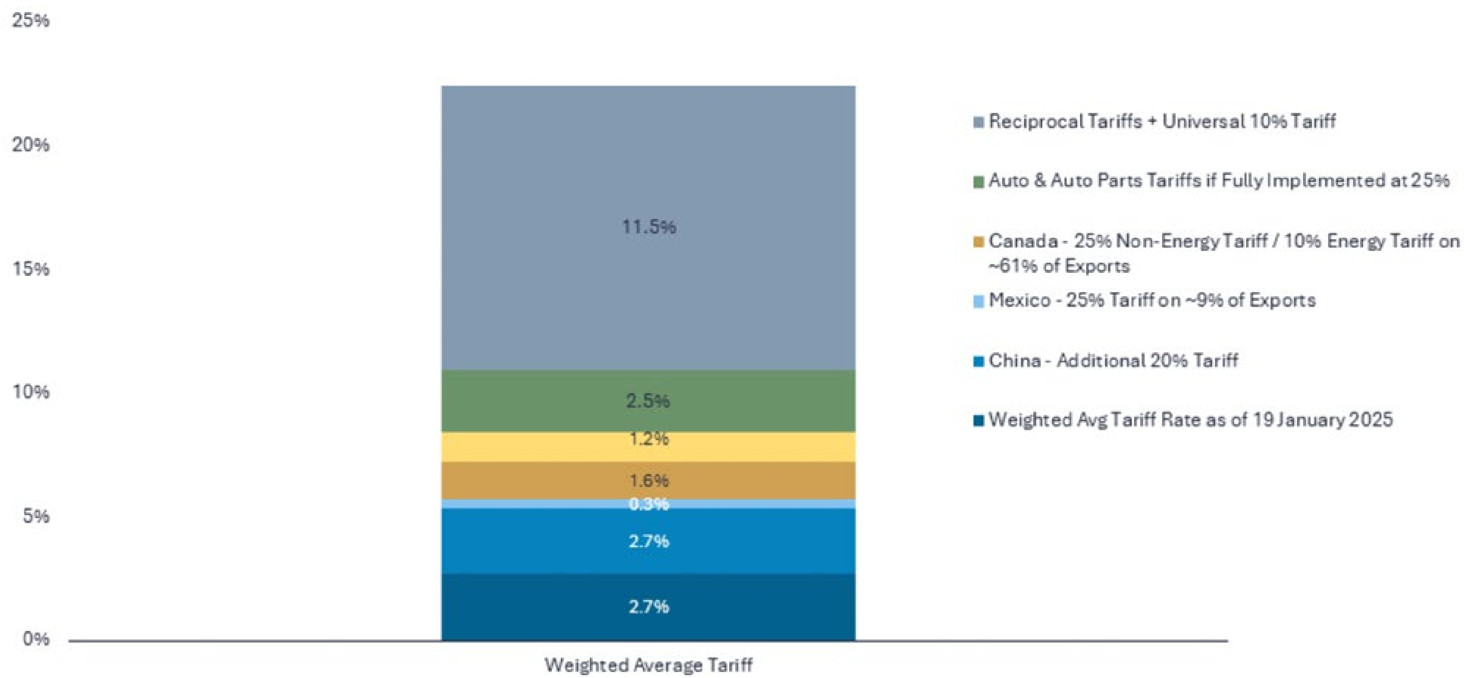
Composition Wealth

Q2 2025
Investment Outlook

INSIDE

The weighted average tariff on U.S. imports has gone from 3% to approximately 23% in 2025.

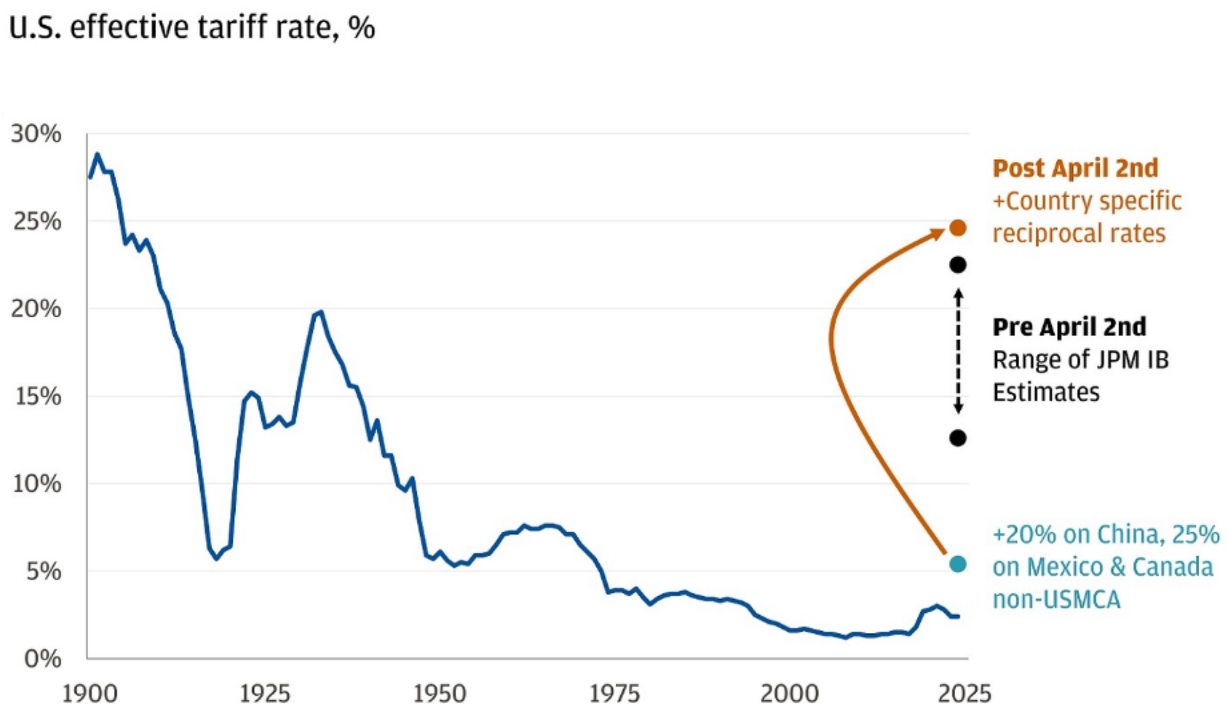


LAZARD

Source: Lazard, Bureau of Economic Analysis, HSBC, World Bank
Note: Weighted average tariff rate measured across $3.3 trillion of goods imports into the United States in 2024.
As of 3 April 2025

Portfolio Perspective: It remains uncertain whether the average tariff rate will stay at 23%, but tariffs are expected to remain significantly elevated compared to historical levels.

Tariffs are currently at their highest point in a century.



Sources: Michael Cembalest "Eye on the Market"; Tax Foundation GS Global Investment Research, J.P.Morgan Global Economics. Data as of April 3, 2025. Note: Estimates take tariffs at face value and do not adjust for potential negotiations or exclusions. Analysis ignores sector specific tariffs which have been carved out .

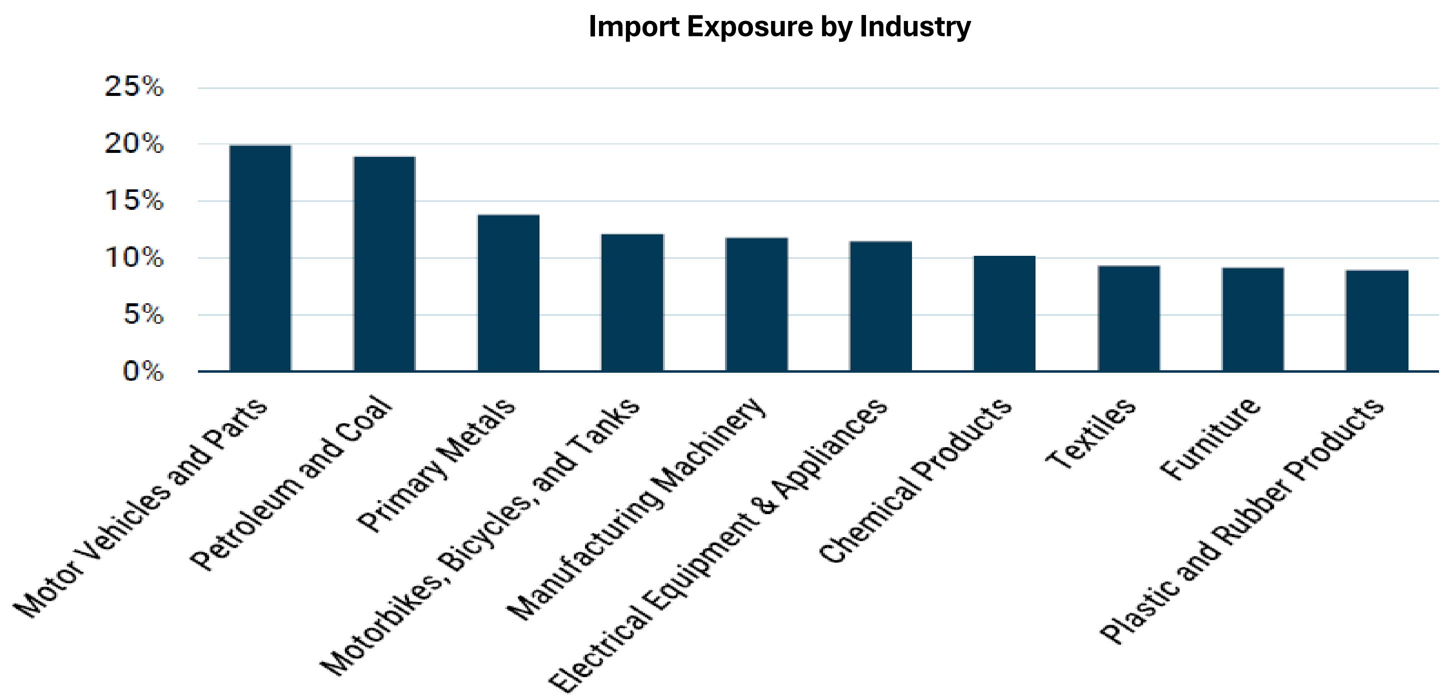
Portfolio Perspective: New U.S. tariff policies and the global response are signaling a shift toward a new economic era. This is expected to increase short-term volatility and may drive lasting structural changes in the global economy.

The economies of Mexico, Canada, and Vietnam are among the most affected by the increased tariffs imposed by the U.S.

Data as of 2023, provided for historical context | Sources: World Bank, US Census Bureau, Factset, GMO

Portfolio Perspective: The effects of U.S. tariffs will differ based on how reliant a country is on exports to the U.S., leading to varying levels of sensitivity to U.S. trade policy across nations.

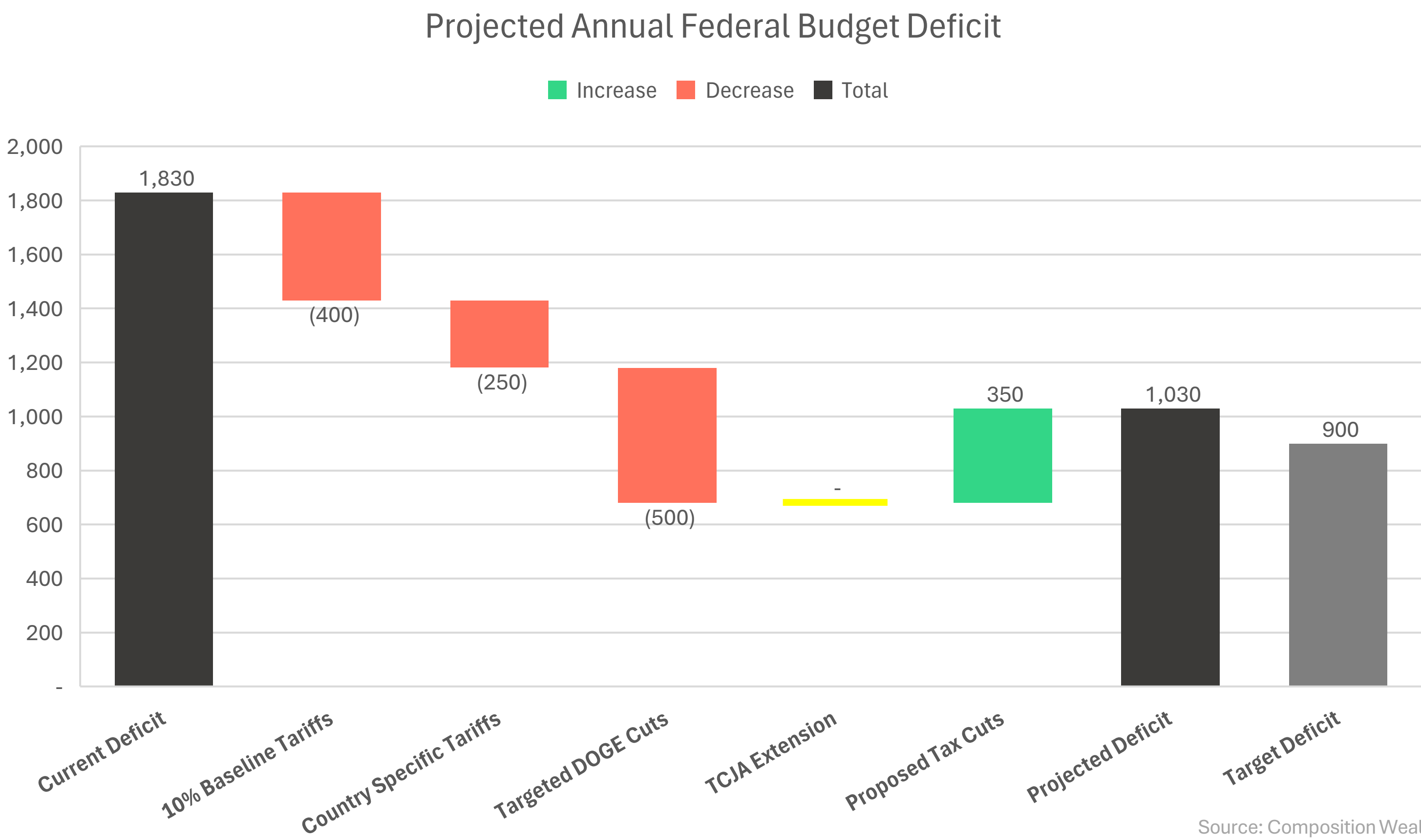
Industries such as auto parts and certain commodities rely heavily on imports, making them especially vulnerable to the effects of tariffs.



