Composition Wealth

Q2 2026 Market Landscape

As of April 23, 2026

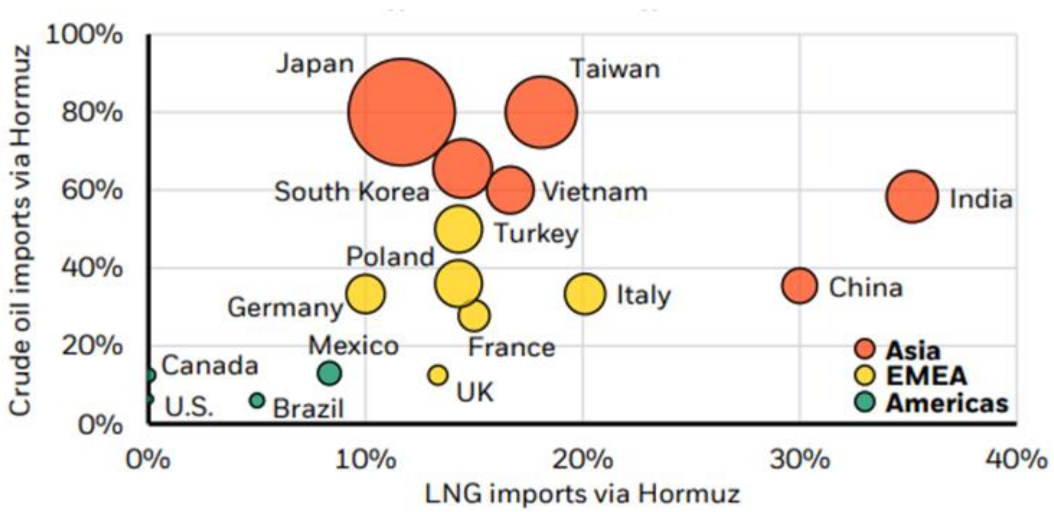
00503

Inside

The Strait of Hormuz remains a critical chokepoint for global oil and Liquified Natural Gas (LNG) traffic. The exposure is especially acute for several Asian importers.

Global Energy Dependencies

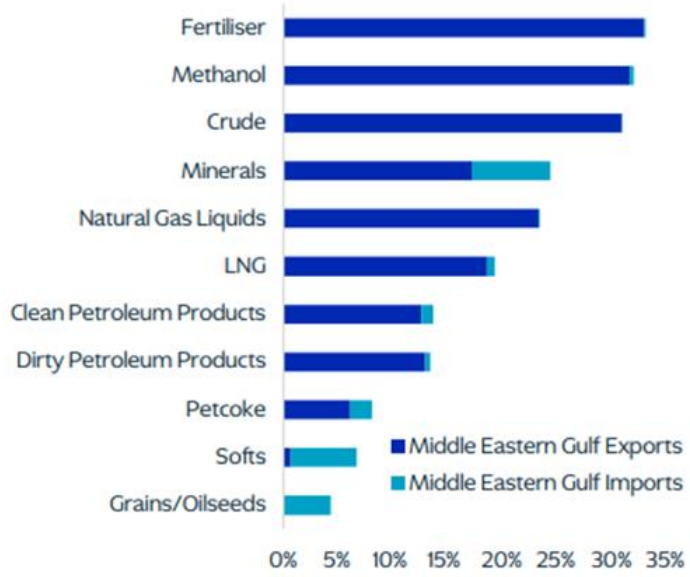
Strait of Hormuz share of energy imports and energy import dependence, 2026



Source: BlackRock Investment Institute with data from IEA, U.S. EIA, GIIGNL, OPEC and commercial tanker-tracking databases, April 2026. Notes: Sample includes G7 and the 10 largest EM economies by trade (excluding Russia). Axes show the share of oil and LNG imports via the Strait of Hormuz; bubble size shows oil and gas import dependence.

Share of Global Commodity Flows Transiting the Strait of Hormuz

%, 2025



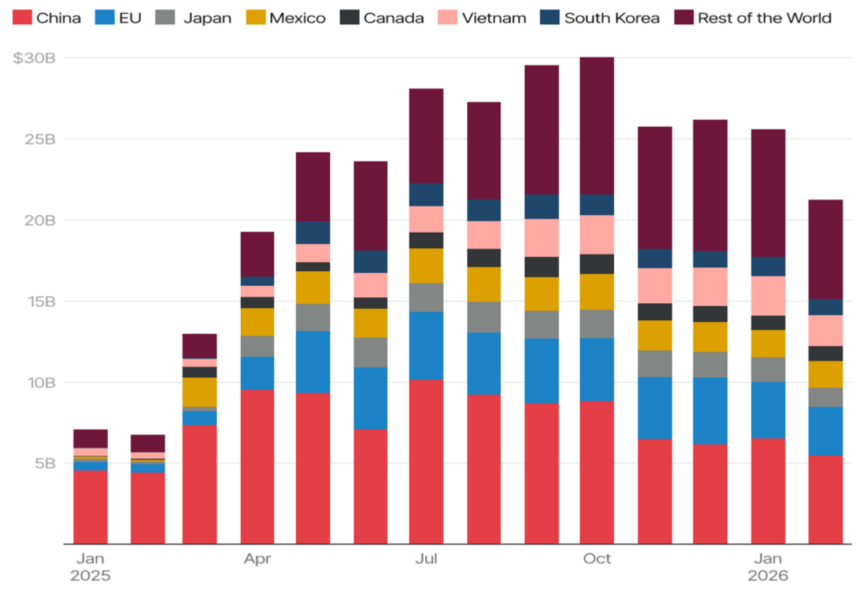
Source: KKR, Kepler. As of December 31, 2025.

Portfolio Perspective: The longer the conflict with Iran persists, the greater the risk to meeting global supply chain needs for oil, LNG, fertilizer, and petrochemicals. The impact would be more acutely felt in Asia and, to a lesser degree, in parts of Europe.

ITAP – TARIFFS

Tariff revenues have remained near $25 billion a month. With IEEPA based tariffs overturned, Section 122 tariffs (static 10% or possibly 15%) have been used as a replacement. This shift has mattered more for some countries than others.

Composition of Tariff Revenues by Country

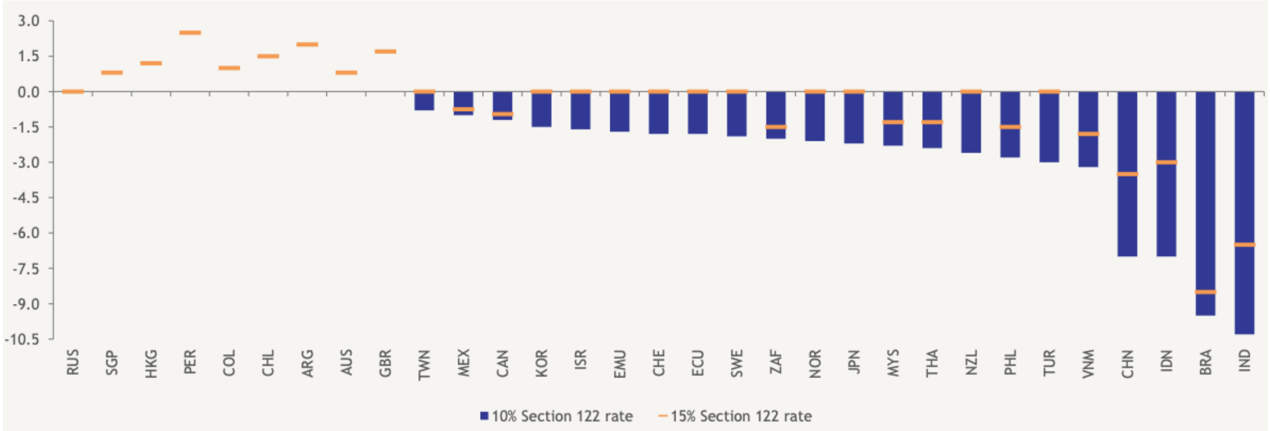


Source: Bipartisan Policy Center, United States International Trade Commission. As of February 28, 2026

Tariff Rate Changes

Section 122 replacement of IEEPA based tariff

%-pt change from Dec'25 observed tariff rate* by trade partner

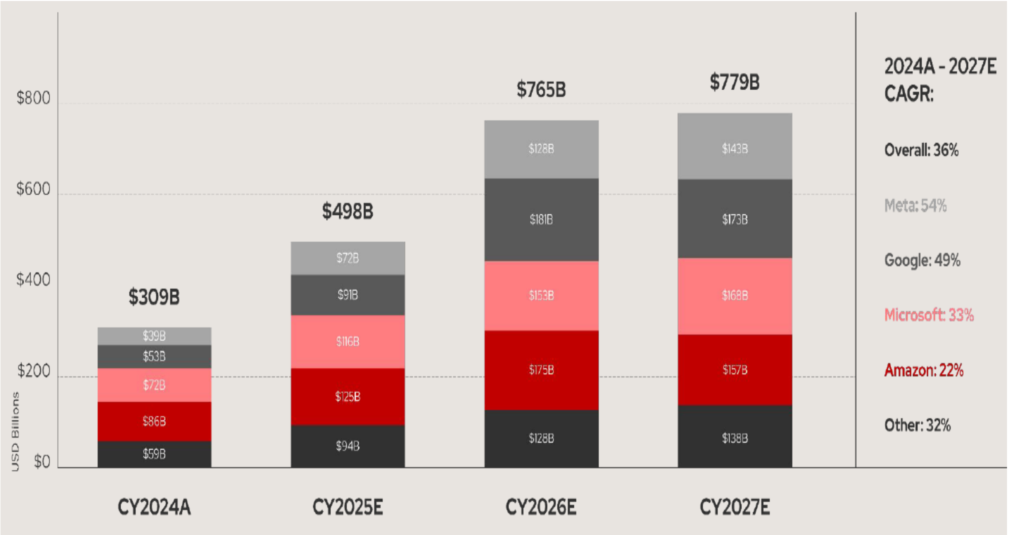


Source: J.P. Morgan As of February 25, 2026

Portfolio Perspective: We expect the overturning of IEEPA-based tariffs to modestly reduce tariffs in the short term. Countries with higher relative tariffs under IEEPA, such as India and Brazil, will receive the greatest relief under Section 122 tariffs.

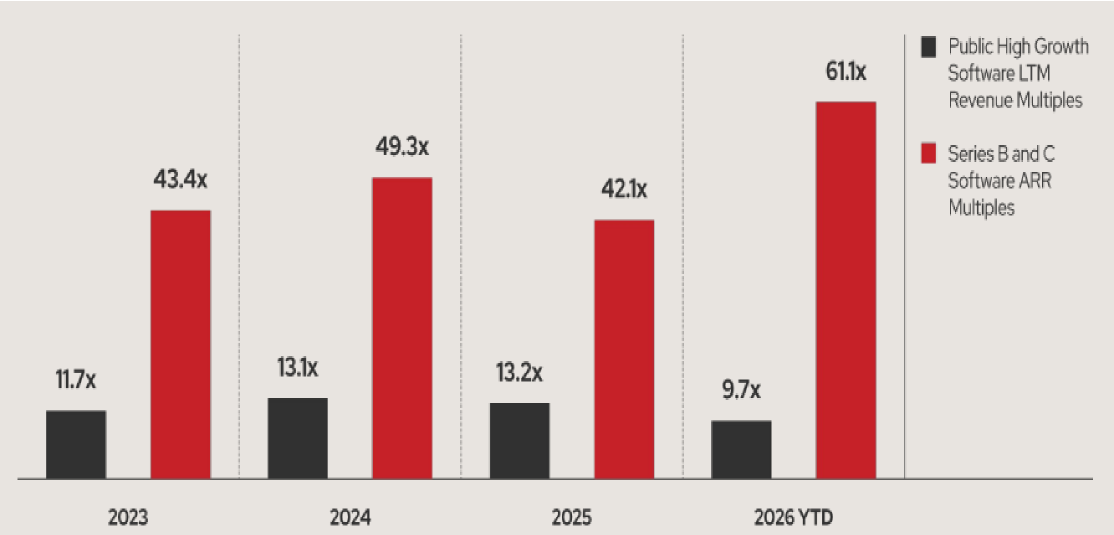
Data center capital expenditures are expected to accelerate meaningfully in 2026 and 2027. At the same time, publicly traded software valuations have pulled back, while their AI-native private peers continue to trade at valuation multiples roughly 6x higher.

Capital Expenditures by Major Hyperscalers



Source: Redpoint, RBC, Company filings. As of March 31, 2026.

Public vs Private Software Valuations



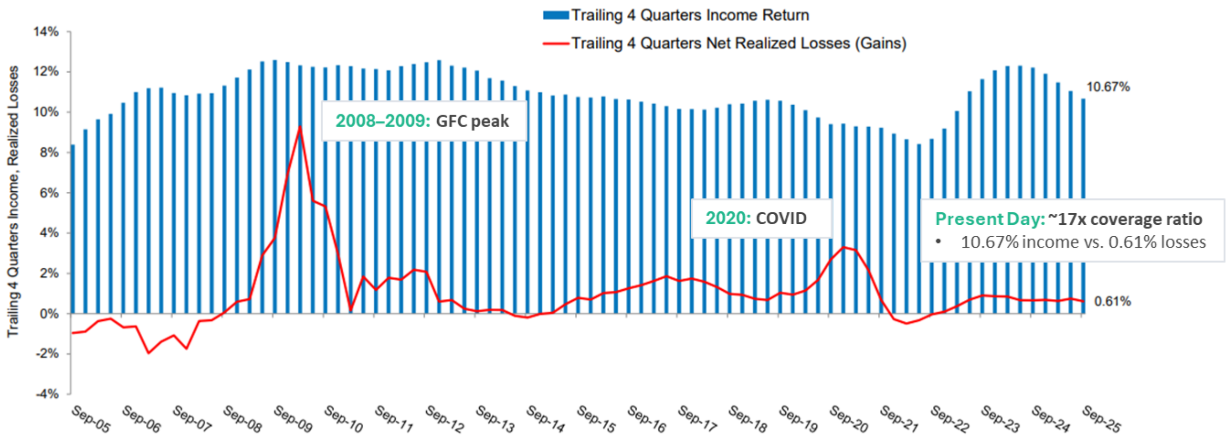
Source: Redpoint, Qatalyst. As of March 20, 2026. ARR multiples based on Annual Run Rate revenue.

Portfolio Perspective: AI investment continues to accelerate, but the gap between public and private software valuations suggests private markets are still embedding very high growth expectations. In our view, that increases the importance of valuation discipline, particularly as capital is deployed across the AI ecosystem.

ITAP – PRIVATE CREDIT

Credit quality (realized net losses) within Private credit remains at a low level. Income from loans is ample and can cover losses if delinquencies were to pick up.

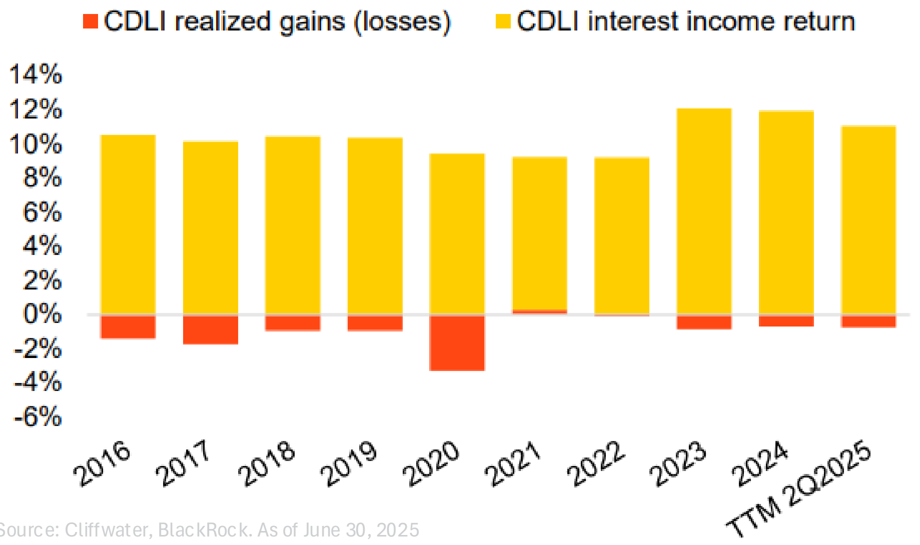
Realized Losses to Principal Offset Interest Income



Source: *Cliffwater, CDLI Q3 2025 Report*

Trailing 12-month Income Return and Realized Gains (losses)

Cliffwater Direct Lending Index

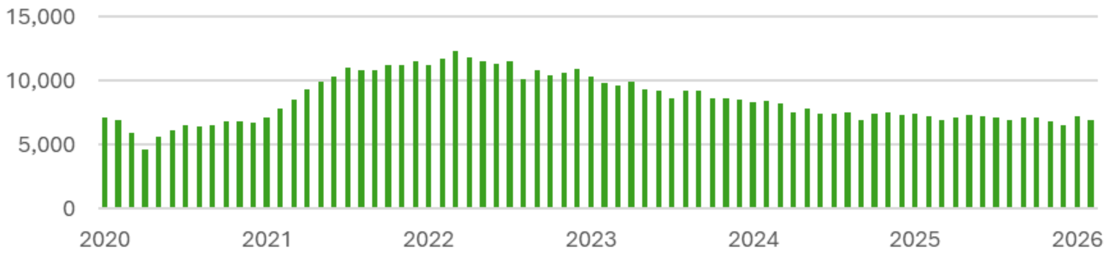


Source: Cliffwater, BlackRock. As of June 30, 2025

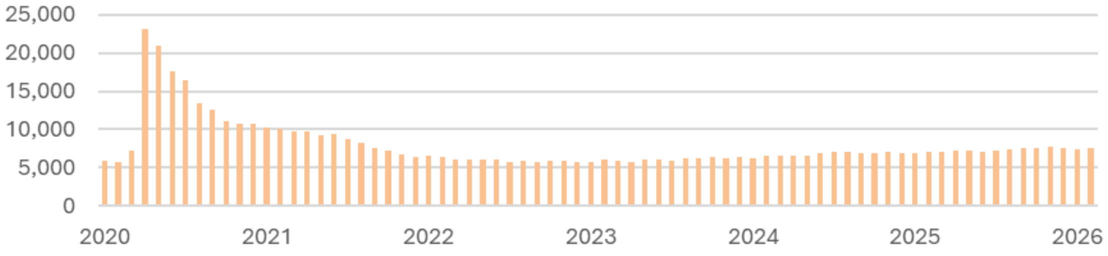
Portfolio Perspective: We believe private credit remains well positioned, with current realized losses of 0.61% still below long-term averages. We expect delinquencies to eventually pick up, but they would need to move toward GFC levels before impairing investors' ability to achieve a positive return.

