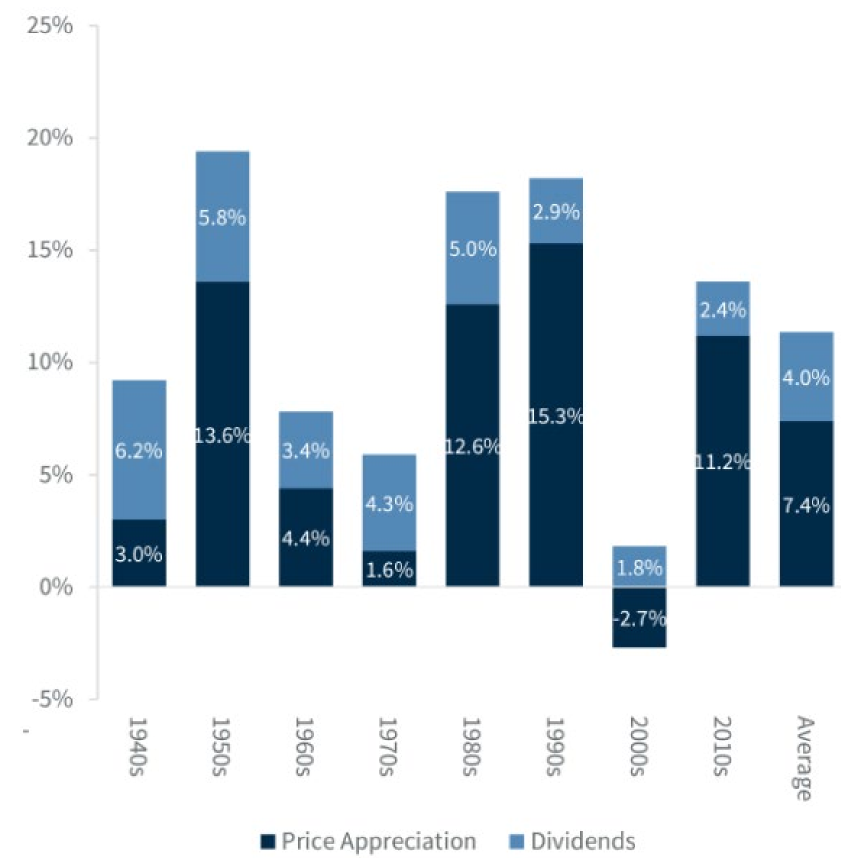
NOTE: Figures are based on a 1-point range around the 50th percentile of the distribution of return outcomes for equities and a 0.5-point range around the 50th percentile for fixed income.

