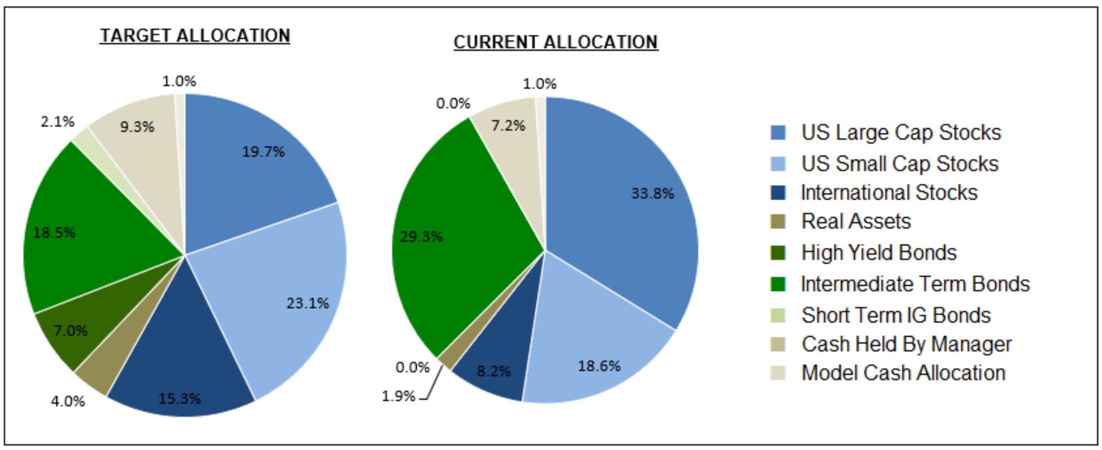
*General overall portfolio comments refer to the Moderate Growth allocations used in both the Pooled Fund Program and the Unified Managed Account Program. These general comments will be referred to as “Moderate Growth” throughout. Specific references to performance, current allocation, or comparison to indexes are derived from the CWA Model 5 Portfolio in the Pooled Fund Program; these specific comments will be referred to as “Model 5” throughout.

PORTFOLIO ANALYSIS

Overall Goal. We construct portfolios to generate a return that maximizes the probability that an investor will meet their retirement goals, as opposed to maximizing their asset base (which interjects significant risk). We believe that a value bias, international exposure and general diversification provide the best avenue to meet this objective. Our portfolios have lower volatility†, but can go through periods where they do not keep pace with the U.S. equity markets (the most common benchmark) because of our focus on value, fixed income and international stocks.

The **Moderate Growth Portfolio** is intended to provide a balanced allocation, with a slight overweight to equities over fixed income. The goal is to provide a balance of growth and income with lower volatility than an all-equity portfolio. Our target and current portfolio asset class allocations for Model 5 are listed below.



ACTUAL VS. TARGET

Equal Weight Equities

Under Weight International Exposure

Equal Weight Intermediate and Long-Term Fixed Income

High Cash Position

LARGEST EQUITY AND FIXED INCOME POSITIONS

In normal market environments, Moderate Growth has a target allocation of 60% stocks & 40% bonds, with approximately 20% of the portfolio in international equities and fixed income. So, the portfolio is a global one – with a U.S. tilt. By design, the holdings are broadly diversified by location/country, by company size, by credit quality/yield and by maturity/duration. The investment managers have a degree of flexibility which allows them to respond to different market environments, and our equity managers are currently holding a large amount of cash (given current valuations).

† as of 07/31/2024, the 10-year volatility (standard deviation) of Model 5 is 10.2%, versus 15.3% for the S&P 500 Index.

PERFORMANCE

The Moderate Growth portfolios in the Pooled Fund Program and the Unified Managed Account Program have slightly different investments, costs and thus returns. Accordingly, we direct you to your account statement for your individual performance.

