

Market Facts and Figures from Q1 2025

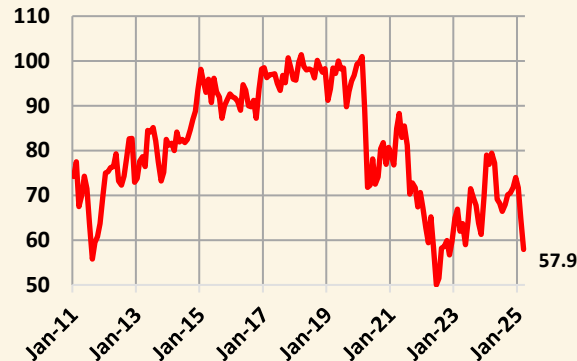
Large Value was the lone positive segment of the US market in the first quarter.

2025 1Q US Returns (Russell Indices)

	Value	Core	Growth
Large	2.1%	-4.5%	-10.0%
Mid	-2.1%	-3.4%	-7.1%
Small	-7.7%	-9.5%	-11.1%

US Consumer Sentiment plunged in February and March.

Univ of MI Consumer Sentiment
Jan 2011 - Mar 2025



Best and Worst Markets

Developed Markets

Top 3	2025 1Q
Spain	22.4%
Norway	20.7%
Italy	17.2%

Bottom 3	2025 1Q
Australia	-2.6%
New Zealand	-8.9%
Denmark	-12.1%

Emerging Markets

Top 3	2025 1Q
Colombia	33.3%
Poland	31.3%
Czech Republic	28.7%

Bottom 3	2025 1Q
Indonesia	-11.2%
Taiwan	-12.6%
Thailand	-13.7%

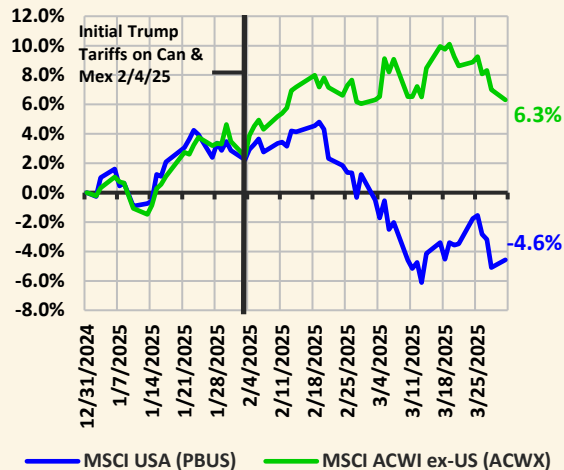
Frontier Markets

Top 3	2025 1Q
Morocco	26.4%
Slovenia	25.8%
Estonia	17.7%

Bottom 3	2025 1Q
Bangladesh	-3.8%
Sri Lanka	-4.0%
Serbia	-14.1%

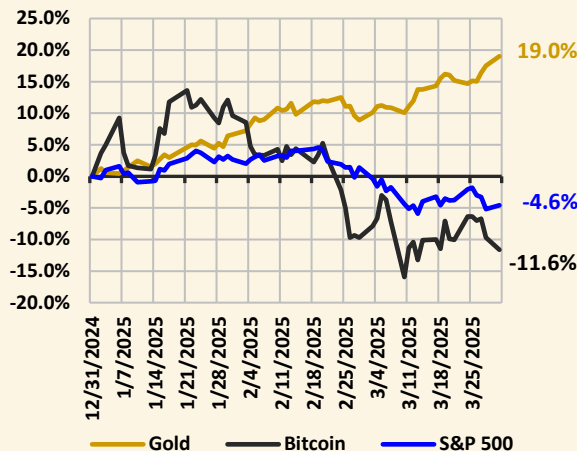
US stocks have lagged behind the International markets since the latest round of tariff wars.