SOURCE: *Vanguard*

Dividends to Move Higher



S&P 500 Price Appreciation And Dividends



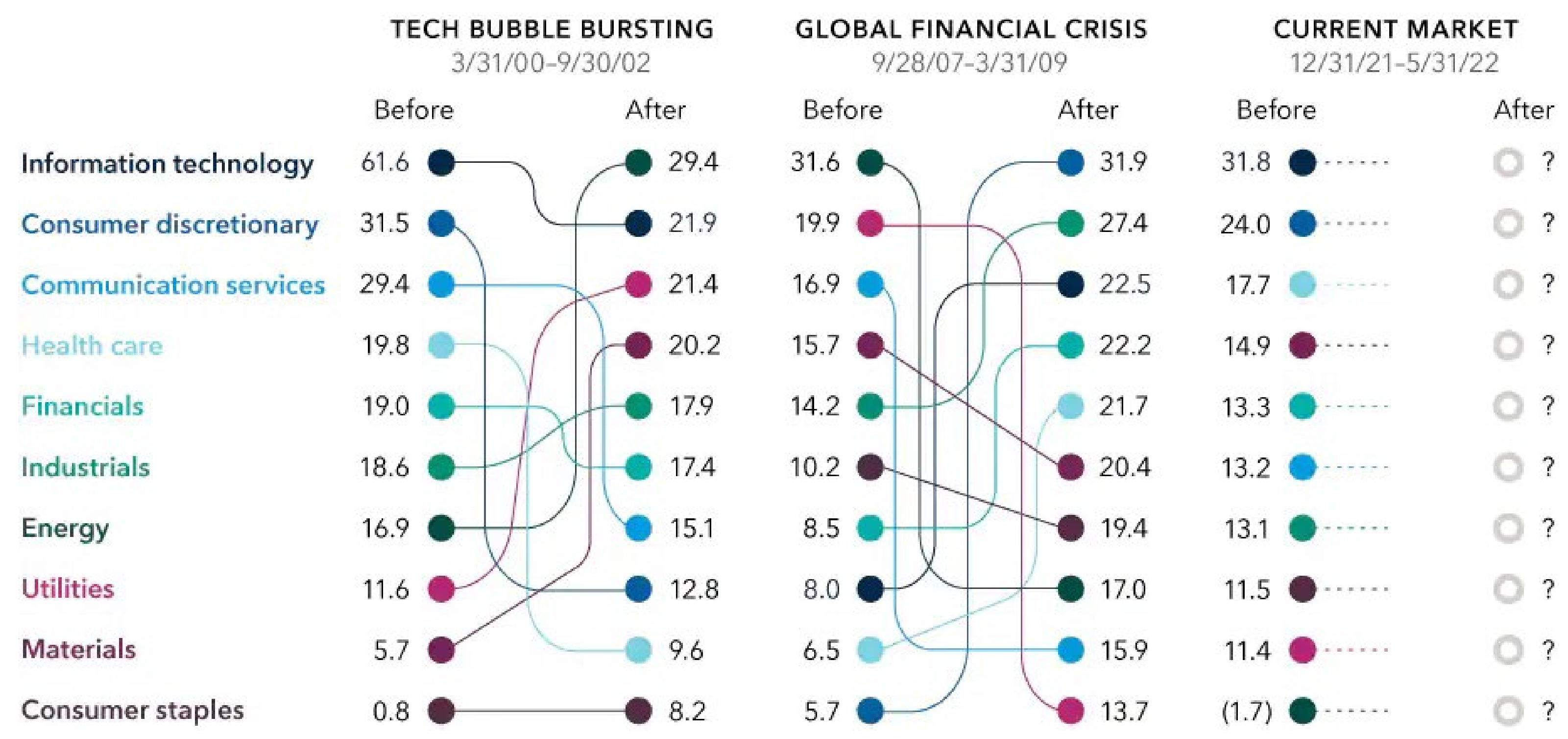
SOURCE: *Faceset, Raymond James*

Dividends Continue to Improve and Have a History of Making up the Bulk of Returns During Low Growth/ Return Decades.

Equity Markets Shifting Returns: What Sector Will Lead Performance Into the Future?

- As we cautioned in July's 2021 Update, the winners of yesterday are rarely the winners of tomorrow.

MSCI USA Sector Returns (%) – Before and After Bear Markets



SOURCES: https://www.capitalgroup.com/advisor/insights/articles/rob-lovelace-all-weather-investing.html

Capital Group, MSCI, Refinitiv Datastream. Returns are absolute total returns in U.S. dollars. The periods covered are: the tech bubble, December 31, 1996 to May 31, 2000 (before bear market) and September 30, 2002 to December 30, 2005 (after bear market); the global financial crisis, December 31, 2003 to September 28, 2007 (before) and May 31, 2009 to December 31, 2013 (after); and the current market, December 31, 2021 to May 31, 2022.

