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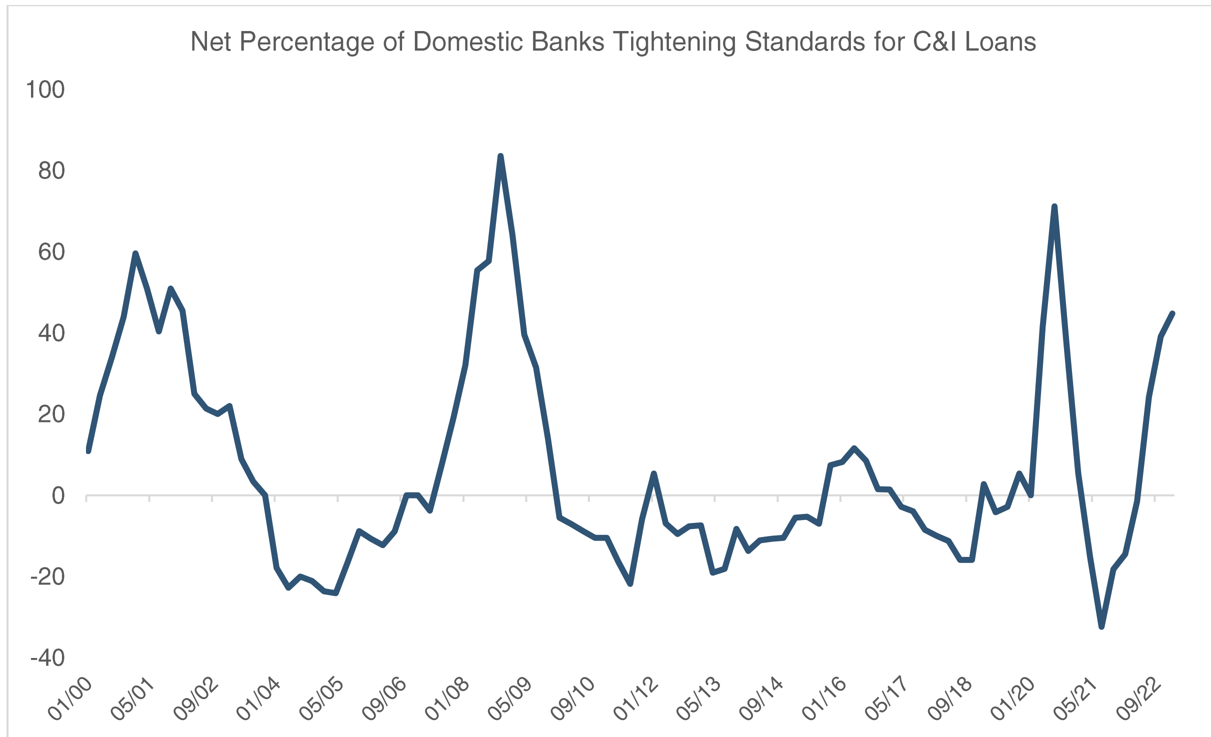
IN REVIEW

Market narratives and asset prices fluctuated throughout the 1st quarter as market participants were forced to adjust to a rapidly shifting investment landscape. In January, risk assets rallied on the idea of an immaculate disinflation characterized by resilient global growth, falling inflation, and easier monetary policy. In February, that dynamic flipped on its head as markets priced in more central bank tightening as economic growth proved more resilient than expected. Capping off an already tumultuous quarter, the failure of Silicon Valley Bank in mid-March created a banking crisis that required considerable central bank intervention to prevent broader financial contagion. As a result, the market implied probability of a recession over the next 12 months remains increased from an already elevated level. However, global economic activity has been resilient, and an imminent recession is far from a foregone conclusion. Despite prevailing headwinds, both global equity and bond markets posted positive returns during the quarter. Investors must now incorporate the implications of the banking crisis into their expectations for economic growth, inflation, and the path of monetary policy. As such, markets are likely to remain volatile as long as elevated uncertainty persists.

