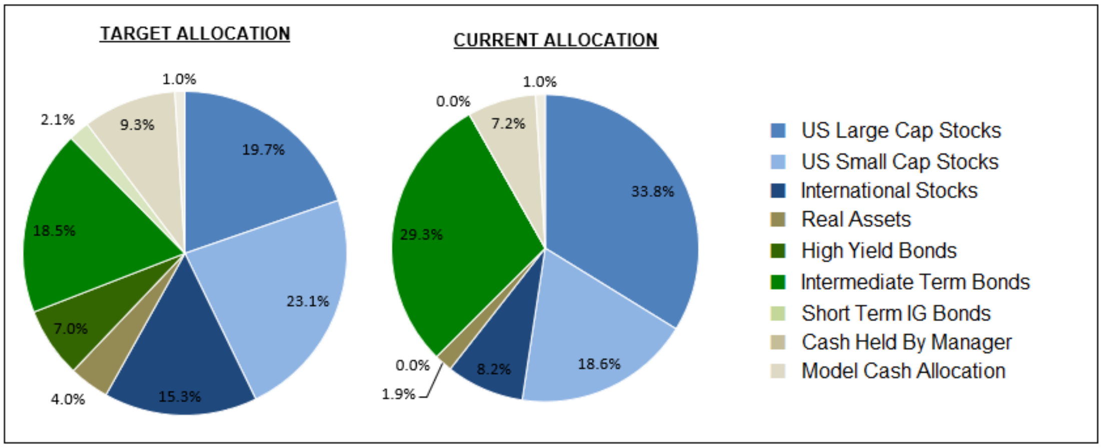
*General overall portfolio comments refer to the Moderate Growth allocations used in both the Pooled Fund Program and the Unified Managed Account Program. These general comments will be referred to as "Moderate Growth" throughout. Specific references to performance, current allocation, or comparison 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 02/28/2025, the 10-year volatility (standard deviation) of Model 5 is 10.4%, versus 15.2% 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 February, Model 5 (net of fees and expenses) market performed compared to the Global 60/40 Index, underperformed slightly compared to the U.S. 60/40 Index, and underperformed compared to the S&P Moderate Growth which posted the following returns:

PERFORMANCE	FEB	COMMENTS
Global 60/40 Benchmark Index[2]	0.04%	Equity markets were lower during the month as the upcoming prospect of tariffs weighed on economic forecasts and ushered in volatility. The bond market performed handsomely in February, which helped ease the equity market losses for balanced portfolios.
U.S. 60/40 Benchmark Index[3]	0.10%	
S&P Moderate Growth Index[4]	0.78%	

(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) U.S. 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	FEB	MULTIPLE	COMMENTS
U.S. Equities[5]	-1.92%	24.3X	Cap-weighted indexes underperformed the broader market during the month. Markets were led lower by technology and momentum stocks.
International Developed[6]	1.96%	15.7X	International developed strongly outperformed domestic markets during the month. A stronger U.S. dollar combined with relative value of international domestic continue to be a trend.
Emerging Markets[7]	0.50%	13.9X	EM markets were up marginally during the month.

(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	FEB	SPREAD OVER UST 10 YEAR	COMMENTS
U.S. Treasuries (Medium Duration)[8]	2.81%	-	The 10-Year Treasury yield fell by 40 bps during the month as fears of tariffs triggered growth concerns in the economy. The Atlanta Fed now estimates 1Q25 GDP to be -2.8%. Fixed income markets are signaling sluggish economic activity in the coming quarters which could leave room for the Fed to ease earlier than expected as long as CPI follows suit to the downside.
U.S. Treasuries (Longer Duration)[9]	5.61%	-0.01%	
Global Fixed Income[10]	1.43%	-0.98%	
Emerging Fixed Income[11]	1.68%	1.77%	
High Yield[12]	0.67%	2.65%	