Data as of 2023, provided for historical context | Sources: Worldscope, Compustat, MSCI, S&P Global, GMO

Portfolio Perspective: The Materials and Industrials sectors will likely face the most significant challenges from increased tariffs. A key uncertainty is how much of the tariff impact will be passed on to consumers through higher prices versus being absorbed by companies through reduced profit margins.

The Trump administration is looking to source additional revenue through tariffs and cut expenses through "government efficiency initiatives" to fund its policy goals and reduce the budget deficit.

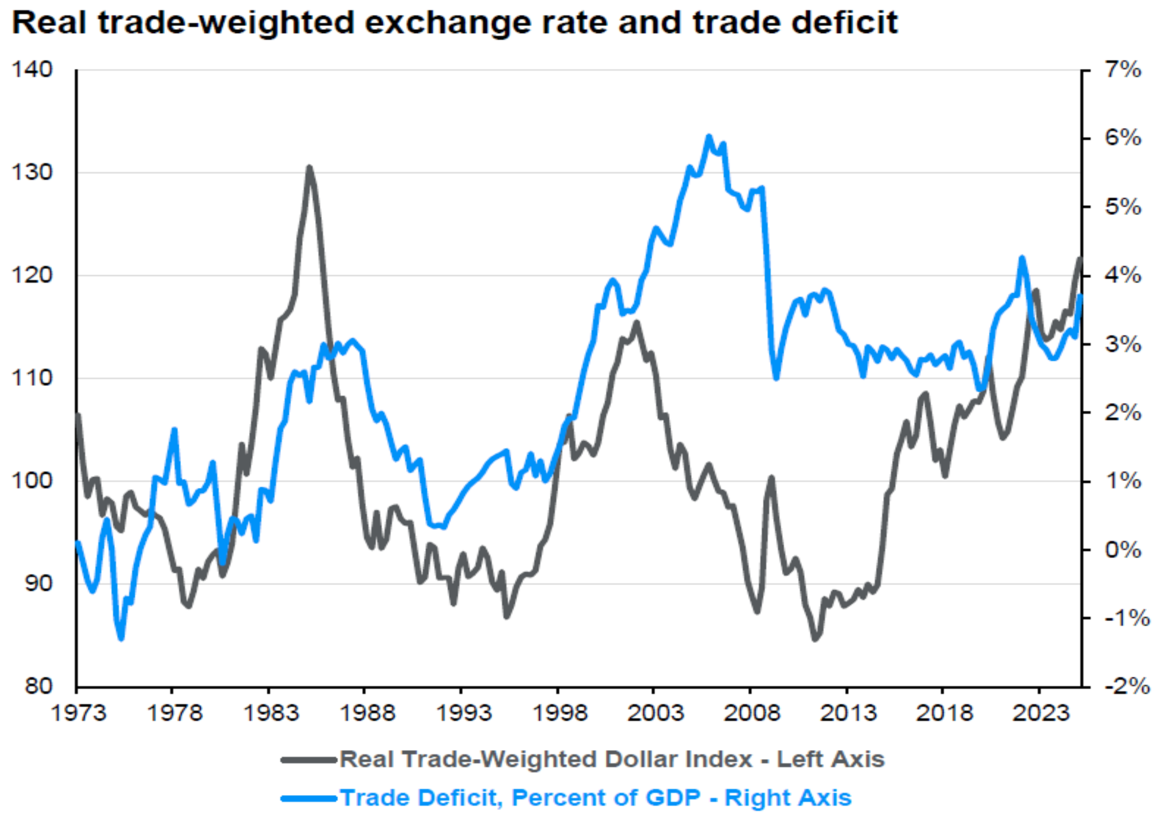


Source: Composition Wealth, As of 4/3/2025

Portfolio Perspective: Tariffs may weigh on economic growth, while tax measures could provide a counterbalancing stimulus. The timing and interaction of these forces will be key to shaping the trajectory of the economy.

GEOPOLITICAL POLICY

On an inflation adjusted basis, the trade-weighted dollar is at its strongest level since 1985.



Source: Federal Reserve, BEA, J.P. Morgan Asset Management.

Portfolio Perspective: The U.S. dollar is currently valued above its historical average. However, shifts in trade policy could bring it closer to more typical levels.

GEOPOLITICAL POLICY

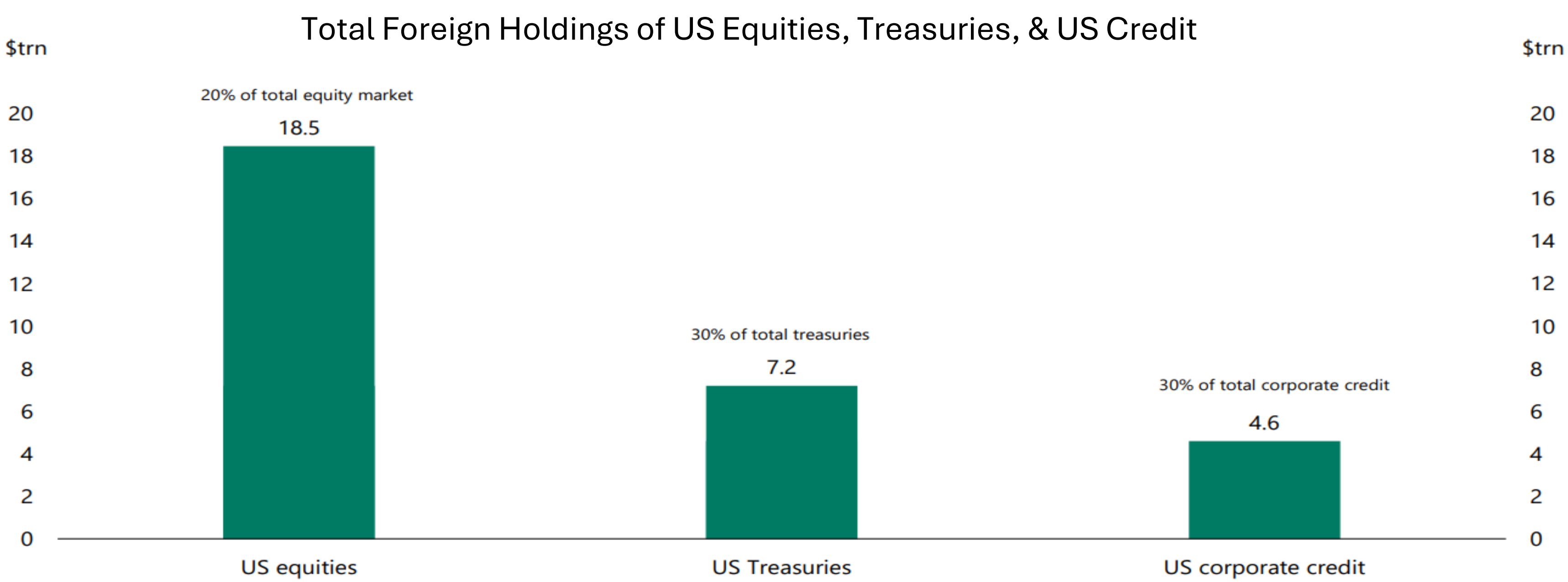
With an average tariff rate of over 20%, the direction of the U.S. dollar becomes more impactful.

	Stronger U.S. Dollar	Weaker U.S. Dollar
Economic	+ Serves as an offset to the tariff impact + U.S. dollar-denominated assets more attractive to foreign investors - U.S. exports more expensive - May discourage U.S.-driven trade ***Eases economic burden of tariffs, reduces economic volatility***	+ U.S. exports more attractively priced - U.S. dollar-based investments less attractive - U.S. Makes imports more expensive - Greater inflationary impact ***Stagflation Risk***
Investment	+ Supportive for corporate margins as a stronger dollar offsets tariff impact + U.S. markets remain attractive for foreign investments (supports valuations) - Headwind for international stocks with unfavorable impact of stronger dollar ***U.S. stocks hold up with more favorable earnings and more stable valuation metrics.***	+ International stocks get added benefit from favorable currency impact - Risk of higher interest rates as foreign investors reduce U.S. dollar assets - Negative impact on corporate profits and earnings growth rates ***U.S. Stocks and bonds are less attractive relative to international assets.***

Portfolio Perspective: We consider the trajectory of the U.S. dollar to be a key factor influencing short-term economic and investment outcomes.

Refer to appendix for disclosures

Foreign investors have meaningful holdings in U.S. stocks and bonds.



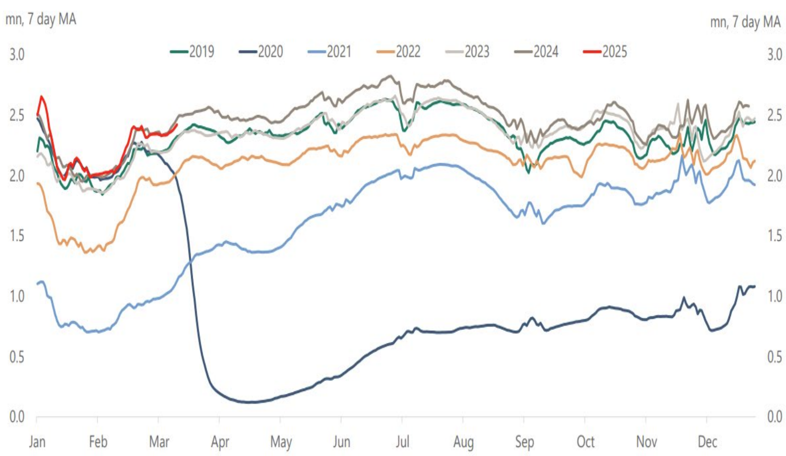
Sources: Federal Reserve, MacroBond, Apollo Chief Economist

Portfolio Perspective: Evolving trade parameters and the prospect of a weaker dollar may lead foreign investors to reduce their U.S. holdings. Any elevated selling pressure from these investors could add near-term pressure on asset prices.

ECONOMIC BACKDROP

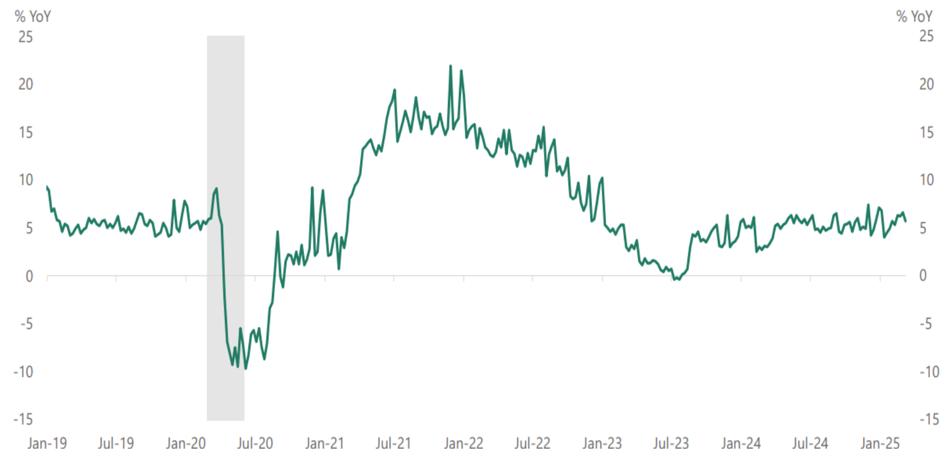
Real-time data indicates no material drop-off in consumer activity.

