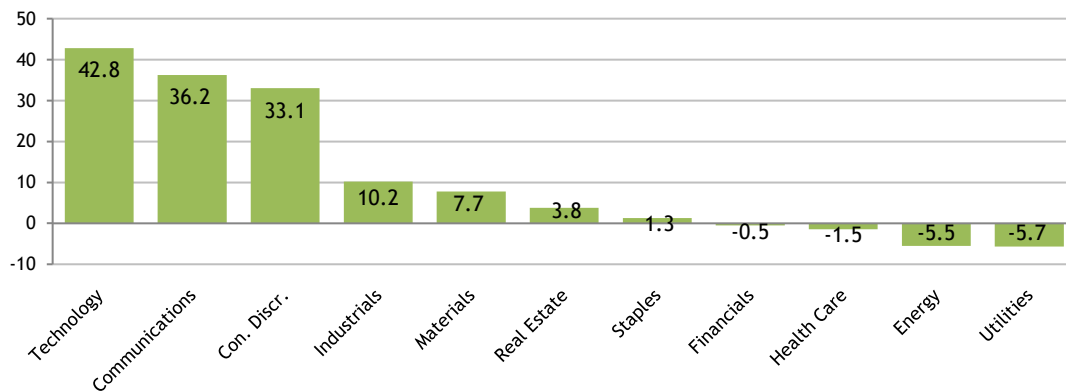


Equities moved higher in the second quarter as economic data and corporate earnings both came in better than expected. The month of May marked the 14th consecutive month that nonfarm payrolls beat expectations and the unemployment rate remained below 4%. Optimism surrounding the growth potential of Artificial Intelligence (AI) also helped push stocks higher. The NASDAQ was again the standout performer during the quarter, gaining 13.0%. The Dow Jones Industrial Average gained 4.0%, while the S&P 500 gained 8.7% for the quarter.

Technology was the best performing sectors in the market, gaining 17.2%. Nvidia shares rallied more than 50% on the hype surrounding AI, while Apple and Microsoft each gained about 18% for the quarter. With their moves higher, Apple and Microsoft each have market capitalizations over \$2.5 Trillion and when combined, now account for a 14% weighting in the S&P 500. Utilities and Energy were the worst performing sectors during the quarter, posting small declines.

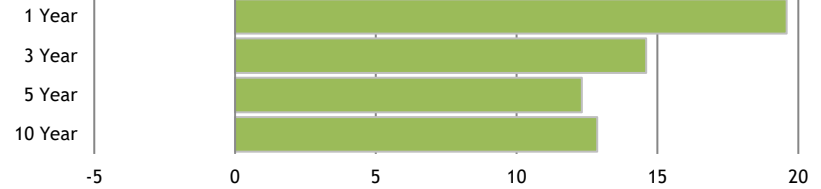
Interest rates moved higher during the quarter despite the Federal Reserve keeping short-term rates unchanged at its June FOMC meeting. The 2-year Treasury yield rose from 4.06% to 4.87% during the quarter. The 10-year Treasury yield rose from 3.49% to 3.81% during the quarter. Market expectations are for the Federal Reserve to raise short-term rates at its July FOMC meeting. The Bloomberg Aggregate Bond Index lost 0.8% for the quarter.

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

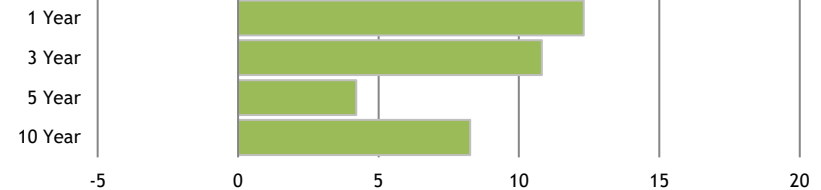


Source: Morningstar

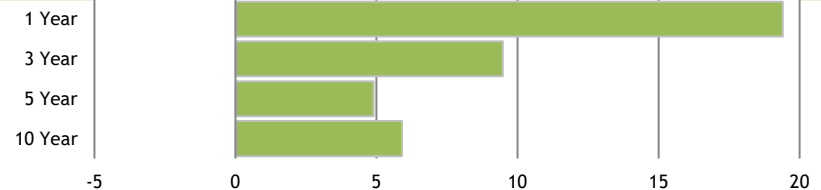
S&P 500 Average Annual Percent Total Return



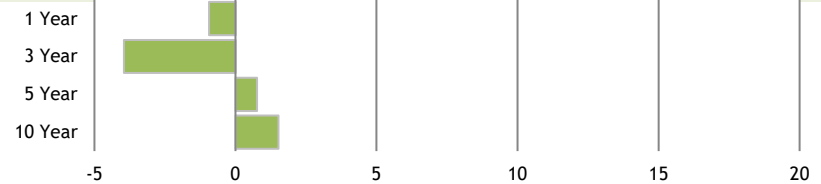
Russell 2000 Small Cap Index



MSCI EAFE International Index



Barclays Capital US Aggregate Bond Index



Barclays US Treasury Bill 1-3 Month