ACTIONABLE ITEMS FOR THE YEARS AHEAD

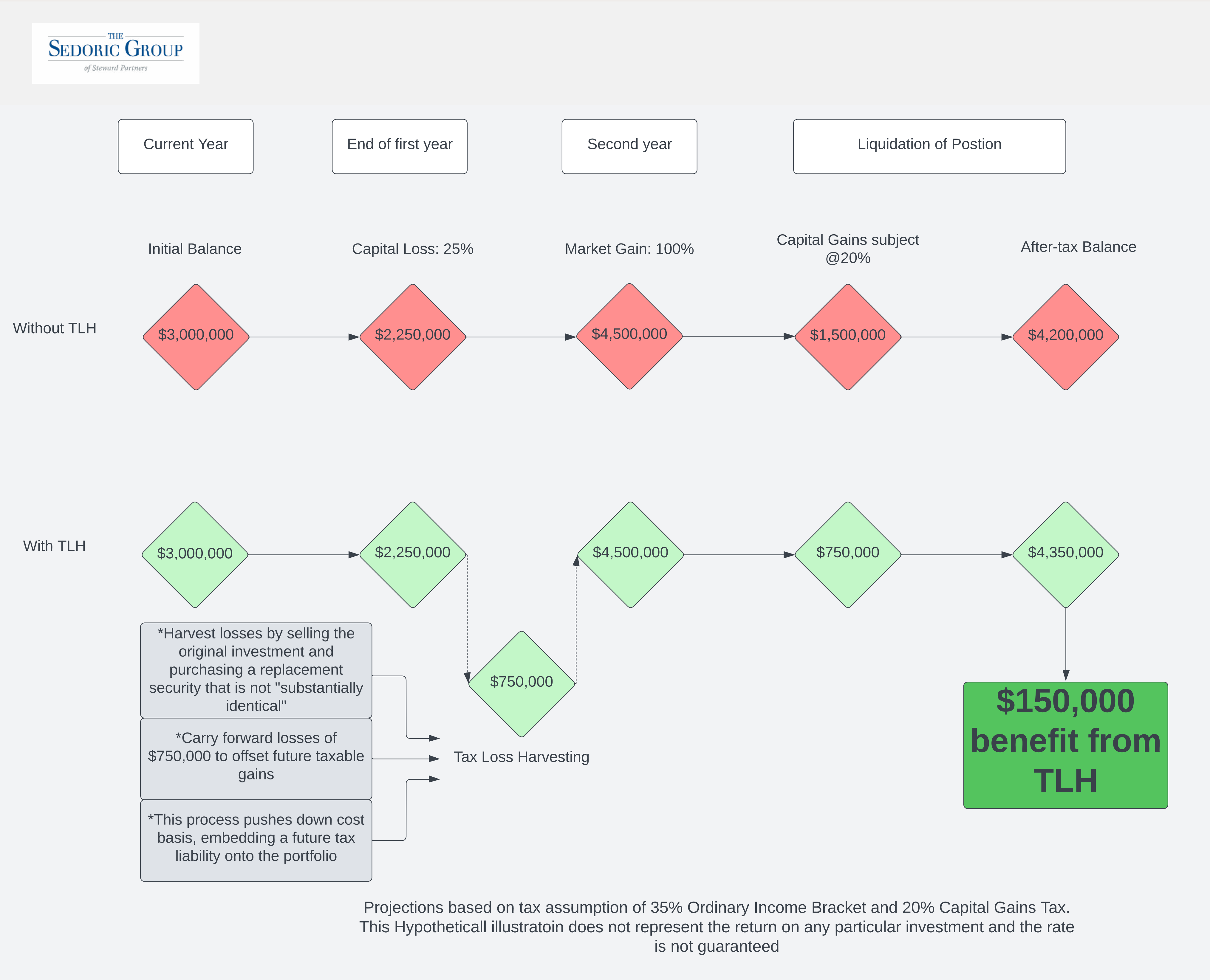
Bear Markets Are Normal, Although Infrequent, and Littered With Opportunities for Those Who Can Remain Calm, Execute Their Plan, and Approach Them With an Opportunistic Lens.

- Bear market/recession playbook.
- Tax-loss harvesting – no bear market should be wasted.
- Accumulators should get excited. Boomers had their low entry points (early 80's, early 2000's, and post-financial crises).
- Roth conversions.

Bear Market/ Recession Playbook.

- Take care of yourself, physically and mentally.
- Eat well and exercise.
- Sleep well.
- Take comfort in the bounty of family and friends. Express gratitude.
- Limit the fire hose of daily distributing news. Being aware does not mean being in the thrall of daily headlines.
- Understand your cash flows well enough to adjust spending if/when need be.
- A lot of positives out there that are masked by the negativity.

The Potential Difference Tax Loss Harvesting Can Make



Tax Loss Harvesting Is...