Daily Data For US Air Travel



Source: TSA, Bloomberg, Apollo Chief Economist. As of March 15, 2025

Weekly Data For Same-Store Retail Sales

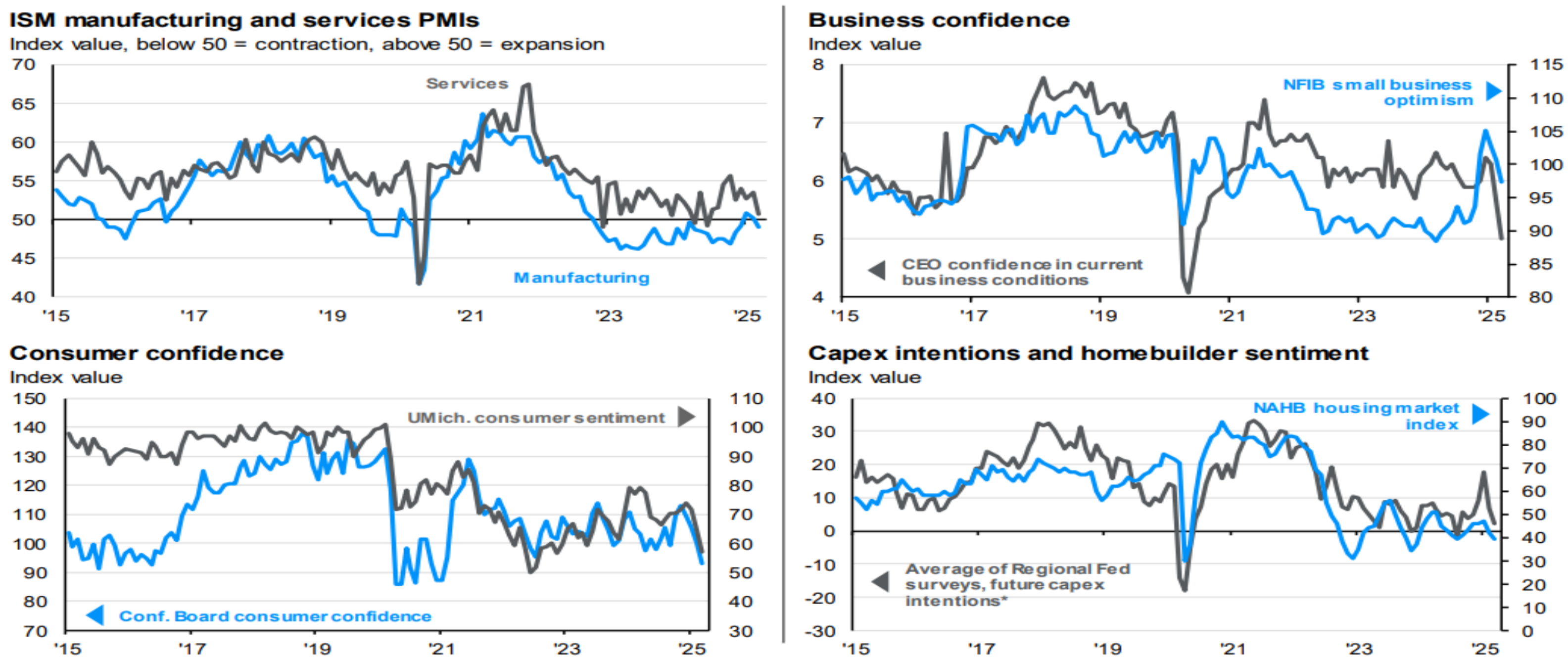


Source: Redbook, Haver Analytics, Apollo Chief Economist. As of March 15, 2025

Portfolio Perspective: Throughout the first quarter, real-time indicators pointed to overall stability in consumer spending, though signs of a slowdown emerged in more discretionary categories.

ECONOMIC BACKDROP

Although economic activity has remained in line with recent trends, consumer and business confidence has fallen.



Source: BLS, Chief Executive Group, Conference Board, Federal Reserve Bank of Chicago, Federal Reserve Bank of Dallas, Federal Reserve Bank of Kansas City, Federal Reserve Bank of Philadelphia, Federal Reserve Bank of New York, Federal Reserve Bank of Richmond, ISM, NFIB, University of Michigan, J.P. Morgan Asset Management. *Average includes the Chicago Fed, Philly Fed, Richmond Fed, Dallas Fed, Kansas City Fed and NY Fed manufacturing surveys of future capital expenditures. All surveys collect capital expenditure intentions for the next 6 months besides the Chicago Fed survey, which collects capital expenditure intentions for the next 12 months.
Guide to the Markets – U.S. Data are as of April 9, 2025.

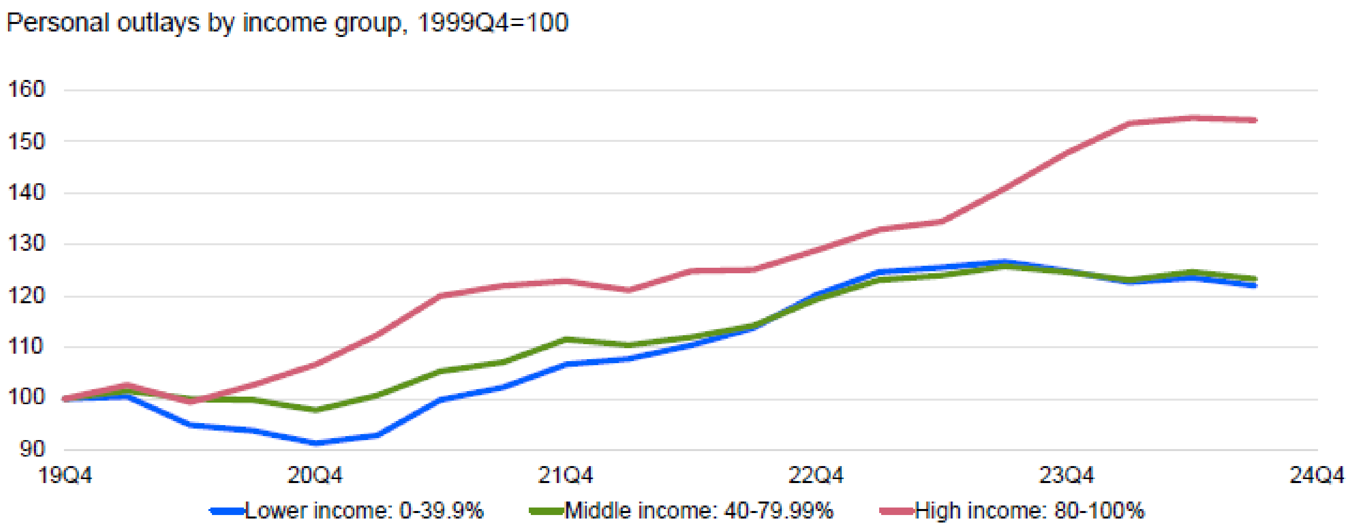
J.P.Morgan
ASSET MANAGEMENT

Portfolio Perspective: The sharp reversal in confidence levels indicates that ambiguity around trade policies could translate to slower economic activity should the uncertainty persist.

ECONOMIC BACKDROP

Over the last two years, consumer spending has been largely driven by higher-income households.

The Well-To-Do Power Consumer Spending

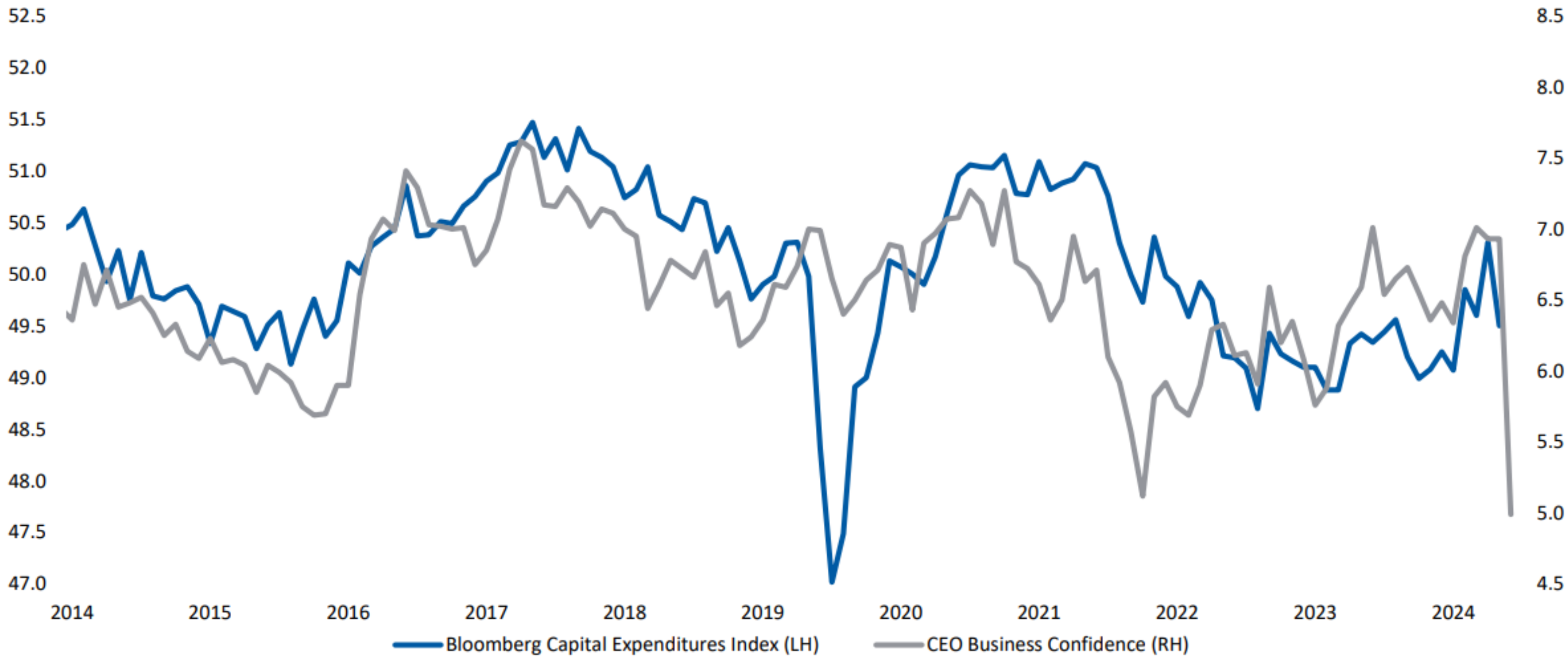


Source: Bureau of Labor Statistics, Moody's Analytics. As of Q4 2024

Portfolio Perspective: A near-term concern is that high-income consumers may scale back spending due to recent asset price declines, potentially adding to the economic headwinds already posed by tariffs.

Economic surveys indicate a more cautious outlook due to increased short-term uncertainty surrounding government policy.

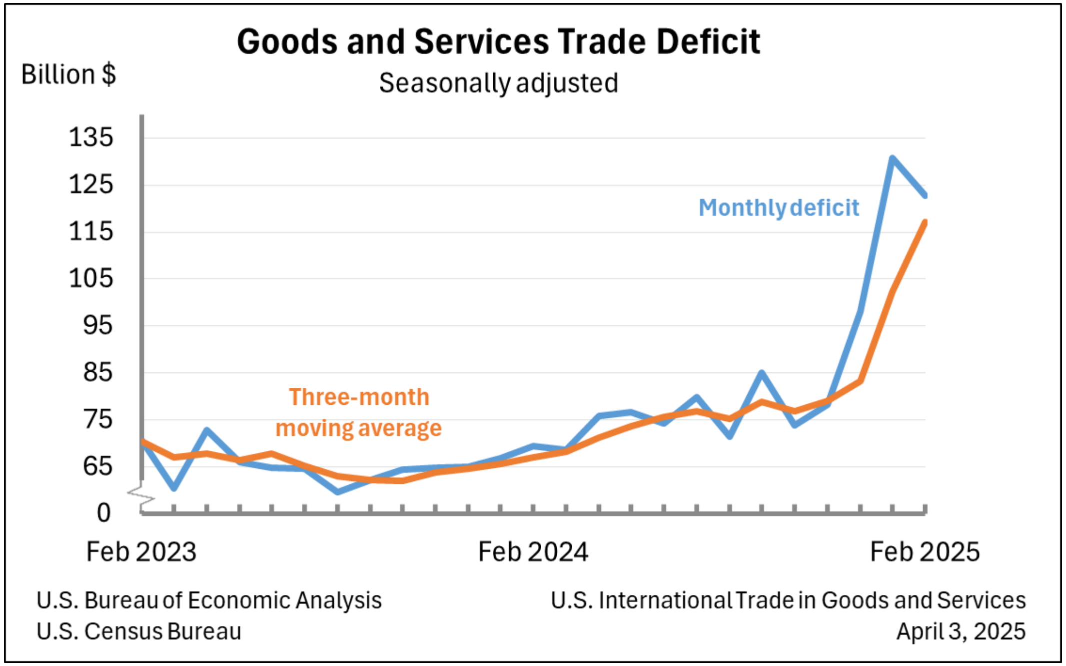
Bloomberg Capital Expenditure Index (LH), CEO business confidence in the economy 1 year from now (RH)



