

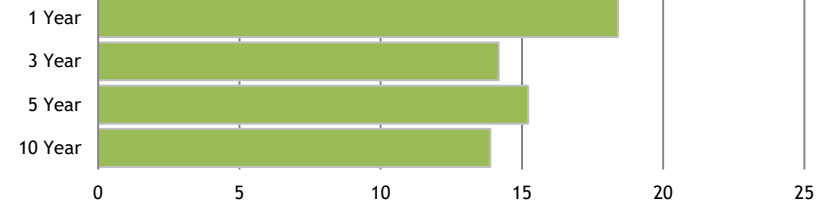
Stocks rallied into year-end, posting their third consecutive quarterly gain following the covid-induced sell-off in the first quarter. The November election result was well received by the market and corporate earnings results were better than feared. Economic data showed signs of a recovering economy as the unemployment rate continued to decline from its April peak. Positive news on the vaccine front also helped investor sentiment heading into 2021. For the quarter, the S&P 500 gained 12.15%.

All sectors of the market posted positive returns for the quarter. The beaten down Energy sector was the best performing sector in the market helped by a 20% rally in oil prices. Financial stocks also rebounded sharply as investors rotated from growth into more value oriented names.

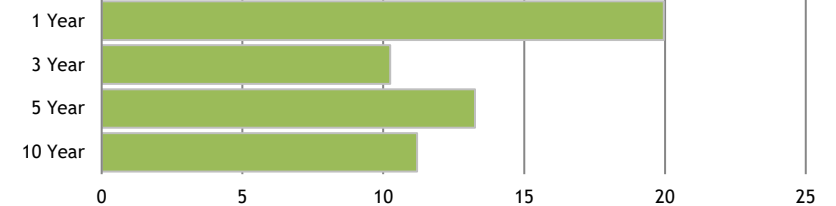
Small Cap and International stocks outperformed the S&P 500 for the quarter. The Russell 2000 Small Cap Index gained 31.3% while the MSCI EAFE International Index gained 16%.

Long-term Treasury Bond yields moved higher as prospects for economic growth improved. The 2-year Treasury yield declined slightly to 0.12% while the 10-year Treasury rate rose from 0.68% to 0.91% during the quarter. The Barclays Aggregate Bond Index gained 0.7% for the quarter.

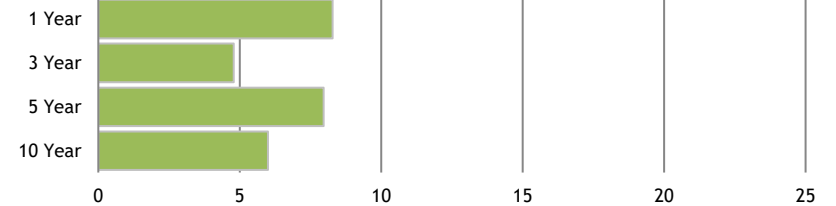
S&P 500 Average Annual Percent Total Return



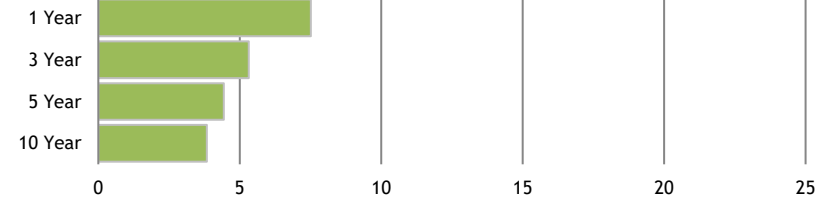
Russell 2000 Small Cap Index



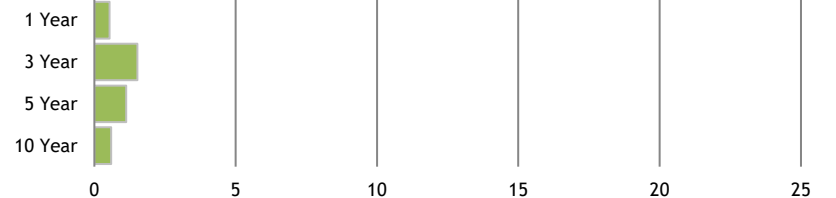
MSCI EAFE International Index



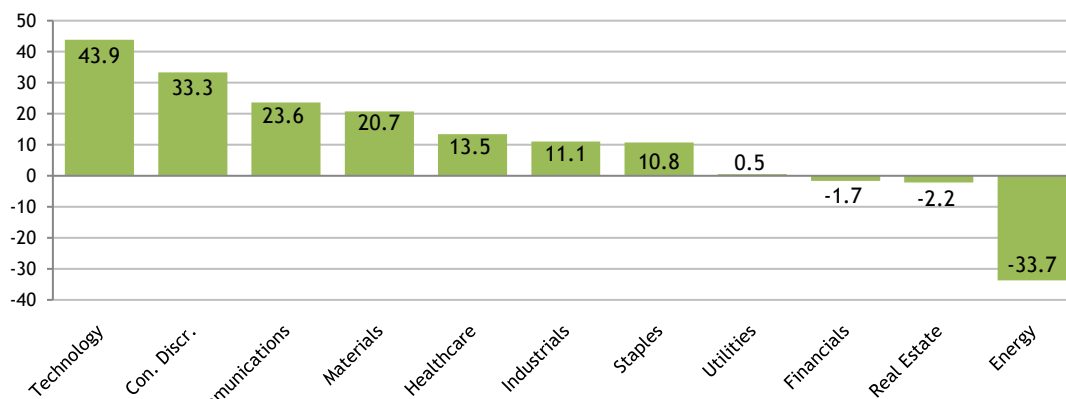
Barclays Capital US Aggregate Bond Index



Barclays US Treasury Bill 1-3 Month



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



Source: Morningstar