THE BIG PICTURE

Our Investment Outlook

As of March 31, 2025

Brown ADVISORY
Thoughtful Investing.

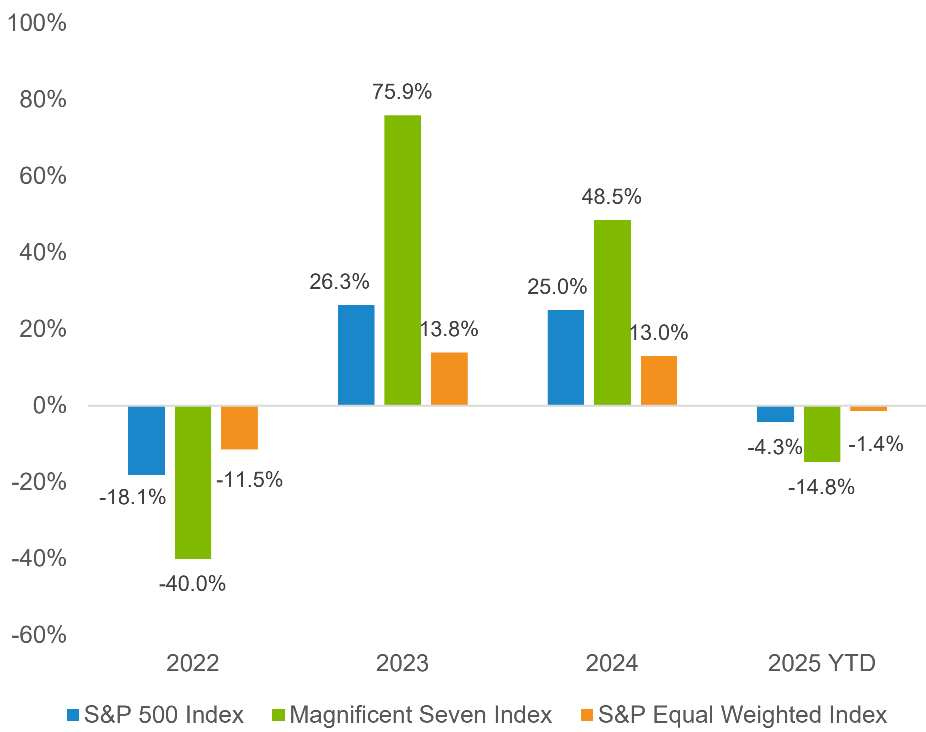
MAGNIFICENT SEVEN SUFFER TO START THE YEAR

As of March 31, 2025

Questions around future AI capital expenditures (CapEx) after the release of DeepSeek's R1 model, combined with broader market concerns surrounding the possibility of a recession, have caused a re-rating in the Magnificent Seven (Apple, Microsoft, Amazon, Alphabet, Meta, NVIDIA and Tesla) stocks that have led U.S. large-cap returns for the past two years. That said, we saw periodic reversals even throughout the Magnificent Seven's dominance, and we may once again return to a market environment characterized by concentrated market leaders.

While the Magnificent Seven has dominated the market for the last two calendar years, this year tells a different story.

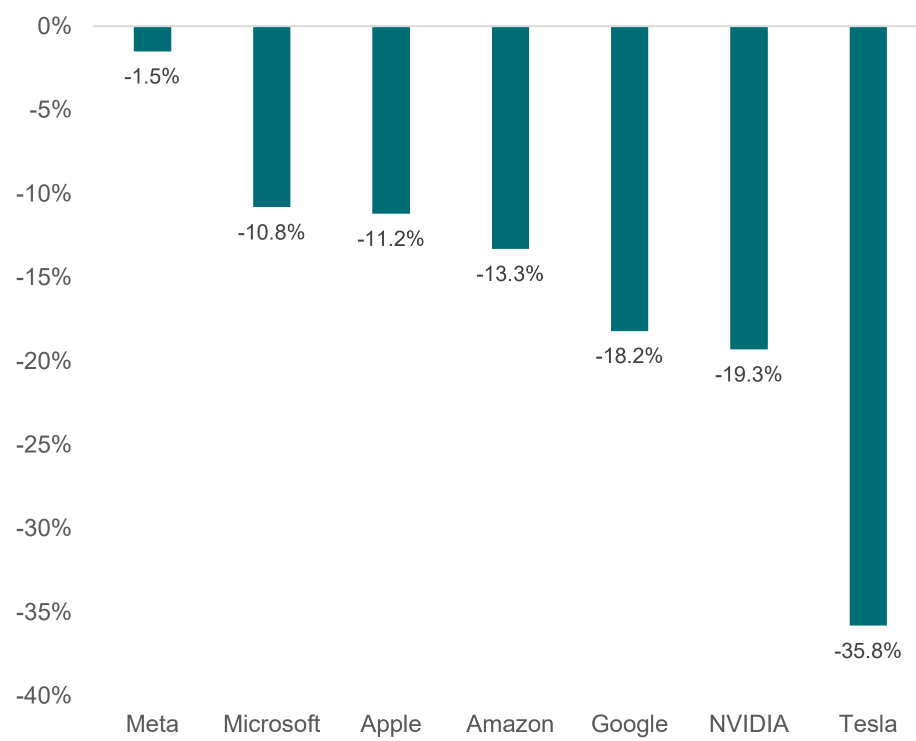
Calendar year returns of S&P 500® Index and Magnificent Seven Index



Source: Bloomberg; as of 03/31/2025

There continues to be wide dispersion even within the Magnificent Seven YTD.

YTD performance of Magnificent Seven stocks; 12/31/2024 – 03/31/2025



Source: Bloomberg

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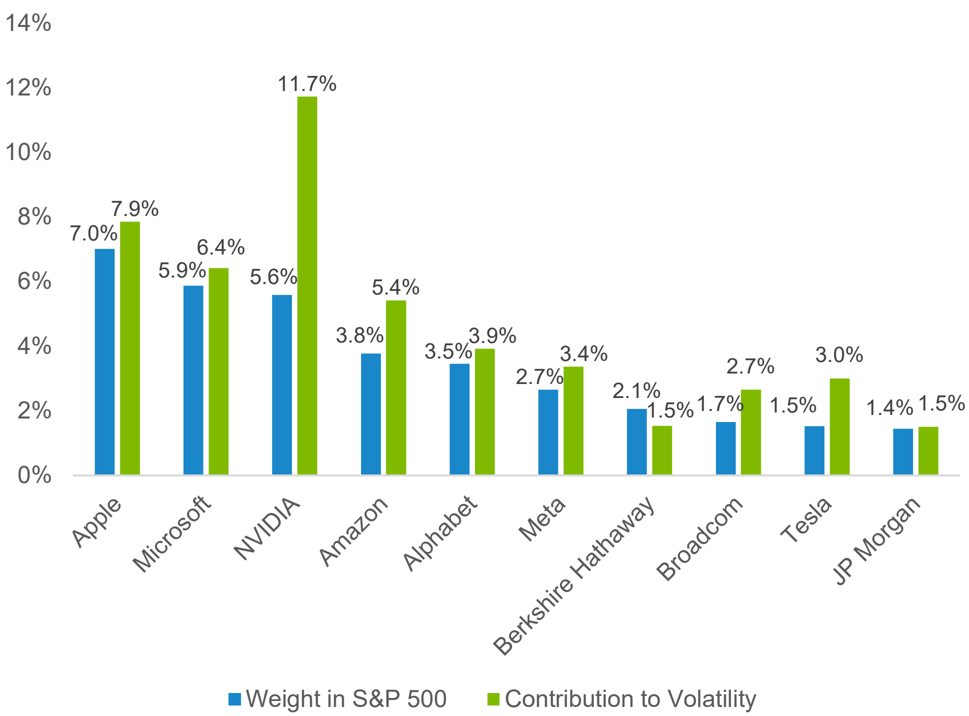
INDEX CONCENTRATION BRINGS RISK

As of March 31, 2025

As the largest technology companies have outperformed, market-cap weighted indices are becoming undiversified. The weighting of the top companies is at a historic level but still understates their influence on the S&P 500® Index. The thematic similarities among these companies can create abnormally high correlations, and some of the stocks are particularly volatile, most notably NVIDIA. Such positional and thematic concentration may increase volatility and drawdown risk.

The large weights of the mega-cap tech companies still understates their influence on the Index.

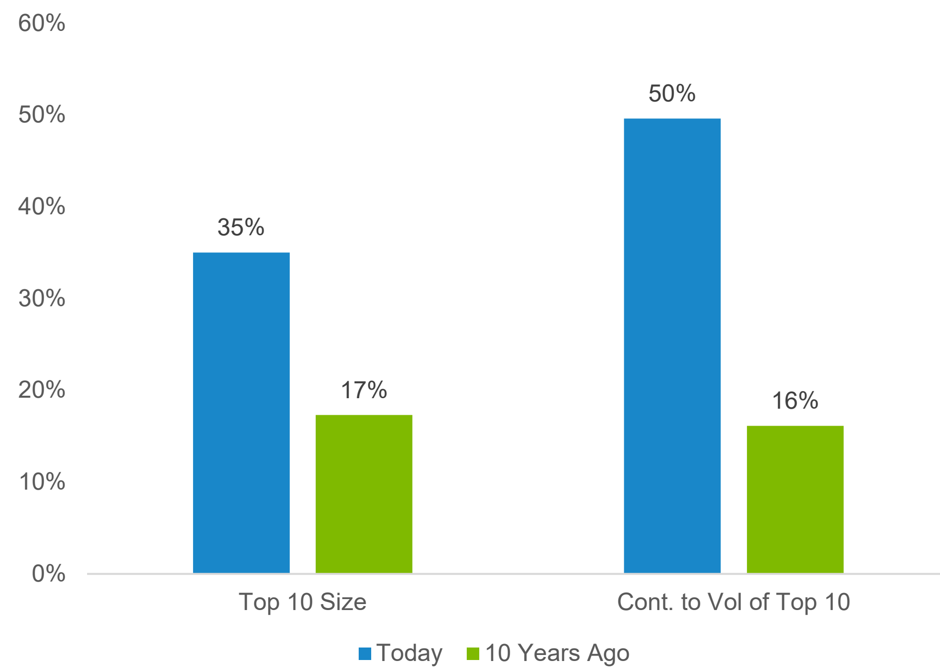
Weight and Contribution to Volatility of the S&P 500 Index Top ten holdings as of 03/31/2025



Source: Bloomberg

Half of the volatility of the S&P 500 Index comes from just ten stocks, showing how undiversified the Index has become.

Weight and Contribution to Volatility of Top 10 in S&P 500 Index; 03/31/2015 vs. 03/31/2025



Source: Bloomberg

Note: All commentary is as of 03/31/2025 unless otherwise noted. Please see the end of this presentation for important information and a complete list of terms and definitions.

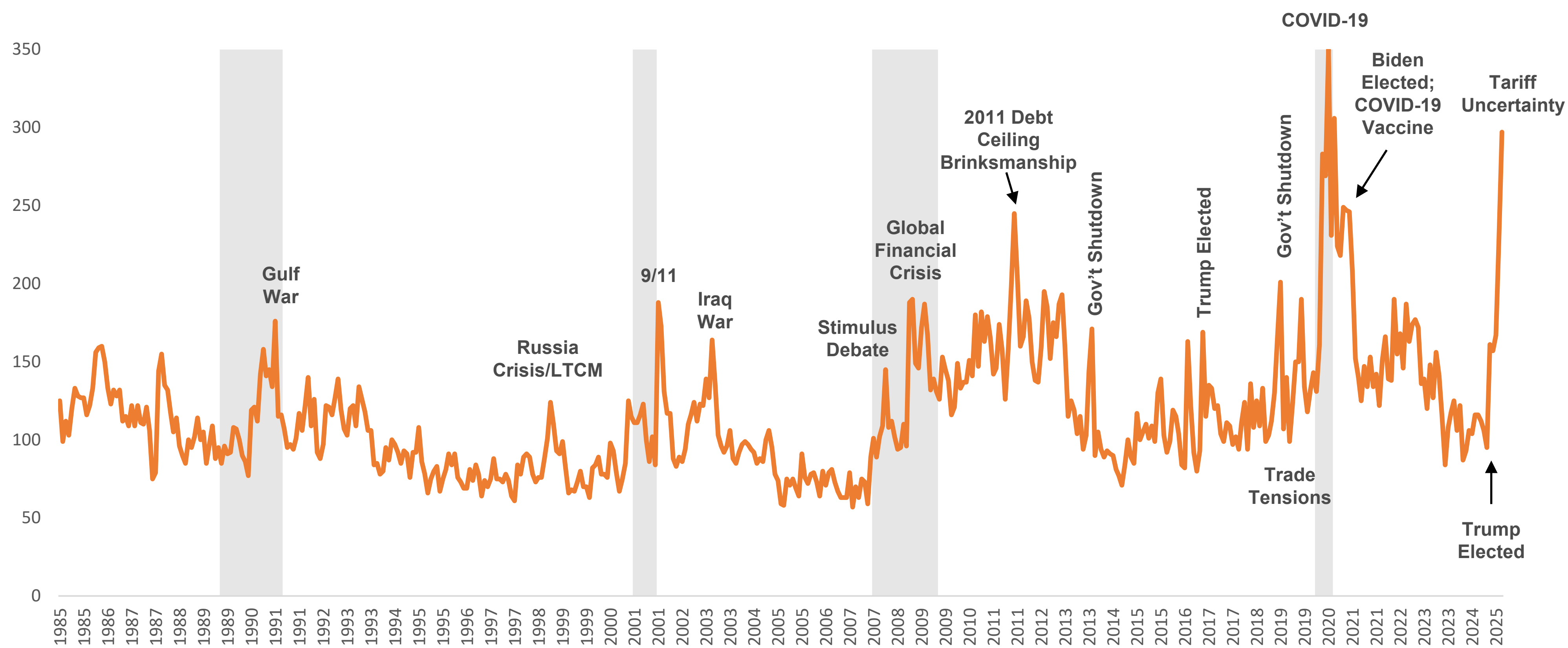
NEW ADMINISTRATION'S AMBITIOUS AGENDA BRINGS SIGNIFICANT UNCERTAINTY

As of March 31, 2025

The Trump administration's ambitious agenda includes major changes to trade, regulatory, tax, immigration and foreign policies, as well as all the changes being made to the organization of the executive branch. The ultimate impact of these changes will take time to develop, but in the meantime, it has created tremendous uncertainty.

U.S. policy uncertainty spikes due to a lack of clarity in key areas, such as trade and tariffs, immigration, taxes and deregulation.