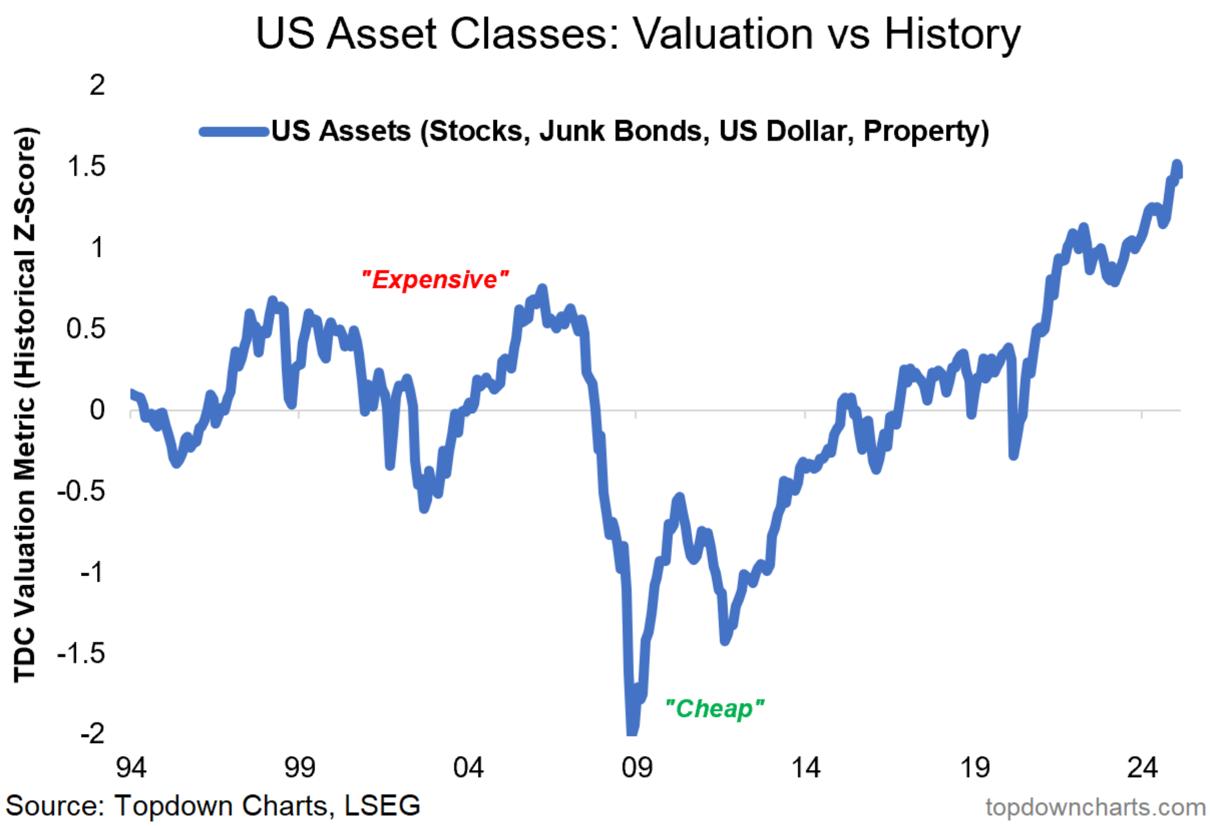
(8) U.S. Treasuries (7-10 Years), represented by the Barclays U.S.T 7-10 Yr Total Return Index
(9) U.S. Treasuries (20+ Years), represented by the Barclays U.S.T 20+ Yr Total Return Index
(10) Barclays Global Aggregate Bond Index.
(11) Barclays Emerging Markets EMEA Total Return
(12) Barclays U.S. Corporate 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	FEB	TREND	COMMENTS
Energy[13]	-1.13%	-	Oil fell in February
Real Estate[14]	3.98%	-	RE rebounded during the month as rates eased meaningfully. RE will continue to rebound if rates continue to move lower as long as the economy holds up.
Industrial Metals[15]	2.37%	-	Industrial metals rebounded during the month.
Gold[16]	1.82%	UP	Gold was up once again.

(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



As of this writing on March 4, 2025, tariffs against Canda and Mexico are going into effect today.

The markets were very volatile during February – there was a 2% market surge to close the month in the last 30 minutes of trading on Friday that "painted the tape" for the month. All risk assets are lower to start March, led by cryptocurrencies and the NASDAQ. The broader markets continue to outperform the cap-weighed indices.

Tariff policy in a vacuum is inflationary and also works against growth. However, we have seen announcements from Apple and Taiwan Semiconductor in the last 2 days that suggest companies are going to begin to onshore manufacturing, which will help offset some of the inflationary pressures from tariffs over time.

Unfortunately, in the short term, the markets began this new administration at highs in terms of valuation, skewed by the concentration in the Mag 7. Over the coming 4 months, we expect the path of least resistance for the markets to be to grind lower – led by the concentrated positions at the top. The broader markets will continue to outperform the cap-weighed indices, in our view, but volatility will be a theme through the summer as the market gets its footing in a new administration which features trade wars, persistent higher inflation due to tariffs, a reluctant Fed and the aftereffects of DOGE cuts. This too shall pass but in the short-term active investors need to put their hard hats on and stay the course. Index investors need to brace for valuations to rationalize.

FURTHER READING

A Valuable Reminder From the Market Gods, A Wealth of Common Sense, March 2, 2025

https://awealthofcommonsense.com/2025/03/a-valuable-reminder-from-the-market-gods/

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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Asset allocation and diversification do not assure or guarantee better performance and cannot eliminate the risk of investment losses. All investments and strategies have the potential for profit or loss. Different types of investments involve higher and lower levels of risk. Historical performance returns for investment indexes and/or categories, usually do not deduct transaction and/or custodial charges or an advisory fee, which would decrease historical performance results. There are no assurances that a portfolio will match or exceed any specific benchmark.
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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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Use of Comparison Benchmark or Index: Indexes cannot be invested in directly. Index performance and statistics are provided for illustrative or comparison purposes and are chosen as commonly accepted representations of the performance of a particular segment of the market.