2025 1Q Return: US vs Non-US Stocks



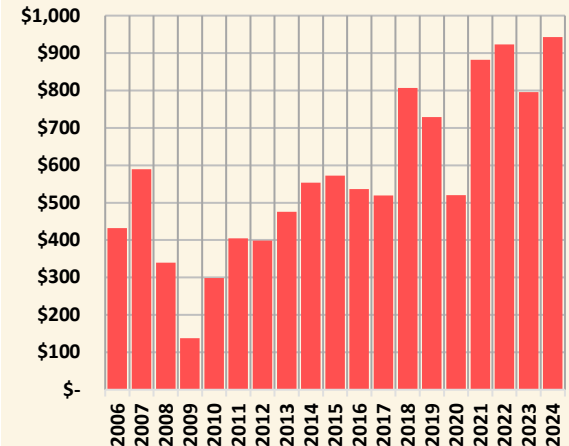
As volatility has returned to the US market, Gold has been up while Bitcoin has traded with stocks.

2025 1Q Return: Gold, Bitcoin & S&P 500



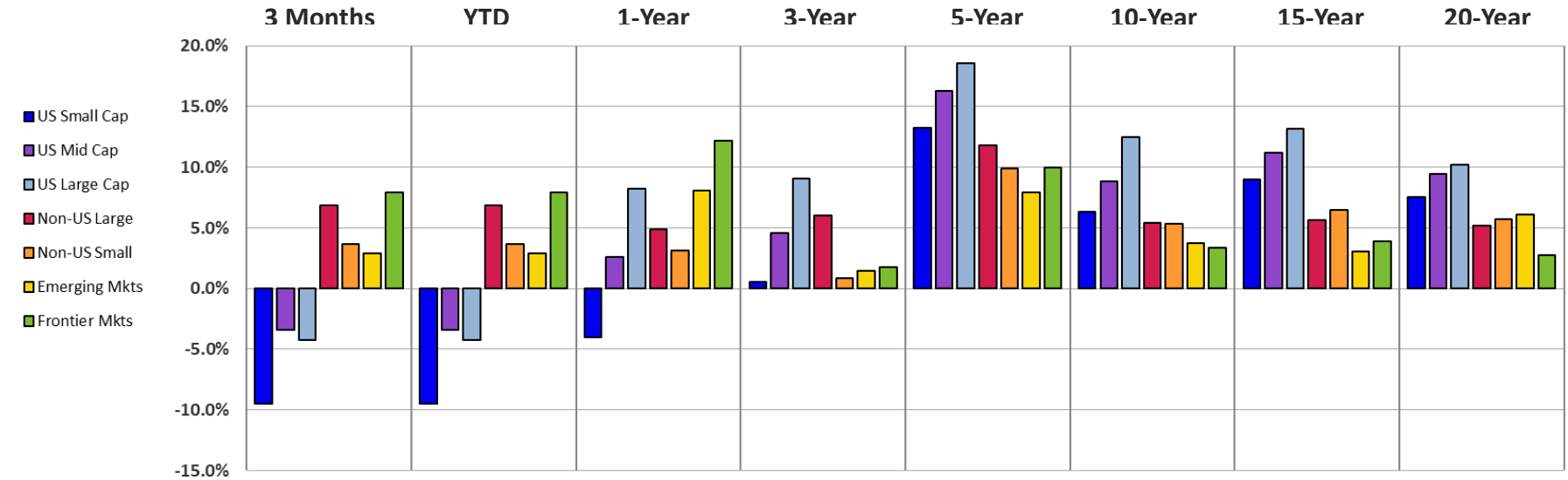
S&P 500 companies set a new record for stock buybacks in 2024 with \$942.5B.