General Economic Conditions

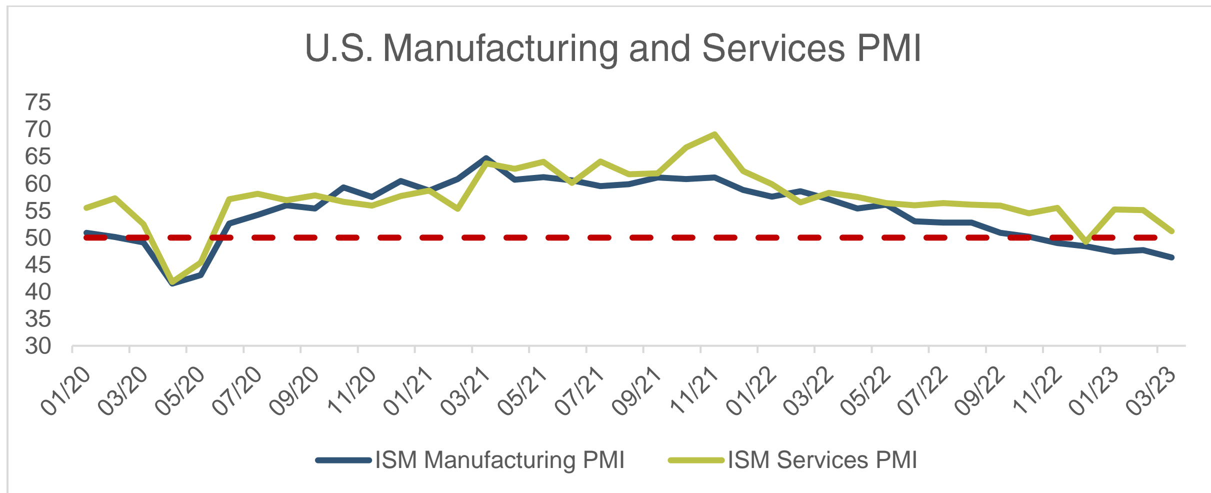
Real GDP increased at an annual rate of 2.6% in the 4th quarter of 2022. The increase in real GDP reflected increases in private inventory investment, consumer spending, nonresidential fixed investment, and government spending. Those positive contributors were partly offset by decreases in residential fixed investment and exports. Private inventory investment accounted for over half of the previous quarter's GDP growth. Historically, changes in private inventories haven't been particularly indicative of core economic strength. Though positive, consumer spending's year-over-year growth of 0.9% was the slowest rate since the end of 2020. On the other hand, consumer spending in January rose 2%, the largest increase since March 2021. The jump in January alone should be enough to buoy GDP growth for the 1st quarter, even as spending likely slowed into the end of the 1st quarter. Higher inflation and less fiscal stimulus are forcing consumers to drawdown on their excess savings and run up credit card balances, creating concerns as to how much runway there is for continued consumption strength. The banking system turmoil will likely have spillover effects on the outlook for business investment as increased recession concerns may lead businesses to rethink hiring and capital spending plans. Additionally, lending conditions will likely tighten as banks focus on shoring up liquidity and higher quality loan underwriting. Tighter lending conditions will squeeze capital available to businesses for financing their spending initiatives. There is still a structural need for capital improvement projects due to the shrinkage of the real capital stock since the GFC, but the hurdle requirements for those initiatives have been raised. Residential investment continues to be challenged by higher mortgage rates, but historically low housing supply should prevent a steep decline. Government spending is likely to remain muted given the outlook for a shrinking budget deficit this year. Net trade could be a boost to 1st quarter GDP as economic growth overseas has been resilient, supporting demand for exports. Additionally, less business investment and lower consumer goods spending should lower imports, a subtraction in the GDP calculation. Net trade could remain a tailwind for economic growth if the dollar's weakness over the last 6 months persists in the face of narrowing interest rate differentials.

However, the dollar is likely to experience bouts of strength from safe haven flows in times of stress and net trade is a small component of overall GDP growth. On the whole, growth expectations ended the quarter lower than where they began the year. Recession risks rose as the instability in the financial system highlighted a previously unknown systemic vulnerability to rapid central bank tightening. While those issues seem to have been ringfenced by monetary authorities for now, the ongoing impact on business and consumer sentiment will be a key issue to monitor going forward.



Data from the manufacturing sector remained in contractionary territory throughout the 1st quarter. The Institute for Supply Management's Purchasing Managers Index (PMI) registered 46.3 in March, which is the 5th straight contractionary reading (a reading below 50 is considered contractionary) and the lowest reading since May 2020. The March composite reading reflects manufacturers continuing to slow outputs to better match demand. Demand is clearly easing, evidenced by the New Orders index in contractionary territory and contracting at an accelerating rate. The Production index remains in contraction while customers' inventories increased. In other words, the production tailwind of restocking inventories that were previously too low is waning. Indexes related to manufacturing inputs are moving to levels that are historically more accommodative for future growth. The Supplier Deliveries index indicated faster deliveries while order backlogs are contracting. The Prices index as it relates to inputs dropped into contractionary territory, another sign that supply chain disruptions are resolving. The services PMI registered 51.2 in March, indicating expansion in the services sector. After December's surprisingly low reading of 49.6, services stayed in expansionary territory throughout the 1st quarter.

While the New Orders index also indicates expansion, March's reading of 52.2 was down sharply from February's reading of 62.6. Such a steep drop is more reflective of the expected demand pullback from survey respondents.



