

## Market Facts and Figures from Q3 2025

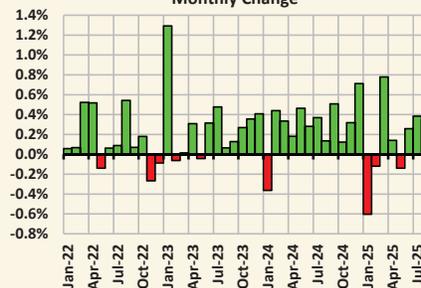
Small cap stocks led the US market in the third quarter.

2025 3Q US Returns (Russell Indices)

	Value	Core	Growth
Large	5.3%	8.0%	10.5%
Mid	6.2%	5.3%	2.8%
Small	12.6%	12.4%	12.2%

US real personal consumption has been on the rise after a weak start to the year.

US Real Personal Consumption Expenditures Monthly Change



Best and Worst Markets

### Developed Markets

Top 3	2025 3Q	Bottom 3	2025 3Q
Spain	12.9%	New Zealand	-0.2%
Netherlands	9.6%	Germany	-1.1%
Austria	9.1%	Denmark	-13.1%

### Emerging Markets

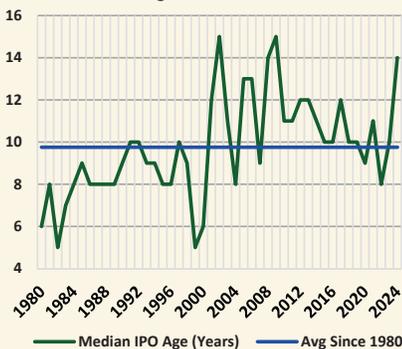
Top 3	2025 3Q	Bottom 3	2025 3Q
Egypt	24.8%	Indonesia	-3.1%
Peru	23.1%	India	-7.6%
China	20.7%	Philippines	-7.8%

### Frontier Markets

Top 3	2025 3Q	Bottom 3	2025 3Q
Pakistan	37.1%	Bangladesh	3.2%
Vietnam	30.0%	Lithuania	-1.4%
Nigeria	19.5%	Estonia	-6.8%

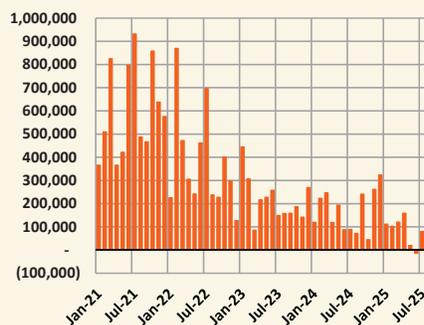
The median age of US companies at the time of their IPO has been trending upward since 1980.

Median Age of US IPOs Since 1980



US monthly job creation has slowed, with only slightly positive numbers in recent months.

Monthly Change US Non-Farm Employees (Seas-Adj)



The average price of electricity in US cities has risen by nearly 40% since the end of 2020.

