

Before the Bell

An Ameriprise Investment Research Group Publication

September 18, 2024

Starting the Day

- U.S. equity index futures suggest a flat open.
- European markets are trading lower at midday.
- Asian markets ended mostly higher.
- Mortgage applications surge 14% week/week.
- All eyes on the Fed announcement at 2 PM ET.
- 10-year Treasury yield at 3.69%.
- West Texas Intermediate (WTI) oil is trading at \$70.63.
- Gold is trading at \$2,602.80

Market Perspectives

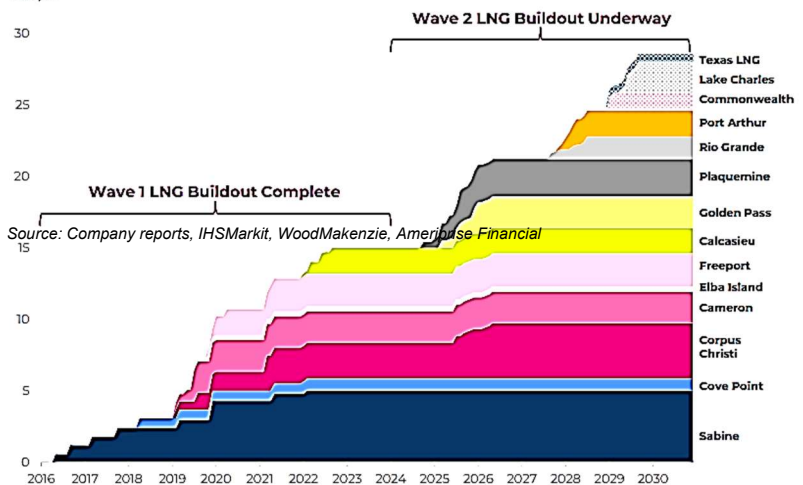
Will Foley, ASIP, Director Energy & Utilities

In addition to comments related to overnight activity and pre-market conditions, each Wednesday, we feature commentary from members of the Ameriprise Global Asset Allocation Committee discussing investment considerations targeting their specific area of expertise. The comments are intended to provide additional insight into Committee allocation recommendations.

We're Bullish on Natural Gas Prices in 2025. We believe the benchmark Henry Hub natural gas price could trade up to ~\$4.00/mcf in 2025, or 72% above the recent price of \$2.32/mcf. The most significant catalyst is the expected significant expansion in U.S. Liquefied Natural Gas (LNG) export capacity over the next 5-10 years, in our view. We discuss this in greater detail on page 2. We believe natural gas storage inventories versus the five-year average is the most important driver of the commodity price, with inventories below (above) the historical average bullish (bearish) for natural gas prices. As of the latest weekly report (9/12/2024) inventories were 10% above the five-year average, mostly due to the recent mild winter plus natural gas production growth over the last 12-24 months. However, the surplus has declined sharply from ~40% in March, partly due to E&P's reducing drilling activity. Inventories above the five-year average are typically bearish for natural gas prices. However, the reduced natural gas drilling activity is slowing production growth and could help balance the market over the next 6-12 months, in our view. The Baker Hughes rig count measures the number of rigs drilling for oil and gas in the U.S., an important predictor of future production levels. The U.S. natural gas rig count was recently 97, down 20% y/y. The U.S. Energy Information Administration (EIA) estimates dry gas production grew ~5% in 2022 and ~4% in 2023, with 2024 volumes expected to be roughly flat (due to lower drilling activity) and 2025 production projected to grow by 1%. However, we believe production could decline more than this forecast over the next few quarters due to additional drilling cuts announced by Exploration and Production (E&P) companies in recent months. We expect

U.S. LNG EXPORT BUILD OUT

Bcf/d



NOTE: FOR IMPORTANT DISCLOSURES, INCLUDING POSSIBLE CONFLICTS, PLEASE SEE THE DISCLOSURE PAGES AT THE END OF THIS DOCUMENT.

the resulting flattening or decline in production to help reduce the inventory overhang (assuming normal weather), which could be a positive catalyst for natural gas prices. However, given the surplus storage inventories, we expect natural gas prices to remain subdued at least until the beginning of the winter heating season in November. Nevertheless, assuming normal winter temperatures, storage inventories could exit the 2024-25 winter in line with the five-year average, which could be a positive catalyst for natural gas prices, in our view.

