

QUARTERLY COORDINATES

A TIME FOR FINESSE



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UPDATE: TOPICS TO BE ADDRESSED

- 1** Introduction | Heightened Awareness & Anticipation
- 2** Economy | The Fed May Win the ‘Golden Boot’, But the Economy May Lose the Match
- 3** Fixed Income | The Importance Of A Balanced Defense
- 4** Politics | Gridlock To Make The Presidential Term A Game Of Two Halves
- 5** Equities | Equity Market Healing From Nagging Injuries
- 6** International | World Cup Odds Don’t Mask Europe’s Precarious Economic Conditions
- 7** Commodities | Oil Prices Won’t Run Out Of Bounds
- 8** Asset Allocation | Don’t Watch from the Sidelines



1

Introduction

Heightened Awareness & Anticipation

INSIGHT:

As the risk of a global economic slowdown increases, investors are awaiting every move central banks make. The markets continue to recalibrate how aggressive policy will need to be and whether too much intervention could lead to a recession.

BOTTOM LINE:

Until inflation abates and Fed policy clarifies, market volatility is likely to continue. The investment landscape is much less accommodative than in the year prior, which has led to challenges for most asset classes.

THERE HAVE BEEN A LOT OF 'SHOTS' TAKEN AT THE US ECONOMY

HOW LONG CAN THE US ECONOMY DEFEND AGAINST A RECESSION ?

2021	STATISTIC	2022
0.25%	Fed Funds Rate	3.25%
-12.4%	Federal Deficit	-4.3%
\$3.02	Average Gasoline Price	\$4.10
4.68%	Average Inflation	8.31%
61	ISM Manufacturing	55
562k	Job Creation/Month	438k
78	Consumer Sentiment	59
73	S&P 500 Record Highs	1

Source: FactSet, Data as of 9/30/2022. All numbers are full-year averages except for the Fed Funds rate, the federal deficit and the number of S&P 500 record highs.



2

ECONOMY

The Fed May Win The ‘Golden Boot’, But The Economy May Lose The Match

INSIGHT:

Consecutive, substantial interest rate hikes may be necessary to tame inflation, but the raising of rates well into restrictive territory may cause the economic expansion to come to an end.

BOTTOM LINE:

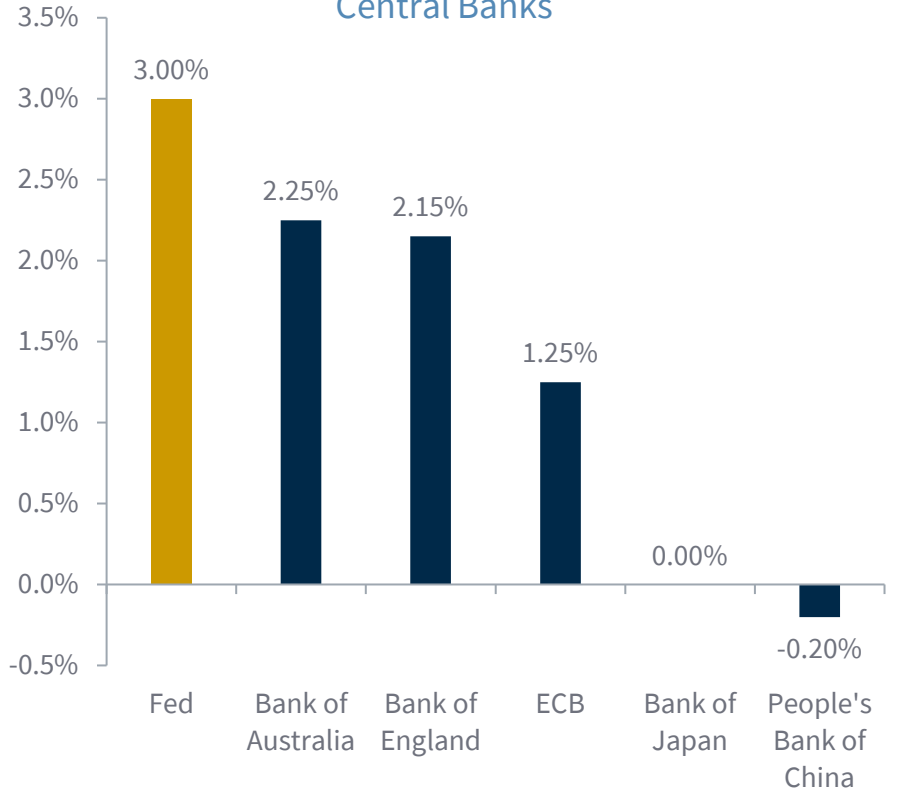
The front-loaded tightening cycle poses a risk to the interest rate sensitive areas of the economy (e.g., housing). When combined with weak consumer sentiment and elevated energy (electricity) prices, a mild recession in early 2023 is now our base case.

FED WINS THE 'GOLDEN BOOT'

THE FED HAS WON THE 'GOLDEN BOOT' FOR MOST AGGRESSIVE TIGHTENING CYCLE

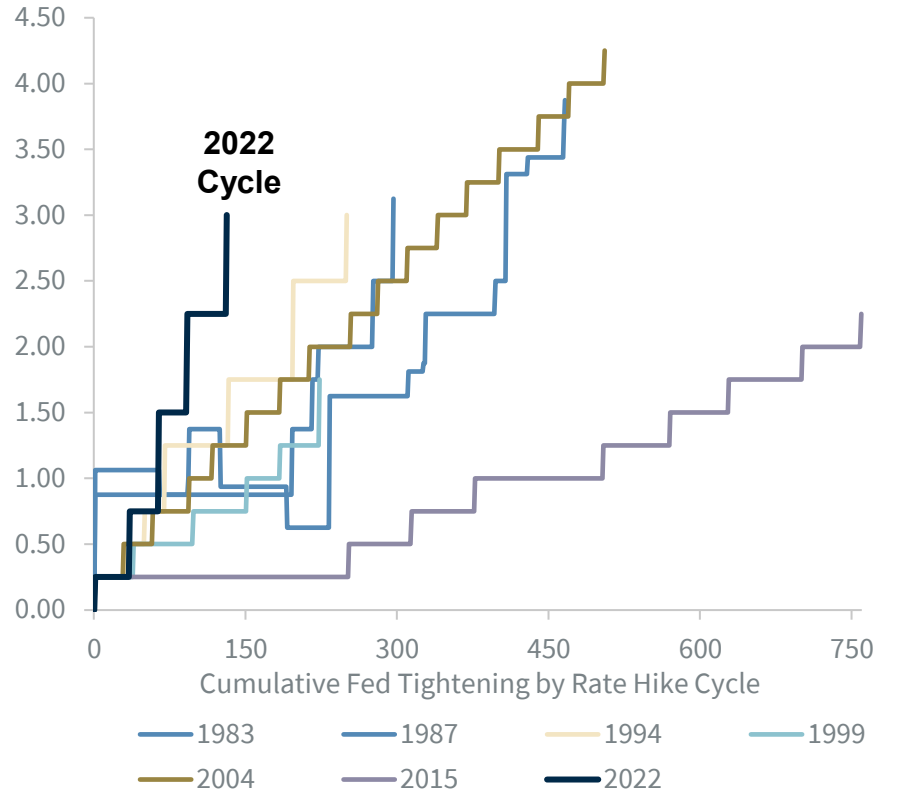
- To date, the Fed has been the most aggressive central bank.

Fed Has Been the Most Aggressive of Global Central Banks



5
Of the Last 21 Teams that the Winner of the 'Golden Boot' Played for Won the Actual World Cup

Fed Raising at the Quickest Pace in 40 Years



Source: FactSet, Data as of 9/30/2022.

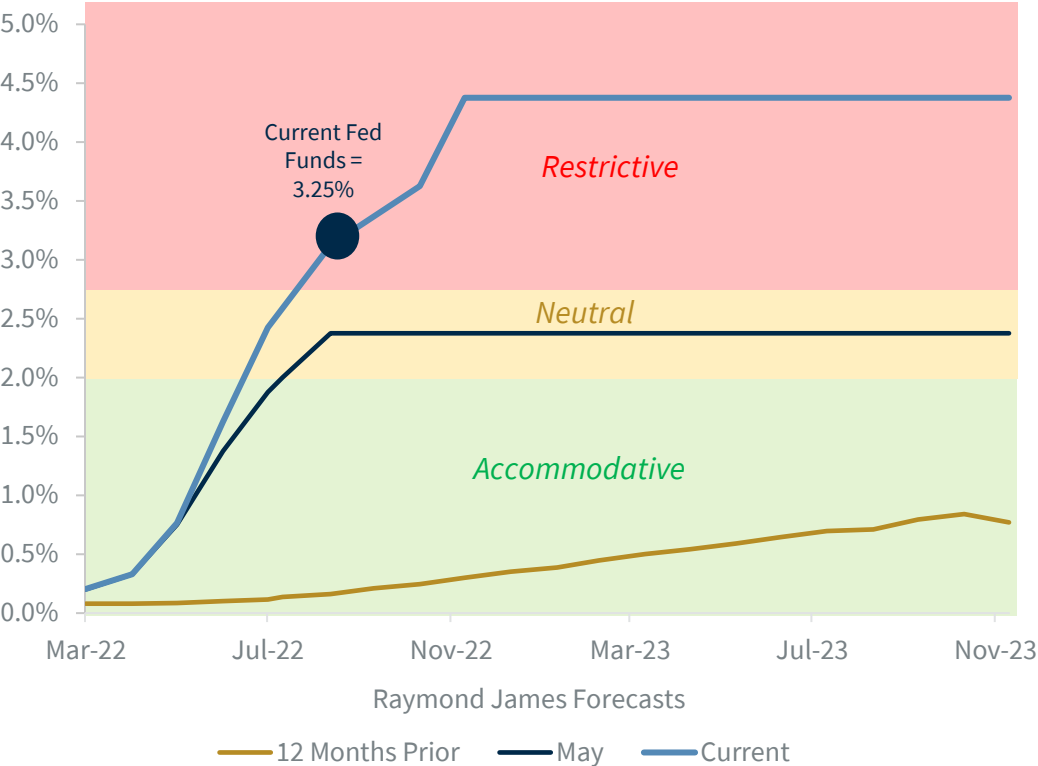
Source: FactSet, Data as of 9/30/2022.

FED POLICY BECOMES 'RESTRICTIVE'

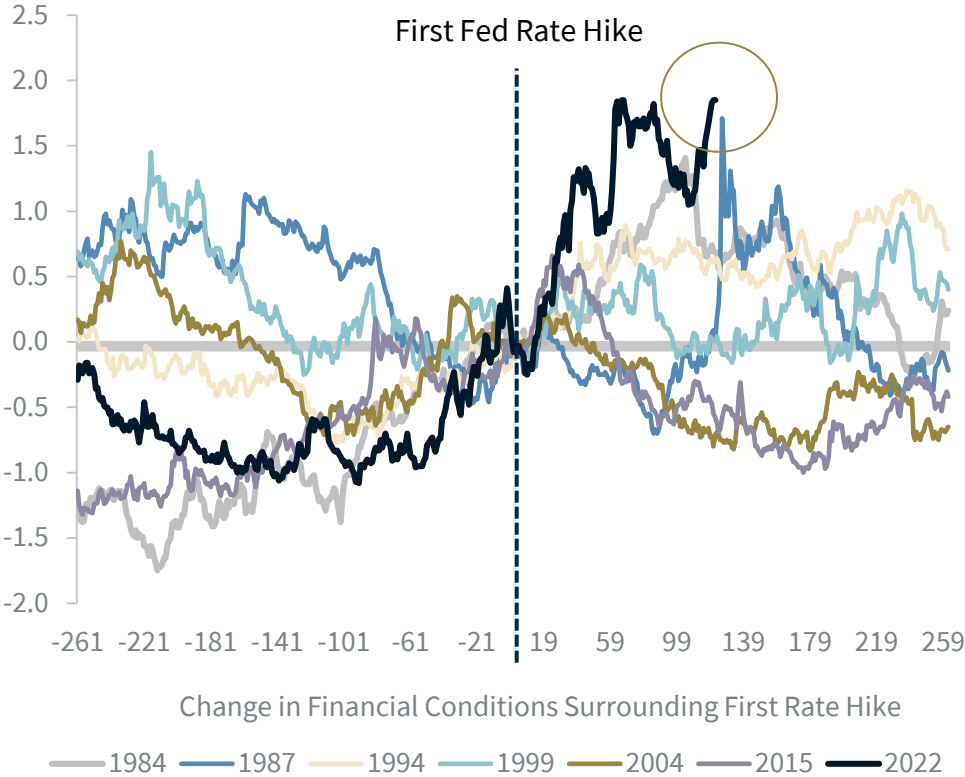
THE FED HAS BEEN AGGRESSIVE LIFTING INTEREST RATES TO CURB INFLATION

- The Fed has aggressively hiked rates into restrictive territory.

Fed Hiking into Restrictive Territory



Tightening Financial Conditions



Source: FactSet, Data as of 9/30/2022.

FED COULD EXPERIENCE AN 'OWN GOAL' RECESSION

THE POTENTIAL FOR A FED-INDUCED RECESSION

- The Fed hiking into restrictive territory has raised the probability of a Fed-induced recession.

The Fed's Play Sheet to Slow Rate Hikes



Probability of Economic Scenarios

		2023 Probability Of		
		Soft Landing	Mild Recession	Severe Recession
Terminal Fed Funds Rate	3.5%	35%	60%	5%
	4.0%	20%	70%	10%
	Updated Forecast			
	4.5%	5%	75%	20%
	5.0%	5%	60%	35%

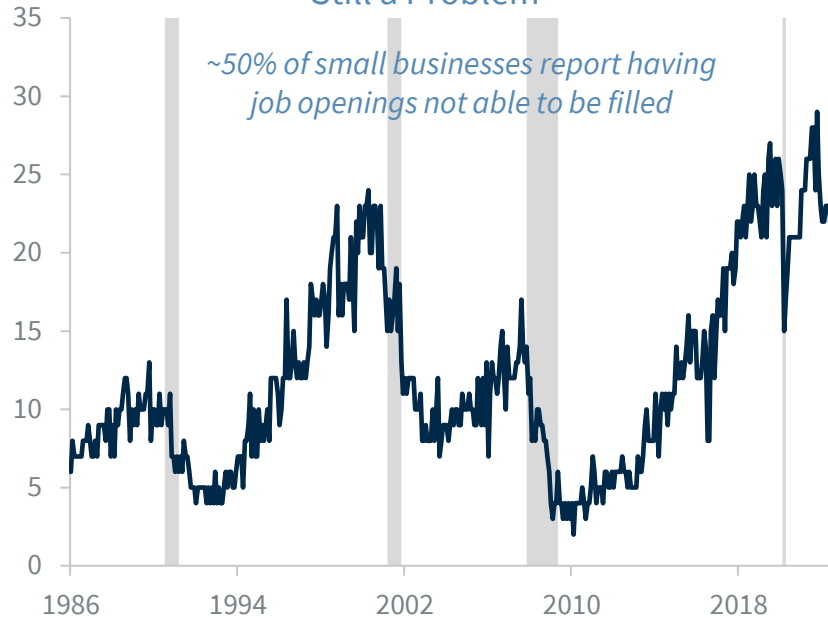
Source: FactSet, Data as of 9/30/2022.

WHY WE EXPECT A MORE MUTED RECESSION

THREE REASONS WHY WE EXPECT A MILD RECESSION

- Slack in the labor market, few excesses in the economy, and healthy consumer balance sheets are reasons we do not expect a severe recession.

Muted Job Losses in This Cycle – Labor Supply Still a Problem



Recession

NFIB Small Business Optimism Index - Single Biggest Problem - Quality of Labor

Source: FactSet, Data as of 9/30/2022.

