



MARKET COMMENTARY Q1 | 2022



IN REVIEW

Global equity markets sold off in the 1st quarter of the year as the conflict in Ukraine created a risk-off environment. U.S. equities were the relative winners, declining just -4.6% compared to a -5.3% return for international developed market equities. Global credit markets were also down on the quarter as global central banks begin to raise rates in the face of rising inflation. As economies around the world were set to emerge from their pandemic malaise, Russia's invasion of Ukraine mired the global growth outlook. Markets now must digest the increasingly uncertain paths for commodity prices, economic growth, and monetary policy. The near-term implications of the Russian invasion for the U.S. are increased commodity prices, specifically energy prices, feeding into existing inflationary pressures. Longer-term, the risks are a new cold war between Russia and the West which would be another blow to globalization. Meanwhile, central banks must navigate a tightening cycle to mitigate inflation but without completely stalling demand. Despite these risks, we still believe the U.S. economy will expand consistent with the long-term trend as the economy is relatively insulated from the conflict, consumer balance sheets remain healthy, and the labor market shows no signs of weakness. With that backdrop, risk assets should continue to do well as volatility eventually settles down and investors refocus on fundamentals and corporate earnings.

Geopolitical Update

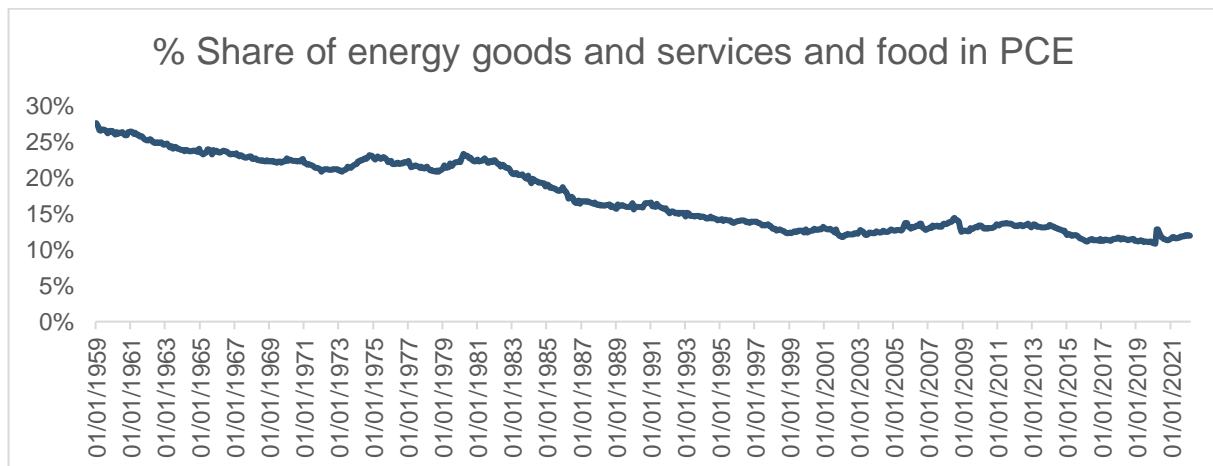
Vladimir Putin ordered an invasion of Ukraine after a months-long buildup of Russian forces along Ukrainian borders. The invasion was launched along three fronts: from the South through Crimea, from the North through Belarus, and from the East directly through Russia. Mr. Putin seems primarily motivated by preventing the expansion of NATO into Ukraine which would place strike weapons along Russian borders. Additionally, taking over Ukraine has long been part of Mr. Putin's ambition to redeem the humiliation of the Soviet Union's collapse. The Western response was largely expected, focusing on sanctions that seek to cripple Russia's economic and military capabilities. The actions being taken by the U.S. are targeting large state-owned enterprises, Russian oligarchs, and exports of critical military and aerospace technology to Russia. The European Union and U.K. have announced similar sanctions aimed at stifling Russia's economy. How the Western response develops from here will be the key to how systemic this conflict becomes. In reaction to the news of the invasion, global stocks tumbled, while havens such as commodities surged. The flight to safety saw the 10-year U.S. Treasury yield touch 1.9% and gold hit the highest since early 2021. The dollar jumped while the Euro retreated. The immediate impacts are on food and energy prices, which will feed into higher inflation and slower economic growth. The Biden administration's release of 1 million barrels per day from the strategic petroleum reserve for the next 6 months will help keep prices from getting out of control while domestic oil producers seek to ramp up production by the end of the year. The scale of this release is unprecedented and illustrates the significance of the supply crisis the global economy faces.



General Economic Conditions

Real U.S. GDP increased at an annualized rate of 6.9% in the 4th quarter of 2021. The increase in real GDP over the course of the final quarter primarily reflected increases in private inventory investment, exports, personal consumption expenditures, and nonresidential fixed investment that were partly offset by decreases in both federal and state and local government spending.