Source: Eaton Vance, Bloomberg, Chief Executive Magazine, MSIM. As of March 20, 2025

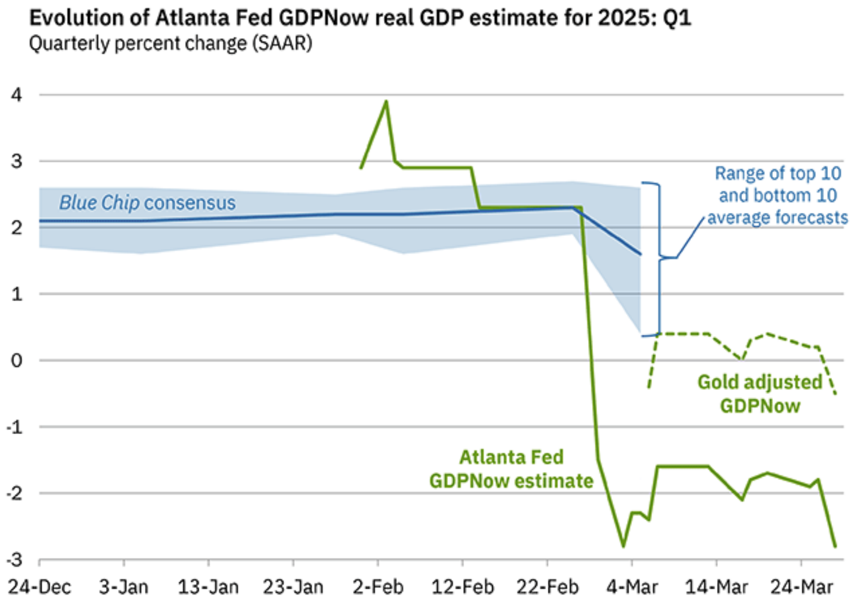
Portfolio Perspective: A more cautious outlook suggests a likely pause in corporate spending and investment. The longer trade uncertainty persists, the greater the risk that deferred decisions become abandoned altogether.

Import volumes spiked in the first quarter of 2025 as companies moved to preempt potential tariffs.

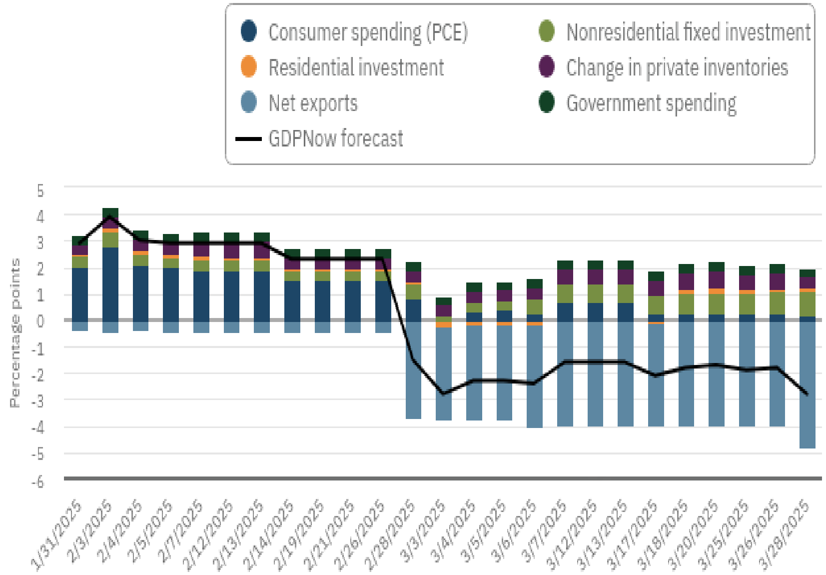


Portfolio Perspective: Companies have proactively built up inventories, potentially delaying immediate price increases from tariffs. However, as inventories are depleted and restocking occurs at higher tariff rates, some cost pass-through to consumers is likely.

According to estimates from the Atlanta Fed, the spike in imports combined with weaker consumer spending on discretionary goods could lead to negative GDP growth in the first quarter.



Source: Atlanta Fed, GDPNow. As of March 24, 2025.

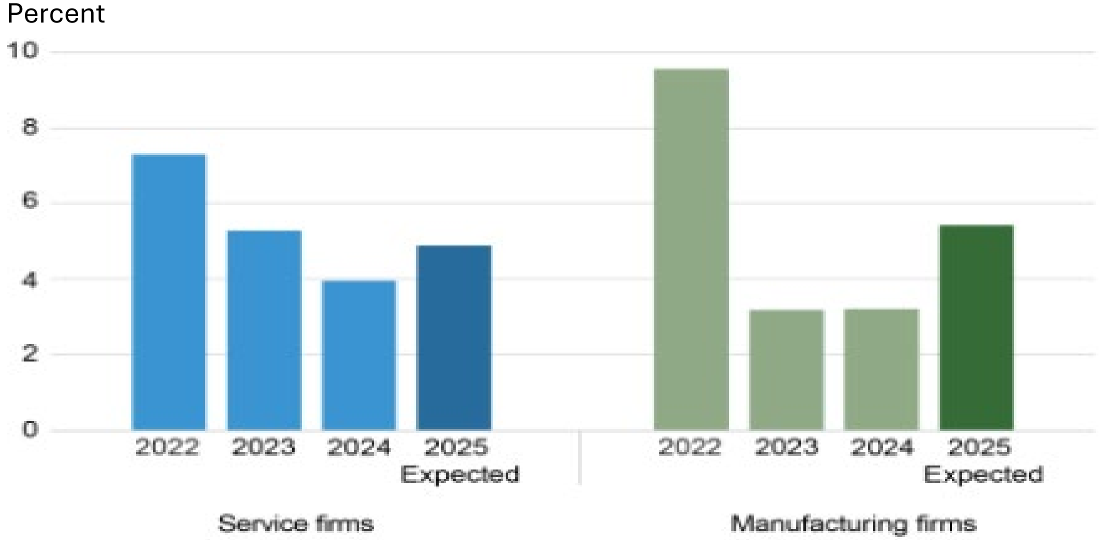


Source: Atlanta Fed

Portfolio Perspective: Many economists and investors have yet to meaningfully revise their growth expectations, as reflected in the Blue-Chip consensus. The market may be underestimating the short-term economic impact of rising tariffs.

Following a period of easing inflation, we anticipate a 1-2% increase driven by the newly announced tariffs*—assuming the 23% weighted average tariff rate remains unchanged.

Price Increases Are Also Expected to Pick Up



Sources: Federal Reserve Bank of New York, Supplemental Surveys, February 2024 and December 2022; Federal Reserve Bank of New York, Regional Business Surveys, February 2025.

Source: Liberty Street Economics, New York Federal Reserve. March 5, 2025

*As of April 4, 2025

Portfolio Perspective: The impact of tariffs is expected to show up quickly in monthly inflation data over the next several months, resulting in elevated readings through mid-2025. These pressures are anticipated to ease in the second half of the year. A key uncertainty remains whether this inflationary momentum triggers wage increases, potentially fueling a wage-price spiral.

Recent statements from corporate CEOs highlight rising consumer uncertainty and the possibility of shifts in spending behavior.

There is increasing consumer uncertainty and concern over returning to more inflation, and this has impacted consumer sentiment, particularly in the last month.
- McCormick & Co (March 25, 2025)

…homebuyers are moving more slowly in making their purchase decisions…demand at the start of the spring selling season has been more muted than we have seen over the past few years.
- KB Homes (March 25, 2025)

Based on a survey we conducted…consumers are spending less due to increased concerns about inflation and the economy.
- Lululemon Athletica (March 27, 2025)

…you hear and see that consumers are feeling a little less optimistic… changes in consumer sentiment haven't necessarily translated to a material change in consumer spending.
- Darden Restaurants Inc. (March 20, 2025)

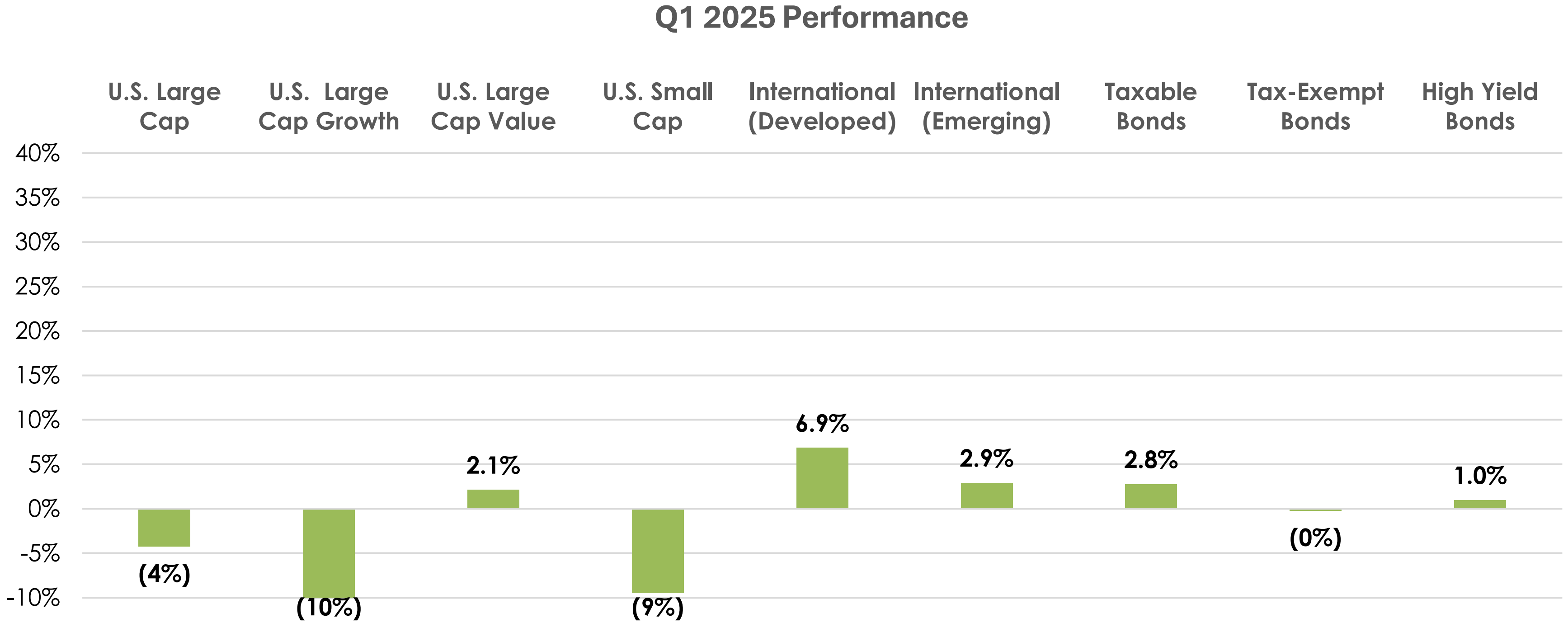
The current environment, however, is adding to uncertainty in demand.
- Federal Express (March 20, 2025)

Source: Bloomberg Earnings Call Transcripts

Portfolio Perspective: While companies have not yet widely revised their 2025 financial expectations, executive commentary suggests changes may be forthcoming. We have adjusted our outlook to reflect slower earnings growth in 2025 compared to earlier projections.

MARKET DYNAMICS – EQUITY

Market performance in the first quarter of 2025 was mixed, with U.S. equities—leaders in 2023 and 2024—relinquishing some of their previous gains.