Few Excesses in Economy

- 1 No Pandemic
- 2 No Housing Bubble
- 3 The Banking System Is Healthy
- 4 Tech Sector Valuations Not Exuberant

Consumer Balance Sheet Remains Healthy



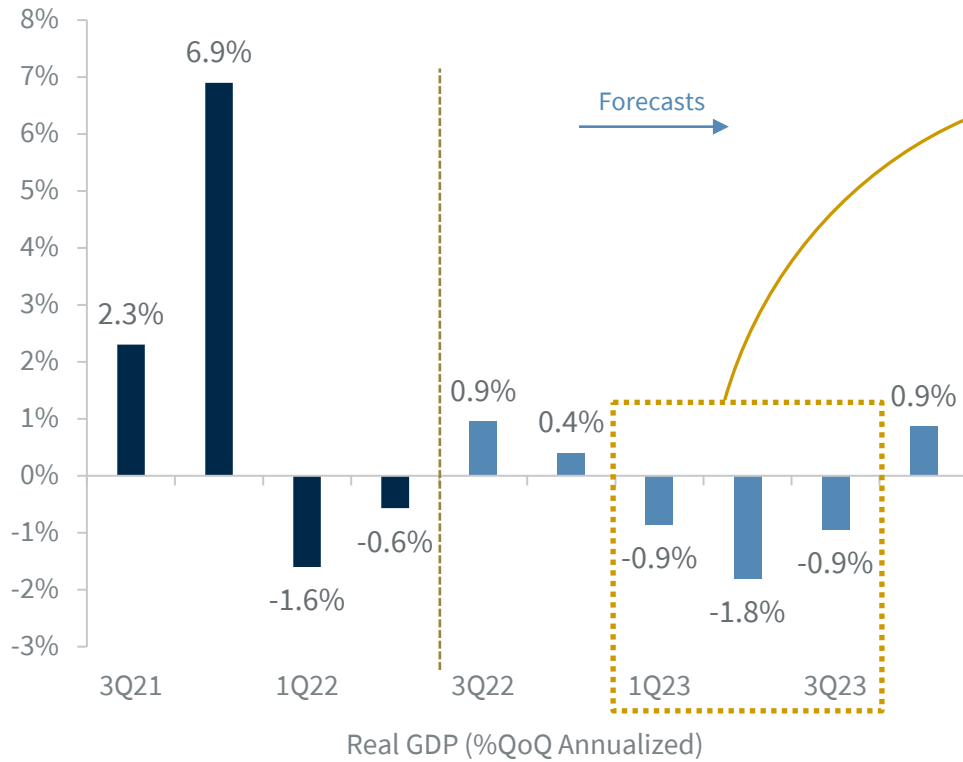
Household Debt Service Payments as a % of Disposable Personal Income

FORECASTING A MILD RECESSION

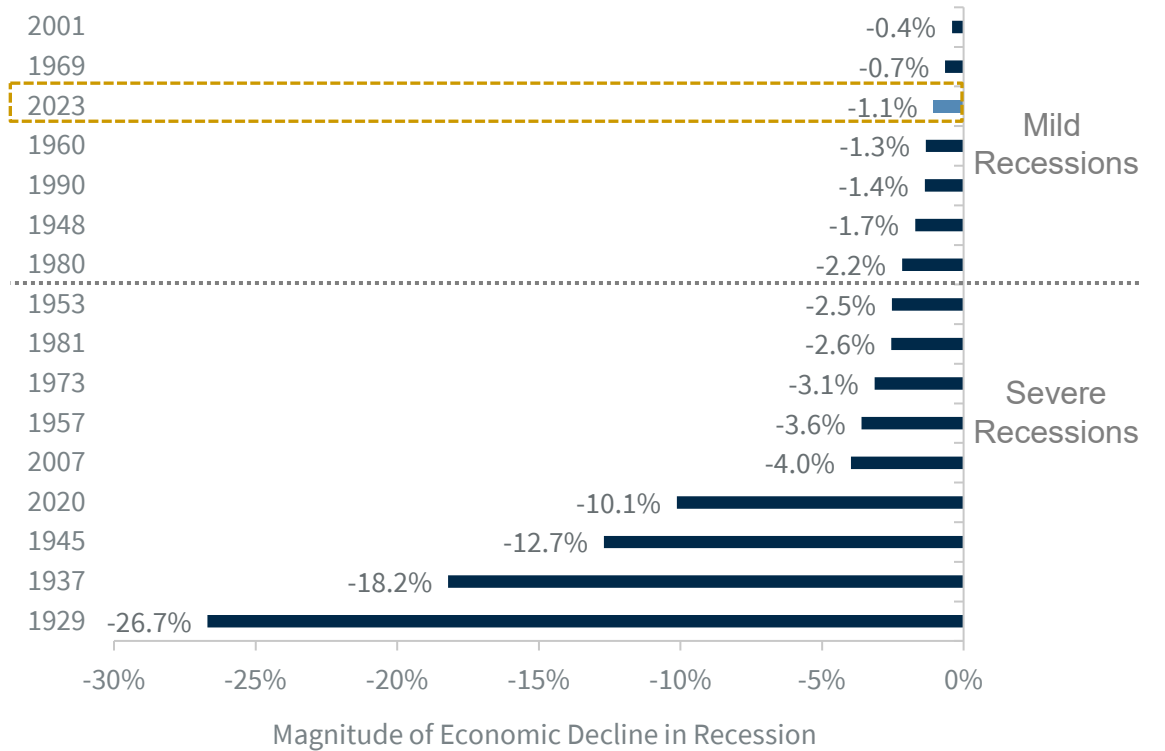
THE POTENTIAL FOR A FED-INDUCED RECESSION

- While we forecast a rising probability of recession, it should be one of the more muted in history.

Forecasted Mild Recession in 1Q23



Third Smallest Recession Over Last 100 Years



Source: FactSet, Data as of 9/30/2022.

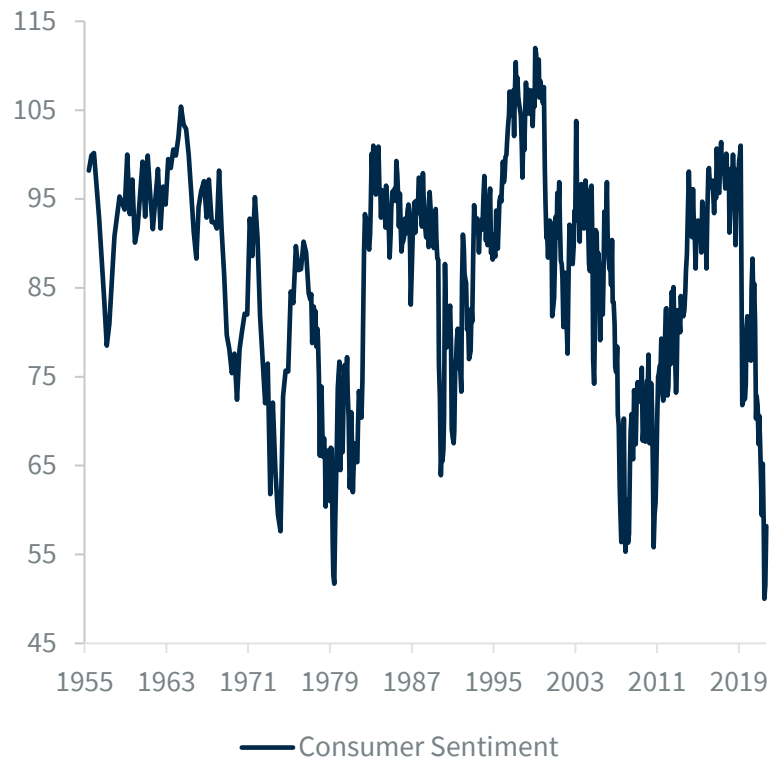
Source: FactSet, Data as of 9/30/2022.

THREE YELLOW CARDS FOR ECONOMY GOING FORWARD

ECONOMIC DYNAMICS THAT COULD LEAD TO FURTHER NEGATIVE IMPACTS TO THE ECONOMY

- Depressed consumer confidence, a weakening housing market and elevated energy costs are all risks to the economy.

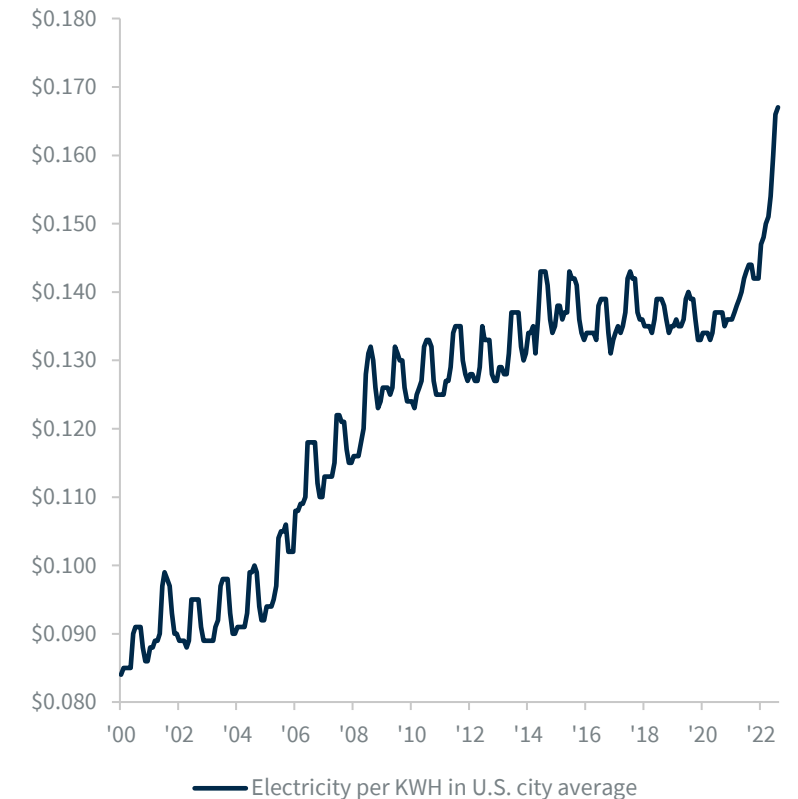
Depressed Consumer Confidence



Weak Housing Market



Elevated Energy/Electricity Prices



Source: FactSet, Data as of 9/30/2022.



3 Fixed Income

The Importance Of A Balanced Defense

INSIGHT:

With the correlation of bonds to equities at the highest level in nearly 25 years, fixed income has not provided investors with a reprieve from the volatility experienced this year. But at the same time, yields are attractive for the first time in years.

BOTTOM LINE:

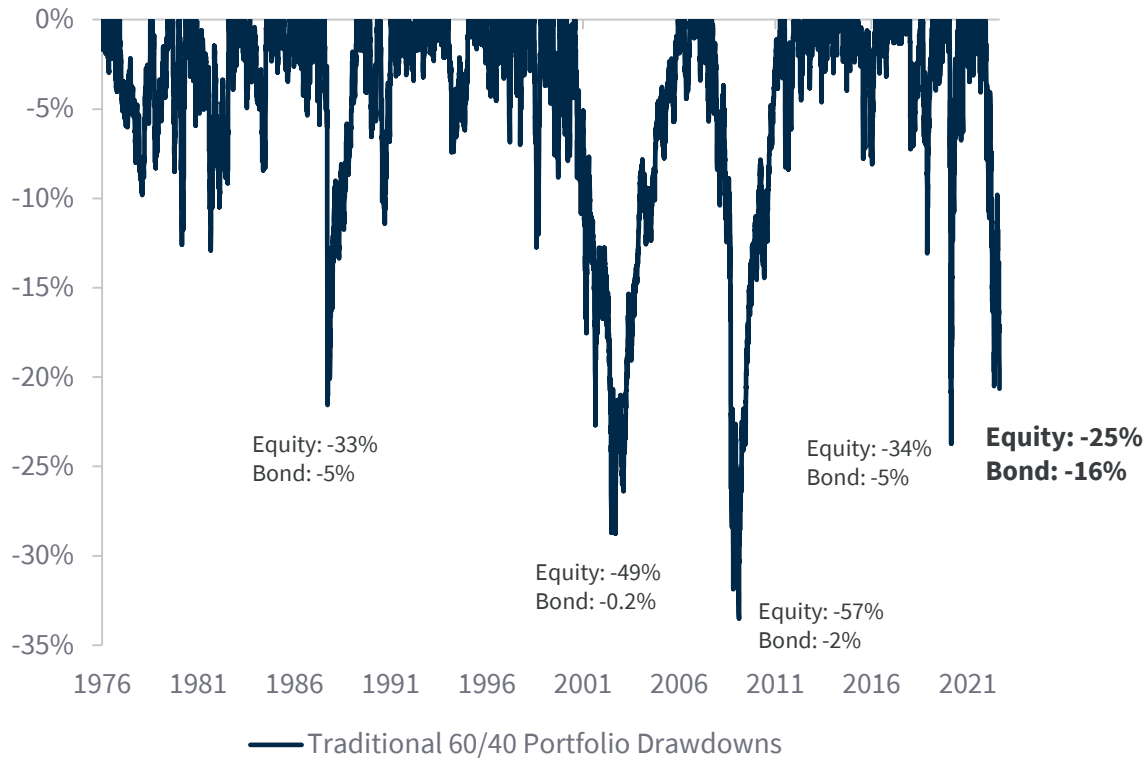
Going forward, the correlation should normalize and should rates fall amid a struggling economy, bonds may once again provide a buffer to portfolio losses. With higher yields now available, high quality Treasury securities and municipals are compelling; however, the inverted yield curve and recession risk could challenge high yield and emerging market bonds.

BOND DEFENSIVE CHARACTERISTICS HAVE BEEN MISSING

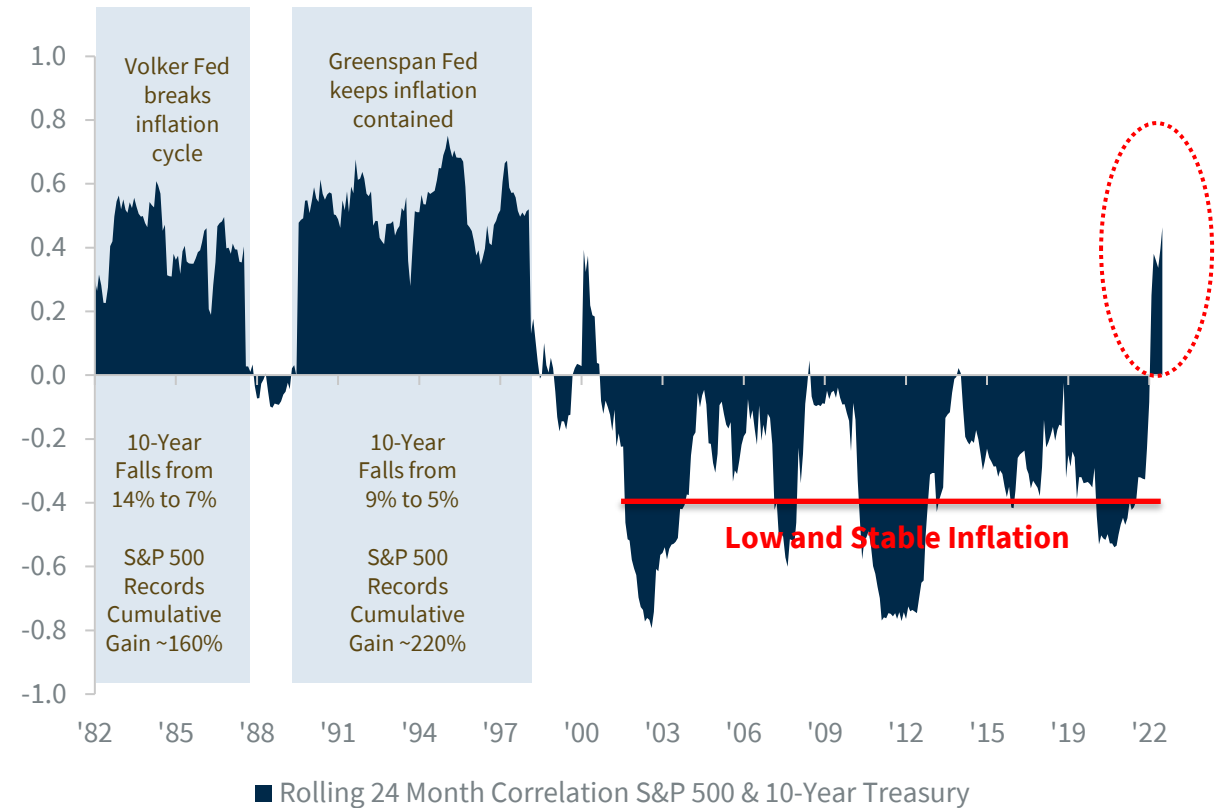
THERE HAVE BEEN FEW PLACES TO HIDE FROM NEGATIVE PERFORMANCE

- Bonds, year-to-date, are off to their worst start to a year since at least 1975.

60% Equity/40% Bond Portfolio Having Historic Drawdown



High Inflation Uncertainty Shifts Stock/Bond Relationship



Source: FactSet, Data as of 9/23/2022.

INTEREST RATE UP, BOND PRICES DOWN

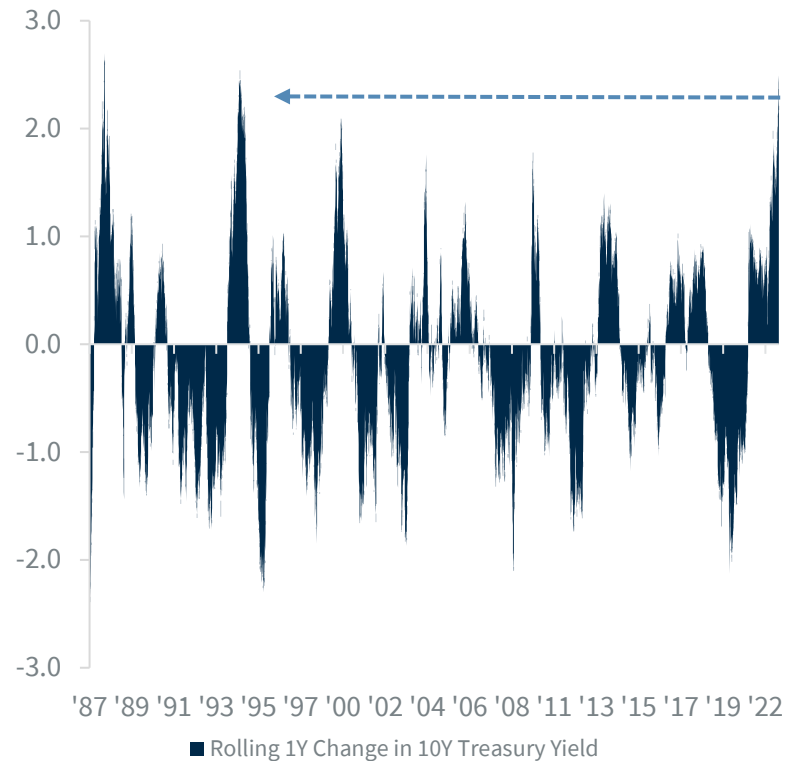
INTEREST RATES AROUND THE GLOBE CONTINUE TO SURGE ON THE BACK OF HIGHER INFLATION

- Bond yields have seen a dramatic increase year-to-date and are now at the highest level in more than a decade.