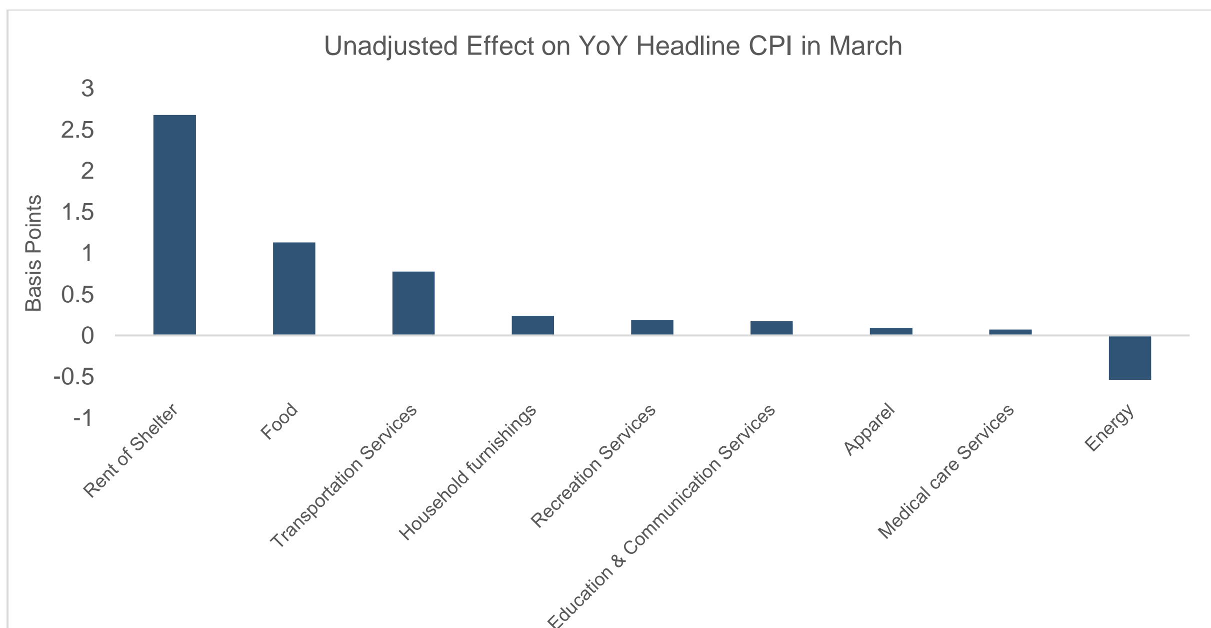
A trend of disinflation seems firmly under way at this point. In March, the Consumer Price Index increased 0.1%, marking a 5.0% increase over the previous 12 months. The Index for shelter was by far the largest contributor to the monthly all items increase, more than offsetting a decline in the energy index. Core CPI rose 0.4% in March after rising 0.5% in the previous month.

The January and February core CPI data were somewhat disappointing but the fundamental arguments in favor of lower inflation over the next year remain intact. Margin expansion, soaring rents, spiking food & energy prices, faster wage increases, and supply chain disruptions were the primary drivers of the inflation surge. Margins continue to contract sharply as retailers and wholesalers face higher input costs and slower nominal demand. The year-over-year increase in margins in February was just 4.3%, compared to 16.5% one year prior. Consensus estimates for the quarterly change in operating margins at the index level for the S&P 500 are a 146 basis point contraction, the largest decrease since the pandemic. The housing market continues to slow as mortgage rates remain elevated and median home sales have rolled over. Eventually, this will feed into the shelter inflation component of core PCE inflation, which drove 70% of February's inflation increase. Food and energy prices continue to normalize, though the surprise production cuts from OPEC+ pose a risk for higher energy prices in the near-term. Wage gains are slowing as the labor market continues to show signs of softening. Lower wage growth should depress the core services ex-rent inflation measure sooner rather than later. Finally, supply chain disruptions are clearly easing given faster supplier delivery times and lower producer input prices.

The expansion of the Fed's balance sheet in the aftermath of the banking crisis raised some concerns that the Fed was conducting another round of quantitative easing that would prove inflationary. While the Fed is providing liquidity to financial institutions, the purpose of this liquidity is to shore up balance sheets to ensure they're able to meet withdrawal requests.

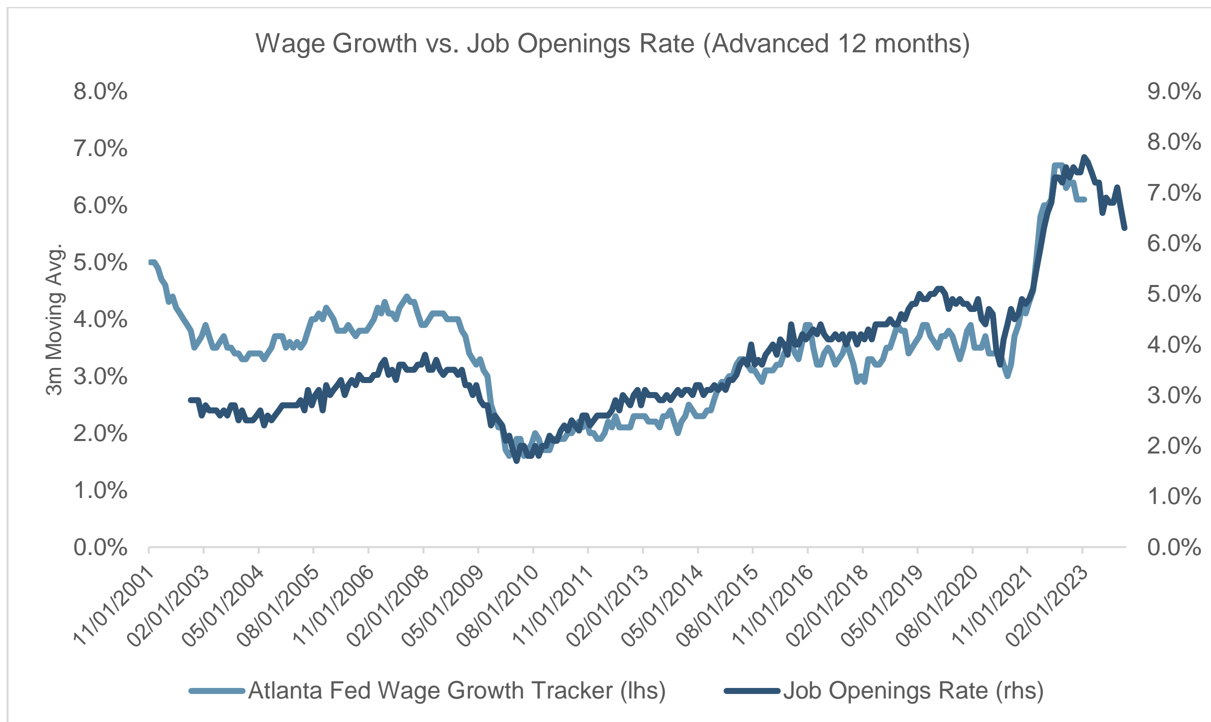
It seems unlikely that liquidity will find its way to consumers and businesses the way it does when the Fed is actively conducting open market operations. It's more likely that the banking crisis will prove to be a deflationary event as tighter lending standards dampen economic activity.