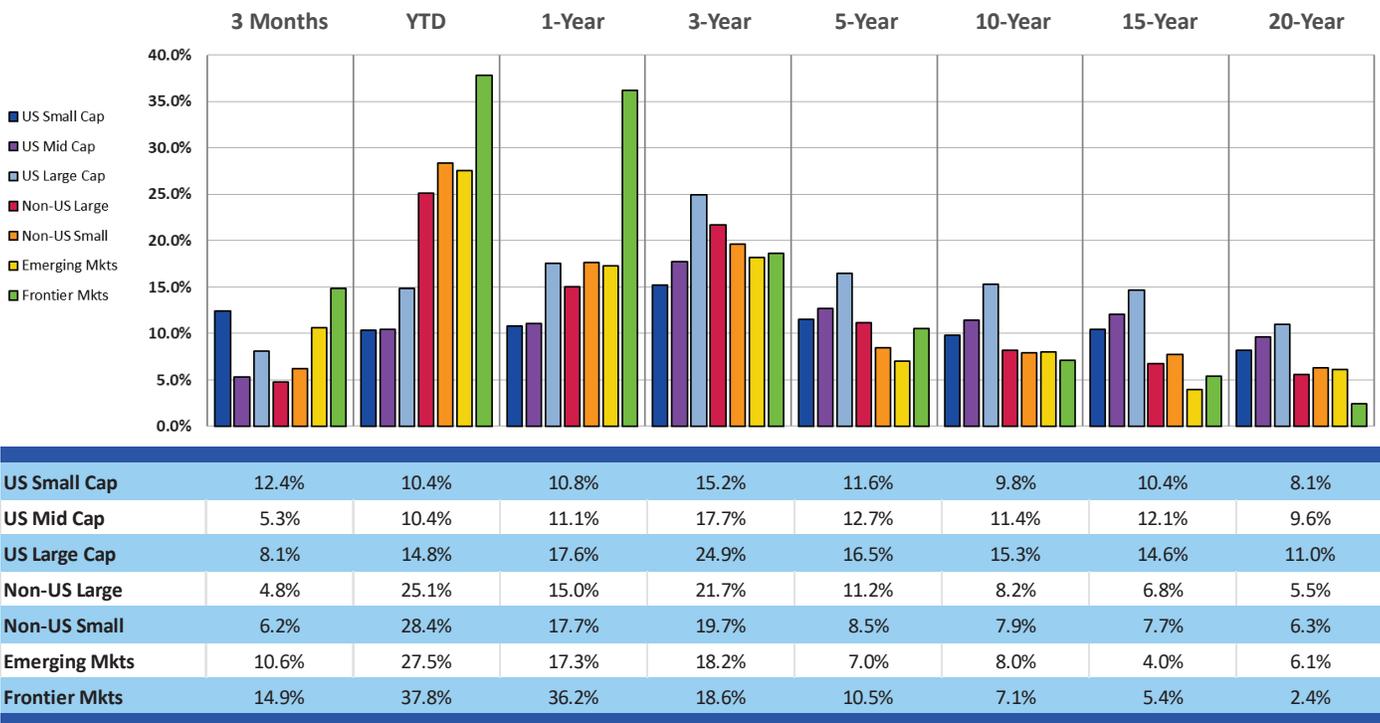
Avg. Price of Electricity (kWh) In U.S. City



Sources: <https://fred.stlouisfed.org>, <https://site.warrington.ufl.edu/ritter>, Morningstar Advisor Workstation

## World Equity Performance

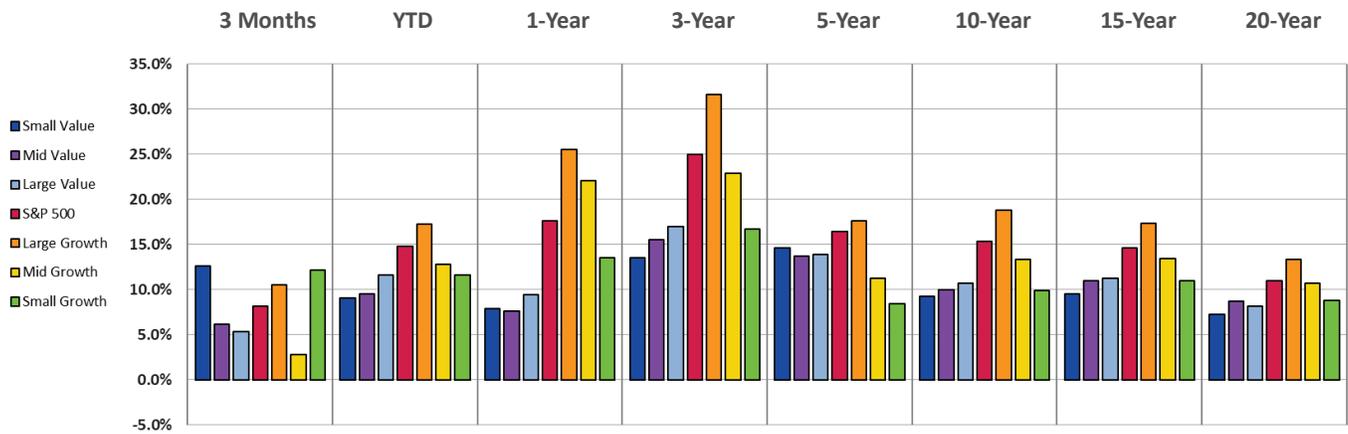
Quarter Ending September 30, 2025



The global equity markets have had a strong run over the past three years, with all major categories up at least 15% annualized. US Large Cap stocks (+24.9%) and Non-US Large Caps (+21.7%) have led the charge over the trailing 3-year period.