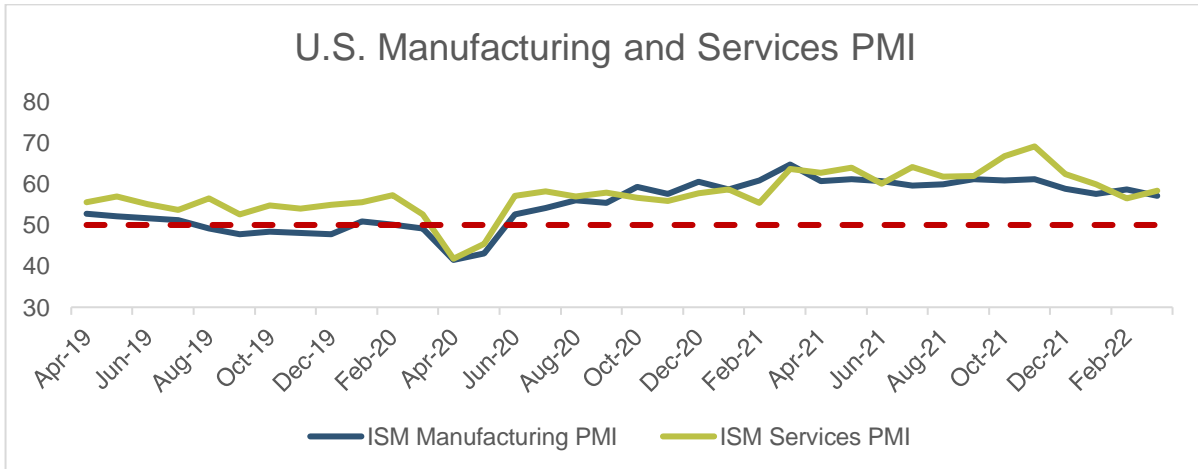
The top-line growth figure came in above consensus, as increases in private inventories were much stronger than anticipated. Said increases accounted for 77% of the increase in GDP for the 4th quarter. This was a long-expected tailwind for growth as inventories have been depleted amid supply chain turmoil and persistent consumer demand. Consumer spending for the quarter came in slightly weaker than expected, increasing 2.5% relative to the prior quarter. Importantly, services spending represented 84% of the overall contribution from personal consumption expenditures to real GDP growth. This implies that goods spending continues to normalize as the economy reopens. Both the sharp increase in inventory restocking and decreasing level of goods spending are strong indications that peak supply chain disruptions are behind us. For the full year, real U.S. GDP increased 5.7%. The U.S. economy has now exceeded its pre-recession output level by 3.2%. The Omicron wave in the 1st quarter certainly slowed the economy, but growth should reaccelerate in the 2nd quarter. Thereafter, economic growth should migrate toward trend levels as the economy reaches capacity limits due to a shortage of workers and more restrictive policy measures. The U.S. economy is in a much better position to absorb the Ukraine shock without falling into recession for a few reasons. First, consumers remain in an incredibly strong position as consumer net worth has increased by over 44% in the last three years due to strong appreciation in both housing and financial assets. Additionally, the growth in U.S. shale oil has led to the U.S. becoming a net exporter of energy and less vulnerable to shocks in the oil market. Finally, consumer spending on energy and food as a percentage of overall consumptions has been falling consistently since the 1970s. In other words, climbing food and energy prices won't have the same impact on consumers' bottom line as they did during that previous inflationary regime.





Data from the manufacturing sector continues to signal an expansion in output. The Institute for Supply Management's Purchasing Managers Index (PMI) registered 57.1% in March, which is the 22nd consecutive expansionary reading. The Services PMI came in at 58.3% for March which is the 22nd consecutive month of expansion for services. The U.S. manufacturing sector remains in a demand-driven, supply chain constrained environment. Demand clearly remains elevated with the New Orders Index growing, the Customers' Inventories Index remaining at low levels, and the Backlog of Orders Index remaining elevated.

It's important to note that all these trends are progressing at slower rates now as demand begins to return to normal levels and supply chain issues ease. At the same time, there are indications of continued improvement in labor supply. The Employment Index expanded for a 7th straight month and at a faster pace than previous months, indicating hiring is becoming less of an issue. The Prices Index registered 87.1% in March, compared to 75.6% in February driven primarily by the dramatic increase in energy costs. It was the biggest month over month increase since December 2020, highlighting the global impact of the conflict in Ukraine. The surge in energy prices reversed what appeared to be a post-Omicron softening of raw materials prices and implies peak inflation will be seen later than previously thought. Customers' inventories registered a 2.3% increase to 34.1%, indicating inventory levels were considered too low for the 66th consecutive month. This is a positive for future growth as continued inventory restocking should support real GDP growth like it did in the 4th quarter of 2021.



Inflation didn't slow down in the 1st quarter with commodity prices moving up sharply. In March, the Consumer Price Index increased 1.2%, marking an 8.5% increase over the previous 12 months. Increases in the indexes for gasoline, shelter, and food were the largest contributors to the increase. Gasoline accounted for over half of the monthly increase for the CPI index. A general recovery in airfares, hotel rates, and rents have amplified the high inflation environment brought on by the collision of stimulus-fueled demand and global supply shortages. Supply chains are being tested once again due to the Russian invasion of Ukraine and an Omicron outbreak in China. The Russian invasion has driven oil prices much higher, which feeds into input costs across all industries on a global basis.