In July, Model 5 (net of fees and expenses) outperformed compared to the Global 60/40 Index, outperformed compared to the U.S. 60/40 Index, and outperformed compared to the S&P Moderate Growth which posted the following returns:

PERFORMANCE	JULY	COMMENTS
Global 60/40 Benchmark Index(2)	2.34%	A rotation into the broader market, especially small caps, started on July 11 after the favorable CPI print. The S&P and NASDAQ were negative for the last 2.5 weeks of the month. Small caps outperformed the NASDAQ and S&P well into the double digits during that period. Yields fell during the month, and bonds performed well.
U.S. 60/40 Benchmark Index(3)	1.67%	
S&P Moderate Growth Index(4)	2.13%	

(1) "Market Perform" means within a range of +10 bps to -10 bps of the applicable index for the month (or +/- 8 bps per month for YTD performance); "Outperform" means more than +10 bps for the month (or more than +8 bps per month for YTD performance); "Underperform" means more than -10 bps for the month (or more than -8 bps per month for YTD performance). **Please note performance comparison comments are based upon Model 5 Pooled Fund Program data. There are inherent limitations in the use of model performance – please read the Model Disclosure found on page 6. Investors should consult their individual custodial statement for actual performance of individual portfolios. Actual performance comparisons may differ from model comparisons.**
(2) Global 60/40 Benchmark is 60% MSCI ACWI Index & 40% Barclays Global Aggregate Bond Index.
(3) US 60/40 Benchmark is 60% S&P 500 Index & 40% Barclays U.S. Aggregate Bond Index.
(4) S&P Moderate Growth Index is 50% S&P Target Risk Moderate Index & 50% S&P Target Risk Growth Index.

MARKET PERFORMANCE

Equities

PERFORMANCE	JULY	MULTIPLE	COMMENTS
U.S. Equities(5)	1.86%	24.2X	Broader markets were higher during the month and outperformed the S&P 500 for the first time in a long while.
International Developed(6)	2.96%	15.0X	International markets outperformed during July.
Emerging Markets(7)	0.36%	15.2X	EM markets were held in check by China, looking like it is nearing a recession.

(5) U.S. Equities are represented by the Russell 3000 Index.
(6) International Developed is the MSCI EAFE Index.
(7) Emerging Markets is the MSCI EM Index.

Fixed Income

PERFORMANCE	JULY	SPREAD OVER UST 10 YEAR	COMMENTS
U.S. Treasuries (Medium Duration)(8)	2.89%	-	Yields declined during the month as a lower CPI print and employment data suggest a rate cut could come as early as September. Fed Fund futures markets confirm this after the FOMC statement on 7/31.
U.S. Treasuries (Longer Duration)(9)	3.59%	0.42%	
Global Fixed Income(10)	2.76%	-0.38%	
Emerging Fixed Income(11)	1.67%	2.41%	
High Yield(12)	1.94%	3.59%	

(8) U.S. Treasuries (7-10 Years), represented by the Barclays U.S.T 7-10 Yr Total Return Index
(9) U.S. Treasuries (20+ Years), represented by the Barclays U.S.T 20+ Yr Total Return Index
(10) Barclays Global Aggregate Bond Index.
(11) Barclays Emerging Markets EMEA Total Return
(12) Barclays U.S. Corporate High Yield Index.

Commodities and Real Assets. The Model 5 portfolios do not have significant exposure to commodities, except indirectly. However, commodities and real assets (real estate) provide a good sense of global demand (in the case of industrial commodities) or fear (gold).

PERFORMANCE	JULY	TREND	COMMENTS
Energy(13)	-3.92%	DOWN	Oil declined during the month due to weakening global demand.
Real Estate(14)	7.50%	-	RE rebounded strongly at the prospect of lower rates.
Industrial Metals(15)	-6.64%	DOWN	Industrial metals were down strongly this month, reflecting global demand worries.
Gold(16)	5.37%	UP	Gold was up markedly and is nearing new highs.

(13) S&P GSCI Energy Total Return Index.
(14) Dow Jones U.S. Real Estate Index.
(15) S&P GSCI Industrial Metals Total Return Index.
(16) SPDR Gold Shares (GLD).

Market Comments

The small cap rotation appears to have begun.