U.S. Policy Uncertainty Index; 1990 – 2025; Data as of 03/31/2025; Shaded periods denote U.S. recession



Source: FRED; policyuncertainty.com

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OPERATING IN A PROLONGED PERIOD OF UNCERTAINTY

As of March 31, 2025

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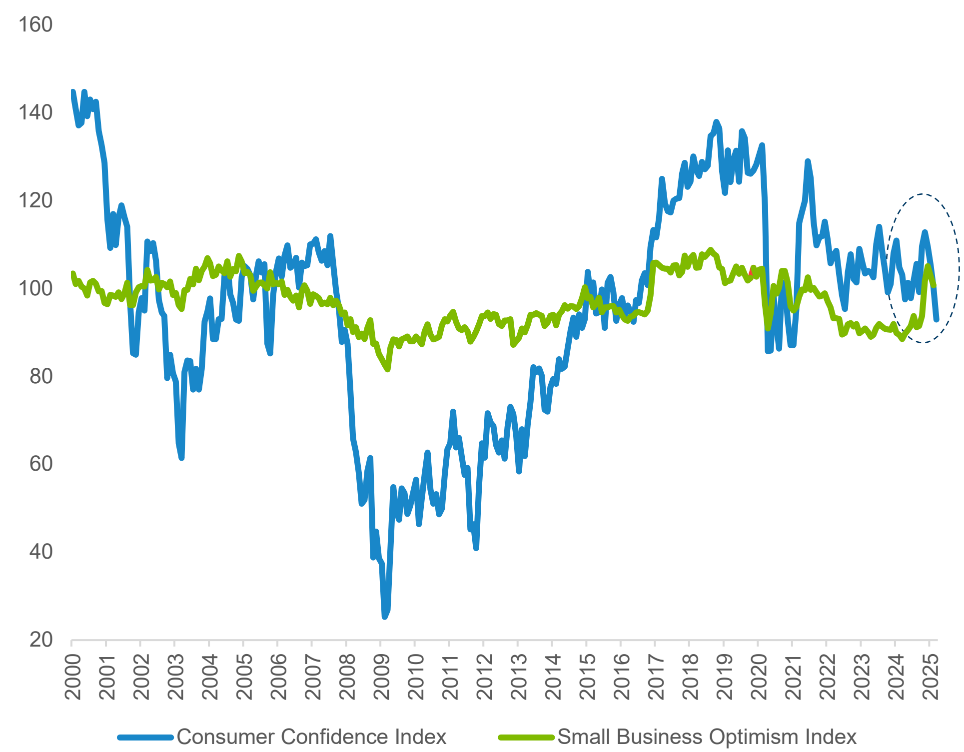
Policy uncertainty is creating challenges for management teams and consumers. Many companies have cited pauses in hiring or investment decisions until there is further clarity around policy. The uncertainty is also weighing on consumer confidence, which has contributed to downward revisions to earnings estimates so far this year as companies and investors weigh the downstream impacts on their businesses.

The increase in policy uncertainty is weighing on sentiment, but so far, sentiment remains within typical ranges.

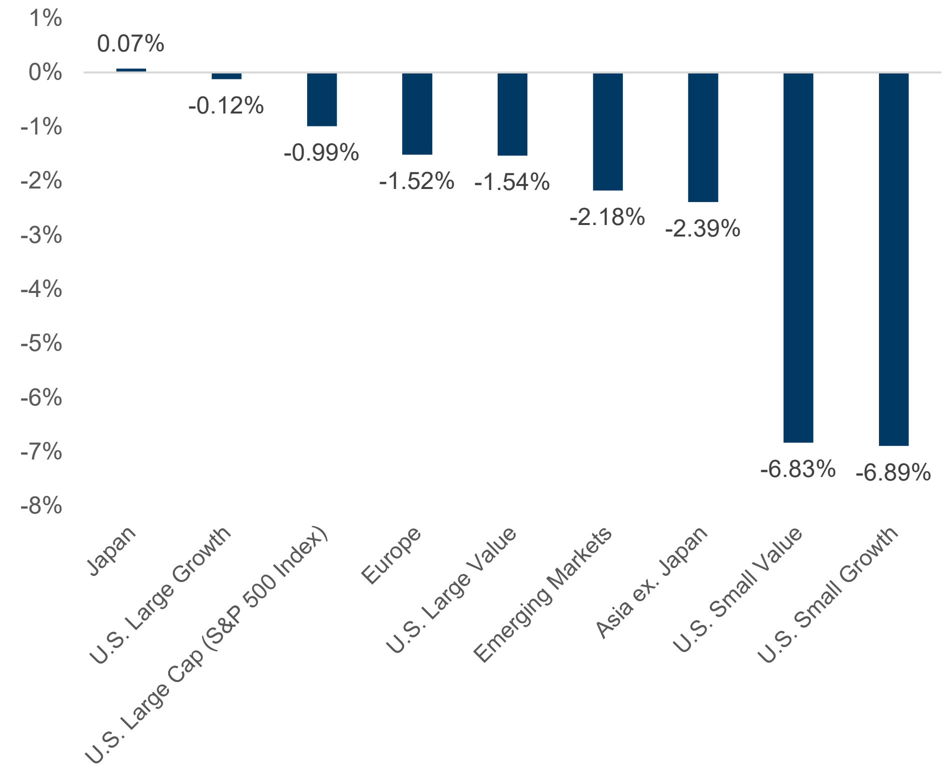
Consumer Confidence and Small Business Optimism Indices; 2000 – Q1 2025



Source: Bloomberg; Consumer confidence as of 03/31/2025 and Small Business Optimism; as of 2/28/2025, representing the most recent data available

Earnings estimates have been widely revised downwards as companies work to navigate the layers of potential impact.

Trailing three-month % change in Bloomberg EPS consensus estimates; as of 03/31/2025



Source: Bloomberg

Note: Bloomberg, Consumer Confidence using Conference Board Consumer Confidence SA 1985=1000 Index and Small Business Optimism using NFIB Small Business Optimism Index. U.S. Large-Cap using S&P 500® Index, U.S. Large Growth using Russell 1000® Growth Index, U.S. Large Value using Russell 1000® Value Index, U.S. Small Growth using Russell 2000® Growth Index, U.S. Small Value using Russell 2000® Value Index, Europe using MSCI Europe USD Total Return Index, Japan using MSCI Japan USD Total Return Index, Asia ex. Japan using MSCI Asia ex. Japan USD Total Return Index, and Emerging Markets using MSCI Emerging Markets Net USD Total Return Index. All commentary is as of 03/31/2025 unless otherwise noted. Please see the end of this presentation for important disclosures and a complete list of terms and definitions.

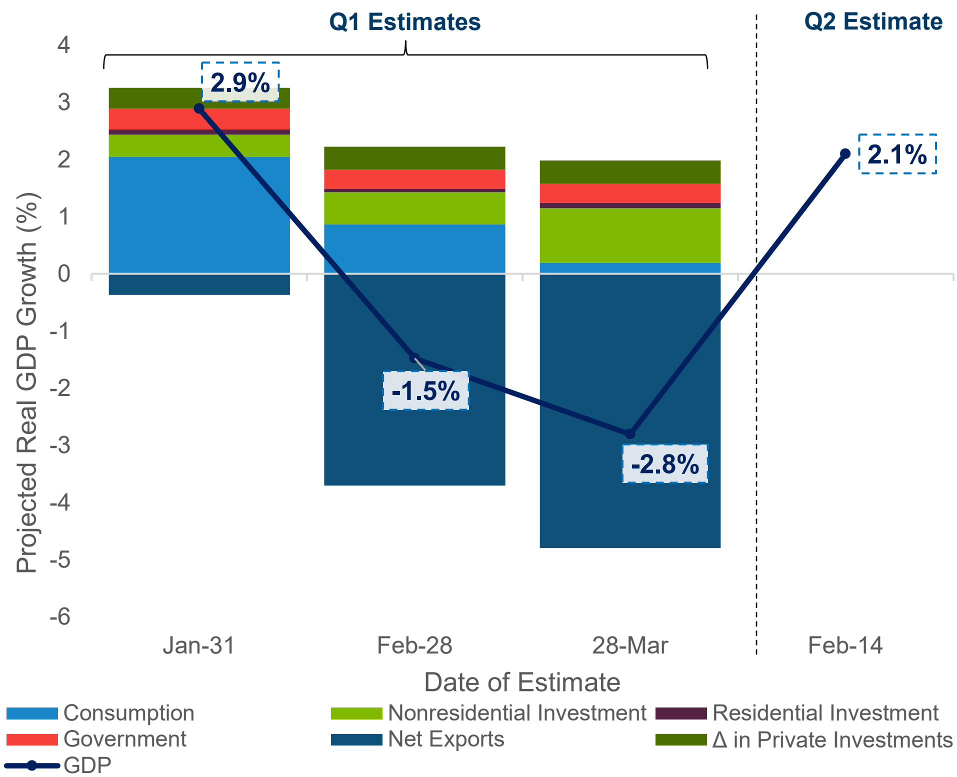
INFLUX OF IMPORTS CAUSES HIT TO Q1 GDP GROWTH FORECAST

As of March 31, 2025

Many businesses accelerated their import schedules to avoid the implementation of tariffs, leading to a drop in U.S. net exports and negatively impacting Q1 GDP estimates. While this quarter's import rush and next quarter's likely decline might cause noisy GDP data, the evidence of slowing household spending (consumption) and investment is of greater concern if confidence drops further.

Net exports significantly contributed to a sudden decline in Q1 real GDP forecasts, but they were not the only factor.

Atlanta Fed's Q1 real GDP growth forecast; Philadelphia Fed's projected Q2 real GDP growth; 01/31/2025–03/28/2025, representing the most recent data available



Source: Federal Reserve Bank of Atlanta & Federal Reserve Bank of Philadelphia

The monthly trade deficit in January reached a record high as companies rushed to import goods before tariffs took effect.

Monthly U.S. goods and services trade deficit (billions); 01/31/2015–01/31/2025, representing the most recent data available

Source: Bureau of Economic Analysis

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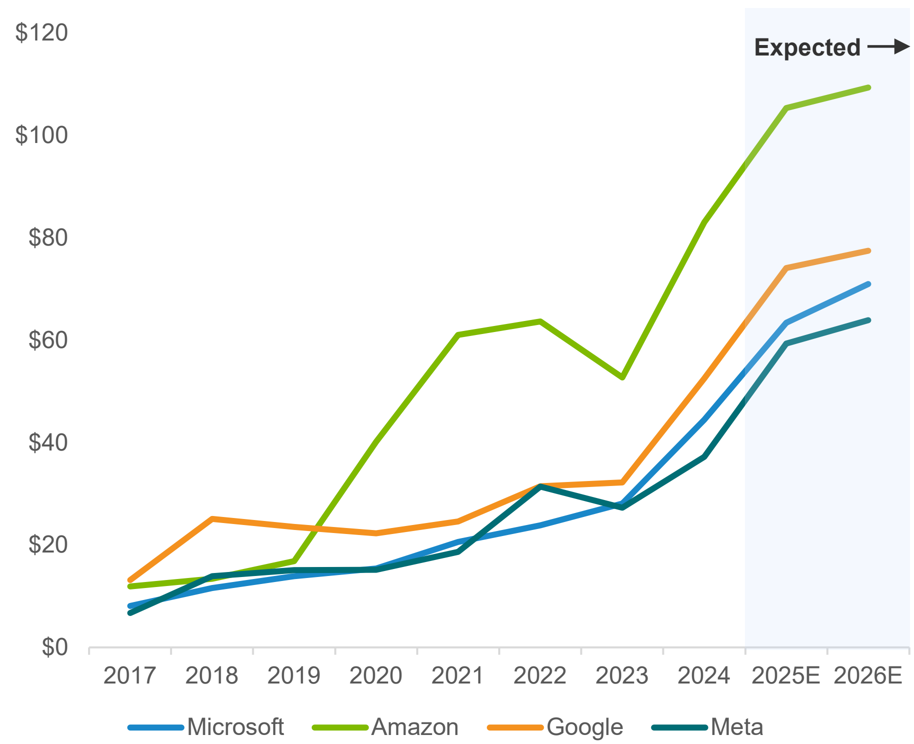
DeepSeek DEVELOPMENTS AND AI OUTLOOK

As of March 31, 2025

After the release of DeepSeek's R1 model in January, markets began to question whether a decline in computing costs might reduce the necessary amount of AI-related investment. On the other hand, the reduced costs and increased efficiency of AI models have led to a surge in usage, which has grown exponentially over the last twelve months, particularly following the release of DeepSeek. While there is still much to learn about DeepSeek, there is little evidence thus far that it has dampened enthusiasm from businesses to invest in AI.

AI investments from the tech giants are expected to continue to grow as companies continue to build out infrastructure.

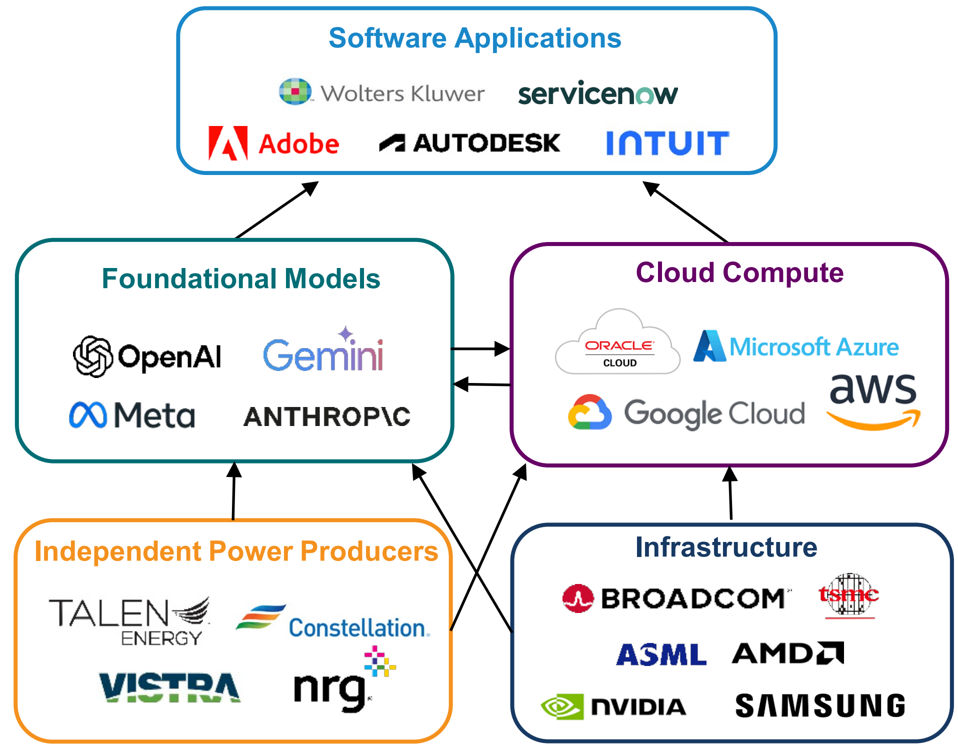
Recent and projected capital expenditures for four hyperscalers, in billions of USD



Source: Bloomberg; as of 03/31/2025

We continue to seek opportunities and manage risks as investment in AI has implications across the value chain.

Select companies in the AI ecosystem



Source: Brown Advisory Analysis; as of 03/31/2025. The companies referenced herein are not affiliated with any particular strategy or fund and have not participated in the preparation of these materials. The use of the names and logos of these entities should not be construed as an endorsement by these entities.

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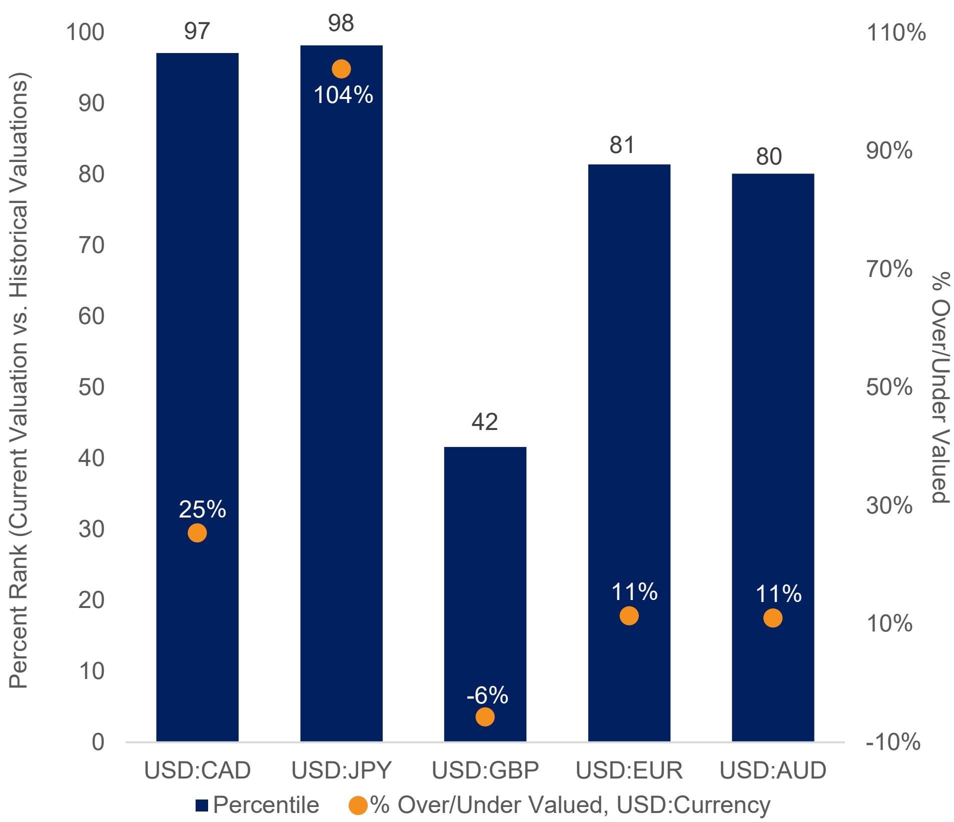
MOVEMENTS IN THE U.S. DOLLAR IMPACTING DOMESTIC AND INTERNATIONAL MARKETS

As of March 31, 2025

The U.S. dollar is valued near all-time highs relative to most other currencies according to purchasing power parity. However, a weakening domestic growth outlook, partnered with firming growth in Europe and rising interest rates in Japan, might fuel a further decline in dollar strength. Historically, a weaker dollar has been correlated with strong international equity performance.

