



PARS/CITY OF CUPERTINO 115P

OPEB & PENSION ACCOUNTS

September 30, 2024 Investment Review

Your Team

Dennis S. Mullins, CFA

Senior Institutional Client Portfolio Manager
PFM Asset Management LLC
513.304.0398
Dennis.Mullins@usbank.com

Ryan Maxey

Vice President &
Relationship Manager
Institutional Trust & Custody
971.865.1407
ryan.maxey@usbank.com

Mitch Barker

Executive Vice President
PARS
(Public Agency Retirement Services)
949.310.4876 (cell)
www.pars.org

Jennifer Meza, CEBS

Manager, Consulting
PARS
(Public Agency Retirement Services)
800.540.6369 Ext. 141 (office)
949.375.8239 (cell)
www.pars.org

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PORTFOLIO REVIEW

Account: XXXXXX9600

Holdings Method: Direct

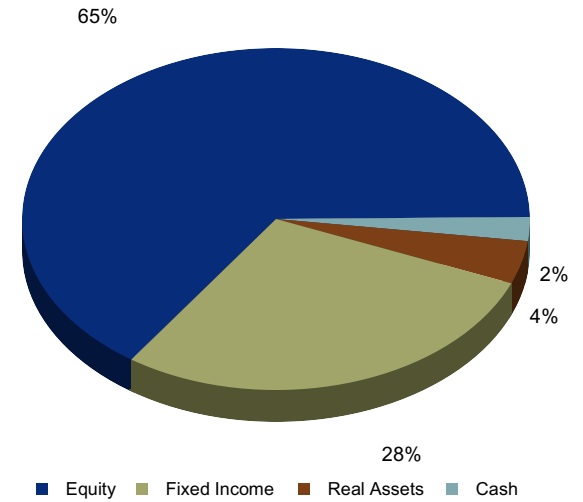
Report Date: 09/30/2024

Portfolio Summary

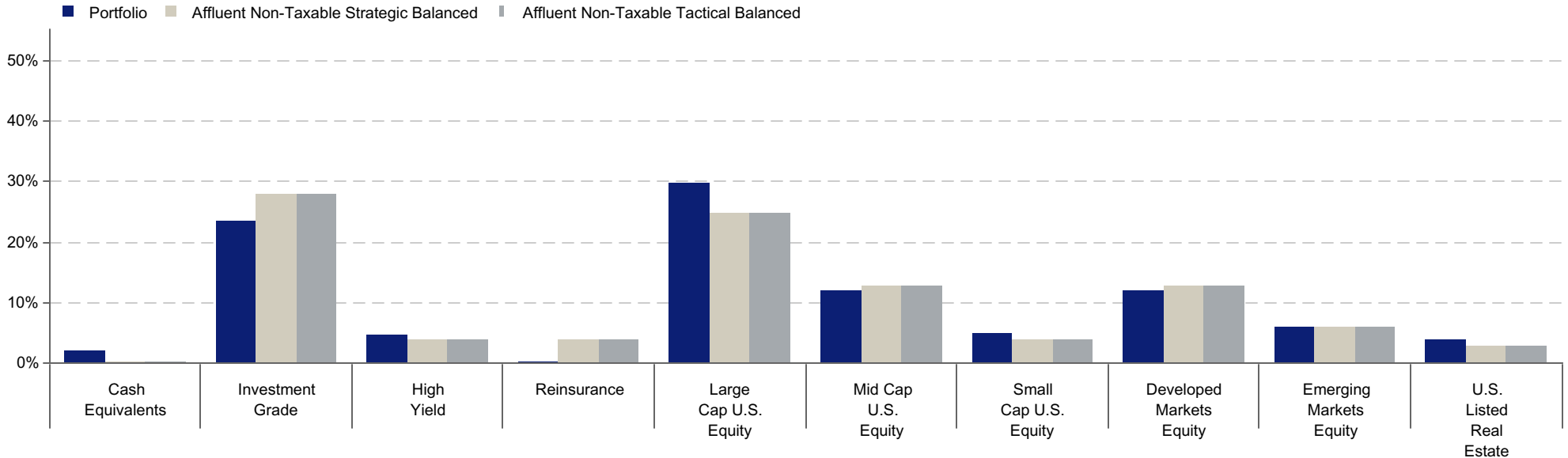
Inv. Objective	Balanced/Nontaxable-1
Total Portfolio Value	\$40,330,774
Net Realized Cap Gains YTD	\$556,745
Annual Income Projected	\$855,315
Current Yield	2.12%
Number of Securities	10
Portfolio Mgr.	Kenneth Donaldson, CFP®, CTFA

Portfolio Asset Allocation

Equity	\$26,384,623	65.42%
Fixed Income	\$11,436,585	28.36%
Real Assets	\$1,660,481	4.12%
Cash	\$849,085	2.11%
Invested Total	\$40,330,774	100.00%



Portfolio Model Allocation



Account: XXXXXX9600

Holdings Method: Direct

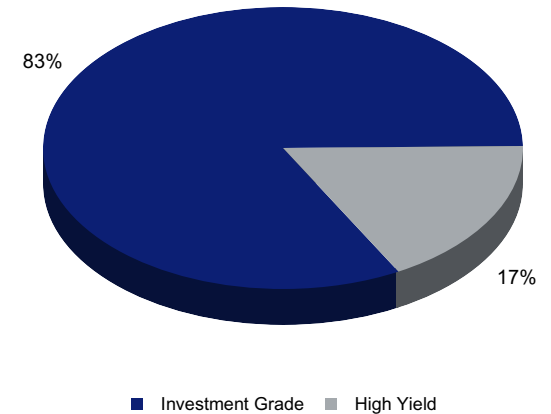
Report Date: 09/30/2024

Fixed Income Summary

Inv. Objective	Balanced/Nontaxable-1
Total Fixed Income Value	\$11,436,585
Current Yield	3.89%
Annual Income Projected	\$444,687
Number of Securities	2
Portfolio Mgr.	Kenneth Donaldson, CFP®, CTFA

