Second Quarter 2021
Investment Review

The Episcopal Diocese of Vermont

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Quarterly Performance Summary

During the 2nd quarter, the assets grew by 8.4%. This is well ahead of both the comparative indices which gained 6.79% and 6.23%. The wider outperformance was once again driven in large part by the selection of assets. The primarily large cap US investments continued to outpace the market with a 2nd quarter gain of 11.14% versus the S&P benchmark of 8.55%.

The bond exposure also helped drive the outperformance with a gain of 1.94% during the quarter compared to the index gain of 1.56%.

Refer to page 19 of this report to see the account-specific results.

As for highlights, the standout was the gene therapy sector. On June 28th, Intellia Theraputics announced what appears to be a significant breakthrough. The shares essentially doubled over the following couple of days. This position was added to the portfolio on 12-20-20 and is higher by 150%. The health care exposure was a significant outperformer during the quarter in general. For example, in addition to the gene therapy space, Moderna and Edward's Life Sciences rose significantly during the quarter.

The area of disappointment was the small cap manager. This is a separately managed small cap account. During the quarter it gained only .67% while the index gained 4.29%. The relative size of this account is very small, and was significantly reduced in size in late 2020 as we moved the portfolio towards more strategic assets such as technology, gene therapy, sustainable assets, and local assets.

During the quarter there were a few changes. Amgen was replaced with Johnson and Johnson, and in early June Cloudera was bought out and the assets moved to iSun, Hannon Armstrong Sustainable Infrastructure Capital, Sangamo Theraputics, and Editas Medicine. The last noteworthy change was that Kansa City Southern's bidding war appeared to come to a conclusion, so those funds were moved to Roper Technology.

The bottom line is we are thrilled with the results and believe the portfolio is well-positioned and balanced. We wish you all a happy and healthy summer.

Investment Return Summary

All information as of June 30, 2021

Second Quarter (03/31/2021 - 06/30/2021)			
March 31, 2021 Value:	$34,483,978	Second Quarter Return:	8.40%
Net Cash Flows	($126,356)	Benchmark Return*:	6.79%
Investment Gain (Loss):	$2,957,569	Alternative Benchmark Return**:	6.23%
June 30, 2021 Value:	$37,315,191		

Year to Date Period (12/31/2020 - 06/30/2021)			
December 31, 2020 Value:	$33,034,385	Year to Date Return:	11.88%
Net Cash Flows	$196,263	Benchmark Return*:	10.54%
Investment Gain (Loss):	$4,084,543	Alternative Benchmark Return**:	10.74%
June 30, 2021 Value:	$37,315,191		

One Year Period (06/30/2020 - 06/30/2021)			
June 30, 2020 Value:	$28,372,715	One Year Return:	32.83%
Net Cash Flows	($503,535)	Benchmark Return*:	28.68%
Investment Gain (Loss):	$9,446,010	Alternative Benchmark Return**:	29.75%
June 30, 2021 Value:	$37,315,191		

Two Year Period (06/30/2019 - 06/30/2021)			
June 30, 2019 Value:	28,646,298.00	Two Year Return:	18.17%
Net Cash Flows	(2,388,802.82)	Benchmark Return*:	18.52%
Investment Gain (Loss):	11,057,695.66	Alternative Benchmark Return**:	17.76%
June 30, 2021 Value:	37,315,191.00		

Three Year Period (06/30/2018 - 06/30/2021)			
June 30, 2018 Value:	$26,791,955	Three Year Return:	15.56%
Net Cash Flows	($3,410,597)	Benchmark Return*:	15.65%
Investment Gain (Loss):	$13,933,832	Alternative Benchmark Return**:	14.51%
June 30, 2021 Value:	$37,315,191		

Five Year Period (06/30/2016 - 06/30/2021)			
June 30, 2016 Value:	$23,972,231	Five Year Return:	13.21%
Net Cash Flows	($5,664,561)	Benchmark Return*:	13.58%
Investment Gain (Loss):	$19,007,520	Alternative Benchmark Return**:	12.47%
June 30, 2021 Value:	$37,315,191		

Note: Due to the IPS change in March 2016, periods beginning prior to 03/31/2016 do not reflect current investments and are omitted.

* The Basic Benchmark Return is weighted to the Bloomberg Barclays US Aggregate Bond Index and the Standard & Poor's 500 Index based on the actual portfolio allocation.

** The Alternative Benchmark Return is weighted among the Bloomberg Barclays US Aggregate Bond Index, the Bloomberg Barclays US Govt/Credit 1-3 Year Index, the Bloomberg Barclays US Intermediate Credit Index, the FTSE Treasury Bill 1 Month Index, the MSCI EAFE Index, the Russell 2000 Index and the Standard & Poor's 500 Index based on actual portfolio performance.

Account Activity Summary

All information as of June 30, 2021

	Second Quarter	YTD	Last 12 Months	Last 2 Years	Last 3 Years	Last 5 Years
Beginning Market Value	**$34,483,978**	**$33,034,385**	**$28,372,715**	**$28,646,297**	**$26,791,955**	**$23,972,231**
Contributions						
- Parish Deposits	$276,231	$998,550	$1,024,194	$1,458,574	$1,848,545	$2,837,285
Withdrawals						
- Parish Withdrawals	($21,943)	($50,837)	($75,754)	($945,932)	($1,050,825)	($1,746,013)
- Parish Dividends	($329,324)	($651,146)	($1,264,862)	($2,486,146)	($3,648,501)	($5,858,150)
- Foreign Taxes Withheld	($847)	($1,233)	($2,737)	($8,949)	($18,493)	($37,592)
- Management Expenses	($46,474)	($91,070)	($172,366)	($360,278)	($514,016)	($808,083)
- Operating Expenses	(4,000)	(8,000)	(12,011)	(46,201)	(27,616)	(52,559)
Net Cash Flows	**($126,356)**	**$196,263**	**($503,535)**	**($2,388,932)**	**($3,410,906)**	**($5,665,111)**
Income						
- Interest/Dividends	194,434	404,297	785,529	1,820,631	2,710,007	3,991,312
- Gains (Losses)	2,763,135	3,680,246	8,660,481	9,237,194	11,224,135	15,016,758
Total Earnings	**$2,957,569**	**$4,084,543**	**$9,446,010**	**$11,057,826**	**$13,934,142**	**$19,008,070**
Ending Market Value	**$37,315,191**	**$37,315,191**	**$37,315,191**	**$37,315,191**	**$37,315,191**	**$37,315,191**
Portfolio Returns (Gross of Fees)	8.54%	12.17%	33.54%	18.88%	16.19%	13.84%
Management Expenses	-0.14%	-0.29%	-0.71%	-0.71%	-0.63%	-0.63%
Portfolio Returns (Net of Fees)	8.40%	11.88%	32.83%	18.17%	15.56%	13.21%
Basic Benchmark Return*	6.79%	10.54%	28.68%	18.52%	15.65%	13.58%
Alternate Benchmark Return**	6.23%	10.74%	29.75%	17.76%	14.51%	12.47%