Importantly, market expectations for inflation have remained in check. A de-anchoring of inflation expectations would likely prompt a very hawkish response from the Fed. Inflation breakeven rates were volatile over the quarter, reaching as high as 2.7% in response to the economy's strong start to the year. However, the 5-year breakeven inflation rate fell sharply in the aftermath of the banking crisis. Today, that rate currently sits at 2.4%, which is still roughly in line with the Fed's long-term goal. The well-documented relationship between higher inflation expectations and wage growth means the Fed will continue to monitor inflation expectations closely. At this point, wage growth is easing and heading to normalized levels that are in line with the Fed's 2% inflation target.



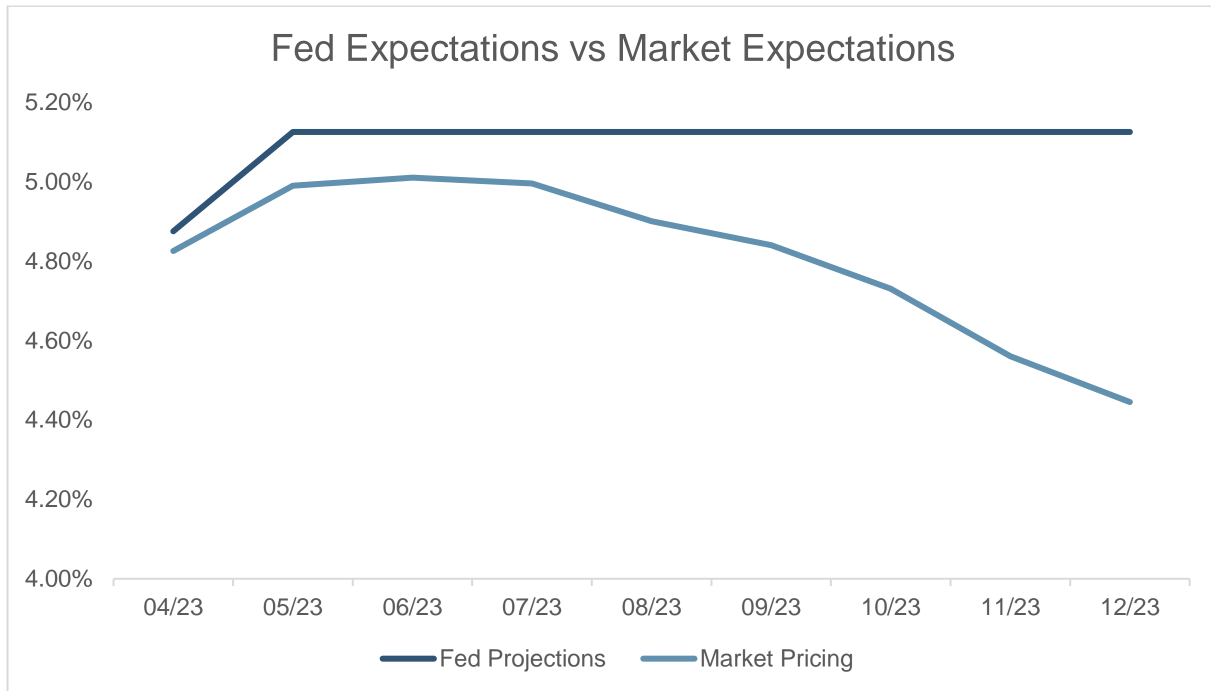
The unexpected strength of the labor market was the primary catalyst for higher terminal rate expectations early in the 1st quarter. Nonfarm payrolls rose by a staggering 504,000 in January and 311,000 in February, though there was likely some noise in the January figure due to seasonal adjustments. Assessing future labor market activity is difficult given the uniqueness of the current labor market. Layoff announcements have increased, hiring indicators continue to weaken, and job openings fell below 10 million for the first time in nearly two years. These early signs of softness make sense given profit margin pressure and greater demand uncertainty with heightened recession risks. Usually, these events would coincide with an increase in the unemployment rate, but it hasn't budged. To this point, the lack of labor supply was behind a lot of the observed tightness. However, labor supply has fully recovered as the labor force participation rate and immigrant population have bounced back to pre-pandemic trend levels. Policymakers have repeatedly noted their preferred method of rebalancing the labor market would be to gently dampen labor demand without causing a spike in unemployment.