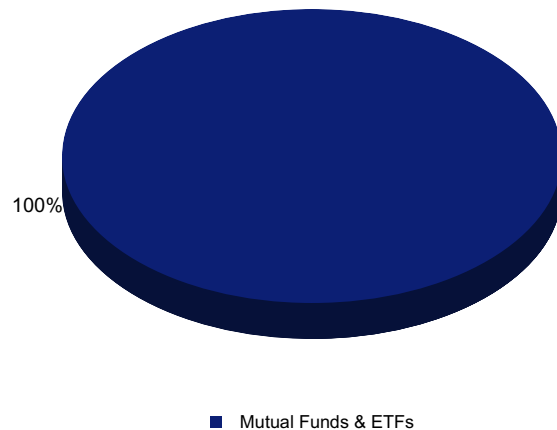
Fixed Income Asset Allocation

Investment Grade	\$9,480,042	82.89%
High Yield	\$1,956,542	17.11%

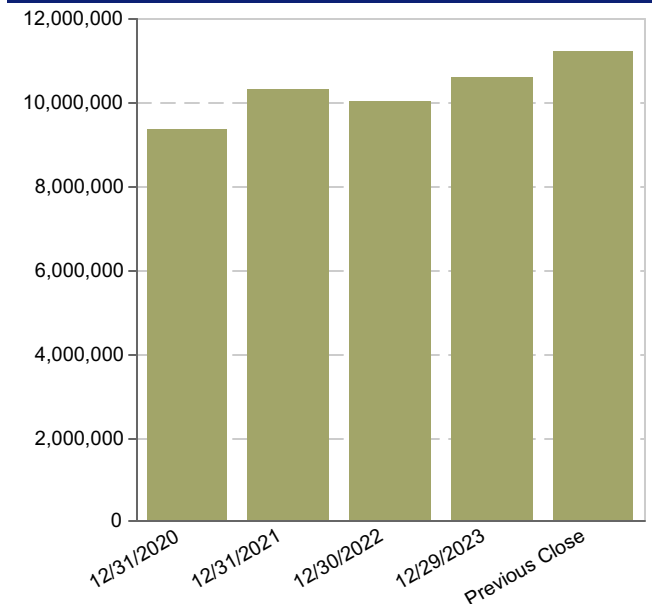


Fixed Income Sector Exposures

Mutual Funds & ETFs	\$11,436,585	100.00%
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Fixed Income Market Value

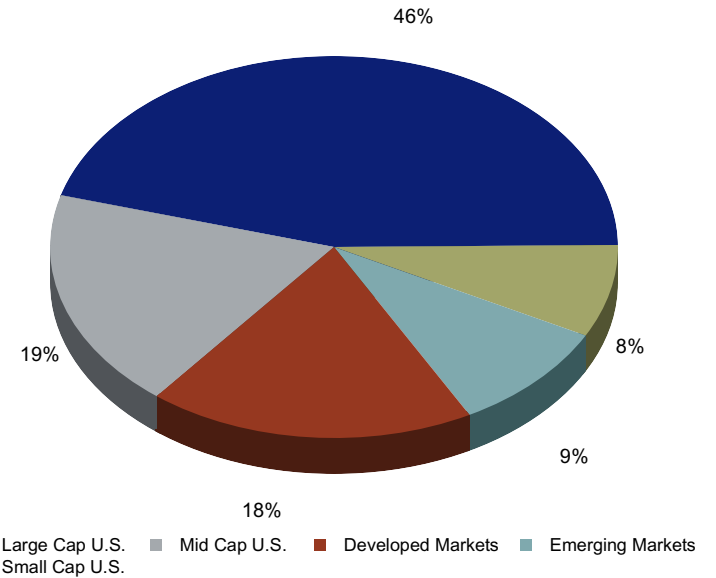


Equity Summary

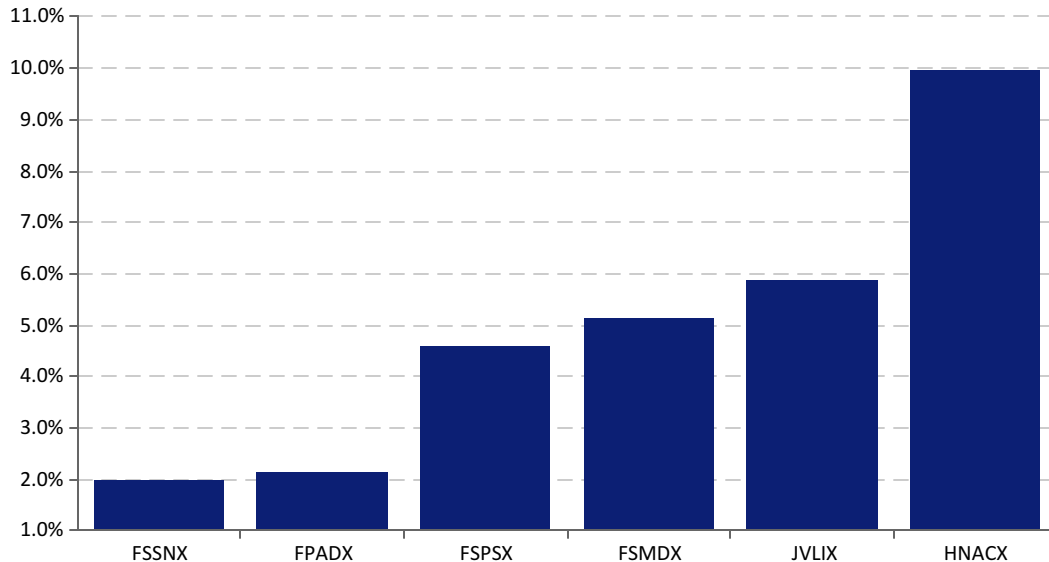
Inv. Objective	Balanced/Nontaxable-1
Total Equity Value	\$26,384,623
Current Yield	1.22%
Annual Income Projected	\$323,165
Number of Securities	6
Portfolio Mgr.	Kenneth Donaldson, CFP®, CTFA

Equity Asset Allocation

Large Cap U.S.	\$12,066,035	45.73%
Mid Cap U.S.	\$4,918,450	18.64%
Developed Markets	\$4,876,776	18.48%
Emerging Markets	\$2,480,376	9.40%
Small Cap U.S.	\$2,042,987	7.74%



Bottom 5/ Top 5 Contributors (Trailing 12 Months)