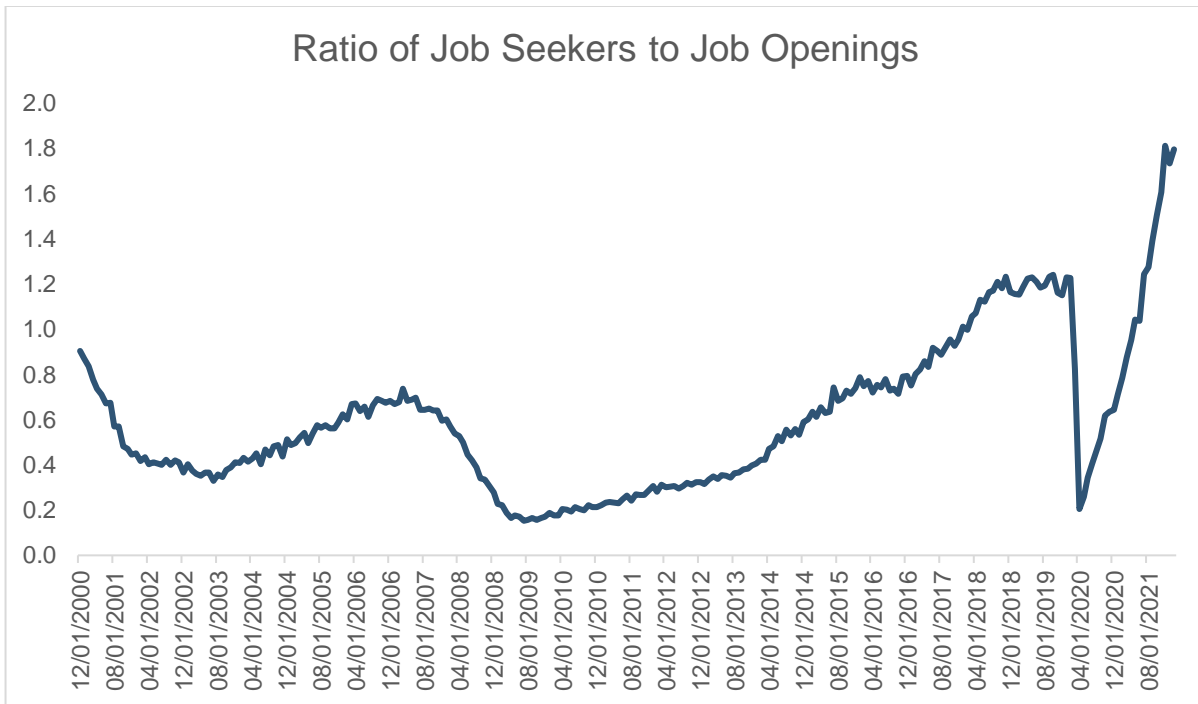
Additionally, both Russia and Ukraine are major players in global wheat supply. Currently, the countries account for a combined 30% of the world's wheat trade. As for China, the Caixin China Manufacturing PMI fell to a 25-month low in March as China's zero tolerance policy for COVID led to strict lockdowns, limiting productivity. While these global forces may push the peak level of inflation into later this year, we still believe both core and headline inflation will finish the year below current levels. The continued shift of underlying consumer demand from goods to services should help temper inflation for a couple reasons. First, a decrease in goods spending will provide some relief for supply chains and allow increased capital spending to generate missing supply more quickly.

Additionally, the Fed attempts to control inflation by cooling aggregate demand but is ill equipped to deal with inflation resulting from supply shocks. As demand shifts to services inflation will be driven more by outsized demand which the Fed is more able to control. Moreover, market participants still believe that inflation will be contained in the long-term as measured by the 5-year forward inflation expectation rate. This rate represents expectations for average inflation over the 5-year period beginning 5 years from now (i.e. 3/2027-3/2032). That rate currently sits at 2.3% and was never higher than 2.4% throughout 2021. This remains an important metric because while inflation expectations don't historically predict actual inflation, a mindset of higher inflation can become engrained. In that case, workers begin to demand wage increases in anticipation of higher prices. Employers then raise prices to offset their higher labor costs. Through this mechanism, inflation expectations become self-fulfilling. The Fed's hawkish messaging is likely an attempt to keep longer-term inflation expectations down to avoid this dynamic.

With all that in mind, evidence continues to mount that we are moving into a regime with structurally higher inflation than the previous expansion. We've highlighted the mismatch between oil & gas demand and the lack of capital expenditures in the space to bring on new supply. The sanctions on Russia have removed even more oil supply from the global marketplace while demand remains steady. Underinvestment in oil production may reverse as the Ukraine conflict demonstrates the importance of energy independence moving forward. For the time being, lower oil supply will be a persistent inflationary pressure. Additionally, there is a massive excess demand for workers. The lack of labor supply should allow for wage inflation to remain steady throughout this expansion. The Atlanta Fed Wage growth tracker registered a three-month moving average of median wage growth of 5.8% in February. The sharp increase in wage inflation will allow strong demand to persist at increasingly higher prices for consumers. Finally, the conflict in Ukraine will likely accelerate the existing trend of deglobalization. World trade as a percentage of GDP peaked back in 2008 and has been stagnating since. For years now, companies with complex multinational supply chains have dealt with unexpected complications like the Trump tariffs or pandemic restrictions. Now, developed economies are dealing with soaring commodity prices and are dealing with the reality that a lot of the world's commodity suppliers aren't reliable. Businesses are trading the efficiency of global supply chains for the reliability of more domestic supply chains. Globalization was a strong deflationary trend for many years and its unwinding will likely prove to be inflationary. Overall, there are some transitory components of current inflation but some stickier components as well that will prevent a return to the sub 2% inflation environment of the previous expansion.