The pace of hiring continues to slow. However, unemployment has remained static. This has resulted in a continued moderation in the number of job openings per unemployed.

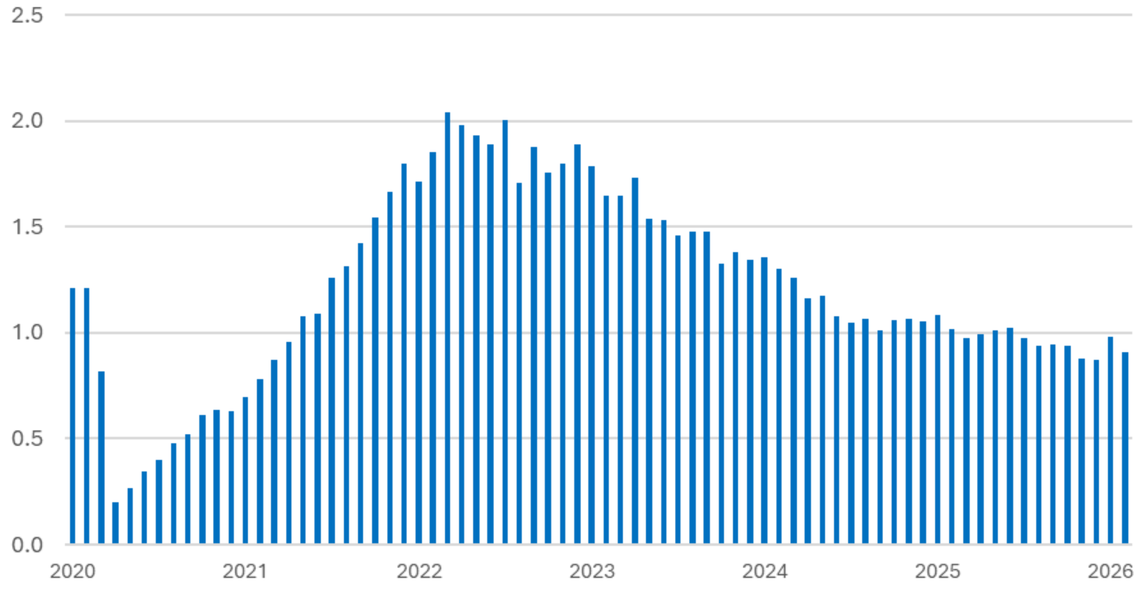
Nonfarm Payroll Additions (Job Openings)



Unemployment Level



Job Openings per Unemployed Person



Source: Bureau of Labor Statistics, Federal Reserve Bank of St. Louis (FRED). As of February 2026.

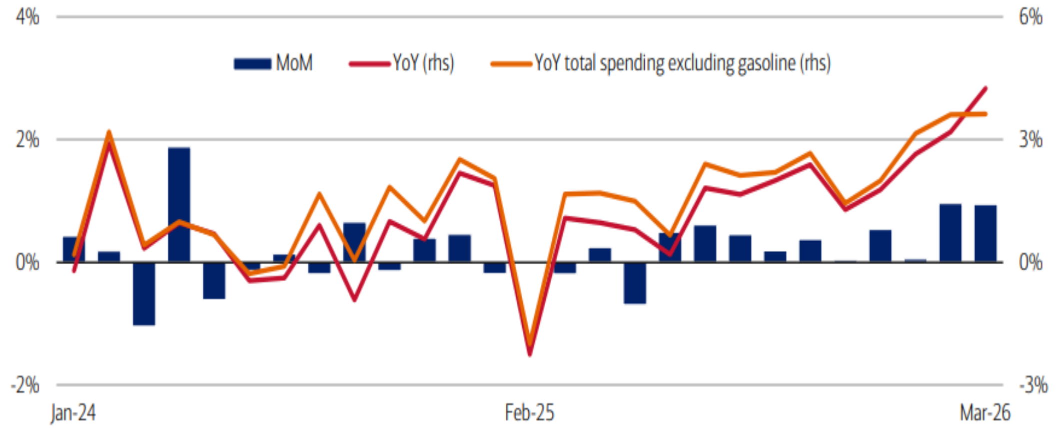
Portfolio Perspective: Despite softer labor data, the contraction in the supply of available jobs has been met with a reduction in demand. This stems from tighter immigration policies and more individuals leaving the workforce. We aren't concerned about labor conditions at this time, although unemployment could rise if there are mismatches between the skills employers are seeking and those unemployed workers possess.

ECONOMIC BACKDROP

Consumer spending remains strong, with higher tax refunds helping offset pressure from higher gasoline prices.

Consumer Spending Growth

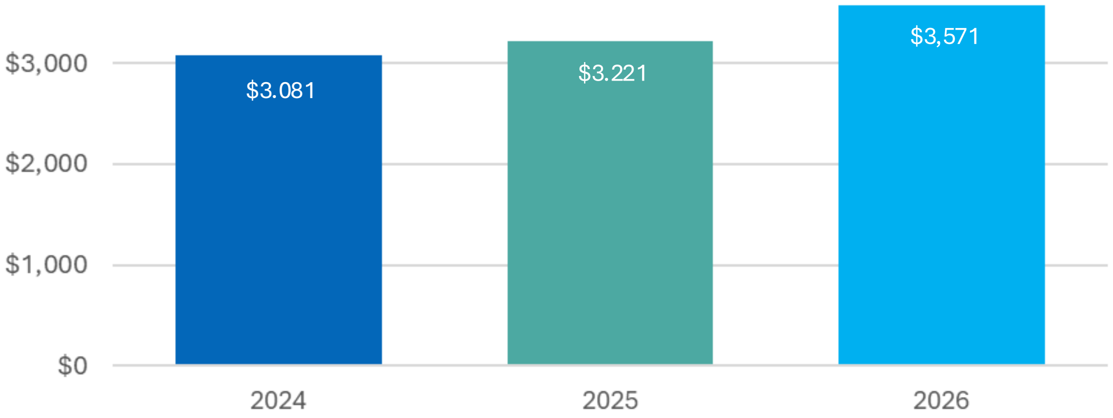
Annual Growth



Source: Bank of America Institute. As of March 31, 2026.

Average Tax Refunds Are Higher in 2026

Average Tax Refund for Mar. 20, 2026, Filing Years 2024 to 2026

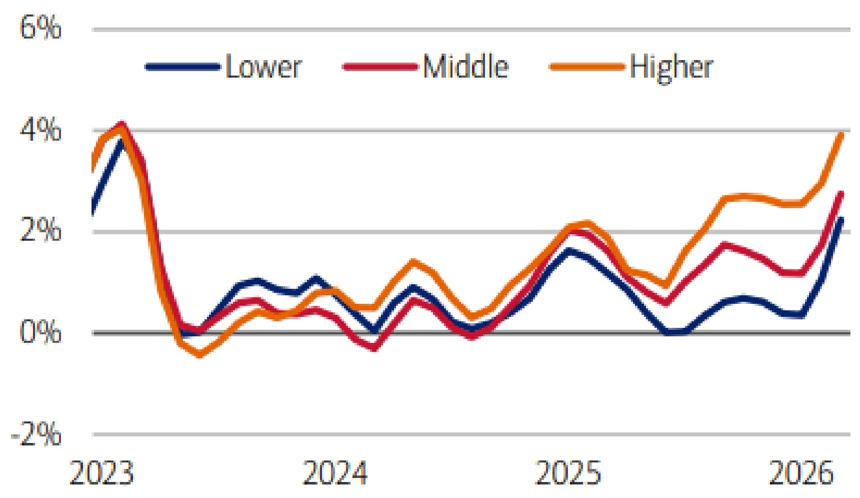


Source: Tax Foundation, IRS Filing Season Statistics. As of March 20, 2026.

Portfolio Perspective: Consumer spending has remained firm despite higher gasoline prices, suggesting households have so far absorbed the recent energy pressure without a material pullback in demand. Policy measures that are expected to increase tax refunds could support an uptick in spending, particularly among lower- and middle-income households. This could help broaden consumer demand and expand economic participation.

Affluent households have increased spending more than lower-income households, supported by stronger income growth, with higher-income households seeing 5.6% average annual wage growth versus 1% for lower-income households.

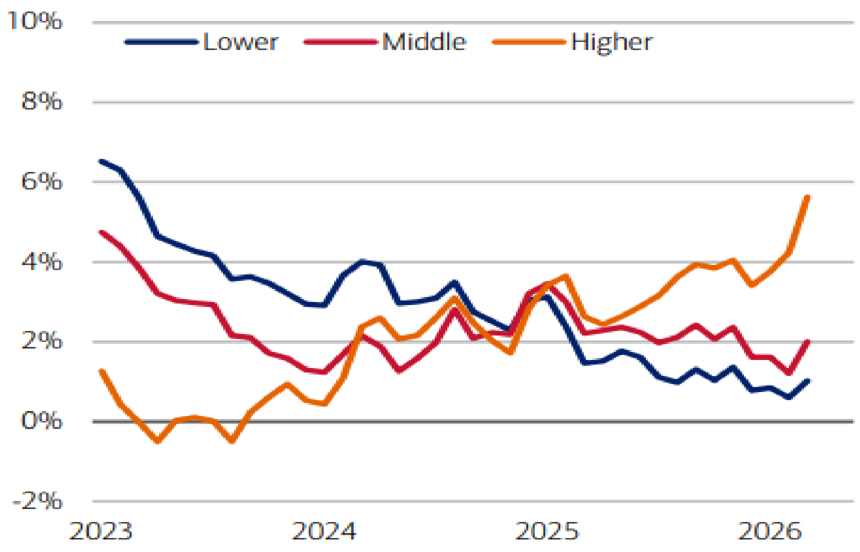
Credit and Debit Card Spending Growth



Source: Bank of America Institute. Based on household income terciles. Y/Y 3-month moving average. As of March 31, 2026.

Household After-tax Wage Growth

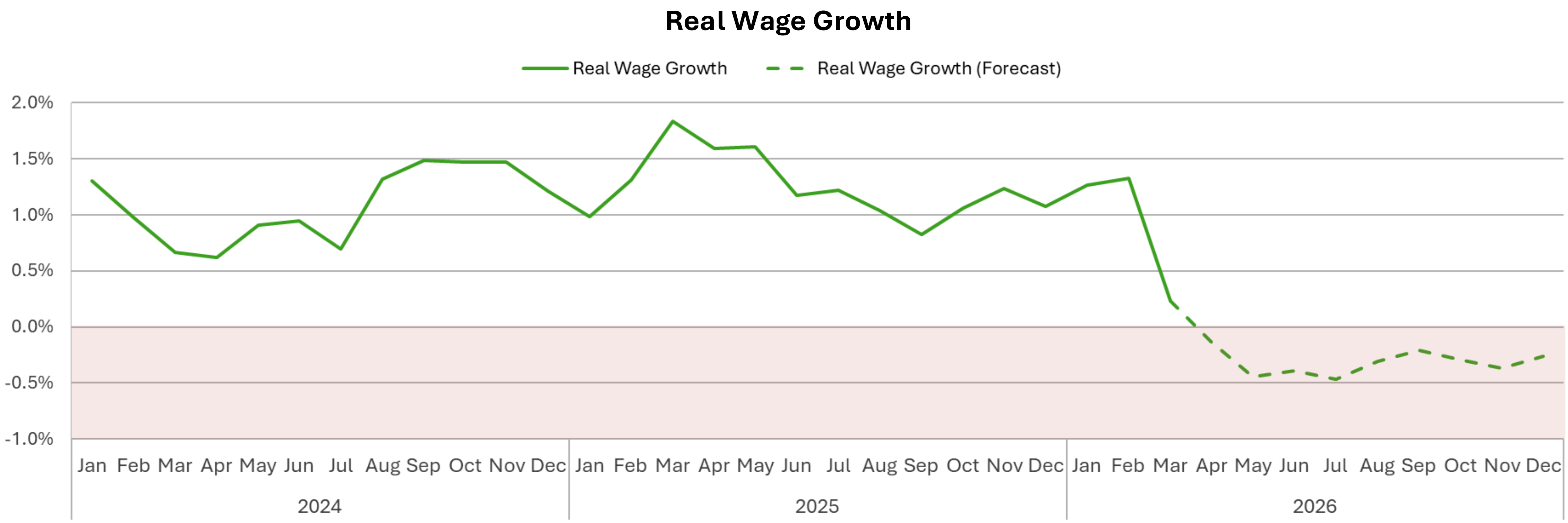
Annualized



Source: Bank of America Institute. Based on household income terciles. Based on consumer deposit data. As of March 31, 2026.

Portfolio Perspective: Higher-income consumers have benefited from stronger income growth and rising asset values, prompting them to save less and spend more. This has increased the economy's reliance on spending from this cohort. A decline in asset prices could erode that support and weigh on overall consumption, though so far higher-income households have continued to spend even during periods of elevated market volatility.

The war in Iran has pushed inflation higher due to an increase in energy prices. Should wage growth remain inline with recent trends, this could lead to negative real income growth.

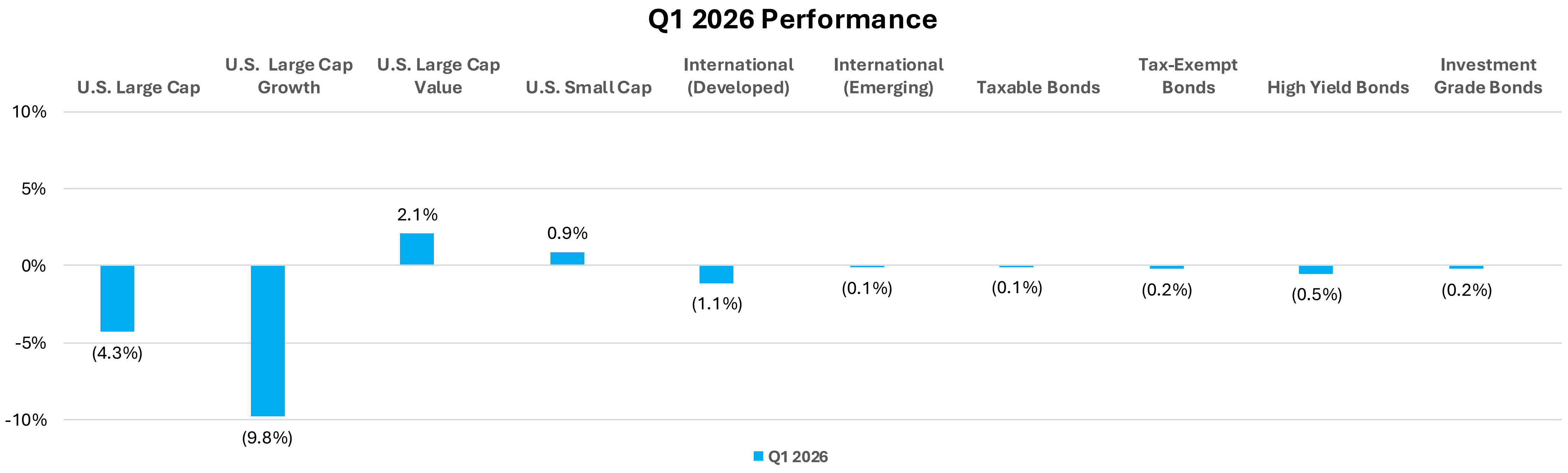


Source: Bureau of Labor Statistics, Federal Reserve Bank of St. Louis (FRED), Composition Wealth estimates. As of March 31, 2026.

Portfolio Perspective: Should weaker real wage growth persist as we forecast, we believe it could begin to weigh on consumer spending over time, particularly among lower- and middle-income households. That would likely lead to slower economic growth in the back half of 2026.