## U.S. Equity Style Performance

Quarter Ending September 30, 2025

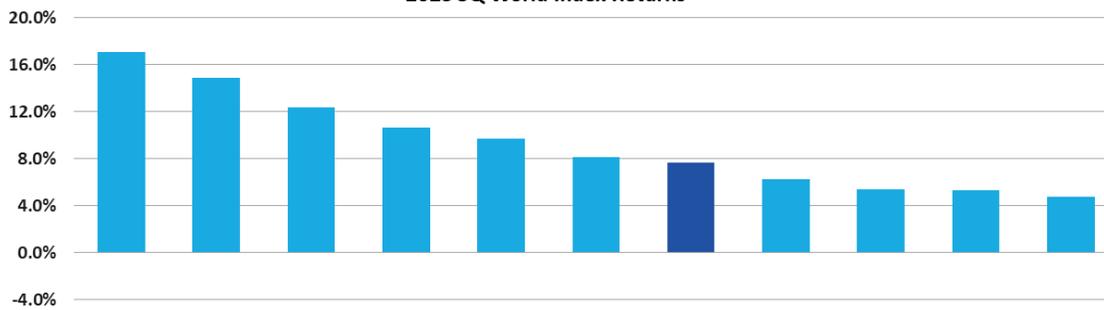


	3 Months	YTD	1-Year	3-Year	5-Year	10-Year	15-Year	20-Year
<b>Small Value</b>	12.6%	9.0%	7.9%	13.6%	14.6%	9.2%	9.5%	7.3%
<b>Mid Value</b>	6.2%	9.5%	7.6%	15.5%	13.7%	10.0%	11.0%	8.7%
<b>Large Value</b>	5.3%	11.7%	9.4%	17.0%	13.9%	10.7%	11.2%	8.2%
<b>S&amp;P 500</b>	8.1%	14.8%	17.6%	24.9%	16.5%	15.3%	14.6%	11.0%
<b>Large Growth</b>	10.5%	17.2%	25.5%	31.6%	17.6%	18.8%	17.4%	13.3%
<b>Mid Growth</b>	2.8%	12.8%	22.0%	22.8%	11.3%	13.4%	13.4%	10.7%
<b>Small Growth</b>	12.2%	11.7%	13.6%	16.7%	8.4%	9.9%	11.0%	8.8%

Looking at the trailing 5-year period, all US stock categories except for Small Growth are up over 11% annualized. For the trailing 15-year period (which covers most of the post-Great Recession time period), all categories except for Small Value are up at least 11% annualized.

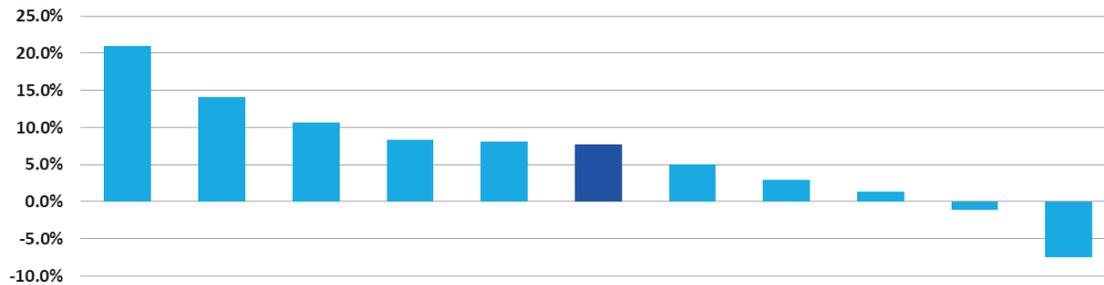
## Equity Performance Breakdown

### 2025 3Q World Index Returns



	Russell Micro Cap	MSCI Frontier Markets	Russell 2000	MSCI Emerging Markets	S&P 100	S&P 500	MSCI ACWI IMI	MSCI EAFE Small Cap	MSCI Emrg Small Cap	Russell Mid Cap	MSCI EAFE
<b>2025 3Q Return</b>	17.0%	14.9%	12.4%	10.6%	9.7%	8.1%	7.7%	6.2%	5.4%	5.3%	4.8%