The labor market continues to be extremely tight as there is a huge imbalance between labor supply and demand. Total nonfarm payrolls rose by 431,000 in March and the unemployment rate fell to 3.6%. Since 1970, there have been only 5 instances of a lower monthly unemployment rate than this most recent reading. There is a 5.3-million-person gap between the number of job openings and the number of people unemployed. Layoffs continue to hover around multi-decade lows while voluntary quits hover around multi-decade highs. Chairman Powell cited the ratio of job openings to job seekers, currently 1.7, in his recent press conference because it paints a stark picture of the current imbalance in the labor market. There are still workers on the sidelines due to virus fears, childcare constraints, and early retirements but that figure is declining. The labor force participation rate remains below pre-pandemic levels but has recovered in recent months as early retirees and those that have drawn down on built up savings return to work. As pandemic effects on the labor market have waned, it has become clearer that structural demographic trends are hampering labor force growth. In other words, the economy is running out of available workers. We have offset this impact with a tremendous increase in output per worker since the onset of the pandemic, meaning workers have become more efficient. However, it's hard to rely on persistent growth in productivity to offset the negative growth impacts of a stagnating labor force. Continued waning of pandemic effects and a recovery in immigration should help to bring back some labor supply, but wage inflation will persist in the meantime.



Monetary & Fiscal Policy

Persistent inflation above the Fed's long-run target and the extremely tight labor market led the Fed to take a more hawkish stance in recent months. At their March meeting, the FOMC increased the federal funds rate by 25 basis points and signaled their intent to hike rates at least six more times this year. They have also begun discussions about reducing their balance sheet holdings, with a plan to be introduced at their May meeting. Inflation arising from a supply shock in a slowing growth environment puts the Fed in a very difficult position. The Fed's tools to calm inflation are more apt to handle inflation driven by excessive consumer demand, however raising the federal funds rate won't untangle supply chains or bring more oil supply online. The Fed is concerned with anchoring long-term inflation expectations, so they have ratcheted up their hawkish rhetoric to convince market participants they can get a handle on inflation. The Fed has two paths they can take, both carrying significant risks. They can try to normalize policy quickly to keep inflation expectations in check but will accelerate the slowdown and risk recession. On the other hand, they can proceed slowly with policy normalization to mitigate economic growth risks, but this risks de-anchoring inflation expectations and triggering a wage-price spiral. All the while, future policy moves will be dependent on the prevailing economic data. A greater than expected slowdown over the coming quarters may give the Fed some latitude to ease the tightening cycle somewhat.

President Biden's latest budget proposal calls for \$5.8 trillion in spending and brings the current deficit to \$1.2 trillion. The announced budget calls for higher taxes on the wealthy, lower federal deficits, and greater funding for education and public health & housing. Like most budgets, it's a proposal and highlights a set of ideals rather than being the law of the land. After the November elections, very little additional fiscal stimulus is expected as Democrats will likely lose their majority in either the house or the Senate.



Fiscal policymakers are also in a difficult position in this supply-constrained inflationary environment. Transfer payments or tax reductions that will support consumers will prevent demand from falling in response to the supply reduction, buoying prices for longer. The release of reserves from the strategic petroleum reserve is an attempt at increasing supply to meet outsized demand, but this is a temporary measure.

Investment Performance

After another exceptionally strong calendar year in 2021, the first quarter of 2022 has been quite difficult for markets. As it seemed we were turning the corner on the pandemic, markets were struck with another generational shock with the conflict in Ukraine. Concerns over the economic ramifications and the potential need for more rate hikes to combat inflation weighed on both equities and bonds. Commodities posted a 25.6% increase over the first quarter and was the only broad asset class with a positive return over the quarter. Unsurprisingly, commodities benefited from surging oil and food prices. The S&P returned -4.6% as the conflict in Ukraine and rising interest rates hurt risk assets. U.S. equities beat both European and emerging markets equities over the quarter as the U.S. economy came into the conflict with much stronger momentum. Emerging markets and Europe returned -6.9% and -8.1%, respectively. European equities were especially hard hit given their geographical proximity to the conflict, dependence on Russian oil imports, and more cyclical corporate earnings. The Bloomberg Barclays Global Aggregate bond index returned -6.2% as hawkish central bank rhetoric and rising sovereign yields sent bond prices lower. Within fixed income, inflation-linked issues held up better than the broader fixed income universe as investors continue to purchase protection against upside inflation surprises.

- **Value significantly outperformed growth in Q1** – Over the quarter, value stocks were down -0.5% compared to -9.6% for growth stocks. This was due to the rise in the 10-year treasury yield as such a move disproportionately hurts equities with higher valuations. Additionally, surging oil prices allowed companies in the energy sector to post continued gains. Value equities have benefited from their relative valuation advantage and leverage to above-trend economic growth. The case for holding growth stocks remain as economic growth decelerates and real rates are likely to remain negative.
- **U.S. equities beat Eurozone & EM equities** – U.S. equities outperformed broad Eurozone and emerging markets indices over the 1st quarter. Market participants likely realized that the U.S. is more insulated from the conflict in Ukraine as a net energy exporter and with stronger economic growth coming into the crisis. Eurozone equities will likely continue to struggle as consumer confidence has moved sharply lower as a result of surging inflation. Likewise, emerging markets may see continued struggles as China grapples with a significant Omicron variant outbreak and central banks tighten financial conditions further.