Wage growth has moderated in accordance with the progress on that front. Hourly earnings growth has slowed meaningfully over the last few months as these cracks in the labor market have arisen. Whether wage growth will moderate further to levels consistent with the Fed's long-term inflation target is the key question at this point.



Monetary Policy

The Fed raised rates twice during the 1st quarter, bringing the target range for the federal funds rate to 4.75%-5.00%. Expectations for future rate hikes swung wildly throughout the quarter. After January's blowout jobs report and a string of better-than-expected economic data, markets began to reprice terminal rate expectations higher. At his testimony on Capitol Hill, Chair Powell was messaging a high likelihood of a 50-basis point hike at the FOMC's March meeting. In the wake of the banking crisis, expectations shifted from a nearly certain 50-basis point increase to a 50% chance of no hike at all. In one week, markets went from pricing in virtually no rate cuts in 2023 to over 100 basis points in rate cuts by the end of the year. At their March meeting, the Fed ultimately decided to raise rates but softened their forward guidance in response to the banking crisis. At this point, the most likely outcome is an additional 25 basis point hike in May and then a pause. The tightening of lending standards in response to the crisis will tighten financial conditions in a way that is akin to additional rate hikes. Chair Powell noted that as a reason for their softer forward guidance given that it's still too early to evaluate how much financial conditions will tighten in response to the crisis. Going forward, policymakers will be weighing the ongoing threat from re-accelerating inflation and the risk of further financial instability in deciding how to progress with policy.



Investment Performance

Markets posted strong positive returns in the 1st quarter due to resilient economic growth and expectations for softening Fed policy. U.S. equities gained 7.5% as the tech heavy S&P 500 Index benefited from the Fed's softer forward guidance. European ex-UK equities advanced 10.5% as the region was able to avoid an outright energy crisis, resulting in resilient services activity and falling energy prices. Emerging markets equities increased 4.0% as the China re-opening continues to play out and the dollar weakened further. Global fixed income markets were up broadly, led by inflation-linked issues that rallied early in the year in response to the global economy's upside surprises.

- **Cash is no longer trash** – On a risk-adjusted basis, cash provided the best returns year-to-date. Money market funds attracted record flows as investors fled banks in favor of higher yields. The gap between money market yields and deposit rates is unusually large and was a contributing factor to the banking crisis. For the first time in over a decade, investors are being compensated to sit on the sidelines and hold cash. Risk assets will struggle to garner sustainable flows amid heightened uncertainty and attractive yields on cash.

- **Developed foreign equities outperformed U.S. equities** – The S&P 500 underperformed both the STOXX 600 and TOPIX on a risk-adjusted basis. Foreign equities continue to benefit from their cheaper valuations and stronger corporate earnings. Foreign equity outperformance is likely to continue as the dollar remains weak and relative corporate earnings strength persists.

Additionally, the S&P 500's positive return in the 1st quarter was due entirely to forward P/E expansion that offset a reduction in earnings expectations. Multiples expanded in response to the market's expectations for central bank easing by the end of the year. If rate cuts don't materialize, equity returns in the U.S. will be challenged if the resulting margin compression isn't offset by better-than-expected earnings.

- **High Beta and Growth outperformed year-to-date –** The risk-on rally to start the year saw high beta and growth stocks outperform. In the aftermath of the SVB event, market sentiment changed in favor of value stocks and high profitability stocks. With investors turning to quality fundamentals in an uncertain macro environment, we would expect high beta to be challenged. We expect quality, profitability, and low volatility to remain in favor in the near-term.

LOOKING FORWARD

Inflation, monetary policy, global recession risk, and geopolitics will likely remain the dominant drivers of market sentiment from a macro perspective. The playbook for a soft landing remains the same: GDP growth needs to slow to a below-potential pace, labor supply and demand need to be rebalanced, wage growth rates need to be reduced, and core inflation needs to ease. The path forward for GDP growth remains highly uncertain. Coming into the year, many expected growth to slow materially, given weakening soft data (i.e., qualitative data and surveys). However, that hasn't come to pass as the hard data (i.e., government statistics) continue to defy expectations. The divergence between soft and hard economic data remains unusually wide. Up to this point, a lot of the weakness in the soft data was driven by poor sentiment related to inflation and supply chain angst. However, inflation is generally positive for nominal economic growth and in turn, corporate earnings. As such, rising prices boosted growth while denting sentiment. Going forward, worsening soft data may be a better leading indicator of worsening hard data as poor sentiment is driven by worries over future demand and concerns about credit conditions. Rebalancing in the labor market progressed over the quarter as policymakers would hope. Job openings fell substantially, and future hiring plans are being shelved. At the same time, labor supply is improving with a pickup in immigration. All of this has occurred without a spike in the unemployment rate. Wage growth rates continue to normalize alongside signs of softening in the labor market. Falling shelter inflation and margin re-compression should be the driving forces for core PCE inflation to continue easing. On the whole, the probability of a soft landing decreased over the 1st quarter due to the events in the banking sector. It's too soon to confidently predict the amount of tightening these events will create but the distribution of possible outcomes has widened. Fed officials continue to reiterate they have no expectations of cutting rates in 2023, but markets are predicting significant rate cuts in the 2nd half of 2023. Such is an indication of the market's expectation that the Fed is going to overtighten policy and tip the economy into recession. We expect the Fed to hike once more in May before pausing to assess the appropriate next step for monetary policy. Earnings expectations have deteriorated, in line with rising recession risk. Earnings are expected to fall -7% year-over-year for the 1st quarter, a meaningful deterioration from the -1% decline posted in the 4th quarter of 2022.