S&P 500 Annual Stock Buybacks (\$bil)



World Equity Performance

Quarter Ending March 31, 2025

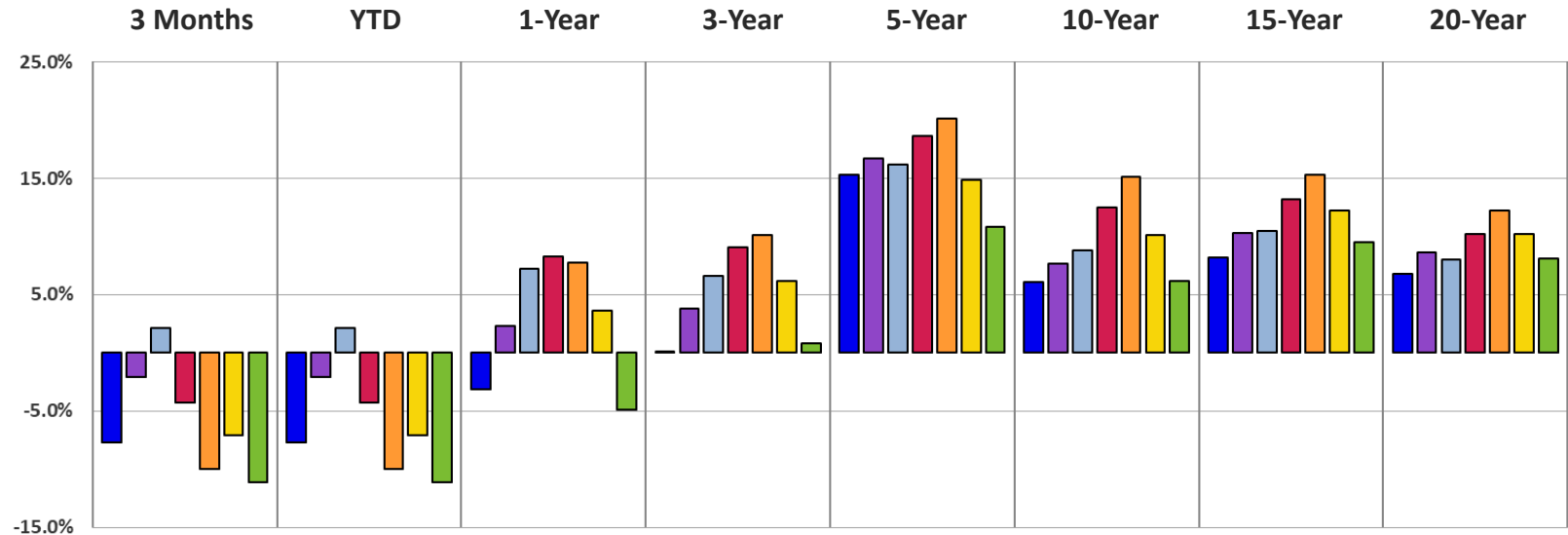


US Small Cap	-9.5%	-9.5%	-4.0%	0.5%	13.3%	6.3%	9.0%	7.5%
US Mid Cap	-3.4%	-3.4%	2.6%	4.6%	16.3%	8.8%	11.2%	9.4%
US Large Cap	-4.3%	-4.3%	8.3%	9.1%	18.6%	12.5%	13.2%	10.2%
Non-US Large	6.9%	6.9%	4.9%	6.1%	11.8%	5.4%	5.6%	5.2%
Non-US Small	3.7%	3.7%	3.1%	0.9%	9.9%	5.3%	6.5%	5.8%
Emerging Mkts	2.9%	2.9%	8.1%	1.4%	7.9%	3.7%	3.0%	6.1%
Frontier Mkts	7.9%	7.9%	12.2%	1.8%	9.9%	3.3%	3.9%	2.8%

While the first quarter was bad for US stocks, they maintain their significant lead over non-US stocks for longer time periods. The big question facing the global market at the moment is the long-term impacts of the current tariff wars, as it is unclear how they may alter trade alliances and where countries choose to manufacture goods in the future.