- **Traditional fixed income continues to struggle** – Globally, central banks have begun tightening monetary policy by raising interest rates and suspending asset purchases. The subsequent rise in bond yields created a rout in the bond market in the 1st quarter. We remain underweight duration as the Fed's fluid messaging could lead to more hawkish rhetoric as the year progresses. Traditional bonds still play a role in portfolios as equity market diversifiers, but we prefer to reach for yield in lower duration asset classes like floating rate loans.

LOOKING FORWARD

Coming into 2022 we expected the rate of GDP growth to decelerate as the economy approached its capacity limits. Despite a potential bounce in the 2nd quarter as the pandemic's effect on the economy fades, that remains the case. The economic growth impact from the Russian invasion of Ukraine should be primarily contained overseas. As markets continue to adjust to the uncertainty presented by the conflict in Ukraine, the economic effects of the pandemic appear to be subsiding. The vast majority of Americans have some degree of immunity, and each subsequent wave of the pandemic has been less disruptive than the prior one. Corporate earnings should remain resilient, likely growing 9-10% this year. The robust health of the U.S. consumer should allow for top-line revenue growth even as profit margin growth is slowed by rising labor and input costs. The labor market should remain historically tight with a massive excess demand for jobs and demographic issues limit labor force growth. This dynamic should continue to feed into more wage inflation during 2022. The conflict likely pushed the peak of inflation out until early Q2, but we still expect moderation by the end of the year as supply chain bottlenecks ease, goods demand continues to slow, and the Fed ramps up its tightening cycle. However, we expect headline CPI figures this year to remain well above the Federal Reserve's long-run target of 2%. The Fed has fallen behind inflation, so they are in a tough spot as they need to normalize policy quickly but doing so runs a much higher risk of a policy misstep. It seems they will react to the data as it comes out so their policy path for this year is subject to change as inflation and growth begin to rollover. Falling unemployment, high inflation, and a hawkish Federal Reserve suggests further increases in interest rates this year. In this backdrop, we remain broadly constructive on the outlook for further equity appreciation in 2022. We maintain a modest, increasing overweight to U.S. equities given stronger earnings potential, reduced cyclical, and less exposure to current geopolitical shocks. We are overweight value relative to growth equities as rising commodity prices and increasing interest rates should sustain a rotation into value. Rising interest rates implies further struggles for fixed income this year, though higher yields may be a better setup for the asset class heading into 2023. Rising rates will also pose a challenge for highly valued, more speculative parts of the equity market whose valuations are often based on cash flows further in the future. We will be underweight duration in that sleeve to reduce interest rate sensitivity. We continue to emphasize alternative investments such as real estate, floating-rate loans, and private equity & debt as essential allocations to augment risk-adjusted returns. Rising correlations between stocks and bonds often occur in times of severe market stress. However, geopolitical crises tend to have a short-lived, albeit significant, impact on markets. In both portfolio construction and asset allocation, our focus remains striking the optimal balance between risk and reward that maximizes the probability of achieving our clients' goals.

Scenario Updates

Upside Scenario

10% Probability

Factors that could influence the Upside Scenario:

- The conflict in Ukraine has a swifter resolution than currently expected. Sanctions currently imposed on Russia don't escalate and possibly lessen.
- GDP growth rates exceed expectations due to a sharper than expected decrease in inflation and sustained consumer demand. Transitory labor supply shortages and supply chain disruptions resolve themselves by the end of 2022.
- The Fed is patient and able to tone down some of their hawkishness as inflation somewhat resolves itself. Bond yields are able to retreat some as a result, providing relief for both bond and equity markets.
- Corporate earnings beat expectations, driven by increasing margins and better than expected top-line growth. The yield curve steepens, real yields stay low, and risk assets thrive.
- The economic effects of the pandemic essentially cease as the majority of Americans have some immunity and businesses have learned to adapt. Future COVID-19 variants don't have a viral load that surpasses that of the Delta variant, so mortality rates remain low and declining.

Base Scenario

55% Probability

The conflict in Ukraine drags along as a diplomatic solution remains unattainable but the conflict is contained to Ukraine. Sanctions currently imposed on Russia remain in place and escalate in response to further Russian aggression. The economic effects of the pandemic are minimal as the majority of Americans have some immunity and businesses have learned to adapt. GDP growth rates are in-line with expectations as the economy reaches capacity limits and consumers adapt to a structurally higher inflation environment. Transitory labor supply shortages and supply chain disruptions continue to improve throughout 2022. The Fed responds to high inflation and a tight labor market accordingly, embarking on a true tightening cycle. Bond yields continue to increase, though at a more measured pace, in response to Fed tightening. Corporate earnings are in line with expectations, with demand sustaining top-line growth but rising input costs limiting profit growth. The yield curve remains flat as investors deal with market uncertainties.