MARKET DYNAMICS

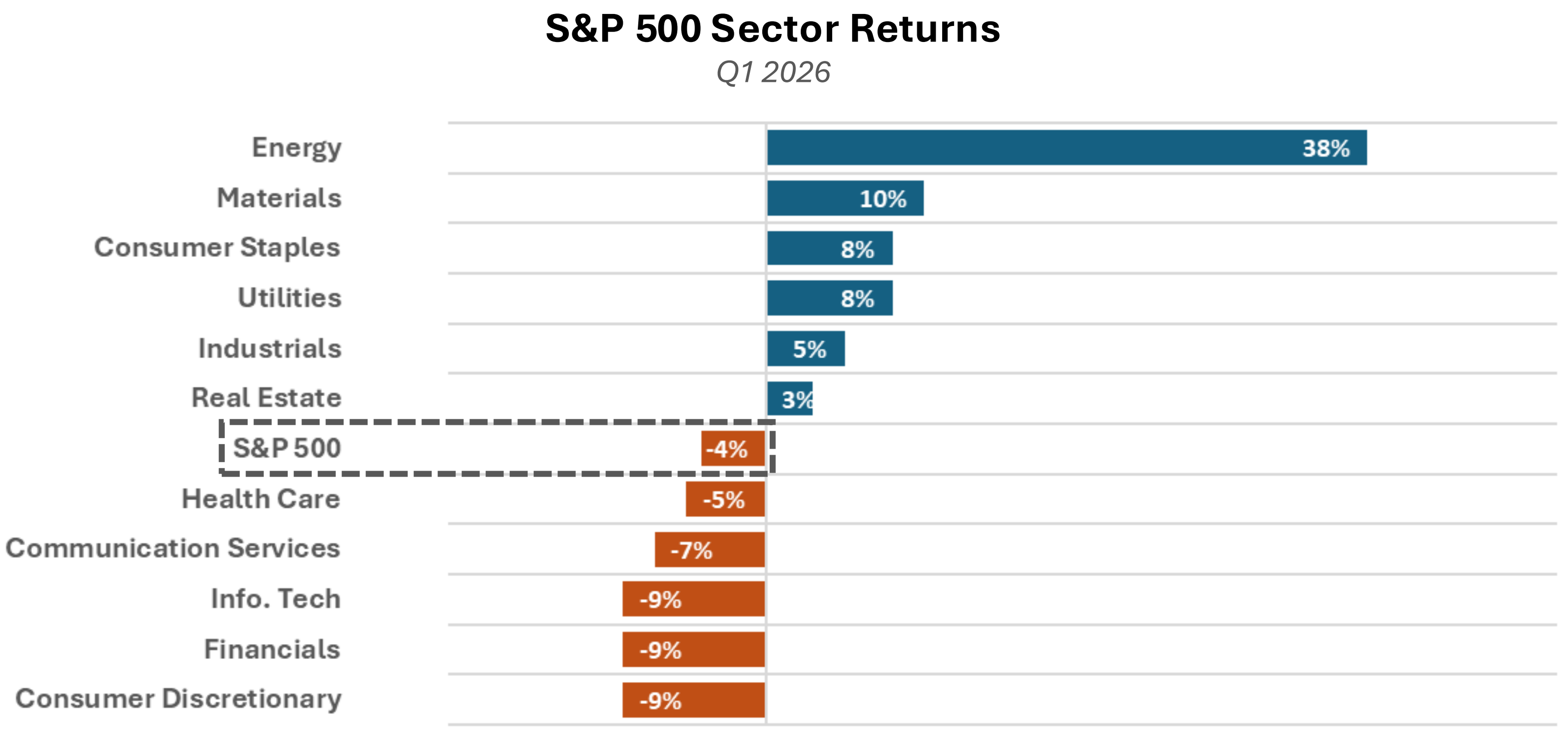
Returns were mixed across major asset classes in Q1 2026, with Large Cap U.S. equities serving as the weakest performers.



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 Investment Grade Bonds represented by the Bloomberg Intermediate Corporate Index. Returns as of December 31, 2025.

Portfolio Perspective: Markets continued to shift away from growth-oriented large cap equities, with broader participation across asset classes. We see investment opportunities evolving toward asset selection (buying the right stock or bond) versus asset class selection, which has been a more dominant consideration in prior years.

Sector returns were highly dispersed in Q1 2026. Higher oil prices led to dominant returns for the energy sector.



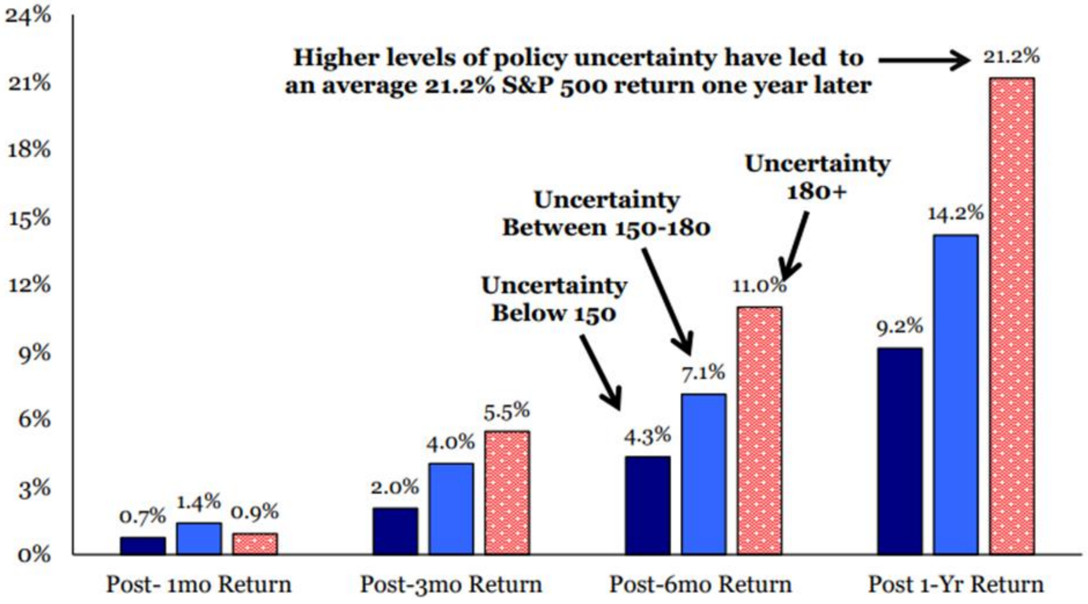
Source: Bloomberg, Standard & Poor's. Represents S&P 500 sector returns. As of December 31, 2025.

Portfolio Perspective: The wide dispersion in sector returns demonstrates a significant broadening in the market, with less concentration in large growth-oriented technology companies. We believe this environment continues to reward active stock picking and sector allocation.

Equities have tended to perform better following periods of elevated policy uncertainty.

Avg S&P 500 Returns Following Spikes In US Policy Uncertainty

(1985 - March 2026, Monthly, Uses Three Factor-Based Index)



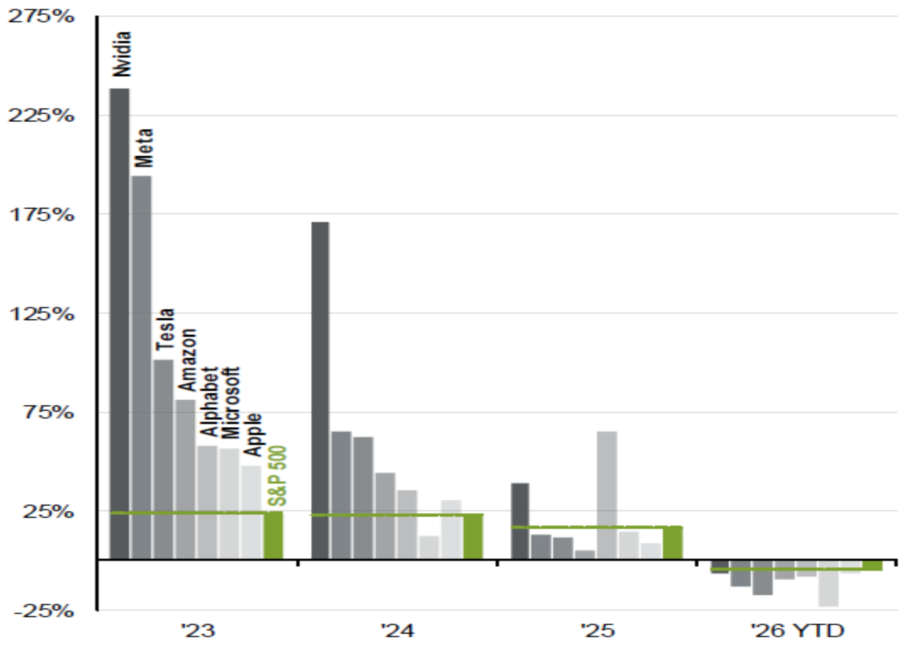
Source: Strategas, policyuncertainty.com. As of March 31, 2026.

Portfolio Perspective: Markets often react negatively in the short term as policy uncertainty rises, but history suggests those periods have generally been followed by episodes of stronger returns. In our view, that reinforces the importance being vigilant of near-term risks without losing sight of long-term strategic allocations.

Returns among large-cap technology (the "Magnificent 7") were less influential in the first quarter than in prior years, even as the S&P 500 remained highly concentrated, with the top 10 companies representing nearly 40% of the total market cap.

Magnificent 7 Performance Dispersion

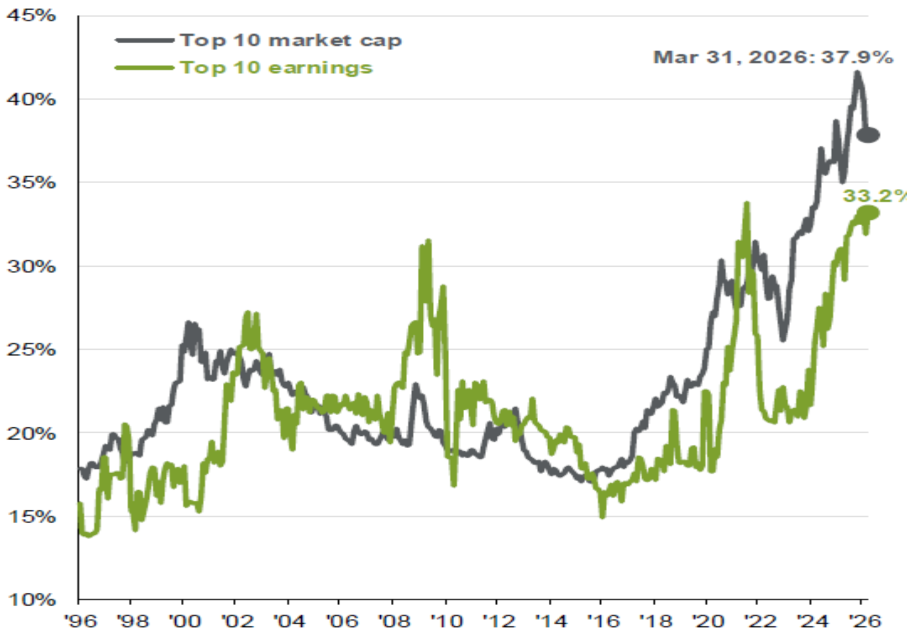
Price Return



Source: J.P. Morgan Asset Management, FactSet, Standard & Poor's. As of March 31, 2026.

Weight of the Top 10 Companies in the S&P 500

% of market cap, % of last 2 months' earnings



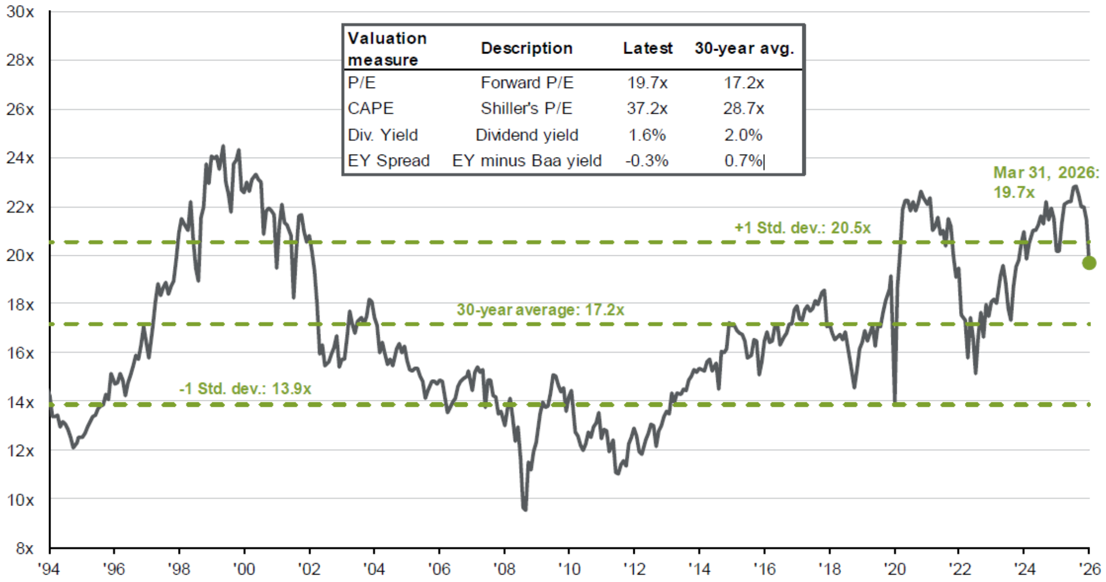
Source: J.P. Morgan Asset Management, Factset, Standard & Poor's.. As of March 31, 2026

Portfolio Perspective: The Magnificent 7 did not have the same dominant influence on overall returns in the first quarter that they had in prior years, which resulted in a broader market with more diverse returns. Such an environment provides an opportunity to add value through active stock selection and by over- or underweighting specific sectors and geographies.

Valuation multiples for large cap stocks declined during the quarter, driven more by higher earnings expectations than by lower prices.

S&P 500 Valuation

Forward Price-to-Earnings

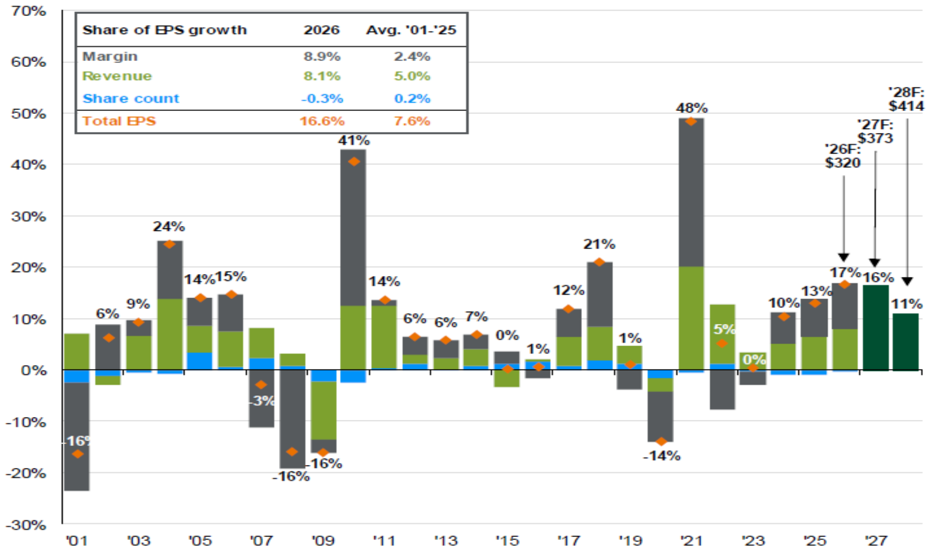


Valuation measure	Description	Latest	30-year avg.
P/E	Forward P/E	19.7x	17.2x
CAPE	Shiller's P/E	37.2x	28.7x
Div. Yield	Dividend yield	1.6%	2.0%
EY Spread	EY minus Baa yield	-0.3%	0.7%

Source: J.P. Morgan Asset Management, Bloomberg, Factset Refinitiv, Robert Shiller, Standard & Poor's. As of March 31, 2026.

Earnings Growth Expectations

YoY growth broken into changes in revenue, profit margin and share count



Share of EPS growth	2026	Avg. '01-'25
Margin	8.9%	2.4%
Revenue	8.1%	5.0%
Share count	-0.3%	0.2%
Total EPS	16.6%	7.6%

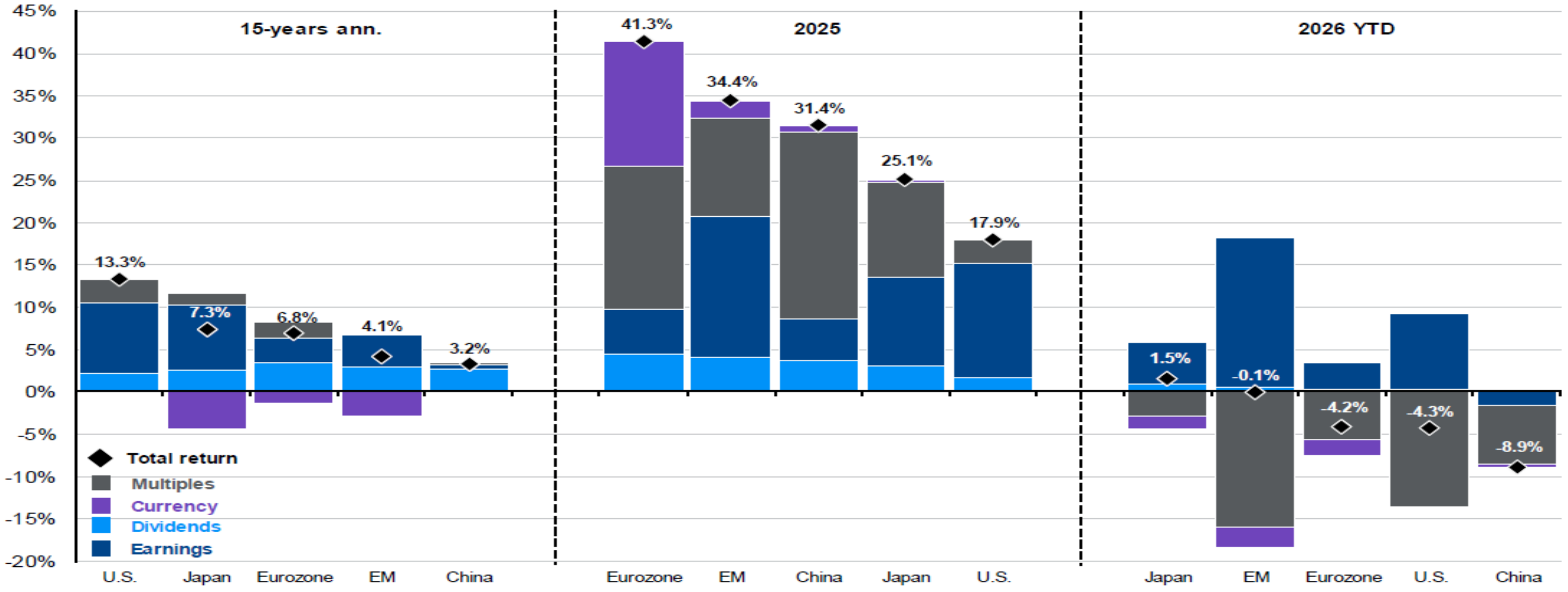
Source: J.P. Morgan Asset Management, Compustat, Factset, Standard & Poor's. As of March 31, 2026

Portfolio Perspective: Favorable economic tailwinds have supported improving earnings forecasts for 2026, despite conflict in the Middle East. We have some reservations about whether economic conditions will remain robust enough to meet those expectations. If not, and earnings come in lower, price-to-earnings valuations may prove less favorable than they currently appear.