Parish Deposits: The total amount deposited by the parishes for investment into the Unit Fund subaccounts.
Parish Withdrawals: The total principal amount withdrawn by the parishes from the Unit Fund subaccounts.
Parish Dividends: The total Unit Fund dividends paid directly to the parishes and not reinvested or used for loan repayment.
Foreign Taxes Withheld: The total foreign income taxes automatically withheld on dividends paid by non-US companies.
Management Expenses: The total expenses paid by the Unit Fund for investment, account maintenance, statement preparation and reporting purposes.
Operating Expenses: The total expenses paid by the Unit Fund for accounting and auditing fees.
Interest/Dividends: The total interest and dividends generated by the investments of the Unit Fund.
Gains (Losses): The total rise or fall of the market value of the investments in the Unit Fund.
Portfolio Return: The time-weighted rate of return earned by the Unit Fund investments before (Gross) and after (Net) the management expenses are deducted.

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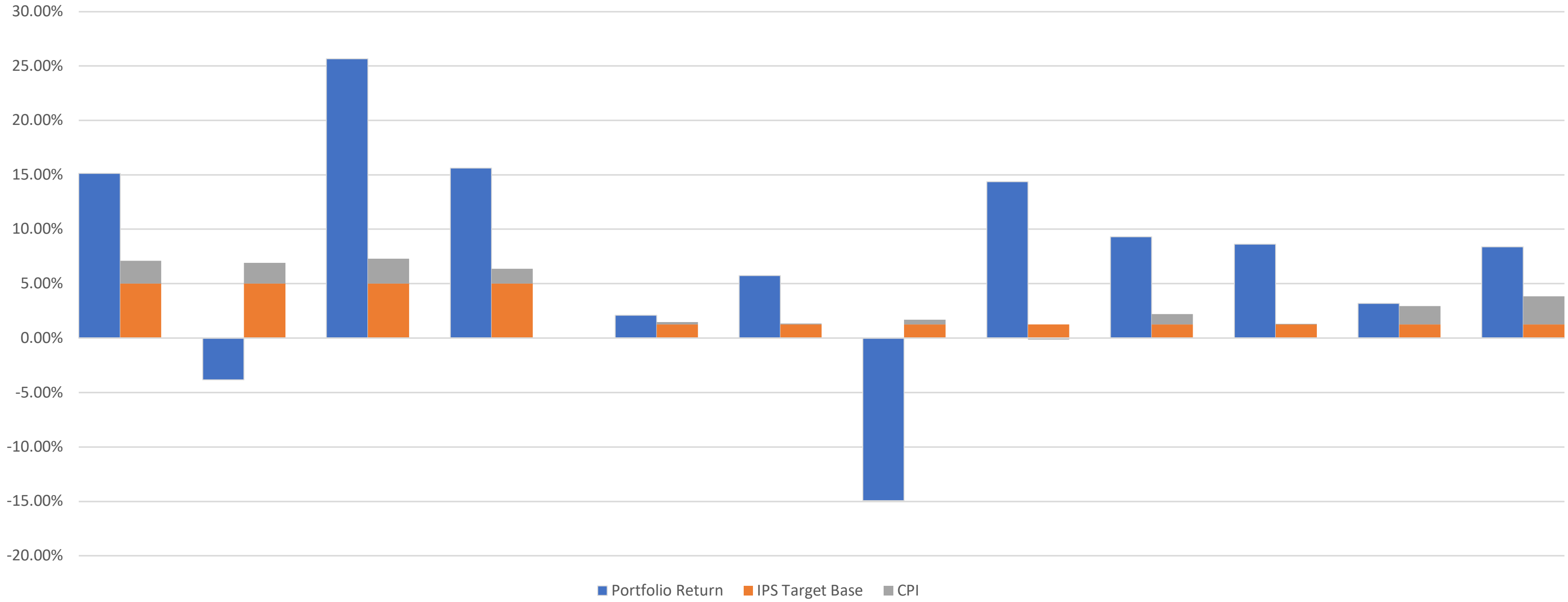
Quarterly Portfolio and IPS Target Returns

