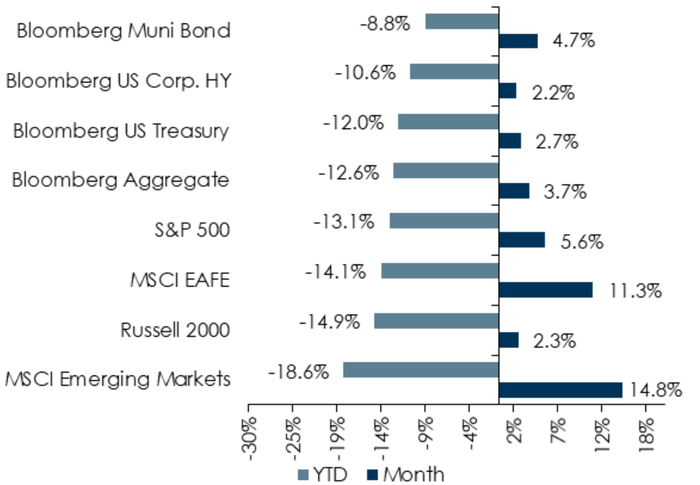
Economic Overview

- **The Fed hiked rates by another 75 bps, as expected, but provided messaging which opened the door to smaller hikes going forward**
- **US consumers showed resilience with sharply higher retail sales, and labor market growth eased but remained above pre-covid trends**
- **US inflation showed signs of moderating, with headline inflation, core inflation, and producer prices all surprising to the downside**

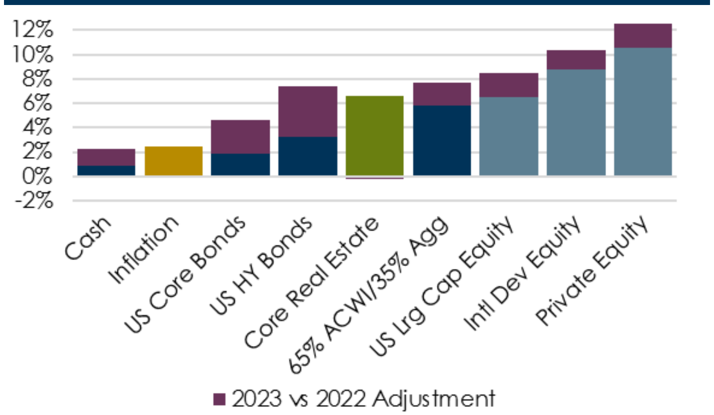
Market Returns

- Both stocks and bonds moved higher on Fed policy outlook
- Non-US assets outperformed, helped by a large fall in the USD



Source: Bloomberg, ACG Research (as of 11/30/2022)

Average Annual Return Assumptions (Next 10 Years)



Asset Class Valuations

- Equities appear fairly valued across markets
- Favor investment grade credit over high yield
- Cash yields remain attractive

	Current Fwd P/E	Historical Avg P/E	Current Avg Ratio
S&P 500	17.8	15.8	1.1
R2000	21.0	22.6	0.9
MSCI EAFE	12.3	13.4	0.9
MSCI EM	11.6	11.5	1.0

	Current Yield	Historical Avg Yield	Current Avg Spread
3-month T-Bill	4.3%	4.1%	+0.2%
10-year UST	3.6%	6.0%	-2.4%
Bloomberg Agg	4.6%	6.3%	-1.7%
High Yield	8.6%	9.6%	-1.0%

Core R.E.	3.7%	5.8%	-2.1%
Core Inflation	6.3%	3.7%	+2.6%

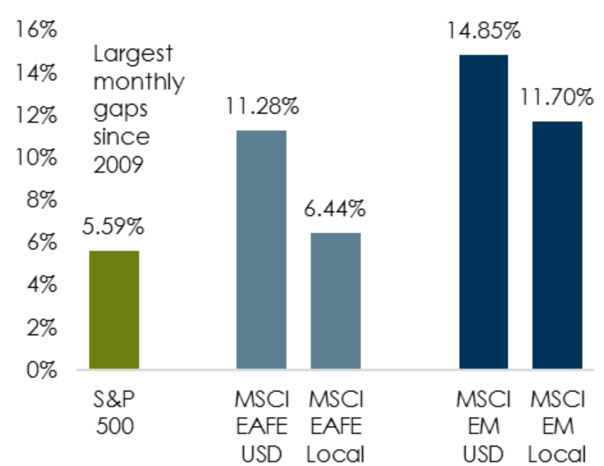
Undervalued Fairly Valued Overvalued

Key Risk Factors We Are Watching

- Inflation and labor market data
- Tightening financial conditions
- Downward revisions to corporate earnings
- Ongoing geopolitical tensions
- Regulatory policy shifts (US and China in particular)

Sharp Dollar Decline Helps Non-US Outperform

November Total Return - USD vs. Local



Source: Morningstar

Recent Articles (click on links below)

- Restoring the Fixed Income Foundation (Dec)
- Mid-Term Elections (October)
- Real Estate in a Rising Rate Environment (July)

Upcoming Articles / Webcasts

- Year in Review/Market Outlook (Jan)

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.

This report was prepared by ACG for you at your request. 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 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.

Please be aware that there are inherent limitations to all financial models, including Monte Carlo Simulations. Monte Carlo Simulations are a tool used to analyze a range of possible outcomes and assist in making educated asset allocation decisions. Monte Carlo Simulations cannot predict the future or eliminate investment risk. The output of the Monte Carlo Simulation is based on ACG’s capital market assumptions that are derived from proprietary models based upon well-recognized financial principles and reasonable estimates about relevant future market conditions. Capital market assumptions based on other models or different estimates may yield different results. ACG expressly disclaims any responsibility for (i) the accuracy of the simulated probability distributions or the assumptions used in deriving the probability distributions, (ii) any errors or omissions in computing or disseminating the probability distributions and (iii) and any reliance on or uses to which the probability distributions are put.

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.

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.

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.