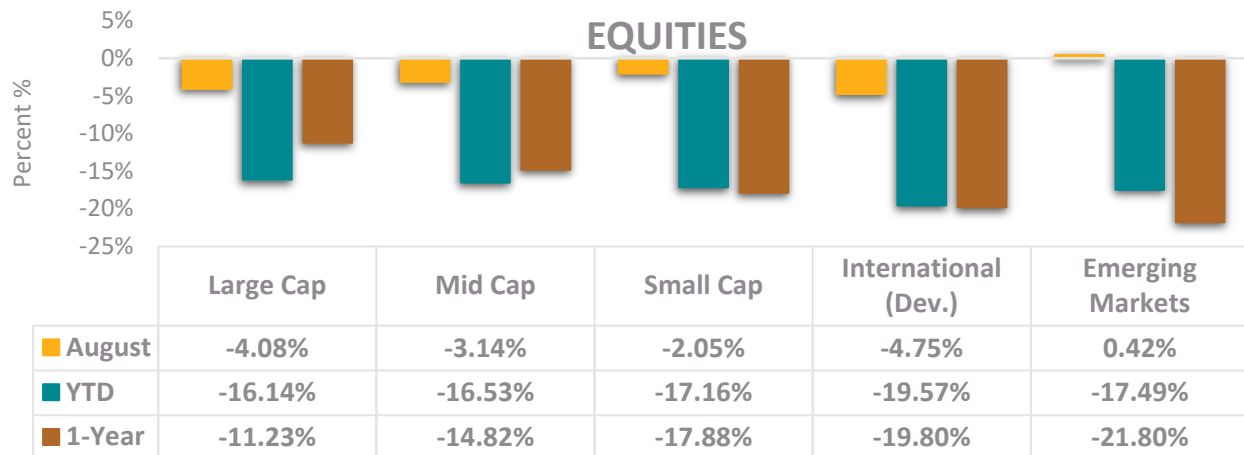


Monthly Market Summary

Market Update and Economic Developments

- After their best month in two years, US stocks saw negative returns in August as the Fed’s hawkish stance put downward pressure on equities. US large cap stocks, as measured by the S&P 500 Index, posted a -4.08% return on the month. Mid and small cap stocks struggled slightly less with the Russell Mid Cap and Russell 2000 Indices returning -3.14% and -2.05%, respectively.
- The jobs report released in early August was surprisingly positive. Non-farm payrolls increased by 528,000 in July, more than doubling estimates. Leisure and hospitality led all sectors, adding 96,000 jobs. The US has now recouped the number of jobs lost during the pandemic. Ironically the jobs report was a headwind for stocks, signaling to markets an impending economic slowdown as the Fed likely continues to hike rates into the fall.
- The Consumer Price Index (CPI) increased 8.5% year over year as reported in August, down 0.6% from July’s 9.1% figure. Fed Chair Jerome Powell warned against the premature loosening of monetary policy at the Jackson Hole Economic Symposium, and the market has priced in the likelihood of another 75-basis point rate hike in anticipation of the Fed’s September meeting.



Benchmark Indexes: Large Cap = S&P 500; Mid Cap = Russell Mid Cap; Small Cap = Russell 2000; International Developed = MSCI EAFE; Emerging Markets = MSCI EM.

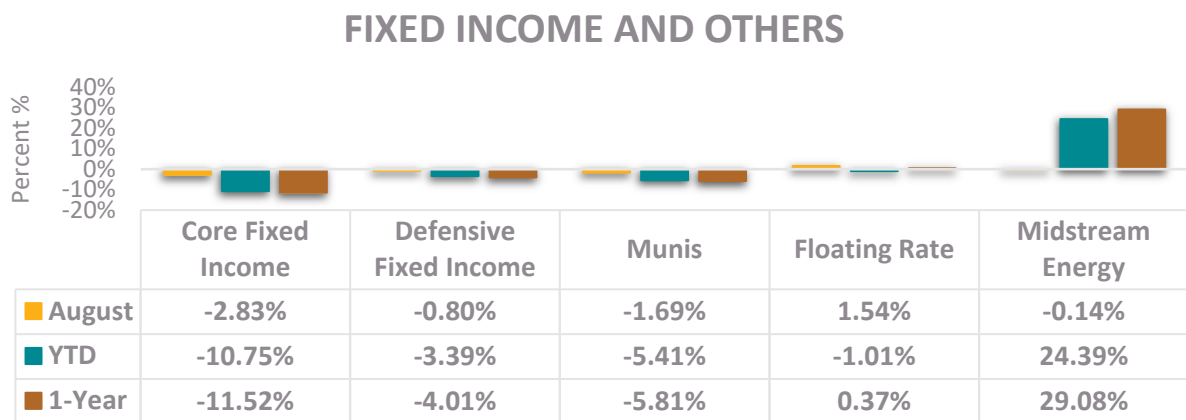


For more information on how Innovest Portfolio Solutions can help you or your institution meet your financial goals, call us at (303) 694-1900 or visit www.innovestinc.com.

Monthly Market Summary

Fixed Income Market Update and Other Assets

- Short term interest rates continued to increase in August. The 2-Year US Treasury yield ended the month at 3.45%, up 0.55% from July, while the 10-Year US Treasury yield ended August at 3.15%, up 0.48% on the month. The yield curve remains inverted.
- The 30-year fixed mortgage rate reached nearly 6%, and housing market activity continued to slow. Existing homes sales fell 5.9% while the sale of new homes fell 12.6%.
- Core Fixed Income posted a -2.83% return in August after posting its only month of positive returns on the year in July. The index is down 10.75% year-to-date.
- Midstream Energy slumped slightly on the month, down 0.14%. The Midstream Energy sector remains one of the few positive asset classes year-to-date, posting a 24.39% return. Gas prices continued to fall in August, with the average price per gallon in the US dipping below \$4 by month's end.



Domestic Fixed Income - Barclays US Agg; Municipal Bonds - Barclays 4-6 Yr Muni; Defensive Fixed Income - Barclays US Agg 1-3 Yr; Floating Rate Corporate Loans - S&P/LSTA Leveraged Loan Index; Commodities - Bloomberg Commodity; MLPs - Alerian Midstream Energy.



For more information on how Innovest Portfolio Solutions can help you or your institution meet your financial goals, call us at (303) 694-1900 or visit www.innovestinc.com.