U.S. Equity Style Performance

Quarter Ending March 31, 2025

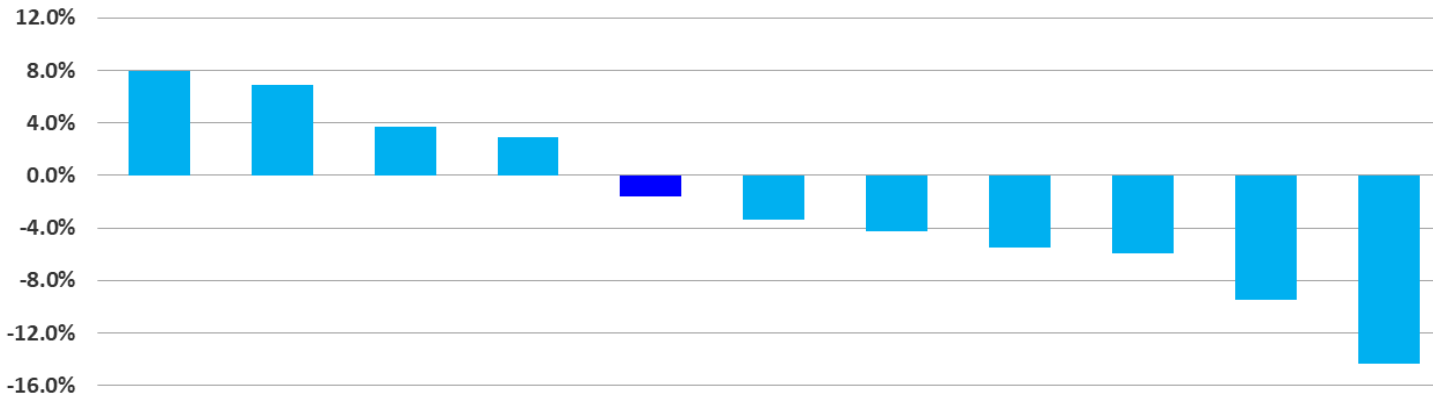


Small Value	-7.7%	-7.7%	-3.1%	0.0%	15.3%	6.1%	8.2%	6.8%
Mid Value	-2.1%	-2.1%	2.3%	3.8%	16.7%	7.6%	10.3%	8.6%
Large Value	2.1%	2.1%	7.2%	6.6%	16.1%	8.8%	10.4%	8.0%
S&P 500	-4.3%	-4.3%	8.3%	9.1%	18.6%	12.5%	13.2%	10.2%
Large Growth	-10.0%	-10.0%	7.8%	10.1%	20.1%	15.1%	15.3%	12.2%
Mid Growth	-7.1%	-7.1%	3.6%	6.2%	14.9%	10.1%	12.2%	10.2%
Small Growth	-11.1%	-11.1%	-4.9%	0.8%	10.8%	6.1%	9.5%	8.1%

The only US style box to post a positive return in Q1 was Large Value stocks, which were up 2.1%. Small Growth and Large Growth were the weakest segments of the market, each down double-digits for the quarter. There was a meaningful drop in real personal consumption expenditures in the month of January (-0.6%), a possible warning sign that the US consumer is starting to feel financial pressure.

