

Economic Overview

- The FOMC held the Fed Funds target rate steady at 3.50% - 3.75% and signaled that it will likely remain on hold for the next meeting as well
- Economic data supported a Fed pause as the unemployment rate fell to 4.4% and CPI held steady at a 2.7% annual rate
- Geopolitical tensions rose in January and tariff threats over Greenland introduced a fresh bout of US dollar weakness

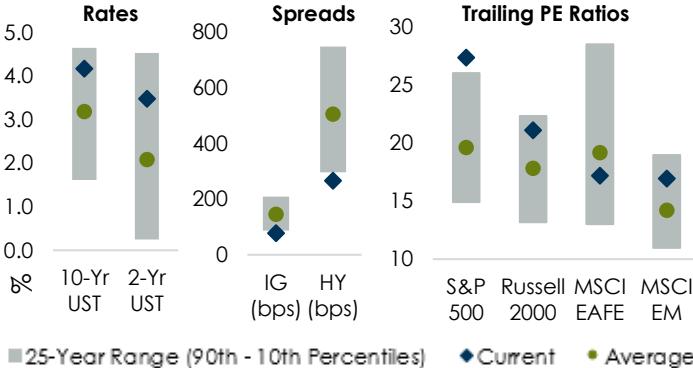
Market Returns (%)

- Equities advanced as solid growth outweighed geopolitics
- Non-US markets outperformed; value beat growth



Source: Bloomberg, ACG Research (as of 1/31/2026)

Fixed Income and Equity Valuation Metrics



Source: Bloomberg (as of 1/31/2026)

Asset Class Valuations - Rebalancing Rationale

- US Large Caps remain expensive despite recent underperformance
- Upside for duration appears limited with additional Fed cuts discounted by markets
- Cash yields set to fall as Fed continues easing

Asset Class	Current Valuation	Rationale
US Large Cap	Expensive	Expensive valuations
US Small Cap	Balanced	Balanced upside/downside risks
Int'l Developed	Fair	Fair valuations, improving growth
Emerging Mkt	Balanced	Balanced upside/downside risks

Cash	Yellow	Cash rates likely to decline
Core Bonds	Yellow	Balanced duration risks
Multi-Sector	Yellow	Attractive income, tight spreads
Absolute Return	Green	Attractive income, manager flexibility

Core Real Estate	Yellow	Market values stabilizing
Overvalued	Yellow	Fairly Valued
Fairly Valued	Yellow	Undervalued

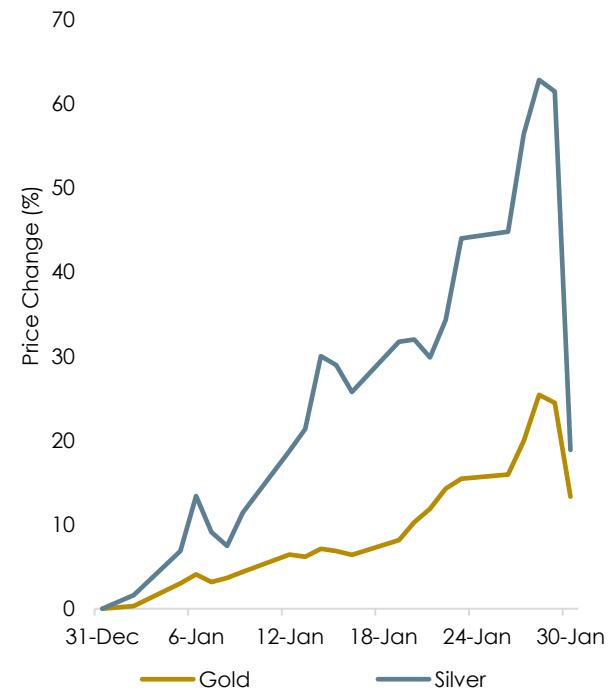
Recent Articles (click on links below)

- [2025 Private Equity Review and 2026 Outlook](#)
- [The Glittering Return of Precious Metals](#)
- [2025 Review and 2026 Market Outlook](#)