The U.S. dollar is trading at levels well above historical norms and is over-valued compared to most currencies.

Currency valuation using Purchasing Power Parity and Spot Indices; 01/31/1982-03/31/2025



Source: Bloomberg; as of 03/31/2025; Currency valuation formula: (Spot Exchange Rate – PPP Implied Rate) / PPP Implied Rate; PPP = Cost of Goods Basket X in Currency 1 / Cost of Goods Basket X in Currency 2

The impact of a weaker dollar is pervasive across the global economy and consumers.

Impact of the U.S. dollar across the global economy

"Stakeholder"	Impact	Rationale
U.S. Consumer / Non-U.S. Exporters	Negative	Imports are more expensive for the U.S. consumer, harming non-U.S. exporters.
Domestically Focused Non-U.S. Equities / U.S. Multinational Companies	Positive	Overseas earnings translated back to dollars are higher, and U.S. exporters become more competitive in global market.
Non-U.S. Consumers	Mostly Positive	Imports are less expensive for non-U.S. consumers, but job growth could be hurt from decreasing exports.
Financial Markets	Positive	Increased U.S. dollar liquidity allows for easier debt funding, particularly for U.S-denominated foreign debt.

Source: Brown Advisory Analysis; as of 03/31/2025

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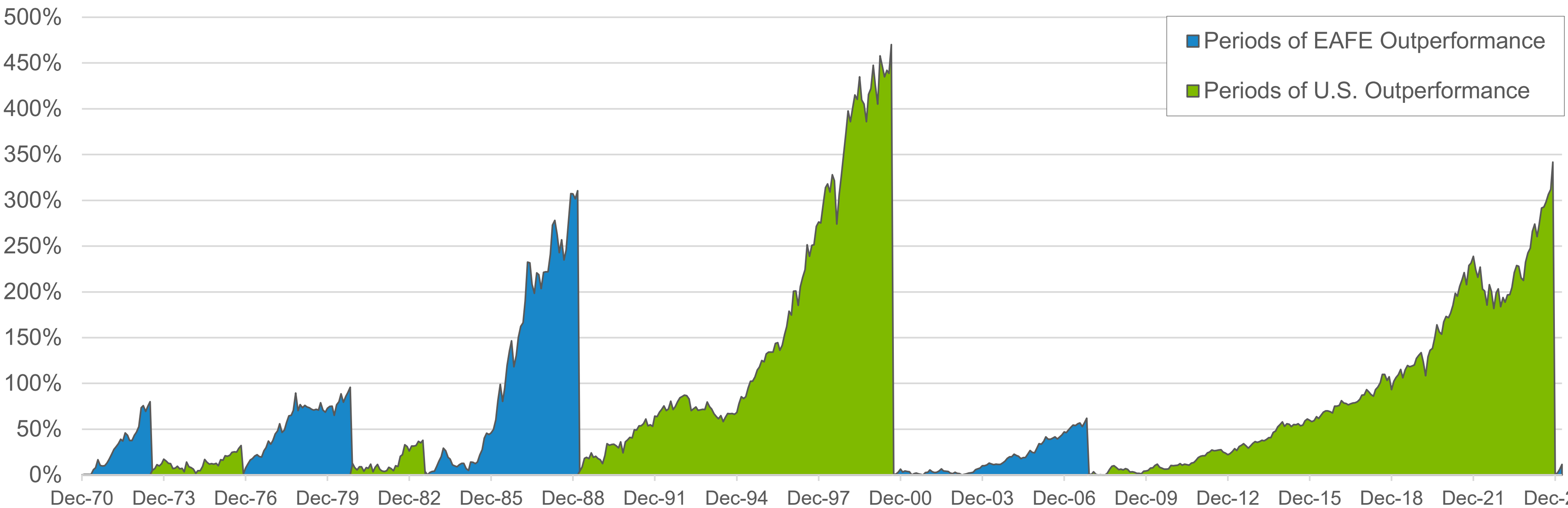
RELATIVE PERFORMANCE BETWEEN U.S. AND INTERNATIONAL EQUITIES IS CYCLICAL

As of March 31, 2025

U.S. equities have enjoyed a historic run relative to international equities over the last approximately 15 years. However, relative performance between the two markets over a longer historical timeframe has been much more cyclical. Cheaper equity valuations and currency, along with potentially more accommodative fiscal policy, may support a new cycle of Europe, Australasia and Far East (EAFE) outperformance going forward, a dynamic that has begun to materialize in Q1 2025.

Cumulative Relative Performance: U.S. vs. International Equities

Cumulative relative performance between the MSCI U.S. Net Total Return (USD) Index and the MSCI EAFE Net Total Return (USD) Index; as of 03/31/2025



Source: Bloomberg. Regime change is determined when cumulative outperformance peaks and is not achieved again in the subsequent 36-month period.

JAPANESE EQUITIES REMAIN ATTRACTIVE

As of March 31, 2025

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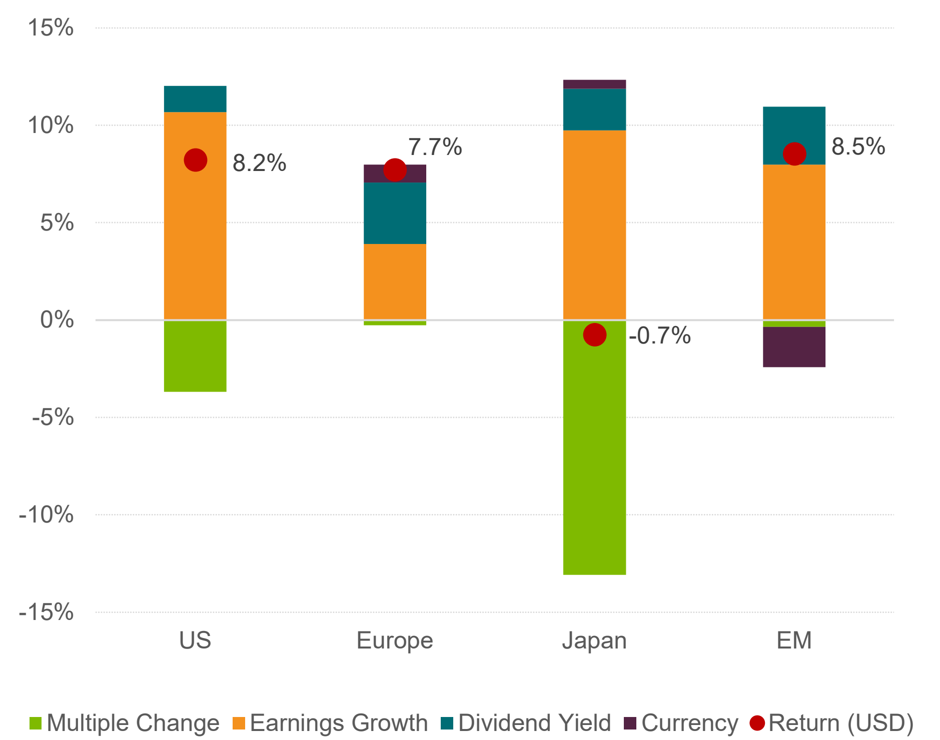
We believe Japanese equities remain attractive as the economy is exiting deflation, and corporate governance improvement should provide a tailwind to shareholder returns. While headwinds such as aging demographics, high government indebtedness, and tariffs persist, we think Japan's relatively low equity valuations and cheap currency already reflect some of these risks.

Japan equity market returns have been held back by multiple compression despite strong absolute earnings growth.

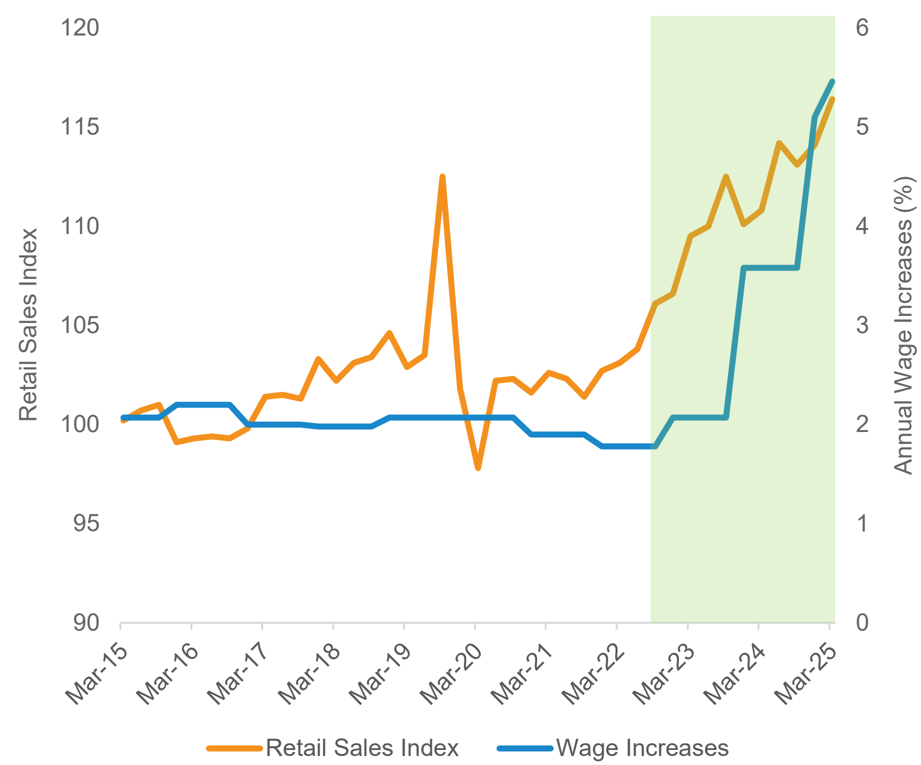
Estimated composition of one-year total returns across various markets; as of 03/31/2025



Source: Bloomberg LP, U.S. (S&P 500), Europe (MSCI Europe), Japan (TOPIX Index), EM (MSCI Emerging Markets)

Spring wage negotiations resulted in the largest increase in decades, reinforcing Japan's exit from deflation.

Wage increases won by Japanese Trade Union Confederation and retail sales



Source: Retail Sales (Seasonally Adjusted) from Ministry of Economy, Trade, and Industry Japan. Wage increases are results of Spring Wage Negotiation released by the Japanese Trade Union Confederation (Rengo); data as of 03/31/2025

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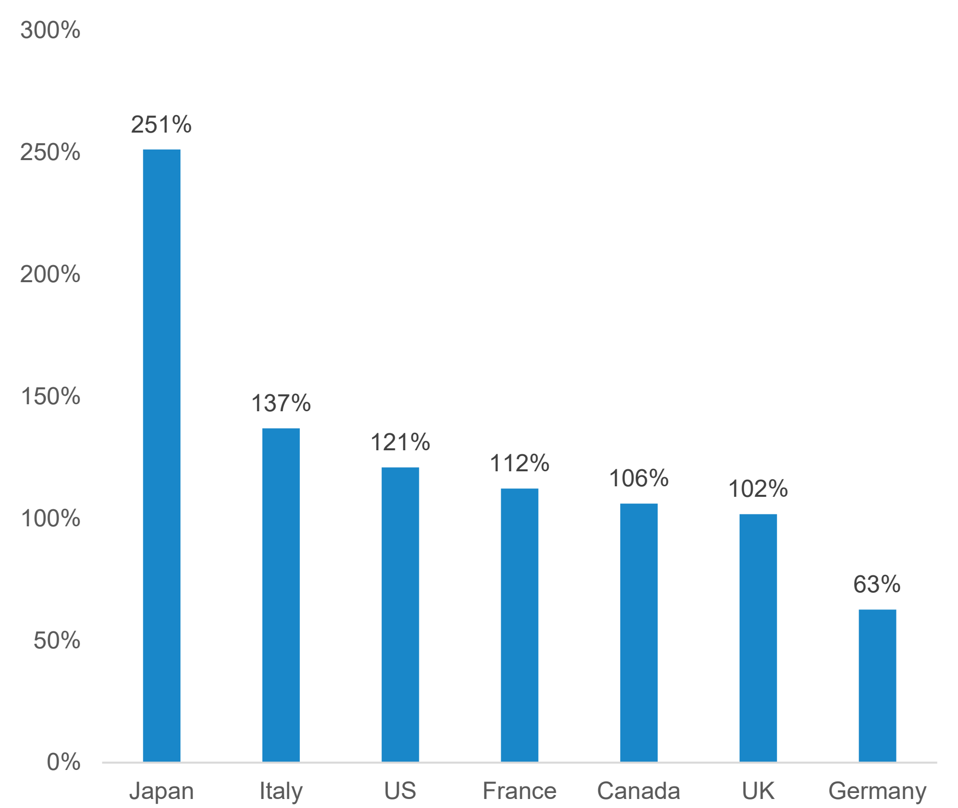
PROPOSED SPENDING POLICIES IN EUROPE AND U.S. MAY AFFECT FISCAL DEFICITS

As of March 31, 2025

Despite efforts by the Department of Government Efficiency (DOGE) and spending cuts in the latest budget bill, the Trump administration's proposed extension of tax cuts would outweigh these reductions. The ultimate impact to the U.S. deficit will depend on the final bills. Meanwhile, Germany, known for its fiscal discipline, is leading European efforts to boost defense spending, potentially releasing fiscal stimulus into the economy.

Germany, which recently proposed a historic fiscal spending package, currently has the lowest debt-to-GDP ratio in the G7.