As we've noted, earnings declines are being driven by deep margin contraction that more than offset modest sales growth. Upside risks to earnings include improving real disposable income and the excess cash sitting on consumers' balance sheets. However, consumers will likely be contending with a softer labor market and a housing downturn that could hurt consumption; especially with rates now incentivizing consumers to save. In this environment we feel caution is still warranted as risks from this point seem skewed to the downside. We continue to emphasize quality, investment-grade fixed income to protect against slowing growth and potential equity market volatility. We extended duration in our fixed income portfolios early in the quarter in recognition of the benefit it provides in risk off periods. While we don't expect widespread defaults, we're cautious on riskier credit issues because spreads don't adequately reflect the near-term recession risk and the potential liquidity issues from a shrinking monetary base. Within equity, the emphasis remains on utilizing managers who seek to own quality businesses with defensible margins and strong balance sheets. We remain overweight value given the style's sectoral composition benefits and better valuations. Having said that, growth equities play a role in portfolios and their decline this year has brought them more broadly in line with the rest of the market. Ensuring portfolios remain exposed to both cyclical companies that can benefit from continued economic growth and secular growth companies at reasonable valuations, accounts for both upside and downside risks. Alternative assets that provide income and return profiles that are uncorrelated to equity markets should be an emphasis at this point. Markets will likely remain choppy and rangebound as long as uncertainty lingers, however there will likely be attractive entry points for patient, long-term investors throughout the year.

Scenario Updates

Base Scenario	***50% Probability***

The conflict in Ukraine drags along as a diplomatic solution remains unattainable but the conflict is contained to Ukraine. Sanctions currently imposed on Russia remain in place and escalate in response to further Russian aggression. The banking crisis causes credit and financial conditions to tighten, acting in place of additional rate hikes. As a result, U.S. GDP growth slows, and interest rates peak near current levels. Labor market rebalancing continues, allowing wage growth normalization to progress. Inflation falls throughout the year. The Fed pauses rate hikes in May recognizing the uncertainty caused by the banking crisis. Policy rates remain in restrictive territory, but policymakers signal easier policy in the 2nd half of the year as economic data deteriorates. Corporate earnings growth is flat as consumer spending slows and margins compress. The yield curve remains flattish/mildly inverted as the Fed pushes up the front end and growth concerns keep a cap on the long end. Volatility persists as investors react to incoming data and its implications on economic growth and policy rates.

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Upside Scenario	*15% Probability*

Factors that could influence the Upside Scenario:

- The conflict in Ukraine has a swifter resolution than currently expected. Sanctions currently imposed on Russia don't escalate and possibly lessen. Food and energy prices fall further providing more inflation relief.
- GDP growth rates exceed expectations due to a sharper than expected decrease in inflation, burgeoning real disposable income, and consumers willing to drawdown on savings.
- Labor supply shortages ease more than expected or are offset by an increase in overall labor productivity and innovation.
- The immaculate disinflation priced into markets in January comes to pass, allowing the economy to disinflate without generating significant slack.
- Corporate earnings beat expectations, driven by resilient nominal growth, sustained record-high margins, and better-than-expected consumption spending.

Downside Scenario	*35% Probability*

Factors that could influence the Downside Scenario:

- The conflict in Ukraine drags along as a diplomatic solution remains unattainable and the threat of NATO involvement increases meaningfully. Harsh sanctions are imposed on Russia, potentially eliciting an escalatory response from Moscow.
- Central bank intervention surrounding the regional banking crisis proves insufficient. Deposit flight accelerates, stressing the financial system further.
- Consumers are unwilling to draw down on built up pandemic savings to sustain consumption, growth falls quicker than expected as a result.
- Inflation stabilizes around the middle of the year but stays well above target. Central banks are forced to resume tightening in the 2nd half of the year, but the delay sends terminal rates up significantly.
- The Fed's decisions thus far prove too restrictive for the economy, sending the U.S. economy into recession. Equities re-test or break through their previous lows as the earnings outlook dims.
- The slowdown in the housing market has a more pronounced impact on consumer spending and overall economic activity than currently forecast.
- Corporate earnings are well below expectations creating an environment of both falling earnings and compressing valuations leading to sharp equity market selloffs.