All information as of June 30, 2021

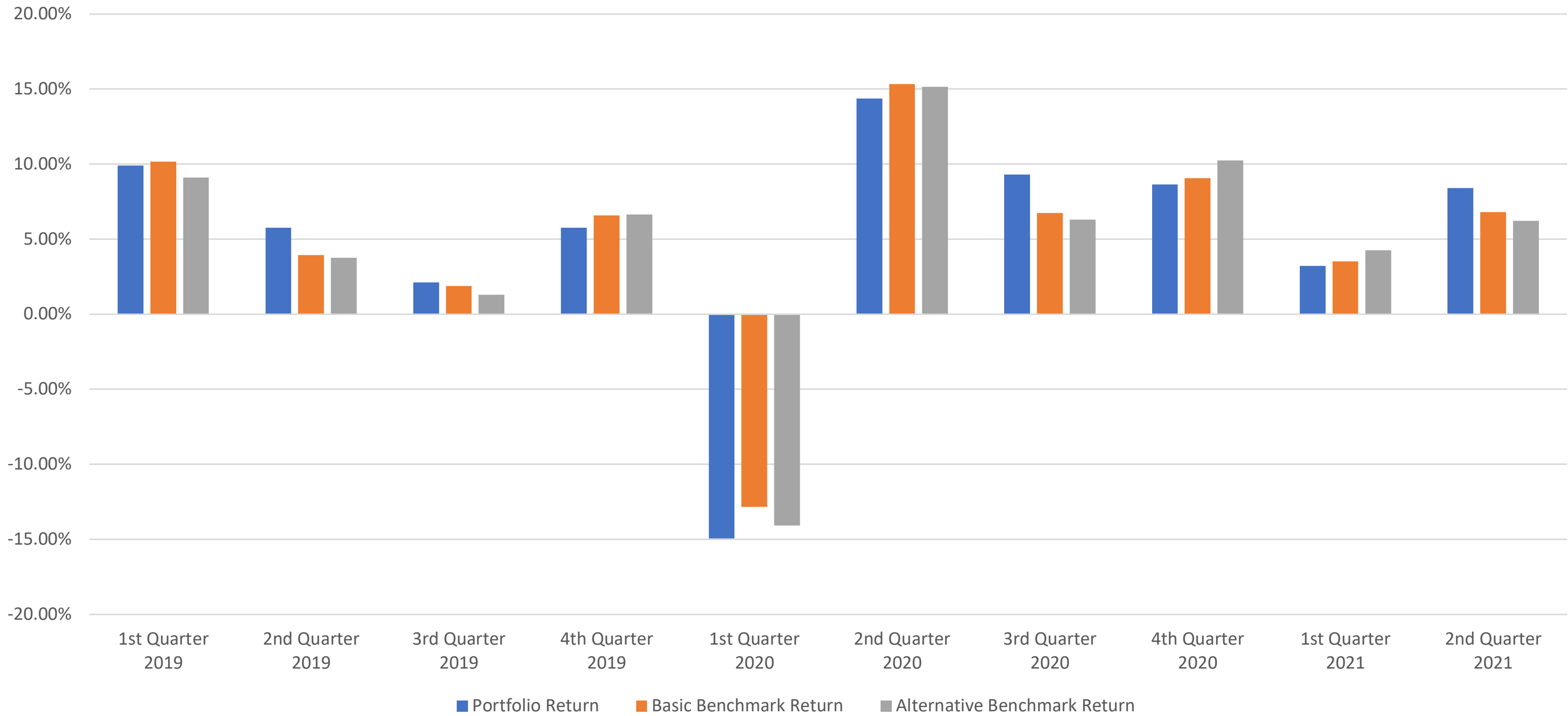


	2017	2018	2019	2020	3rd Quarter 2019	4th Quarter 2019	1st Quarter 2020	2nd Quarter 2020	3rd Quarter 2020	4th Quarter 2020	1st Quarter 2021	2nd Quarter 2021
Portfolio	15.14%	-3.83%	25.66%	15.62%	2.12%	5.76%	-14.94%	14.37%	9.29%	8.63%	3.21%	8.40%
IPS Target Base	5.00%	5.00%	5.00%	5.00%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
CPI	2.11%	1.91%	2.29%	1.36%	0.24%	0.08%	0.44%	-0.12%	0.96%	0.07%	1.69%	2.57%

Note: The IPS Target Return is comprised of the quarterly Non-Seasonally-Adjusted (NSA) CPI + 1.25%. This equates to an annual target return of the NSA CPI + 5%. The CPI figure is not available until the 15th of the month or later.

Comparative Returns for the Last 10 Quarters

All information as of June 30, 2021



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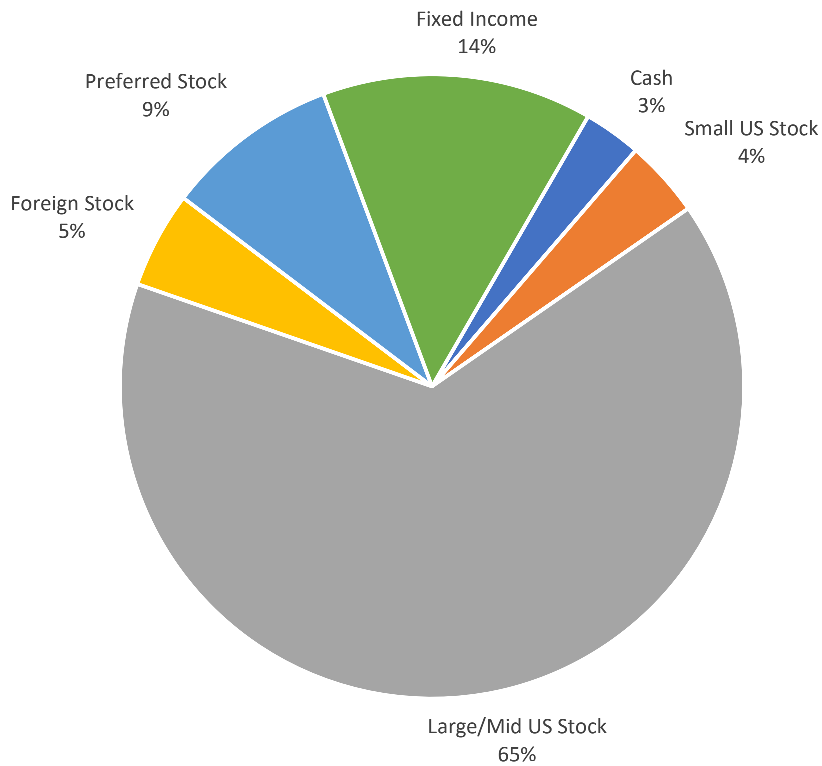
Portfolio Allocation

All information as of June 30, 2021

(74% Equities / 26% Fixed Investments)