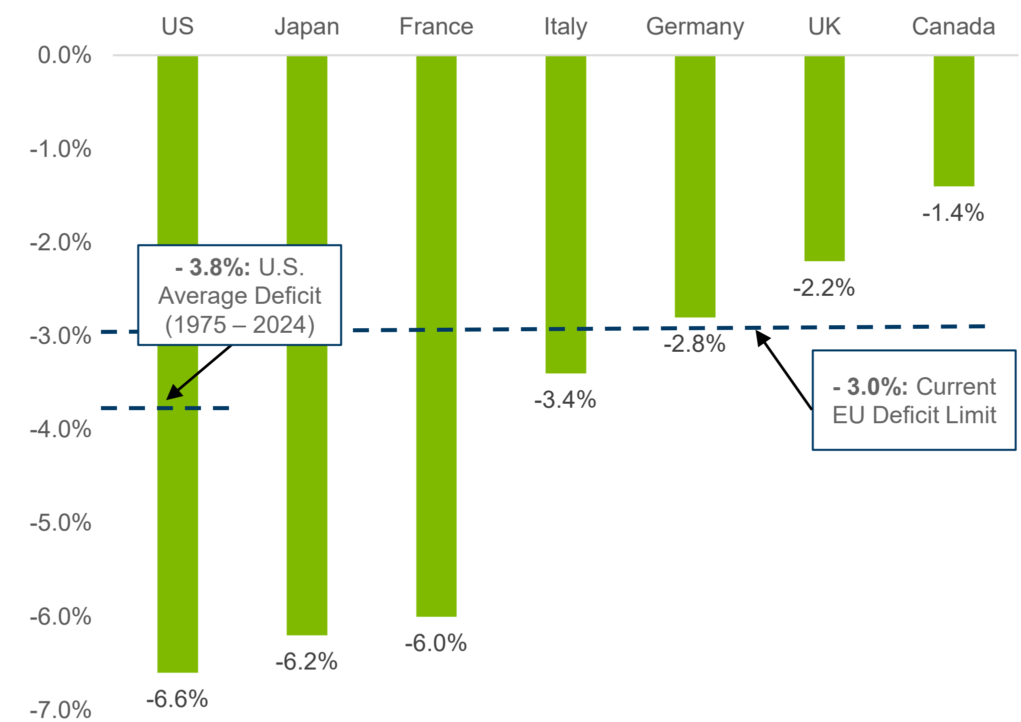
2024 Debt-to-GDP ratio for the G7 countries



Source: IMF; as of 12/31/2024, representing the most recent data available

The EU's "ReArm Europe Plan" proposal allows member countries to exceed current fiscal deficits limits to invest in defense.

Deficits as a % of GDP; estimates and policy limits available as of 03/31/2025



Source: Congressional Budget Office, Eurostat, European Council of the European Union, IMF

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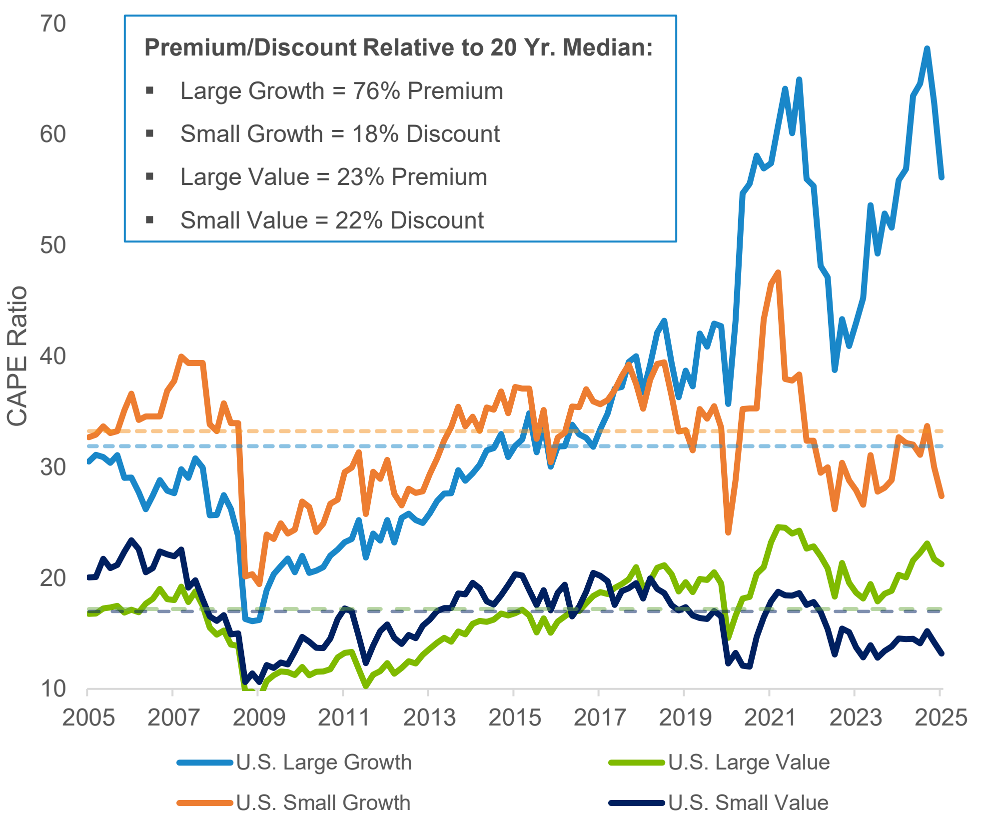
VALUATION AND LOCATION: THE RIGHT FORMULA FOR SMALL-CAPS?

As of March 31, 2025

Though any economic slowdown poses a risk, small-cap companies essentially have more bad news already priced in through their lower valuations. Small-cap companies are more domestically-oriented which could help protect them against trade war-induced headwinds to earnings but could also be harmful if U.S. consumption and growth continue to slow.

Small-cap stocks are trading below historical valuations, while large-caps are trading at a premium relative to history.

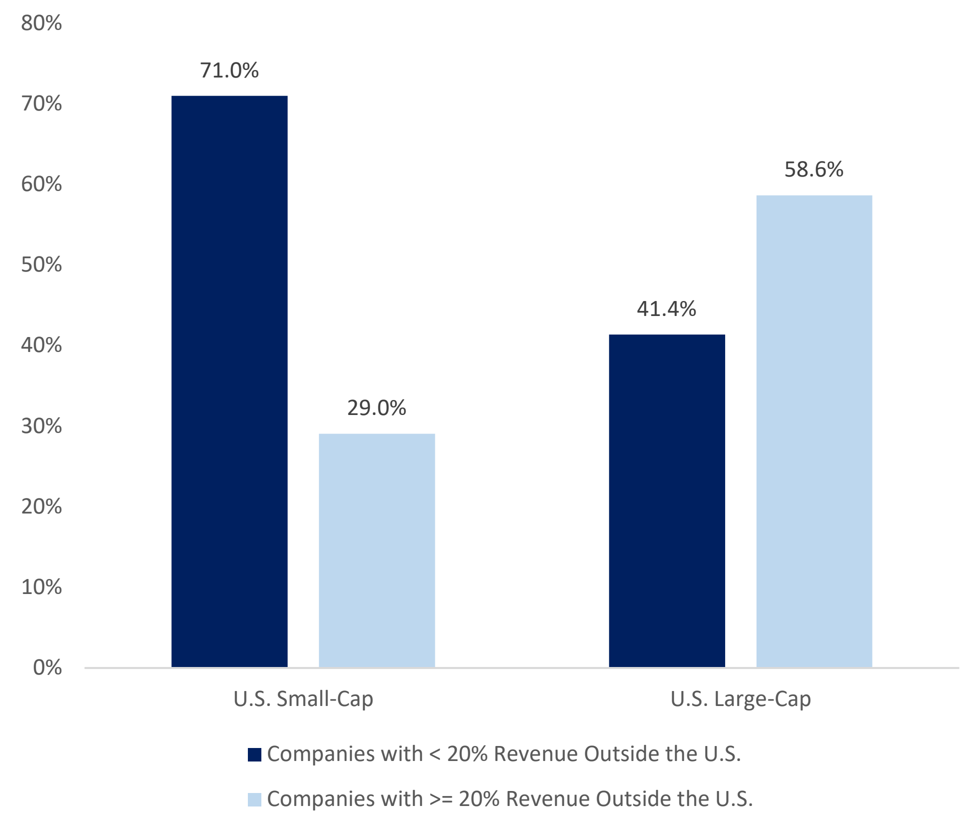
Historical cyclically adjusted P/E ratio; dashed line represents 20-year. median; 03/31/2005–03/31/2025



Source: Bloomberg

U.S. small-caps are also less exposed to international markets, potentially shielding them from the effects of a tariff war.

Company revenues for the Russell 2000® Index and S&P 500® Index; as of 03/31/2025



Source: FactSet

Note: All commentary is as of 03/31/2025 unless otherwise noted. Please see the end of this presentation for important information. U.S. Large-Cap using S&P 500® Index, U.S. Small-Cap using Russell 2000® Index.

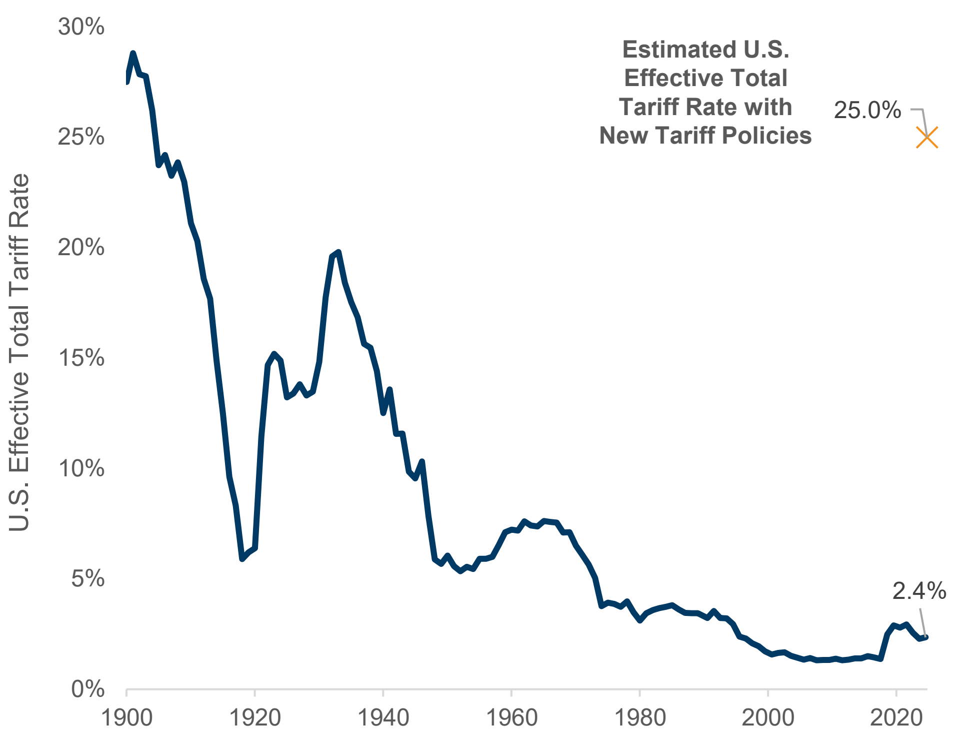
TARIFFS LIKELY TO CAUSE PRICE INCREASES

As of April 8, 2025

President Trump's aggressive tariff policy has created uncertainty in the markets as companies and consumers try to plan in response to a moving tariff target. While the scope and range of U.S. tariffs have yet to be determined, economists agree consumers will likely see a price impact, with big brand retailers like Target and Best Buy already citing tariffs in their decisions to raise prices.

The Trump administration's basket of tariffs is likely to take the U.S. tariff rate to levels last seen in 1904.

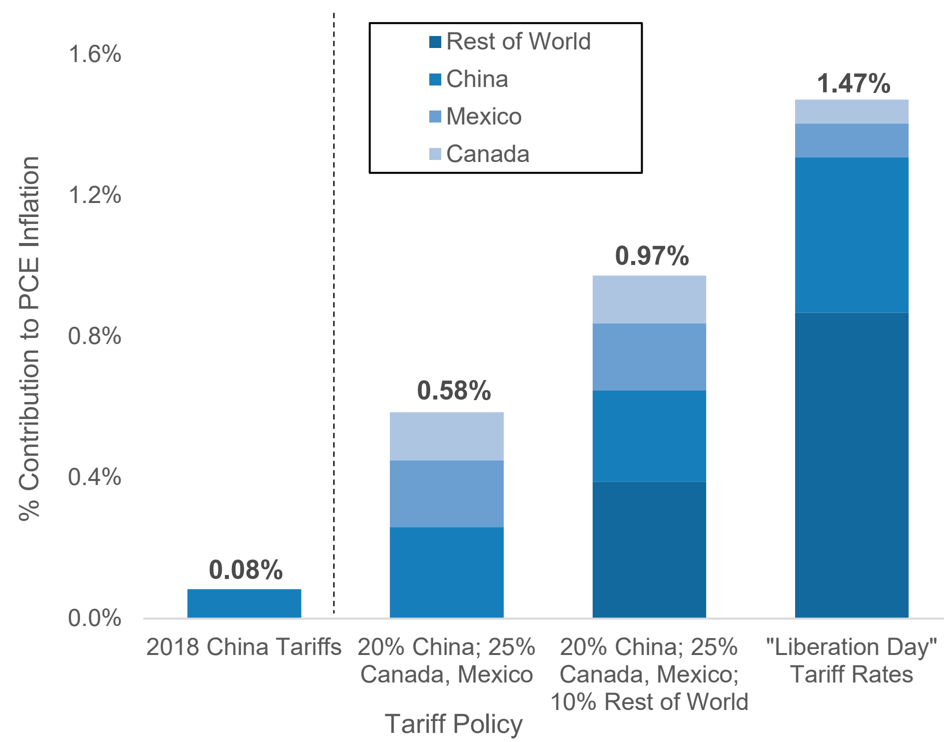
U.S effective total tariff rate; 1900 – 04/08/2025



Source: United States International Trade Commission, Capital Economics

These tariffs are expected to raise costs for U.S. households, but the extent will depend on final tariff rates.

Projected contribution of tariffs to Core Personal Consumption Expenditures Inflation



Source: Federal Reserve Bank of Boston, Brown Advisory Analysis; as of 04/08/2025

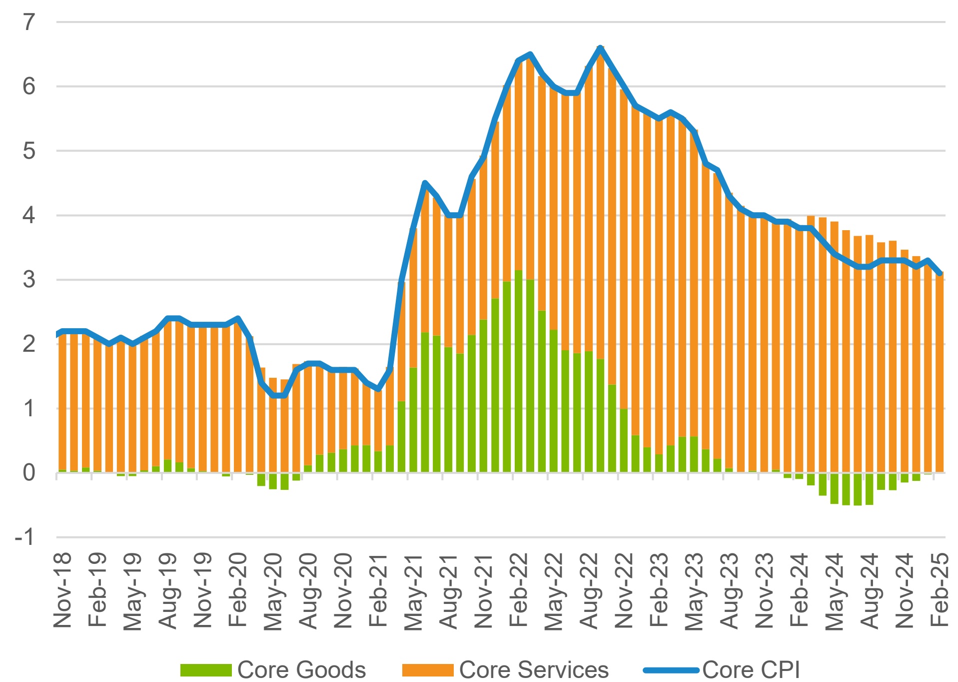
RISING INFLATION EXPECTATIONS FOLLOWING TARIFF POLICIES

As of March 31, 2025

The impact of tariffs complicates the Federal Reserve's task of bringing inflation back toward its target while pushing consumer expectations of future inflation higher. However, with potential tariffs (and general uncertainty) also weighing on growth, the longer-term outlook for inflation becomes even murkier.