Year-to-date global equity returns have been pressured by lower valuation multiples, while earnings growth has remained generally positive.

Sources of Global Equity Returns

Total return, USD

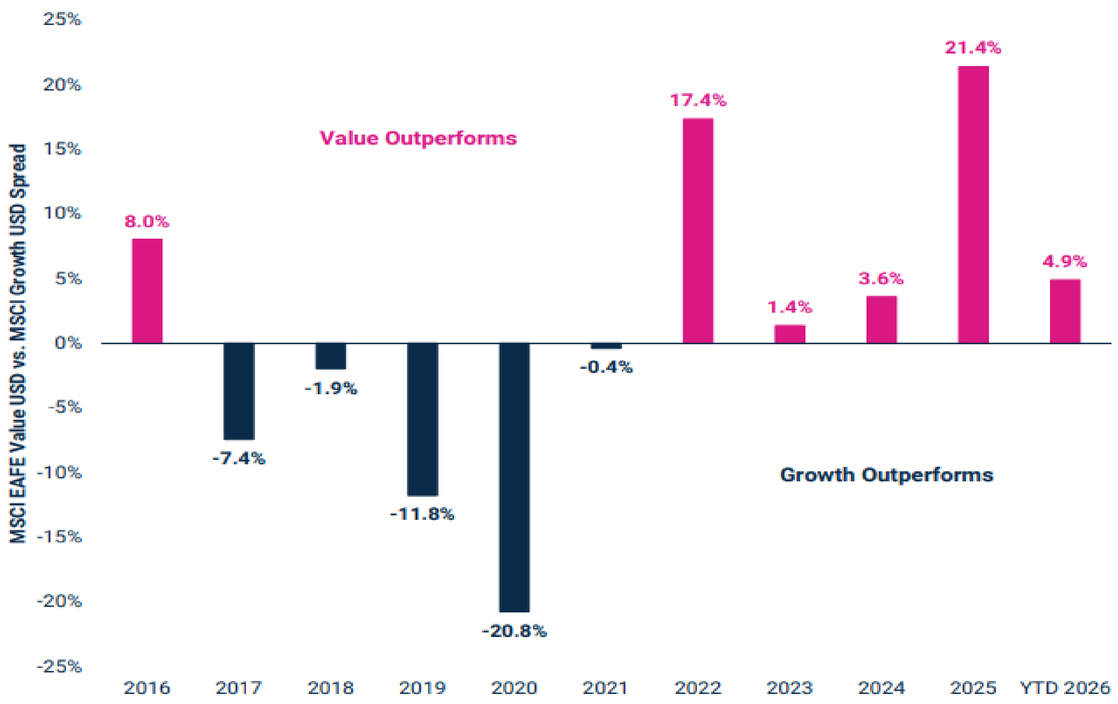


Source: J.P. Morgan Asset Management, FactSet, MSCI, Standard & Poor's. As of March 31, 2026.

Portfolio Perspective: Given that equity valuations were at above-average levels globally, a reset in valuation multiples may prove constructive over the long term. With earnings growth still generally positive, we could see 2026 as a year in which equity prices remain rangebound, but with a much broader array of returns across stocks, sectors, and geographies.

While U.S. markets have been dominated by growth stocks over the past decade, outside of the U.S. its been value stocks that have led the way.

International Value vs. International Growth

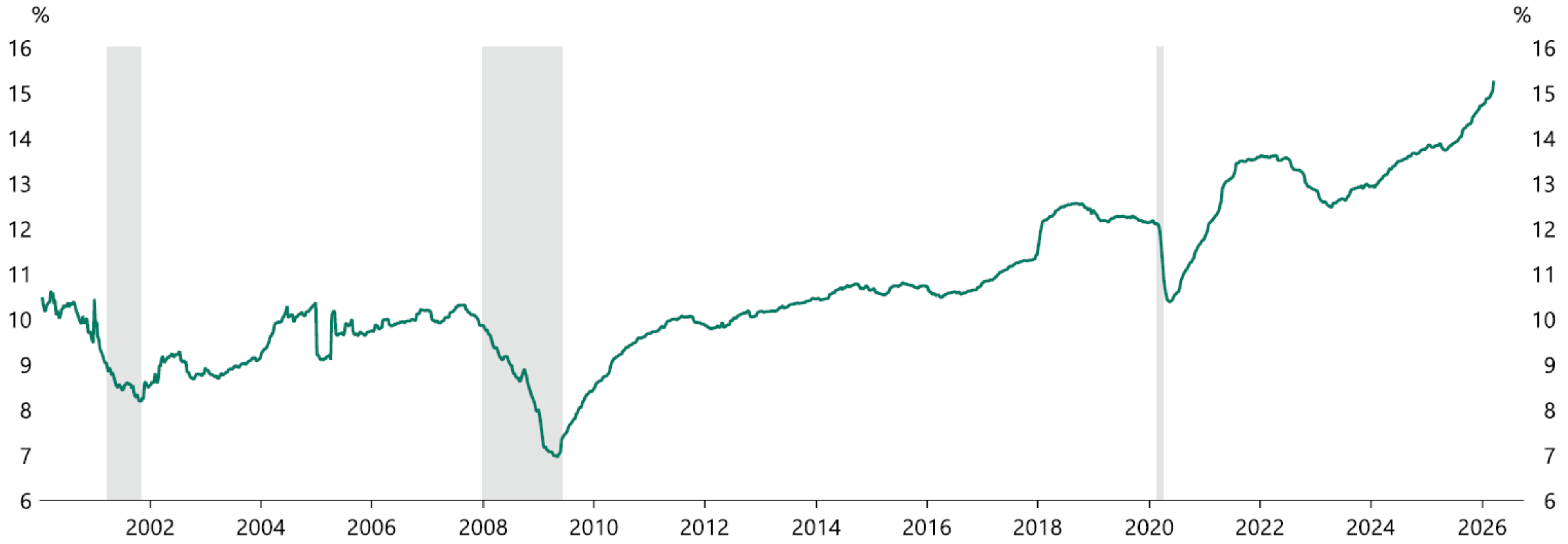


Source: Harbor Capital, Factset. As of April 10, 2026.

Portfolio Perspective: Thematic trends around AI, energy infrastructure, and rising fiscal spending point to a potential inflection point where international growth stocks may be better positioned to outperform international value stocks in the years ahead.

Corporate profit margins are at record levels and continue to trend higher.

S&P 500 Weekly Forward Profit Margins



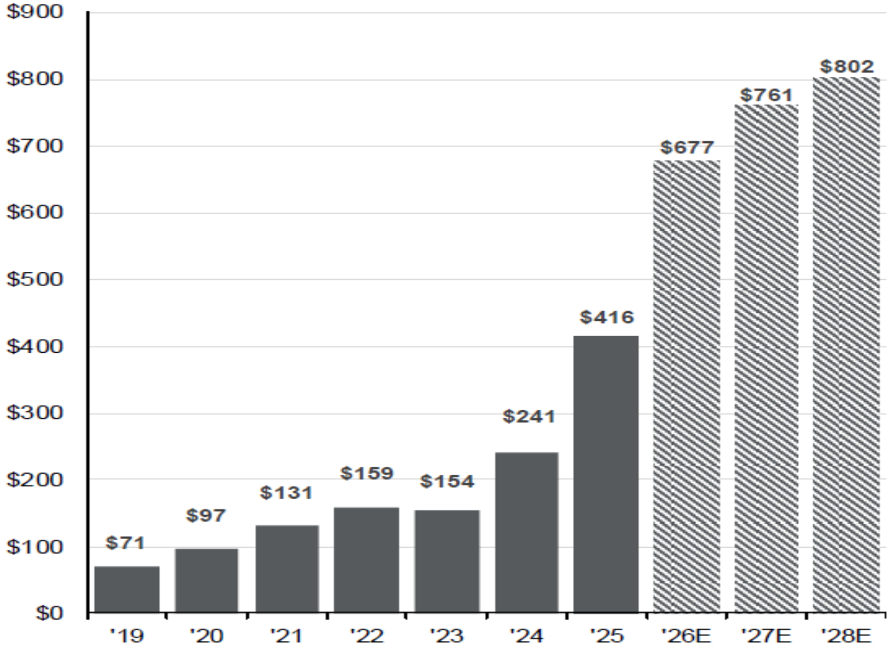
Source: Bloomberg, Macrobond, Apollo Chief Economist. As of March 31, 2026.

Portfolio Perspective: The combination of improving productivity and greater concentration in high-margin technology companies has helped drive S&P 500 profit margins to record levels. We believe this remains a key support for U.S. equity valuations and helps explain why valuation multiples may continue to warrant a premium to long-term averages.

Capital spending plans tied to Artificial Intelligence have surged in 2026, and spending is expected to keep rising over the next several years as data center buildouts continue.

Capital Expenditures from Major Hyperscalers

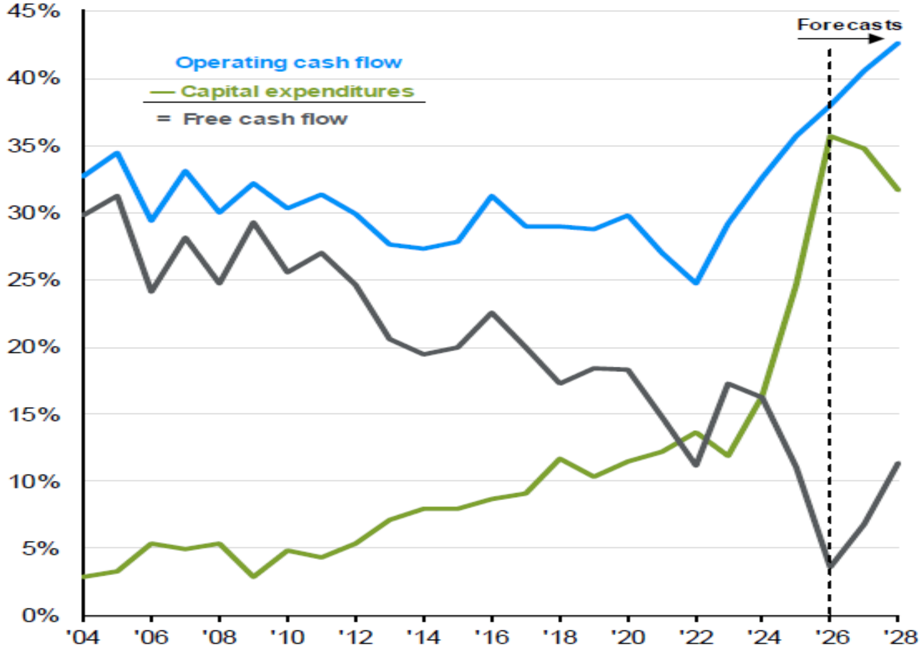
USD Billions; Alphabet, Amazon, Meta, Microsoft, Oracle



Source: Bloomberg, J.P. Morgan. As of March 31, 2026

Hyperscalers Cash Flow and Capital Expenditures

% of Sales

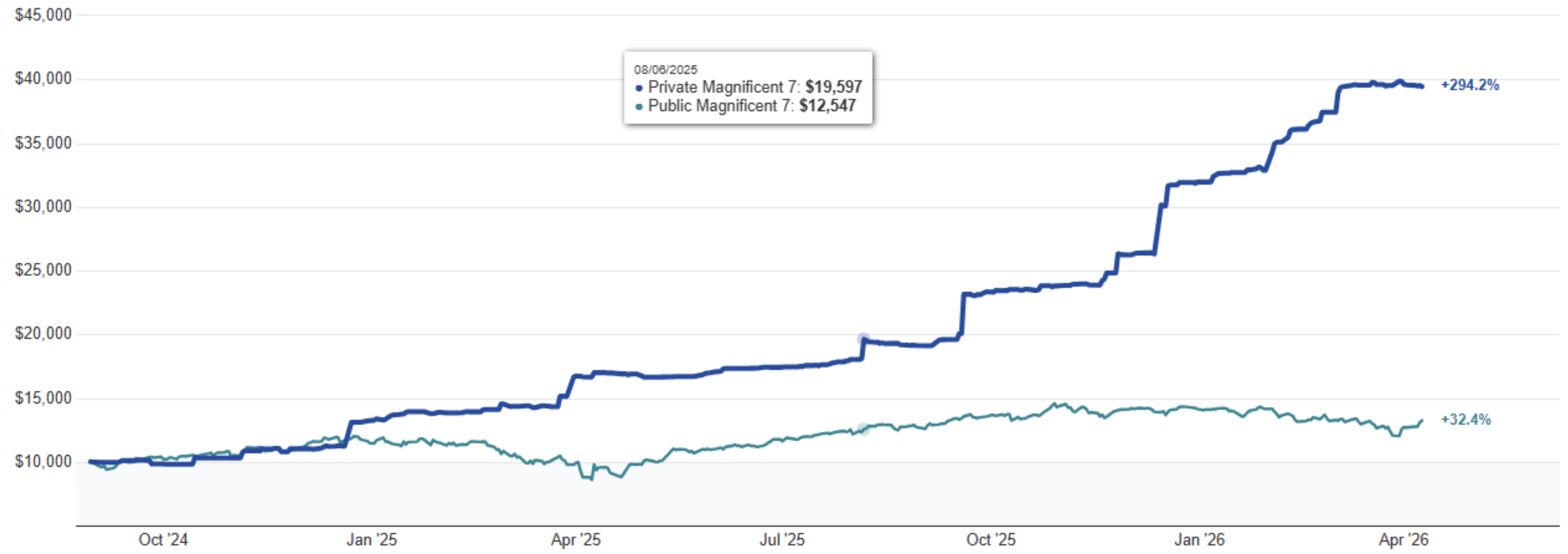


Source: Bloomberg, J.P. Morgan. As of March 31, 2026

Portfolio Perspective: A surge in capital spending plans to support AI is leading to a lower level of free cash flow generation for large hyperscaler providers. An open question remains on the level of return on investment can be earned from hyperscale infrastructure.

The increase in valuation of large private technology companies (private Magnificent 7) has meaningfully outpaced the publicly traded Magnificent 7 over the past 18 months.

Performance of Hypothetical $10K



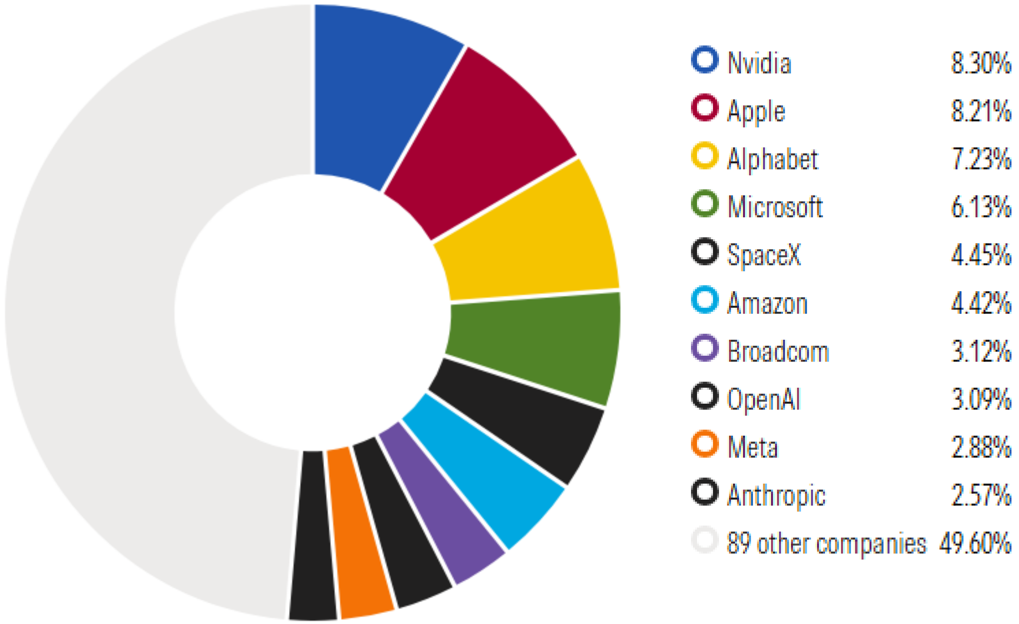
Source: Forge. August 31, 2023 to April 1, 2026. Private Magnificent 7 Represented by Open AI, SpaceX, Anthropic, xAI, Databricks, Stripe and Anduril. Public Magnificent 7 represented by NVIDIA, Microsoft, Alphabet, Amazon, Apple, Meta, Microsoft.

Hypothetical $10K" is for illustrative purposes only and does not represent actual client performance. Returns do not reflect advisory fees, transaction costs, taxes, or other expenses. "Private Magnificent 7" values are based on third-party-reported/private-market valuations, which may be infrequent, model-based, and not reflective of realizable prices. Private investments may be illiquid and may not be purchased/sold as shown. Past performance is not indicative of future results.

Portfolio Perspective: Valuation creation across these private technology companies has been significant and reflects high expectations for future growth, many of which are currently being met. A key risk is that competitive dynamics shift and growth fails to keep pace with those expectations. While we recognize the long-term potential of these businesses, gaining exposure at the right valuation remains critical.

U.S. equity markets are poised to become more concentrated in large technology-oriented companies if firms such as SpaceX, OpenAI, and Anthropic eventually go public.

Public and Private Market Concentration



Source: Morningstar Pitchbook US Modern Market 100 Index. Data as of Feb. 28, 2026.
For illustrative purposes only Analysis based on market capitalizations as of February 28, 2026 for public companies. For private companies (SpaceX, OpenAI and Anthropic) based on most recent valuation.

Portfolio Perspective: We believe a wave of potential IPOs from large private technology companies could be a meaningful event for U.S. equity markets. Index construction methodologies may evolve to allow these companies into benchmarks earlier than has historically been typical. Given the unusually large size of these IPOs, they could quickly become major index components and increase index concentration.