Ten-Year Treasury Yield Highest Since 2010



Largest One Year Increase Since 1994



Negative Yielding Debt Has Vanished



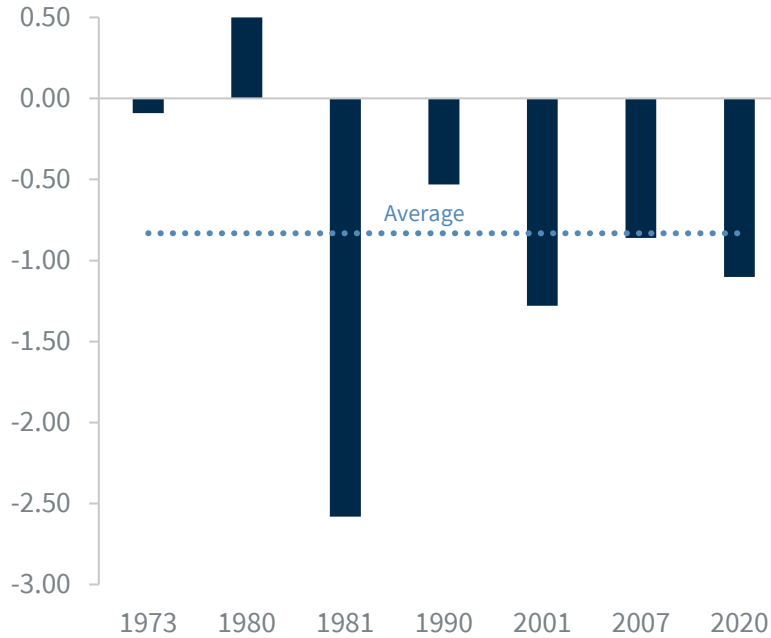
Source: FactSet, Data as of 9/26/2022.

THREE 'GAME CHANGERS' TO REVERSE INTEREST RATE SURGE

A POTENTIAL RECESSION, DECLINE IN INFLATION AND END OF FED TIGHTENING CYCLE SHOULD DRIVE YIELDS LOWER

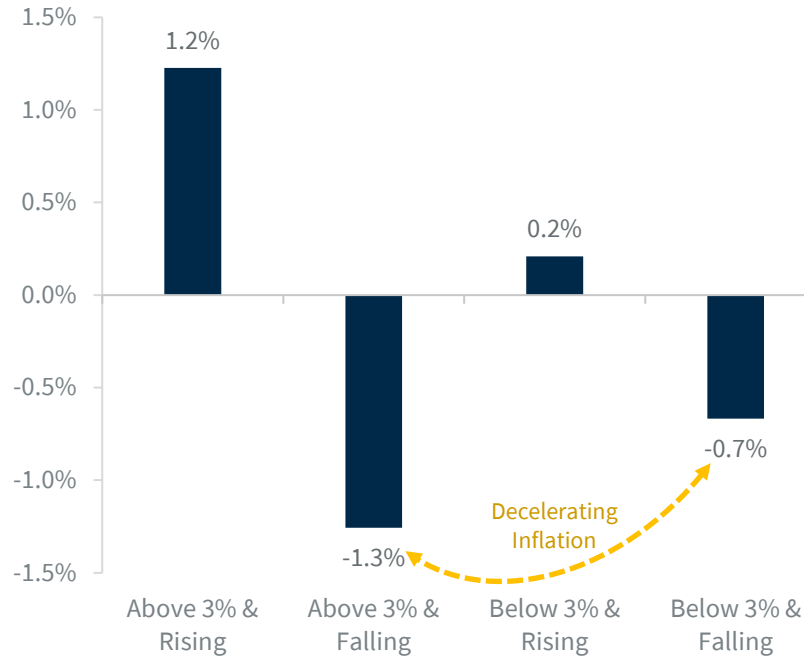
- Slowing economic growth, moderating inflation and the easing of Fed tightening should support yields moving lower over the next 12 months.

Yields Decline Throughout Recessions



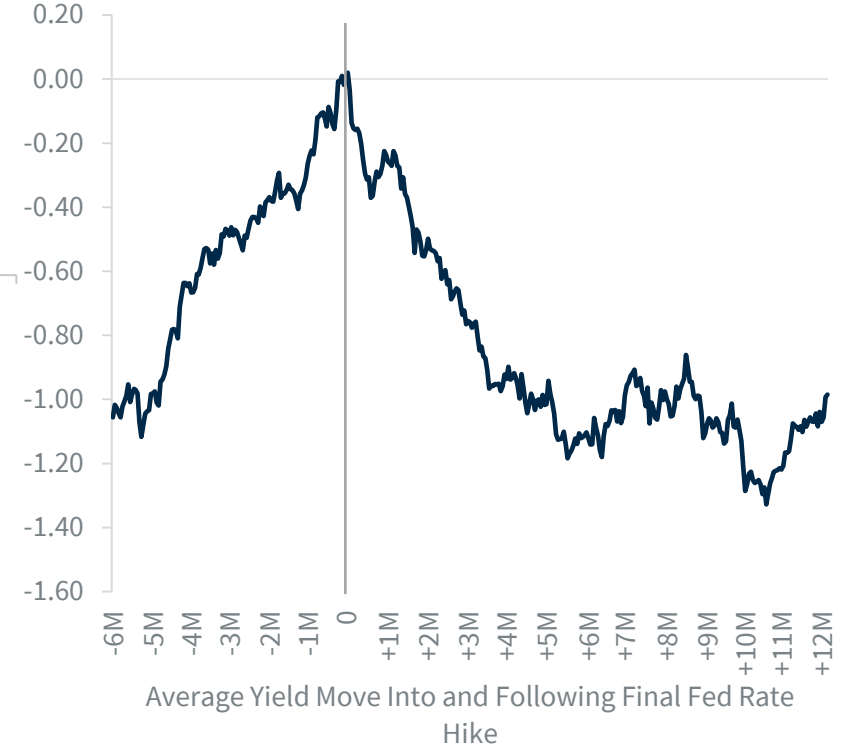
■ 10-Year Treasury Yield Change 3M Prior to Recession to End of Recession

Yields Decline When Inflation Slows



■ Average 10-Year Treasury Yield Change During Different Inflation Regimes

10-Year Yield Peaks at Last Rate Hike
Last Interest Rate Hike



Average Yield Moves During the Last Eight Tightening Cycles

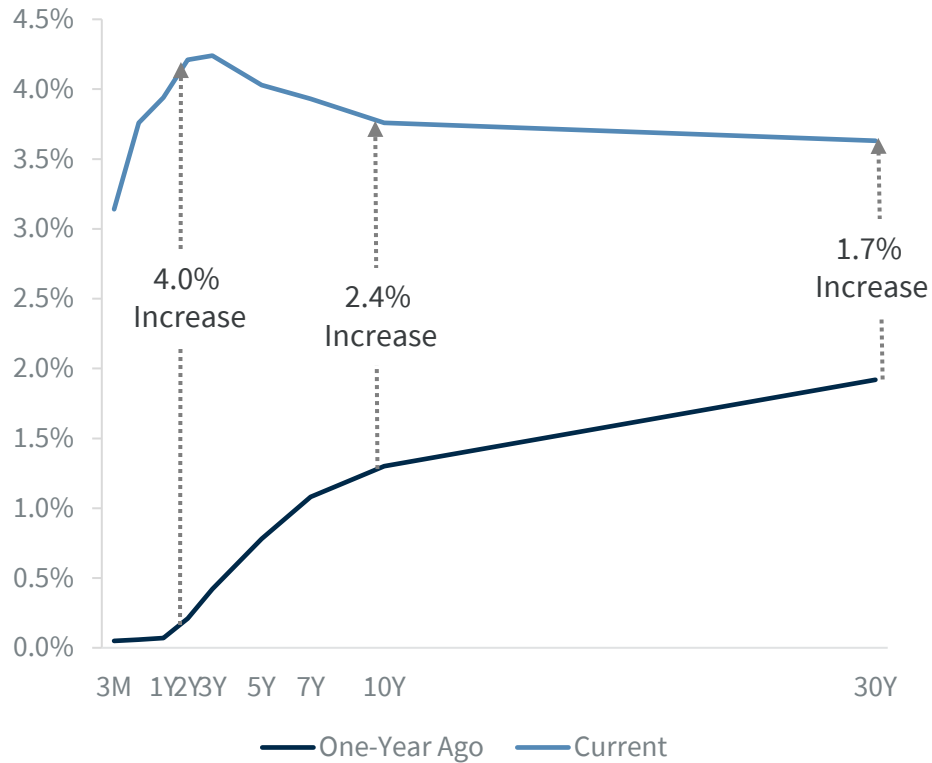
Source: FactSet, Data as of 9/23/2022.

RESETTING THE BOND GAME PLAN

YIELD CURVES HAVE SHIFTED HIGHER

- Rate reset higher leaves yields dramatically higher versus one year ago.

Treasury Yield Curve (Today vs. One Year Ago)

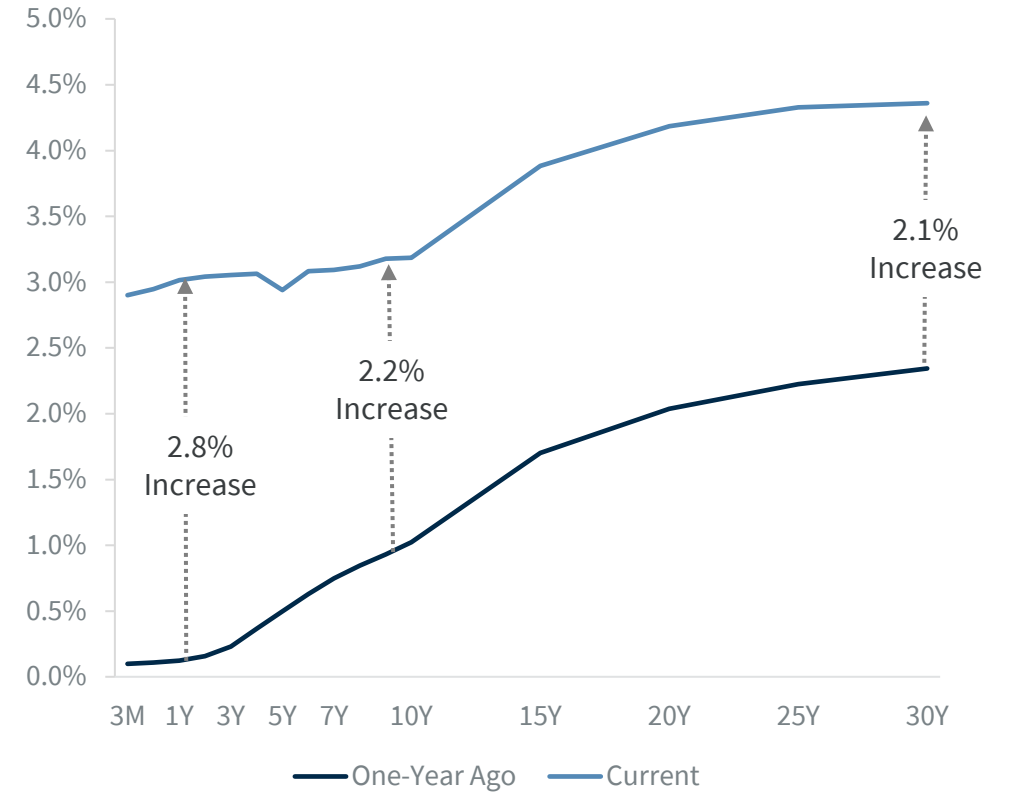


3.00%

2023 Year-End Target
For 10-Year Treasury
Yield

Positioning of
Portfolio Needs
Balances Current
Income vs.
Potential Capital
Appreciation

Muni Bond Yield Curve



Source: FactSet, Data as of 09/23/2022.

OPPORTUNITIES IN HIGHER QUALITY BONDS

HISTORICALLY, HIGH QUALITY BONDS TEND TO RECOVER LOSSES; INVERTED YIELD CURVE A HEADWIND FOR HIGH YIELD

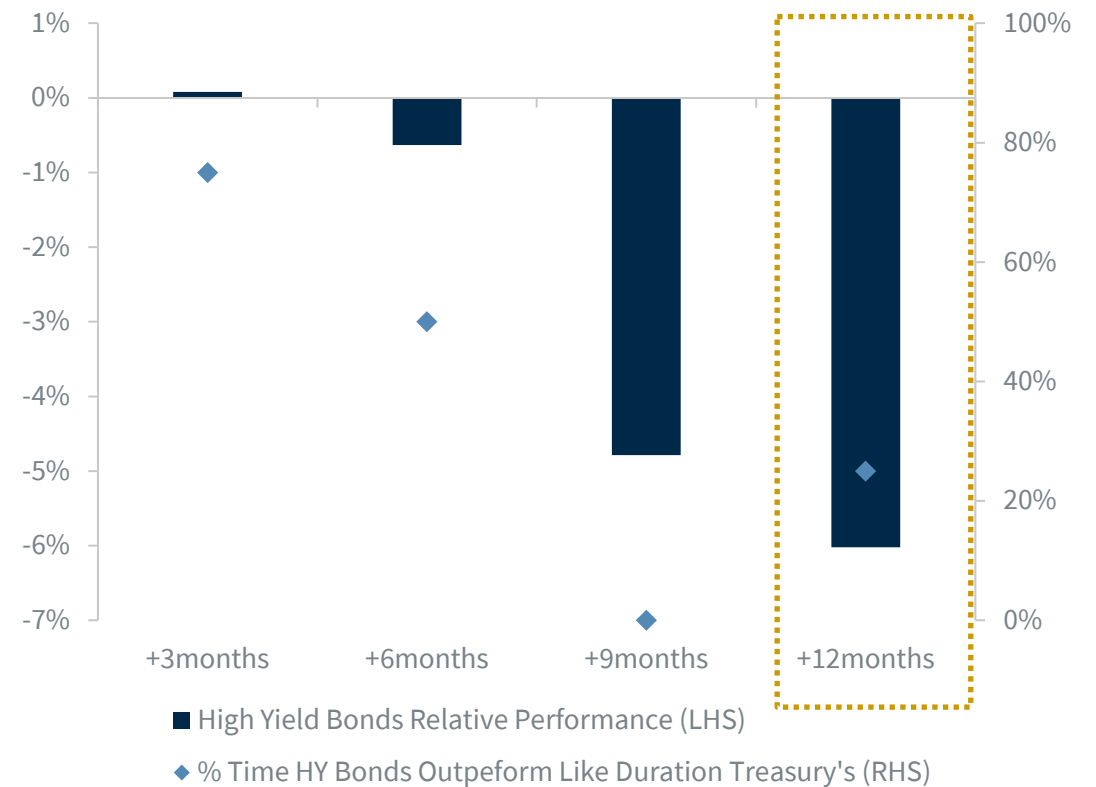
- Drawdowns have provided attractive entry points for municipal bonds, while the inverted yield curve signals caution for high yield.

Municipal Bond Bounce Backs

Period	Peak Date	Trough Date	Duration (in months)	Drawdown	Following 12M Return
Changes in Tax Laws & Rising Interest Rates	3/30/1987	5/29/1987	2	-6.5%	9.0%
1994 Bond Market Crisis	1/31/1994	11/30/1994	10	-8.3%	18.9%
Dot Com Crash After Shock	6/13/2003	7/31/2003	2	-4.9%	5.8%
Fed Rate Rise ('04 - '06)	3/17/2004	5/13/2004	2	-5.3%	9.0%
Subprime Mortgage Crisis	1/23/2008	10/15/2008	9	-11.2%	19.8%
Meredith Whitney Interview (60 Minutes)	10/14/2010	1/14/2011	3	-6.5%	15.0%
Taper Tantrum	5/2/2013	9/5/2013	4	-6.8%	10.4%
Trump Election Victory	7/6/2016	12/1/2016	5	-5.7%	6.4%
COVID-19 Pandemic	3/9/2020	3/20/2020	0	-10.9%	12.9%
Fed Rate Rise ('22)	8/5/2021	9/26/2022	14	-11.7%	
Average (Excluding current decline)			4	-7.3%	12%
% Time Positive				N/A	100%

Longest & Deepest

Yield Curve Inversion Signals Caution for HY



Source: FactSet, Data as of 9/30/22



4 Politics

Gridlock To Make The Presidential Term A Game Of Two Halves

INSIGHT:

Conventional wisdom suggests that the Republicans could gain control of both the House and the Senate after the mid-term elections, but current polls suggest gridlock will be the outcome.

BOTTOM LINE:

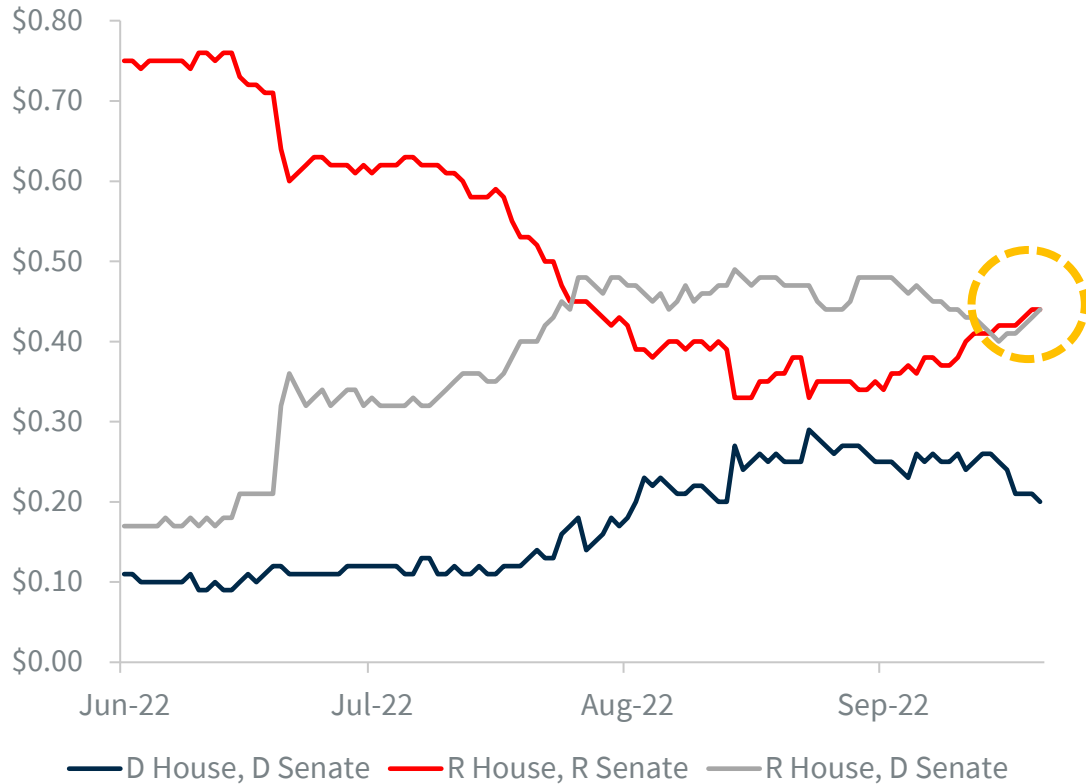
If Congress is split, political policy risks (specifically the potential for increased taxes) will be reduced until the next election cycle.