- The act and discipline of tax loss harvesting has the potential to save investors thousands of dollars over the years. It's one of the few silver linings of down markets.

Every Generation Has Had Their Opportunity for Low Entry Points – Don't Let This One Go to Waste.

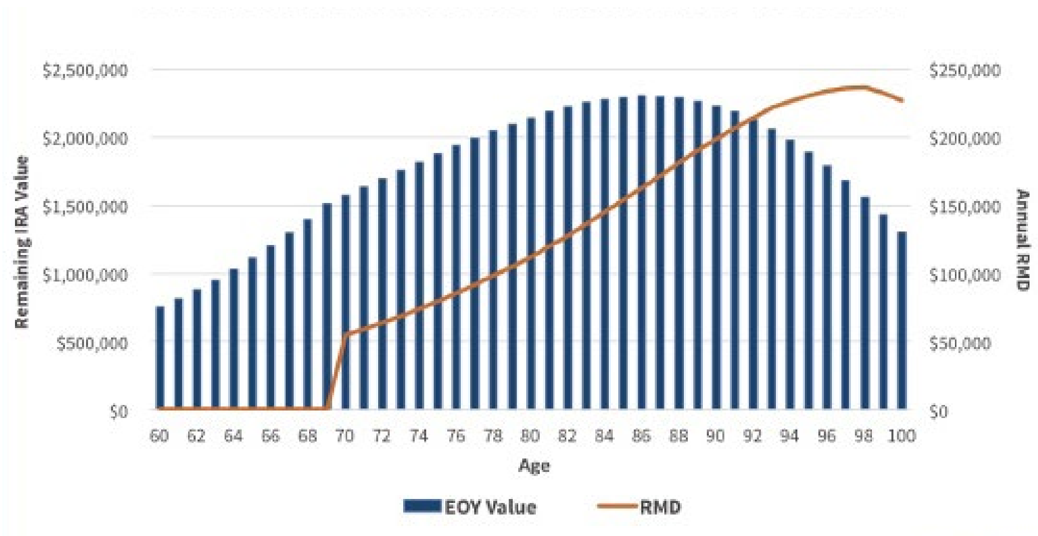
- Every bear market *feels* different and has a different set of circumstances, just as every recovery has been for its own unique set of reasons. Feelings are what get investors into trouble because markets don't care about our feelings.
- Market lows/downturns are when higher future returns are created.
- They only happen every so often during one's earnings/savings years.
- You can't time the bottom.
- These opportunities tend to coincide with immense pessimism over the economy and distrust in markets.

How Long Does It Take To Breakeven?

Peak	Trough	Drawdown	Months	Years
9/7/1929	6/1/1932	-86.2%	159	13.3
9/7/1932	2/27/1933	-40.6%	3	0.3
7/18/1933	10/21/1933	-29.8%	22	1.8
2/6/1934	3/14/1935	-31.8%	6	0.5
3/6/1937	3/31/1938	-54.5%	77	6.4
11/9/1938	4/8/1939	-26.2%	46	3.8
10/25/1939	6/10/1940	-31.9%	32	2.7
11/9/1940	4/28/1942	-34.5%	10	0.8
5/29/1946	10/9/1946	-26.6%	36	3.0
6/15/1948	6/13/1949	-20.6%	6	0.5
7/15/1957	10/22/1957	-20.7%	10	0.8
12/12/1961	6/26/1962	-28.0%	11	0.9
2/9/1966	10/7/1966	-22.2%	6	0.5
11/29/1968	5/26/1970	-36.1%	20	1.7
1/11/1973	10/3/1974	-48.2%	46	3.8
9/21/1976	3/6/1978	-19.4%	13	1.1
11/28/1980	8/12/1982	-27.1%	3	0.3
8/25/1987	12/4/1987	-33.5%	17	1.4
7/16/1990	10/11/1990	-19.9%	4	0.3
7/17/1998	8/31/1998	-19.3%	3	0.2
3/24/2000	10/9/2002	-49.1%	48	4.0
10/9/2007	3/9/2009	-56.8%	37	3.1
4/29/2011	10/3/2011	-19.4%	4	0.3
9/20/2018	12/24/2018	-19.8%	4	0.3