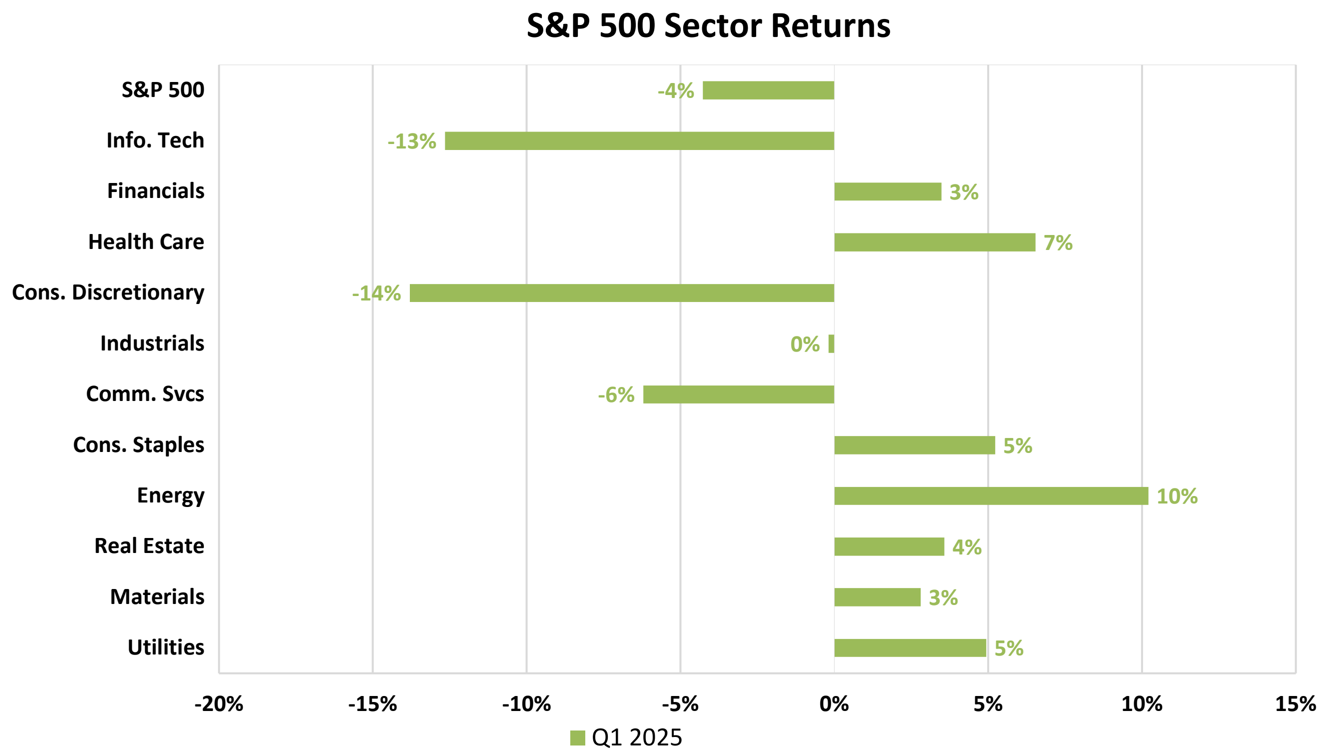


Source: Bloomberg. U.S. Large Cap represented by the S&P 500. U.S. Large Cap Growth and Large Cap Value represented by the Russell 1000 Growth and Russell 1000 Value respectively. U.S. Small Cap represented by the Russell 2000. International (Developed) represented by the MSCI EAFE, while International (Emerging)represented by the MSCI Emerging Market index. Taxable Bonds proxied by the Bloomberg U.S. Aggregate, while Tax-Exempt by the Bloomberg Municipal Bond index. High Yield Bonds represented by the Bloomberg High Yield index. Returns as of December 31, 2024.

Portfolio Perspective: Diversification added value in Q1, as gains in international equities and bonds helped offset the decline in U.S. equities.

MARKET DYNAMICS – EQUITY

The bulk of the decline in U.S. stocks stemmed from three sectors—consumer discretionary, technology, and communication services—all of which ranked among the top performers in 2024.



Source: Bloomberg, Standard & Poor's. Represent S&P 500 sector returns. As of March 31, 2025.

Portfolio Perspective: Market breadth improved at the start of 2025, with most sectors posting positive returns and outperforming the broader S&P 500.

MARKET DYNAMICS – EQUITY

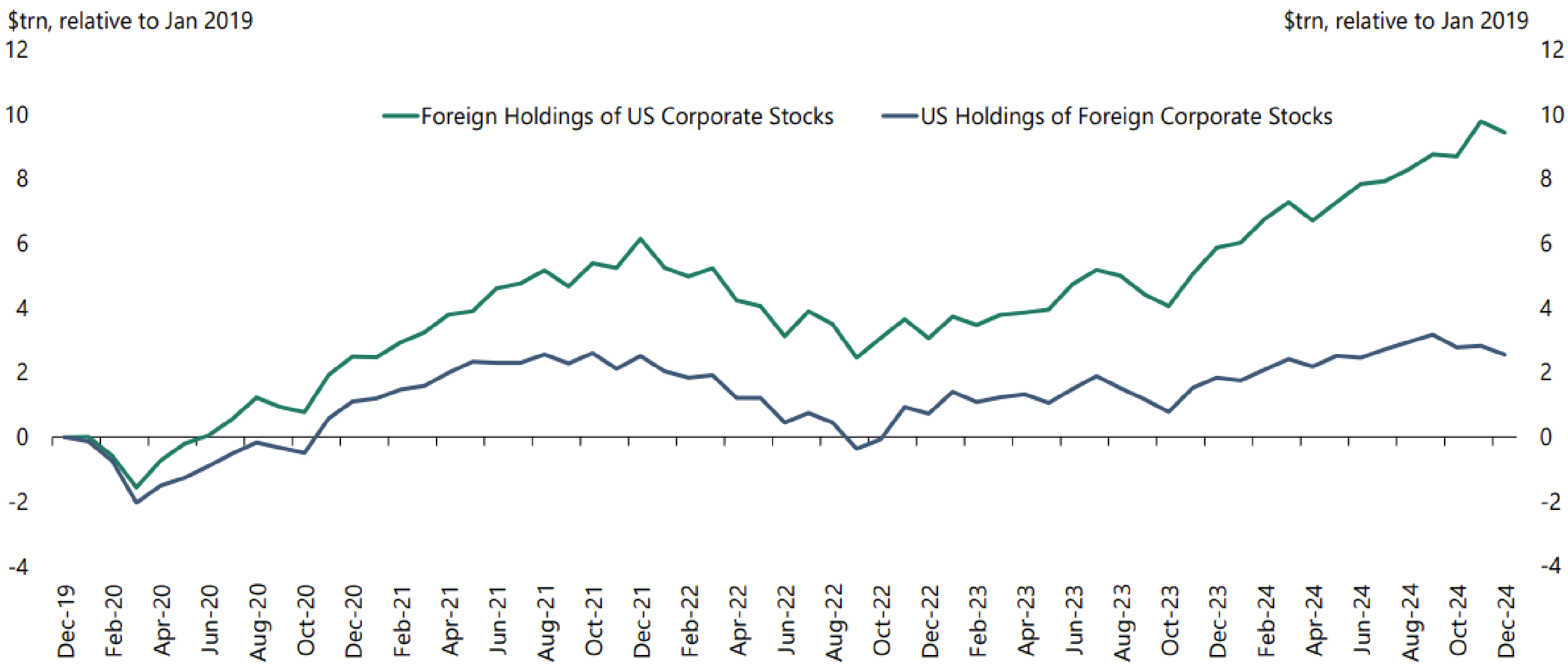
U.S. equity valuations have grown significantly compared to international markets, with stronger earnings growth, which helps justify the elevated multiples.

Source: LSEG Datastream and Yardini Research, MSCI and IBES. As of March 11, 2025

Portfolio Perspective: A near-term slowdown in U.S. economic growth and profit margins may prompt a narrowing of valuation multiples between U.S. and international equities.

MARKET DYNAMICS – EQUITY

In the last five years, nearly $10 trillion in foreign capital has flowed into U.S. equities.



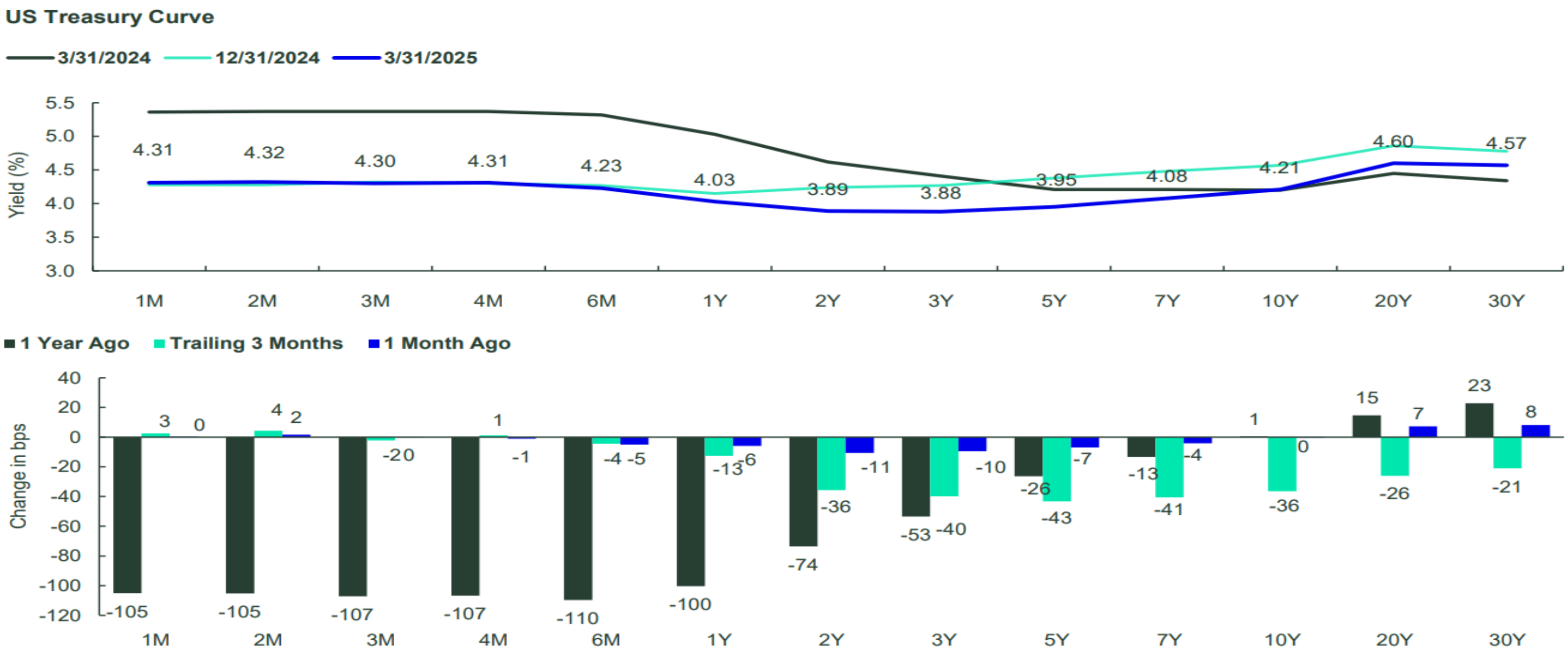
Sources: US Treasury, Haver Analytics, Apollo Chief Economist

Portfolio Perspective: After five years of substantial foreign investment into U.S. markets, shifting trade policies and evolving geopolitical alliances may prompt a reversal. Our base case anticipates some capital reallocating from the U.S. to other international markets.

Refer to appendix for disclosures

MARKET DYNAMICS – FIXED INCOME

In the first quarter, Treasury bond yields declined for maturities of two years and longer.

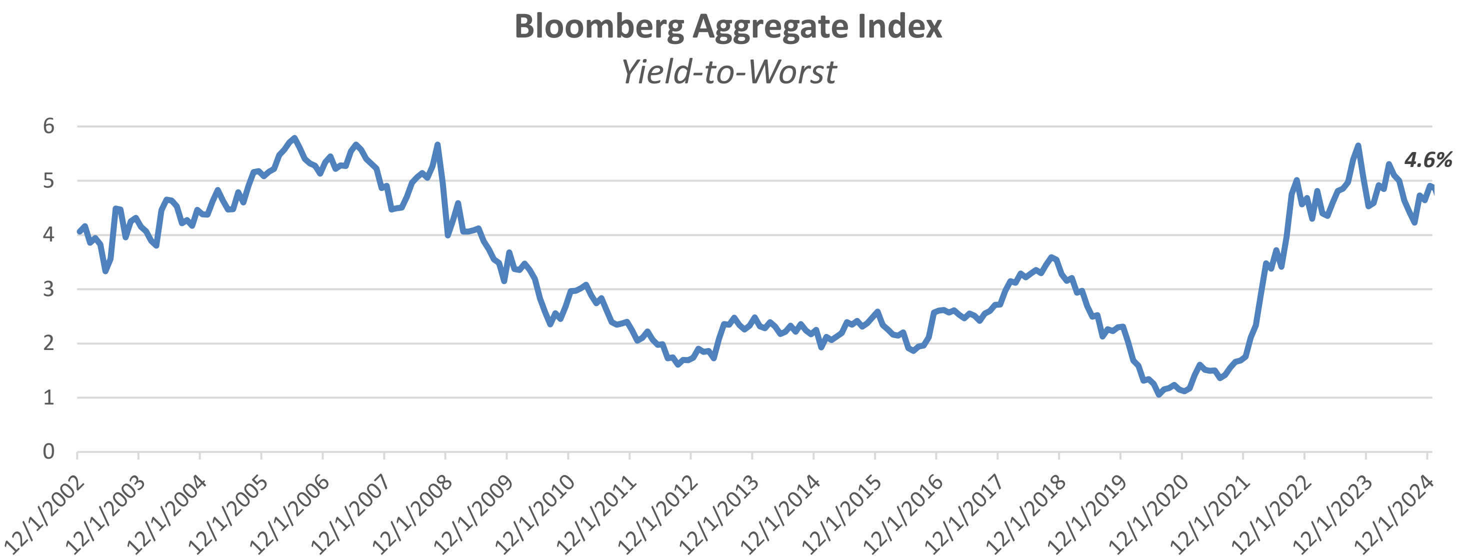


Source: State Street, Bloomberg. As of March 31, 2025.