A LOOK INTO MIDTERM ELECTIONS

A TOSSUP FOR THE COMPOSITION OF CONGRESS FOLLOWING MIDTERMS

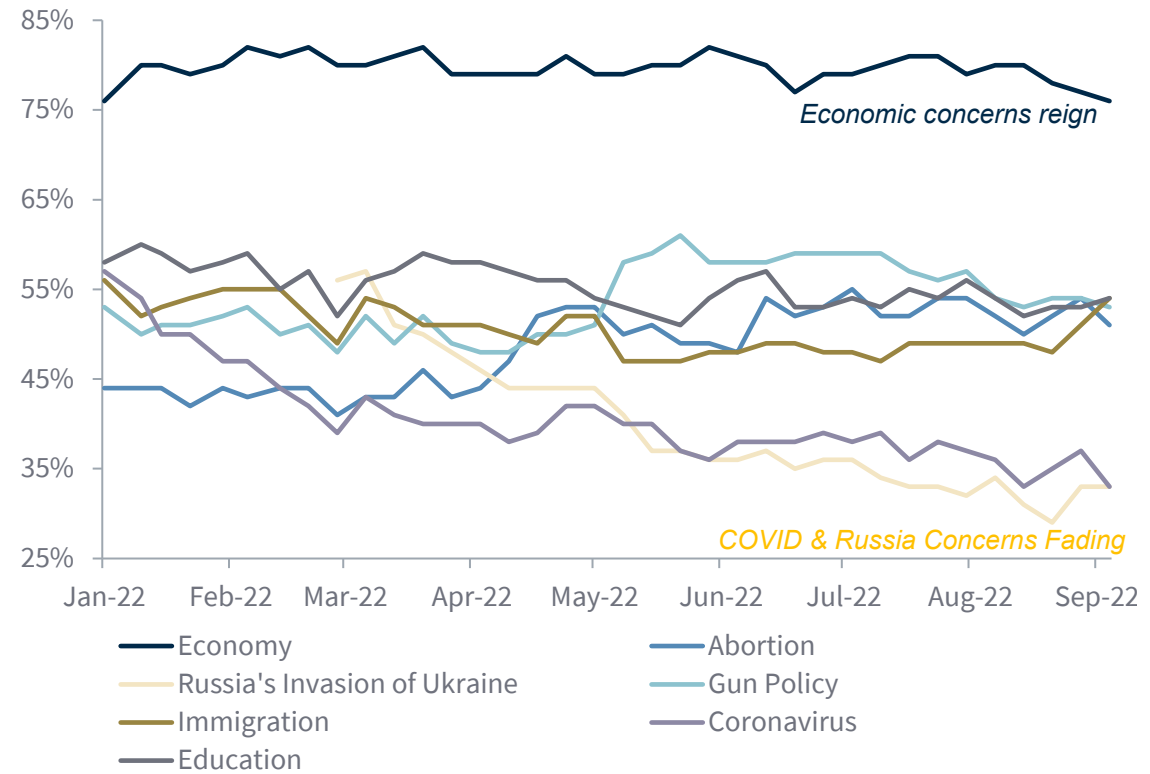
- There will likely be a split Congress following midterm elections.

Composition of Congress Shifting



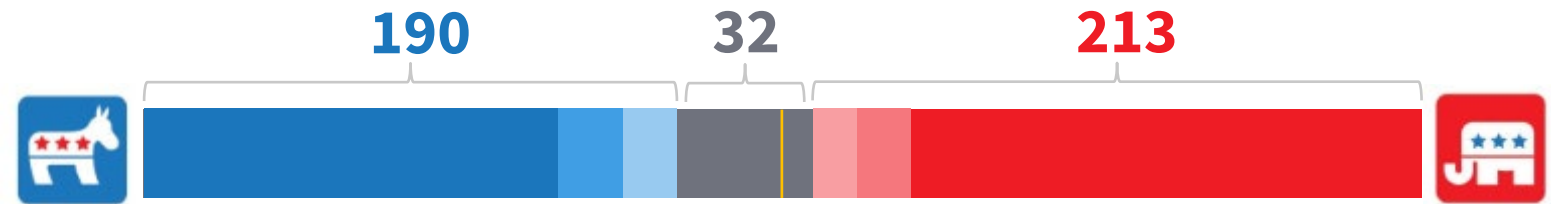
Source: Bloomberg Finance LP, Data as of 9/30/2022.

The Economy Remains the Biggest Issue for Voters



THE HOUSE IS STILL LIKELY TO FLIP

THE HOUSE OF REPRESENTATIVES LIKELY SWITCHES TO REPUBLICANS



78%

Republicans Take Control of
the House

18

Of the Last 20 Midterm
Elections Incumbent Party
Lost Seats

1 Sitting President's Party

The sitting president's party historically loses 26 seats on average.

2 Approval Rating

President Biden's approval rating of 42.5% historically correlates to a loss of 37 seats.

3 Retirements

Of the 37 members retiring from the House this year, 25 are Democrats and 12 are Republicans.

4 Toss Up Seats

Of the 32 toss up seats, 24 are currently held by a Democrat and 8 are currently held by a Republican.

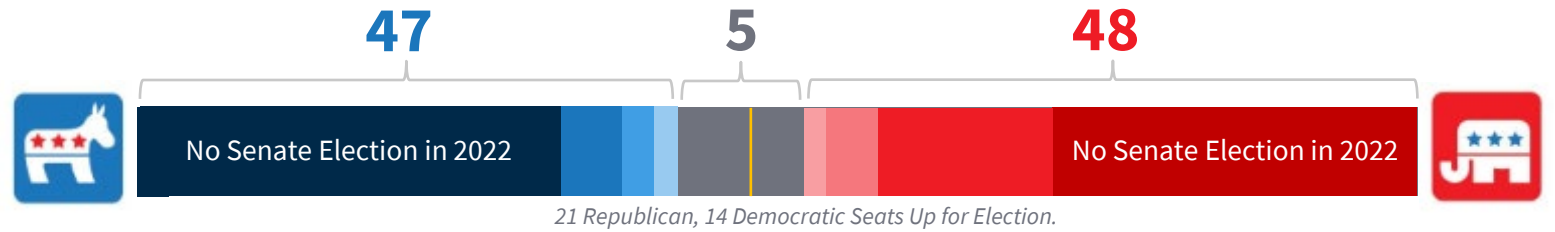
5 Narrow Margin

The Republican party only needs five of the toss up seats to reach majority.

Source: FactSet, Bloomberg Finance LP, Data as of 9/30/2022.

RED WAVE CALLS OFFSIDE?

A CLEAN SWEEP IN THE MIDTERMS MAY BE A CHALLENGE FOR THE REPUBLICAN PARTY



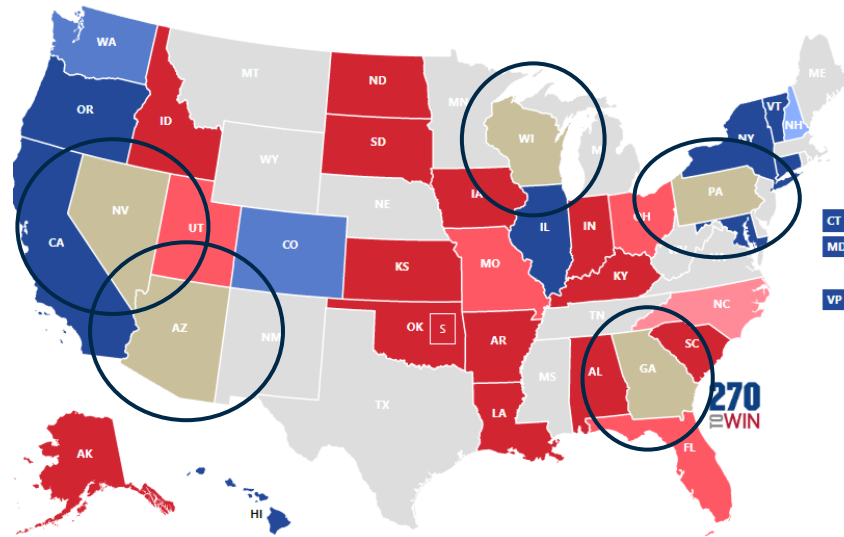
46%

Republicans Take Control of The Senate

15

Out the Last 20 Midterm Elections Incumbent Party Lost Seats

Five Key Races to Determine Senate



■ = No Senate Election in 2022

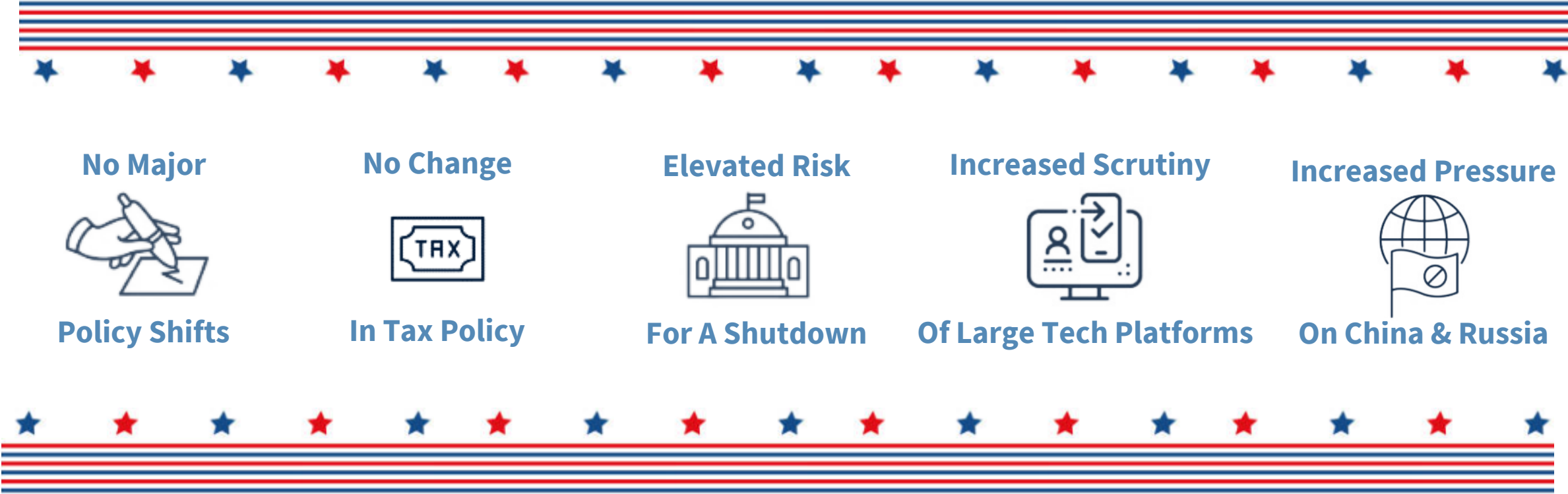
Senate Will Be Tighter than Conventional Wisdom






State	Democrat	Republican
Nevada	43	45
Arizona	49	44
Wisconsin	47	49
Pennsylvania	48	44
Georgia	48	46

Source: FactSet, Bloomberg Finance LP, Data as of 9/30/2022.

POTENTIAL OUTCOMES

WHAT ARE THE LIKELY OUTCOMES SHOULD THE REPUBLICANS TAKE AT LEAST ONE BRANCH AT THE MIDTERM ELECTIONS?



No Major  Policy Shifts	No Change  In Tax Policy	Elevated Risk  For A Shutdown	Increased Scrutiny  Of Large Tech Platforms	Increased Pressure  On China & Russia
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Source: Raymond James Investment Strategy

AFTER MIDTERMS – ALL EYES TURN TO 2024

AFTER MIDTERMS, ALL EYES WILL TURN TO THE 2024 PRESIDENTIAL ELECTION

- It remains unclear who will be the candidate for either party.

Joe Biden the Most Likely Democrat Contender

	Joe Biden	35%
	Gavin Newsom	17%
	Kamala Harris	12%
	Pete Buttigieg	8%
	Hillary Clinton	5%






54%

Republicans Take
Control of the White
House in 2024

66%

Of Incumbent Presidents
Won Election for a Second
Term in Office

DeSantis vs. Trump for Republicans

	Ron DeSantis	35%
	Donald Trump	31%
	Nikki Haley	5%
	Mike Pence	4%
	Mike Pompeo	4%

Source: FactSet, Data as of 9/30/2022.



5 Equities

Equity Market Healing From Nagging Injuries

INSIGHT:

Rising inflation, higher interest rates, a stronger dollar, and falling earnings growth revisions caused the equity market to succumb to a bear market (a decline of 20% or more).

BOTTOM LINE:

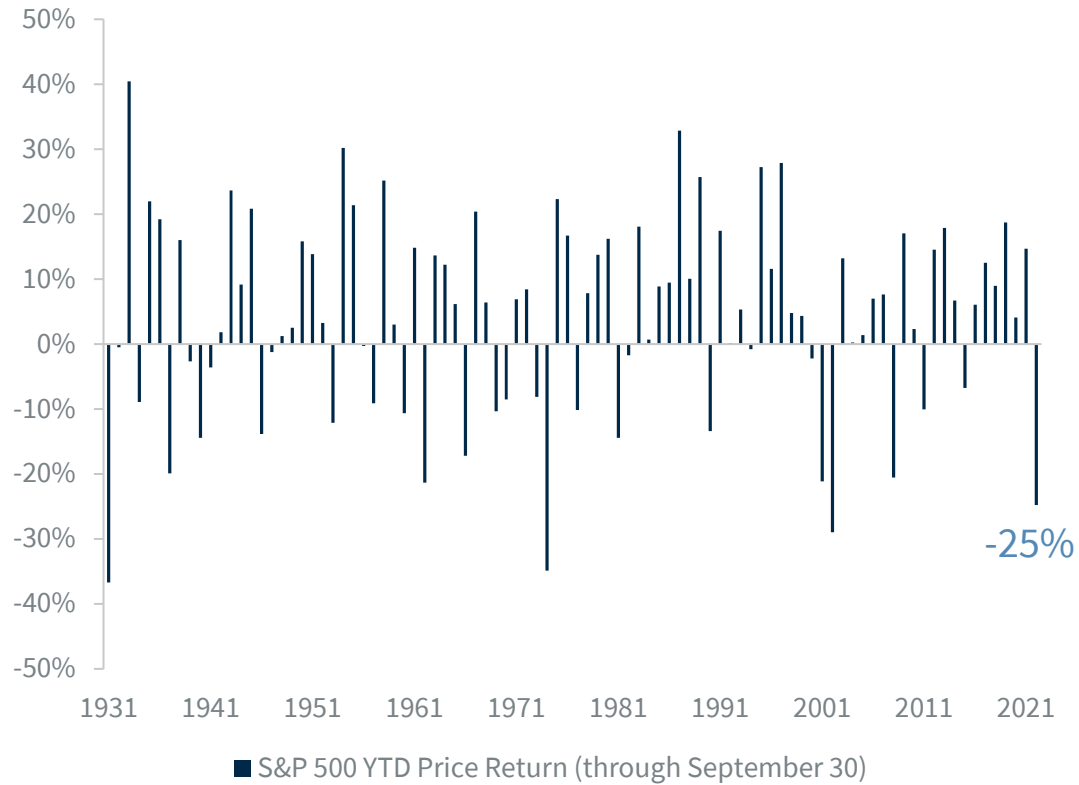
The upward trajectory for equities could commence if the third quarter earnings season is better-than-feared and inflation decelerates. The end of the midterm election cycle has also historically been a positive catalyst. Since the equity market is forward-looking, the 2023 recession fears are already priced into the market.