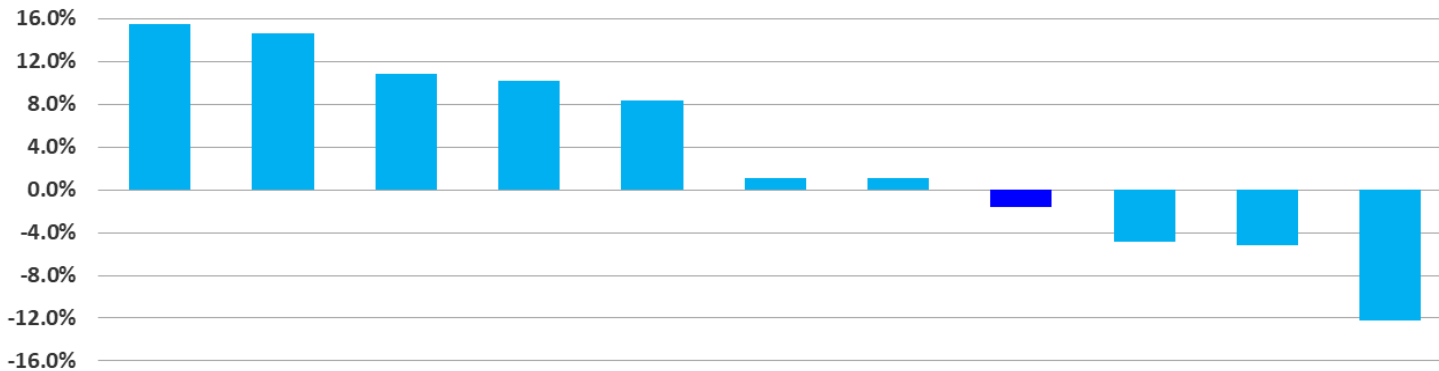
Equity Performance Breakdown

2025 1Q World Index Returns



Non-US stocks led US stocks by a wide margin in the first quarter. Non-US markets were positive (save for Emerging Markets Small Caps), while the US stock indices were all negative. US Small and Micro Cap stocks felt the most pain, down -9.5% and -14.4% respectively. The “Global Economic Policy Uncertainty Index” surged upward during Q1, as did the price of Gold – both a reflection of an increasing level of unease felt by investors in the current market.

2025 1Q Country Returns for the MSCI ACWI IMI

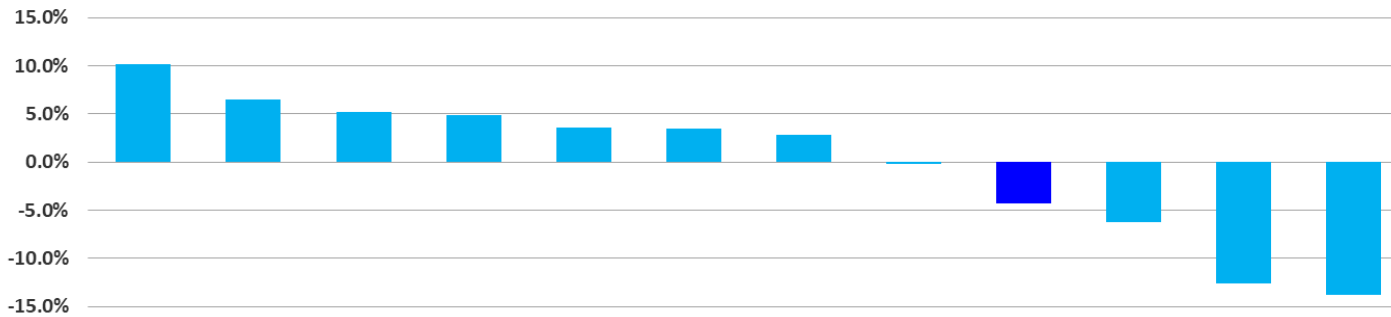


China and core European Union countries Germany and France led the major stock markets for the quarter, all up more than 10%. The US, India and Taiwan were all down to start the year. In the case of Taiwan, the decline was due in part to geopolitical concerns that the US may not defend the island against potential Chinese aggression. The global Tech sector was also roiled by Chinese firm DeepSeek’s announcement of a new AI model that they claim operates far more efficiently than US-based AI models, which sent chipmaker stocks tumbling.