We evaluate a range of potential S&P 500 return outcomes based on starting valuation multiples and prospective earnings growth.

2026 S&P 500 Return Estimates

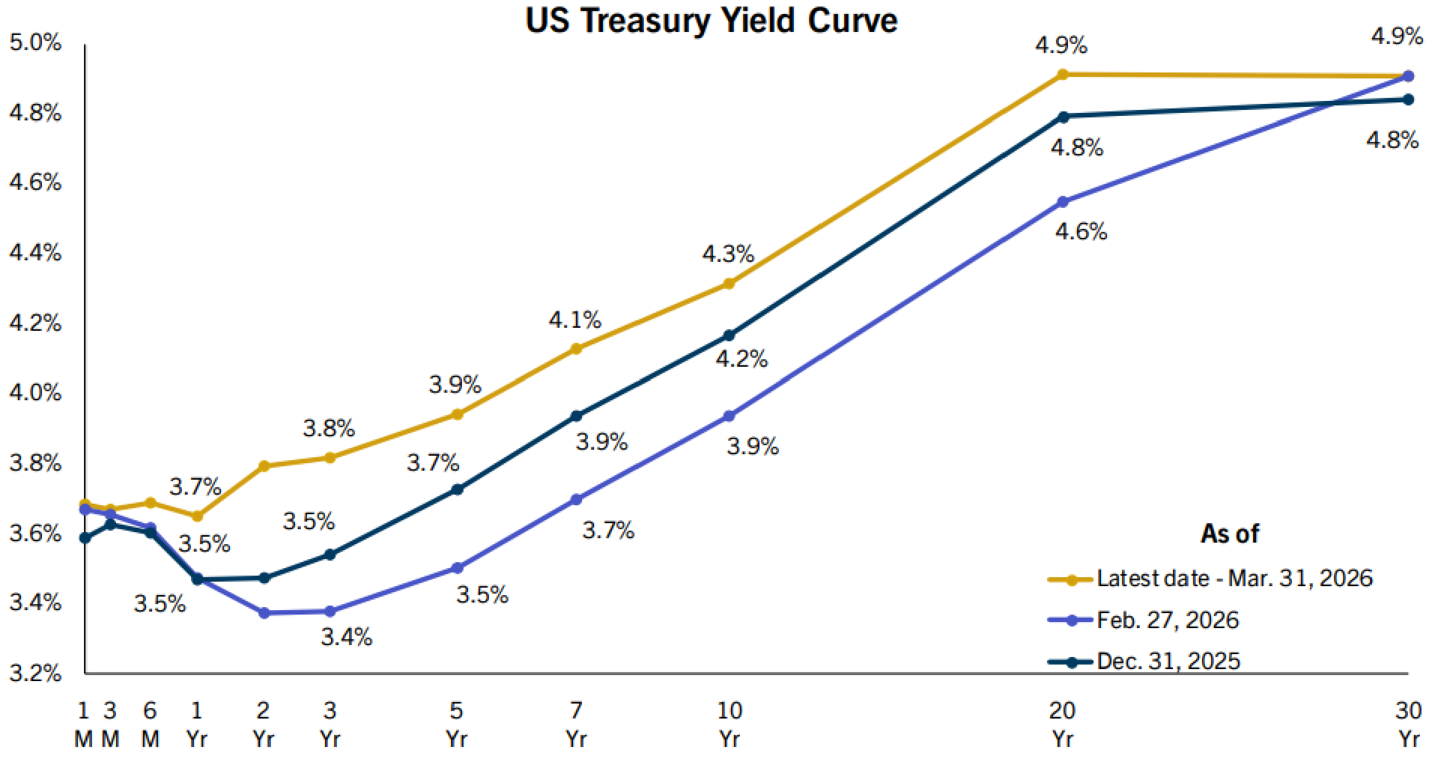
Price / Earnings Multiple		Earnings Growth: Bearish Earnings Growth 270	Bearish Earnings Growth 280	Typical Earnings Growth 290	Typical Earnings Growth 300	Typical Earnings Growth 310	Bullish Earnings Growth 320	Bullish Earnings Growth 330
Bearish Market	14	-44.8%	-42.7%	-40.7%	-38.6%	-36.6%		
	15	-40.8%	-38.6%	-36.4%	-34.3%	-32.1%		
	16	-36.9%	-34.6%	-32.2%	-29.9%	-27.5%		
	17	-32.9%	-30.5%	-28.0%	-25.5%	-23.0%		
Typical Market	18	-29.0%	-26.4%	-23.7%	-21.1%	-18.5%	-15.9%	-13.2%
	19	-25.1%	-22.3%	-19.5%	-16.7%	-14.0%	-11.2%	-8.4%
	20	-21.1%	-18.2%	-15.3%	-12.3%	-9.4%	-6.5%	-3.6%
	21	-17.2%	-14.1%	-11.0%	-8.0%	-4.9%	**-1.8%**	1.2%
Bull Market	22			-6.8%	-3.6%	-0.4%	**2.8%**	6.1%
	23			-2.6%	0.8%	4.2%	7.5%	10.9%
	24			1.7%	5.2%	8.7%	12.2%	15.7%
	25			5.9%	9.6%	13.2%	16.9%	20.5%

Current market consensus expectations for earnings growth and valuation multiples.

Source: Composition Wealth, Harbor Funds. As of December 31, 2025.

Portfolio Perspective: Across a reasonable range of scenarios, we see a higher probability of more moderate returns for large-cap equities, with fewer paths to outsized upside from current levels.

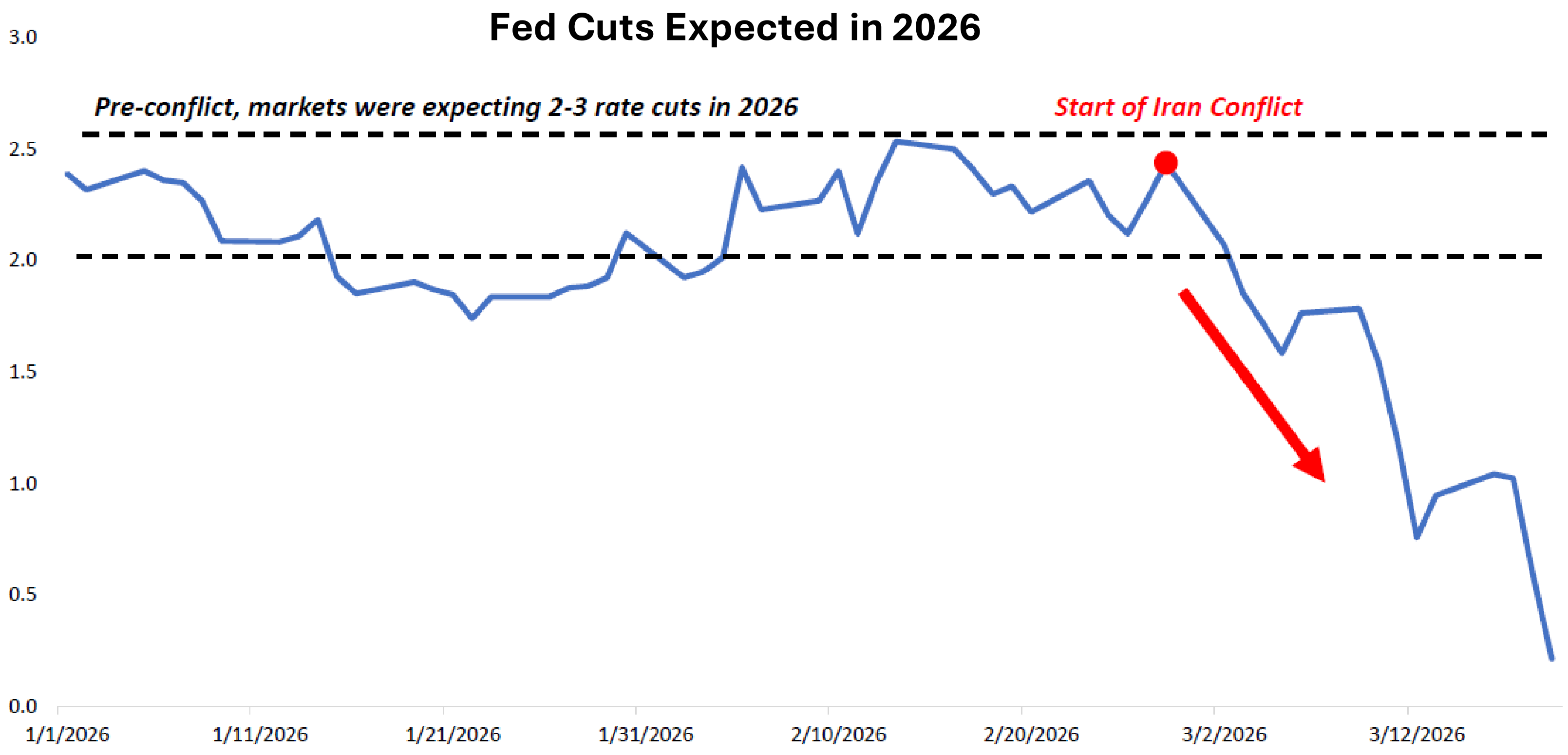
Higher inflation expectations pushed Treasury yields higher during the first quarter.



Source: First Citizens Wealth, Bloomberg. As of March 31, 2026

Portfolio Perspective: Rising inflation expectations led to a repricing higher in Treasury yields during the quarter. We expect yields to remain relatively stable from here, with the potential for lower yields among shorter maturities if inflation concerns begin to ease and Federal Reserve rate cuts move back into focus.

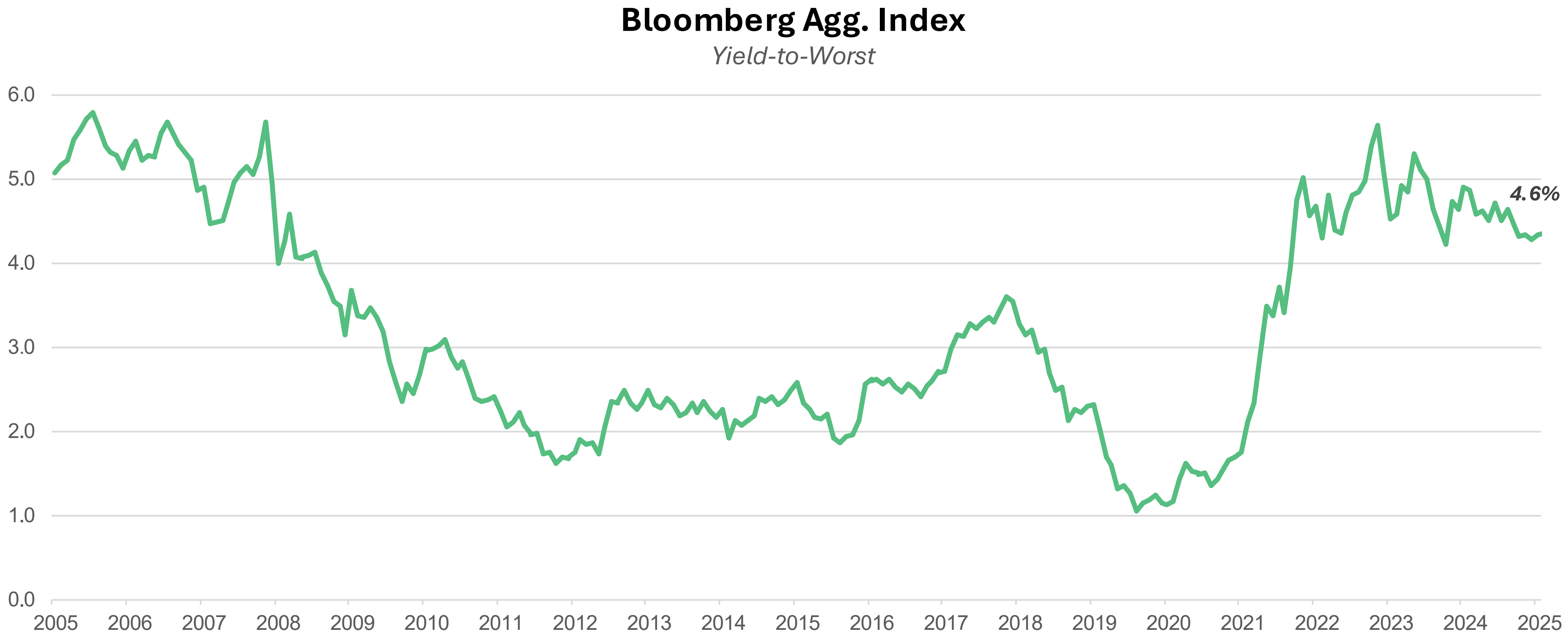
Since the conflict in Iran began, markets have shifted from expecting two Federal Reserve rate cuts in 2026 to none.



Source: Bloomberg, J.P. Morgan. As of February 28, 2025. .

Portfolio Perspective: Interest rates have backed up, and rhetoric from the Federal Reserve suggests they are less likely to cut rates and more open to watching the data to assess what action, if any, is warranted. This supports stable Treasury yields in the near term.

Bond yields continue to offer reasonable income relative to long-term norms.

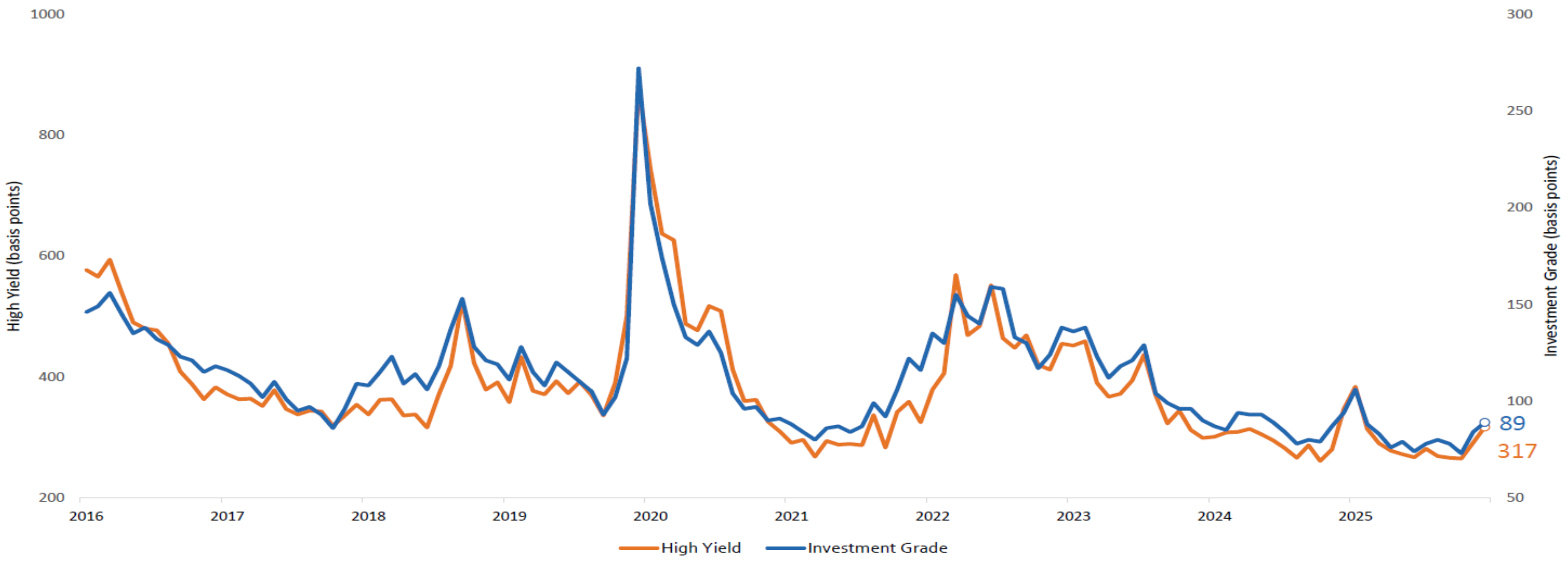


Source: Bloomberg, Composition Wealth. As of March 31, 2026.

Portfolio Perspective: With yields at more compelling levels and bonds offering meaningful diversification potential, we continue to view high-quality fixed income, where appropriate, as a crucial component of balanced portfolios.

Corporate bond spreads, or the additional yield earned over Treasuries for taking credit risk, remain at below average levels.

Corporate Bond Spreads

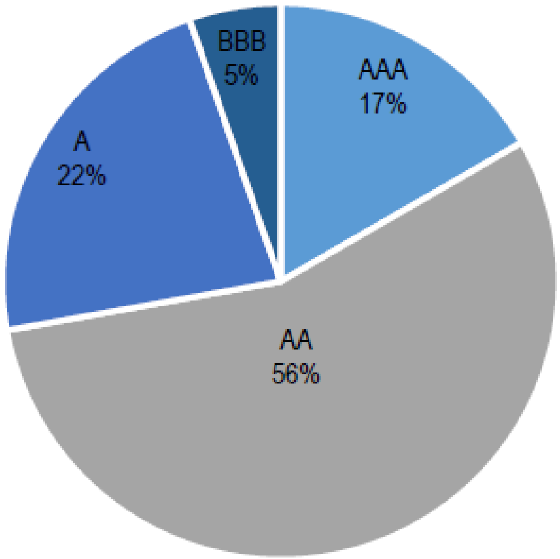


Source: Touchstone, Bloomberg. March 31, 2026.

Portfolio Perspective: This is not an environment in which investors are well compensated for reaching for yield. However, corporate fundamentals remain healthy, which supports our continued comfort with corporate bonds. We remain selective, with an emphasis on issuers that have strong or improving credit profiles.