Key Risk Factors We Are Watching

- Trade war/geopolitics lead to supply disruptions
- Potential short-term uptick in inflation
- Earnings pressure (tariffs, weaker demand)
- Consumer headwinds (higher prices, depleted savings)
- Rising US debt/deficit – impact on rates
- Downward revisions in AI-related capex

Precious Metals' Volatility on Display in January



Source: Bloomberg (as of 1/31/2026)

Disclosures and Legal Notice

The views expressed herein are those of Asset Consulting Group (ACG). They are subject to change at any time. These views do not necessarily reflect the opinions of any other firm.

Although the information presented herein has been obtained from and is based upon sources ACG believes to be reliable, no representation or warranty, express or implied, is made as to the accuracy or completeness of that information. Accordingly, ACG does not itself endorse or guarantee, and does not itself assume liability whatsoever for, the accuracy or reliability of any third party data or the financial information contained herein.

Certain information herein constitutes forward-looking statements, which can be identified by the use of terms such as "may", "will", "expect", "anticipate", "project", "estimate", or any variations thereof. As a result of various uncertainties and actual events, including those discussed herein, actual results or performance of a particular investment strategy may differ materially from those reflected or contemplated in such forward-looking statements. As a result, you should not rely on such forward-looking statements in making investment decisions. ACG has no duty to update or amend such forward-looking statements.

The projections or other information generated by ACG regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Judgments and approximations are a necessary and integral part of constructing projected returns. Any estimate of what could have been an investment strategy's performance is likely to differ from what the strategy would actually have yielded had it been in existence during the relevant period. The source and use of data and the arithmetic operations used for calculating projected returns may be incorrect, inappropriate, flawed or otherwise deficient.

This market snapshot is provided for informational purposes only and reflects general performance and economic trends from the prior month. The information presented herein is for informational purposes only and is not intended as an offer to sell or the solicitation of an offer to purchase a security.

Past performance is not indicative of future results. Given the inherent volatility of the securities markets, you should not assume that your investments will experience returns comparable to those shown in the analysis contained in this report. For example, market and economic conditions may change in the future producing materially different results than those shown included in the analysis contained in this report. Any comparison to an index is for comparative purposes only. An investment cannot be made directly into an index. Indices are unmanaged and do not reflect the deduction of advisory fees. Index definitions are available upon request.

Investment Grade Credit Spread - Investment grade corporate bonds have a rating of BBB- or higher. The credit spread is the difference in yield between an investment grade corporate bond as measured by the Bloomberg US Corporate Bond Index and a US Treasury security of the same maturity.

A local currency return is a measure of investment performance based on returns of the underlying assets within the portfolio in their respective currency of denomination. The USD returns show the returns of the same index in US dollars, after the index value has been converted from local currency terms into US dollar terms. This represents the experience of US investors.

High Yield Credit Spread - High yield corporate bonds have a rating of BB+ or lower. The credit spread is the difference in yield between a high yield bond as measured by the Bloomberg US Corporate High Yield Index and a US Treasury security of the same maturity.

Trailing PE Ratios - is a relative valuation multiple that is based on the last 12 months of actual earnings. It is calculated by taking the current stock price and dividing it by the trailing earnings per share (EPS) for the past 12 months.

This report is distributed with the understanding that it is not rendering accounting, legal or tax advice. Please consult your legal or tax advisor concerning such matters. No assurance can be given that the investment objectives described herein will be achieved and investment results may vary substantially on a quarterly, annual or other periodic basis. There is no representation or warranty as to the current accuracy of, nor liability for, decisions based on such information.

© 2026 Asset Consulting Group. All Rights Reserved. Asset Consulting Group is the sole owner of all rights, title, and interest to the materials, methodologies, techniques, and processes set forth herein, including any and all intellectual property rights. No part of this document may be reproduced, stored, or transmitted by any means without the express written consent of Asset Consulting Group.