However, We believe the most significant potential catalyst for natural gas prices is growing LNG export capacity over the next 5-10 years. LNG refers to freezing natural gas to very low temperatures (which reduces volume dramatically) and exporting the commodity via specialized tankers. U.S. LNG export capacity is currently ~13 billion cubic feet per day (bcfd). However, there are new export facilities under construction totaling ~11 bcfd, with capacity expected to grow to ~29 bcfd by 2030. This represents growth of ~120% over the next seven years. International LNG prices typically trade at a significant premium to domestic natural gas prices. From 2019 to 2023 the average U.S. LNG export price was \$7.66/mcf versus a domestic price of \$3.80/mcf, or a 102% premium. Assuming this premium continues, we expect U.S. LNG export facilities to remain close to fully utilized over the next several years. We believe these dynamics could push the benchmark Henry Hub natural gas price to ~\$4.00/mcf in 2025. However, the U.S. is only one player in the global LNG market. LNG prices are determined by the supply and demand for natural gas globally. Qatar is the #2 LNG exporter in the world after the U.S. and is planning on boosting gas production by ~85% through 2030, which is significant. Should this expansion result in an oversupplied global LNG market it could weigh on global LNG prices. However, we believe the impact of the Qatar growth will be more of a 2026 and beyond issue, leaving a window of at least 2025 for the domestic natural gas prices to rally.

Market Indicators / Overnight International Market Activity

United States:

Here is a quick news rundown to start your morning:

- **Stock prices are indicated flat this morning.** Yesterday, stocks were largely unchanged with the S&P 500 Index, NASDAQ and DowJones Industrial Average finishing roughly flat.

Europe:

European markets are lower at mid day. France's CAC 40 index is -0.5%, with Germany's DAX 30 -0.1%, while in London, the FTSE 100 -0.8%.

Asia-Pacific:

Equities markets were solidly higher across the Asia/Pacific overnight. The Hang Seng in Hong Kong was 1.4% higher while Japan's Nikkei 225 Index was up 0.5%. Traders in the region were likely focusing on today's FOMC meeting as well as tomorrow's policy meeting and decision from the Bank of Japan.

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WORLD CAPITAL MARKETS

9/18/2024

As of: 8:30 AM ET

Americas	% chg.	% YTD	Value
S&P 500	0.0%	19.3%	5,634.6
Dow Jones	0.0%	12.0%	41,606.2
NASDAQ Composite	0.2%	18.1%	17,628.1
Russell 2000	0.7%	9.9%	2,205.5
Brazil Bovespa	-0.1%	0.6%	134,960
S&P/TSX Comp. (Canada)	-0.1%	15.5%	23,677.7
Russell 3000	0.1%	18.0%	3,211.0

Europe (Intra-day)	% chg.	%YTD	Value
DJSTOXX 50 (Europe)	-0.4%	10.2%	4,840.9
FTSE 100 (U.K.)	-0.6%	10.0%	8,261.3
DAX Index (Germany)	0.0%	11.7%	18,719.6
CAC 40 (France)	-0.4%	1.6%	7,454.5
FTSE MIB (Italy)	-0.1%	11.2%	33,759.3
IBEX 35 (Spain)	-0.1%	19.5%	11,687.8
MOEX Index (Russia)	#VALUE!	#VALUE!	#N/A N/A

Asia/Pacific (Last Night)	% chg.	%YTD	Value
Nikkei 225 (Japan)	0.5%	9.7%	36,380.2
Hang Seng (Hong Kong)	1.4%	7.9%	17,660.0
Korea Kospi 100	0.1%	-2.0%	2,575.4
Singapore STI	0.0%	16.3%	3,592.4
Shanghai Comp. (China)	0.5%	-8.7%	2,717.3
Bombay Sensex (India)	-0.2%	16.1%	82,948.2
S&P/ASX 200 (Australia)	0.0%	11.7%	8,142.1

Global	% chg.	% YTD	Value
MSCI All-Country World Idx	0.0%	15.8%	828.7

Developed International	% chg.	%YTD	Value
MSCI EAFE	-0.1%	10.8%	2,413.3

Emerging International	% chg.	%YTD	Value
MSCI Emerging Mkts	0.4%	9.0%	1,090.5

Note: International market returns shown on a local currency basis. The equity Index data shown above is on a **total return** basis, inclusive of dividends.