CIO View

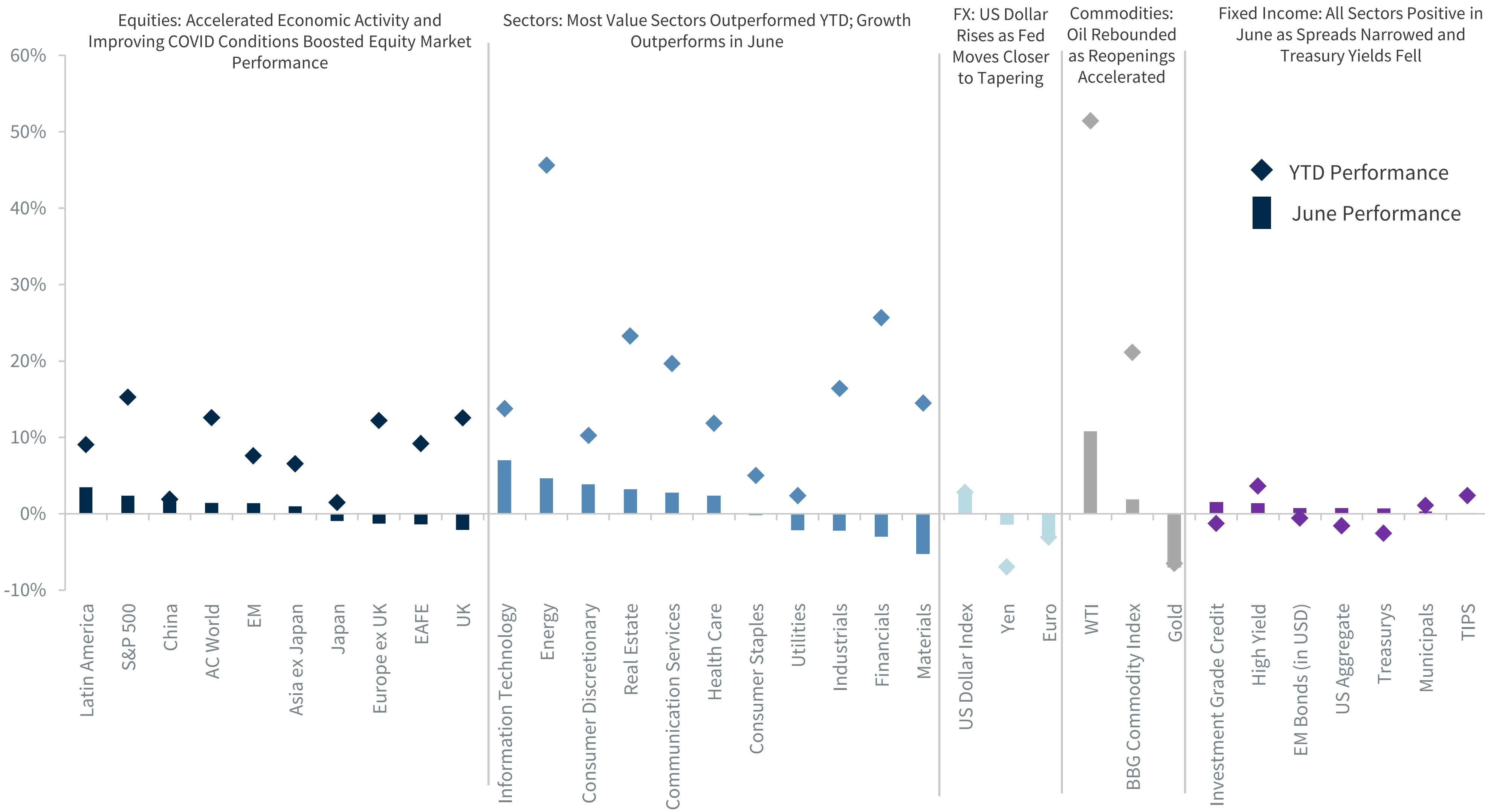
Monthly Strategy Snapshot

July 2021

Lawrence V. Adam III, CFA, CIMA®, CFP®
Chief Investment Officer

Returns By Asset Class | Month and Year-to-Date Returns

Returns by Asset Class



Data as of June 30, 2021. All international equity indices are MSCI indices and in USD. Diamonds represent the year-to-date total returns and bars represent monthly returns.

Global Economy | Confidence Grows as Recovery Unfolds

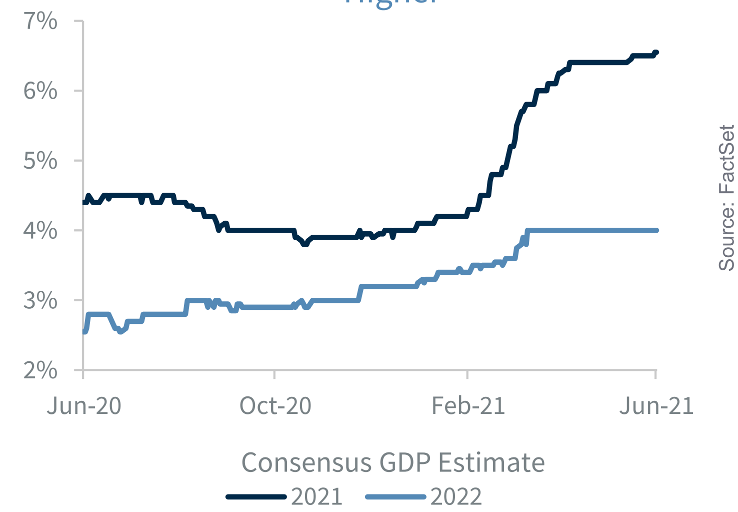
Global Economy | Recent Trends

- Global daily new COVID cases **fell ~20% in the month of June.** Though the overall picture is improving, **virus variants and vaccine distribution remain potential headwinds** to monitor.
- As expected, Fed officials left **short-term rates and the pace of asset purchases unchanged** in the June FOMC meeting. While the dot plot implied two potential rate hikes in 2023 (a faster-than-expected pace of tightening), we believe that the Fed **will leave short-term rates unchanged until 2023 and will not begin to taper its asset purchases until late 2021 or early 2022.**
- While economic growth is expected to remain strong (as evidenced by the upward revision of consensus estimates from 4% to 6.6%), the **pace of growth is likely to moderate in the second half of the year** as the economic reopening continues and spending on consumer goods moderates from the unexpectedly high levels that were experienced throughout the pandemic.
- The Consumer Price Index rose 5.0% year-over-year in May, **the largest y/y increase since mid-2008**. However, this increase is **due to transitory factors such as restart pressures and base effects** (a rebound from the low levels of a year ago). As supply chains continue to reopen and the demand versus supply imbalance normalizes, we should see price levels normalize as well.
- **Consumer Confidence was stronger than expected in June** (127.3 vs. the forecast of 119) reflecting an increase in the number of consumers who intend to purchase homes, automobiles and major appliances, as well as those who intend to take vacations—both of which provide a **signal that consumer spending will continue to support economic growth in the short term.**

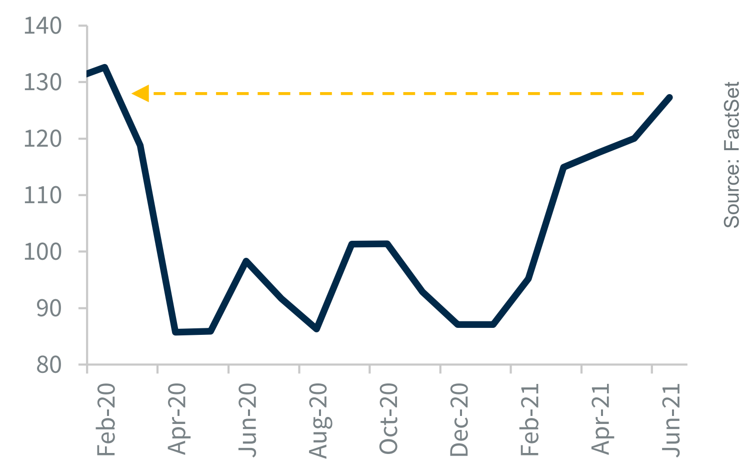
Global Economy | 2021 Outlook

- **Global economic momentum is likely to continue in 2021** as most G20 countries are likely to experience between 3% and 9% GDP growth for the year as social distancing measures wane and economies return to more normal activity. Similarly, **we expect US GDP to grow at ~6.2% in 2021**, as recovering mobility metrics combined with a sharp uptick in consumer spending and fixed corporate investment should drive US economic growth. While sweeping lockdowns as seen in the spring of last year are unlikely to return, COVID remains a key risk as several countries around the world continue to impose localized shutdowns in response to the recent case surge.
- Over the medium to longer term, continued **aggressive actions from policymakers (both from a fiscal and monetary perspective) will remain supportive of economic growth**. Globally, central bank balance sheets are increasing while governments continue to pursue additional fiscal stimulus. The Fed will likely continue the current pace of quantitative easing through 2021.
- As vaccines become more widely available, **we expect spending on services to increase after the COVID-related decline in 2020.** As services make up ~66% of total US consumer spending, the increase will be a boost to economic growth going forward.