Equity Global Distribution

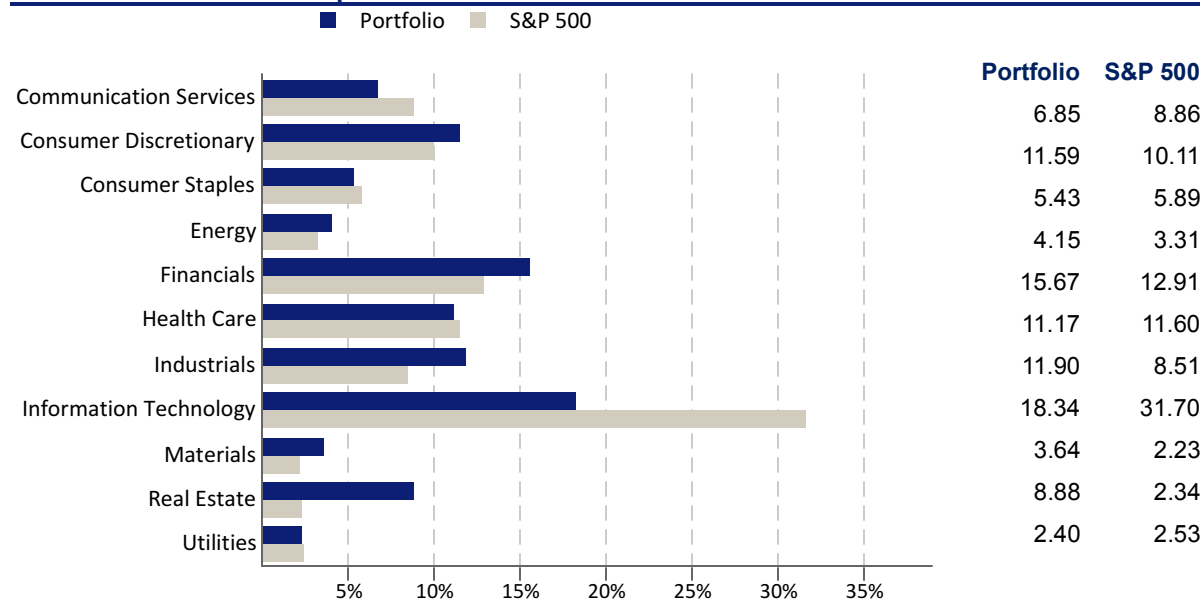


Equity Country Distribution

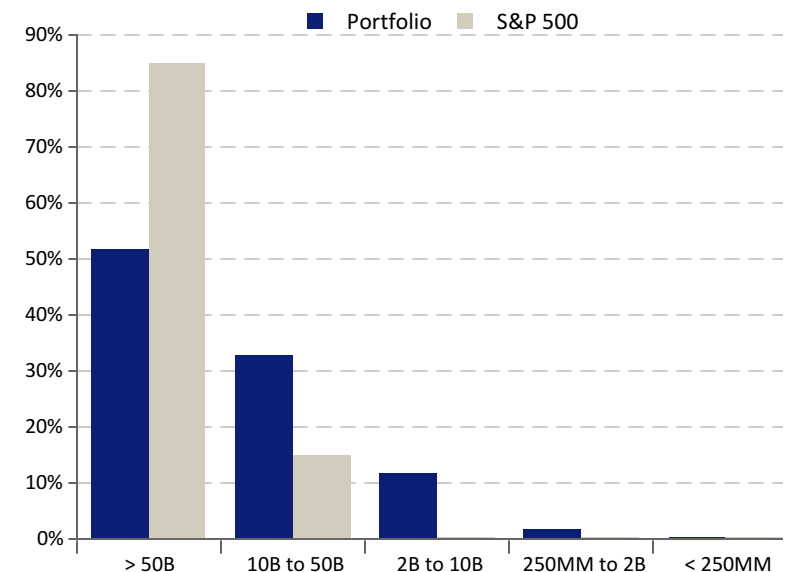


Top 10 Common Stock Holdings

	Stock Wt. (%)	Full Port Wt. (%)	Yield (%)	YTD Return (%)*	52 Wk Return (%)*
NVIDIA Corporation	1.96	1.31	0.03	145.3	179.3
Amazon.com, Inc.	1.83	1.22	0.00	22.6	46.6
Microsoft Corporation	1.81	1.21	0.80	15.0	37.3
Apple Inc.	1.30	0.87	0.44	21.5	36.8
Meta Platforms Inc Class A	1.27	0.85	0.34	62.2	91.3
Broadcom Inc.	1.12	0.75	1.14	56.2	110.9
Alphabet Inc. Class A	1.02	0.68	0.49	19.0	27.1
JPMorgan Chase & Co.	0.99	0.66	2.34	26.2	49.1
Eli Lilly and Company	0.97	0.65	0.57	52.7	66.0
Taiwan Semiconductor Manufa...	0.84	0.56	1.47	63.4	86.3

Common Stock Sector Exposures

Common Stock Characteristics

	Portfolio	S&P 500
Market Cap - Wtd Avg	\$355.7B	\$999.7B
Market Cap - Median	\$5.7B	\$38.1B
Dividend Yield (%)	1.84	1.45
P/E NTM	17.8	21.7
P/E LTM	21.0	27.2
ROE (%)	20.5	29.7
1 Yr Beta vs. S&P Composite	.92	1.01
Est 3-5 Yr EPS Growth (%)	14.9	14.8
Hist 3 Yr EPS Growth (%)	24.7	25.3
Number of Securities	4911	504

Common Stock Market Cap Distribution


*Specific to the security - does not represent performance in the portfolio.

Custom Benchmark

CITY OF CUPERTINO OPEB

Asset Class	Benchmark	Range	Target	Actual
Equities	MSCI AC World Free Index	50%-70%	63%	65.4%
Fixed Income	BBARC Global Aggregate Index	20%-40%	29%	28.4%
Real Estate	S&P Global REIT TR USD	0%-15%	5%	4.1%
Commodities	S&P GSCI Commodity Index	0%-10%	2%	0%
Cash	FTSE 3-Mo US T-Bill Index	0%-10%	1%	2.1%