ECONOMIC STATISTICS	Current	One Year Ago
Real GDP Growth (Annl. % Change From Prior Qtr.)	0.88%	5.72%
Unemployment Rate	3.50%	3.60%
Labor Force Participation Rate	62.60%	62.40%
Core CPI (Year-Over-Year)	5.60%	6.45%
Real Personal Income Growth (Year-over-Year)	1.15%	-17.63%
10 Year Treasury Rate	3.66%	2.13%

US EQUITY MARKET

Major US Market	Q1 2023	YTD	1 Year	3 Year	5 Year	2022	2021	2020
Russell 3000 Index	7.2%	7.2%	-8.6%	18.5%	10.5%	-19.2%	25.7%	20.9%
FTSE RAFI US 3000 Index	1.8%	1.8%	-6.1%	22.2%	9.8%	-7.9%	31.5%	8.3%
Russell 3000 Equal Weighted	2.7%	2.7%	-13.6%	19.5%	5.5%	-22.9%	19.5%	24.5%
S&P 500 Index	7.5%	7.5%	-7.7%	18.6%	11.2%	-18.1%	28.7%	18.4%
Russell Mid Cap Index	4.1%	4.1%	-8.8%	19.2%	8.1%	-17.3%	22.6%	17.1%
Russell 2000 Index	2.7%	2.7%	-11.6%	17.5%	4.7%	-20.4%	14.8%	20.0%
NASDAQ 100	20.8%	20.8%	-10.4%	20.0%	16.0%	-32.4%	27.5%	48.9%

Data Source: Federal Reserve, Advus Financial

Russell 3000 Style & Cap Summary

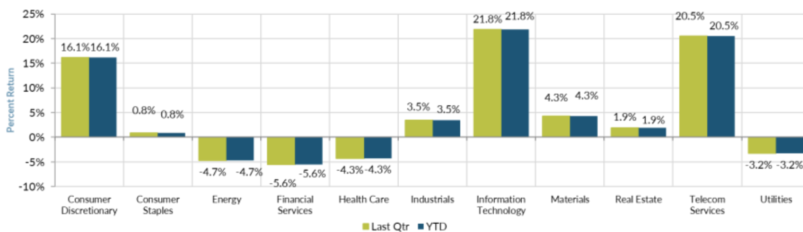
First Quarter Results

	Mo.	Qtr	Value		Core		Growth	
Large	Jan	Q1	3.75%	0.85%	6.13%	8.67%	8.24%	15.60%
	Feb		-3.69%		-2.36%		-1.24%	
	Mar		0.93%		4.87%		8.13%	
Mid	Jan	Q1	8.08%	1.32%	8.30%	4.06%	8.73%	9.14%
	Feb		-3.20%		-2.43%		-0.99%	
	Mar		-3.15%		-1.53%		1.38%	
Small	Jan	Q1	9.54%	-0.66%	9.75%	2.74%	9.95%	6.07%
	Feb		-2.31%		-1.69%		-1.08%	
	Mar		-7.17%		-4.78%		-2.47%	

Year To Date Results

	Value	Core	Growth
Large	0.85%	8.67%	15.60%
Mid	1.32%	4.06%	9.14%
Small	-0.66%	2.74%	6.07%

S&P 500 Sector Performance



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

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

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

INTERNATIONAL EQUITY

International Equity Market Performance	Q1 2023	YTD	1 Year	3 Year	5 Year
MSCI EAFE	8.62%	8.62%	-0.86%	13.52%	4.03%
MSCI EAFE Value	6.14%	6.14%	0.38%	15.29%	2.38%
MSCI EAFE Growth	11.21%	11.21%	-2.45%	11.30%	5.26%
MSCI EM	4.02%	4.02%	-10.30%	8.23%	-0.53%
MSCI ACWI Ex. USA.	7.00%	7.00%	-4.56%	12.32%	2.97%