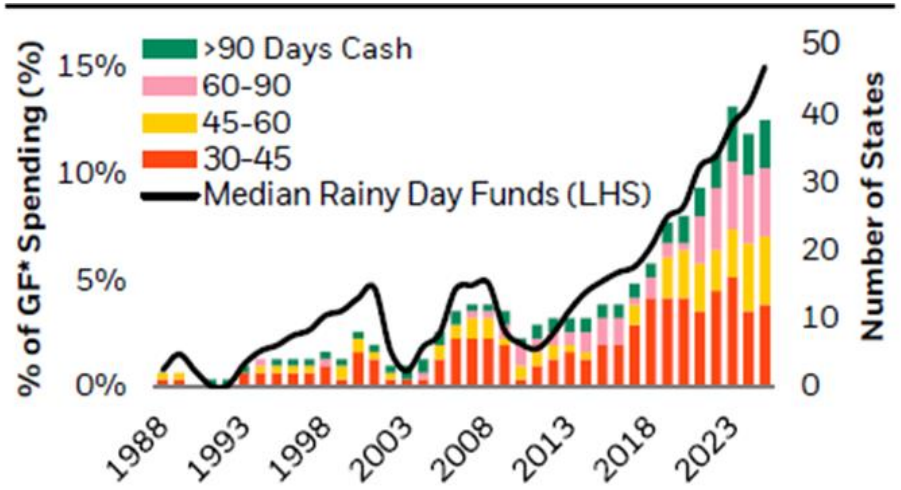
Municipal bond issuer fundamentals remain strong, with roughly 95% of issuers rated "A" or higher. Additionally, state rainy day funds are elevated, accounting for approximately 13% of total spending.

Municipal Bond Ratings
Based on Bloomberg Municipal Bond Index Constituents



Source: J.P. Morgan Global Markets Strategy. As of September 30, 2025

State Rainy Day Fund Balances



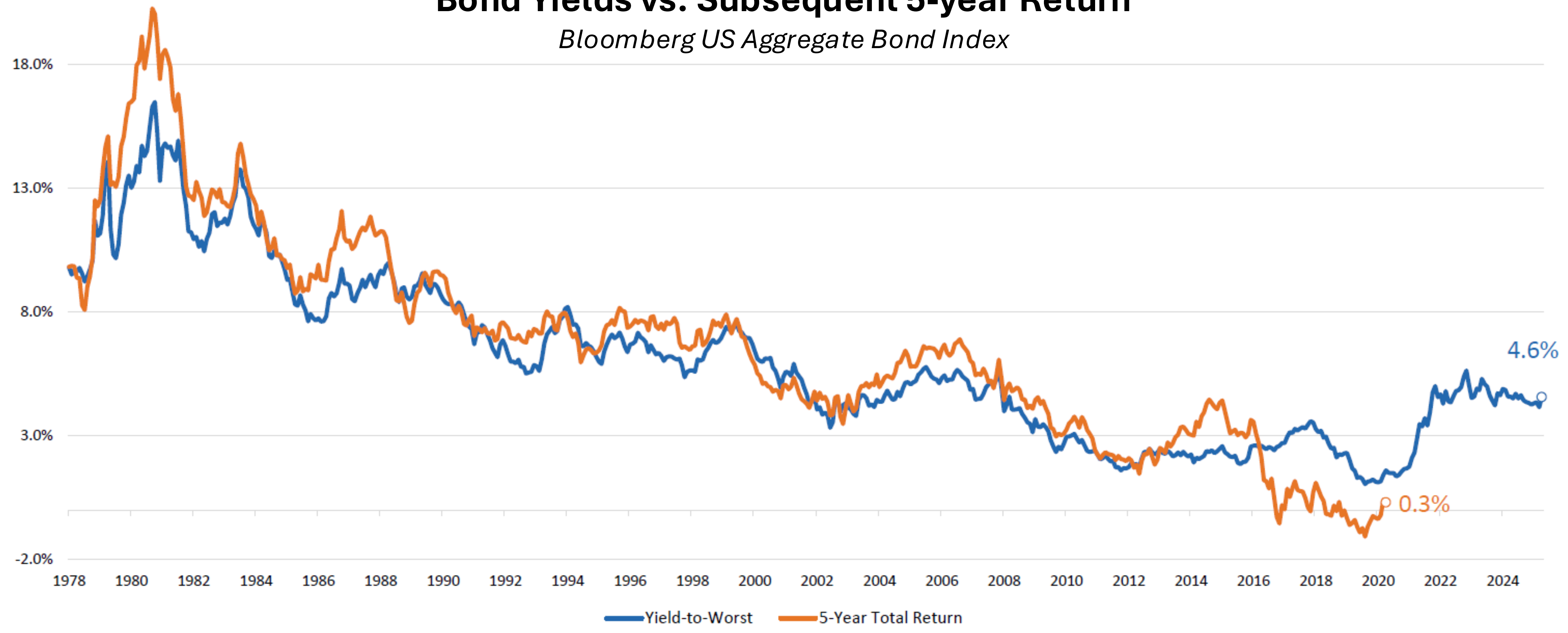
Source: National Association of State Budget Officers, as of 12/18/24.*General Fund*

Portfolio Perspective: Reasonable tax-equivalent yields, combined with favorable credit conditions, support a constructive view on the current risk-reward profile of municipal bonds.

Future bond returns have tended to track the yield on the portfolio over time.

Bond Yields vs. Subsequent 5-year Return

Bloomberg US Aggregate Bond Index



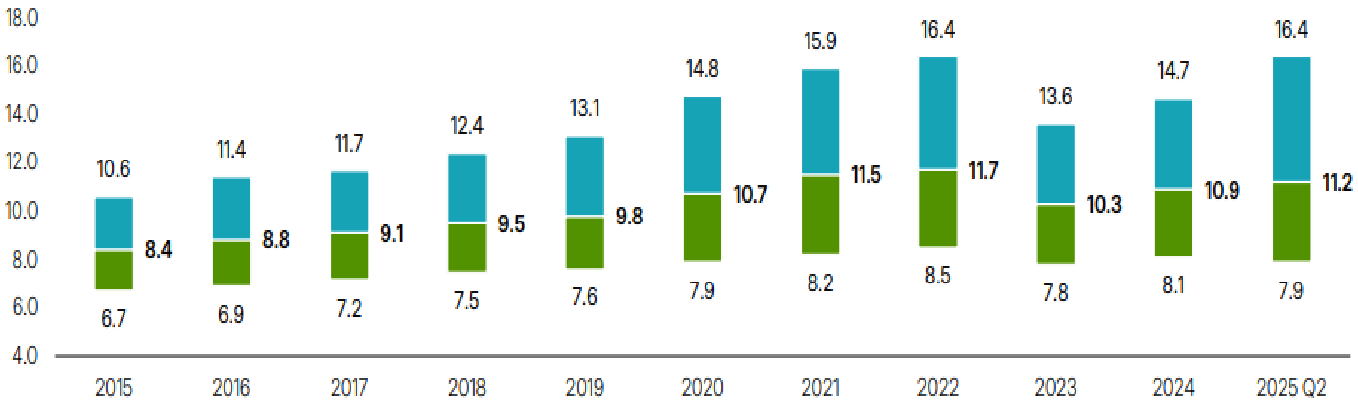
Source: Touchstone, Bloomberg. As of March 31, 2026. .

Portfolio Perspective: Yields on bonds have returned toward more reasonable levels and continue to offer return potential above inflation. With yields likely to remain in a tighter range over the intermediate term, we believe taxable bond portfolios are positioned for mid-single digit returns.

Unlike public markets, private market valuations have remained in a relatively tight range. At the same time, higher borrowing costs and slower M&A activity have extended holding periods by making it harder for private equity sponsors to exit at attractive levels.

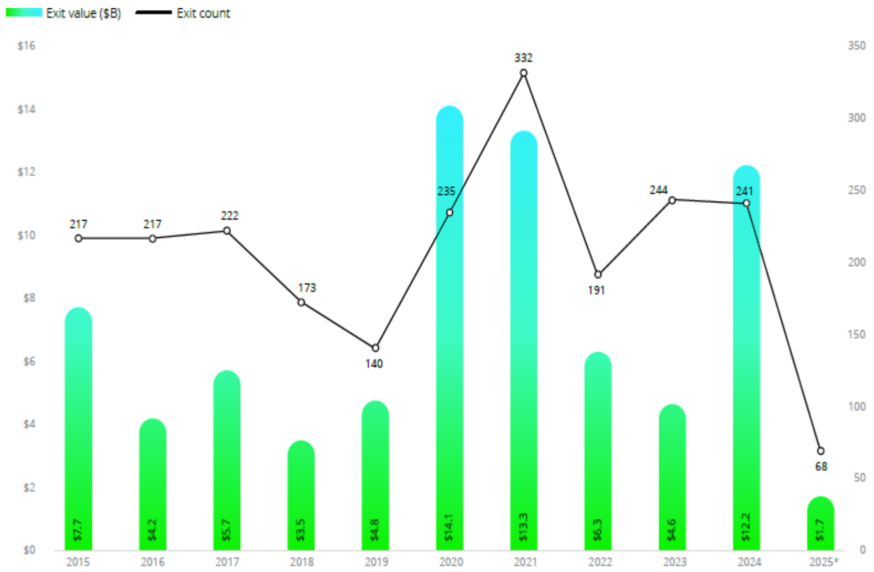
Private Equity Valuation Ratios

(Enterprise Value/EBITDA)



Source: MSCI Private Capital Benchmarks Summary. As of June 30, 2025.

Liquidity Event Exit Activity

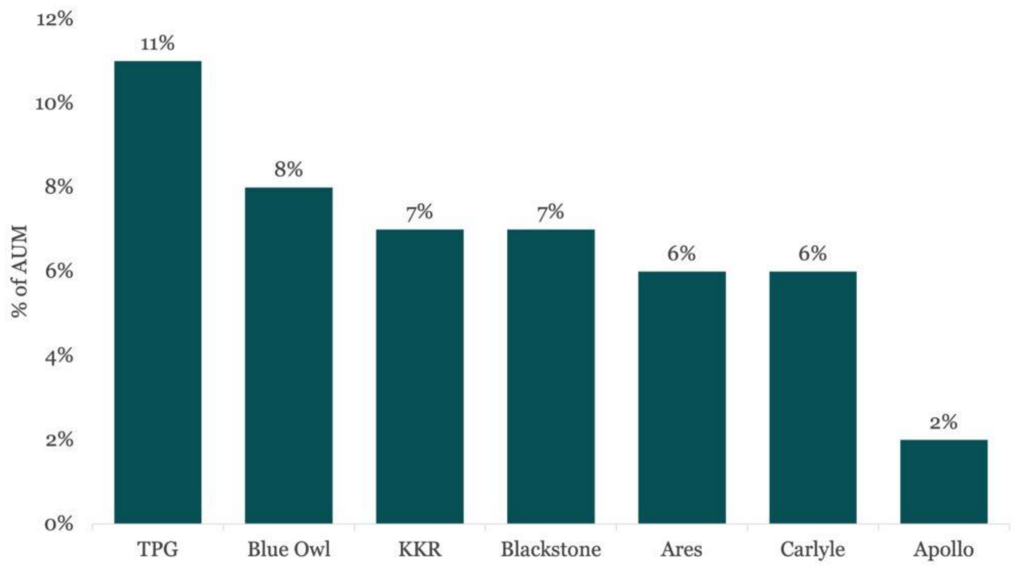


Source: Deloitte, Pitchbook. As of June 30, 2025.

Portfolio Perspective: We continue to view private equity valuations as relatively attractive compared with public markets. Limited exit activity in recent years has contributed to longer holding periods, but it may also set the stage for a pickup in deal activity as private equity firms and investors look for liquidity.

During the first quarter, concerns increased around private credit loans to software companies. Exposure to software varies meaningfully by manager, and valuation risk can swing substantially depending on when the loan was originated.

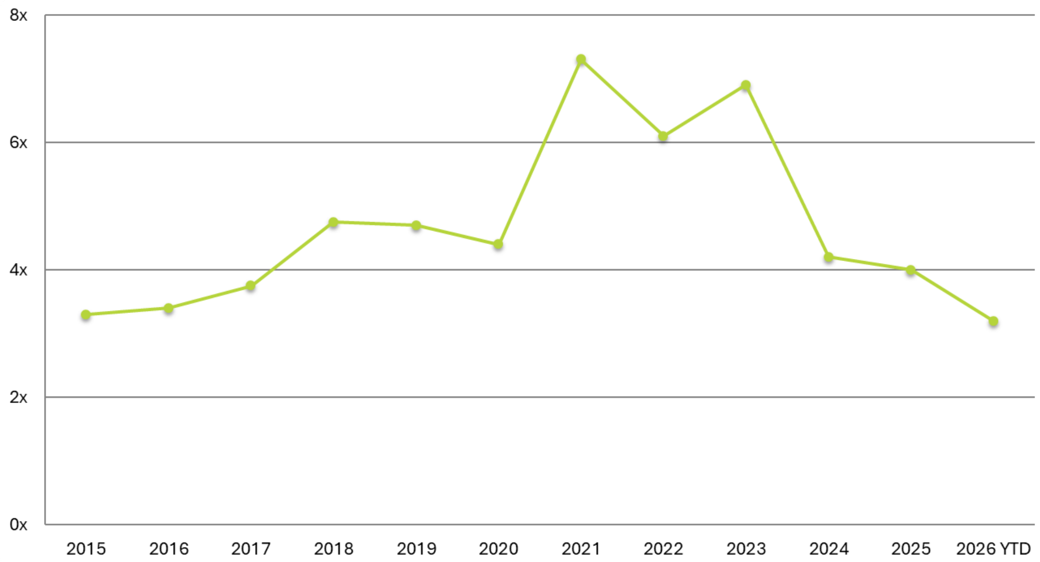
Private Credit Software Exposure By Manager



Source: Fitch Ratings, company earnings reports

Private Credit – Software Valuations at Entry

Median EV/revenue multiple by vintage

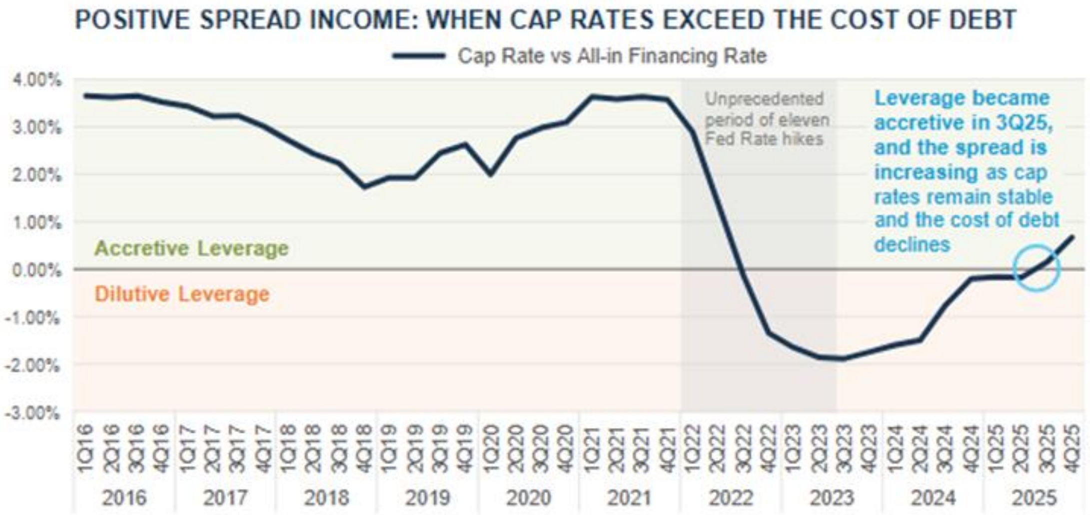


Source: FS Investments, Pitchbook. As of January 31, 2026.

Portfolio Perspective: We see meaningful differences in software exposure across private credit managers, and underwriting risk can also vary depending on the valuation environment at origination. Given that dispersion, we expect wider variation in returns and outcomes across private credit strategies in the years ahead, which is why we remain highly selective.

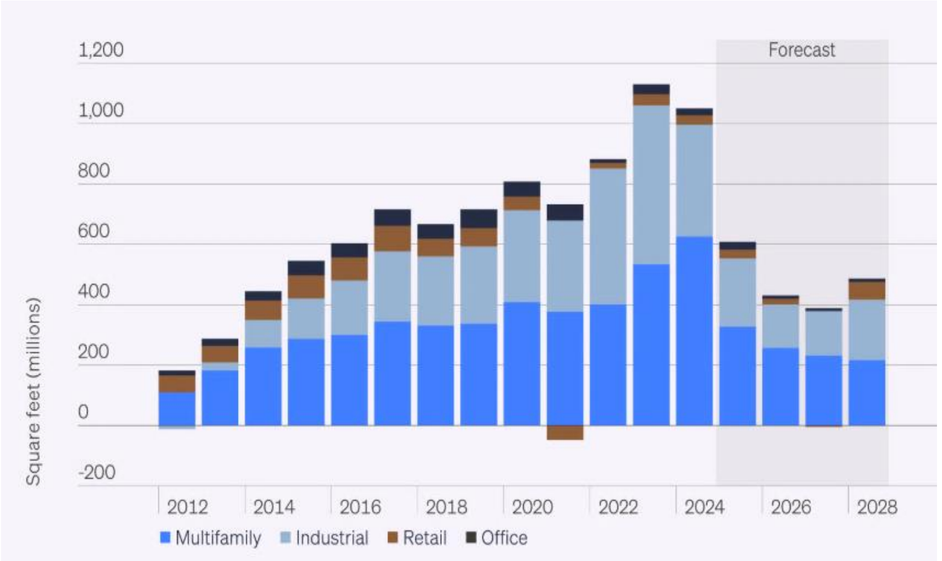
Commercial real estate markets are healing as cash flow yields (cap rates) exceed the cost of debt. Further, a lack of new supply is likely to support stronger rent growth in the years ahead.

Real Estate Cap Rates vs. Cost of Debt



Source: Jones Lang LaSalle. As of December 31, 2025.

Commercial Real Estate Construction Completions



Source: FS Investments, CoStar. As of June 30, 2025.