S&P 500 Sectors	% chg.	% YTD	Value
Communication Services	0.4%	23.6%	301.8
Consumer Discretionary	0.6%	10.1%	1,551.4
Consumer Staples	-0.9%	19.1%	891.6
Energy	1.4%	7.1%	668.9
Financials	0.5%	21.4%	751.3
Health Care	-1.0%	15.1%	1,808.7
Industrials	0.5%	16.6%	1,113.4
Materials	0.2%	10.5%	588.7
Real Estate	-0.8%	14.3%	280.9
Technology	-0.1%	25.5%	4,242.8
Utilities	-0.1%	27.0%	399.1

Equity Income Indices	% chg.	% YTD	Value
JPM Alerian MLP Index	-0.1%	13.7%	289.1
FTSE NAREIT Comp. TR	-0.7%	14.4%	27,370.6
DJ US Select Dividend	-0.1%	17.2%	3,519.3
DJ Global Select Dividend	0.0%	12.3%	237.8
S&P Div. Aristocrats	-0.2%	12.4%	4,800.9

Bond Indices	% chg.	% YTD	Value
Barclays US Agg. Bond	-0.2%	5.1%	2,271.9
Barclays HY Bond	0.2%	7.4%	2,664.3

Commodities	% chg.	% YTD	Value
CRB Raw Industrials	-0.1%	1.2%	550.3
NYMEX WTI Crude (p/bbl.)	-0.8%	-1.5%	70.6
ICE Brent Crude (p/bbl.)	-0.8%	-5.1%	73.1
NYMEX Nat Gas (mmBtu)	1.0%	-6.6%	2.3
Spot Gold (troy oz.)	0.3%	24.9%	2,576.6
Spot Silver (troy oz.)	-0.3%	28.6%	30.6
LME Copper (per ton)	-0.3%	9.1%	9,237.6
LME Aluminum (per ton)	-0.2%	7.1%	2,513.0
CBOT Corn (cents p/bushel)	0.5%	-17.7%	414.5
CBOT Wheat (cents p/bushel)	1.2%	-12.9%	582.5

Foreign Exchange (Intra-day)	% chg.	% YTD	Value
Euro (€/€)	0.1%	0.8%	1.11
British Pound (£/\$)	0.3%	3.7%	1.32

	% chg.	% YTD	Value
Japanese Yen (\$/¥)	0.3%	-0.7%	142.02
Australian Dollar (A\$/S)	0.4%	-0.5%	0.68

	% chg.	% YTD	Value
Canadian Dollar (\$/C\$)	0.1%	-2.5%	1.36
Swiss Franc (\$/CHF)	0.4%	-0.3%	0.84

Data/Price Source: Bloomberg. Equity Index data is total return, inclusive of dividends, where applicable.

Ameriprise Global Asset Allocation Committee (GAAC)

U.S. Equity Sector - Tactical Views

	S&P 500 Index Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight		S&P 500 Index Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight
Consumer Staples	5.8%	Overweight	2.0%	7.8%	Industrials	8.1%	Equalweight	-	8.1%
Information Technology	32.5%	Equalweight	-	32.5%	Energy	3.6%	Equalweight	-	3.6%
Financials	12.3%	Equalweight	-	12.3%	Utilities	2.3%	Equalweight	-	2.3%
Health Care	11.7%	Equalweight	-	11.7%	Materials	2.2%	Equalweight	-	2.2%
Communication Services	9.4%	Equalweight	-	9.4%	Real Estate	2.1%	Equalweight	-	2.1%
					Consumer Discretionary	10.0%	Underweight	-2.0%	8.4%

As of: June 30, 2024

Index weightings represent the respective market capitalization of each sector in the S&P 500 as of 6/30/2024. The GAAC Tactical Overlay, as well as Recommended Tactical Weights, is derived from the Ameriprise Global Asset Allocation Committee (GAAC). Views are expressed relative to the Index and are provided to represent investment conviction in each region. Tactical Allocations are designed to augment Index returns over a 6-12 month time horizon. Numbers may not add due to rounding.