Selected Period Performance

Selected Period Performance

	Market Value	1 Month	3 Months	Year to Date (9 Months)	1 Year	3 Years	5 Years	Inception to Date 07/01/2010
Total Portfolio Gross of Fees	40,369,514	1.65	6.30	13.14	24.80	4.02	7.73	7.04
Total Portfolio Net of Fees	40,369,514	1.64	6.25	13.00	24.59	3.84	7.53	
City of Cupertino		2.15	6.96	13.77	25.09	4.97	8.26	7.72
Total Equity	26,384,623	1.71	6.27	16.73	30.68	5.90	12.45	11.79
Domestic Equity	19,027,472	1.40	5.82	17.80	32.86	8.11	13.32	
S&P 500 Index (Total Return)		2.14	5.89	22.08	36.35	11.91	15.98	15.03
S&P MidCap 400 Index		1.16	6.94	13.54	26.79	7.47	11.78	12.67
S&P SmallCap 600 Index		.85	10.13	9.33	25.86	3.99	10.21	12.43
Foreign Equity	7,357,152	2.50	7.44	13.94	25.01	.08	9.86	
MSCI EAFE Index (Net)		.92	7.26	12.99	24.77	5.48	8.20	7.22
MSCI Emerging Markets Index (Net)		6.68	8.72	16.86	26.05	.40	5.75	4.25
Total Fixed Income	11,471,841	1.46	5.13	5.10	12.10	-.18	-.31	1.91
BBARC US Aggregate Bond Index		1.34	5.20	4.45	11.57	-1.39	.33	2.35
BBARC Global Aggregate Index		1.70	6.98	3.60	11.99	-3.06	-.83	1.42
Total Real Assets	1,660,481	2.64	15.97	15.66	34.56	4.39	5.22	
Real Estate	1,660,481	2.64	15.97	15.66	34.56	4.39	5.22	
S&P Global REIT Index (Gross)		3.27	16.34	13.92	31.93	3.00	3.62	8.64
S&P GSCI Index		-.08	-5.26	5.23	-6.06	8.81	8.03	-.93
Total Cash Equivalents	852,568	.41	1.30	3.96	5.34	3.47	2.22	1.08
ICE BofAML US 3-Month Treasury Bill Index		.43	1.37	4.03	5.46	3.49	2.32	1.18
Pending Cash	0	.00	.00	.00	.00	.00	.00	.00

For performance and rate of return methodologies, as well as other important information, please refer to the Appendix/Disclosures provided.

Investment products and services are:
NOT A DEPOSIT • NOT FDIC INSURED • MAY LOSE VALUE • NOT BANK GUARANTEED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY





Account: XXXXXX9600

Holdings Method: Direct

Report Date: 09/30/2024

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
Total		100.0			40,330,774	32,979,741	7,351,033	2.12	855,315
Cash		2.11			849,085	849,085	0	4.82	40,888
Cash Equivalents		2.11			849,085	849,085	0	4.82	40,888
FIRST AM GOVT OB FD CL X	31846V336	2.11	1.00	849,085	849,085	849,085	0	4.82	40,888
Fixed Income		28.36			11,436,585	10,765,914	670,671	3.89	444,687
Investment Grade		23.51			9,480,042	8,717,001	763,041	3.15	298,479
Mutual Funds & ETFs		23.51			9,480,042	8,717,001	763,041	3.15	298,479
Fidelity U.S. Bond Index Fund	FXNAX	23.51	10.64	890,981	9,480,042	8,717,001	763,041	3.15	298,479
High Yield		4.85			1,956,542	2,048,913	-92,371	7.47	146,208
Mutual Funds & ETFs		4.85			1,956,542	2,048,913	-92,371	7.47	146,208
Artisan High Income Fund - Institutional Sh...	APHFX	4.85	9.19	212,899	1,956,542	2,048,913	-92,371	7.47	146,208
Equity		65.42			26,384,623	19,797,883	6,586,741	1.22	323,165
Large Cap U.S. Equity		29.92			12,066,035	10,167,675	1,898,360	0.47	57,113
Mutual Funds & ETFs		29.92			12,066,035	10,167,675	1,898,360	0.47	57,113
Harbor Capital Appreciation Fund - Retire...	HNACX	14.93	118.92	50,623	6,020,062	4,614,964	1,405,098	0.00	0
John Hancock Fds III Disciplined Value Fu...	JVLIX	14.99	25.83	234,068	6,045,973	5,552,711	493,262	0.94	57,113
Mid Cap U.S. Equity		12.20			4,918,450	1,613,156	3,305,294	0.99	48,869
Mutual Funds & ETFs		12.20			4,918,450	1,613,156	3,305,294	0.99	48,869
Fidelity Mid Cap Index Fund	FSMDX	12.20	34.32	143,311	4,918,450	1,613,156	3,305,294	0.99	48,869
Small Cap U.S. Equity		5.07			2,042,987	1,708,617	334,371	1.11	22,626
Mutual Funds & ETFs		5.07			2,042,987	1,708,617	334,371	1.11	22,626
Fidelity Small Cap Index Fund	FSSNX	5.07	27.81	73,462	2,042,987	1,708,617	334,371	1.11	22,626
Developed Markets Equity		12.09			4,876,776	4,223,318	653,458	2.81	136,988
Mutual Funds & ETFs		12.09			4,876,776	4,223,318	653,458	2.81	136,988
Fidelity International Index Fund	FSPSX	12.09	53.40	91,325	4,876,776	4,223,318	653,458	2.81	136,988
Emerging Markets Equity		6.15			2,480,376	2,085,118	395,258	2.32	57,569
Mutual Funds & ETFs		6.15			2,480,376	2,085,118	395,258	2.32	57,569
Fidelity Emerging Markets Index Fund	FPADX	6.15	11.59	214,010	2,480,376	2,085,118	395,258	2.32	57,569
Real Assets		4.12			1,660,481	1,566,859	93,622	2.80	46,575
U.S. Listed Real Estate		4.12			1,660,481	1,566,859	93,622	2.80	46,575

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Holdings Date: 9/30/2024



Account: XXXXXX9600

Holdings Method: Direct

Report Date: 09/30/2024

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
iShares Core U.S. REIT ETF	USRT	4.12	61.57	26,969	1,660,481	1,566,859	93,622	2.80	46,575