	Germany	China	Switzerland	France	United Kingdom	Canada	Japan	MSCI ACWI IMI Index	U.S.	India	Taiwan
2025 1Q Return	15.5%	14.6%	10.9%	10.2%	8.3%	1.1%	1.1%	-1.6%	-4.9%	-5.2%	-12.2%
Weight in ACWI	2.1%	3.1%	2.1%	2.4%	3.5%	2.8%	5.5%	-	63.2%	2.1%	1.8%

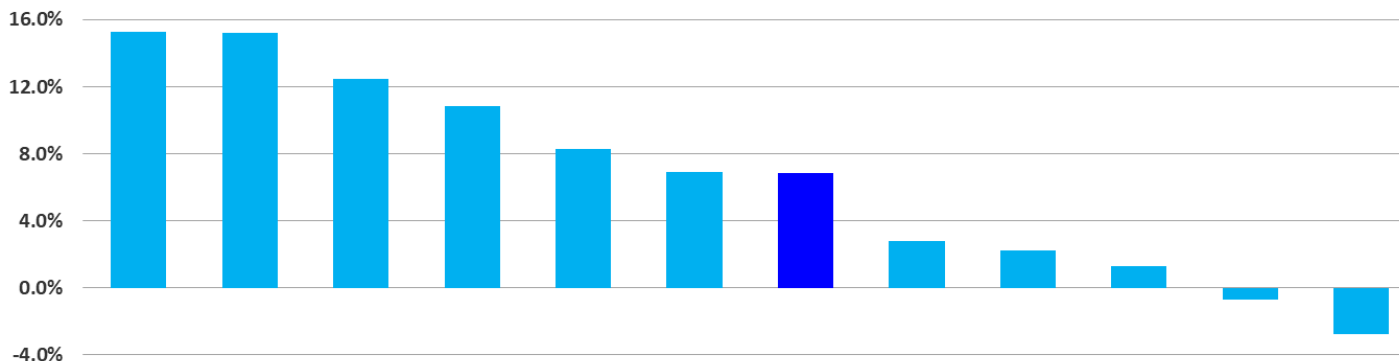
Equity Performance Breakdown

2025 1Q Sector Returns for the S&P 500



	Energy	Health Care	Consumer Staples	Utilities	Real Estate	Financials	Materials	Industrials	S&P 500 Index	Communic. Services	Technology	Consumer Discretionary
2025 1Q Return	10.2%	6.5%	5.2%	4.9%	3.6%	3.5%	2.8%	-0.2%	-4.3%	-6.2%	-12.7%	-13.8%
Weight in S&P	3.7%	11.2%	6.1%	2.5%	2.3%	14.7%	2.0%	8.5%	-	9.2%	29.6%	10.3%

2025 1Q Sector Returns for the MSCI EAFE



	Energy	Financials	Utilities	Communic. Services	Consumer Staples	Industrials	MSCI EAFE Index	Health Care	Materials	Real Estate	Consumer Discretionary	Technology
2025 1Q Return	15.2%	15.2%	12.5%	10.9%	8.3%	6.9%	6.9%	2.8%	2.3%	1.3%	-0.7%	-2.8%
Weight in EAFE	3.7%	23.6%	3.4%	5.0%	8.3%	17.8%	-	12.2%	5.8%	1.9%	10.4%	8.0%

More defensive sectors like Energy, Consumer Staples and Utilities were among the stronger segments of the US market, while Technology and Consumer Discretionary suffered the largest declines. US consumer sentiment plunged during Q1 as the global trade war stoked fears of a return to higher inflation. Uncertainty around near-term inflation also contributed to the Federal Reserve's Q1 decision to hold US interest rates steady after having cut rates three times in the second half of 2024.