SOURCE: https://awealthofcommonsense.com/2020/03/how-long-does-it-take-to-make-your-money-back-after-a-bear-market/

IRA Account Balance and Rising RMDS Over Time



Client is a single 60-year-old female who recently retired with a $20,000/year Social Security survivorship payment and a $40,000/year survivorship pension from her deceased husband. She also has a $200,000 brokerage account, and a substantial $700,000 IRA (the combined value of her original IRA, and a spousal rollover from her deceased husband's 401(k)). In a decade when her RMDs begin, she will face RMDs of upwards of $50,000/year (with an 8% growth rate in the IRA between now and then), propelling her into the 28% tax bracket even after her moderate deductions; by her 80s, the RMDs are projected to be more than $100,000/year, topping out the 28% rate and approaching the 33% bracket.

Impact of Partial Roth Conversions Over Time

To manage the exposure, client decides to do a partial Roth conversion of $40,000 each year for the next 10 years, which after her deductions just barely fills up her current 25% tax bracket, but stops short of the 28% tax rate. Repeated each year, this gives her the opportunity to significantly whittle down her overall IRA exposure; in fact at this pace, her pre-tax IRA will still only be about $900,000 by the time her RMDs begin, which will produce RMDs of barely $35,000, allowing her to remain in the 25% tax bracket. In the meantime, Betsy will have accumulated a tax-free Roth IRA projected to have grown over $700,000 by age 70 ½.

Hypothetical returns do not represent the performance of any particular security or portfolio.

SOURCE: Michael Kitces, https://www.kitces.com/blog/using-systematic-partial-roth-ira-conversions-and-recharacterizations-to-fill-the-lower-tax-bracket-buckets/

Roth Conversions Have the Potential to Deliver Significant Tax Savings for You and the Next Generation.

- By executing systematic Roth conversions during low ordinary income years early in retirement, you may reduce future tax exposure, improve the tax efficiency of your estate, and improve net investment returns.

Tom Sedoric
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Wealth Manager

D. Casey Snyder, CFP®
Partner, Senior Vice President
Managing Director

Erika Luczynski, CFP®
Partner, Vice President
Senior Wealth
Management Associate

Brittany Long
Partner, Vice President
Senior Registered Client
Administrative Manager

Erica "EK" Kelly
Partner, Vice President
Wealth Mangement Associate

If you have any questions or would like to schedule a meeting, click here.

Disclosures:

Index Identifications

All indexes are unmanaged and an individual cannot invest directly in an index. Index returns do not include fees or expenses.

S&P 500 Index – It consists of 500 of the largest stocks in the U.S. stock market. It is a market value weighted index (stock price times number of shares outstanding after float adjustment), with each stock's weight in the index proportionate to its market value.

Dow Jones Industrial Average Index – A price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the NASDAQ.

Russell 1000 Growth Index – It measures the performance of the large-cap growth segment of the U.S. equity universe. It includes companies with higher price-to-value ratios and higher forecasted growth values.

Russell 1000 Value Index – It measures the performance of the large-cap value segment of the U.S. equity universe. It includes companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2000 Growth Index – It measures the performance of the small-cap growth segment of the U.S. equity universe. It includes companies with higher price-to-value ratios and higher forecasted growth values.

Russell 2000 Value Index – It measures the performance of the small-cap value segment of the U.S. equity universe. It includes companies with lower price-to-book ratios and lower forecasted growth values.

MSCI EAFE Index – A free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. & Canada. It consists of the following 22 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom

MSCI Emerging Markets Index – A free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the emerging markets. It consists of the following 21 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

Bloomberg Aggregate Bond Index – A broad fixed income index that includes all issues in the Government/Credit Index and mortgage-backed debt securities. Maturities range from 1 to 30 years with an average maturity of nearly 5 years.

The NASDAQ Composite Index measures all NASDAQ domestic and international based common type stocks listed on The NASDAQ Stock Market. Today the NASDAQ Composite includes over 2,500 companies, more than most other stock market indexes. Because it is so broad-based, the Composite is one of the most widely followed and quoted major market indexes.