Account: XXXXXX9601

Holdings Method: Direct

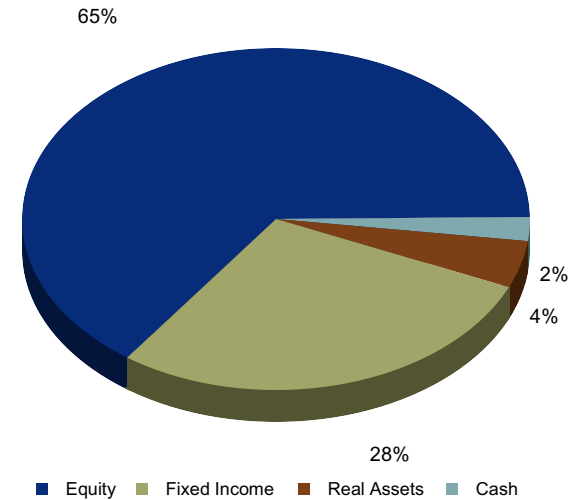
Report Date: 09/30/2024

Portfolio Summary

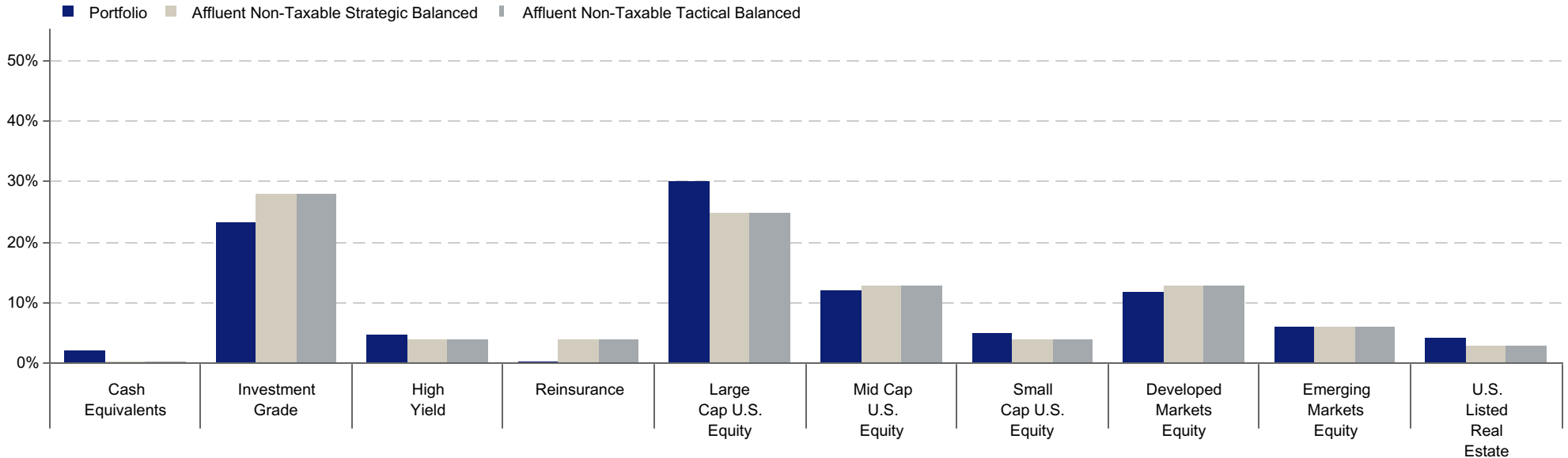
Inv. Objective	Balanced/Nontaxable-1
Total Portfolio Value	\$22,945,015
Net Realized Cap Gains YTD	\$0
Annual Income Projected	\$485,365
Current Yield	2.12%
Number of Securities	10
Portfolio Mgr.	Kenneth Donaldson, CFP®, CTFA

Portfolio Asset Allocation

Equity	\$14,958,736	65.19%
Fixed Income	\$6,481,880	28.25%
Real Assets	\$1,012,211	4.41%
Cash	\$492,188	2.15%
Invested Total	\$22,945,015	100.00%



Portfolio Model Allocation



Account: XXXXXX9601

Holdings Method: Direct

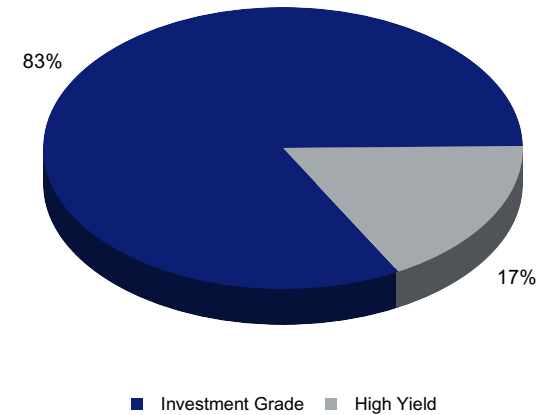
Report Date: 09/30/2024

Fixed Income Summary

Inv. Objective	Balanced/Nontaxable-1
Total Fixed Income Value	\$6,481,880
Current Yield	3.88%
Annual Income Projected	\$251,756
Number of Securities	2
Portfolio Mgr.	Kenneth Donaldson, CFP®, CTFA

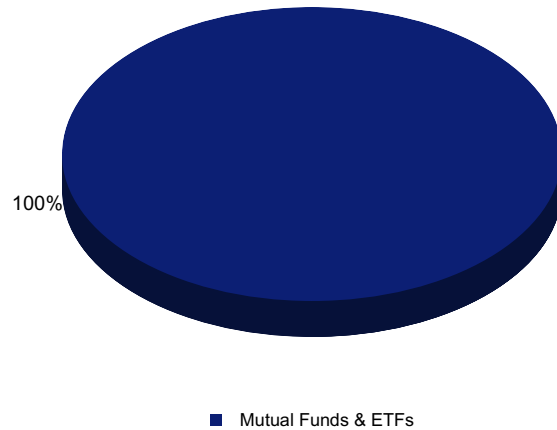
Fixed Income Asset Allocation

Investment Grade	\$5,379,406	82.99%
High Yield	\$1,102,474	17.01%

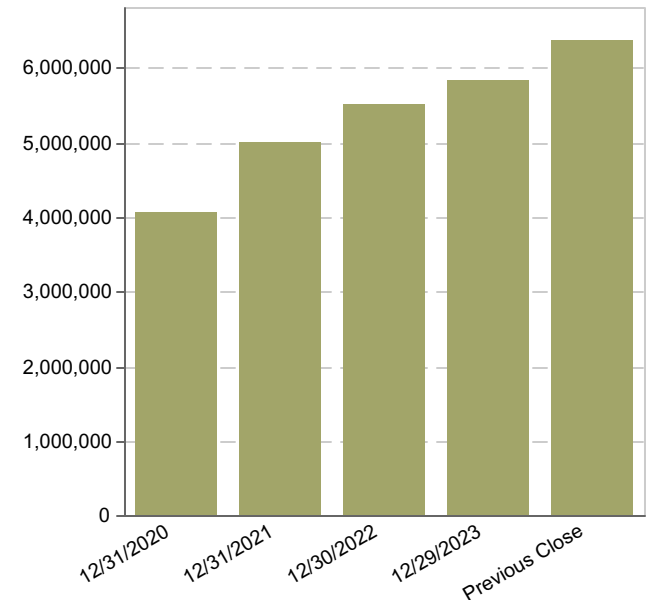


Fixed Income Sector Exposures

Mutual Funds & ETFs	\$6,481,880	100.00%
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Fixed Income Market Value