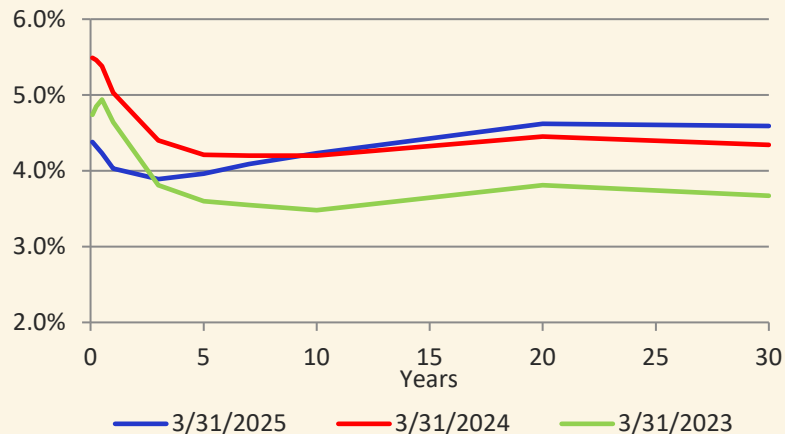
Sector returns were much better in the EAFE index, with Energy, Financials, Utilities and Communication Services all up more than 10%. At the sub-sector level, European Aerospace & Defense-related companies had a particularly strong quarter, with many European nations now planning to increase military spending as the US appears to be pulling back from prior defense commitments.

Fixed Income Performance

Fixed Income Rates of Return		2025 1Q	YTD	1 Year	3 Year	5 Year	10 Year
Broad Market Indices	Bloomberg US Aggregate TR	2.78%	2.78%	4.88%	0.52%	-0.40%	1.46%
	Bloomberg US Govt/Credit TR	2.70%	2.70%	4.66%	0.45%	-0.34%	1.58%
Intermediate Indices	Bloomberg US Int Agg TR	2.61%	2.61%	5.58%	1.64%	0.36%	1.58%
	Bloomberg US Govt/Credit Int TR	2.42%	2.42%	5.65%	2.18%	0.86%	1.81%
Government Only Indices	FTSE 3 Month Treasury	1.10%	1.10%	5.17%	4.42%	2.69%	1.90%
	Bloomberg US Govt 1-3 Yr TR	1.62%	1.62%	5.42%	2.85%	1.15%	1.50%
	Bloomberg US Govt Int TR	2.48%	2.48%	5.35%	1.79%	-0.03%	1.36%
	Bloomberg US TIPS TR	4.17%	4.17%	6.17%	0.06%	2.36%	2.51%
	Bloomberg US Govt Long TR	4.67%	4.67%	1.28%	-7.17%	-7.83%	-0.54%
Municipal Indices	Bloomberg US Municipal TR	-0.22%	-0.22%	1.22%	1.53%	1.07%	2.13%
	Bloomberg US Municipal 1 Yr TR	1.05%	1.05%	3.67%	2.55%	1.59%	1.38%
	Bloomberg US Municipal 10 Yr TR	0.26%	0.26%	0.48%	1.74%	1.12%	2.22%
	Bloomberg US Municipal 20 Yr TR	-1.29%	-1.29%	0.37%	1.12%	0.98%	2.52%
Mortgage Backed Indices	Bloomberg US MBS TR	3.06%	3.06%	5.39%	0.55%	-0.69%	1.11%
Corporate Bond Indices	Bloomberg US Credit TR	2.36%	2.36%	4.87%	1.13%	1.35%	2.31%
	Bloomberg US High Yield TR	1.00%	1.00%	7.69%	4.98%	7.29%	5.01%
World Bond Indices	FTSE World Government Bond	2.57%	2.57%	2.10%	-2.89%	-2.97%	-0.05%
	Bloomberg EM USD Sovereign TR	2.17%	2.17%	6.61%	2.92%	2.79%	2.83%