### 2025 3Q Country Returns for the MSCI ACWI IMI



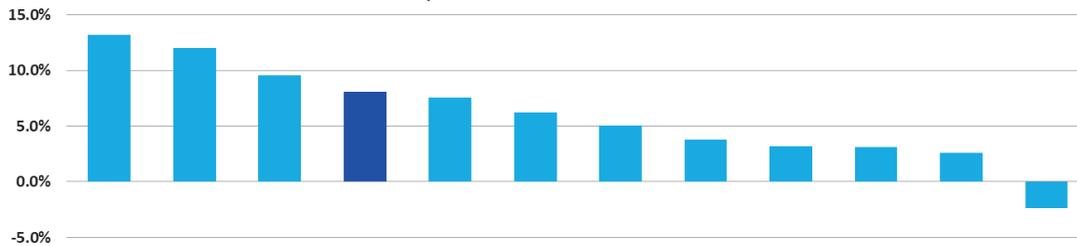
	China	Taiwan	Canada	Japan	U.S.	MSCI ACWI IMI Index	United Kingdom	France	Switzerland	Germany	India
<b>2025 3Q Return</b>	21.0%	14.1%	10.7%	8.3%	8.2%	7.7%	5.1%	3.0%	1.3%	-1.1%	-7.5%
<b>Weight in ACWI</b>	3.2%	2.2%	3.0%	5.5%	63.3%	-	3.3%	2.2%	1.9%	2.0%	1.8%

US Small Cap stocks and Emerging & Frontier Markets companies were the strongest performers in the third quarter, all up double-digits. Non-US Large Caps were relative laggards after leading the global equity market in the first half of the year. The US Dollar regained a small portion of its earlier depreciation versus other major currencies during the quarter, with the ICE US Dollar Index up about 1% in Q3.

China (+21%) and Taiwan (+14%) were the top-performing countries for the quarter, with strong returns from mega-cap companies like Tencent (+36%), Alibaba (+57%) and Taiwan Semiconductor (+24%). India and Germany were the only major markets to post a negative return in Q3. Earlier in the year, Germany announced plans to significantly increase spending on defense and infrastructure, which may serve to stimulate economic growth there and in the EU more broadly.

## Equity Performance Breakdown

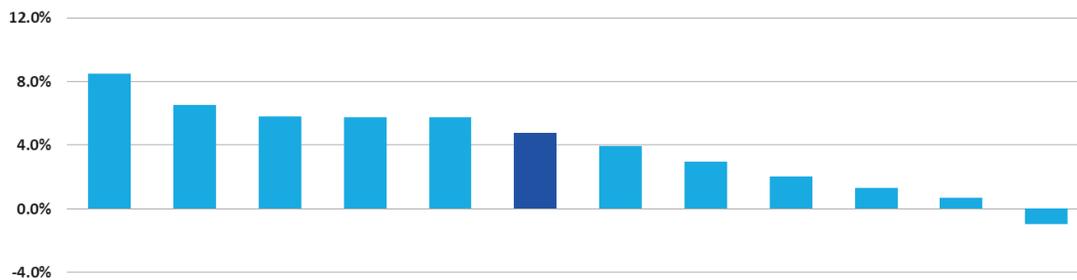
### 2025 3Q Sector Returns for the S&P 500



	Technology	Communic. Services	Consumer Discretionary	S&P 500 Index	Utilities	Energy	Industrials	Health Care	Financials	Materials	Real Estate	Consumer Staples
<b>2025 3Q Return</b>	13.2%	12.0%	9.5%	8.1%	7.6%	6.2%	5.0%	3.8%	3.2%	3.1%	2.6%	-2.4%
<b>Weight in S&amp;P</b>	34.8%	10.1%	10.5%	-	2.3%	2.9%	8.3%	8.9%	13.5%	1.8%	1.9%	4.9%

The Technology and Communication Services sectors led the US market in the third quarter. Several members of the “Magnificent 7” had a strong Q3, including Google (+38%), Apple (+24%), NVIDIA (+18%) and Tesla (+40%). Industrials (+5%) and Materials (+3%) were among the weaker sectors. The US ISM Survey PMI has shown the US manufacturing sector in contraction for the past 6 months.

### 2025 3Q Sector Returns for the MSCI EAFE



	Financials	Consumer Discretionary	Energy	Materials	Industrials	MSCI EAFE Index	Real Estate	Technology	Communic. Services	Utilities	Health Care	Consumer Staples
<b>2025 3Q Return</b>	8.5%	6.6%	5.8%	5.8%	5.7%	4.8%	3.9%	3.0%	2.1%	1.3%	0.7%	-1.0%
<b>Weight in EAFE</b>	24.7%	10.2%	3.2%	5.6%	19.4%	-	1.9%	8.3%	4.9%	3.4%	10.8%	7.5%