Downside Scenario**35% Probability**

Factors that could influence the Downside Scenario:

- The conflict in Ukraine drags along as a diplomatic solution remains unattainable and the threat of NATO involvement increases meaningfully. Harsh sanctions are imposed on Russia, potentially eliciting an escalatory response from Moscow
- The Fed responds too quickly and too drastically to high inflation and a tight labor market. The policy misstep sends the U.S. economy into recession amid contracting growth and continued high inflation. Bond yields continue to increase at a sharp pace creating a risk off environment for both equities and fixed income. The yield curve inverts substantially for a meaningful amount of time, denting consumer sentiment further.
- Corporate earnings are well below expectations creating an environment of both falling earnings and compressing valuations leading to sharp equity market selloffs.



ECONOMIC STATISTICS	Current	One Year Ago
Real GDP Growth (Annl. % Change From Prior Qtr.)	5.53%	-2.26%
Unemployment Rate	3.60%	6.00%
Labor Force Participation Rate	62.40%	61.50%
Core CPI (Year-Over-Year)	6.44%	1.66%
Real Personal Income Growth (Year-over-Year)	-0.33%	3.31%
10 Year Treasury Rate	2.13%	1.61%

Data Source: Federal Reserve, Advus

US EQUITY MARKET

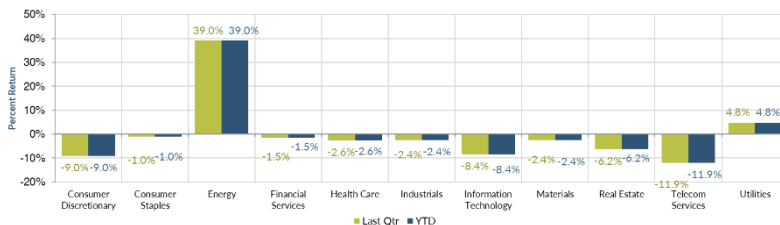
Major US Market

	Q1 2022	YTD	1 Year	3 Year	5 Year	2020	2019	2018
Russell 3000 Index	-5.3%	-5.3%	11.9%	18.2%	15.4%	25.7%	20.9%	31.0%
FTSE RAFI US 3000 Index	-0.2%	-0.2%	14.5%	17.4%	13.4%	31.5%	8.3%	27.7%
Russell 3000 Equal Weighted	-8.4%	-8.4%	-6.2%	13.9%	11.1%	19.5%	24.5%	24.7%
S&P 500 Index	-4.6%	-4.6%	15.6%	18.9%	16.0%	28.7%	18.4%	31.5%
Russell Mid Cap Index	-5.7%	-5.7%	6.9%	14.9%	12.6%	22.6%	17.1%	30.5%
Russell 2000 Index	-7.5%	-7.5%	-5.8%	11.7%	9.7%	14.8%	20.0%	25.5%
NASDAQ 100	-8.9%	-8.9%	14.1%	27.3%	23.4%	27.5%	48.9%	39.5%

Russell 3000 Style & Cap Summary

First Quarter Results							Year To Date Results			
Large	Mo.	Qtr	Value		Growth		Large	Value	Core	Growth
			Core	Growth	Value	Core				
Large	Jul		-1.27%	-5.03%	-7.66%		Large	-0.14%	-4.94%	-8.29%
	Aug	Q3	-1.53%	-3.44%	-4.86%					
	Sep		2.71%	3.66%	4.39%					
Mid	Jul		-4.27%	-7.37%	-12.90%		Mid	-1.82%	-5.68%	-12.58%
	Aug	Q3	-0.47%	-0.72%	-1.21%					
	Sep		3.04%	2.56%	1.61%					
Small	Jul		-5.83%	-9.63%	-13.40%		Small	-2.40%	-7.53%	-12.63%
	Aug	Q3	1.65%	1.07%	0.44%					
	Sep		1.96%	1.24%	0.46%					

S&P 500 Sector Performance



INTERNATIONAL EQUITY

International Equity Market Performance

	Q1 2022	YTD	1 Year	3 Year	5 Year
MSCI EAFE	-5.79%	-5.79%	1.65%	8.29%	7.23%
MSCI EAFE Value	0.51%	0.51%	4.22%	5.88%	4.81%
MSCI EAFE Growth	-11.87%	-11.87%	-1.18%	10.15%	9.33%
MSCI EM	-6.92%	-6.92%	-11.08%	5.31%	6.35%
MSCI ACWI Ex. USA	-5.33%	-5.33%	-1.04%	8.01%	7.26%

Dividend Yield ^(a)

	Avg. Weight %	Return %	Contribution to Return %
Dividend Yield % TTM - Monthly [10.00 - ∞)	0.08%	-2.98%	0.00%
Dividend Yield % TTM - Monthly [5.00 - 10.00)	2.35%	13.89%	0.29%
Dividend Yield % TTM - Monthly [2.00 - 5.00)	21.83%	1.67%	0.35%
Dividend Yield % TTM - Monthly [0.00 - 2.00)	75.73%	-7.73%	-5.93%
Attribution Total	99.99%		-5.29%

*Avg. Weight excludes cash (0.31%)

Capitalization ^(a)