AN 'INJURED' START TO THE YEAR

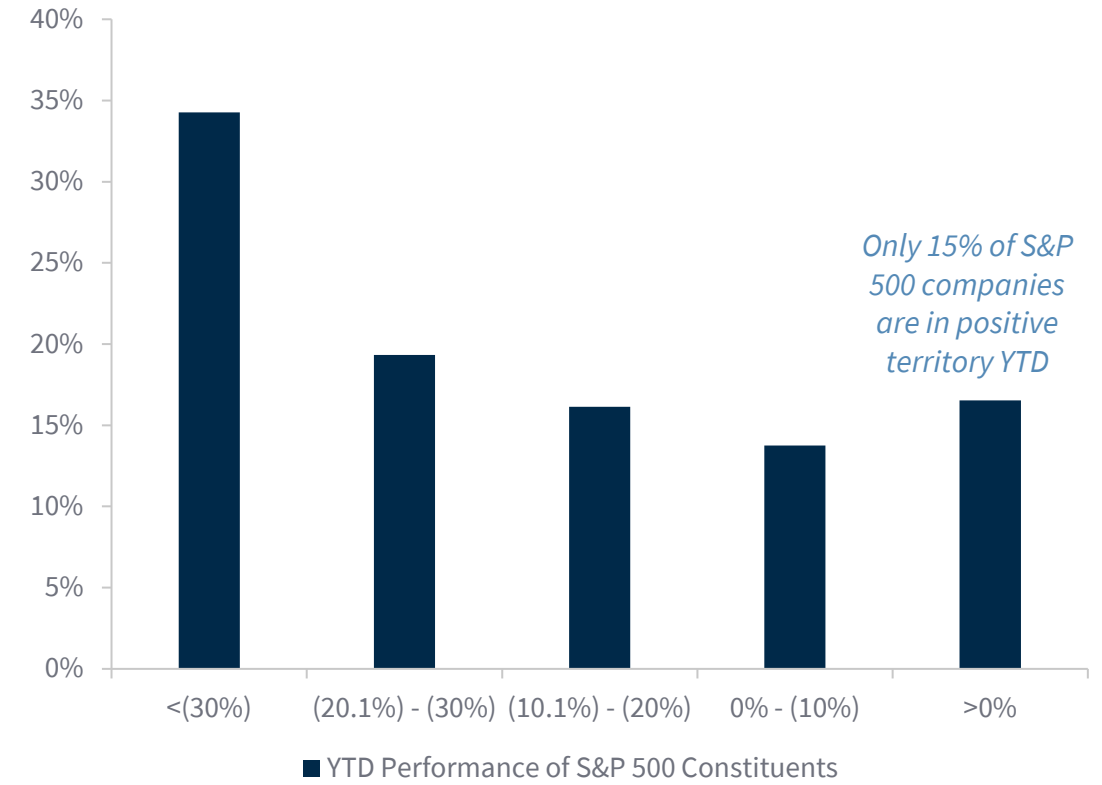
AN 'INJURED' START TO THE YEAR FOR THE EQUITY MARKET

- The S&P 500 is off to the fourth worst start to a year on record.

Fourth Worst Start to a Year on Record



Indiscriminant Selling Year-to-Date



Source: FactSet, Data as of 9/30/2022.

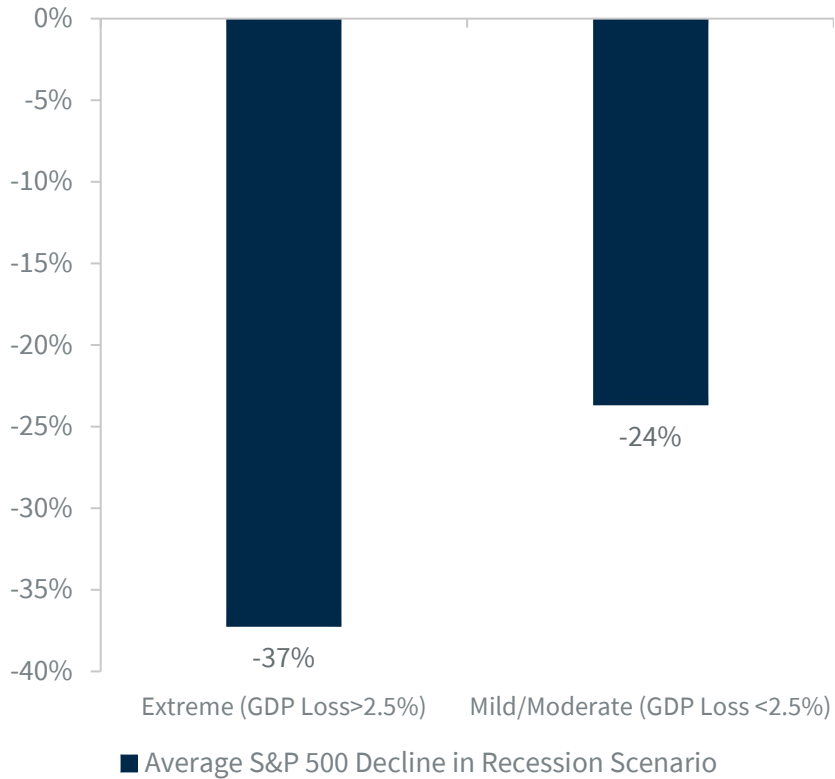
Source: FactSet, Data as of 9/30/2022.

A LOOK INTO THE 'INJURIES' THE MARKET HAS PRICED IN

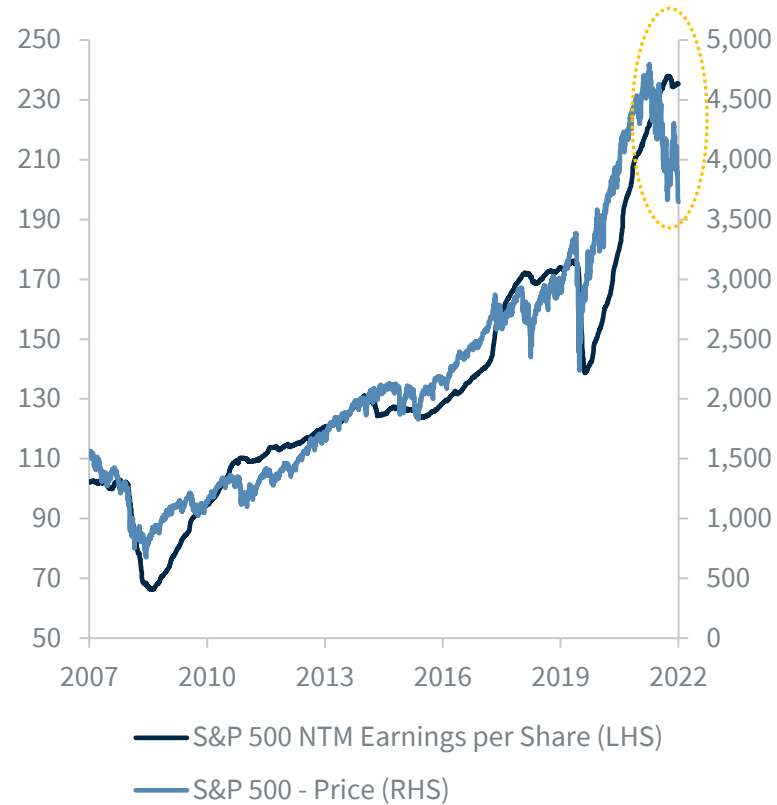
THE MARKET HAS ALREADY PRICED IN A LOT OF BAD NEWS

- With the decline, the market has already priced in a mild to moderate recession, falling earnings and lower valuations.

A Mild/Moderate Recession



Weakening Earnings Environment



Higher Interest Rates Weigh on Valuations



Source: FactSet, Data as of 9/30/2022.

FUNDAMENTALS REMAIN THE DRIVER OF THE GAME

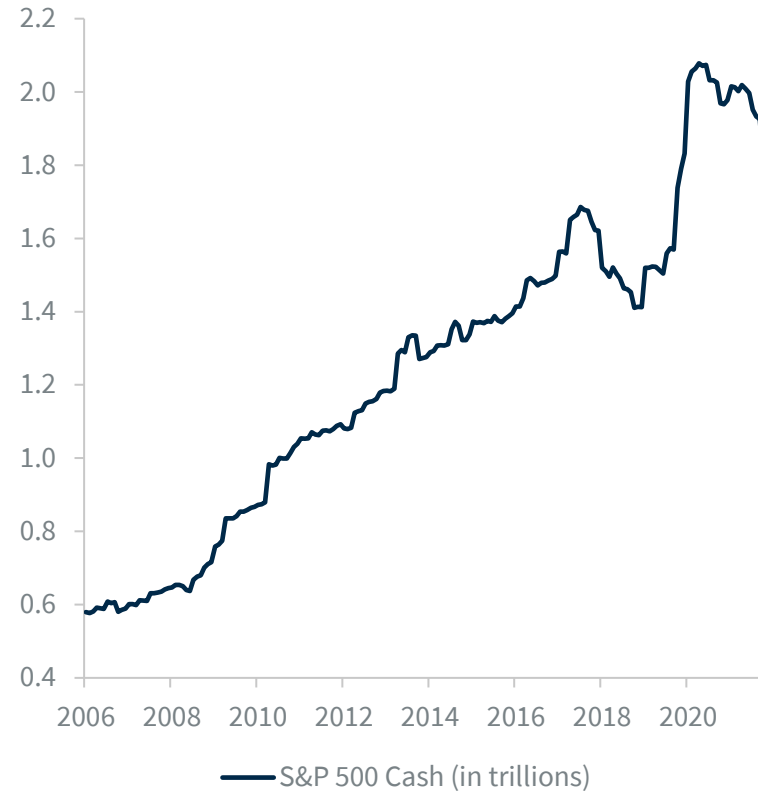
FUNDAMENTALS REMAIN THE DRIVER OF EQUITY MARKETS

- Positive corporate fundamentals, elevated cash positions and record dividends are supportive of the equity market longer term.

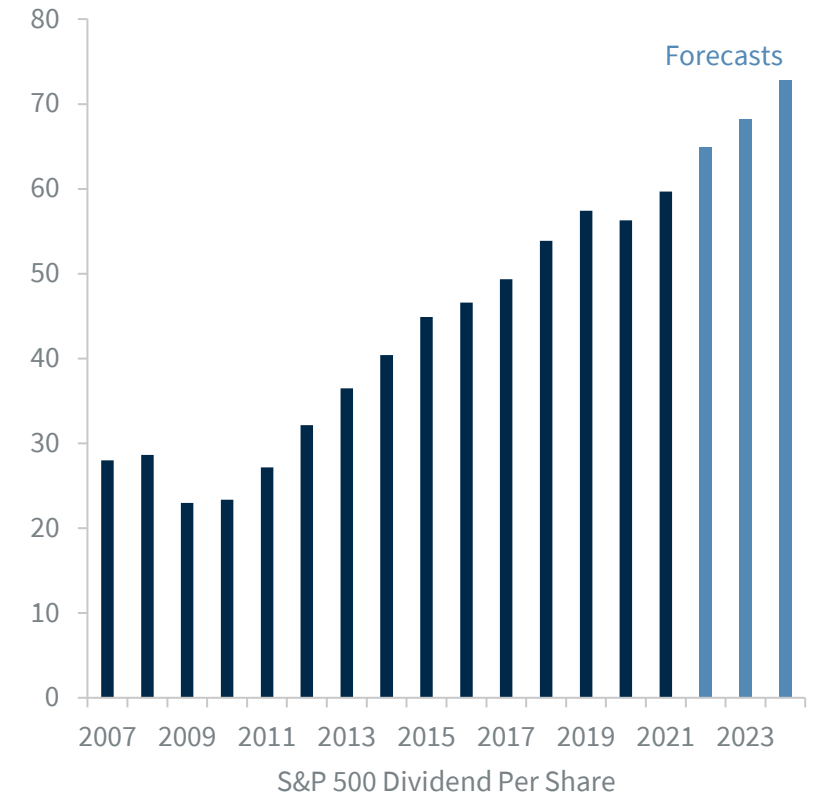
Corporate America Remains Healthy

- 1 Near Record Cash on Balance Sheets
- 2 Sales Growth in Double Digits
- 3 Buybacks Remain Near Record
- 4 EBITDA/Interest Expense at Highest Level on Record
- 5 Dividend Growth Remains Positive

S&P 500 Cash Remains Elevated



Dividends Continue to Move Higher



Source: FactSet, Data as of 9/30/2022.

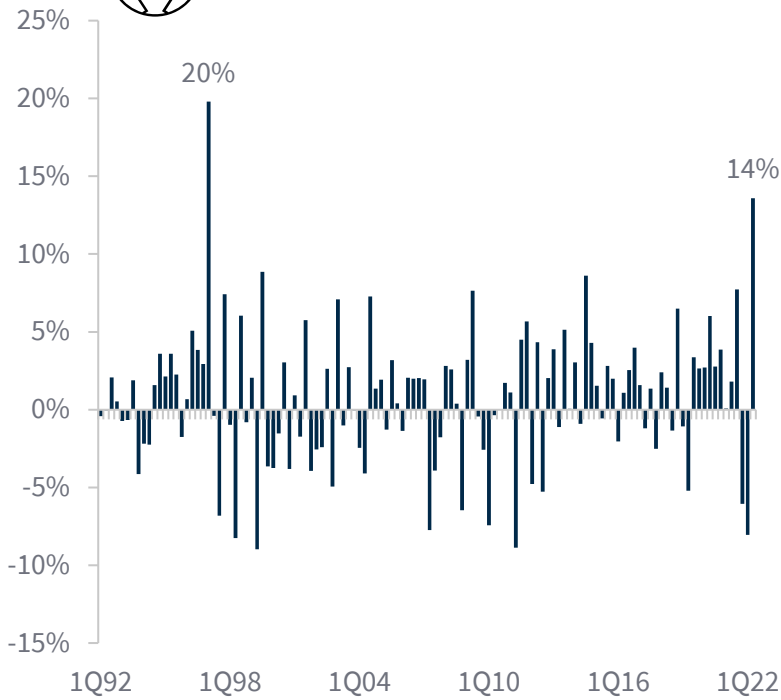
HAT TRICK OF CATALYSTS COULD PUSH THE MARKET HIGHER

THREE CATALYSTS THAT COULD PUSH THE MARKET HIGHER

- The start of earnings season, cooling inflation and midterm election could push the market higher from current levels.



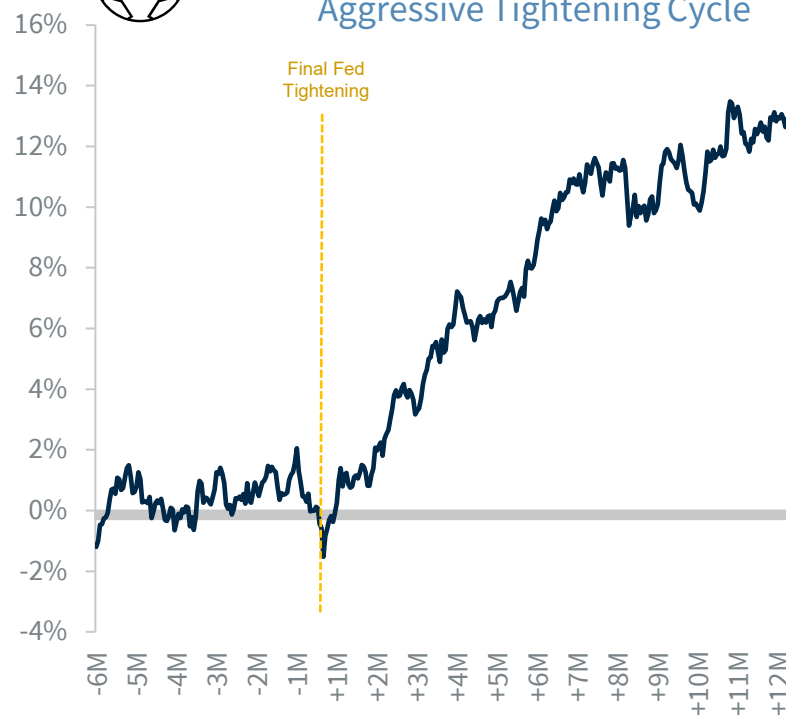
Better than Expected Earnings Season



■ S&P 500 Price Returns During Earnings Season (1992 - Present)



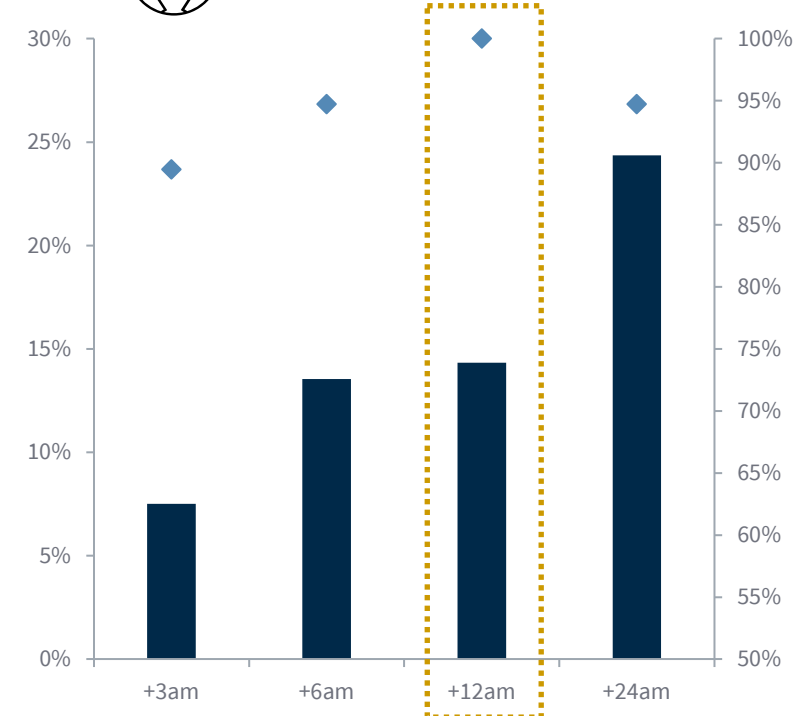
Inflation Rolling Over Could Lead to Less Aggressive Tightening Cycle



— Average Performance Into and Following Final Fed Rate Hike



Midterm Election Timing



■ Average Performance Following Midterm Election (LHS)
◆ % of Time Positive (RHS)

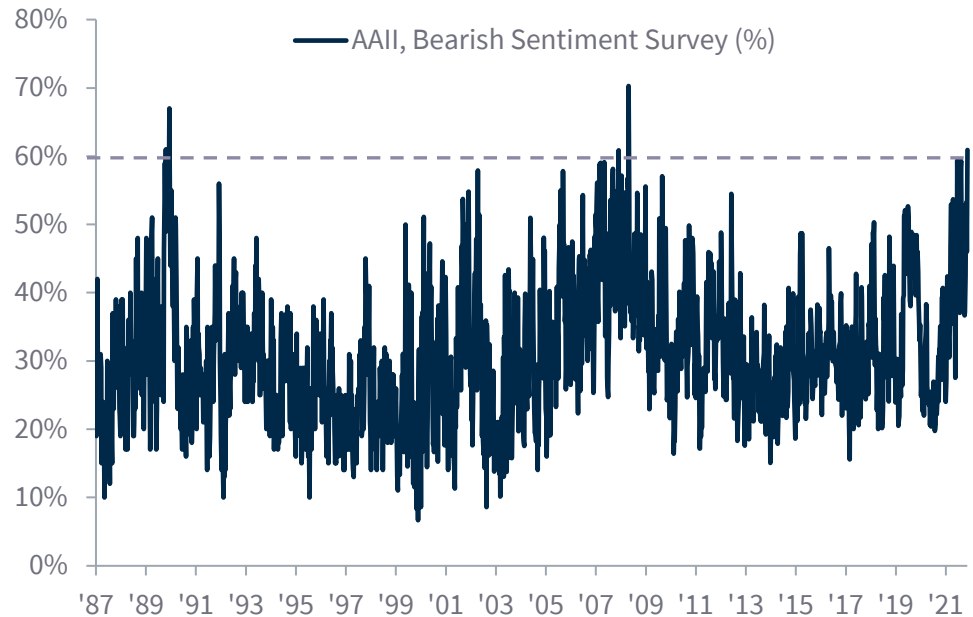
Source: FactSet, Data as of 9/30/2022.