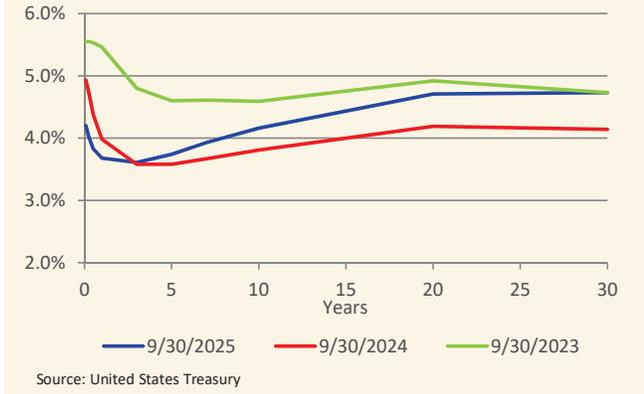
Financials and Consumer Discretionary stocks led the International markets in the third quarter. Financials have grown to be nearly a quarter of the EAFE Index, thanks in part to strong performance from the Banking sector over the past couple years. Financials have been the EAFE Index’s top-performing sector over the trailing 3-year period, returning an annualized 36.2% compared to 21.7% for the EAFE Index as a whole.

### Fixed Income Performance

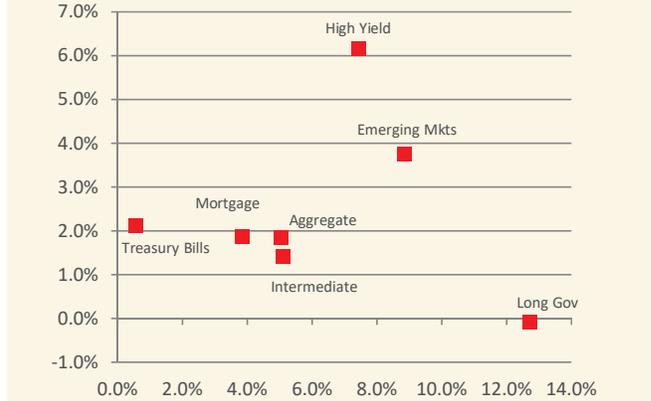
Fixed Income Rates of Return		2025 3Q	YTD	1 Year	3 Year	5 Year	10 Year
<b>Broad Market Indices</b>	Bloomberg US Aggregate TR	2.03%	6.13%	2.88%	4.93%	-0.45%	1.84%
	Bloomberg US Govt/Credit TR	1.91%	5.93%	2.67%	4.87%	-0.61%	1.99%
<b>Intermediate Indices</b>	Bloomberg US Int Agg TR	1.79%	6.02%	3.82%	5.14%	0.49%	1.87%
	Bloomberg US Govt/Credit Int TR	1.51%	5.70%	4.01%	5.18%	0.81%	2.10%
<b>Government Only Indices</b>	FTSE 3 Month Treasury	1.11%	3.34%	4.61%	4.98%	3.10%	2.12%
	Bloomberg US Govt 1-3 Yr TR	1.12%	3.98%	3.89%	4.37%	1.54%	1.68%
	Bloomberg US Govt Int TR	1.26%	5.28%	3.51%	4.35%	0.36%	1.55%
	Bloomberg US TIPS TR	2.10%	6.87%	3.79%	4.88%	1.42%	3.01%
	Bloomberg US Govt Long TR	2.49%	5.65%	-3.44%	0.46%	-7.73%	-0.09%
<b>Municipal Indices</b>	Bloomberg US Municipal TR	3.00%	2.64%	1.39%	4.74%	0.86%	2.34%
	Bloomberg US Municipal 1 Yr TR	0.99%	2.89%	3.02%	3.42%	1.65%	1.52%
	Bloomberg US Municipal 10 Yr TR	3.03%	4.10%	2.71%	4.68%	1.05%	2.52%
	Bloomberg US Municipal 20 Yr TR	3.73%	0.90%	-0.40%	5.07%	0.64%	2.67%
<b>Mortgage Backed Indices</b>	Bloomberg US MBS TR	2.43%	6.76%	3.39%	5.05%	-0.14%	1.41%
<b>Corporate Bond Indices</b>	Bloomberg US Credit TR	2.57%	6.90%	3.65%	6.87%	0.33%	3.00%
	Bloomberg US High Yield TR	2.54%	7.22%	7.41%	11.09%	5.55%	6.17%
<b>World Bond Indices</b>	FTSE World Government Bond	0.16%	7.43%	1.59%	4.45%	-3.02%	0.40%
	Bloomberg EM USD Sovereign TR	4.06%	9.68%	7.35%	11.41%	1.70%	3.76%

