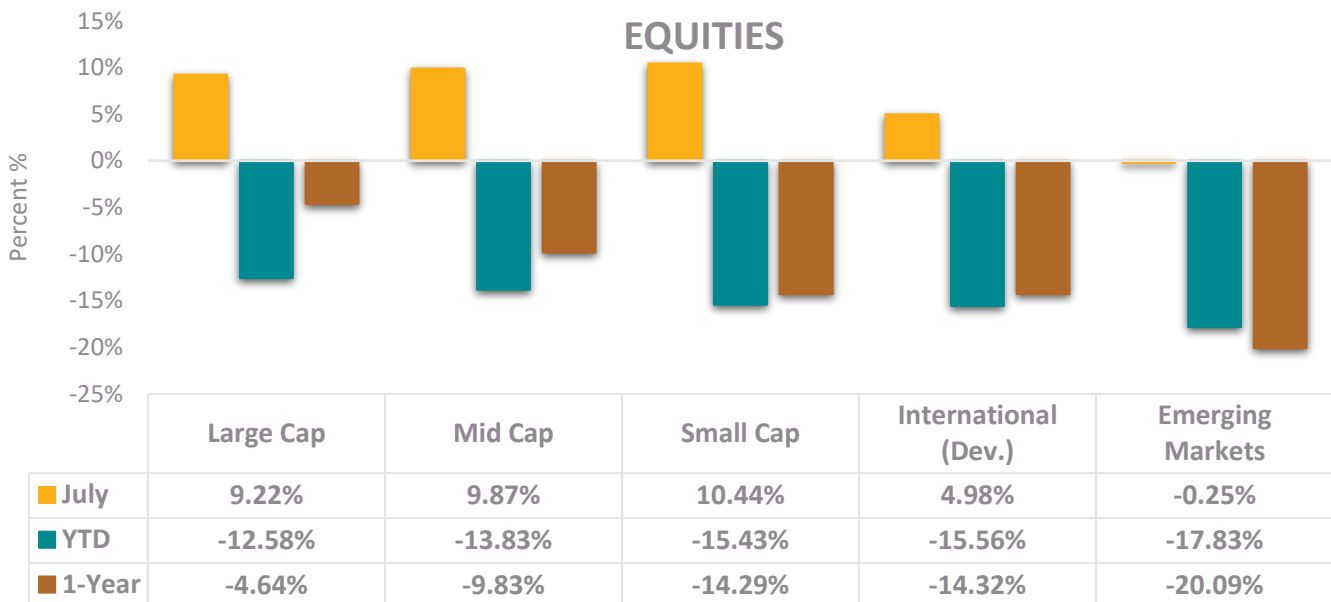


Monthly Market Summary

Market Update and Economic Developments

- US stocks had their best month in two years while the economy received discouraging news about both growth and inflation. Small capitalization stocks led the way as the Russell 2000 gained 10.44%, while the S&P 500 Index trailed closely posting a 9.22% return. July proved once again that the market is not the economy.
- The Consumer Price Index (CPI) rose to a level not seen since January of 1982, as inflation topped 9.1%. Households and businesses head into August with a more cautionary spending approach as the general public appears to be pessimistic about economic growth. Recent data indicates that google searches for the word "recession" have now eclipsed 2008-2009 levels. The consumer sentiment index, which measures consumers' optimism about the overall economy and their personal financial situation, is currently at a 50-year low. Historically, in the subsequent year following a period of low sentiment, equity performance is strong.
- Gross domestic product in the United States declined at a 0.9% annual rate in the second quarter, which follows a Q1 fall of 1.6%.



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



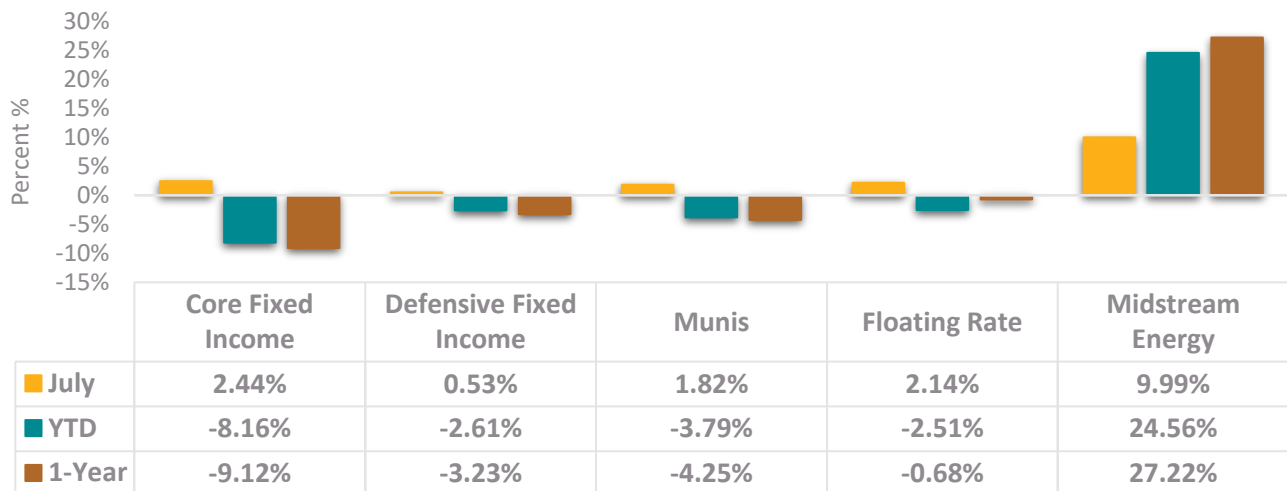
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Monthly Market Summary

Fixed Income Market Update and Other Assets

- On July 2, the Federal Reserve enacted its second 0.75% interest rate increase to ease inflation, pushing short term interest rates higher. The 2-Year U.S. Treasury yield ended the month at 2.90%, up from .19% one-year prior, while the 10-Year U.S. Treasury yield has gone from 1.24% a year ago to 2.67% today. The spread, or difference in yield between short term and longer-term treasuries, has inverted (or gone negative) to levels not seen since the summer of 2000.
- Sales of new homes in the United States fell 8.1% in June to their lowest levels since the early months of the pandemic as high prices and rising mortgage rates hurt affordability. This past week, the Mortgage Bankers Association reported that the number of weekly mortgage applications fell to its lowest level since 2000.
- Core Fixed Income posted a 2.44% return in July, marking only the second positive monthly return in 2022. However, the index is still down over 8% year-to-date.
- Midstream Energy continues to be strong, up nearly 10% in the month of July. The midstream energy sector remains one of the few positive asset classes year-to-date, posting a 24.56% return. Gas prices have fallen 13% from the national average from a month ago. Despite the recent relief, prices are still up \$1.02 (or 32%) from August 1, 2021.

FIXED INCOME AND OTHERS



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.



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