Portfolio Perspective: Amid potential tariff policy changes, the Treasury yield curve reflects growing economic uncertainty. This drove yields lower and bond prices higher during the quarter, offering valuable diversification as equities declined.

Refer to appendix for disclosures

Bond yields continue to offer reasonable yields relative to longer-term norms.



Source: Bloomberg, Composition Wealth. As of March 31, 2025.

Portfolio Perspective: Given their attractive yields and reliable diversification benefits, we see growing value in bonds.

MARKET DYNAMICS – FIXED INCOME

High-yield bonds, which had been trading at historically low yields and spreads, have started to rise amid tariff-related uncertainty and are approaching their long-term averages.

United States High Yield Spread

Bloomberg US Corporate High Yield Index
25-year Period Ending 4/7/2025

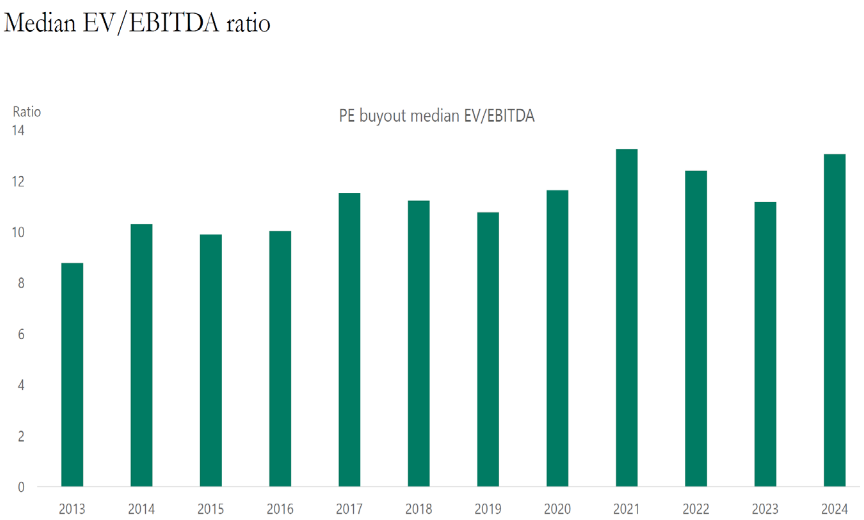
Option Adjusted Spread is used.
Source: Bloomberg, Macrobond.
Important data provider notices and terms available at www.franklintempletondatasources.com.

Portfolio Perspective: High-yield bonds have been less appealing, as the compensation for assuming additional credit risk has remained below average. While yields are moving toward more attractive levels, they have yet to offer returns that justify the associated risk.

MARKET DYNAMICS – PRIVATE INVESTMENTS

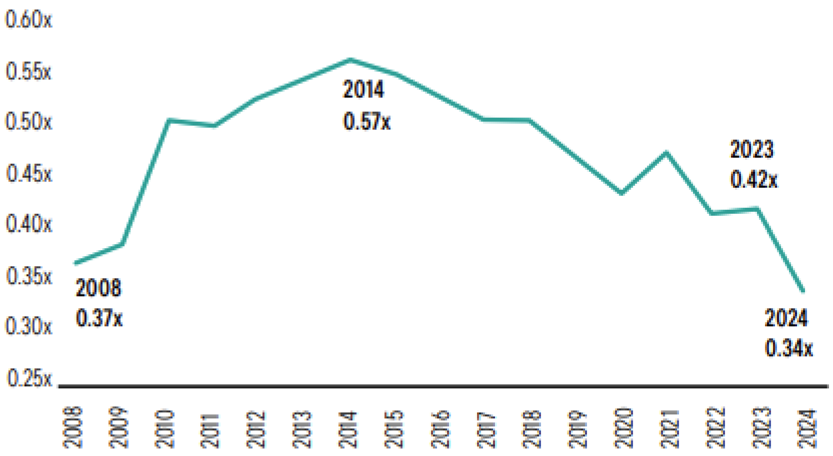
Unlike public markets, private market valuations have stayed within a tight range. Elevated borrowing costs and reduced M&A activity have led private equity funds to hold onto investments longer, even at reasonable valuations.

Private Equity Valuation Ratios
(Enterprise Value/EBITDA)



Source: Pitchbook, Apollo Chief Economist. As of September 30, 2024.

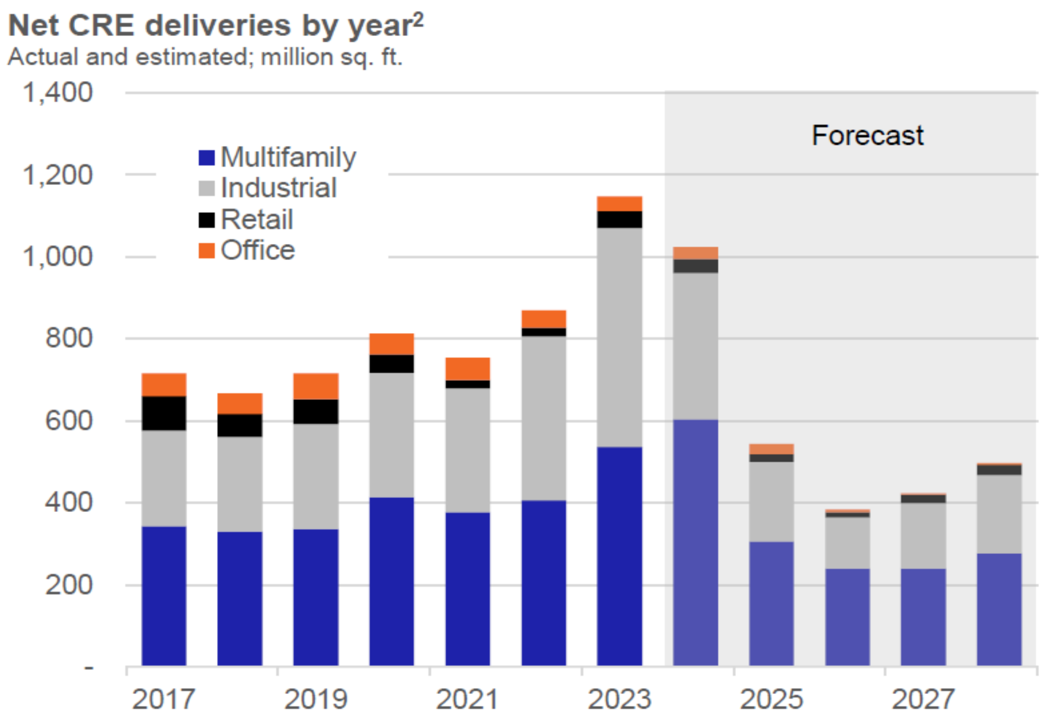
US Private Equity Exits/Investments Ratio
(Number of Exits to Number of Investments)



Source: Franklin Templeton, Pitchbook Q3 2024 US Private Equity Breakdown Report
As of September 30, 2024.

Portfolio Perspective: We view private equity valuations as more attractive than those in the public markets. Furthermore, the limited exit activity in recent years is likely to fuel a wave of deal-making and an increase in secondary fund sales, as private equity investors seek liquidity.

A post-pandemic surge in commercial real estate construction resulted in peak property deliveries in 2023 and 2024. However, rising interest rates have significantly slowed the launch of new projects.

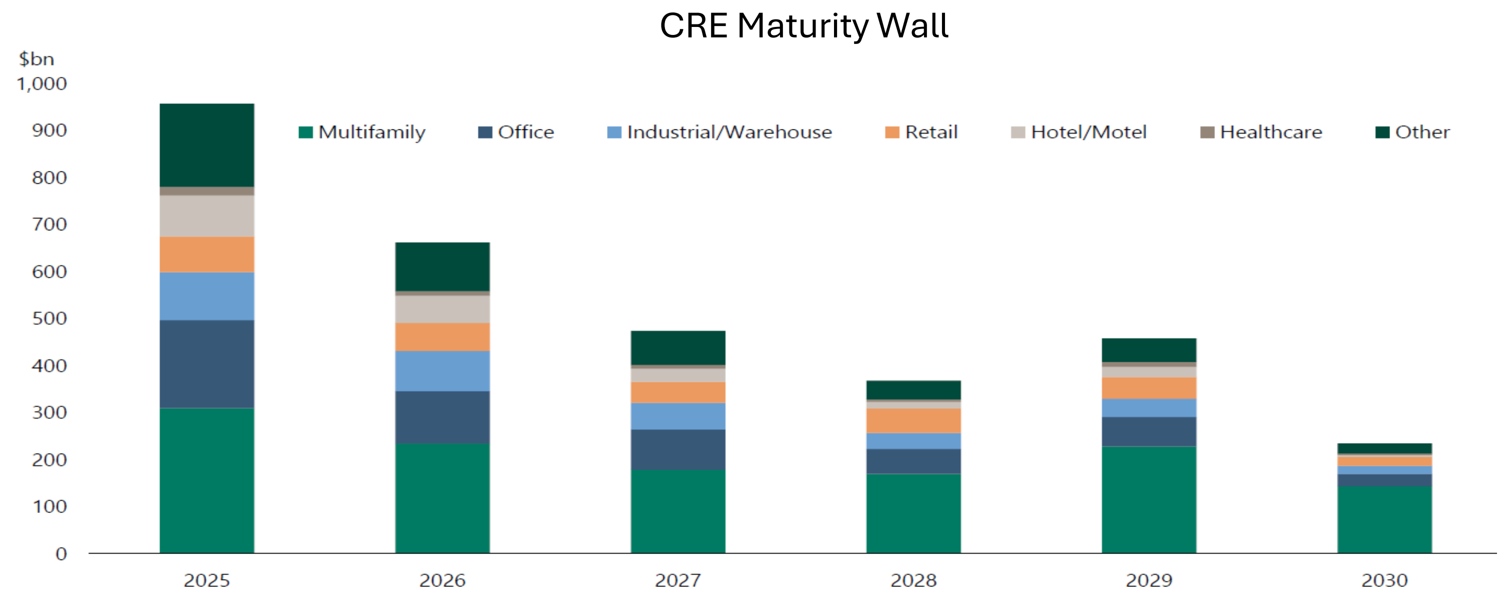


Source: FS Investments, CoStar.. As of October 31, 2024.

Portfolio Perspective: We anticipate that a slowdown in new property deliveries will gradually push rents higher, which should support commercial real estate prices over the long term.

Refer to appendix for disclosures. Forward-looking statements are not guarantees of future performance.

The commercial real estate market is approaching a significant maturity wall in 2025 and 2026.



Source: Mortgage Bankers Assoc., Apollo Chief Economist

Portfolio Perspective: With banks pulling back from commercial real estate lending and a wave of loan maturities ahead, we see a favorable backdrop for private real estate debt strategies characterized by attractive yields and borrower-friendly terms.

Following a 40-year trend of falling interest rates, we do not anticipate bond yields returning to pre-2022 levels. Instead, we expect rates to stay elevated for an extended period. As a result, returns on interest rate-sensitive assets may differ significantly from those seen over the past 10 to 15 years.

10-Year Treasury Yield *(Nov 1984 – October 2024)*

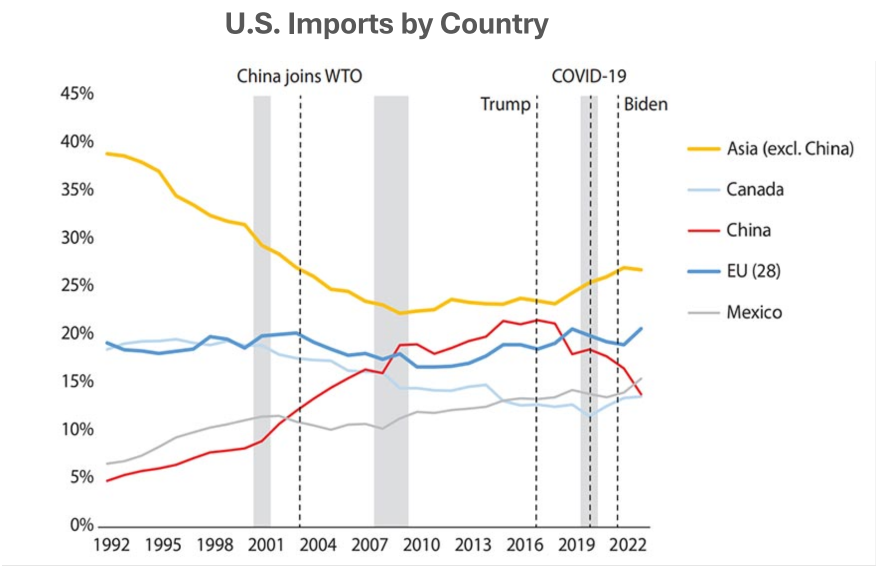
Source: Board of Governors of the Federal Reserve System. As of October 31, 2024.