Portfolio Perspective: More attractive valuations and improving supply-demand dynamics are likely to support better returns in commercial real estate over time. We are becoming more constructive on the asset class, though property selection and sector allocations can lead to more attractive returns than index averages for the broader asset class.

After 40 years of declining interest rates, we do not expect Treasury yields to return to pre-2022 levels. Instead, we believe rates are likely to remain higher for longer, which could materially change return patterns for interest rate-sensitive assets compared with the prior 10–15 years.

10-Year Treasury Yield

January 1986 - December 2025

Source: Board of Governors of the Federal Reserve System. As of December 31, 2025.

Portfolio Perspective: A higher-rate environment can be supportive of financial companies and reinforces our preference for higher-quality businesses that are less reliant on debt financing. In our view, companies with stronger balance sheets and greater pricing power are better positioned to navigate elevated borrowing costs over time.

Several structural tailwinds are supporting a durable long-term increase in infrastructure spending.

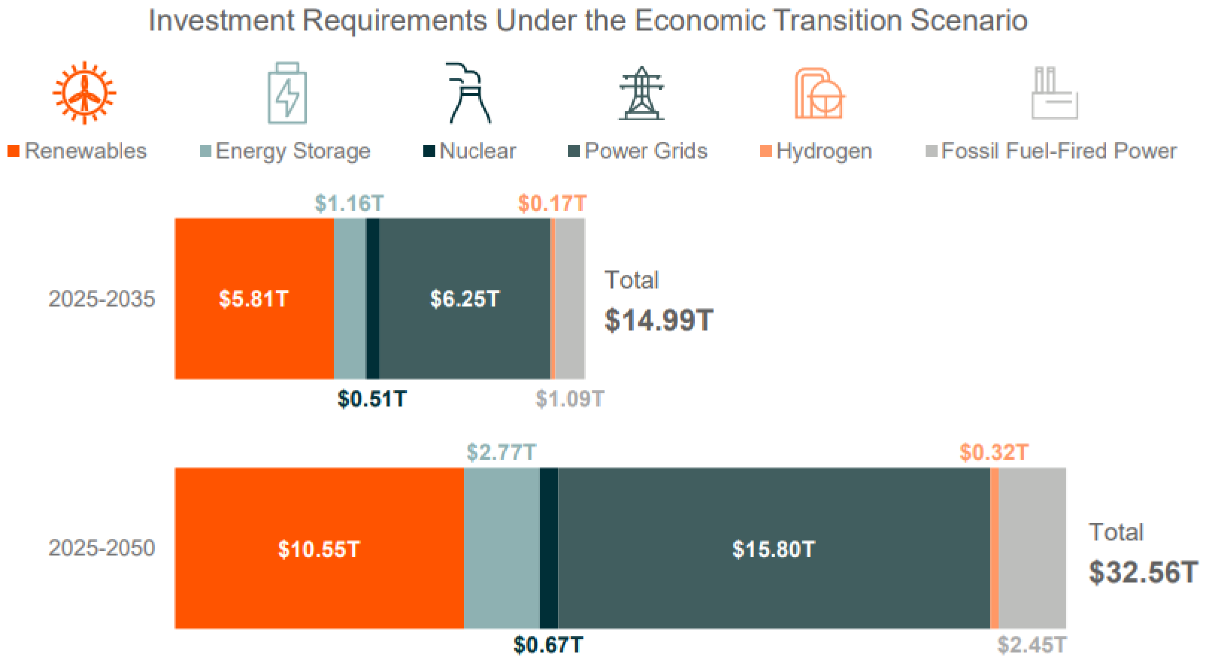
Structural Trends & Infrastructure Needs

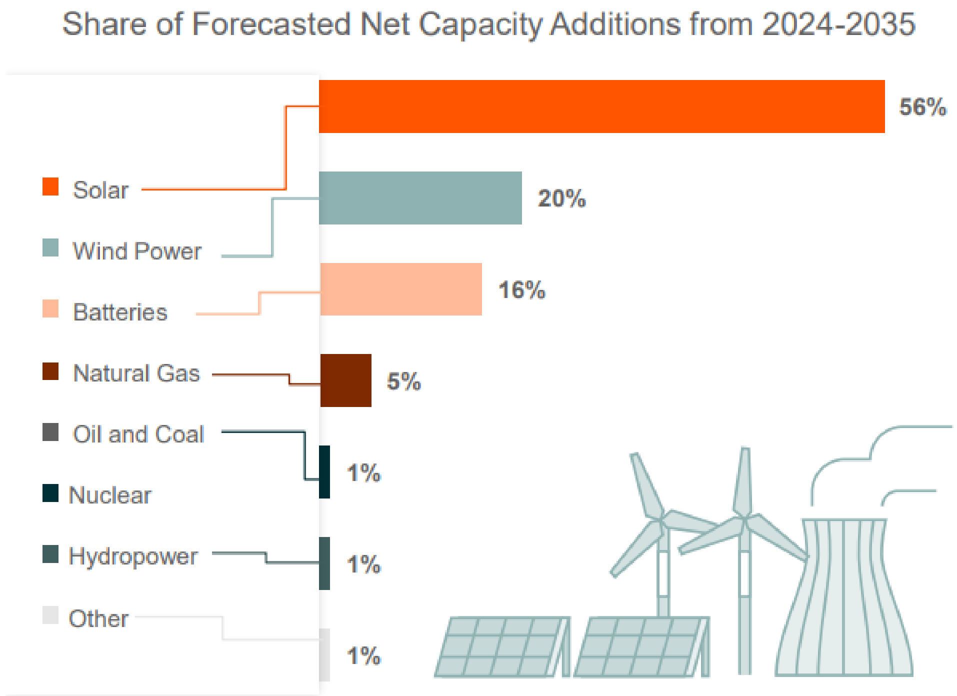
Global Fragmentation	Aging Infrastructure Assets	Shifting Demographics	Climate Change	Growth of Disruptive Technologies	Electrification & Shifting Power Grid Dynamics
Power Grids	Bridges	Clean Water Infrastructure	Clean Water Infrastructure	Data Centers	Energy Storage
Power Plants	Clean Water Infrastructure	Housing	EV Chargers	Energy Storage	EV Chargers
Production Facilities	Power Grids	Power Grids	Green Buildings	EV Chargers	Smart Grids
Renewable Energy	Roads	Retail	Power Grids	Power Grids	
	Tunnels	Roads	Sea Walls	Power Plants	
	Wastewater Infrastructure	Wastewater Infrastructure	Smart Grids	Renewable Energy	

Source: Mirae Asset, McKinsey & Company. As of September 2025. .

Portfolio Perspective: We see attractive opportunities in companies that can benefit from this long-term investment cycle through stronger revenue growth and earnings expansion. We prefer to own the “picks and shovels” supporting the trend.

The majority of long-term energy infrastructure spending is expected to be directed toward renewables and power grid investments, while most new capacity additions are projected to come from renewable sources.



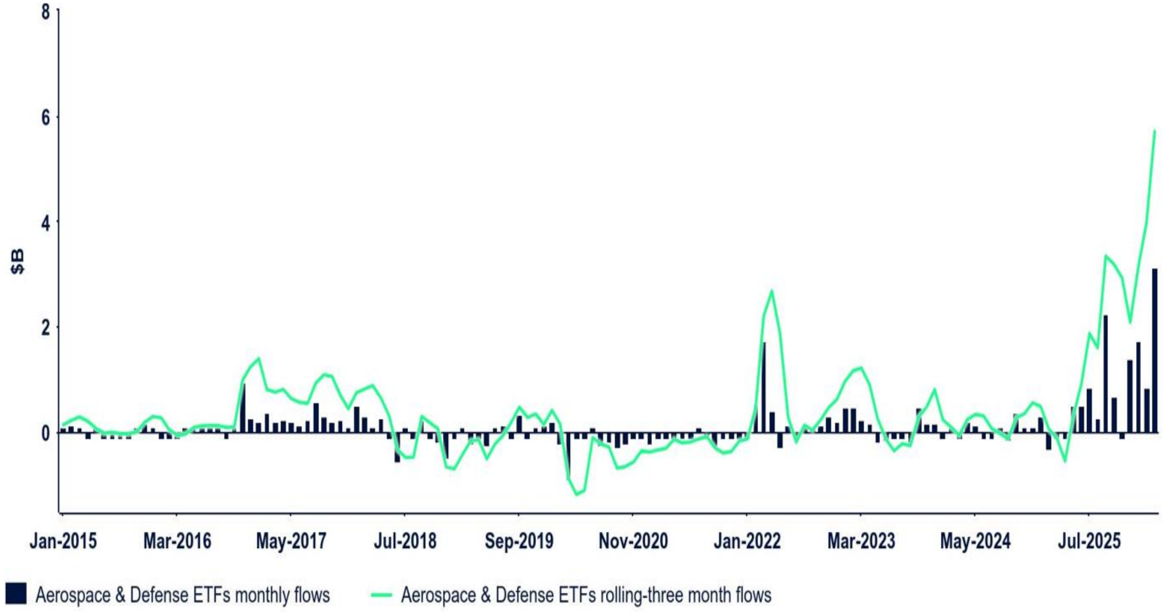


Source: Mirae Asset, Ibid. As of February 2025.

Portfolio Perspective: We believe the most compelling opportunities tied to this trend will span both public and private markets. In our view, private markets can provide more direct access to renewable energy projects, while public equities can offer exposure to companies helping build, upgrade, and equip the power grid.

The Aerospace and Defense theme has moved into the mainstream, with strong inflows into dedicated strategies. Valuations also remain elevated at roughly 2x traditional norms, reflecting expectations for faster growth.

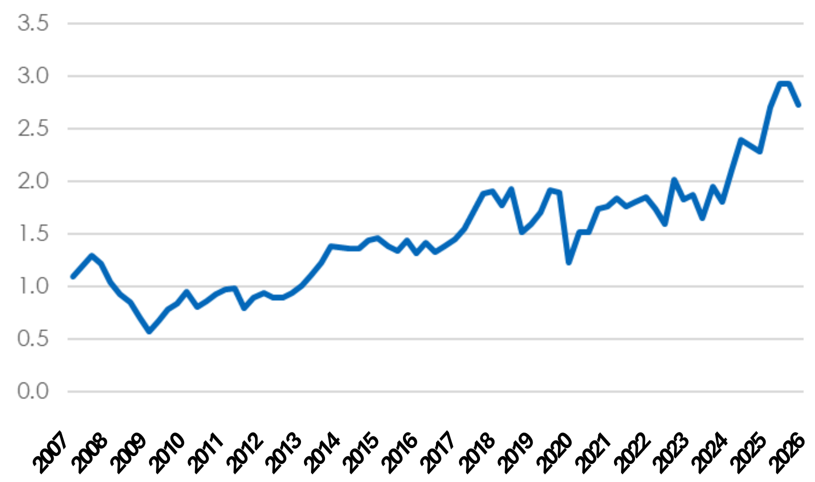
Aerospace & Defense – Monthly ETF Flows



Source: Bloomberg, State Street Investment Management. As of March 31, 2026.

Aerospace & Defense – Industry Valuation

Price-to-Sales Ratio



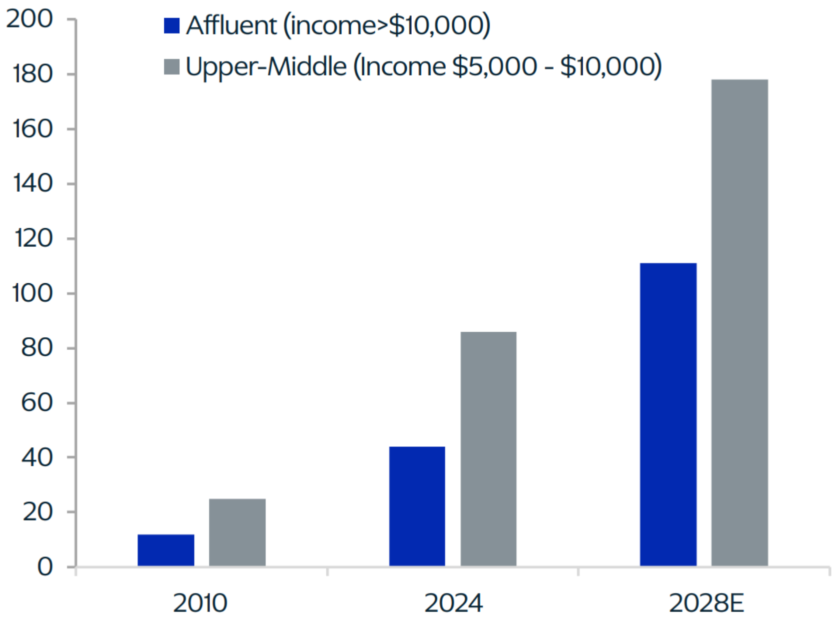
Source: Bloomberg. As of March 31, 2026. Refence index is S&P 500 Aerospace & Defense Industry

Portfolio Perspective: We believe aerospace and defense stock prices are already reflecting much of the favorable outlook for higher defense spending. With the theme now more broadly owned and valuations still elevated, we have begun to reduce exposure where appropriate.

Favorable demographics, a rising middle class, and an expanding digital economy are supporting stronger earnings growth expectations for Indian companies.

Number of High-Income Households in India

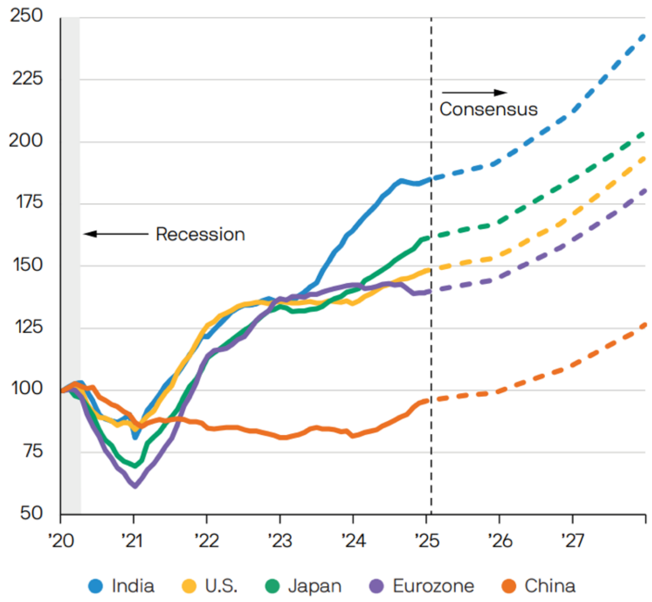
USD Millions



Source: KKR Global, Euromonitor. As of December 2024.

Global Earnings Growth Expectations

Local Currency, Jan 2020 = 100



Source: FactSet, MSCI, Standard & Poor's, J.P. Morgan Asset Management. Countries are represented by their respective MSCI country index except for the U.S., which is represented by the S&P 500. Data as of November 13, 2025.

Portfolio Perspective: We continue to view Indian equities as an attractive long-term opportunity, supported by favorable demographics, continued middle-class expansion, a growing digital economy, and a highly educated, service-oriented workforce.

Appendix

Annual Asset Class Returns

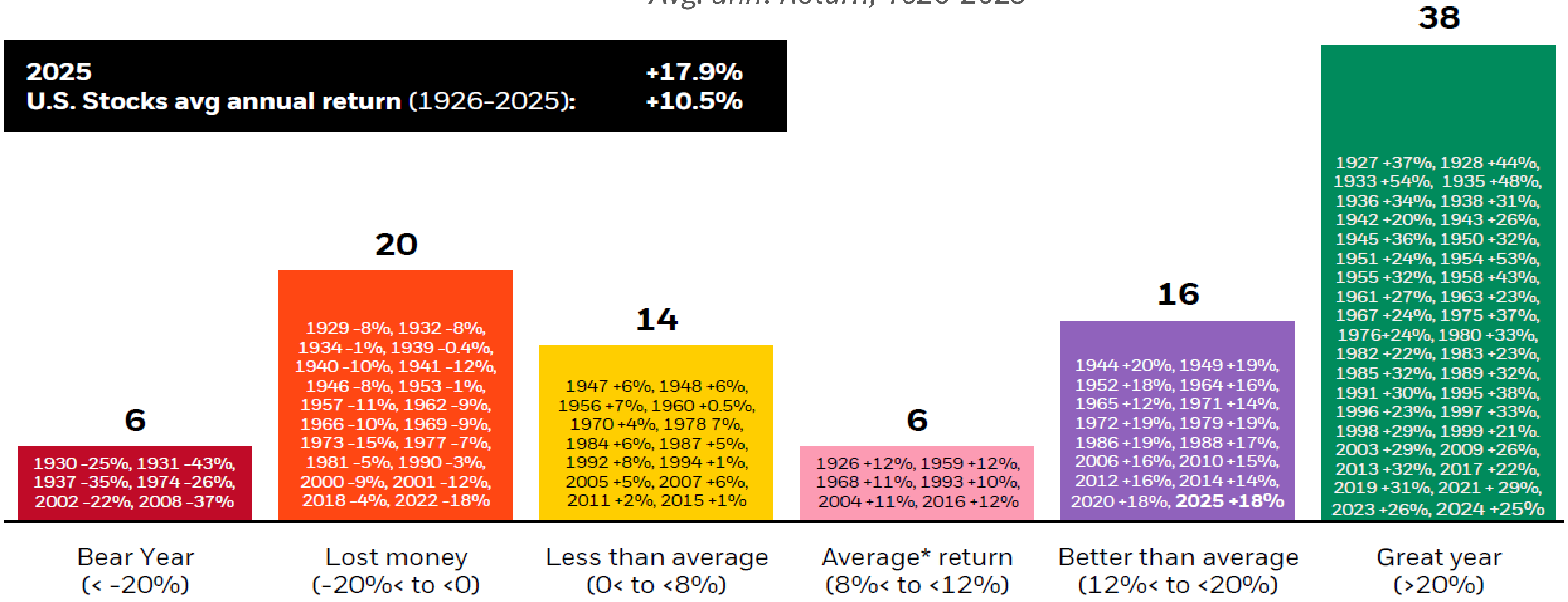
2011 - 2025																	
Ann.	Vol.	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	YTD
Large Cap 14.1%	Small Cap 20.3%	REITs 8.3%	REITs 19.7%	Small Cap 38.8%	REITs 28.0%	REITs 2.8%	Small Cap 21.3%	EM Equity 37.8%	Cash 1.8%	Large Cap 31.5%	Small Cap 20.0%	REITs 41.3%	Comdty. 16.1%	Large Cap 26.3%	Large Cap 25.0%	EM Equity 34.4%	Comdty. 24.4%
Small Cap 9.5%	EM Equity 17.5%	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 31.9%	REITs 3.8%
REITs 7.8%	REITs 16.4%	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%	Large Cap 17.9%	Small Cap 0.9%
Asset Alloc. 7.3%	DM Equity 15.7%	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%	Asset Alloc. 15.8%	Cash 0.9%
DM Equity 7.1%	Comdty. 15.4%	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%	Comdty. 15.8%	Asset Alloc. 0.2%
High Yield 5.7%	Large Cap 14.7%	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%	Small Cap 12.8%	Fixed Income 0.0%
EM Equity 4.2%	Asset Alloc. 10.1%	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%	High Yield 12.1%	EM Equity -0.1%
Fixed Income 2.4%	High Yield 9.1%	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%	Fixed Income 7.3%	DM Equity -1.1%
Cash 1.5%	Fixed Income 4.6%	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%	Cash 4.3%	High Yield -1.3%
Comdty. -1.1%	Cash 0.9%	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%	REITs 2.3%	Large Cap -4.3%

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 is for illustrative purposes only and assumes annual rebalancing with 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. Annualized (Ann.) return and volatility (Vol.) represent the period from 12/31/2010 to 3/31/26. Please see the disclosure page at the end for index definitions. All data represent total return for stated period. Past performance is not indicative of future returns. Guide to the Markets – U.S. Data are as of March 31, 2026.