Account: XXXXXX9601

Holdings Method: Direct and Indirect (securities held in mutual funds & ETFs)

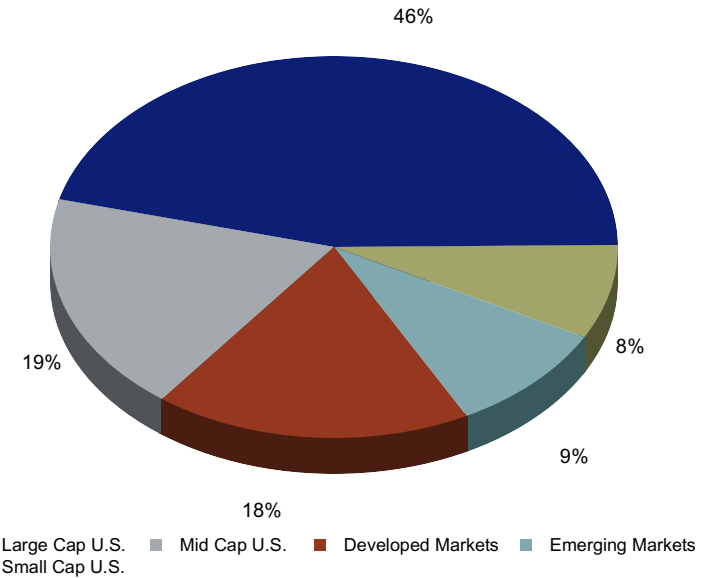
Report Date: 09/30/2024

Equity Summary

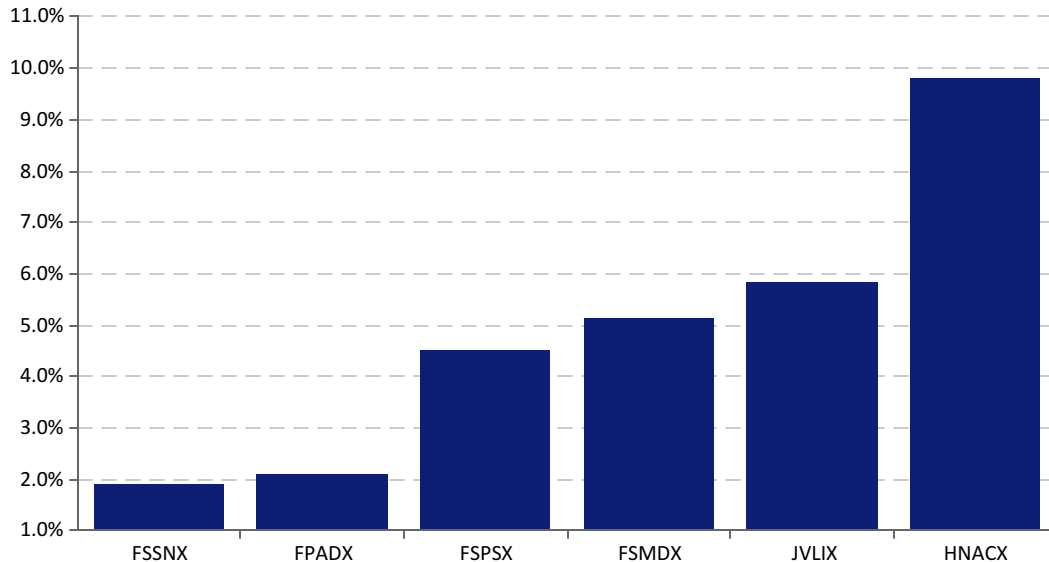
Inv. Objective	Balanced/Nontaxable-1
Total Equity Value	\$14,958,736
Current Yield	1.21%
Annual Income Projected	\$181,516
Number of Securities	6
Portfolio Mgr.	Kenneth Donaldson, CFP®, CTFA

Equity Asset Allocation

Large Cap U.S.	\$6,879,429	45.99%
Mid Cap U.S.	\$2,804,625	18.75%
Developed Markets	\$2,695,116	18.02%
Emerging Markets	\$1,409,844	9.42%
Small Cap U.S.	\$1,169,722	7.82%



Bottom 5/ Top 5 Contributors (Trailing 12 Months)