Data Source for all data in tables: Morningstar Direct

(a) = SPDR S&P 500 ETF

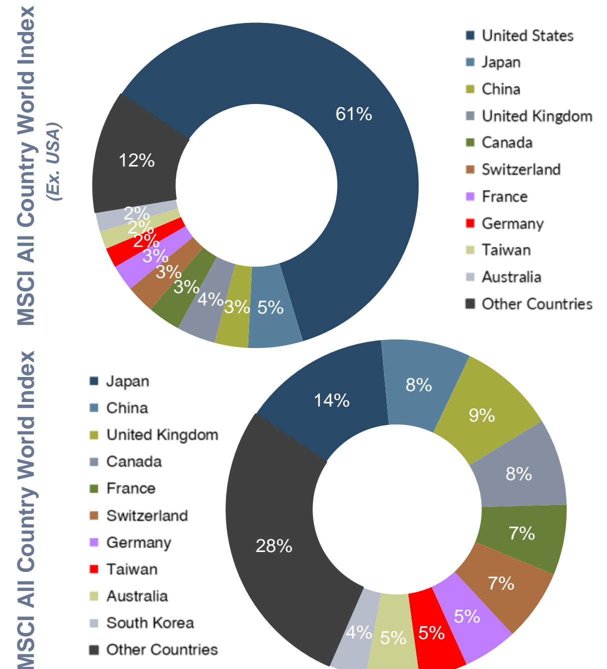
INTERNATIONAL EQUITY *(continued)*

International Equity Market Performance

	Last Quarter			Year-to-Date		
	Local	USD	Impact of US Dollar (a)	Local	USD	Impact of US Dollar (a)
MSCI ACWI Ex USA	6.31%	7.00%	0.69%	6.31%	7.00%	0.69%
MSCI Europe	8.81%	10.74%	1.93%	8.81%	10.74%	1.93%
MSCI Europe Ex UK	10.53%	12.16%	1.62%	10.53%	12.16%	1.62%
MSCI United Kingdom	3.23%	6.11%	2.88%	3.23%	6.11%	2.88%
MSCI Pacific Ex Japan	3.07%	2.17%	-0.90%	3.07%	2.17%	-0.90%
MSCI Japan	7.30%	6.38%	-0.92%	7.30%	6.38%	-0.92%
MSCI France	12.66%	14.69%	2.03%	12.66%	14.69%	2.03%
MSCI Switzerland	5.86%	7.21%	1.35%	5.86%	7.21%	1.35%
MSCI Germany	12.76%	14.79%	2.03%	12.76%	14.79%	2.03%
MSCI Canada	4.42%	4.55%	0.12%	4.42%	4.55%	0.12%
MSCI China	5.06%	4.71%	-0.35%	5.06%	4.71%	-0.35%
MSCI India	-6.91%	-6.29%	0.62%	-6.91%	-6.29%	0.62%
MSCI Brazil	-6.94%	-3.09%	3.85%	-6.94%	-3.09%	3.85%
MSCI Russia	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

Country Weights



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

FIXED INCOME

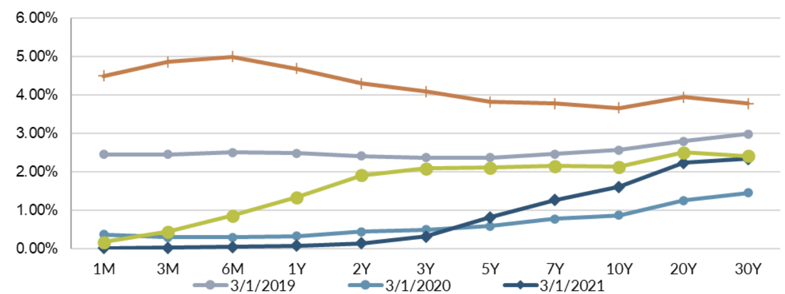
Major Market Averages

	Q1 2023	YTD	1 Year	3 Year
ICE BofAML US 3M Treasury Bill	1.07%	1.07%	2.50%	0.89%
Bloomberg Barclays US Govt/Credit 1-3 Yr	1.51%	1.51%	0.26%	-0.38%
Bloomberg Barclays US Govt Interm	2.26%	2.26%	-1.52%	-2.30%
Bloomberg Barclays US Govt/Credit Interm	2.33%	2.33%	-1.66%	-1.28%
Bloomberg Barclays US Govt/Credit	3.17%	3.17%	-4.81%	-2.63%
Bloomberg Barclays US Agg Interm	2.39%	2.39%	-2.79%	-1.96%
Bloomberg Barclays US Agg Bond	2.96%	2.96%	-4.78%	-2.77%
Bloomberg Barclays Global Agg Bond	3.01%	3.01%	-8.07%	-3.43%
Bloomberg Barclays US Treasury	3.01%	3.01%	-4.51%	-4.20%
Bloomberg Barclays US Treasury US TIPS	3.34%	3.34%	-6.06%	1.75%
Bloomberg Barclays US Corporate IG	3.50%	3.50%	-5.55%	-0.54%
Bloomberg Barclays High Yield Corporate	3.57%	3.57%	-3.34%	5.91%
Bloomberg Barclays Municipal	2.78%	2.78%	0.26%	0.35%
Bloomberg Barclays Municipal 7 Yr 6-8	2.30%	2.30%	2.01%	0.82%

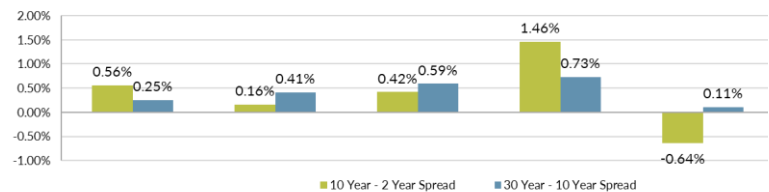
Credit Quality

	Q1 2023	YTD	1 Year	3 Year
B of A/Merril Lynch US Corporate AAA	4.54%	4.54%	-7.40%	-3.86%
B of A/Merril Lynch US Corporate AA	3.59%	3.59%	-5.93%	-2.31%
B of A/Merril Lynch US Corporate A	3.26%	3.26%	-5.10%	-1.30%
B of A/Merril Lynch US Corporate BBB	3.56%	3.56%	-5.07%	1.02%
B of A/Merril Lynch US Corporate BB	3.37%	3.37%	-2.32%	5.35%
B of A/Merril Lynch US Corporate B	3.81%	3.81%	-3.86%	5.51%
B of A/Merril Lynch US Corp. CCC & Lower	4.84%	4.84%	-8.88%	8.71%

Yield Curve



Spread Analysis



Data Source: Morningstar

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