Consensus Growth Estimates Revised Higher



Consumer Confidence at Highest Level Since February 2020

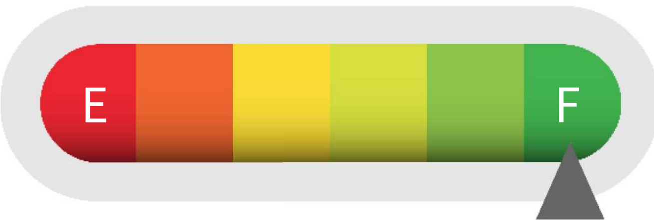


Activity Metrics | US Economy To Recover To Pre-COVID Levels

WE EXPECT ECONOMIC ACTIVITY REACHED PRE-COVID LEVELS IN 2Q21

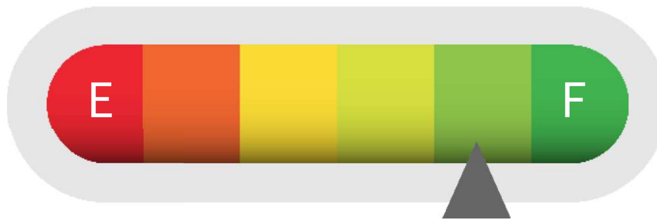
- As a result of fiscal and monetary stimulus and improving activity metrics (due to increased vaccinations and falling case counts), we expect US GDP to be ~6.2% in 2021. This would mark the best year of economic growth since 1984.

Withholding Taxes



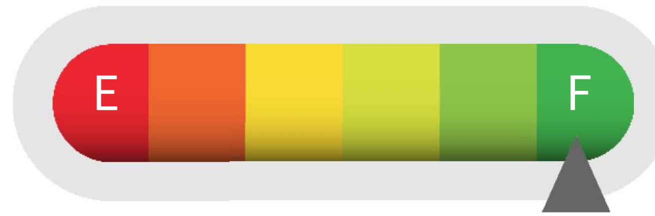
Withholding taxes are back at record highs, suggesting increased employment and rising wages

Jobless Claims



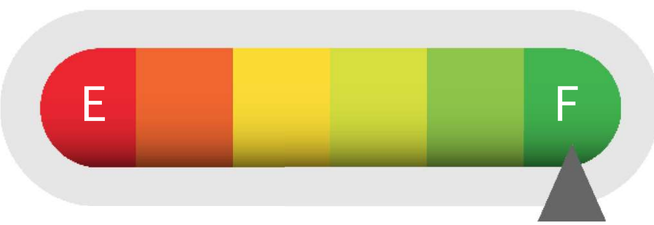
Jobless claims are at post-COVID lows and are back below the previous 30-year average

ISM New Orders



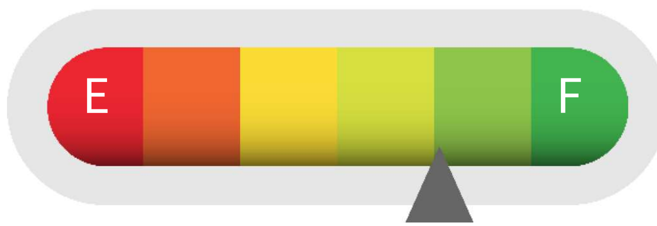
ISM new orders are in expansion territory (a level above 50) and is at nearly the highest level in thirty years

Motor Vehicle Sales



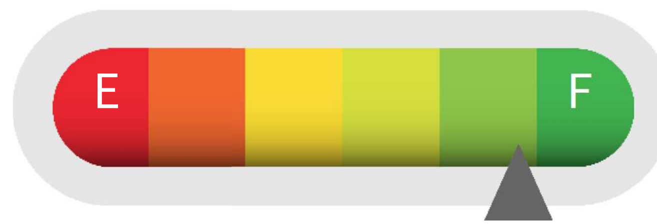
The previous two-month average of motor vehicle sales is at the highest level since 2005

Bank Lending



The percentage of banks easing lending standards is increasing and demand is picking up

Real-Time Activity



While in large part remaining below 2019 levels, TSA screenings, restaurant reservations and hotel bookings are all at post-COVID high levels

Equities | Multiple Tailwinds Prompt Upward Estimate Revisions

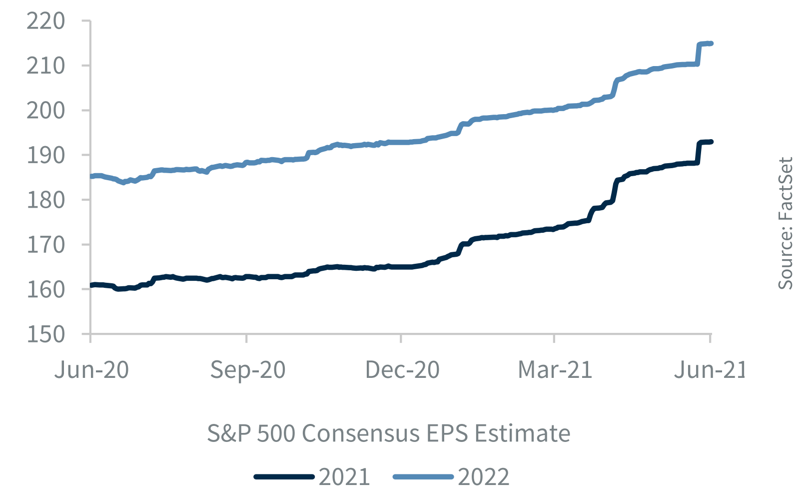
Global Equities | Recent Trends

- The S&P 500 was up 2.3% in June, marking the fifth consecutive monthly gain. **The S&P 500 is now up ~16% to start the year (second best start to a year since 2000) and is up 99% since the start of the bull market** (the strongest at this juncture on record).
- US equities continue to be supported by the robust macro environment, solid earnings growth (2021 will likely be the strongest year of EPS growth since 2000), positive shareholder-friendly activities and attractive valuations (vs. bonds). As a result, we **increased our 2021 price target from 4,180 to 4,400** using $200 EPS and 22x P/E.
- We recommend a **pro-cyclical stance to portfolio positioning** with increased exposure to areas that will benefit from both the economic recovery and surging earnings growth. This leads to our **overweight sectors being Financials, Industrials, Energy, Consumer Discretionary, and Communication Services**.
- As a result of the decline in interest rates while economic momentum remained strong, **growth outperformed value by 685 bps in June**, the largest spread since January 2009.
- **The MSCI EM Index rallied 1.4% in June** and longer-term should continue to benefit both from **strong global growth and a declining US dollar.** Additionally, while accelerated reopenings in other parts of the world could create opportunities, we continue to **favor US equities** due to a more efficient vaccine rollout and swifter economic recovery in the US.