The MSCI EAFE Growth Index captures large and mid-cap securities exhibiting overall growth style characteristics across developed Markets countries* around the world, excluding the U.S. and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend.

The MSCI EAFE Dividend Masters Index is an equity index which captures large and mid-cap representation across Developed markets countries* around the world, excluding the US and Canada. The index is designed to capture the performance of companies in MSCI EAFE that have consistently increased dividends every year for at least 10 years. The index is constructed by targeting a minimum of 40 securities and the index constituents are equally weighted. The sector weights are capped at 30% and country weights are capped at 50% to mitigate potential concentration risks.

S&P 500 Dev. Small ex. US: A subset of the S&P Global BMI, the S&P Developed Ex-U.S. SmallCap seeks to measure the stocks representing the lowest 15% of float-adjusted market cap in each developed country, excluding the U.S.

Bloomberg U.S. Government: The index measures the performance of the U.S. Treasury and U.S. Agency Indices, including Treasuries and U.S. agency debentures. It is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

Bloomberg U.S. Government Long: The index measures the performance of the U.S. Treasury and U.S. Agency Indices, including Treasuries and U.S. agency debentures. It is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index

Bloomberg U.S. High Yield: The index measures the performance of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. It follows the same rules as the uncapped index but limits the exposure of each issuer to 2% of the total market value and redistributes any excess market value index-wide on a pro-rata basis.

Bloomberg U.S. TIPS: The index measures the performance of rules-based, market value-weighted inflation-protected securities issued by the U.S. Treasury. It is a subset of the Global Inflation-Linked Index (Series-L).

Disclosures:
Index Identifications

Bloomberg Municipal: The index measures the performance of the Bloomberg U.S. Municipal bond, which covers the USD-denominated long-term tax-exempt bond market with four main sectors: state and local general obligation bonds, revenue bonds, insured bonds and prerefunded bonds.

JPM EMBI Global Diversified: The index measures the performance of fixed rate, USD denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities, including Brady bonds, loans, and Eurobonds. The Diversified version limits the weights of those index countries with larger debt stocks by only including a specified portion of these countries eligible current face amounts of debt outstanding.

JPM GBI EM Global Diversified: The index measures the performance of fixed-rate, investment-grade local currency debt securities, including regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure. The GBI-EM Global consists of treasury securities from emerging markets and is diversified weighted.

The Dow Jones U.S. Select REIT Index tracks the performance of publicly traded REITs and REIT-like securities and is designed to serve as a proxy for direct real estate investment, in part by excluding companies whose performance may be driven by factors other than the value of real estate. The index is a subset of the Dow Jones U.S. Select Real Estate Securities Index (RESI), which represents equity real estate investment trusts (REITs) and real estate operating companies (REOCs) traded in the U.S.

DJ U.S. Commodity Index: The Dow Jones Commodity Index is a broad measure of the commodity futures market that emphasizes diversification and liquidity through a simple, straightforward, equal-weighted approach.

Fixed income 2-year U.S. Treasury: The 2-year Treasury is a US government-issued treasury security that has a maturity of 2 years

Fixed income 10-year U.S. Treasury: The 10-year Treasury note is a debt obligation issued by the United States government with a maturity of 10 years upon initial issuance.

Fixed income Investment Grade Corporates: A Corporate bond that has an investment grade rating signals that the company has a relatively low risk of default

Fixed income High Yield Corporates: A type of corporate bond that offers a higher rate of interest because of its higher risk of default.

Fixed income Emerging Markets Debt: the fixed income debt that is issued by countries with developing economies as well as by corporations within those nations

Fixed income Municipal Bonds: Debt obligations issued by states, cities, counties, and other governmental entities to raise funds to pay for public projects.

Standard Deviation: the statistical measure of market volatility, measuring how widely prices are dispersed from the average price.

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Equity securities may fluctuate in response to news on companies, industries, market conditions and the general economic environment. Companies cannot assure or guarantee a certain rate of return or dividend yield; they can increase, decrease, or totally eliminate their dividends without notice.

Diversification does not guarantee a profit or protect against loss in a declining financial market.

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