A FOURTH FACTOR COULD ALSO PUSH THE MARKET HIGHER

A FOURTH FACTOR COULD ALSO SUPPORT EQUITY MARKETS

- Investor sentiment remains depressed from a historical standpoint, which has historically provided an attractive entry point.

% of Bearish Investors Near Record



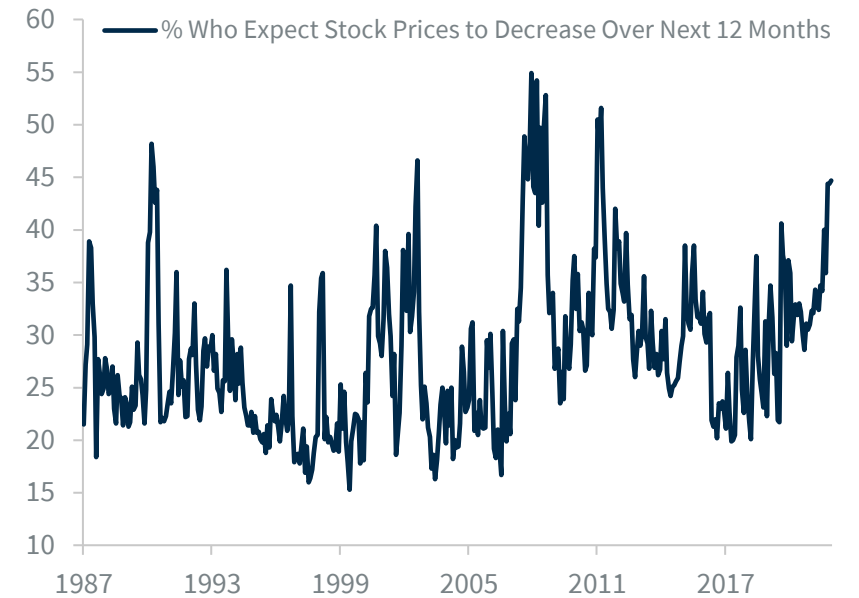
4,400

S&P 500 2023 Year
End Target

“Bull markets are born on pessimism, grown on skepticism, mature on optimism and die on euphoria.”

-Sir John Templeton

% Who Expect Stock Prices to Decrease at Elevated Levels



S&P 500 Performance Following +60% Bears	+1 Month	+3 Months	+6 Months	+12 Months
Average	5%	11%	20%	33%
% Time Positive	75%	50%	75%	100%

Source: FactSet, Data as of 9/30/2022.

S&P 500 Performance Following >44% Expecting Stock Declines	+1 Month	+3 Months	+6 Months	+12 Months
Average	5%	10%	16%	18%
% Time Positive	80%	80%	80%	80%

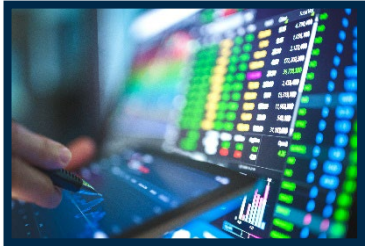
RATIONALE FOR OUR OVERWEIGHT SECTORS

FUNDAMENTALS SUGGEST UPSIDE FOR OUR FAVORITE SECTORS

- Elevated yields, lower beta and strong free cash flow are all reasons we favor the Financials, Health Care and Energy sectors.

Upside for Financials With Yields

FINANCIALS



- Support from Rising Yields
- Elevated Dividend & Buyback Yields
- Attractive Valuations
- ~80% of Revenues Derived from US

Cyclical **#1**

Lower Beta/Strong Earnings in Health Care

HEALTHCARE




- Attractive Valuations
- Low Beta versus S&P 500
- Support from Aging Demographics
- Strong EPS Growth

Defensive **#2**

Energy Free Cash Flow Outpacing Price

ENERGY



- Elevated Dividend Yield
- Record Free Cash Flow
- Strong EPS Growth
- Healthy Earnings Beats

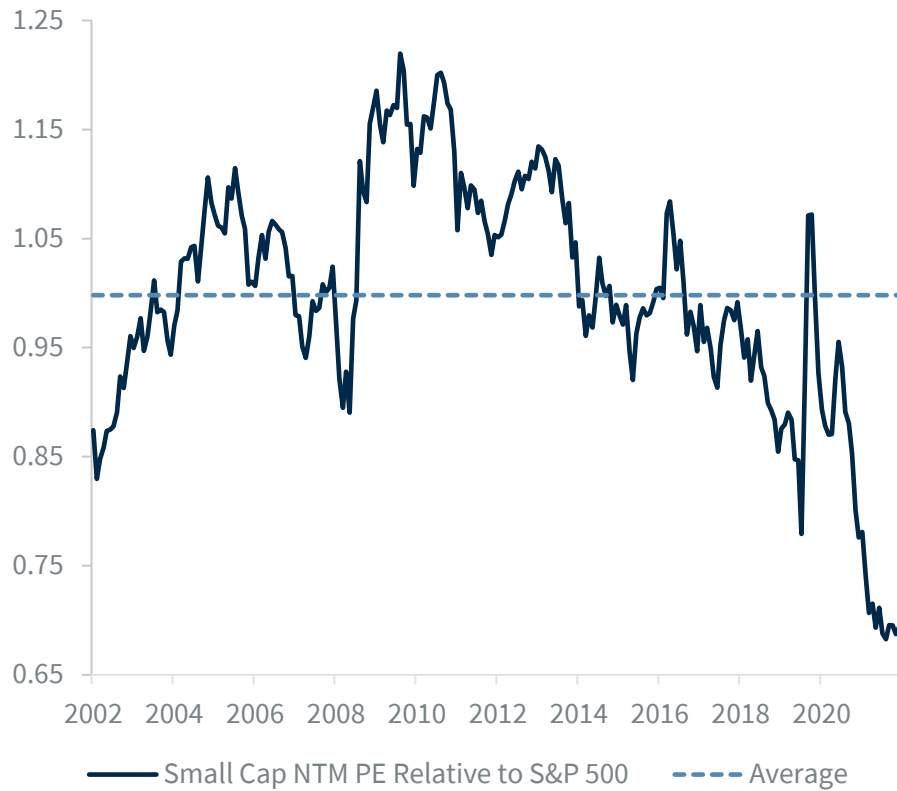
Cyclical **#3**

FAVOR SMALL CAP OVER LARGE CAP

SMALL CAP WINS THE AWARD FOR 'BEST YOUNG PLAYER'

- We favor small cap over large-cap equities over the next 12 months due to attractive valuations and less revenue exposure to overseas.

Attractive Valuations for Small Cap



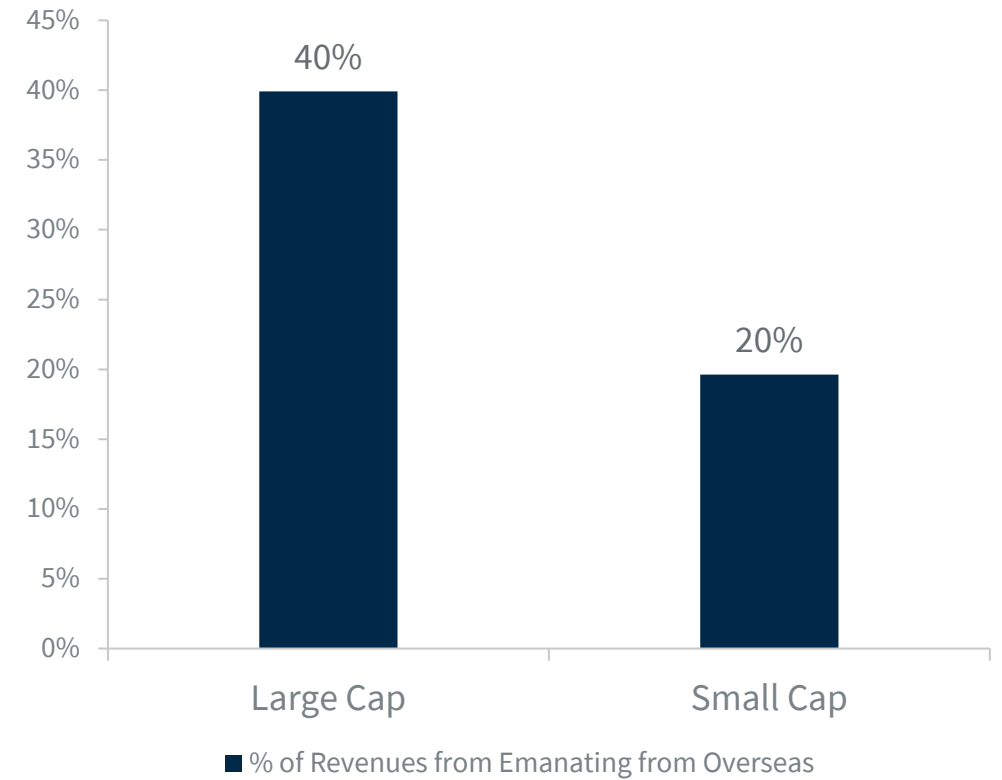
18

Average Age of Company
in Russell 2000

33

Average Age of
Company in S&P 500

Less Revenue Exposure to Overseas



Source: FactSet, Data as of 9/30/2022.

Source: FactSet, Data as of 9/30/2022.



6 International

World Cup Odds Don't Mask Europe's Precarious Economic Conditions

INSIGHT:

The Russia-Ukraine war disproportionately impacted Europe's economy, with the region now facing an energy crisis as the coldest months approach. Policymakers are grappling with how to balance the need for fiscal stimulus for consumers while still taming the inflationary surge.

BOTTOM LINE:

Due to the precarious economic conditions, we still favor domestic equities. The US economy is stronger on a relative basis, and the region has stronger earnings growth potential, higher margins, greater efficiency, and a lower beta.

WHAT TYPE OF GRASS USED AT WORLD CUP

US BASED GRASS USED IN WORLD CUP

- A type of US grass was chosen for the World Cup as it is a stronger and more durable type of grass.

United States - Platinum TE™ Paspalum turfgrass.



Why US Grass Was Chosen

- 1 Stronger
- 2 More Durable
- 3 Shade Resistant
- 4 Quicker to Grow
- 5 Faster Recovery Process

Why US Equities Favored

- Deeper Economic Concerns Overseas
- Stronger, More Consistent US EPS Growth
- US More Insulated From Energy Crisis
- Fed Likely To Have More Flexibility
- Recovery from Mild vs. Severe Recession

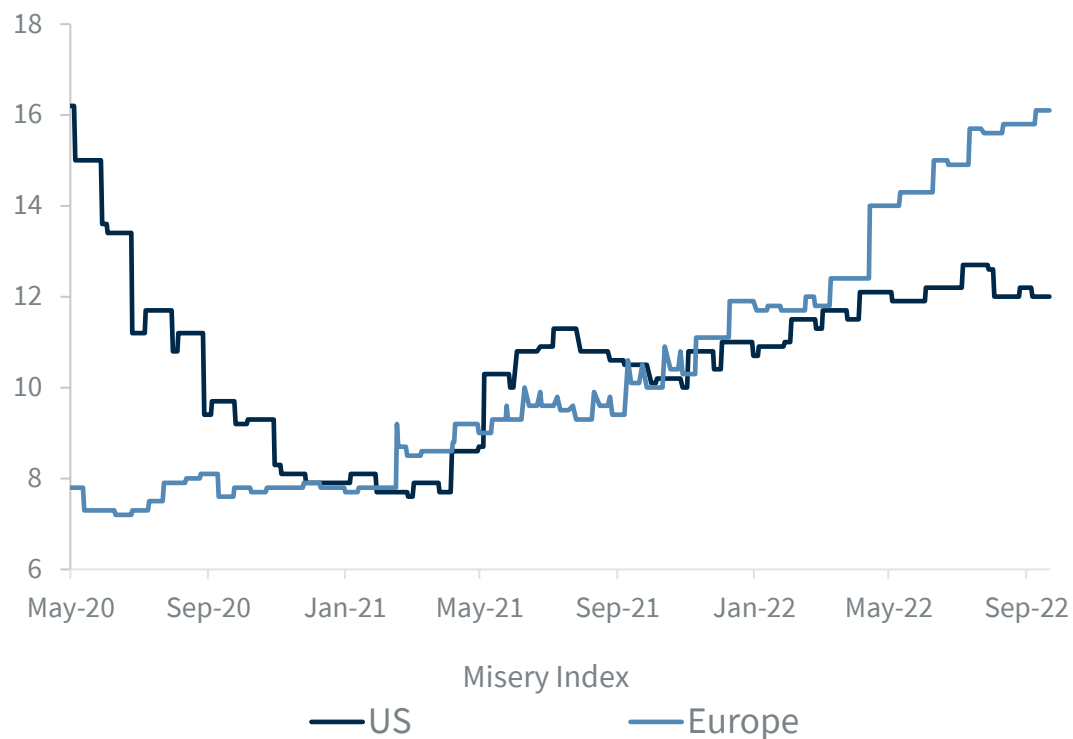
Source: FactSet, Data as of 9/30/2022.

RECESSION RISK HIGHER IN EUROPE

WE CONTINUE TO FAVOR THE US OVER INTERNATIONAL MARKETS

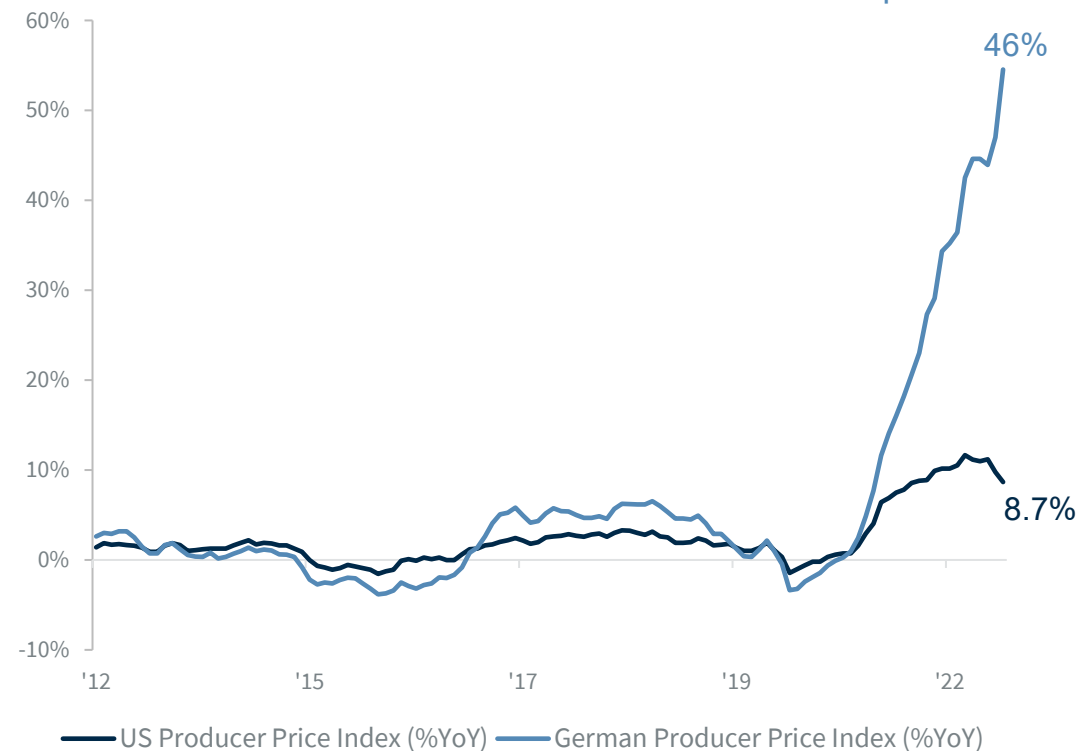
- Higher recession probabilities and greater exposure to the Russia/Ukraine war in Europe are a few reasons why we favor the US over Europe.

Misery Worse in Europe
(Unemployment + Inflation)



Source: FactSet, Data as of 9/30/2022.