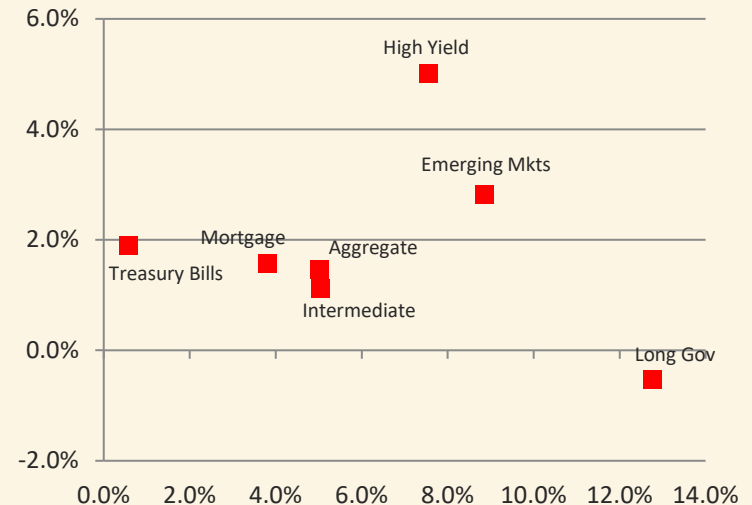
Source: Morningstar Advisor Workstation

United States Yield Curve



Source: United States Treasury

10 Yr Risk vs Return - Selected Indices



MARKET MICROSCOPE – S&P 500 Returns Following A Sharp Market Correction

The S&P 500 fell -10% in just 22 days during the first quarter of 2025. How has the index historically performed following similarly sharp declines?

Initial Drawdown Dates	Days	Initial Drawdown	Max Drawdown	Coinciding Events	1-Month	3-Month	12-Month
6/12/50-6/29/50	17	-10.10%	-10.10%	Korean War	1.4%	11.5%	20.2%
9/23/55-10/11/55	18	-10.59%	-10.59%	Eisenhower Heart Attack	10.9%	8.8%	14.7%
10/5/79-10/25/79	20	-10.13%	-10.25%	Volcker Shock	4.7%	13.6%	29.9%
2/13/80-3/10/80	26	-10.07%	-17.07%	US-Iran Hostage Negotiations	-2.3%	7.7%	22.5%
10/5/87-10/16/87	11	-13.83%	-31.75%	Black Monday Crash	-12.7%	-10.8%	0.3%
1/2/90-1/30/90	28	-10.04%	-10.04%	Soviet Crackdown On Azerbaijan	3.2%	3.3%	9.5%
7/16/90-8/17/90	32	-10.80%	-19.18%	First Gulf War	-2.8%	-2.3%	21.8%
10/7/97-10/27/97	20	-10.75%	-10.75%	Asian Financial Crisis	8.7%	10.9%	23.4%
7/17/98-8/14/98	28	-10.34%	-19.19%	Russian Ruble Crisis	-3.0%	6.4%	26.7%
3/24/00-4/14/00	21	-11.14%	-11.14%	Putin Elected/Microsoft Antitrust Case	4.9%	11.6%	-11.7%
7/7/11-8/4/11	28	-11.23%	-18.38%	Debt Ceiling Crisis	-2.0%	5.0%	18.5%
8/17/15-8/25/15	8	-11.13%	-11.13%	Chinese Market Turbulence	3.6%	12.5%	18.9%
1/26/18-2/8/18	13	-10.10%	-10.10%	Trump Trade War 1.0	6.4%	4.0%	7.0%
2/19/20-2/27/20	8	-11.99%	-33.79%	Covid Pandemic	-14.5%	2.5%	30.2%
1/3/22-1/27/22	24	-9.73%	-24.49%	Rising Inflation (& Russia Invades Ukraine In Feb.)	1.5%	-3.0%	-4.4%
2/19/25-3/13/25	22	-10.04%	?	Trump Trade War 2.0	?	?	?

Average Return	0.5%	5.4%	15.2%
Median Return	1.5%	6.4%	18.9%

We identified 15 other S&P 500 drawdowns since 1950 that occurred over the span of one month or less. Most of the time, the 3-month and 12-month returns following the date of the initial drawdown were positive. The average and median 1-year returns were both above 15%.

Daily S&P 500 Return Source: Yahoo Finance