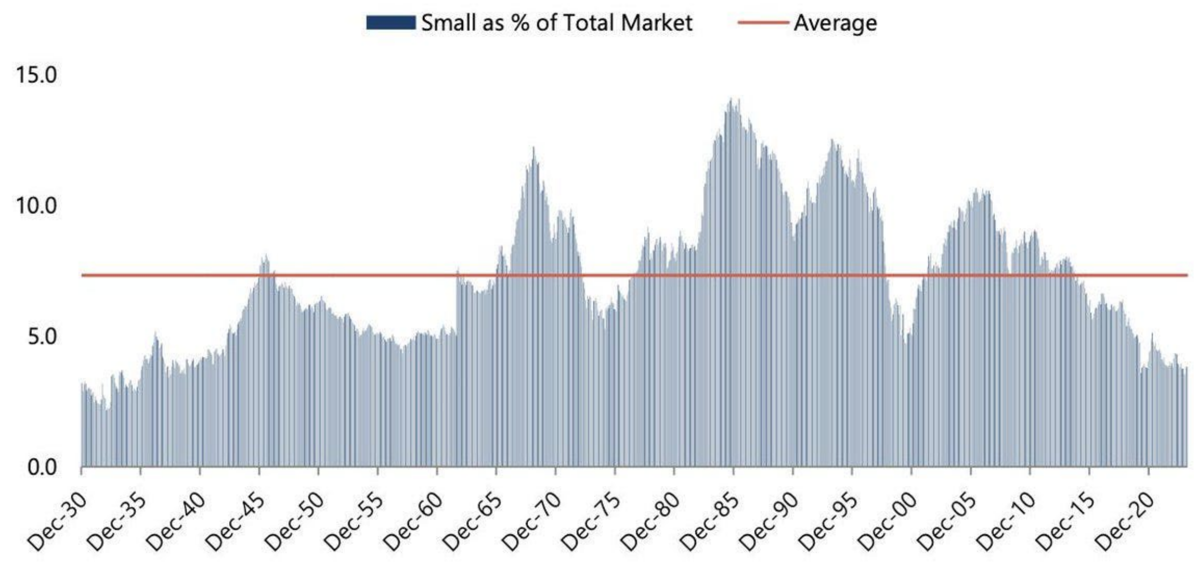
After the inflation print on the morning of July 11, small caps significantly outperformed their large-cap counterparts. The S&P 500 ended the month up 1.7%, and the NASDAQ was -0.7%. As measured by the S&P 600, small caps were up 10.8%.

Small caps outperformed the NASDAQ by 16.5% from July 11 to July 31, as money began to move into broader parts of the equity market and market participants became value-seeking. This was coupled with mixed earnings results from the 'Magnificent 7' thus far.

Using a baseball analogy, we would characterize this rotation as being in the middle of the first inning. Small caps have shrunk to 4% of the total U.S. stock market capitalization. Their average over the last 100 years has been 8%. Small caps could rebound 50% to get back *half* of that distance. See the chart below.

Lower inflation and the prospect for lower rates should keep the wind at the back of small caps through the back half of the year. If that does indeed happen, we would expect the major rotation to be after the wire houses and advisor networks see two-quarters of relative outperformance and do their annual rebalances at the beginning of 2025.

Chart 6 - Small is less than 4% of the US equity market



Source: Center for Research in Security Prices (CRSP®), The University of Chicago Booth School of Business; Jefferies

For questions, or to request additional information, please contact your CWA Financial Planner

DISCLOSURES

PAST PERFORMANCE IS NOT AN INDICATOR OF FUTURE MARKET RETURNS.
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CWA Model 5 Moderate Growth Pooled Fund Program: The target allocation and portfolio data used throughout this presentation is for the CWA Model 5 recommended for participants in the Pooled Fund Program. This Model is the most common recommendation and is used here to illustrate the CWA methodology. Other CWA Recommended Investment Program models will vary in asset allocation and underlying manager and/or security selection. Clients should discuss these models and programs with their planner prior to selection.

***The CAPE ratio is a valuation measure that uses real earnings per share (EPS) over a 10-year period to smooth out fluctuations in corporate profits that occur over different periods of a business cycle. The ratio is generally applied to broad equity indices to assess whether the market is undervalued or overvalued. While the CAPE ratio is a popular and widely-followed measure, several leading industry practitioners have called into question its utility as a predictor of future stock market returns. The CAPE ratio, an acronym for Cyclically Adjusted P/E (i.e. Price-Earnings) ratio, was popularized by Yale University professor Robert Shiller. It is also known as the Shiller P/E ratio.*

+*Statements relating to Value outperforming Growth are based upon the data of the Fama-French 3-Factor Model. A pioneering study by renowned academics, Eugene Fama and Ken French, suggesting that three risk factors: market (beta), size (market capitalization) and price (book/market value) dimensions explain 96% of historical equity performance.*

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