Core goods inflation is likely to push higher due to tariffs, presenting upside surprises to the core Consumer Price Index (CPI).

Contribution to Core CPI between goods and services; 11/30/2018 – 02/28/2025, representing the most recent data available



Source: Bloomberg

Tariff policies have driven up short-term inflation expectations, but longer-term expectations remain steady.

Implied inflation rate expectations from CPI Swaps; 03/31/2024 – 03/31/2025

Source: Bloomberg

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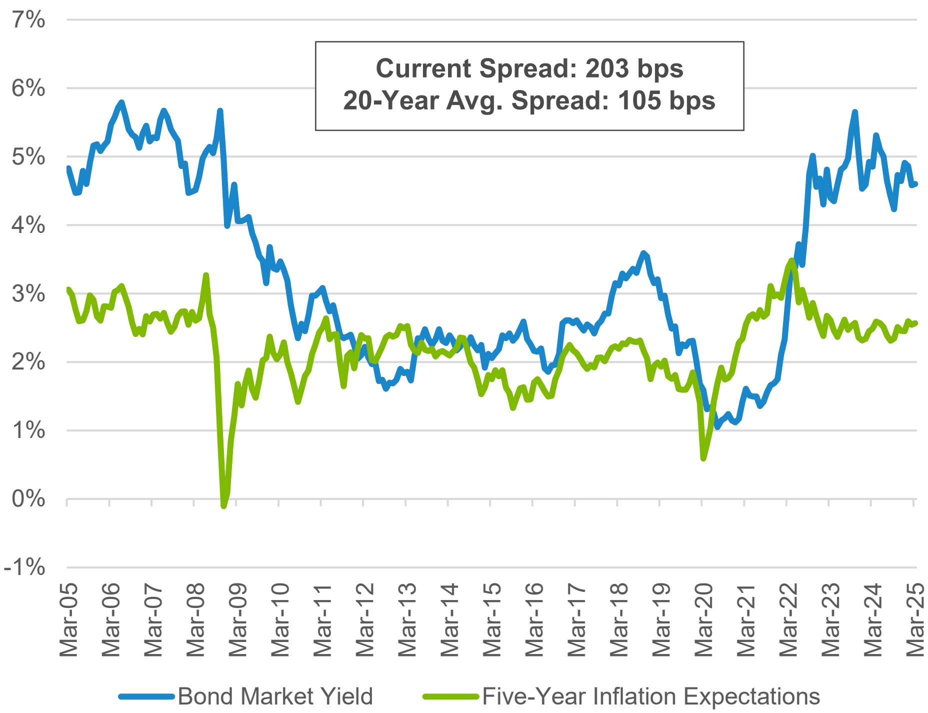
FIXED INCOME PROVIDING ATTRACTIVE YIELD AND DIVERSIFICATION

As of March 31, 2025

As policy uncertainty dents economic optimism, fixed income offers yields well above inflation expectations. Additionally, if the economy deteriorates further, the Federal Reserve has ample room to cut rates, which should boost bond returns and cushion balanced portfolios overall.

Current bond yields are well above inflation expectations, providing investors an attractive return outlook.

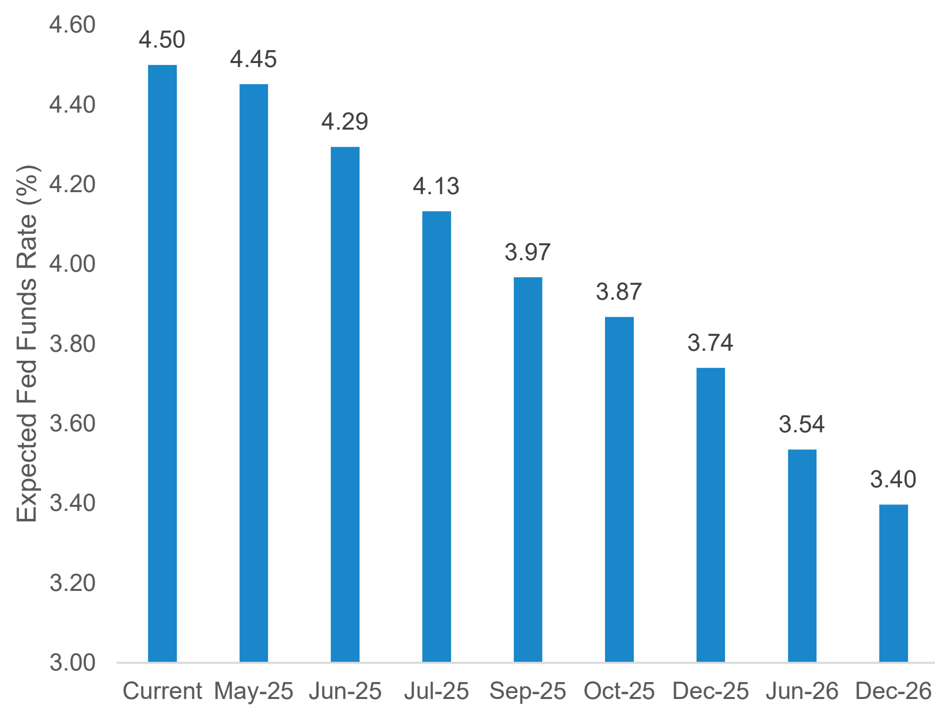
Bloomberg U.S. Agg yield-to-worst and five-year inflation expectations as implied by CPI Swaps; 03/31/2005–03/31/2025



Source: Bloomberg

While the Fed is likely to hold policy steady for now, there is plenty of room to lower rates should the economy falter.

Market expectations for Fed Funds Target Rate as implied by Fed Funds Futures; as of 03/31/2025



Source: Bloomberg

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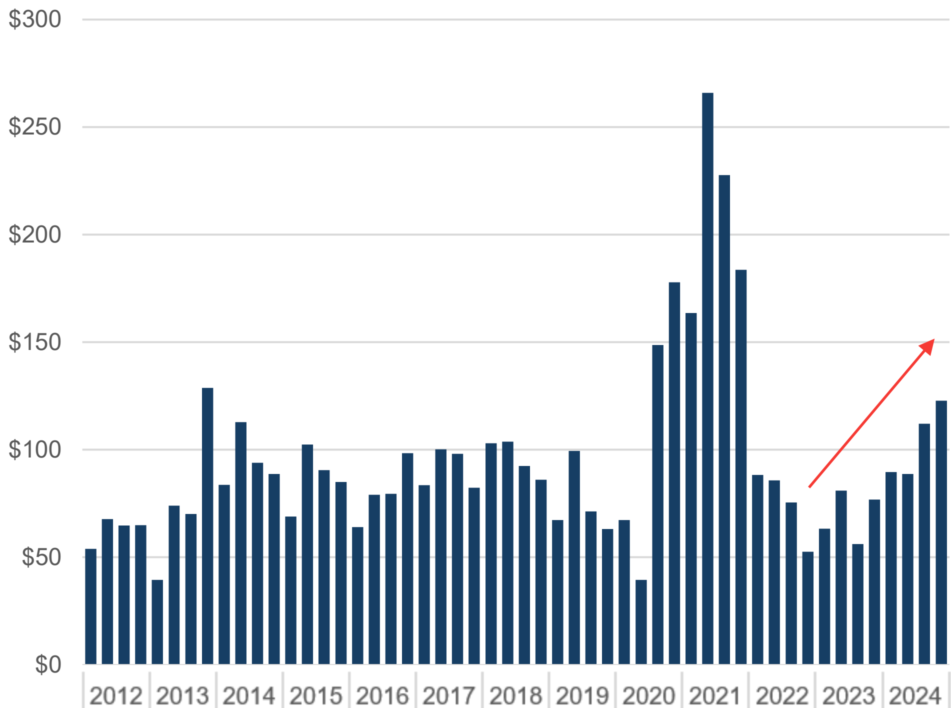
PRIVATE EQUITY AND VENTURE CAPITAL DEAL ACTIVITY

As of March 31, 2025

While private equity exit activity shows signs of rebounding from its 2022 lows, venture capital exits remain muted. The deals that have been done in venture capital have been dominated by AI and machine learning companies.

Exit activity within private equity shows signs of a rebound…

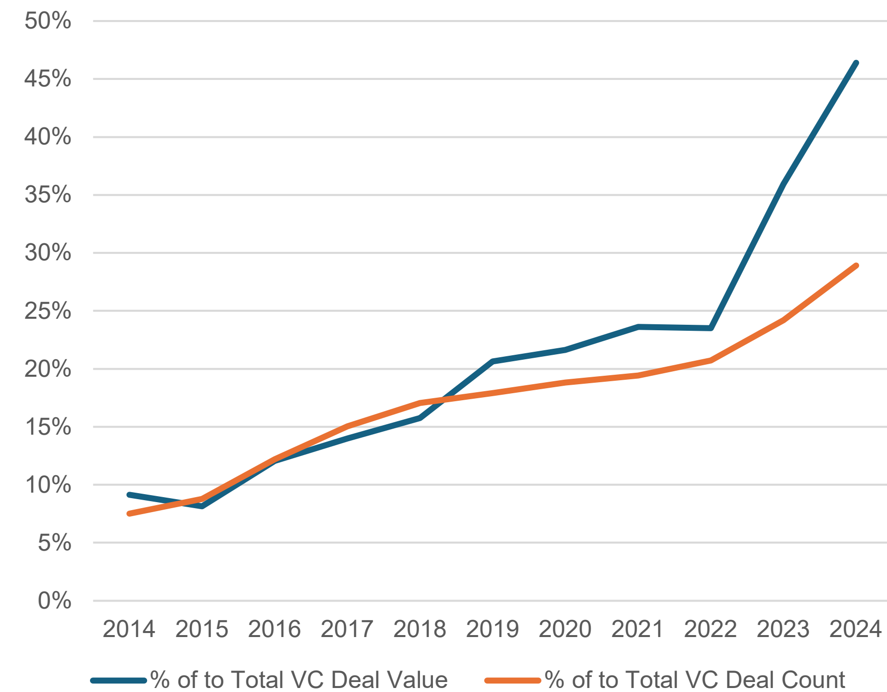
U.S. private equity exit activity (in billions of dollars)



Source: PitchBook, LCG. Data as of 12/31/2024, representing the most recent data available

…while venture capital exit activity remains muted. AI and machine learning continue to dominate deal activity.

Artificial intelligence & machine learning deals as a % of total venture capital deals



Source: PitchBook, LCG. Data as of 12/31/2024, representing the most recent data available

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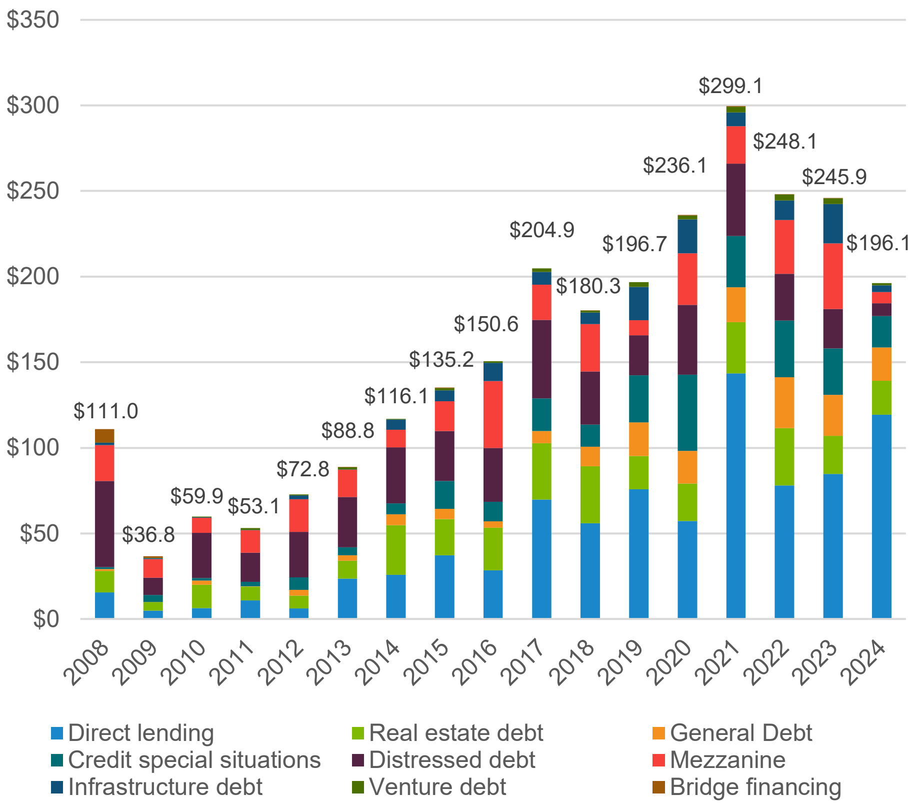
PRIVATE CREDIT

As of March 31, 2025

Despite early inflows, total private debt fundraising finished 2024 below previous highs. Direct lending grew to approximately 60% of total fundraising and maintained a spread premium relative to public debt. We still find private credit yields attractive, but we are cognizant of increased participation in direct lending and continue to partner with high-quality managers who are well positioned in the space.

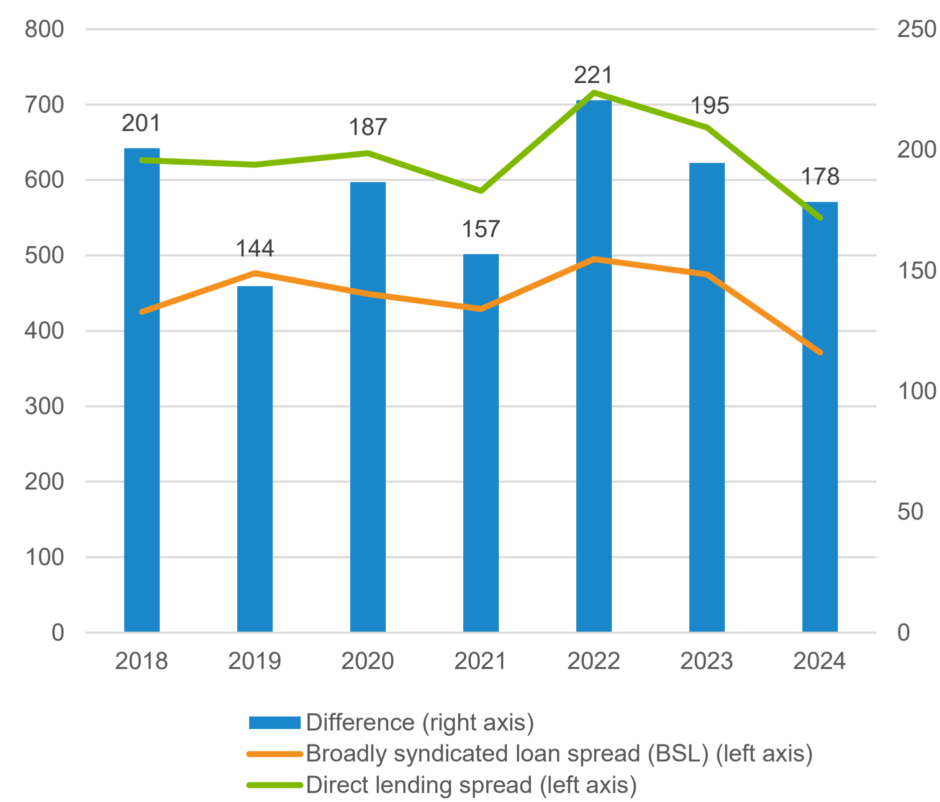
Though total private credit fundraising decreased in 2024, direct lending continued to grow as a share of capital raised.

Private debt fund value ($bn) and share by type



Spreads have come down, but direct lending still yields approximately 1.8% above public credit market comps.