Global Equity Regions - Tactical Views

	MSCI All-Country World Index Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight		MSCI All-Country World Index Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight
United States	63.6%	Overweight	2.1%	65.7%	Latin America	0.8%	Equalweight	-	0.8%
Europe ex U.K.	12.8%	Overweight	2.0%	14.8%	Asia-Pacific ex Japan	10.6%	Underweight	-3.0%	7.6%
Japan	5.1%	Overweight	1.0%	6.1%	Canada	2.7%	Underweight	-1.0%	1.7%
United Kingdom	3.3%	Equalweight	-	3.3%	Middle East / Africa	1.1%	Underweight	-1.1%	0.0%

as of: June 30, 2024

Index weightings are based on the regional market capitalizations of the MSCI All-Country World Index as of 06/30/2024. The GAAC Tactical Overlay, as well as the Recommended Tactical Weights, are derived from the Ameriprise Global Asset Allocation Committee (GAAC). Views are expressed relative to the Index and are provided to represent investment conviction in each region. Tactical Allocations are designed to augment Index returns over a 6-12 month time horizon. Numbers may not add due to rounding.

Economic News and Views:

Russell T. Price, CFA – Chief Economist

Releases for Wednesday September 18, 2024

All times Eastern. Consensus estimates via Bloomberg

Time	Period	Release	Consensus Est.	Actual	Prior	Revised to
8:30 AM	AUG	Housing Starts (annualized)	1318k	1356k	1237k	
8:30 AM	AUG	Housing Starts (MoM)	+6.5%	+9.6%	-6.8%	
8:30 AM	AUG	Building Permits (annualized)	1412k	1475k	1396k	
8:30 AM	AUG	Building Permits (MoM)	+1.1%	+4.9%	-4.0%	
2:00 PM	NA	FOMC Rate (Upper Bound)	5.25%		5.50%	
2:00 PM	NA	FOMC Rate (Lower Bound)	5.00%		5.25%	

Commentary:

- Housing starts sees a strong bounce from a hurricane-induced drop in July.** New housing starts were almost 10% higher month-over-month (m/m) in August. The sharp increase comes after a 6.8% decline in July. The July decline was heavily influenced by a decline in new building in the southern U.S. due to Hurricane Beryl while July starts in the West were also down due to wildfires.
 - The August figure for total new starts was the best rate since April. Still, given the notable decline in July, the 3-month moving average of new starts remained weak, at an annualized run-rate of 1307k.
 - Single-family unit starts jumped by a remarkably strong 15.8% in August after falling by 12.8% in July. On a year-over-year basis, single family starts were 5.2% higher. Meanwhile, multi-family starts, which are traditionally very volatile, were down 4.2% in the month but up 0.2% y/y.
 - Permits, which are a leading indicator of new starts also improved last month, rising by a better than expected 4.9%. Single-family (+2.8%) and multi-family permits (+9.2%) were both higher,
 - The chart at right has been sourced from FactSet and HAS been updated to reflect today's release.*
- New Housing Starts and Permits**