Producer Price Indices Elevated in Europe



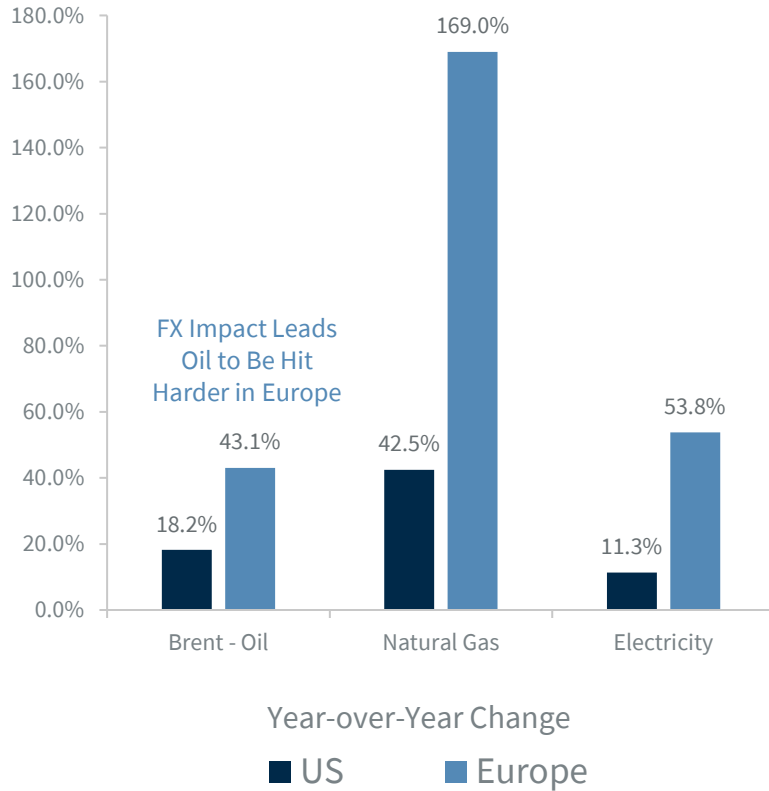
Source: FactSet, Data as of 9/30/2022.

THE US EQUITY REIGN CONTINUES

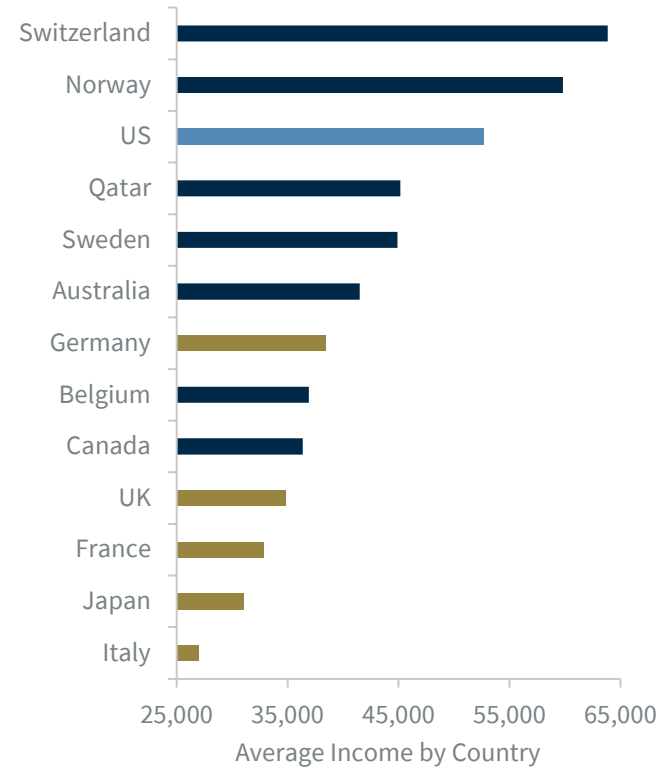
WE CONTINUE TO FAVOR THE US OVER INTERNATIONAL MARKETS

- Higher energy prices have a significant impact on the European consumer and industries.

Higher Energy Prices in Europe



Impact on Consumer



Impact on Industries

High Energy Prices Could Cause Manufacturers To Flee Europe

Some European factories are being forced to shut down due to soaring global energy prices, report says

Steel makers fear deepening crisis from energy crunch as output halted

Rising energy costs 'will force thousands of corner shops to close'

Some Japanese utilities cut profit outlook as energy costs spike

Australia power crisis forces manufacturers to eye offshore moves, production cuts

Japan grapples with higher electricity bills as Ukraine war forces rethink of Russia energy links

Europe's Top Aluminum Plant Will Cut Output 22% on Energy Costs

Source: FactSet, Data as of 9/25/2022.

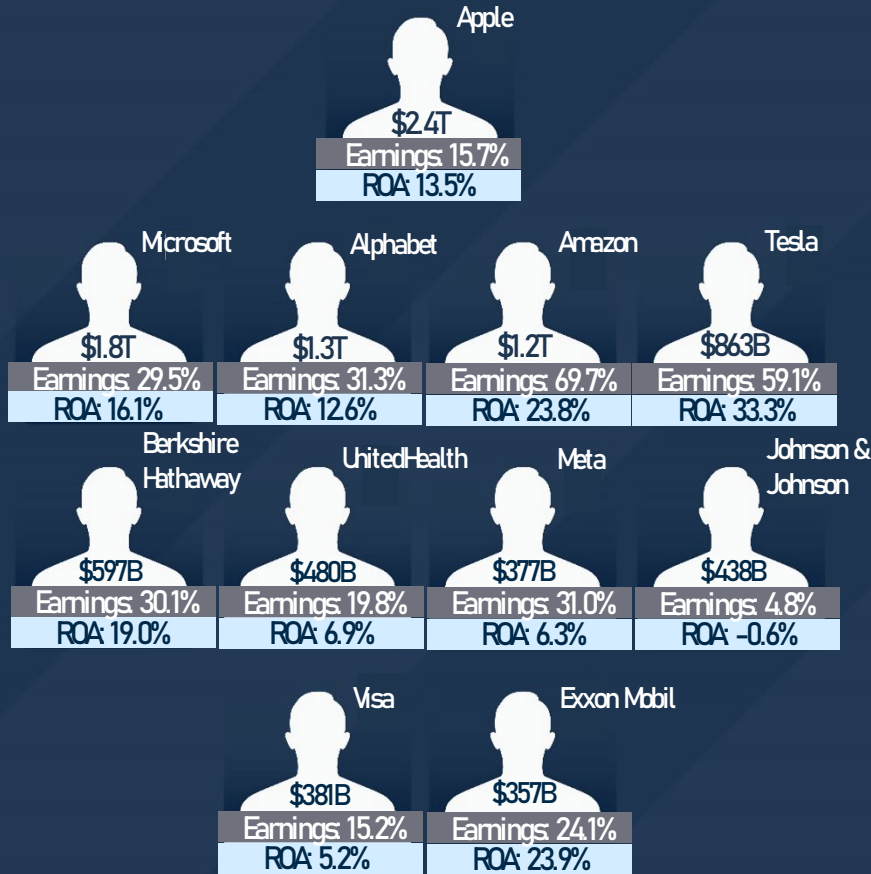
Source: World Bank, Data as of 9/30/2022.

TEAM USA



Total Market Cap: \$10.14T

Earnings Growth: 31.5%
Return on Assets: 15.9%
Price Performance: 35.4%

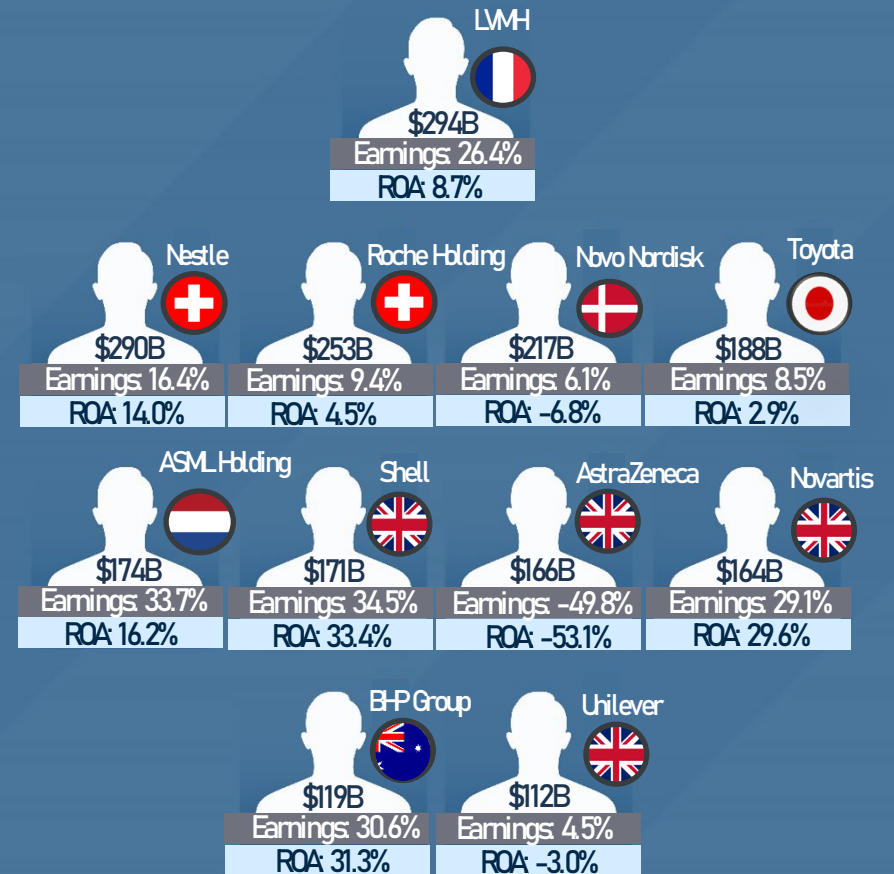


TEAM ABROAD



Total Market Cap: \$215T

Earnings Growth: 14.0%
Return on Assets: 6.9%
Price Performance: 16.7%



Source: FactSet, Data as of 9/30/2022.



7 Commodities

Oil Prices Won't Run Out Of Bounds

INSIGHT:

After reaching multi-year highs earlier this year, crude oil prices have fallen substantially from the recent peak. The potential for an Iranian nuclear deal, fears of a global economic slowdown, and a stronger dollar have all contributed to oil, and subsequently gas prices, declining.

BOTTOM LINE:

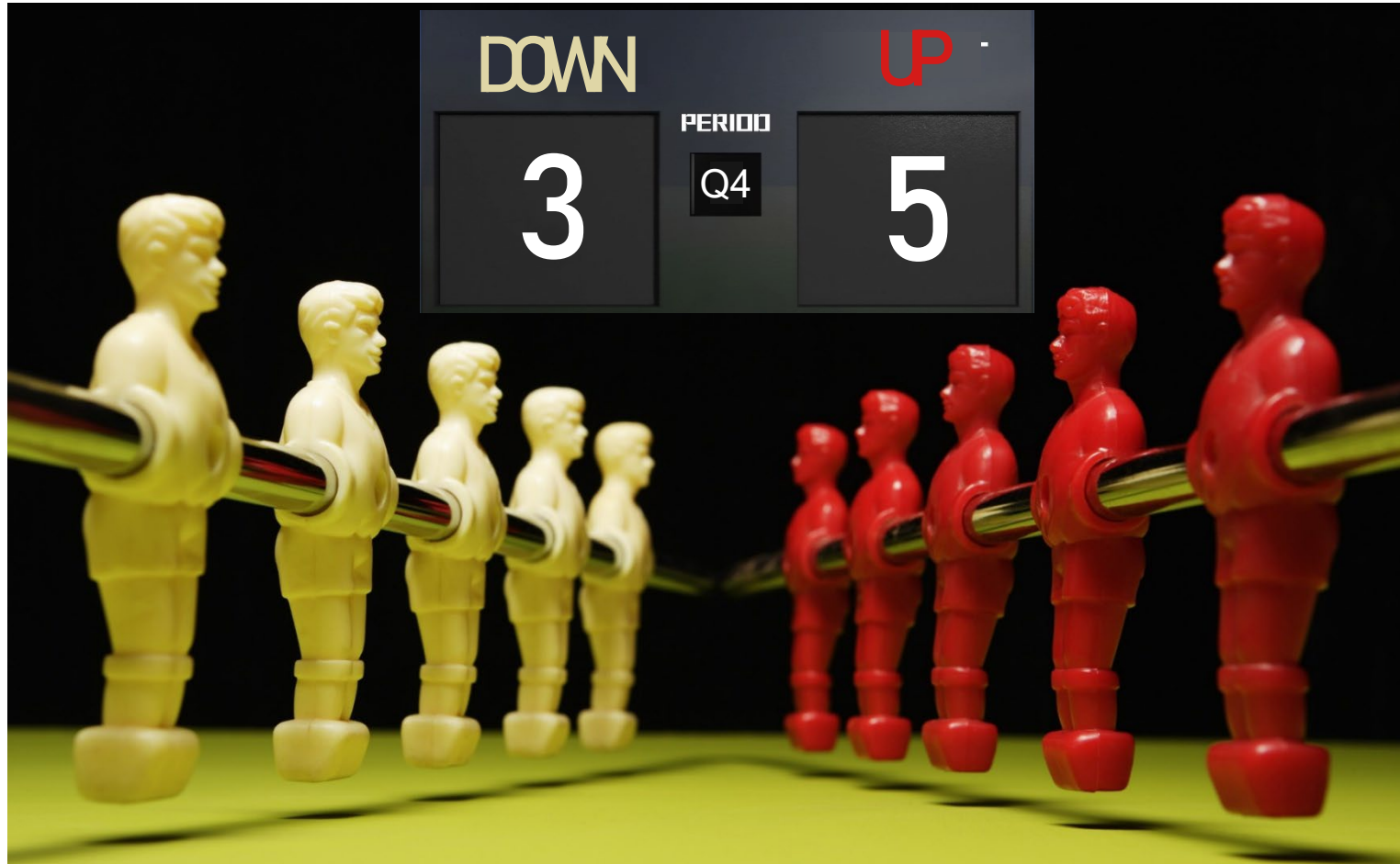
The strategic petroleum reserve release will conclude, and the reserve will need to be refilled. The easing of COVID lockdowns in China will fuel demand, and sanctions against Russia will continue to restrict supply. As a result, oil prices are more likely to move higher from current levels.

BALANCING ACT FOR CRUDE OIL PRICE

1. Global Economic Slowdown
2. Potential Iranian Nuclear Deal
3. Stronger Dollar

\$100

WTI Crude Oil to Rise Modestly through 2023



1. Russia's Weaponization of Energy
2. Strategic Reserves To Be Refilled
3. Potential OPEC+ Production Cuts
4. Lackluster Capital Investment (*Forced vs. Voluntary*)
5. China Lockdowns Easing

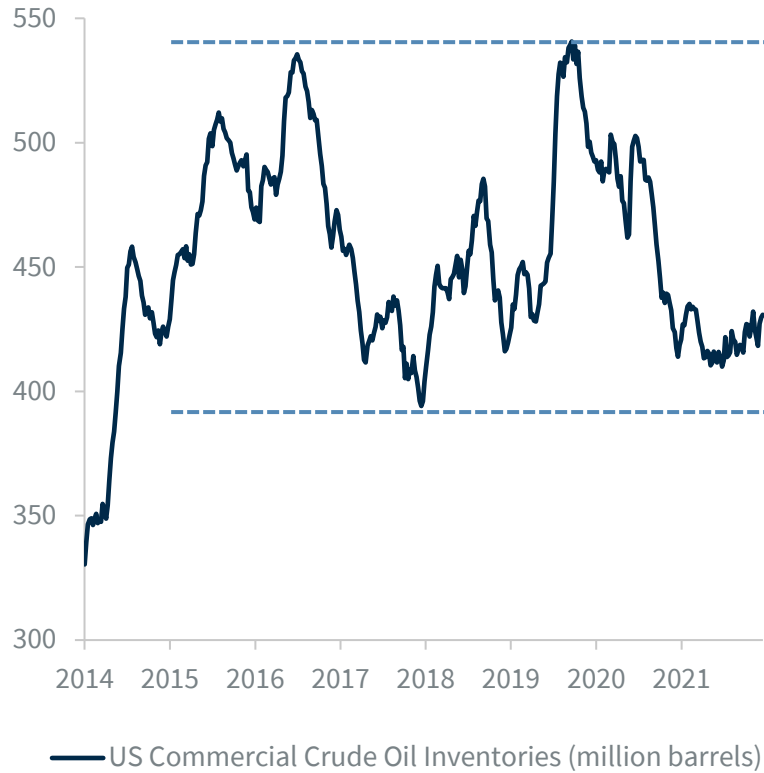
Source: FactSet, Data as of 9/30/2022.

WEATHER A MAJOR WILDCARD

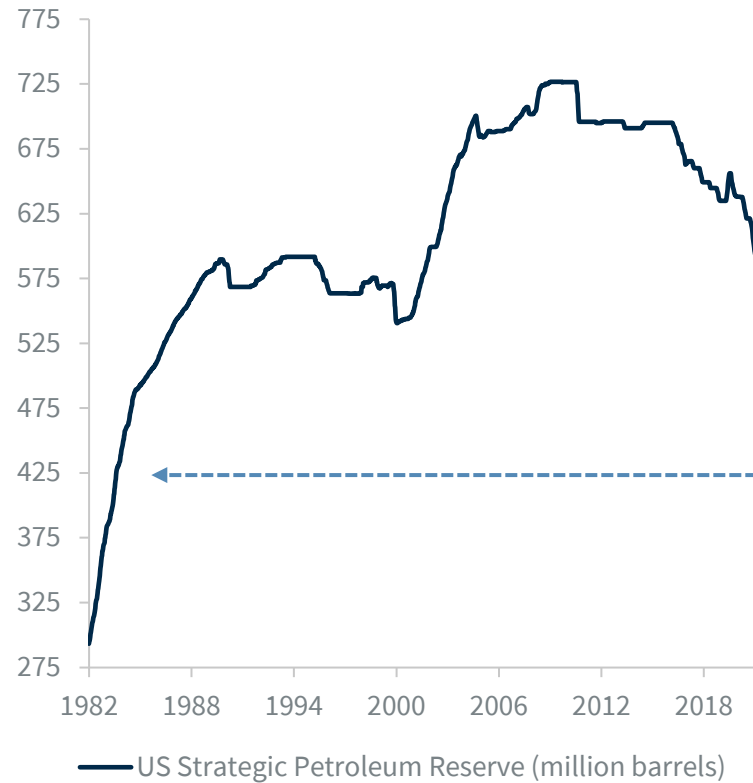
WEATHER IMPACTS COULD HAMPER ALREADY DEPRESSED INVENTORIES

- Both oil and natural gas inventories are at multi-year lows, potentially exacerbating the negative impacts from weather events.