Investment Impact

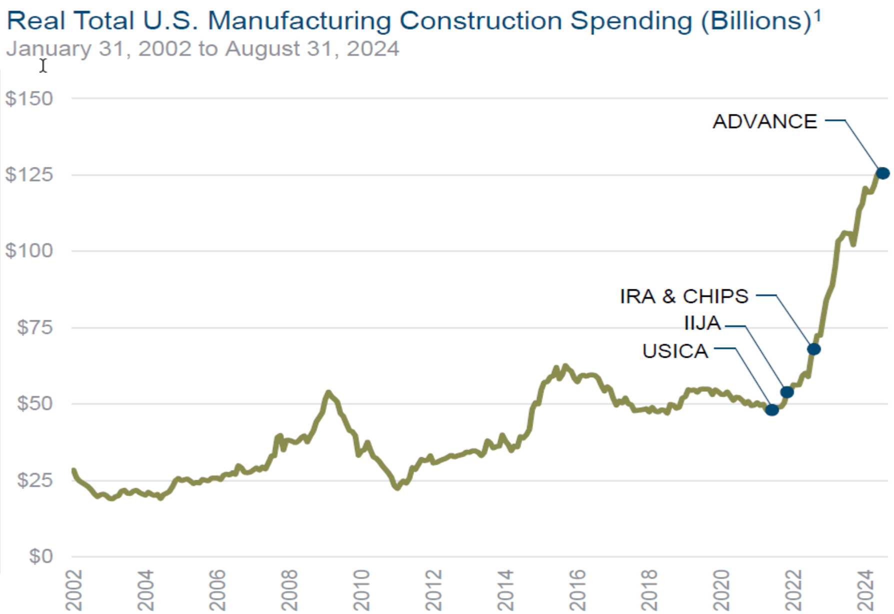
- Higher rates suggest stronger long-term expected returns for bonds.
- Assets and companies with higher levels of debt will be pressured by the sustained uptrend in financing costs. In this environment, we favor high-quality companies that are less reliant on leverage.
- Financial companies, notably insurance and financial advisory firms, should benefit from higher rates.
- Higher rates support a stronger U.S. dollar, which may favor domestic stocks over international stocks in the near term.

THEMATIC TRENDS (EVOLVING SUPPLY CHAINS)

Evolving geopolitical alliances and the push for increased onshore and nearshore manufacturing are driving a significant restructuring of global supply chains.



Source: St. Louis Federal Reserve, Decoupling Where it Matters? U.S. Imports from China January 19, 2024.



Source: Aether Investment Partners. As of August 31, 2024.

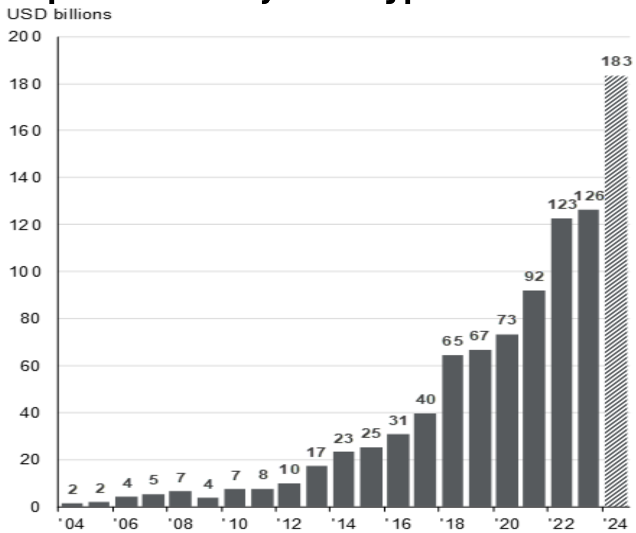
Investment Impact

- Trade lanes and supply chains are expected to shift, with China's ties to the West potentially weakening and countries like India and other East Asian nations standing to gain.
- Deglobalization is reinforcing the need for ongoing investment in domestic infrastructure, including bridges, roads, manufacturing plants, and distribution hubs.

THEMATIC TRENDS (DIGITAL INFRASTRUCTURE)

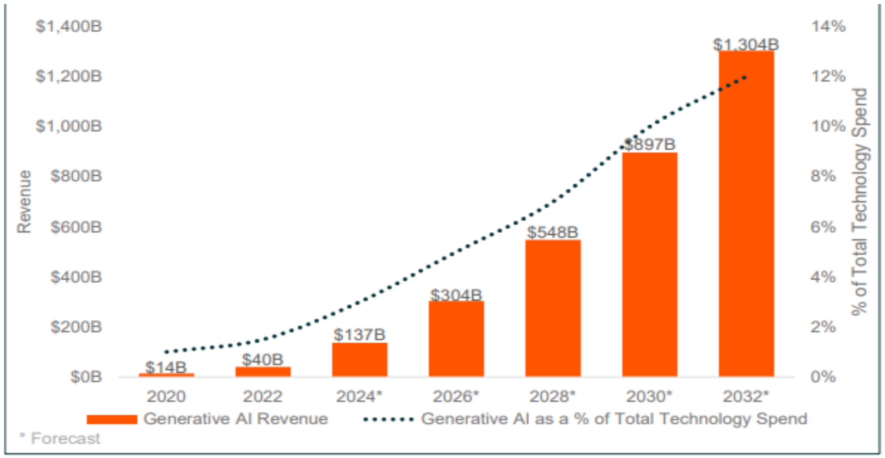
The growth of artificial intelligence (AI) demands substantial investment in data centers, network infrastructure, and software tools. As the technology progresses from development to widespread use, its long-term beneficiaries will emerge in a gradual and non-linear way.

Capex From Major AI Hyperscalers*



Source: J.P. Morgan Asset Management. As of June 30, 2024.

Generative AI Revenue Forecast, 2020-2032



Source: Global X, Mirae Asset Management. As of December 31, 2024.

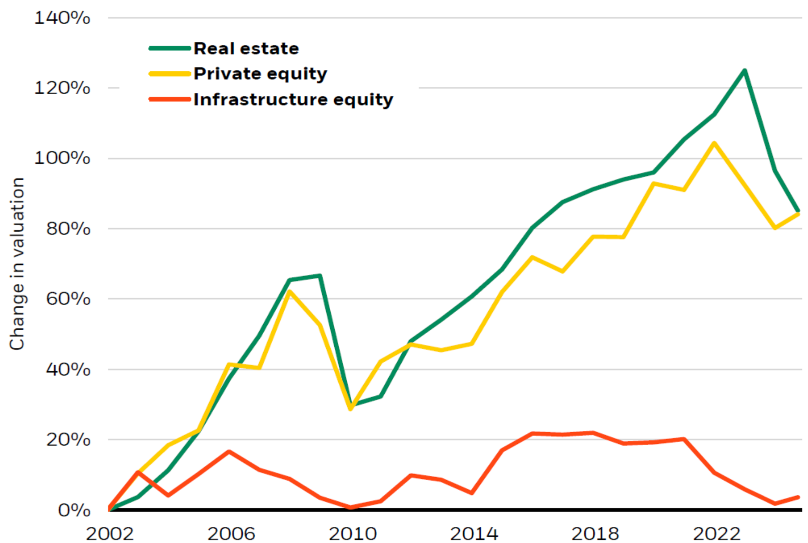
Investment Impact

- Significant near-term investments are being directed toward network infrastructure to support the development and training of AI models.
- As AI adoption expands, demand for semiconductors is expected to grow, driven by increased needs for memory and processing efficiency.
- In the long run, the advantages of AI will favor businesses that effectively use the technology to enhance scale and efficiency.
- Technology sector performance is expected to shift from broad-based gains to one where individual stock selection plays a more significant role in driving returns.

THEMATIC TRENDS (PHYSICAL INFRASTRUCTURE)

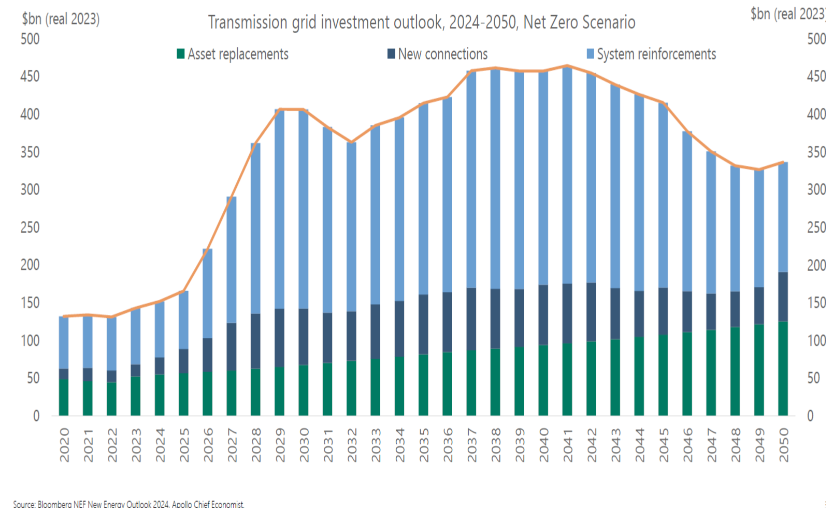
Infrastructure asset valuations have remained relatively stable. However, rising demand—especially for assets supporting increased power transmission—makes the sector appealing for long-term investment.

Change in Valuations, 2002 - 2024



Source: BlackRock Investment Institute, NCREIF, EDHEC, LCD. As of October, 2024.

Transmission Grid Investment Outlook, 2024 – 2050, ETS & NZS



Source: Bloomberg NEF New Energy Outlook 2024, Apollo Chief Economist. As of December 31, 2024.

Investment Impact

- Elevated levels of government debt, combined with growing infrastructure needs, are likely to drive increased interest in private infrastructure investment.
- Current data highlights a broad demand for various infrastructure assets, including power generation, manufacturing plants, and semiconductor fabrication facilities.
- Infrastructure assets can serve as a hedge against inflation and offer stability in times of economic uncertainty.