	Avg. Weight %	Return %	Contribution to Return %
Mega Cap (>\$85 Billion)	41.25%	14.12%	5.65%
Large Cap (\$18 Billion - \$85 Billion)	33.91%	8.11%	2.79%
Mid Cap (\$3 Billion - \$18 Billion)	21.64%	6.16%	1.35%
Small Cap (\$700 Million - \$3 Billion)	3.03%	-0.88%	-0.03%
Micro Cap (< \$700 Million)	0.05%	-29.93%	-0.02%
Unclassified	0.11%	5.29%	0.01%
Total	99.99%		9.76%

*Avg. Weight excludes cash (0.31%)

Valuation ^(a)

	Avg. Weight %	Return %	Contribution to Return %
Fairly Valued	26.23%	-0.74%	-0.19%
Overvalued	32.52%	0.73%	0.23%
Undervalued	40.93%	-12.75%	-5.32%
Unclassified	0.31%	-6.49%	-0.02%
Attribution Total	99.99%		-5.30%

*Avg. Weight excludes cash (0.31%)

Top Weights ^(b)

	Weight	Return	Contribution
Apple Inc	6.94%	-1.54%	-0.10%
Microsoft Corp	6.12%	-8.14%	-0.51%
Amazon.com Inc	3.53%	-2.23%	-0.08%
Alphabet Inc Class A	2.15%	-3.99%	-0.09%
Alphabet Inc Class C	2.01%	-3.48%	-0.07%
Tesla Inc	2.00%	1.97%	0.04%
Meta Platforms Inc Class A	1.74%	-33.89%	-0.67%
NVIDIA Corp	1.68%	-7.21%	-0.13%
Berkshire Hathaway Inc Class B	1.47%	18.03%	0.24%
UnitedHealth Group Inc	1.18%	1.86%	0.02%

Top Contributors ^(b)

	Weight	Return	Contribution
Berkshire Hathaway Inc Class B	1.47%	18.03%	0.24%
Exxon Mobil Corp	0.79%	36.48%	0.23%
Chevron Corp	0.66%	40.22%	0.22%
AbbVie Inc	0.64%	21.32%	0.12%
ConocoPhillips	0.30%	39.64%	0.09%
Bristol-Myers Squibb Co	0.38%	19.03%	0.06%
Occidental Petroleum Corp	0.08%	96.17%	0.06%
Lockheed Martin Corp	0.25%	25.00%	0.05%
Deere & Co	0.26%	21.47%	0.05%
Raytheon Technologies Corp	0.36%	15.74%	0.05%

Top Detractors ^(b)

	Weight	Return	Contribution
Meta Platforms Inc Class A	1.74%	-33.89%	-0.67%
Meta Platforms Inc Class A	6.12%	-8.14%	-0.51%
Microsoft Corp	0.99%	-27.44%	-0.30%
The Home Depot Inc	0.54%	-37.82%	-0.25%
Netflix Inc	0.48%	-38.67%	-0.21%
PayPal Holdings Inc	1.14%	-13.39%	-0.15%
JPMorgan Chase & Co	0.64%	-19.65%	-0.13%
Adobe Inc	1.68%	-7.21%	-0.13%
NVIDIA Corp	0.59%	-18.44%	-0.12%
Accenture PLC Class A	0.45%	-24.02%	-0.12%

(a) = iShares Russell 3000 ETF / (b) = SPDR S&P 500 ETF

Data Source for all data in tables: Morningstar Direct



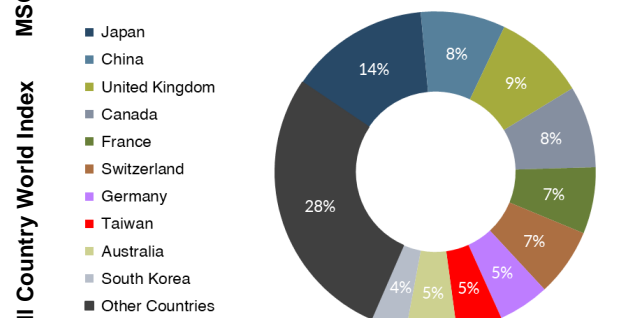
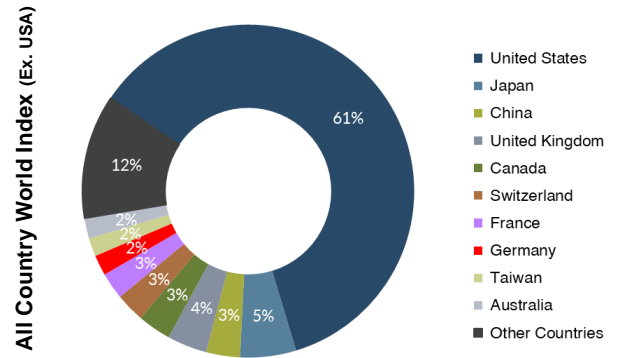
INTERNATIONAL EQUITY (continued)