Spread of leveraged buyouts financed in BSL vs. direct lending market



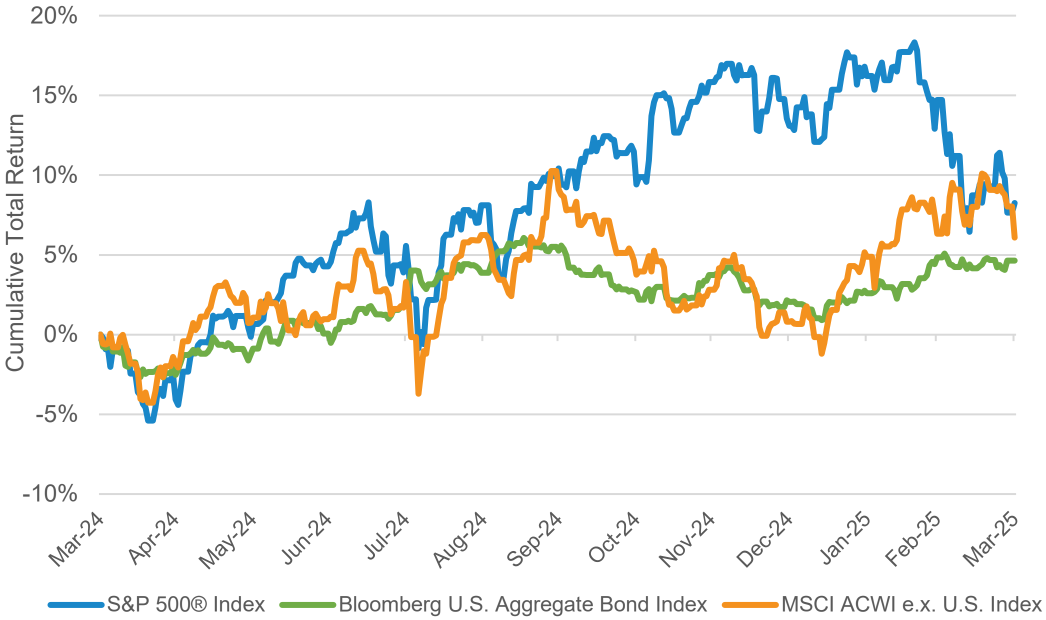
Source: PitchBook, LCD. Data as of 12/31/ 2024 representing the most recent data available. Private investments may be available for Qualified Purchasers and/or Accredited Investors only. Direct lending spread data reflects senior secured first-lien loans and unitranche facilities. BSL data reflects loans issued to borrowers rated B-minus. All commentary is as of 03/31/2025 unless otherwise noted. Please see the end of this presentation for important information and a complete list of terms and definitions.

CORE SLIDES

GLOBAL MARKETS REWIND

As of March 31, 2025

Trailing 1-Year Returns Across Major Indexes



Key Market Dynamics:

- U.S. equities broadly declined in Q1 as investors grappled with tariffs, mixed economic data, the release of DeepSeek's R1 model, and general policy uncertainty.
- After two years of dominance, many of the Magnificent Seven (Apple, Microsoft, Amazon, Alphabet, Meta, NVIDIA and Tesla) stocks lagged this quarter.
- International markets outpaced their U.S. counterparts as newly introduced defense and deficit spending plans in Europe, combined with a weaker growth outlook in the U.S., fueled a slight rotation out of U.S. equities.
- Bonds bounced back in Q1 as economic uncertainty helped drive demand for safety assets despite concerns over the inflationary impact of tariffs.

Index Total Returns* by Asset Class	Quarter-to-Date	Trailing 1-Year	Trailing 3-Year	Trailing 5-Year	Trailing 10-Year
Municipal Bonds (Bloomberg Municipal 1–10 Year Blend Index)	0.7%	2.0%	2.0%	1.3%	1.8%
Investment-Grade Bonds (Bloomberg U.S. Aggregate Bond Index)	2.8%	4.9%	0.5%	-0.4%	1.5%
High-Yield Bonds (Bloomberg U.S. Corporate High Yield Index)	1.0%	7.7%	5.0%	7.3%	5.0%
U.S. Large-Cap Equities (S&P 500® Index)	-4.3%	8.2%	9.0%	18.6%	12.5%
U.S. Small-Cap Equities (Russell 2000® Index)	-9.5%	-4.0%	0.5%	13.2%	6.3%
Developed Non-U.S. Equities (MSCI EAFE Net Total Return Index)	6.9%	4.9%	6.0%	11.8%	5.4%
Emerging Market Equities (MSCI EM Net Total Return Index)	2.9%	8.1%	1.4%	7.9%	3.7%
Commodities (Bloomberg Commodity Total Return Index)	8.9%	12.3%	-0.8%	14.5%	2.8%

Source: Bloomberg as of 03/31/2025. *Total returns greater than one year are reported as annualized returns.

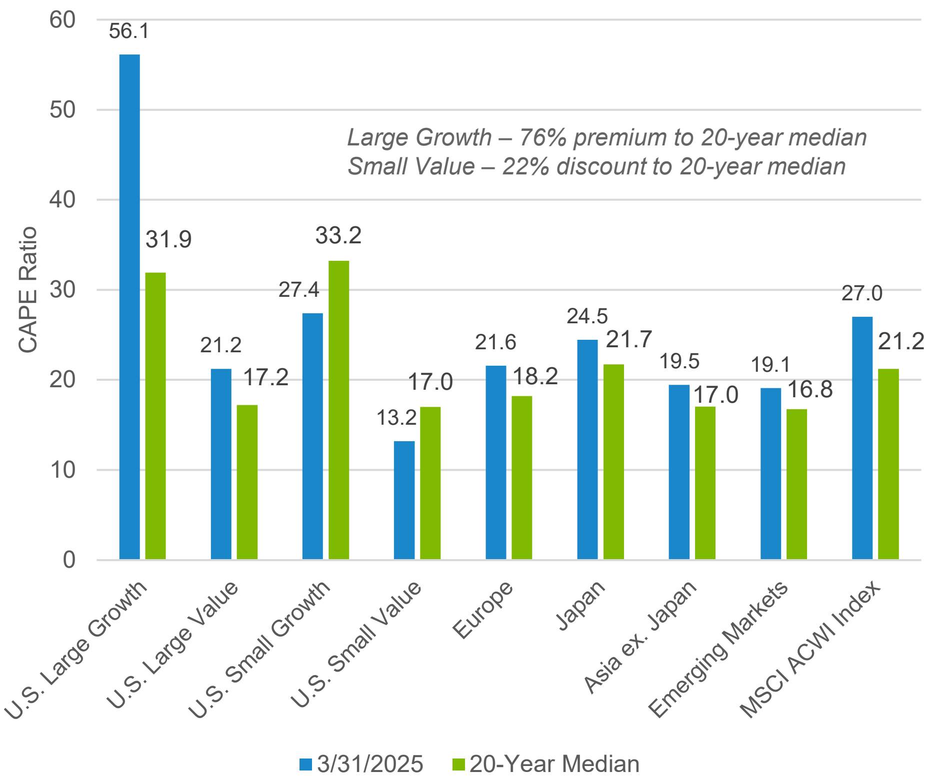
Note: All commentary is as of 03/31/2025 unless otherwise noted. Please see the end of this presentation for important disclosures and a complete list of terms and definitions.

VALUATIONS AND EARNINGS ACROSS EQUITIES

As of March 31, 2025

U.S. large-cap growth features many exciting companies, but valuations are extended relative to history.

CAPE Ratios across market segments; 3/31/2005–03/31/2025



Q1's market rotation away from U.S. large-cap equities underlines the benefit of diversification in portfolios.

Equity segment characteristics as of 03/31/2025

Equity Segment	YTD Return	CAPE Ratio	YTD Earnings Revision
U.S. Large Growth	-10.0%	56.1	-0.1%
U.S. Large Value	2.1%	21.2	-1.5%
U.S. Small Growth	-11.1%	27.4	-6.9%
U.S. Small Value	-7.7%	13.2	-6.8%
Europe	10.5%	21.6	3.0%
Japan	0.3%	24.5	3.3%
Asia ex. Japan	1.8%	19.5	-2.4%
Emerging Markets	2.9%	19.1	-2.2%

Source: Bloomberg, U.S. Large Growth using Russell 1000® Growth Index, U.S. Large Value using Russell 1000® Value Index, U.S. Small Growth using Russell 2000® Growth Index, U.S. Small Value using Russell 2000® Value Index, Europe using MSCI Europe USD Total Return Index, Japan using MSCI Japan USD Total Return Index, Asia ex. Japan using MSCI Asia ex. Japan USD Total Return Index, and Emerging Markets using MSCI Emerging Markets Net USD Total Return Index. All international equity segments calculated in local currency.

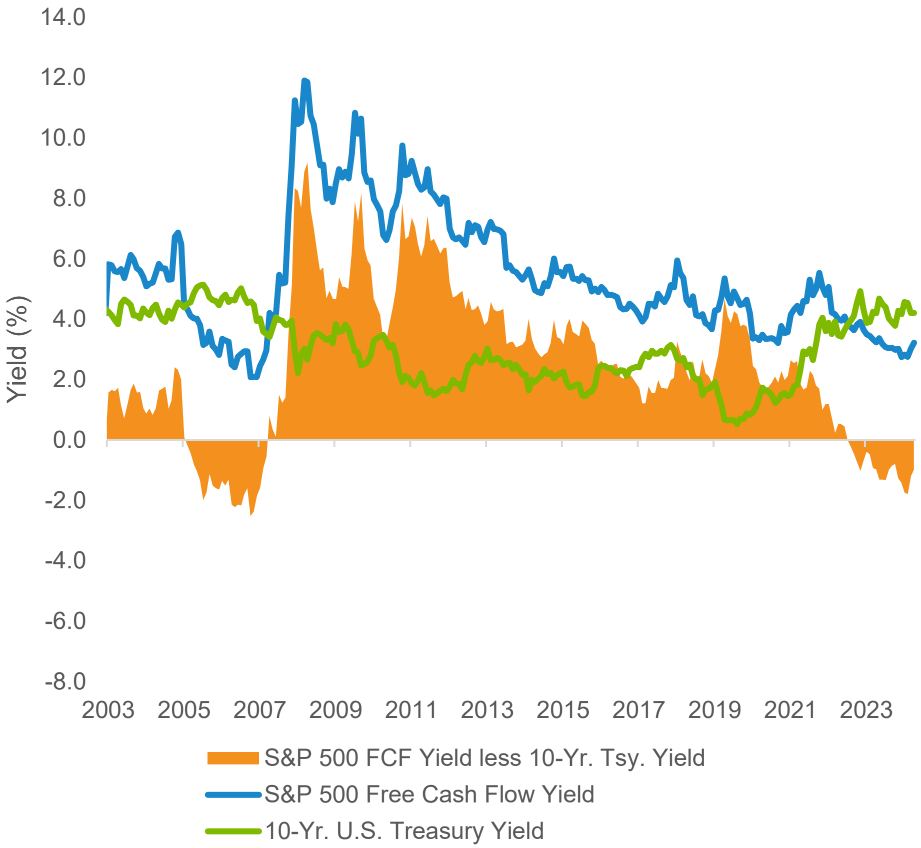
Note: All commentary is as of 03/31/2025 unless otherwise noted. Please see the end of this presentation for important disclosures and a complete list of terms and definitions.

EQUITY RISK PREMIUM APPEARS LOW RELATIVE TO HISTORY

As of March 31, 2025

Despite recent volatility, equity market valuations remain elevated while bond yields are near multi-decade highs.

S&P 500® Index FCF Yield and 10-Year Treasury Yield; 12/31/2003 – 03/31/2025



Source: Bloomberg. FCF Yield stands for free cash flow yield and measures the Index's free cash flow divided by the Index's price.

The equity risk premium is currently, according to our estimates, at its lowest level since the early 2000's.

Historical and Forward Equity Return Premium; 12/31/1922 – 03/31/2025

Compound Annualized Growth Rates	Large-Cap Equities (A)	Core Fixed Income (B)	Return Differential (A minus B)
Historical Return (1925 – 2024)	9.6%	5.0%	+4.6%
Trailing 10-Year Returns (03/31/2015 – 03/31/2025)	9.0%	1.4%	+7.6%
Current Return Estimate* (as of 03/31/2025)	***6.0%***	***5.2%***	***+0.8%***

Source: Bloomberg, Brown Advisory Analysis using MSCI ACWI (1988-2024), MSCI World (1970-1987), S&P 500 (1929-1969) and Dow Jones Industrial Average (1925-1928) and Bloomberg U.S. Aggregate Bond Index for Core Fixed Income.

Note: All commentary is as of 03/31/2025 unless otherwise noted. *Forecasted returns are based on Brown Advisory's 10-year forecasted capital market assumptions and the indicated target allocations to each respective asset class. These assumptions are based on the indices for those asset classes. Forecasted returns assume re-investment of dividends and daily re-balancing back to the stated target allocation. Additional information about the performance calculations is available upon request. The investment results stated on this page are for illustrative purposes only. Please see the end of this presentation for important disclosures and a complete list of terms and definitions.

PORTFOLIO POSITIONING IN THE CURRENT ENVIRONMENT

Balancing risk-adjusted return opportunities across portfolios

- **Valuation Consciousness:** Economic fundamentals remain healthy, but uncertainty is weighing on sentiment. Therefore, market segments with elevated valuations could be vulnerable.
- **Private market discipline*:** Private markets have seen major ups and downs in recent years but success in the long run requires patient discipline to make consistent investments with strong managers.

Diversification in a concentrated world

- **Innovation coming from tech titans:** Market concentration has reached generational extremes. However, rapid innovation has driven tremendous cash flow growth among the tech titans. Neither reversal nor continuation are inevitable.
- **Dedication to the right kind of diversification:** As investors, we are not afraid of concentrated positions in high-quality companies. However, we also know there is no "sure thing" in the world of investments. Therefore, we have meaningful investments in the titans whose innovations have lasting benefits for shareholders, but with recognition that there is a much broader market of opportunities.

Bonds provide yield and stability amidst rising uncertainty

- **Maintaining target weight in core fixed income:** Despite uncertainty about future interest rates, bonds are providing an attractive yield profile. However, we are keeping duration in check given concerns around inflation and deficits.
- **Alternative Credit*:** Spreads in the corporate bond markets have tightened considerably, but private credit and some areas of securitized credit are still offering yields at or above the type of returns we would expect from equities with lower risk.

Opportunities beyond U.S. large-cap equities

- **Global Equities:** Though structural economic dynamics are not as strong, we believe many globally-oriented non-U.S. companies are trading at attractive valuations particularly given policy uncertainties in the U.S.
- **High quality smaller companies:** We remain overweight in quality mid- and small-cap equities due to attractive relative valuations. An emphasis on cash flow and resilient balance sheets should help us navigate a volatile macroeconomic environment.

Source: Brown Advisory Analysis. *Alternative investments may be available for qualified purchasers and accredited investors only. Note: All commentary is as of 03/31/2025 unless otherwise noted. Please see the end of this presentation for important disclosures and a complete list of terms and definitions.

