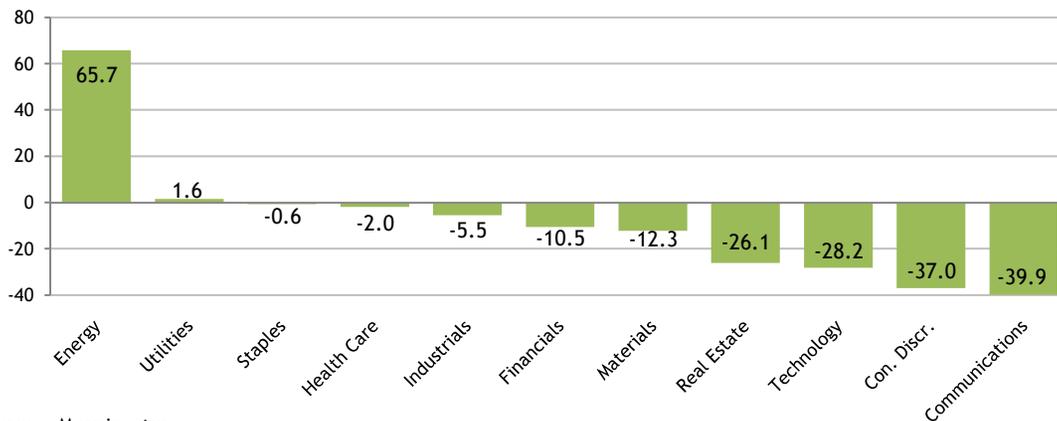


The stock market rebounded in the fourth quarter but stock indices still posted negative returns for 2022. Signs of slowing inflation helped the market move higher in October and November before stocks lost ground again in December. The Consumer Price Index (CPI) showed inflation grew at a 7.1% rate in November, down from its 9.1% peak in June. The Federal Reserve raised the Federal Funds rate twice during the fourth quarter, though December's 50 basis point hike was less than the 75 basis points seen in prior hikes. The S&P 500 gained 7.6% during the quarter, but still posted a loss of 18.1% for all of 2022.

Energy was the best performing sector in the market for the quarter and year. The Utility sector was the only other sector with positive returns for 2022. The Consumer Discretionary sector was the worst performing sector for the quarter as concerns grew about a slowdown in consumer spending. Telecommunications, Consumer Discretionary, and Technology were the worst performing sectors for the year.

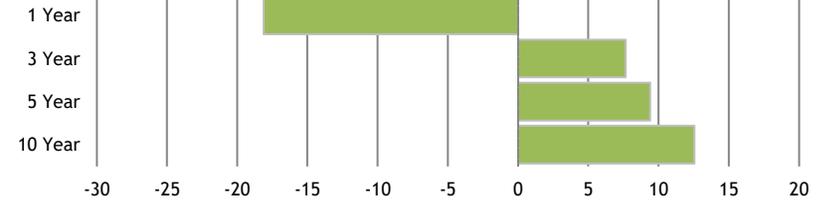
Interest rates were mixed during the quarter, peaking in early November before moving lower. The 2-year Treasury yield rose from 4.20% to 4.42% during the quarter, well above its 0.73% level at year end 2021. The 10-year Treasury yield was mostly unchanged in the 4th quarter, but still rose from 1.51% to 3.88% during 2022. The Bloomberg Aggregate Bond Index gained 1.9% for the quarter but lost 13.0% for all of 2022.

S&P 500 Index: Sector Returns Percent Year-to-Date

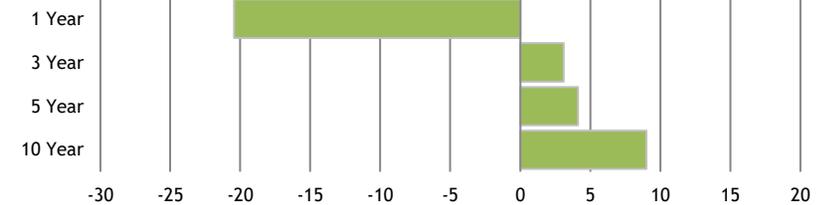


Source: Morningstar

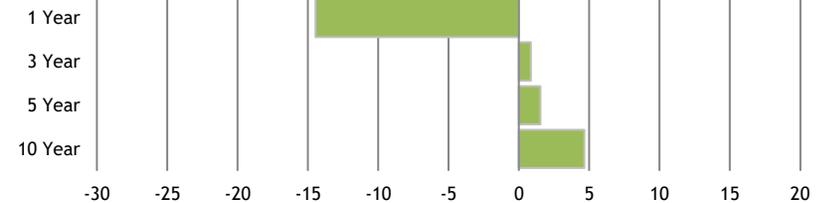
S&P 500 Average Annual Percent Total Return



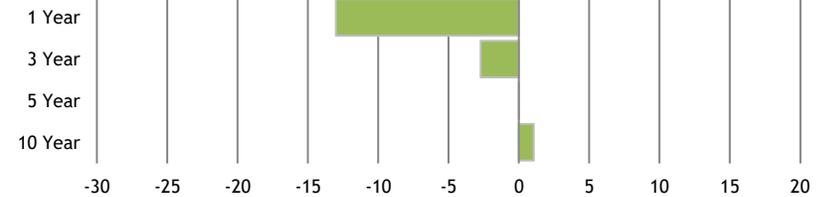
Russell 2000 Small Cap Index



MSCI EAFE International Index



Barclays Capital US Aggregate Bond Index



Barclays US Treasury Bill 1-3 Month