Source: Morningstar Advisor Workstation

#### United States Yield Curve

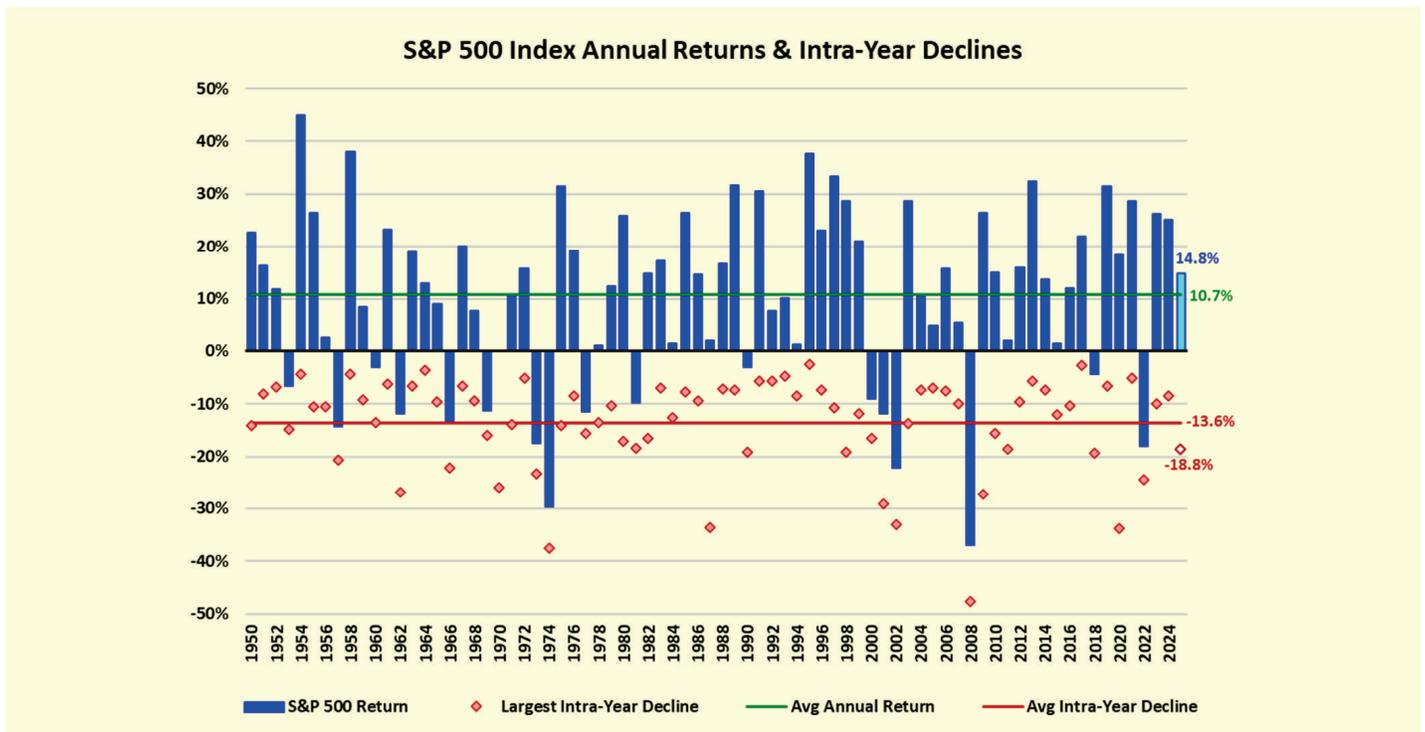


#### 10 Yr Risk vs Return - Selected Indices



## MARKET MICROSCOPE – Intra-Year Stock Market Declines Are Common

The S&P 500 was down nearly -19% at one point in the second quarter of 2025. However, by the end of June the index had returned to its previous peak, and it continued to make new highs in Q3. This kind of intra-year volatility has been quite common over the years.



Over the past 76 years (including 2025 through September), the S&P 500 Index has experienced an average intra-year decline of -13.6%. The index experienced a decline of more than -10% in more than half of all years (40 out of 76, or 53%). Despite these declines, the index had a negative calendar year return only 17 times in 76 years (22%).

*Note: Returns prior to 1988 are for the S&P 500 Price Index, and for the S&P 500 Total Return Index from 1988 onward.*

*Daily return source: Yahoo Finance*