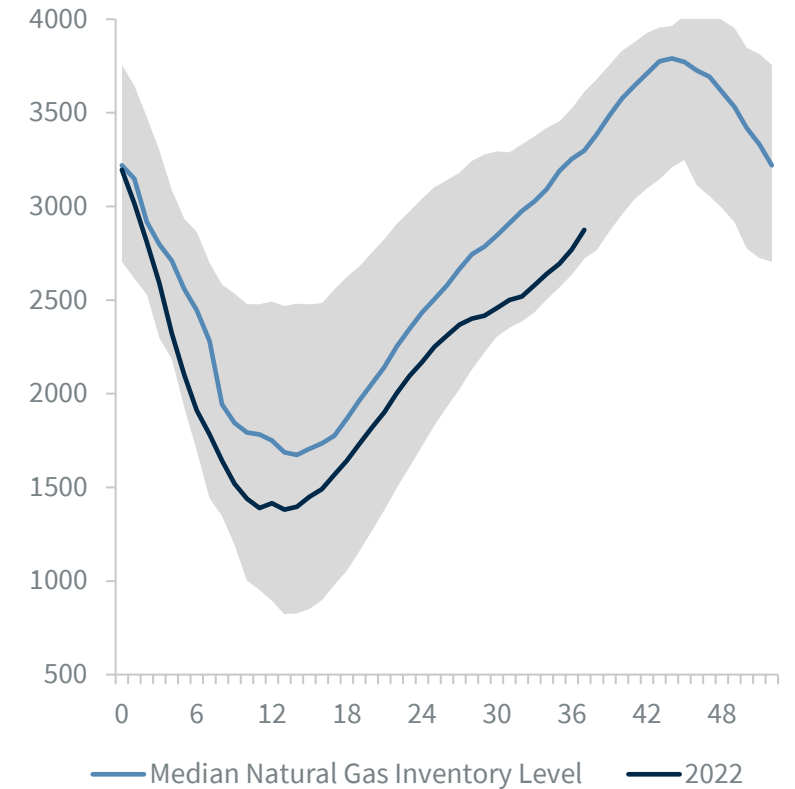
Commercial Inventories at Lower End of Range



SPR Inventories at Multi-Decade Lows



Natural Gas at Lower End of Seasonal Range



Source: FactSet, Data as of 9/30/2022.



8 Asset Allocation

Don't Watch From The Sidelines

INSIGHT:

Incessant headlines are likely to cause investors to make ill-timed portfolio decisions, especially if recession fears cause an exit from the markets.

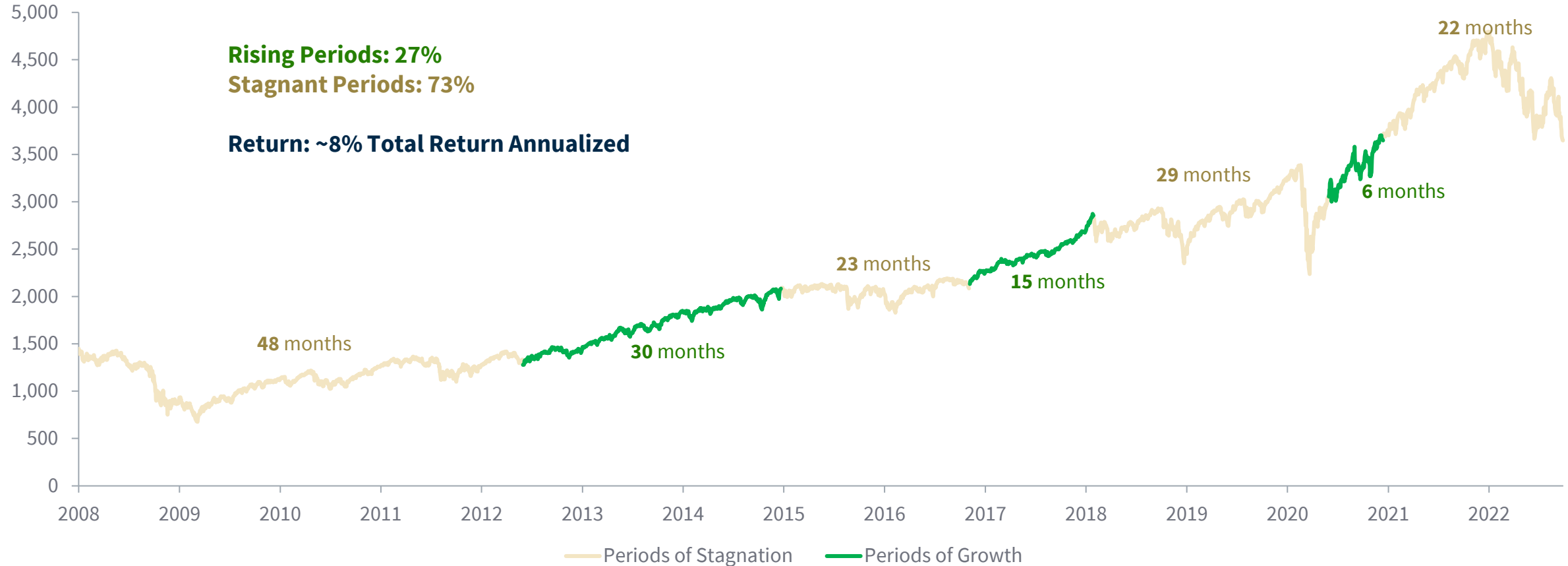
BOTTOM LINE:

Diversification, asset allocation, and a long-term approach remain timeless investing principles. An advisor who understands your investment goals and objectives can be greatly beneficial during periods of economic and financial market uncertainty.

A TIME FOR POWER, A TIME FOR FINESSE

IT IS NOT ALWAYS A STRAIGHT LINE UP FOR INVESTORS

- It is not unusual for the market to go through periods of flat performance.

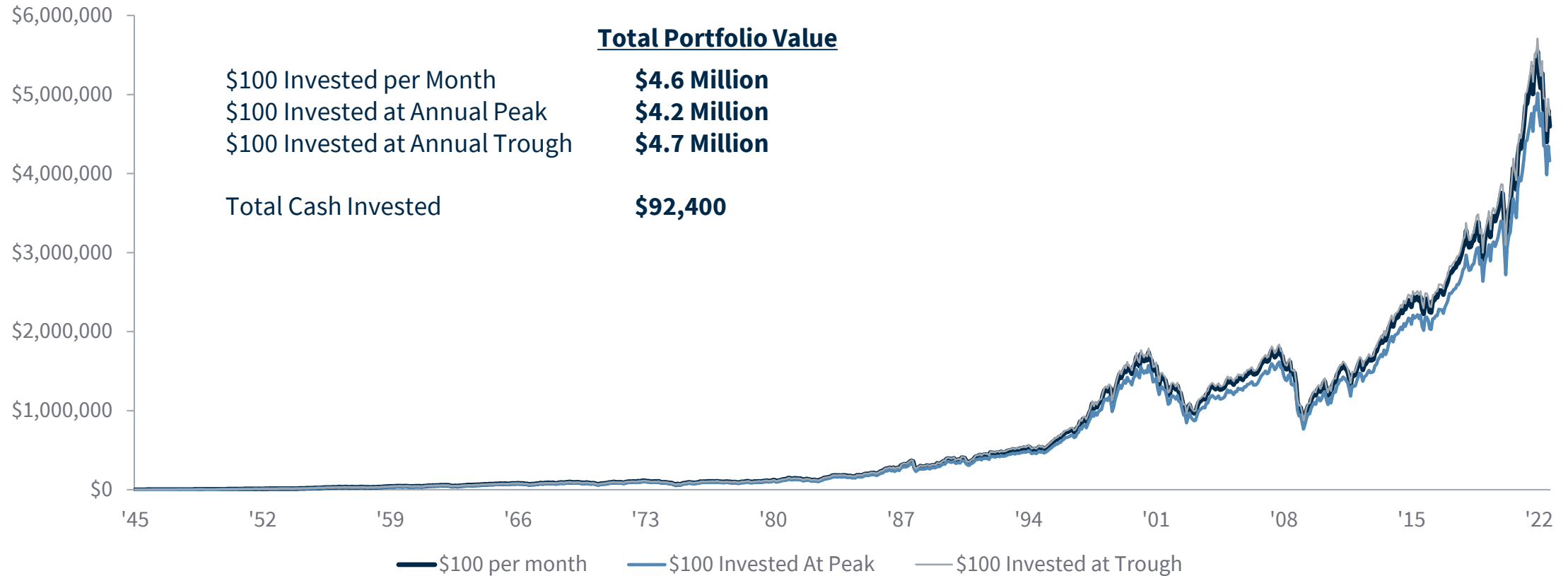


Source: FactSet, Data as of 9/30/2022.

WEATHER A MAJOR WILDCARD GOING FORWARD

MARKET TIMING IS A DIFFICULT EXERCISE

- In the long run, trying to time the market has not been the primary driver of portfolio values



Source: FactSet, Data as of 9/30/2022.

BUILDING A WINNING MINDSET



“Sometimes you have to accept you can't win all the time.”

-Messi

“I try to never get too high or too low. You have to keep that medium”

-Kane

“The smartest thing I did is I never gave up.”

-Rakitic

“You can learn at any age and at any moment in your life.”

-Lloris

Source: Raymond James Investment Strategy

UPCOMING WEBINARS



NOVEMBER 10 | 4:00 PM

Market Outlook – Post Midterms

This presentation will discuss recent market and economic trends and impacts.

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INTERNATIONAL INVESTING | International investing involves additional risks such as currency fluctuations, differing financial accounting standards, and possible political and economic instability. These risks are greater in emerging markets. Investing in emerging markets can be riskier than investing in well-established foreign markets.

SECTORS | Sector investments are companies engaged in business related to a specific economic sector and are presented herein for illustrative purposes only and should not be considered as the sole basis for an investment decision. Sectors are subject to fierce competition and their products and services may be subject to rapid obsolescence. There are additional risks associated with investing in an individual sector, including limited diversification.

OIL | Investing in oil involves special risks, including the potential adverse effects of state and federal regulation and may not be suitable for all investors.

WEST TEXAS INTERMEDIATE | West Texas Intermediate can refer to a grade or a mix of crude oil, and/or the spot price, the futures price, or the assessed price for that oil; colloquially WTI usually refers to the price of the New York Mercantile Exchange WTI Crude Oil futures contract or the contract itself.

CURRENCIES | Currencies investing are generally considered speculative because of the significant potential for investment loss. Their markets are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising.

GOLD | Gold is subject to the special risks associated with investing in precious metals, including but not limited to: price may be subject to wide fluctuation; the market is relatively limited; the sources are concentrated in countries that have the potential for instability; and the market is unregulated.

FIXED INCOME | Fixed-income securities (or “bonds”) are exposed to various risks including but not limited to credit (risk of default of principal and interest payments), market and liquidity, interest rate, reinvestment, legislative (changes to the tax code), and call risks. There is an inverse relationship between interest rate movements and fixed income prices. Generally, when interest rates rise, fixed income prices fall and when interest rates fall, fixed income prices generally rise.

US TREASURIES | US Treasury securities are guaranteed by the US government and, if held to maturity, generally offer a fixed rate of return and guaranteed principal value.

CAPEX | CAPEX Capital Expenditures are funds used by a company to acquire, upgrade, and maintain physical assets such as property, plants, buildings, technology, or equipment. CapEx is often used to undertake new projects or investments by a company.

FIXED INCOME DEFINITION

AGGREGATE BOND | **Bloomberg US Agg Bond Total Return Index:** The index is a measure of the investment grade, fixed-rate, taxable bond market of roughly 6,000 SEC-registered securities with intermediate maturities averaging approximately 10 years. The index includes bonds from the Treasury, Government-Related, Corporate, MBS, ABS, and CMBS sectors.

HIGH YIELD | **Bloomberg US Corporate High Yield Total Return Index:** The index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below.

CREDIT | **Bloomberg US Credit Total Return Index:** The index measures the investment grade, US dollar-denominated, fixed-rate, taxable corporate and government related bond markets. It is composed of the US Corporate Index and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities.

US DOLLAR | The U.S. Dollar Index is an index (or measure) of the value of the United States dollar relative to a basket of foreign currencies, often referred to as a basket of U.S. trade partners' currencies. The Index goes up when the US dollar gains "strength" (value) when compared to other currencies.

200-DAY MOVING AVERAGE | The 200-day moving average is a popular technical indicator which investors use to analyze price trends. It is simply a security's average closing price over the last 200 days.

US INDEXES AND EQUITY SECTORS DEFINITION

S&P 500 | The **S&P 500 Total Return Index**: The index is widely regarded as the best single gauge of large-cap U.S. equities. There is over USD 7.8 trillion benchmarked to the index, with index assets comprising approximately USD 2.2 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

RUSSELL 2000 | **Russell 2000 Total Return Index**: This index covers 2000 of the smallest companies in the Russell 3000 Index, which ranks the 3000 largest US companies by market capitalization. The Russell 2000 represents approximately 10% of the Russell 3000 total market capitalization. This index includes the effects of reinvested dividends.

INTERNATIONAL EQUITY DEFINITION

EMERGING MARKETS EASTERN EUROPE | **MSCI EM Eastern Europe Net Return Index**: The index captures large- and mid-cap representation across four Emerging Markets (EM) countries in Eastern Europe. With 50 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS | **MSCI Emerging Markets Net Return Index**: This index consists of 23 countries representing 10% of world market capitalization. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 23 countries.

MSCI EAFE | The **MSCI EAFE** (Europe, Australasia, and Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the United States & Canada. The EAFE consists of the country indices of 22 developed nations.

GERMAN BUND | A bund is a debt security issued by Germany's federal government, and it is the German equivalent of a U.S. Treasury bond.

SMALL CAP | Investing in small-cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor. The prices of small company stocks may be subject to more volatility than those of large company stocks.

LARGE-CAP STOCK | also known as big caps are shares that trade for corporations with a market capitalization of \$10 billion or more. Large-cap stocks tend to be less volatile during rough markets as investors fly to quality and stability and become more risk-averse

MSCI AC WORLD EX-US | **The MSCI AC ex USA** Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 26 Emerging Markets (EM) countries*. With 2,215 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.

LATAM | **MSCI EM Latin America Net Return Index**: The index captures large- and mid-cap representation across five Emerging Markets (EM) countries in Latin America. With 116 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

ASIA EX-JAPAN | **MSCI Pacific Ex Japan Net Return Index**: The index captures large- and mid-cap representation across four of 5 Developed Markets (DM) countries in the Pacific region (excluding Japan). With 150 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

JAPAN | **MSCI Japan Net Return Index**: The index is designed to measure the performance of the large and mid cap segments of the Japanese market. With 319 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

COMMODITIES DEFINITION

BLOOMBERG COMMODITY INDEX | Bloomberg Commodity Index is a commodity group sub index of the Bloomberg CTR. The index is composed of futures contracts on crude oil, heating oil, unleaded gasoline and natural gas. It reflects the return on fully collateralized futures positions and is quoted in USD.

WTI | West Texas Intermediate can refer to a grade or a mix of crude oil, and/or the spot price, the futures price, or the assessed price for that oil; colloquially WTI usually refers to the price of the New York Mercantile Exchange WTI Crude Oil futures contract or the contract itself.

BLOOMBERG EMERGING MARKETS AGGREGATE BOND INDEX | The Bloomberg s Emerging Markets Aggregate Bond Index is a flagship hard currency Emerging Markets debt benchmark that includes USD-denominated debt from sovereign, quasi-sovereign, and corporate EM issuers.

BLOOMBERG INDUSTRIAL METALS SUBINDEX | The Index is composed of future contracts on aluminum, copper, nickel, and zinc. The index reflect the return of the underlying commodity future price movements only and is quoted in USD.

[Manheim Index](#) | The Manheim Index is increasingly recognized by both financial and economic analysts as the premier indicator of pricing trends in the used vehicle market, but should not be considered indicative or predictive of any individual remarketer's results

[North America Fertilizer Price](#) | The Green Markets Weekly North America Fertilizer Price Index is constructed using the fertilizer benchmark prices of US Gulf Coast Urea, US Cornbelt Potash and NOLA Barge DAP. The index is value weighted based on the annual global demand of each nutrient.

[Consumer Sentiment Index](#) | The US Index of Consumer Sentiment (ICS), as provided by University of Michigan, tracks consumer sentiment in the US, based on surveys on random samples of US households. The index aids in measuring consumer sentiments in personal finances, business conditions, among other topics.

[Lipper Municipal Fund Flows](#) | Lipper U.S. Fund Flows is the premiere source of information relating to weekly investor demand in the fund market.

[Misery Index](#) | The misery index is an economic indicator, created by economist Arthur Okun. The index helps determining how the average citizen is doing economically and it is calculated by adding the seasonally adjusted unemployment rate to the annual inflation rate.

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DATA SOURCES:

FactSet.

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