Equity Global Distribution



Equity Country Distribution



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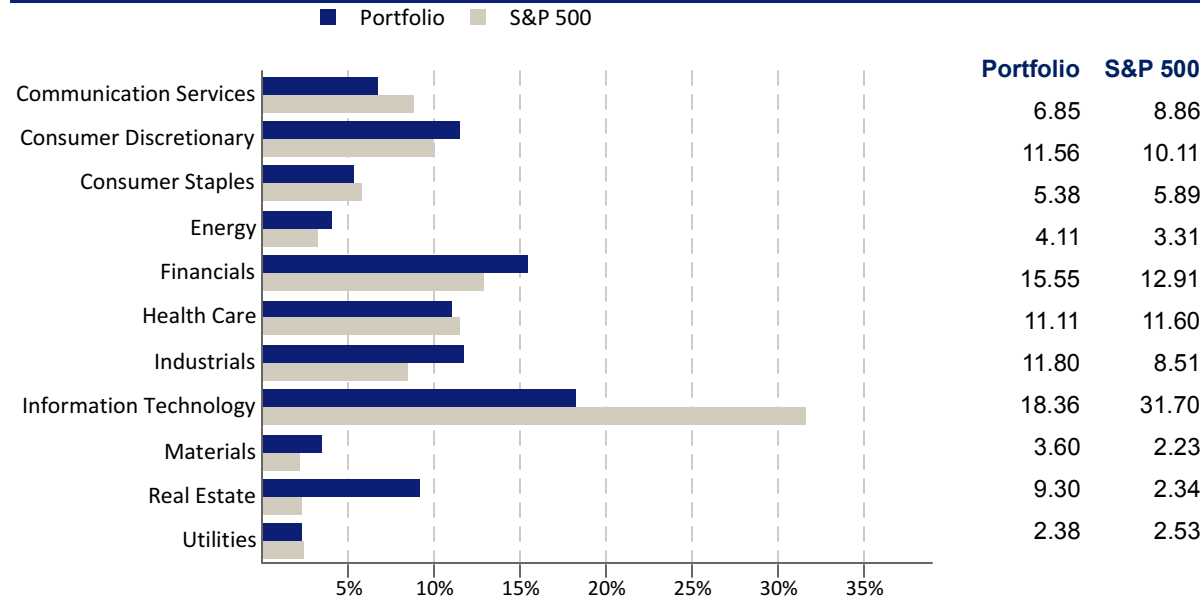
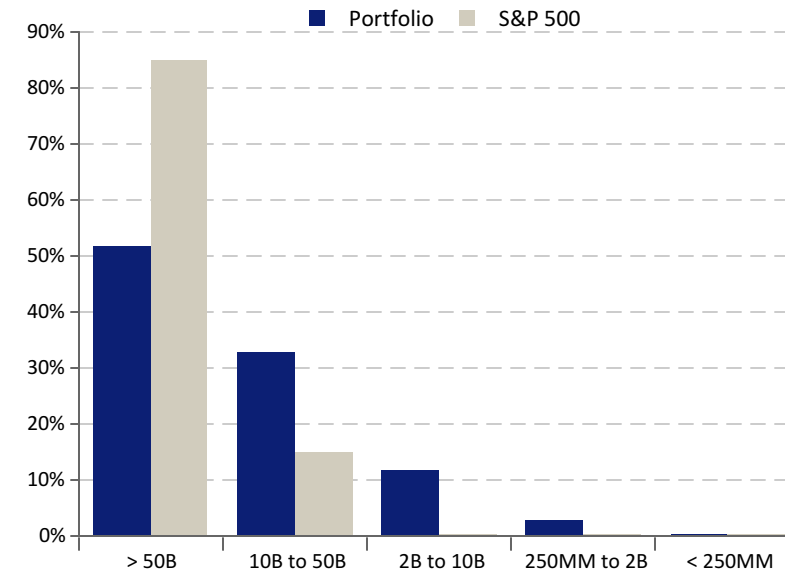
Holdings Date: 9/30/2024

Top 10 Common Stock Holdings

	Stock Wt. (%)	Full Port Wt. (%)	Yield (%)	YTD Return (%)*	52 Wk Return (%)*
NVIDIA Corporation	1.98	1.33	0.03	145.3	179.3
Amazon.com, Inc.	1.85	1.24	0.00	22.6	46.6
Microsoft Corporation	1.83	1.22	0.80	15.0	37.3
Apple Inc.	1.31	0.88	0.44	21.5	36.8
Meta Platforms Inc Class A	1.28	0.86	0.34	62.2	91.3
Broadcom Inc.	1.14	0.76	1.14	56.2	110.9
Alphabet Inc. Class A	1.02	0.68	0.49	19.0	27.1
JPMorgan Chase & Co.	0.98	0.66	2.34	26.2	49.1
Eli Lilly and Company	0.98	0.65	0.57	52.7	66.0
Taiwan Semiconductor Manufa...	0.84	0.56	1.47	63.4	86.3

Common Stock Characteristics

	Portfolio	S&P 500
Market Cap - Wtd Avg	\$357.7B	\$999.7B
Market Cap - Median	\$5.7B	\$38.1B
Dividend Yield (%)	1.84	1.45
P/E NTM	17.9	21.7
P/E LTM	21.1	27.2
ROE (%)	20.5	29.7
1 Yr Beta vs. S&P Composite	.92	1.01
Est 3-5 Yr EPS Growth (%)	14.9	14.8
Hist 3 Yr EPS Growth (%)	24.6	25.3
Number of Securities	4911	504

Common Stock Sector Exposures

Common Stock Market Cap Distribution


*Specific to the security - does not represent performance in the portfolio.

Custom Benchmark

CITY OF CUPERTINO PENSION

Asset Class	Benchmark	Range	Target	Actual
Equities	MSCI AC World Free Index	50%-70%	63%	65.2%
Fixed Income	BBARC Global Aggregate Index	20%-40%	29%	28.3%
Real Estate	S&P Global REIT TR USD	0%-15%	5%	4.4%
Commodities	S&P GSCI Commodity Index	0%-10%	2%	0%
Cash	FTSE 3-Mo US T-Bill Index	0%-10%	1%	2.1%

Selected Period Performance

Selected Period Performance

	Market Value	1 Month	3 Months	Year to Date (9 Months)	1 Year	3 Years	5 Years	Inception to Date 05/01/2019
Total Portfolio Gross of Fees	22,967,000	1.66	6.11	12.92	24.56	3.99	8.44	8.00
Total Portfolio Net of Fees	22,967,000	1.64	6.07	12.78	24.35	3.81	8.25	7.81
City of Cupertino		2.15	6.96	13.77	25.09	4.97	8.26	7.98
Total Equity	14,958,736	1.71	6.09	16.54	30.47	5.85	12.43	11.24
Domestic Equity	10,853,776	1.41	5.59	17.55	32.58	8.03	13.27	12.22
S&P 500 Index (Total Return)		2.14	5.89	22.08	36.35	11.91	15.98	15.07
S&P MidCap 400 Index		1.16	6.94	13.54	26.79	7.47	11.78	10.61
S&P SmallCap 600 Index		.85	10.13	9.33	25.86	3.99	10.21	8.95
Foreign Equity	4,104,960	2.53	7.44	13.93	25.00	.08	9.90	8.44
MSCI EAFE Index (Net)		.92	7.26	12.99	24.77	5.48	8.20	7.50
MSCI Emerging Markets Index (Net)		6.68	8.72	16.86	26.05	.40	5.75	4.17
Total Fixed Income	6,501,849	1.46	5.13	5.09	12.10	-.19	-.29	.48
BBARC US Aggregate Bond Index		1.34	5.20	4.45	11.57	-1.39	.33	1.28
BBARC Global Aggregate Index		1.70	6.98	3.60	11.99	-3.06	-.83	.01
Total Real Assets	1,012,211	2.64	16.00	15.69	34.58	4.44	5.26	6.54
Real Estate	1,012,211	2.64	16.00	15.69	34.58	4.44	5.26	6.54
S&P Global REIT Index (Gross)		3.27	16.34	13.92	31.93	3.00	3.62	4.83
S&P GSCI Index		-.08	-5.26	5.23	-6.06	8.81	8.03	5.72
Total Cash Equivalents	494,205	.41	1.30	3.96	5.34	3.42	2.19	2.19
ICE BofAML US 3-Month Treasury Bill Index		.43	1.37	4.03	5.46	3.49	2.32	2.33
Pending Cash	0	.00	.00	.00	.00	.00	.00	.00

For performance and rate of return methodologies, as well as other important information, please refer to the Appendix/Disclosures provided.