RATES HAVE RISEN CREATING SOLID YIELD, THOUGH WE ARE MAINTAINING INTERMEDIATE DURATION

As of March 31, 2025

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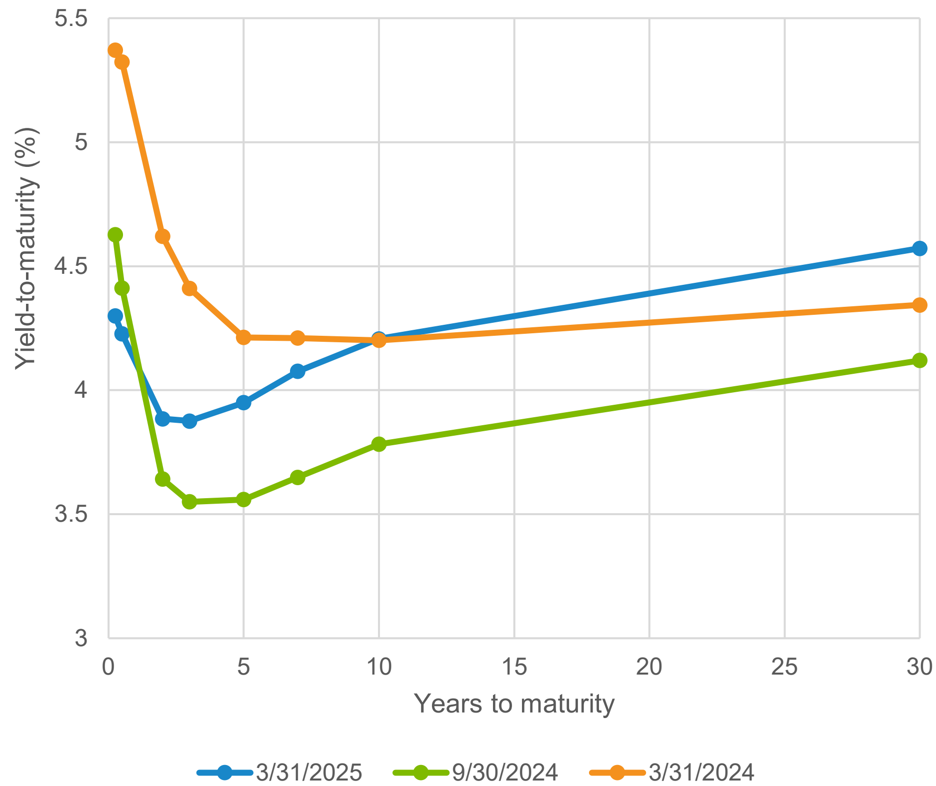
Current yields represent an attractive risk-adjusted return particularly relative to elevated equity valuations.

Returns, yield and duration across fixed income segments; as of 03/31/2025

Fixed Income Segment	YTD Return	Yield-to-Worst	Duration (Years)
U.S. Aggregate	2.8%	4.6%	6.0
Municipal Bonds*	0.7%	5.6%	4.1
IG Corp. Credit	2.3%	5.1%	6.8
High Yield	1.0%	7.7%	3.0
Agency MBS	3.1%	4.9%	5.9
IG CMBS	2.6%	5.0%	4.0
IG ABS	1.5%	4.6%	2.6
T-Bills	1.0%	4.3%	0.1
Treasuries	2.9%	4.1%	5.9

Yields fell slightly in the quarter as investors weigh both inflation and economic growth concerns.

Treasury Yield Curve (%) for various dates; as of 03/31/2025



Source: Bloomberg, *Municipal bonds using tax-equivalent yield and assuming max federal tax rate of 40.8%. U.S. Aggregate using Bloomberg U.S. Aggregate Bond Index, Municipal Bonds using Bloomberg Municipal Bond Index, IG Corp. Credit using Bloomberg U.S. Corporate Index, High Yield using Bloomberg U.S. Corporate High Yield Index, Agency Mortgage-Backed Securities (MBS) using Bloomberg U.S. MBS Index, IG Commercial Mortgage-Backed Securities (CMBS) using Bloomberg CMBS Investment Grade Index, IG ABS using Bloomberg U.S. Asset-Backed Securities Index , T-Bills using ICE BofA U.S. 3-Month Treasury Bill Index, Treasuries using Bloomberg U.S. Treasury Index.

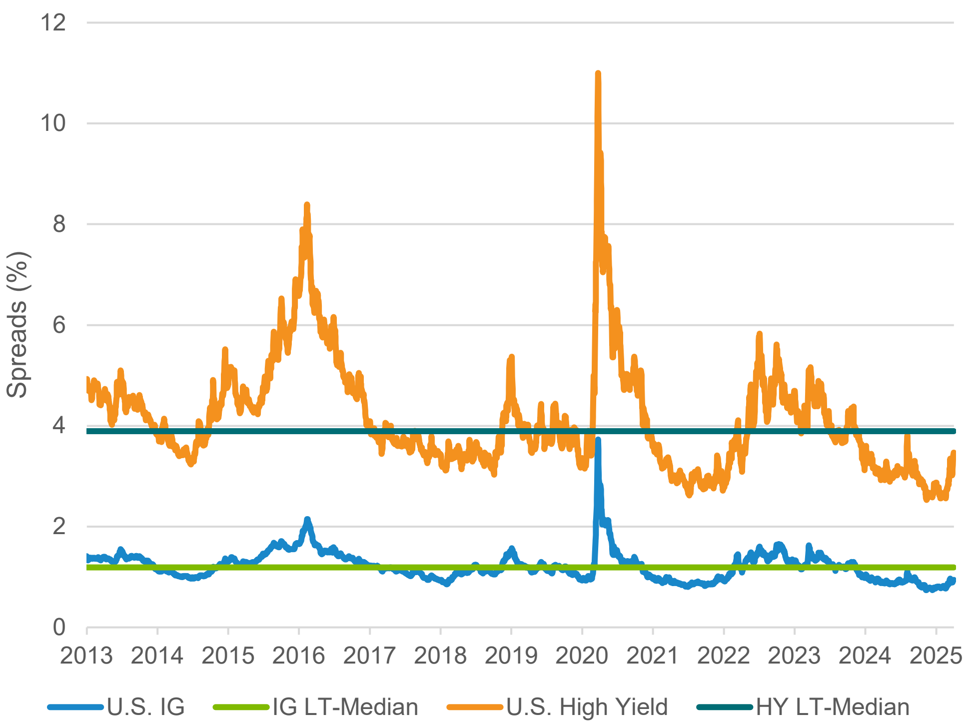
Note: All commentary is as of 03/31/2025 unless otherwise noted. Please see the end of this presentation for important disclosures and a complete list of terms and definitions.

CORPORATE CREDIT SPREADS HAVE FALLEN BUT ABSOLUTE YIELDS PROVIDE REASONABLE VALUE

As of March 31, 2025

High-yield and investment-grade credit spreads have compressed and are now well below long-term medians…

Bloomberg Corporate Credit Spreads; 01/01/2013–03/31/2025



Source: Bloomberg, U.S. IG using Bloomberg U.S. Corporate Index and U.S. High Yield using Bloomberg U.S. Corporate High-Yield Index.

…yet relative to equities, the risk-return profile of credit looks reasonable considering strong balance sheets.

Return and risk characteristics, U.S. Equities versus High Yield; as of 03/31/2025

Statistics	U.S. Large-Cap	High-Yield Corp. Credit	Investment-Grade Corp. Credit
Current Spread*	-1.0%	3.5%	0.9%
20-Year Median Spread*	2.5%	4.2%	1.3%
CY 2008 Total Return	-37.0%	-26.2%	-4.9%
Current Return Est. as of 03/31/2025 **	***5.8%***	***5.7%***	***5.2%***

Source: Bloomberg, Brown Advisory Analysis. *Using Free-Cash-Flow yield less 10-year Treasury yield for U.S. Large-Cap and option-adjusted spreads for High-Yield and Investment Grade. U.S. Large-Cap using S&P 500® Index, High-Yield Corp. Credit using Bloomberg U.S. Corporate High-Yield Index and Investment-Grade Corp. Credit using Bloomberg U.S. Corporate Index.

Note: All commentary is as of 03/31/2025 unless otherwise noted. **Forecasted returns are based on Brown Advisory's 10-year forecasted capital market assumptions and the indicated target allocations to each respective asset class. These assumptions are based on the indices for those asset classes. Forecasted returns assume reinvestment of dividends and daily rebalancing back to the stated target allocation. Additional information about the performance calculations is available upon request. The investment results stated on this page are for illustrative purposes only. Please see the end of this presentation for important disclosures and a complete list of terms and definitions.

CURRENT POSITIONING BY MAJOR ASSET CLASS

As of March 31, 2025

After a benign 2024, volatility has returned as investors weigh the economic impacts of the administration's ambitious agenda amidst elevated equity market valuations. Given elevated uncertainty, we are seeking to emphasize balance, diversification, and liquidity to capitalize on potential volatility.

Asset Class	Decision	Rationale
Public Equities	Maintaining global diversification and meaningful allocation to smaller-cap stocks	The valuation gap between U.S. mega-cap stocks and the rest of the global equity market remains large. We believe select non-U.S. stocks and smaller U.S. companies present significant opportunities with far more attractive valuations, but within these areas we are focused on strong business models and balance sheets.
	Increasing exposure to Japanese equities	Reform efforts in Japan aimed at ending deflation and improving corporate profitability are starting to pay dividends improving structural economic growth and stock market earnings. Valuations are still far lower than most other market segments and the market has a rare combination of large size but also significant inefficiency which we believe all creates significant opportunity.
Fixed Income	Full weighting but intermediate duration	A healthy credit environment and higher yields relative to inflation expectations make bonds attractive in our view, but continued economic strength and deficit concerns lead us to stick with an intermediate overall duration.
	Highly selective within credit as economic risks rise and spreads remain tight	Spreads are still inside long-term historical norms despite rising economic uncertainty. We still see some selective opportunities in securitized credit and idiosyncratic corporate credit but with an overall cautious posture.
Private Investments*	Continuing allocations to traditional private asset classes	Higher funding costs will likely continue to weigh on private market activity, but this should also create opportunities. We still see long-term value in allocating to skilled managers across buyout, venture and growth. Private credit is looking particularly attractive as funding challenges can help lenders negotiate higher yields and/or stronger covenants.
Hedge Funds*	Looking for opportunities to find diversifying strategies with idiosyncratic return streams	We believe that hedged strategies that offer differentiated return streams can help add returns and diversification and are poised to benefit in a broadening market.

Source: Brown Advisory Analysis. *Alternative investments may be available for qualified purchasers and accredited investors only. Note: All commentary is as of 03/31/2025 unless otherwise noted. Please see the end of this presentation for important disclosures and a complete list of terms and definitions.

HISTORICAL COMPARISON BETWEEN MARKET DRAWDOWNS AND RECESSIONS

As of March 31, 2025

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Start Date for Downturn in S&P 500 Index	Length of Months of Correction	Percentage Drop	Starting T12M P/E Ratio	Time to Recover to Previous Peak (Months)	1-Year Forward Returns from Trough
11/29/1968	18	-36.1	15.6	21	34.4
4/28/1971	7	-13.9	17.5	2	27.7
1/11/1973	21	-48.2	16.7	83	26.0
9/21/1976	18	-19.4	10.0	17	20.1
9/12/1978	2	-13.6	8.1	9	18.4
10/5/1979	1	-10.1	6.7	3	39.5
2/13/1980	1	-13.7	6.7	4	40.1
11/28/1980	21	-27.1	7.9	3	44.2
10/10/1983	10	-14.4	11.5	6	18.2
8/25/1987	3	-33.5	20.3	20	23.3
10/9/1989	4	-10.2	11.8	4	14.6
7/16/1990	3	-19.9	15.7	4	33.4
7/17/1998	2	-19.3	26.3	3	27.8
3/24/2000	31	-49.1	29.5	56	20.8
11/27/2002	3	-14.7	20.5	2	38.5
10/9/2007	17	-56.8	16.9	49	49.7
4/23/2010	2	-16	18.7	4	30.7
4/29/2011	5	-19.4	16.2	5	30.2
5/21/2015	9	-14.2	18.4	5	25.0
10/1/2018	3	-19.2	20.8	5	21.7
2/19/2020	1	-33.8	22.2	5	56.3
1/3/2022	10	-24.5	26.1	14	23.6
Average Over All Periods	9	-24.0		15	30.2
Avg. during Recessions (ex. COVID)	19	-39.5		36	34.8

*Shaded denotes recessionary periods

Source: Bloomberg; as of 03/31/2025. Please see the end of this presentation for important disclosures and a complete list of terms and definitions

THE CASE FOR DIVERSIFICATION

As of March 31, 2025

Brown ADVISORY
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Calendar Year Index Returns (%)

Data through March 31, 2025

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 (YTD)	Trailing 10-Year Annualized
Best Performing	U.S. Large 1.4%	U.S. Small 21.3%	Em. Mkts. 37.3%	IG Bonds 0.0%	U.S. Large 31.5%	U.S. Small 19.9%	U.S. Large 28.7%	Commodities 16.1%	U.S. Large 26.3%	U.S. Large 25.0%	Commodities 8.9%	U.S. Large 12.5%
	IG Bonds 0.5%	U.S. Large 12.0%	Dev. Intl. 25.0%	U.S. Large -4.4%	U.S. Small 25.5%	U.S. Large 18.4%	Commodities 27.1%	IG Bonds -13.0%	Dev. Intl. 18.2%	U.S. Small 11.5%	Dev. Intl. 6.9%	U.S. Small 6.3%
	Dev. Intl. -0.8%	Commodities 11.8%	U.S. Large 21.8%	U.S. Small -11.0%	Dev. Intl. 22.0%	Em. Mkts. 18.3%	U.S. Small 14.8%	Dev. Intl. -14.5%	U.S. Small 16.9%	Em. Mkts. 7.5%	Em. Mkts. 2.9%	Dev. Intl. 5.4%
	U.S. Small -4.4%	Em. Mkts. 11.2%	U.S. Small 14.6%	Commodities -11.2%	Em. Mkts. 18.4%	Dev. Intl. 7.8%	Dev. Intl. 11.3%	U.S. Large -18.1%	Em. Mkts. 9.8%	Commodities 5.4%	IG Bonds 2.8%	Em. Mkts. 3.7%
	Em. Mkts. -14.9%	IG Bonds 2.6%	IG Bonds 3.5%	Dev. Intl. -13.8%	IG Bonds 8.7%	IG Bonds 7.5%	IG Bonds -1.5%	Em. Mkts. -20.1%	IG Bonds 5.5%	Dev. Intl. 3.8%	U.S. Large -4.3%	Commodities 2.8%
Worst Performing	Commodities -24.7%	Dev. Intl. 1.0%	Commodities 1.7%	Em. Mkts. -14.6%	Commodities 7.7%	Commodities -3.1%	Em. Mkts. -2.5%	U.S. Small -20.5%	Commodities -7.9%	IG Bonds 1.3%	U.S. Small -9.5%	IG Bonds 1.5%

Source: Bloomberg, LP. Indices: IG Bonds – Bloomberg Aggregate Bond Index; U.S. Large-Cap – S&P 500® Index; U.S. Small-Cap – Russell 2000® Index; Dev. Intl. – MSCI EAFE Net Total Return USD Index; Em. Mkts. – MSCI Emerging Markets Net Total Return USD Index; Commodities – Bloomberg Commodity Index Total Return (BCOMTR). Please see the end of this presentation for important disclosures and a complete list of terms and definitions.

DYNAMIC PORTFOLIO MANAGEMENT

As of March 31, 2025

Brown Advisory
Thoughtful Investing.

The Three-Bucket Approach

Brown Advisory adheres to a “three-bucket” approach to portfolio construction. In practice, all three buckets may be part of the same portfolio, but we believe that it is useful to separate them conceptually. The diagram below illustrates how the three-bucket approach helps ensure adequate liquidity and manage risks, particularly during periods of elevated uncertainty.

BROWN ADVISORY | INSIGHTS

Our latest thinking on capital markets, investment strategy AND long-term planning.

Brown ADVISORY
Thoughtful Investing.

PODCAST SERIES

CIO Perspectives | Positioning for Uncertainty

In this episode, Sid Ahl, Paul Chew and Kif Hancock analyze the 2025 Asset Allocation Outlook, noting market volatility and the significant shifts since the U.S. elections. The conversation highlights initial investor enthusiasm about deregulation and tax cuts under the new administration, which quickly shifted to concerns over tariffs and cost-cutting. The group discusses the market's current uncertainty, noting rapid changes in investor sentiment and significant declines in major tech stocks. They also explore European market dynamics, including an increase in investments due to structural reforms and cheaper valuations compared to the U.S. Sid and Paul discuss the implications of AI advancements, particularly the impact of the Chinese company DeepSeek on tech stocks. The dialogue concludes with reflections on fixed income markets, U.S. fiscal concerns and opportunities in private markets. Overall, this discussion underscores the need for diversification and adaptive strategies in the current economic landscape.