Refer to appendix for disclosures

ASSET CLASS RETURNS

2010–2024																	
Ann.	Vol.	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
Large Cap 13.9%	Small Cap 20.6%	REITs 27.9%	REITs 8.3%	REITs 19.7%	Small Cap 38.8%	REITs 28.0%	REITs 2.8%	Small Cap 21.3%	EM Equity 37.8%	Cash 1.8%	Large Cap 31.5%	Small Cap 20.0%	REITs 41.3%	Comdty. 16.1%	Large Cap 26.3%	Large Cap 25.0%	Comdty. 8.9%
Small Cap 10.3%	EM Equity 17.9%	Small Cap 26.9%	Fixed Income 7.8%	High Yield 19.6%	Large Cap 32.4%	Large Cap 13.7%	Large Cap 1.4%	High Yield 14.3%	DM Equity 25.6%	Fixed Income 0.0%	REITs 28.7%	EM Equity 18.7%	Large Cap 28.7%	Cash 1.5%	DM Equity 18.9%	Small Cap 11.5%	DM Equity 7.0%
REITs 9.4%	REITs 16.8%	EM Equity 19.2%	High Yield 3.1%	EM Equity 18.6%	DM Equity 23.3%	Fixed Income 6.0%	Fixed Income 0.5%	Large Cap 12.0%	Large Cap 21.8%	REITs -4.0%	Small Cap 25.5%	Large Cap 18.4%	Comdty. 27.1%	High Yield -12.7%	Small Cap 16.9%	Asset Alloc. 10.0%	EM Equity 3.0%
Asset Alloc. 7.2%	DM Equity 16.5%	Comdty. 16.8%	Large Cap 2.1%	DM Equity 17.9%	Asset Alloc. 14.9%	Asset Alloc. 5.2%	Cash 0.0%	Comdty. 11.8%	Small Cap 14.6%	High Yield -4.1%	DM Equity 22.7%	Asset Alloc. 10.6%	Small Cap 14.8%	Fixed Income -13.0%	Asset Alloc. 14.1%	High Yield 9.2%	Fixed Income 2.8%
High Yield 5.9%	Comdty. 16.1%	Large Cap 15.1%	Cash 0.1%	Small Cap 16.3%	High Yield 7.3%	Small Cap 4.9%	DM Equity -0.4%	EM Equity 11.6%	Asset Alloc. 14.6%	Large Cap -4.4%	Asset Alloc. 19.5%	DM Equity 8.3%	Asset Alloc. 13.5%	Asset Alloc. -13.9%	High Yield 14.0%	EM Equity 8.1%	REITs 2.8%
DM Equity 5.7%	Large Cap 15.1%	High Yield 14.8%	Asset Alloc. -0.7%	Large Cap 16.0%	REITs 2.9%	Cash 0.0%	Asset Alloc. -2.0%	REITs 8.6%	High Yield 10.4%	Asset Alloc. -5.8%	EM Equity 18.9%	Fixed Income 7.5%	DM Equity 11.8%	DM Equity -14.0%	REITs 11.4%	Comdty. 5.4%	High Yield 1.8%
EM Equity 3.4%	Asset Alloc. 10.4%	Asset Alloc. 13.3%	Small Cap -4.2%	Asset Alloc. 12.2%	Cash 0.0%	High Yield 0.0%	High Yield -2.7%	Asset Alloc. 8.3%	REITs 8.7%	Small Cap -11.0%	High Yield 12.6%	High Yield 7.0%	High Yield 1.0%	Large Cap -18.1%	EM Equity 10.3%	Cash 5.3%	Cash 1.0%
Fixed Income 2.4%	High Yield 9.4%	DM Equity 8.2%	DM Equity -11.7%	Fixed Income 4.2%	Fixed Income -2.0%	EM Equity -1.8%	Small Cap -4.4%	Fixed Income 2.6%	Fixed Income 3.5%	Comdty. -11.2%	Fixed Income 8.7%	Cash 0.5%	Cash 0.0%	EM Equity -19.7%	Fixed Income 5.5%	REITs 4.9%	Asset Alloc. 0.6%
Cash 1.2%	Fixed Income 4.7%	Fixed Income 6.5%	Comdty. -13.3%	Cash 0.1%	EM Equity -2.3%	DM Equity -4.5%	EM Equity -14.6%	DM Equity 1.5%	Comdty. 1.7%	DM Equity -13.4%	Comdty. 7.7%	Comdty. -3.1%	Fixed Income -1.5%	Small Cap -20.4%	Cash 5.1%	DM Equity 4.3%	Large Cap -4.3%
Comdty. -1.0%	Cash 0.9%	Cash 0.1%	EM Equity -18.2%	Comdty. -1.1%	Comdty. -9.5%	Comdty. -17.0%	Comdty. -24.7%	Cash 0.3%	Cash 0.8%	EM Equity -14.2%	Cash 2.2%	REITs -5.1%	EM Equity -2.2%	REITs -24.9%	Comdty. -7.9%	Fixed Income 1.3%	Small Cap -9.5%

Source: Bloomberg, FactSet, MSCI, NAREIT, Russell, Standard & Poor's, J.P. Morgan Asset Management.
Large cap: S&P 500, Small cap: Russell 2000, EM Equity: MSCI EME, DM Equity: MSCI EAFE, Comdty: Bloomberg Commodity Index, High Yield: Bloomberg Global HY Index, Fixed Income: Bloomberg U.S. Aggregate, REITs: NAREIT Equity REIT Index, Cash: Bloomberg 1-3m Treasury. The "Asset Allocation" portfolio assumes the following weights: 25% in the S&P 500, 10% in the Russell 2000, 15% in the MSCI EAFE, 5% in the MSCI EME, 25% in the Bloomberg U.S. Aggregate, 5% in the Bloomberg 1-3m Treasury, 5% in the Bloomberg Global High Yield Index, 5% in the Bloomberg Commodity Index and 5% in the NAREIT Equity REIT Index. Balanced portfolio assumes annual rebalancing. Annualized (Ann.) return and volatility (Vol.) represents period from 12/31/2009 to 12/31/2024. Please see disclosure page at end for index definitions. All data represents total return for stated period. The "Asset Allocation" portfolio is for illustrative purposes only. Past performance is not indicative of future returns.
Guide to the Markets – U.S. Data are as of March 31, 2025.

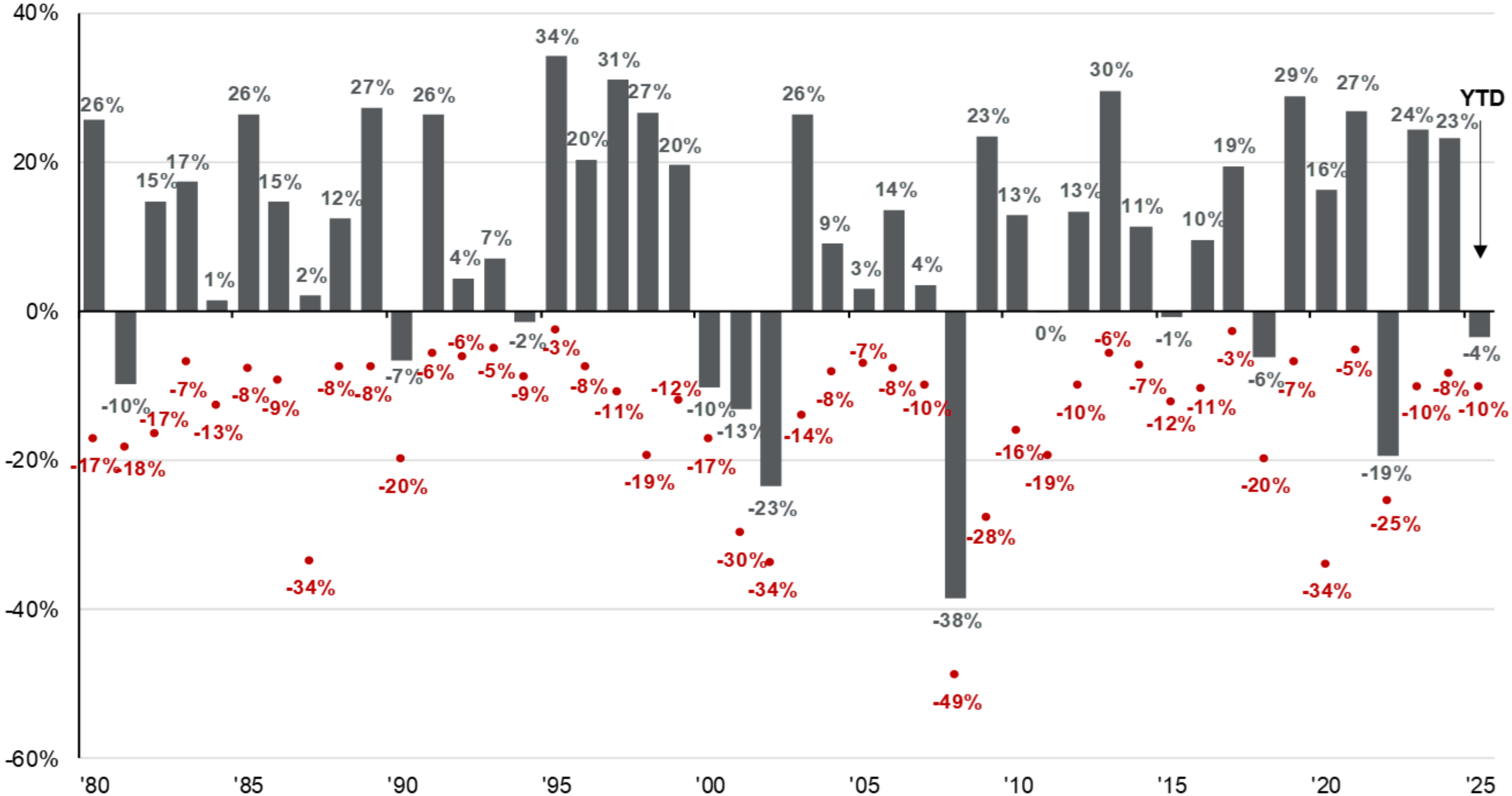
J.P.Morgan ASSET MANAGEMENT

Refer to appendix for disclosures

Since 1980, the S&P 500 has seen an average intra-year decline of 14.1%.

S&P intra-year declines vs. calendar year returns

Despite average intra-year drops of 14.1%, annual returns were positive in 34 of 45 years



Source: JP Morgan Asset Management. As of 3/31/2025

INTRA-YEAR MARKET DECLINES

Although higher than average, the year-to-date pullback in 2025 remains within a typical historical range.

Distribution of S&P 500 Max Intra-Year Drawdown (Since 1945)

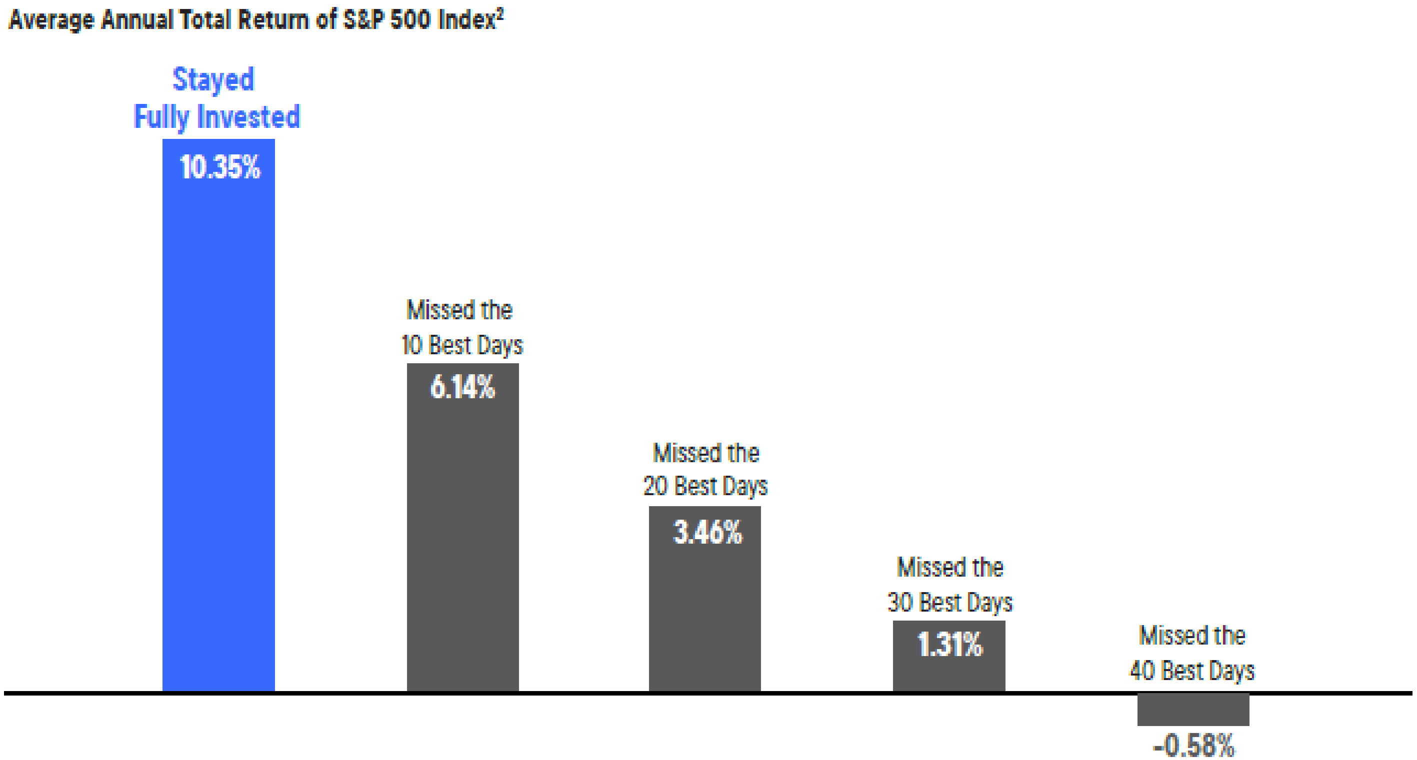
		2024				
		2021				
		2019				
		2014				
		2013				
		2012				
		2006				
		2005				
		2004	2023			
		1996	2016			
		1994	2015			
		1992	2007			
		1991	2003			
		1989	1999			
		1988	1997			
		1986	1984			
		1985	1979	**2025**		
		1983	1978	2018		2022
		1976	1975	2011		2020
		1972	1971	2010		2009
		1968	1960	2000		2008
	2017	1967	1956	1998		2002
	1995	1965	1955	1990		2001
	1993	1963	1953	1982		1987
	1964	1959	1950	1981		1974
	1961	1952	1949	1980	1973	1970
	1958	1951	1948	1977	1966	1962
	1954	1945	1947	1969	1957	1946
	0% to 5%	**5% to 10%**	**10% to 15%**	**15% to 20%**	**20% to 25%**	**> 25%**
# Observations	7	28	20	12	3	11
% Positive	8.6%	34.6%	24.7%	14.8%	3.7%	13.6%

Source: Strategas Research. As of 4/7/2025

Attempting to time the market is difficult, and missing key turning points can significantly impact long-term performance.

Jumping In and Out of the Market May Cost You

20 Years Ended December 31, 2024



Source: Ned Davis Research Group. Franklin Templeton. As of 12/31/2024

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