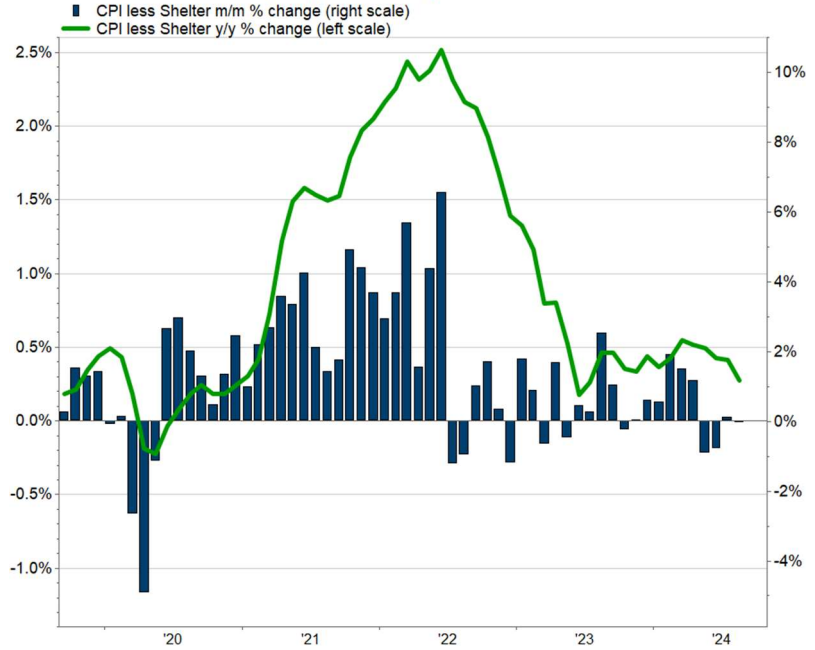
— New Housing Starts, 3-month MA (annualized, in thousands)
— Building Permits, 3-month MA (annualized, in thousands)

Year	New Housing Starts (3-month MA, annualized, in thousands)	Building Permits (3-month MA, annualized, in thousands)
'15	1,050	1,100
'16	1,150	1,200
'17	1,250	1,300
'18	1,350	1,400
'19	1,450	1,500
'20	1,100	1,200
'21	1,600	1,700
'22	1,800	1,900
'23	1,400	1,500
'24	1,350	1,450
- A final word on today's Federal Reserve monetary policy decision.** Consumer prices excluding shelter were just 1.1% higher in August. Financial markets are grappling with whether Fed officials will cut their overnight lending rate by a ¼ of a percentage point or ½ a percentage point at today's policy meeting. Economic data of late seems to support either path, so it may come down to the message officials want to send to markets as to where the balance of economic risks is now most prevalent: inflation or growth?
- Job growth has clearly slowed in our view but consumer spending, while moderating, is likely to remain positive, in our view. Headline inflation metrics, meanwhile, are still above the Fed's target range of about 2.0%, suggesting more work to be done on taming price pressures. The Consumer Price Index (CPI) was +2.5% higher year-over-year (y/y) in August while the Core rate (excluding food & energy) was a more elevated +3.2%. We note that the higher reading on the Core

rate is primarily reflective of the fact that the ‘shelter’ component of the Index represents a larger percentage of its calculation.

- How officials consider the shelter component of inflation will be key to Fed decision making over the intermediate term and we expect Fed Chair Powell to discuss the issue at his press conference today, as he has in past press conferences. As we’ve noted in prior commentaries, this very heavily weighted component reflects real-world housing rental rates with a considerable lag – which is ongoing. According to the Apartment List.com National Rent Report, average rents have been negative on a y/y basis for more than a year (since June 2023). Additionally, removing just the shelter component from CPI tells a much different inflation story. As seen in the chart below, in August, CPI with just the shelter component removed was a meager 1.1% higher y/y. With food, energy and shelter excluded, prices were up 1.6% y/y. The chart at right is sourced from FactSet.

Consumer Price Index (CPI) excluding Shelter



Ameriprise Economic Projections

Forecast:	Full-year				Quarterly						
	Actual 2022	Actual 2023	Est. 2024	Est. 2025	Actual Q3-2023	Actual Q4-2023	Actual Q1-2024	Actual Q2-2024	Est. Q3-2024	Est. Q4-2024	Est. Q1-2025
Real GDP (annualized)	1.9%	2.5%	2.6%	1.7%	4.9%	3.4%	1.4%	3.0%	2.4%	1.5%	1.8%
Unemployment Rate	3.6%	3.7%	4.4%	4.2%	3.8%	3.7%	3.8%	4.1%	4.3%	4.4%	4.4%
CPI (YoY)	8.0%	3.4%	2.4%	2.0%	3.7%	3.4%	3.5%	3.0%	2.5%	2.4%	2.1%
Core PCE (YoY)	5.2%	2.9%	2.4%	2.0%	3.6%	2.9%	2.8%	2.6%	2.5%	2.3%	2.2%

Sources: Historical data via FactSet. Estimates (Est.) via American Enterprise Investment Services Inc.