NOW Podcast | The Case for Techno-Optimism: A Conversation with Marc Andreesen

Marc Andreessen is one of the most influential Silicon Valley founders and investors, so when he talks about the future of tech, we want to pay attention. In this conversation, recorded live at our NOW conference in June 2024, Brown Advisory's Elise Liberto sat down with Marc to explore: why he's a techno-optimist, innovation in the age of AI, the state of venture capital, and lots more.

NOW Podcast | Creating Breakthrough Cultures: A Conversation with Dr. Kim Budil

As investors, we are keenly interested in what it takes to create and sustain cultures of excellence. In this conversation, recorded live at our NOW conference in San Francisco in June, Brown Advisory's Karina Funk sat down with Kim Budil, Director of the Lawrence Livermore National Laboratory. For Dr. Budil, stewarding a culture designed for transformational technical breakthroughs–such as fusion ignition–is a matter of national security and global stability.

PUBLICATIONS

Asset Allocation | 2025 Asset Allocation Perspectives / Outlook by the CIO Team

Equity Beat | The Butterfly Effect by Eric Gordon

Equities, Sustainable Investing | Investment Opportunities in Sustainable Aviation by Lara Wigan

Equity Beat | A Good, But Not 'Magnificent,' Start by Eric Gordon

Equity Beat | Assessing Our Advantages in the Era of AI by Eric Gordon

DISCLOSURES

The views expressed are those of the author and Brown Advisory as of the date referenced and are subject to change at any time based on market or other conditions. These views are not intended to be and should not be relied upon as investment advice and are not intended to be a forecast of future events or a guarantee of future results. Past performance is not a guarantee of future performance, and you may not get back the amount invested. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. To the extent specific securities are mentioned, they have been selected by the author on an objective basis to illustrate views expressed in the commentary and do not represent all of the securities purchased, sold or recommended for advisory clients. The information contained herein has been prepared from sources believed reliable but is not guaranteed by us as to its timeliness or accuracy and is not a complete summary or statement of all available data. This piece is intended solely for our clients and prospective clients, is for informational purposes only and is not individually tailored for or directed to any particular client or prospective client.

Past performance is not indicative of future results. Definitions of indices used are below. An investor cannot invest directly into an index. Any business or tax discussion contained in this communication is not intended as a thorough, in-depth analysis of specific issues. Brown Advisory does not render legal or tax advice. Prior to making an investment decision, a prospective investor should consult with its own legal, tax, accounting and other advisors to determine the potential benefits, burdens, and other consequences of such investment.

Investors should be aware that a private equity investment involves a high degree of risk and, therefore, should be undertaken only by investors capable of evaluating such risks of and bearing the risks it represents. There can be no assurance that any investment objectives will be achieved, or that investors will receive a return of their capital. Accordingly, investors should only invest in private equity investments if such investors are able to withstand a total loss of their investment.

The **S&P 500® Index** represents the large-cap segment of the U.S. equity markets and consists of approximately 500 leading companies in leading industries of the U.S. economy. Criteria evaluated include market capitalization, financial viability, liquidity, public float, sector representation and corporate structure. An index constituent must also be considered a U.S. company. The **S&P 500 Equal Weight Index** takes the 500 companies in the S&P 500 and assigns each company an equal weight. This method reduces the dominance of the largest companies and provides a broader representation of the market's overall performance. These trademarks have been licensed to S&P Dow Jones Indices LLC. S&P, Dow Jones Indices LLC, Dow Jones, S&P and their respective affiliates (collectively "S&P Dow Jones Indices") do not sponsor, endorse, sell, or promote any investment fund or other investment vehicle that is offered by third parties and that seeks to provide an investment return based on the performance of any index. This document does not constitute an offer of services in jurisdictions where S&P Dow Jones Indices does not have the necessary licenses. S&P Dow Jones Indices receives compensation in connection with licensing its indices to third parties.

The **MSCI USA Net Total Return (USD) Index** captures the net total return of the U.S. equity market, accounting for both price performance and income from dividends, after deducting withholding taxes applicable to non-resident institutional investors**.** The **MSCI EAFE Net Total Return (USD) Index** measures the performance of large and mid-cap segments of developed markets, excluding the U.S. and Canada. It covers 21 developed market countries and captures the net total return, which includes reinvested dividends after the deduction of withholding taxes applicable to non-resident institutional investors. The **MSCI Emerging Markets Net Total Return (USD) Index** captures the net total return of the emerging markets, accounting for both price performance and income from dividends, after deducting withholding taxes applicable to non-resident institutional investors. The **MSCI Europe USD Total Return Index** is a benchmark that measures the performance of large and mid-cap stocks across 15 developed markets in Europe. It includes reinvested dividends, providing a comprehensive view of the total return of the index constituents. This index is widely used by investors to track the performance of European equities in USD terms. The **MSCI Japan USD Total Return Index** captures the total return of the Japanese equity market, including reinvested dividends, expressed in U.S. dollars (USD). The **MSCI Asia ex Japan USD Total Return Index** is a benchmark that tracks the performance of large and mid-cap stocks across developed and emerging markets in Asia, excluding Japan. It incorporates reinvested dividends, providing a comprehensive view of the total return of its constituents. This index is widely used by investors to evaluate the performance of Asian equities in USD terms. The **MSCI ACWI Index** captures large and mid-cap representation across Developed Markets (DM) and Emerging Markets (EM) countries. The Index covers approximately 85% of the global investable equity opportunity set. The **MSCI ACWI ex U.S. Index** is designed to measure the performance of equities in both developed and emerging markets, excluding the United States. It includes large- and mid-cap companies, capturing approximately 85% of the investable equity universe outside the U.S. MSCI® and MSCI Indexes are trademarks and service marks of MSCI Inc. or its subsidiaries.

The **Bloomberg Municipal Bond 1-10 Year Blend Index** is a market value-weighted index which covers the short and intermediate components of the Bloomberg Municipal Bond Index—an unmanaged, market value-weighted index which covers the U.S. investment-grade tax-exempt bond market. The 1-10 Year Municipal Blend index tracks tax-exempt municipal General Obligation, Revenue, Insured, and Prefunded bonds with a minimum $5 million par amount outstanding, issued as part of a transaction of at least $50 million, and with a remaining maturity from one up to (but not including) 12 years. The index includes reinvestment of income. The **Bloomberg Municipal Bond Index** measures the performance of the U.S. municipal bond market. It includes investment-grade, fixed-rate municipal bonds with maturities of at least one year. The **Bloomberg U.S. Aggregate Bond Index** is an unmanaged, market-value weighted index composed of taxable U.S. investment grade, fixed rate bond market securities, including government, government agency, corporate, asset-backed, and mortgage-backed securities between one and 10 years. The **Bloomberg Commodity Total Return Index (BCOMTR)** is a broadly diversified commodity index that tracks the performance of a wide range of commodity sectors. This index reflects the total return from a fully collateralized investment in the Bloomberg Commodity Index (BCOM), which includes both the price return of the underlying commodity futures and the return on cash collateral invested in U.S. Treasury Bills. The **Bloomberg US Corporate Bond Index** measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by U.S. and non-U.S. industrial, utility and financial issuers. The **Bloomberg U.S. Mortgage-Backed Securities (MBS) Index** measures the performance of U.S. mortgage-backed fixed-income securities. It serves as a benchmark for the MBS segment of the U.S. bond market. The **Bloomberg Commercial Mortgage-Backed securities (CMBS) Investment Grade Index** tracks the performance of investment-grade commercial mortgage-backed securities (CMBS). These securities are backed by commercial real estate loans and are structured into tranches based on credit risk. The **Bloomberg U.S**. **Asset-Backed Securities (ABS) Index** measures the performance of U.S. asset-backed securities, which are financial instruments backed by pools of assets like loans, leases, or receivables. It serves as a benchmark for the ABS segment of the fixed-income market. The **Bloomberg U.S. Treasury Index** measures the performance of U.S. Treasury securities, including fixed-rate and inflation-linked bonds. It serves as a benchmark for the U.S. government bond market. The **Bloomberg U.S. Corporate High Yield Index** measures the market of U.S.D-denominated, noninvestment grade, fixed rate, taxable corporate bonds. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below, excluding emerging market debt. The Bloomberg Bitcoin Index is designed to measure the performance of a single bitcoin traded in USD. The index is owned and administered by Bloomberg Index Services Limited ("BISL" or "Administrator"). "Bloomberg®", and the Bloomberg Indices used are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by Brown Advisory. Bloomberg is not affiliated with Brown Advisory, and Bloomberg does not approve, endorse, review, or recommend Brown Advisory strategies. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to Brown Advisory strategies.

DISCLOSURES
Continued

The **Russell 2000® Index** measures the performance of the small-cap segment of the U.S. equity universe. The Index is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The **Russell 2000® Growth Index** measures the performance of the small-cap growth segment of the US equity universe. The **Russell 2000® Value Index** measures the performance of the small- cap value segment of the U.S. equity universe. The **Russell 3000 Index**® is a capitalization-weighted stock market index that seeks to be a benchmark of the entire U.S. stock market. It measures the performance of the 3,000 largest publicly held companies incorporated in America as measured by total market capitalization and represents approximately 97% of the American public equity market. The **Russell 1000® Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. The **Russell 1000® Value Index** measures the performance of the large-cap value segment of the U.S. equity universe. The index was developed with a base value of 140.00 as of December 31, 1986. The Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell ® is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or Russell ratings or underlying data and no party may rely on any Russell Indexes and/or Russell ratings and / or underlying data contained in this communication. No further distribution of Russell data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication.

ICE BofA US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. In order to qualify for inclusion, securities must be auctioned on or before the third business day before the last business day of the month and settle before the following calendar month end. Inception date: December 31, 1977. ICE® IS A REGISTERED TRADEMARK OF ICE DATA OR ITS AFFILIATES, AND BOFA® IS A REGISTERED TRADEMARK OF BANK OFAMERICA CORPORATION.

The **Dow Jones Industrial Average (DJIA)** is a price-weighted stock market index that tracks the performance of 30 significant publicly traded companies in the United States. Representing diverse industries (excluding transportation and utilities), it serves as a benchmark for the overall health of the U.S. stock market and economy.
The **Retail Sales Index (RSI)** is an economic indicator that tracks the total sales of retail goods over a specific period, typically monthly. It reflects the performance of the retail sector and provides insights into consumer spending patterns, which are a significant component of overall economic activity.

The **TOPIX (Tokyo Stock Price Index)** tracks all domestic companies listed on the Tokyo Stock Exchange First Section, which is comprised of large companies. TOPIX® and Tokyo Stock Price Index are registered trademarks of the Tokyo Stock Exchange, Inc. (TSE). The TOPIX Index is a product of the Tokyo Stock Exchange, Inc.

The **U.S. Policy Uncertainty Index** quantifies the degree of uncertainty about U.S. economic policy by analyzing the frequency of newspaper articles discussing economic policy uncertainty, the number of federal tax code provisions set to expire in future years, and disagreement among economic forecasters about future government purchases and inflation. U.S. Policy Uncertainty Index is a product of Economic Policy Uncertainty and is used herein with permission.

The **Magnificent Seven Index** is a basket of seven high-performing U.S.-based companies, primarily in the technology sector. These companies are Alphabet, Amazon, Apple, Meta, Microsoft, NVIDIA, and Tesla. The index is weighted based on free-float market capitalization and is rebalanced quarterly. It allows investors to trade these influential companies collectively, reflecting their dominance in market trends and technological innovation.

The **Consumer Confidence Index (CCI)** is a monthly economic indicator that gauges consumer optimism or pessimism about the economy, business conditions, and their personal finances, often used as a leading indicator of future economic activity.

The **Small Business Optimism Index**, published by the National Federation of Independent Business (NFIB), is a composite of ten indicators that reflect the state of the small business economy. These indicators include plans for employment, capital outlays, inventory changes, and expectations for sales and economic conditions.

Sectors are based on the Global Industry Classification Standard (GICS) sector classification system. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor's. "Global Industry Classification Standard (GICS), "GICS" and "GICS Direct" are service marks of Standard & Poor's and MSCI . "GICS" is a trademark of MSCI and Standard & Poor's.

Alternative Investments may be available for Qualified Purchasers and Accredited Investors only. Private equity investments will be characterized by a high degree of risk, volatility and illiquidity due, among other things, to the nature of the investments.

DISCLOSURES

Terms and Definitions

The **10-year U.S. Treasury yield** is the return on investment, expressed as a percentage, on the U.S. government’s debt obligations issued with a maturity of 10 years. It is one of the most closely watched indicators in financial markets because it serves as a benchmark for a variety of financial instruments, including other government and corporate bonds, loans, and mortgages.

CAPE Ratio: Cyclically Adjusted Price–to-Earnings Ratio or P/E Ratio is a ratio for valuing a company that measures its current share price relative to its per-share earnings.

Capital Expenditures (CapEx) refer to the funds that a company uses to acquire, upgrade, and maintain physical assets such as property, industrial buildings, or equipment. These expenditures are crucial for the long-term growth and efficiency of a company.

Compound Annual Growth Rate (CAGR) is a widely used financial metric that measures the annualized growth rate of an investment over a specified period, assuming the profits are reinvested each year.

Consumer Price Index (CPI) is a widely used measure that examines the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.

Dividend Yield: Represents the annual dividend payment of a stock as a percentage of its current price. Indicates the return an investor receives in the form of dividends.

Earnings Growth: Measures the annualized rate of growth in a company’s earnings (profits) over a specific period. Useful for assessing future profitability.

Earnings Per Share (EPS) is a financial metric that indicates the profitability of a company. It is calculated by dividing the company’s net income by the number of outstanding shares of its common stock.

Forward Price-to-Earnings (P/E) Premium refers to the valuation metric that compares a company’s projected earnings per share (EPS) to its current market price per share. This premium is often used to assess whether a stock is overvalued or undervalued relative to its expected future earnings growth.

Free-Cash-Flow Yield: Calculated as the inverse of an index’s price-to-free cash flow ratio. In other words, it is calculated as the expected free cash flow of the index divided by the index’s current price. Free cash flow is a measure of financial performance calculated as operating cash flow minus capital expenditures and changes to net working capital.

The **G7 (Group of Seven)** consists of the world's major advanced economies. These countries collaborate on global economic policy and other international issues. The members are Canada, France, Germany, Italy, Japan, United Kingdom and the United States.

P/E Ratio (Price-to-Earnings Ratio): Compares a company's stock price to its earnings per share (EPS). Indicates how much investors are willing to pay for $1 of earnings.

Personal Consumption Expenditures (PCE) Inflation is a measure of the average increase in prices for all domestic personal consumption. It tracks changes in the cost of goods and services purchased by households and is a critical indicator of inflation in the economy.

Spot Exchange Rate: refers to the current exchange rate at which one currency can be exchanged for another currency for immediate delivery. This rate is typically quoted for the most commonly traded currencies in the foreign exchange (forex) market.

Volatility: Refers to the degree of variation in the price of a financial instrument over time. High volatility indicates larger price swings; low volatility reflects stability.

Yield-to-Date (YTD) Return measures the performance of an investment or portfolio from the start of the calendar year up to the current date. It is a useful metric for tracking growth or loss over the current year.

Year-to-Date (YTD) Earnings Revision refers to the changes in earnings estimates for a company, sector, or index over the course of the current year. Analysts and investors track these revisions to gauge shifts in market sentiment, economic conditions, or company performance.