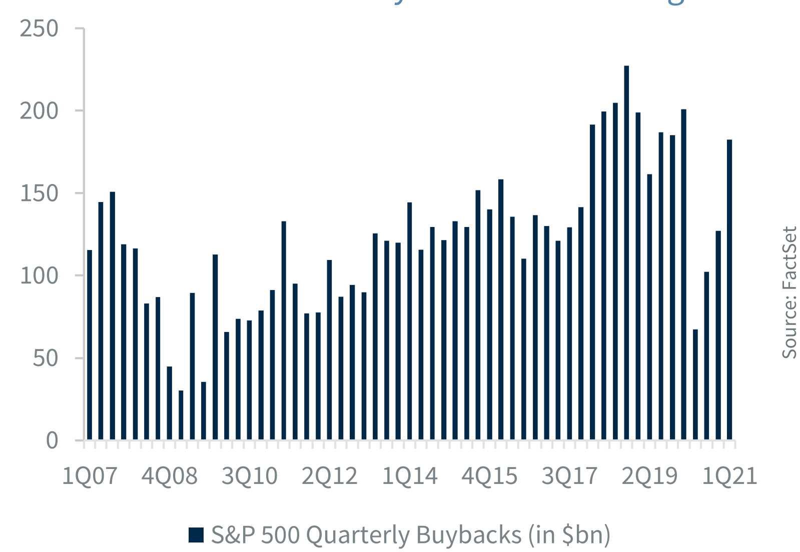
Global Equities | 12-Month Outlook

- While stretched technicals may lead to periods of elevated volatility, **we believe that equities will be higher over the next 12 months on the back of rebounding economic and earnings growth.** However, investors need to dial back their return expectations, as strong EPS growth ($200 2021 S&P 500 earnings forecast) will likely be partially offset by P/E multiple compression. Our year-end 2021 **S&P 500 price target is 4,400.**
- We remain biased to select cyclical sectors that should benefit from improving economic growth and stronger earnings growth. We favor **Energy, Comm. Services, Financials, Consumer Discretionary, and Industrials—**sectors that can benefit from rising consumer confidence, increasing interest rates and the economic reopening.
- **We favor large cap relative to small cap in the near term** as it has a larger allocation towards our favorite sectors. We suggest investors be more tactical within small-cap industries as select industry valuations are elevated within the space.
- **We remain constructive longer term on global equities,** especially EM, as they are leveraged to the cyclical global economic rebound, however, we prefer the US over other developed markets due to favorable sector exposure and more resilient economic growth.

S&P 500 Earnings Forecast Revised Higher



Shareholder-Friendly Actions Increasing



Fixed Income | Treasury Yields Ease Further

Global Bonds | Recent Trends

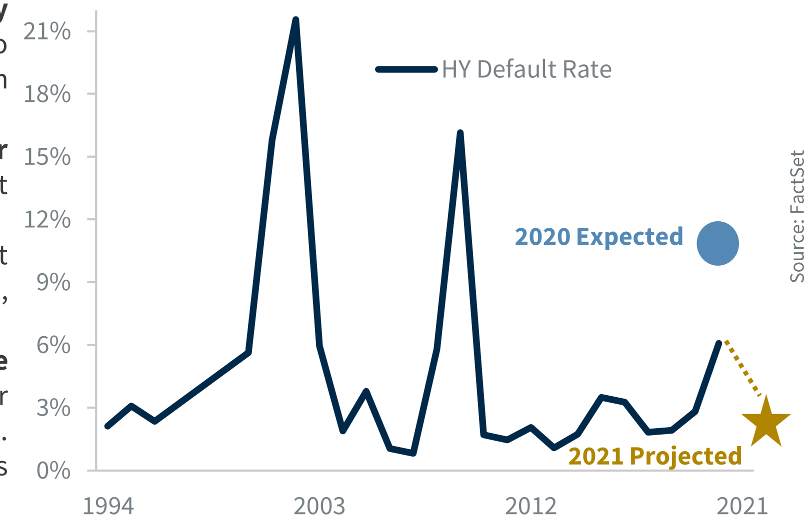
- Despite strengthening economic data, improving activity metrics, rising inflation (core CPI rose at the fastest pace since 1992 in May) and increased issuance, the **10-year Treasury yield cooled further in June and posted its third consecutive monthly** decline (-13 bps to 1.45%) for the first time since July 2020. The 10-year yield is now ~30 bps off of recent highs.
- While the decline in Treasury yields occurred predominantly on the longer end of the Treasury curve, shorter duration bond yields (2-year Treasury yield +0.25%) rose to the highest level since April 2020 as the Fed moves closer to tapering asset purchases. As a result, **the US yield spread curve (10Y-2Y) narrowed to the lowest level in five months.**
- The risk asset rally and improving economic activity continue to support credit-related assets, **as spreads in all major credit sectors declined to multi-year lows.** High yield was particularly strong, as the yield on high-yield bonds fell to the lowest level on record.
- As individual tax hikes are on the table as a potential pay-for for an infrastructure package, **municipal-bond spreads (relative to Treasurys) fell to the lowest level since 2007.**
- **The rise in inflation expectations has boosted TIPS**, as TIPS have outperformed nominal Treasurys for 14 out of the last 15 months and by ~1000 bps over the last 12 months.

US Yield Curve Spread Narrows

Global Bonds | 12-Month Outlook

- As the market is pricing in continued economic recovery through 2021 and the potential for additional fiscal spending in an infrastructure package, **we forecast the 10-year Treasury yield to end 2021 at ~2.0%**. However, **we anticipate the rise in yields to be limited** due to transitory inflation, continued buying from global central banks, increased demand from foreign investors, and the overall interest rate sensitivity of the economy.
- While our forecasted rise in yields will likely lead to **limited, if any, capital appreciation for bonds in 2021**, **fixed income remains an important piece within investors' portfolios** as it limits/hedges equity market risk and provides increased diversification.
- Given our expectation for a modest rise in longer-duration interest rates while the Fed is set to leave policy rates unchanged for the foreseeable future (keeping shorter-term rates low), **we suggest a shorter than benchmark duration for bond portfolios.**
- From a credit perspective, while spreads have narrowed significantly to multi-year lows, **we expect them to continue to tighten only modestly** in the next 12 months. We would favor holding higher-quality bonds and therefore **favor investment-grade over high-yield bonds.** In general, we would **prefer to add additional risk in the equity market over high yield** as we believe investors are better compensated for taking on risk in the equity market.