The S&P 500 has averaged a 10.5% annual return, but yearly returns have more often fallen above or below that long-term average.

Range of Returns For Stocks By Year

Avg. ann. Return, 1926-2025

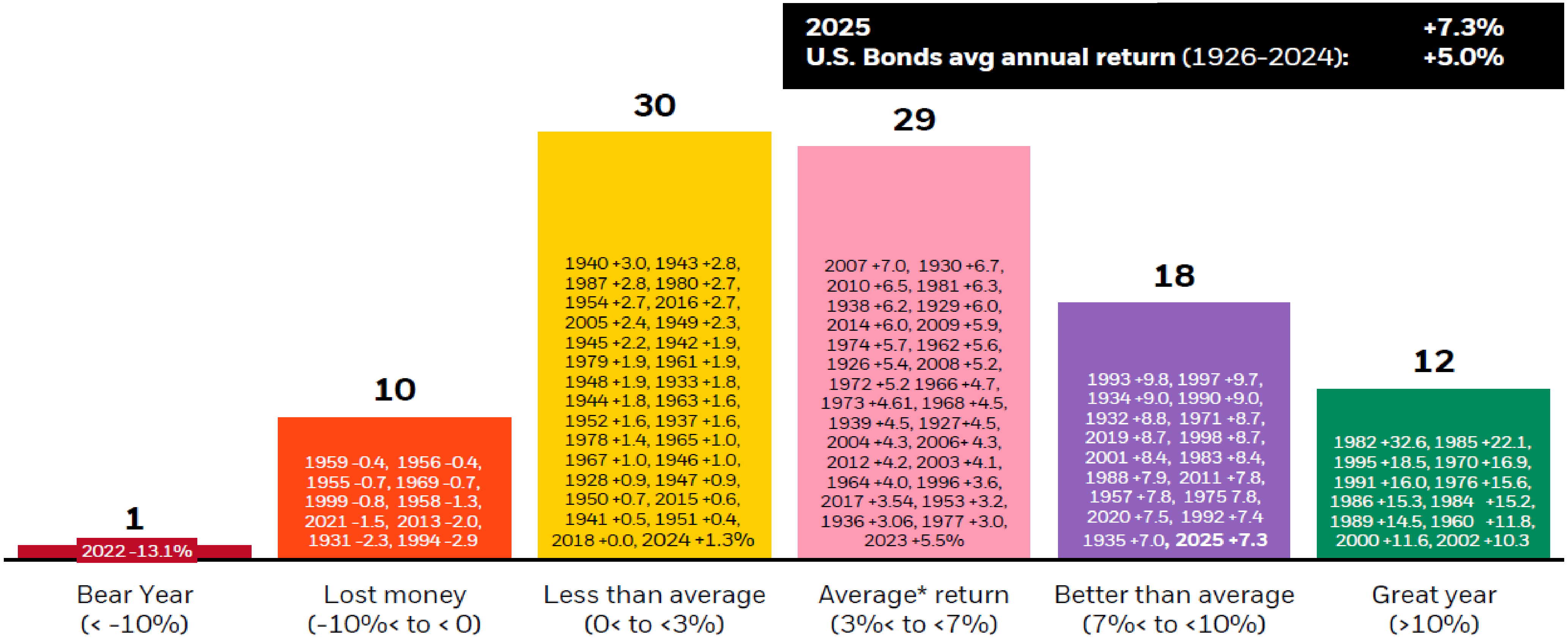


Source: Morningstar as of 12/31/25. * Average defined as a range between 8% < to <12% based on the average annual return of U.S stocks at +10.5%. All numbers rounded to the nearest whole number unless it falls within the -1 < to <1 range, where the number was rounded to the nearest tenth. U.S. stocks are represented by the S&P 500 Index from 3/4/57 to 12/31/25 and the IA SBBI U.S. Lrg Stock Tr USD Index from 1/1/26 to 3/4/57, unmanaged indexes that are generally considered representative o the U.S. stock market during each given time period. **Past performance does not guarantee or indicate future results.** Index performance is for illustrative purposes only. You cannot invest directly in the index.

Bond returns have been more consistent over time, with annual returns more commonly in line with the asset class's 5% long-term average.

Range of Returns For Bonds By Year

Avg. ann. Return, 1926-2025

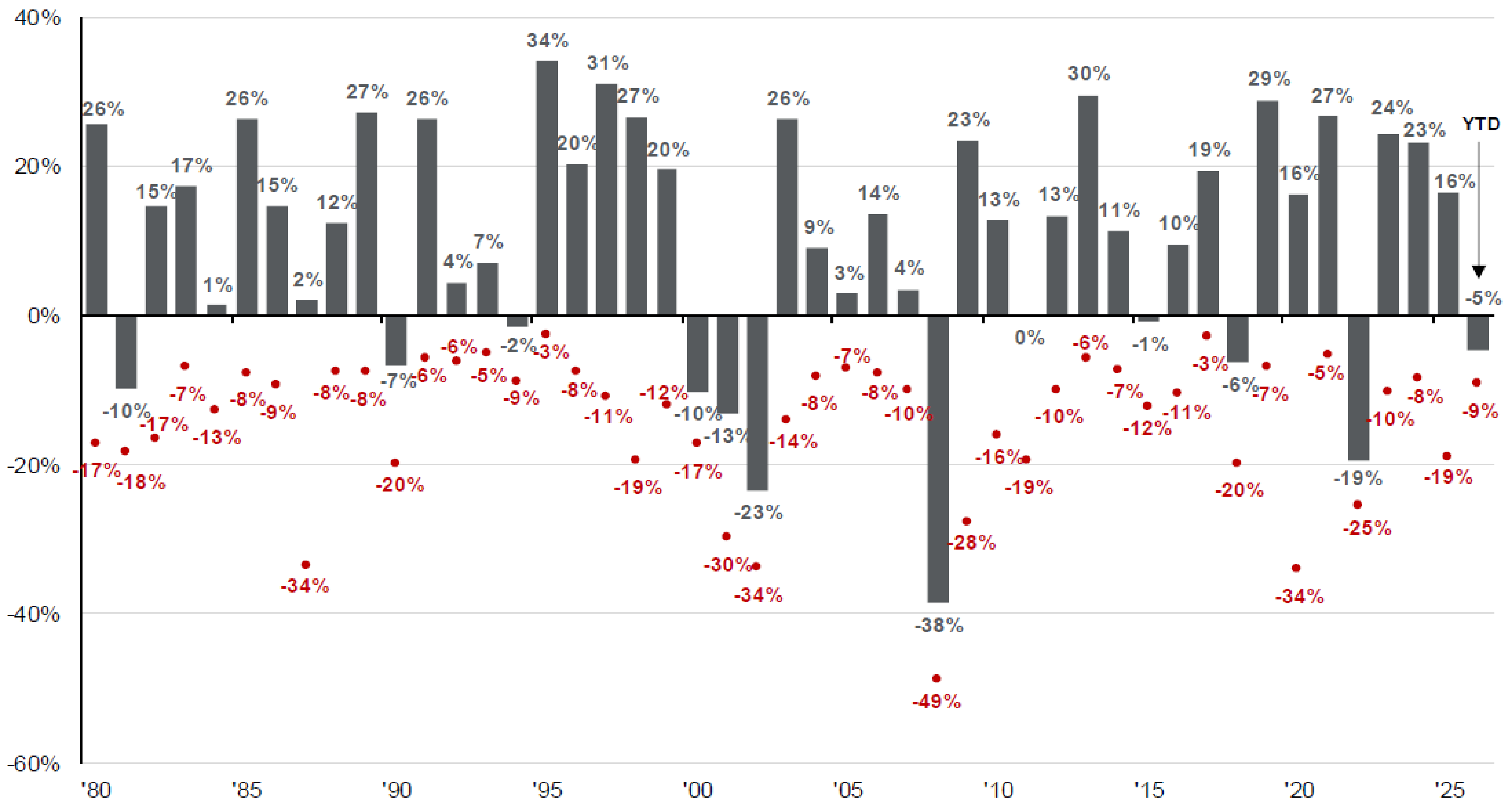


Source: Morningstar as of 12/31/25. * Average defined as a range between 3% < to < 7% based on the long-term annual average returns of U.S bonds at 5.0%. All numbers rounded to the nearest tenth. U.S. bonds are represented by the IA SBBI US Gov IT Index from 1/1/50 to 1/3/89 and the Bloomberg U.S. Agg Bond TR Index from 1/3/89 to 12/31/25. **Past performance does not guarantee or indicate future results.** Index performance is for illustrative purposes only. You can not invest directly in the index.

Since 1980, the S&P 500 has experienced an average intra-year decline of 14.2%, yet annual returns have often still finished positive.

S&P 500 Intra-Year Declines vs. Calendar Year Returns

Despite average intra-year drops of 14.2%, annual returns were positive in 35 of 46 years

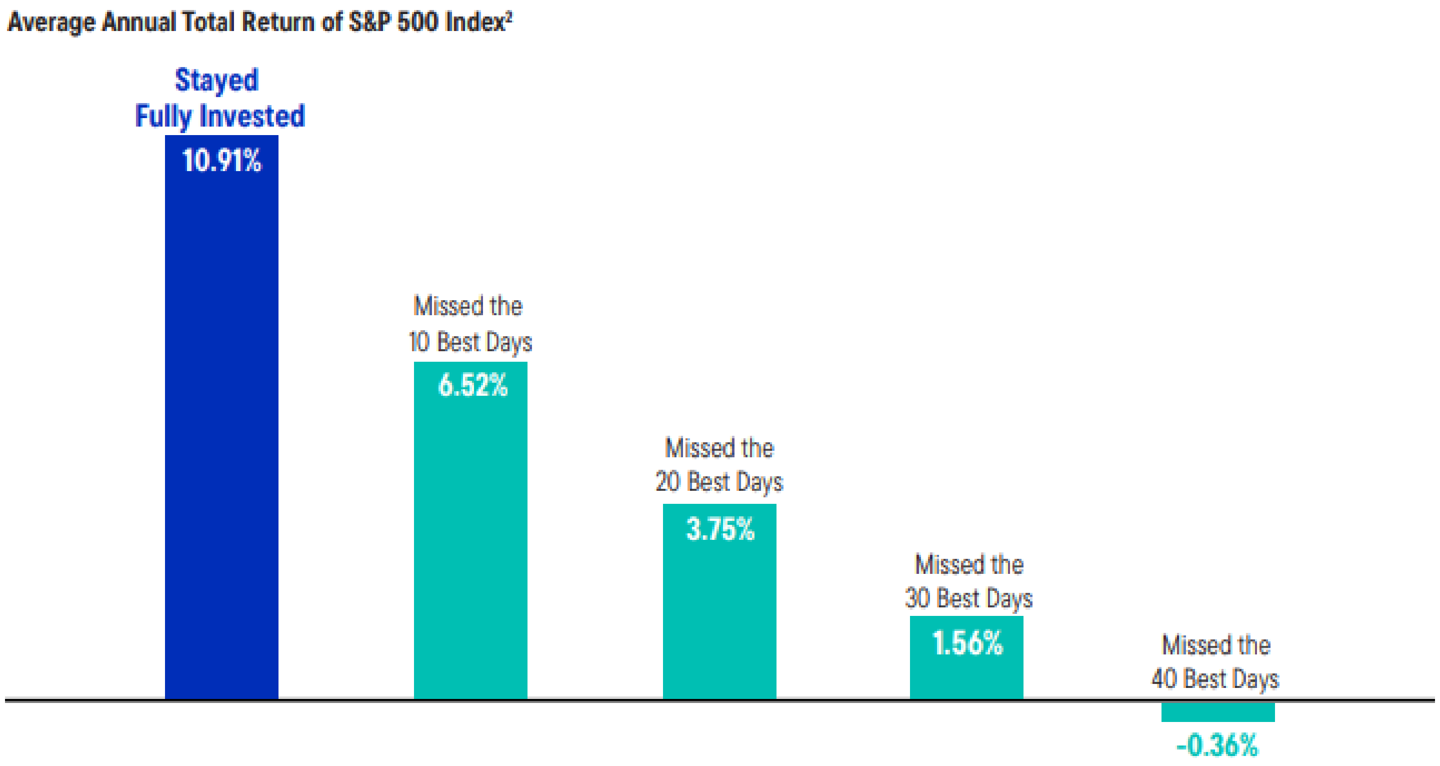


Source: JP Morgan Asset Management. As of March 31, 2026.

Market timing is challenging, and missing key turning points can significantly reduce long-term investment returns.

Jumping In and Out of the Market May Cost You

20 Years Ended December 31, 2025



Source: Ned Davis Research Group, Franklin Templeton. As of December 31, 2025.

Geopolitical uncertainty can be unsettling, but markets have often recovered and moved higher in the months, quarters, and years that followed.

S&P 500 Timeline

1928-2026

Source: Strategas. As of March 31, 2026.

Geopolitical conflicts often increase uncertainty and volatility, but markets have historically worked through that uncertainty over time.

Market Returns During Past Geopolitical Conflicts

Conflict	Analysis Period	U.S. Stocks	Bonds	International Stocks	Gold	Oil	U.S. Stocks (30-days Prior)
Iraq War	*March 19, 2003 - May 1, 2003*	5.9%	1.4%	9.0%	0.7%	-2.6%	2.7%
Russian Invasion of Crimea	*February 27, 2014 - March 18, 2014*	1.6%	0.0%	-1.1%	1.8%	-2.8%	3.8%
Russian Invasion of Ukraine	*February 24, 2022 - March 24, 20222*	7.1%	-2.1%	-1.9%	3.2%	27.4%	-4.1%
Gaza War and Hostage Crisis	*October 7, 2023 - November 22, 2023*	6.0%	3.3%	5.5%	9.8%	-5.8%	-3.1%
Operation Midnight Hammer	*June 21, 2025 -June 22, 2025*	1.0%	0.2%	0.0%	0.4%	-7.2%	0.6%

*U.S. stocks proxied by the S&P 500. Bonds proxied by Bloomberg U.S. Aggregate Index. International stocks represented by MSCI ACWI ex - U.S. Gold referenced by LBMA Gold Price Index. Oil represented by West Texas Intermediate Crude active futures contract.

Source: Bloomberg. As of March 1, 2026.

IMPORTANT DISCLOSURES

Composition Wealth LLC ("CW") is a registered investment advisor. Advisory services are only offered to clients or prospective clients where CW and its representatives are properly licensed or exempt from licensure. The views expressed in this commentary are subject to change based on market and other conditions. These documents may contain certain statements that may be deemed forward-looking statements. Please note that any such statements are not guarantees of any future performance and actual results or developments may differ materially from those projected. Any projections, market outlooks, or estimates are based upon certain assumptions and should not be construed as indicative of actual events that will occur.

These materials are solely informational, based upon publicly available information believed to be reliable, and may change without notice. Our views may change depending on market conditions, the assets presented to us, and your objectives. This is based on market conditions as of the printing date. Composition Wealth, LLC shall not in any way be liable for claims relating to them and makes no express or implied representations or warranties as to their accuracy or completeness or for statements or errors contained in, or omissions from, them. All information has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. There is no representation or warranty as to the current accuracy, reliability or completeness of, nor liability for, decisions based on such information and it should not be relied on as such. Legal, accounting and tax restrictions, transaction costs and changes to any assumptions may significantly affect the economics of any transaction.

The information provided is for educational and informational purposes only and does not constitute investment advice and it should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell a security. It does not take into account any investor's particular investment objectives, strategies, tax status or investment horizon. You should consult your attorney or tax advisor. The information and analyses contained herein are not intended as tax, legal or investment advice and may not be suitable for your specific circumstances; accordingly, you should consult your own tax, legal, investment or other advisors, at both the outset of any transaction and on an ongoing basis, to determine such suitability. Composition Wealth, LLC does not render advice on tax and tax accounting matters to clients. This material was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under U.S. federal tax laws. These materials do not constitute an offer to buy or sell any financial instrument or participate in any trading strategy. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment. All investments include a risk of loss that clients should be prepared to bear. The principal risks of CW's strategies are disclosed in the publicly available Form ADV Part 2A. Past performance shown is not indicative of future results, which could differ substantially.

Composition
Wealth