YoY = Year-over-year, Unemployment numbers are period ending. GDP: Gross Domestic Product; CPI: Consumer Price Index

PCE: Personal Consumption Expenditures Price Index. Core excludes food and energy.

All estimates other than GDP are period ending.

Last Updated: August 30, 2024

Ameriprise Global Asset Allocation Committee Targets and Views

Targets

	Favorable Scenario	Base-Case Scenario	Adverse Scenario
2024 Year-end Targets:			
S&P 500 Index:	5,900	5,750	5,000
10-Year U.S. Treasury Yield:	4.00%	3.75%	3.00%
Fed Funds Target Range:	4.50% to 4.75%	4.75% to 5.00%	4.25% to 4.50%

Estimates (Est.) via American Enterprise Investment Services Inc.

Please see latest *Quarterly Capital Market Digest* for more information.

Last Updated: July 8, 2024

Ameriprise Global Asset Allocation Committee Tactical Asset Class Views

As of 6/30/24

	Overweight	Equalweight	Underweight
Equity	<ul style="list-style-type: none"> U.S. Large Cap Growth Developed Foreign Equity 	<ul style="list-style-type: none"> U.S. Large Cap Value U.S. Mid Cap Value U.S. Mid Cap Growth U.S. Small Cap Value U.S. Small Cap Growth 	<ul style="list-style-type: none"> Emerging Foreign Equity
S&P 500 Sectors	<ul style="list-style-type: none"> Consumer Staples 	<ul style="list-style-type: none"> Communication Services Energy Financials Health Care Industrials Information Technology Materials Real Estate Utilities 	<ul style="list-style-type: none"> Consumer Discretionary
Global Equity Regions	<ul style="list-style-type: none"> Europe ex U.K. Japan United States 	<ul style="list-style-type: none"> Latin America United Kingdom 	<ul style="list-style-type: none"> Asia-Pacific ex Japan Canada Middle East / Africa
Fixed Income	<ul style="list-style-type: none"> U.S. Government U.S. Inv. Grd Corporate 	<ul style="list-style-type: none"> Developed Foreign Bond 	<ul style="list-style-type: none"> Emerging Foreign Bond High Yield Bond
Alternatives		<ul style="list-style-type: none"> Real Assets 	<ul style="list-style-type: none"> Alternative Strategies
Cash		<ul style="list-style-type: none"> Cash 	

Note: Our Tactical Allocations are designed to augment a Strategic portfolio over a 6-12-month time horizon. **Asset Allocation and diversification do not ensure or guarantee better performance and do not eliminate the risk of investment losses. Investors should note that rising interest rates could have a detrimental effect on bond prices. Please consult with your financial advisor.** Cash generally refers to assets, securities and/or products low in risk and highly liquid. For asset allocation purposes, instruments can include Treasury bills, certificates of deposit, money market funds and high quality bonds whose maturities are less than 3 months. Outside of asset allocation purposes, cash investments can also include illiquid cash held in a mutual fund or pledged as collateral for derivatives. You can only access this cash by redeeming the fund using it, subject to fees or time constraints associated with redemptions.

As of June 30, 2024

Major Market Indices	Rolling Returns			
	Q2'24	1-year	3-years	5-years
Russell 3000 [®] Index (U.S. Equity)	3.22%	23.13%	8.05%	14.14%
MSCI ACWI Ex USA Index – net (Foreign Equity)	0.96%	11.62%	0.46%	5.55%
Bloomberg U.S. Universal Bond Index (Fixed Income)	0.19%	3.47%	-2.68%	0.11%
Wilshire Liquid Alternative Index (Alternatives)	0.49%	7.30%	1.37%	2.75%
FTSE Three-Month Treasury Bill Index (Cash)	1.37%	5.64%	3.17%	2.22%

Past performance is not a guarantee of future performance. Performance calculations use FactSet data and are as of Date.