Lower than Expected Defaults Support High Yield



Commodities & Currencies | Commodity Rally Continues

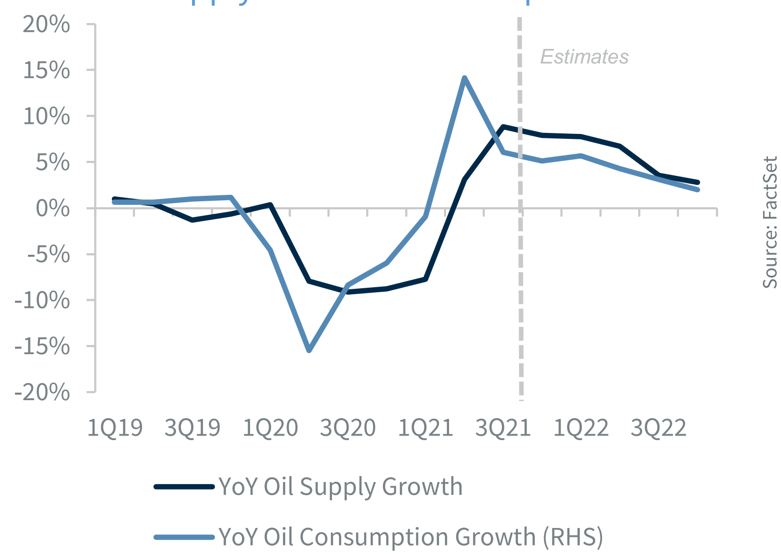
Commodities & Currencies | Recent Trends

- The commodity rally continued in June as **the Bloomberg Commodity Index rallied for the eighth time in the last nine months.** Commodities rose on improving economic activity (particularly in the US), rising vaccine inoculations (globally it is beginning to pick-up) and supply constraints. Commodities are now up 46% over the last 12 months.
- Similar to broad commodities, the crude oil rally continued in May as **crude oil rallied for the seventh time in the last eight months**. Crude oil rallied on increased global demand (including both gasoline and jet fuel), accelerating economic activity, rising COVID vaccine inoculations and as OPEC failed to come to an agreement to increase production.
- Despite improving global economic activity and narrowing interest rate differentials (particularly vs. Europe), **the US dollar rallied for the first time in three months in June**. Supporting the dollar's move higher was the Fed signaling that it may soon discuss the timeline for tapering asset purchases and the dot plot forecast from the June FOMC meeting, which reflected the potential for two Fed rate hikes in 2023.
- Despite declining interest rates and the Fed leaving policy unchanged at the June FOMC meeting, **gold declined for the first time in three months in June.**
- After rising to highest level since 2012 due to supply constraints amid improving demand, **industrial metals posted its largest monthly decline (-3.3%) since March 2020.**

Commodities & Currencies | 12-Month Outlook

- As US economic activity recovers following the continued roll out of vaccines and reopening of the economy, **crude oil prices will remain strong over the next 12 months (year-end 2021 WTI target: $75/barrel) due to improving global demand.**
- However longer term, as the price of crude oil is above current breakeven levels for US producers (thereby incentivizing more capital investment), **rising US crude oil production as well as increasing OPEC production will likely limit a substantial further rise in prices.**
- While the US dollar rallied modestly in June, **we expect the dollar to weaken over the next 12 months**. Pressuring the dollar lower will be fundamental factors, as improving global economic activity and falling global economic policy uncertainty (due to the counter-cyclical nature of the USD) will likely reduce demand for the dollar. Additionally, **aggressive US fiscal and Fed monetary policy easing**, leading to rapid money supply growth and widening fiscal deficits will also likely lead to a weaker dollar.
- While gold has been a solid hedge for investors throughout the COVID-crisis, **the demand for gold will likely continue to wane** as US economic activity improves in 2021 and 2022 and on the expectation that real interest rates will move modestly higher from current levels.

Oil Supply Growth Set to Outpace Demand



Industrial Metals Ease in June

Summary | Views and Key 2021 Year-End Targets

1 ECONOMY

2021 US GDP: ~6.2%

Faster than expected vaccinations, combined with additional fiscal stimulus continue to boost economic activity and upward growth revisions. The economic rebound is likely to continue over the next 12 months especially if policymakers continue to exhibit an accommodative approach to policy.

2 BOND MARKET

2021 10-Year Treasury: ~2.00%

We forecast that the 10-year Treasury yield will be ~2.00% by year-end 2021, supported by improving economic activity and continued fiscal stimulus. As we prefer higher-quality bonds, we prefer investment grade over high yield. Bond exposure should be viewed as a portfolio diversifier in mitigating the overall risk of a balanced portfolio and help in providing some stable income generation.

3 EQUITIES

2021 S&P 500: 4,400

Our expectation for a rebound in 2021 economic activity, rising EPS growth and continued stimulus should support equities. In contrast to recent years, we expect positive returns to be driven by EPS growth rather than P/E expansion. Use pullbacks as buying opportunities within our favorite sectors (Energy, Financials, Communication Services, Industrials and Consumer Discretionary).

4 DOLLAR DIRECTION

2021 EUR/USD: 1.25

Our expectation is that aggressive fiscal and monetary policy and a burgeoning budget deficit may cause the dollar to modestly weaken throughout 2021. Separately, narrowing interest rate differentials may weaken the dollar relative to other currencies. However, the potential for near-term volatility in riskier assets is likely to support the dollar.

5 OIL

2021 WTI: $75/bbl

Over the next 12 months, crude oil will be supported by the reduction in social distancing measures, increasing economic activity in 2021 and thereby improving demand. However, as prices rise above breakeven levels to a point that incentivizes US oil producers and OPEC to raise production levels, the rise in oil prices will likely be limited by increased supply.

6 ELEVATED VOLATILITY

Volatility: ↓

After a year of unpredictable events (e.g., COVID crisis, 2020 election) we expect the overall level of volatility to decrease in 2021 due to the continued roll out of vaccines, a more stable political environment in the US, improving global economic activity, still accommodative global central banks, and easing trade rhetoric (particularly between the US and Europe).

DISCLOSURES

Diversification does not ensure a profit or guarantee against a loss

INTERNATIONAL INVESTING | International investing involves additional risks such as currency fluctuations, differing financial accounting standards, and possible political and economic instability. These risks are greater in emerging markets.

SECTORS | Sector investments are companies engaged in business related to a specific economic sector and are presented herein for illustrative purposes only and should not be considered as the sole basis for an investment decision. Sectors are subject to fierce competition and their products and services may be subject to rapid obsolescence. There are additional risks associated with investing in an individual sector, including limited diversification.

OIL | Investing in oil involves special risks, including the potential adverse effects of state and federal regulation and may not be suitable for all investors.

CURRENCIES | Currencies investing are generally considered speculative because of the significant potential for investment loss. Their markets are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising.

GOLD | Gold is subject to the special risks associated with investing in precious metals, including but not limited to: price may be subject to wide fluctuation; the market is relatively limited; the sources are concentrated in countries that have the potential for instability; and the market is unregulated.