	Last Quarter			Year To Date		
	Local	USD	Impact of US Dollar (a)	Local	USD	Impact of US Dollar (a)
MSCI ACWI Ex USA	-3.80%	-5.33%	-1.54%	-3.80%	-5.33%	-1.54%
MSCI Europe	-5.22%	-7.23%	-2.01%	-5.22%	-7.23%	-2.01%
MSCI Europe Ex UK	-8.06%	-9.81%	-1.75%	-8.06%	-9.81%	-1.75%
MSCI United Kingdom	4.75%	1.83%	-2.92%	4.75%	1.83%	-2.92%
MSCI Pacific Ex Japan	1.75%	3.79%	2.04%	1.75%	3.79%	2.04%
MSCI Japan	-1.39%	-6.45%	-5.05%	-1.39%	-6.45%	-5.05%
MSCI France	-6.62%	-8.64%	-2.02%	-6.62%	-8.64%	-2.02%
MSCI Switzerland	-5.13%	-6.07%	-0.94%	-5.13%	-6.07%	-0.94%
MSCI Germany	-10.90%	-12.82%	-1.92%	-10.90%	-12.82%	-1.92%
MSCI Canada	3.59%	4.76%	1.17%	3.59%	4.76%	1.17%
MSCI China	-13.91%	-14.19%	-0.29%	-13.91%	-14.19%	-0.29%
MSCI India	0.09%	-1.81%	-1.90%	0.09%	-1.81%	-1.90%
MSCI Brazil	16.00%	35.97%	19.97%	16.00%	35.97%	19.97%
MSCI Russia	-100.00%	-100.00%	0.00%	-100.00%	-100.00%	0.00%

Assumes Gross Reinvestment of Dividends

(a) Impact of Dollar: For a US investor, a strengthening dollar has a negative impact on non-US asset returns when converted to US dollars since the conversion requires more of a foreign currency to purchase the more expensive US dollar. A weakening dollar has the opposite effect; the foreign currency can buy more US dollars.

Country Weights



Data Source: Morningstar and iShares ETFs as the representative index proxies. Weights are average for Q1.

FIXED INCOME

Major Market Averages

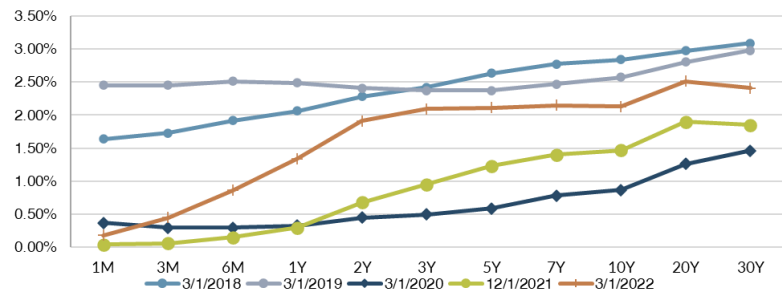
	Q1 2022	YTD	1 Year	3 Year
ICE BofAML US 3M Treasury Bill	0.04%	0.04%	0.06%	0.81%
Bloomberg Barclays US Govt/Credit 1-3 Yr	-2.49%	-2.49%	-2.91%	1.02%
Bloomberg Barclays US Govt Interm	-4.19%	-4.19%	-4.16%	1.03%
Bloomberg Barclays US Govt/Credit Interm	-4.51%	-4.51%	-4.10%	1.50%
Bloomberg Barclays US Govt/Credit	-6.33%	-6.33%	-3.85%	2.12%
Bloomberg Barclays US Agg Interm	-4.69%	-4.69%	-4.38%	1.19%
Bloomberg Barclays US Agg Bond	-5.93%	-5.93%	-4.15%	1.69%
Bloomberg Barclays Global Agg Bond	-6.16%	-6.16%	-6.40%	0.69%
Bloomberg Barclays US Treasury	-5.58%	-5.58%	-3.67%	1.39%
Bloomberg Barclays US Treasury US TIPS	-3.02%	-3.02%	4.29%	6.22%
Bloomberg Barclays US Corporate IG	-7.69%	-7.69%	-4.20%	3.02%
Bloomberg Barclays High Yield Corporate	-4.84%	-4.84%	-0.66%	4.58%
Bloomberg Barclays Municipal	-6.23%	-6.23%	-4.47%	1.53%
Bloomberg Barclays Municipal 7 Yr 6-8	-5.70%	-5.70%	-4.85%	1.12%

Credit Quality

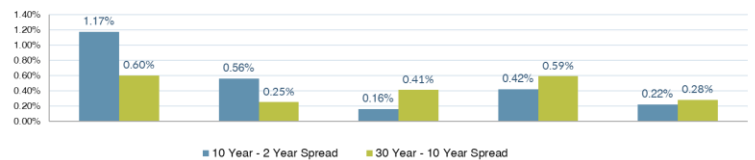
B of A/Merril Lynch US Corporate AAA	-8.49%	-8.49%	-3.54%	2.98%
B of A/Merril Lynch US Corporate AA	-7.50%	-7.50%	-3.74%	2.15%
B of A/Merril Lynch US Corporate A	-7.18%	-7.18%	-4.11%	2.63%
B of A/Merril Lynch US Corporate BBB	-8.21%	-8.21%	-4.60%	3.35%
B of A/Merril Lynch US Corporate BB	-5.37%	-5.37%	-0.87%	5.01%
B of A/Merril Lynch US Corporate B	-3.46%	-3.46%	0.07%	3.82%
B of A/Merril Lynch US Corp. CCC & Lower	-3.72%	-3.72%	1.05%	3.41%

Data Source: Morningstar

Yield Curve



Spread Analysis





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