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The Ameriprise Investment Research Group

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As of June 30, 2024

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Risk Factors

Alternative investments involve substantial risks and are more volatile than traditional investments, making them more suitable for investors with an above-average tolerance for risk.

Corporate Bonds are debt instruments issued by a private corporation. Non-Investment grade securities, commonly known as “high-yield” or “junk” bonds, are historically subject to greater risk of default, including the loss of principal and interest, than higher-rated bonds, which may result in greater price volatility than experienced with a higher-rated issue.

Investing in **derivatives** is a specialized activity that involves special risks that subject the fund to significant loss potential, including when used as leverage, and may result in greater fluctuation in fund value.

Diversification and **Asset Allocation** do not assure a profit or protect against loss.

Dividend and interest payments are not guaranteed. The amount of dividend payment, if any, can vary over time and issuers may reduce or eliminate dividends paid on securities in the event of a recession or adverse event affecting a specific industry or issuer. Should a company be unable to pay interest on a timely basis a default may occur and interruption or reduction of interest and principal occur. Investments in a narrowly focused sector may exhibit higher volatility than investments with broader objectives and is subject to market risk and economic risk.

There are risks associated with **fixed-income investments**, including bond funds, such as credit risk, interest rate risk, and prepayment and extension risk. In

general, bond prices rise when interest rates fall and vice versa. This effect is usually more pronounced for longer-term securities.

Growth securities, at times, may not perform as well as value securities or the stock market in general and may be out of favor with investors.

Income Risk: We note that dividends are declared solely at the discretion of the companies' boards of directors. Dividend cuts or eliminations will likely negatively impact underlying company valuations. Published dividend yields are calculated before fees and taxes. Dividends paid by foreign companies to ADR holders may be subject to a withholding tax which could adversely affect the realized dividend yield. In certain circumstances, investors in ADR shares have the option to receive dividends in the form of cash payments, rights shares or ADR shares. Each form of dividend payment will have different tax consequences and therefore generate a different yield. In some instances, ADR holders are eligible to reclaim a portion of the withholding tax.

International investing involves certain risks and volatility due to potential political, economic currency instabilities and different financial and accounting standards. Risks are enhanced for **emerging market** issuers.

Interest payments on **inflation-protected securities** may be more volatile than interest payments on ordinary bonds. In periods of deflation, these securities may provide no income.

Market Risk: Model portfolios and markets in general could sustain significant volatility due to several factors. As we have seen recently, both economic and geopolitical issues could have a material impact on this model portfolio and the equity market as a whole.

The **mutual funds** and **ETFs** included in this report are subject to specific risk factors, generally the same as those of the underlying securities and may result in a loss of the principal amount invested.

Non-investment-grade (high-yield or junk) securities present greater price volatility and more risk to principal and income than higher rated securities.

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Sector Risk: The Ameriprise Global Asset Allocation Committee and managers of this model portfolio can elect to overweight or underweight (or completely avoid) certain economic sectors. This could lead to substantial underperformance versus a more diversified or balanced weighting.

Security Recommendation Risk: The research team may not be successful in selecting securities that collectively perform better than the benchmark. When viewing return comparisons investors should keep in mind the following information. Our model portfolio generally maintains less than 50 securities, whereas benchmark indices contain several times that amount. The benchmark index is market capitalization weighted, providing greater weight to the larger company movements, whereas our model portfolio is designed to be equally dollar weighted. Furthermore, the model portfolio may deviate significantly, at times, from the sector allocation of the benchmark due to our interpretation of economic conditions and market factors as well as our security selection process.

The benchmark index returns are taken from Bloomberg Financial Markets and reflect dividends reinvested. Additionally, there is no fee or cost assumption in the index comparison return.

Investments in **small- and mid-capitalization companies** involve greater risks and volatility than investments in larger, more established companies.

The products of **technology companies** may be subject to severe competition and rapid obsolescence, and their stocks may be subject to greater price fluctuations.

Value securities may be unprofitable if the market fails to recognize their intrinsic worth or the portfolio manager misgauged that worth.

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Index definitions

An index is a statistical composite that is not managed. It is not possible to invest directly in an index.

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