FIXED INCOME | Fixed-income securities (or “bonds”) are exposed to various risks including but not limited to credit (risk of default of principal and interest payments), market and liquidity, interest rate, reinvestment, legislative (changes to the tax code), and call risks. There is an inverse relationship between interest rate movements and fixed income prices. Generally, when interest rates rise, fixed income prices fall and when interest rates fall, fixed income prices generally rise.

US TREASURIES | US Treasury securities are guaranteed by the US government and, if held to maturity, generally offer a fixed rate of return and guaranteed principal value.

US DOLLAR | The US Dollar Index is an index (or measure) of the value of the United States dollar relative to a basket of foreign currencies,[1] often referred to as a basket of U.S. trade partners' currencies.[2] The Index goes up when the US dollar gains "strength" (value) when compared to other currencies.

DEFINITIONS

AGGREGATE BOND | **Bloomberg Barclays US Agg Bond Total Return Index:** The index is a measure of the investment grade, fixed-rate, taxable bond market of roughly 6,000 SEC-registered securities with intermediate maturities averaging approximately 10 years. The index includes bonds from the Treasury, Government-Related, Corporate, MBS, ABS, and CMBS sectors.

HIGH YIELD | **Bloomberg Barclays US Corporate High Yield Total Return Index:** The index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody’s, Fitch and S&P is Ba1/BB+/BB+ or below.

CREDIT | **Bloomberg Barclays US Credit Total Return Index:** The index measures the investment grade, US dollar-denominated, fixed-rate, taxable corporate and government related bond markets. It is composed of the US Corporate Index and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities.

MUNICIPAL | **Bloomberg Barclays Municipal Total Return Index:** The index is a measure of the long-term tax-exempt bond market with securities of investment grade (rated at least Baa by Moody’s Investors Service and BBB by Standard and Poor’s). This index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

BBG COMMODITY INDEX | Bloomberg Commodity Index is calculated on an excess return basis and reflects commodity futures price movements.

S&P 500 | The **S&P 500 Total Return Index:** The index is widely regarded as the best single gauge of large-cap U.S. equities. There is over USD 7.8 trillion benchmarked to the index, with index assets comprising approximately USD 2.2 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

EMERGING MARKETS EASTERN EUROPE | **MSCI EM Eastern Europe Net Return Index:** The index captures large- and mid-cap representation across four Emerging Markets (EM) countries in Eastern Europe. With 50 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

ASIA EX JAPAN INDEX | **The MSCI AC Asia ex Japan** Index captures large and mid cap representation across 2 of 3 Developed Markets (DM) countries* (excluding Japan) and 9 Emerging Markets (EM) countries in Asia. With 983 constituents, the index covers approximately 85% of the free float adjusted market capitalization in each country.

AC WORLD INDEX | **The MSCI AC World** Index is a market capitalization weighted index designed to provide a broad measure of equity-market performance throughout the world. The MSCI ACWI is maintained by Morgan Stanley Capital International (MSCI) and is comprised of stocks from 23 developed countries and 24 emerging markets.

EMERGING MARKETS LATIN AMERICA | **MSCI EM Latin America Net Return Index:** The index captures large- and mid-cap representation across five Emerging Markets (EM) countries in Latin America. With 116 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS | **MSCI Emerging Markets Net Return Index:** This index consists of 23 countries representing 10% of world market capitalization. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 23 countries.

JAPAN | **MSCI Japan Net Return Index:** The index is designed to measure the performance of the large and mid cap segments of the Japanese market. With 319 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

EUROPE EX UK | **MSCI Europe Ex UK Net Return Index:** The index captures large and mid cap representation across 14 Developed Markets (DM) countries in Europe. With 337 constituents, the index covers approximately 85% of the free float-adjusted market capitalization across European Developed Markets excluding the UK.

MSCI EAFE | The **MSCI EAFE** (Europe, Australasia, and Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the United States & Canada. The EAFE consists of the country indices of 22 developed nations.

INTERNATIONAL DISCLOSURES

DESIGNATIONS

DATA SOURCES

FactSet as of 7/5/2021.

RAYMOND JAMES

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Portfolio and Individual Account Investment Returns

All information as of June 30, 2021

	Market Value	Current Allocation	MTD	QTD	Last 6 Months	YTD	Last 12 Months	Last 2 Years	Last 3 Years	Last 5 Years
Overall Portfolio	**37,331,126.14**	**100.00%**	**3.61%**	**8.40%**	**11.88%**	**11.88%**	**32.83%**	**18.17%**	**15.56%**	**13.21%**
Basic Benchmark Return*			1.90%	6.79%	10.54%	10.54%	28.68%	18.52%	15.65%	13.58%
Alternate Benchmark Return**			1.60%	6.23%	10.74%	10.74%	29.75%	17.76%	14.51%	12.47%
Individual Stock Account	**26,679,970.05**	**71.47%**	**4.96%**	**11.14%**	**16.29%**	**16.29%**	**44.45%**	**24.83%**	**21.71%**	**18.51%**
S&P 500			2.33%	8.55%	15.25%	15.25%	40.79%	23.03%	18.67%	17.65%
Clarkston SMID-Cap Equity	**496,317.22**	**1.33%**	**-4.89%**	**0.67%**	**12.07%**	**12.07%**	**40.47%**	**16.30%**	**11.61%**	**12.30%**
Russell 2000			1.94%	4.29%	17.54%	17.54%	62.03%	23.00%	13.52%	16.47%
International Equity	**509,055.77**	**1.36%**	**-0.68%**	**7.38%**	**7.38%**	**7.38%**	**28.22%**	**12.51%**	**8.14%**	**10.60%**
MSCI EAFE			-1.13%	5.17%	8.83%	8.83%	32.35%	12.05%	8.27%	10.28%
Individual Bond Account	**9,645,783.10**	**25.84%**	**0.73%**	**1.94%**	**0.95%**	**0.95%**	**6.91%**	**5.26%**	**5.77%**	**3.11%**
Bloomberg Barclays US Int Credit			0.33%	1.56%	-0.54%	-0.54%	2.25%	4.58%	5.78%	3.64%

Note: Due to the IPS change in March 2016, periods beginning prior to 03/31/2016 do not reflect current investments and are omitted.

* The Basic Benchmark Return is weighted to the Bloomberg Barclays US Aggregate Bond Index and the Standard & Poor's 500 Index based on the actual portfolio allocation.

** The Alternative Benchmark Return is weighted among the Bloomberg Barclays US Aggregate Bond Index, the Bloomberg Barclays US Govt/Credit 1-3 Year Index, the Bloomberg Barclays US Intermediate Credit Index, the FTSE Treasury Bill 1 Month Index, the MSCI EAFE Index, the Russell 2000 Index and the Standard & Poor's 500 Index based on actual portfolio performance.