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NOT A DEPOSIT • NOT FDIC INSURED • MAY LOSE VALUE • NOT BANK GUARANTEED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY





PARS/CITY OF CUPERTINO 115P- PENSION

Portfolio Holdings

Account: XXXXXX9601

Holdings Method: Direct

Report Date: 09/30/2024

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
Total		100.0			22,945,015	19,314,279	3,630,736	2.12	485,365
Cash		2.15			492,188	492,188	0	4.82	23,702
Cash Equivalents		2.15			492,188	492,188	0	4.82	23,702
FIRST AM GOVT OB FD CL X	31846V336	2.15	1.00	492,188	492,188	492,188	0	4.82	23,702
Fixed Income		28.25			6,481,880	6,442,206	39,673	3.88	251,756
Investment Grade		23.44			5,379,406	5,298,190	81,216	3.15	169,370
Mutual Funds & ETFs		23.44			5,379,406	5,298,190	81,216	3.15	169,370
Fidelity U.S. Bond Index Fund	FXNAX	23.44	10.64	505,583	5,379,406	5,298,190	81,216	3.15	169,370
High Yield		4.80			1,102,474	1,144,016	-41,542	7.47	82,385
Mutual Funds & ETFs		4.80			1,102,474	1,144,016	-41,542	7.47	82,385
Artisan High Income Fund - Institutional Sh...	APHFX	4.80	9.19	119,964	1,102,474	1,144,016	-41,542	7.47	82,385
Equity		65.19			14,958,736	11,434,134	3,524,602	1.21	181,516
Large Cap U.S. Equity		29.98			6,879,429	5,608,201	1,271,228	0.47	32,267
Mutual Funds & ETFs		29.98			6,879,429	5,608,201	1,271,228	0.47	32,267
Harbor Capital Appreciation Fund - Retire...	HNACX	15.10	118.92	29,126	3,463,613	2,504,520	959,094	0.00	0
John Hancock Fds III Disciplined Value Fu...	JVLIX	14.89	25.83	132,242	3,415,816	3,103,681	312,135	0.94	32,267
Mid Cap U.S. Equity		12.22			2,804,624	1,386,296	1,418,328	0.99	27,866
Mutual Funds & ETFs		12.22			2,804,624	1,386,296	1,418,328	0.99	27,866
Fidelity Mid Cap Index Fund	FSMDX	12.22	34.32	81,720	2,804,624	1,386,296	1,418,328	0.99	27,866
Small Cap U.S. Equity		5.10			1,169,722	972,122	197,600	1.11	12,955
Mutual Funds & ETFs		5.10			1,169,722	972,122	197,600	1.11	12,955
Fidelity Small Cap Index Fund	FSSNX	5.10	27.81	42,061	1,169,722	972,122	197,600	1.11	12,955
Developed Markets Equity		11.75			2,695,116	2,286,209	408,907	2.81	75,706
Mutual Funds & ETFs		11.75			2,695,116	2,286,209	408,907	2.81	75,706
Fidelity International Index Fund	FSPSX	11.75	53.40	50,470	2,695,116	2,286,209	408,907	2.81	75,706
Emerging Markets Equity		6.14			1,409,844	1,181,306	228,538	2.32	32,722
Mutual Funds & ETFs		6.14			1,409,844	1,181,306	228,538	2.32	32,722
Fidelity Emerging Markets Index Fund	FPADX	6.14	11.59	121,643	1,409,844	1,181,306	228,538	2.32	32,722
Real Assets		4.41			1,012,211	945,750	66,461	2.80	28,392
U.S. Listed Real Estate		4.41			1,012,211	945,750	66,461	2.80	28,392

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 Material is based on data from sources deemed to be reliable, accuracy/completeness is not guaranteed.

Holdings Date: 9/30/2024



Account: XXXXXX9601

Holdings Method: Direct

Report Date: 09/30/2024

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
iShares Core U.S. REIT ETF	USRT	4.41	61.57	16,440	1,012,211	945,750	66,461	2.80	28,392

MARKET SUMMARY

Provided by Sub-Advisor - PFM Asset Management LLC

	QTD	YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
DOMESTIC EQUITY							
S&P 500 (TR)	5.89%	22.08%	36.19%	11.88%	15.91%	14.44%	13.33%
Russell 3000	6.23%	20.63%	35.04%	10.26%	15.20%	13.69%	12.78%
Russell 1000 Growth	3.19%	24.55%	42.00%	11.99%	19.66%	18.14%	16.46%
Russell 1000	6.08%	21.18%	35.52%	10.80%	15.58%	14.13%	13.06%
Russell 1000 Value	9.43%	16.68%	27.64%	9.00%	10.65%	9.50%	9.20%
Russell Midcap	9.21%	14.63%	29.20%	5.74%	11.25%	10.44%	10.16%
Russell Midcap Growth	6.54%	12.91%	29.21%	2.31%	11.43%	11.84%	11.26%
Russell Midcap Value	10.08%	15.08%	28.89%	7.37%	10.29%	8.79%	8.90%
Russell 2000 Growth	8.41%	13.22%	27.54%	-0.35%	8.78%	7.57%	8.92%
Russell 2000	9.27%	11.17%	26.65%	1.84%	9.35%	7.34%	8.75%
Russell 2000 Value	10.15%	9.22%	25.77%	3.76%	9.25%	6.58%	8.19%
INTERNATIONAL EQUITY							
MSCI EAFE	7.26%	12.99%	24.66%	5.47%	8.17%	5.97%	5.69%
MSCI AC World	6.61%	18.66%	31.62%	8.07%	12.14%	10.20%	9.35%
MSCI AC World ex-USA	8.06%	14.21%	25.24%	4.13%	7.56%	5.42%	5.20%
MSCI AC World ex-USA Small Cap	8.90%	11.93%	23.15%	1.39%	8.18%	5.18%	6.05%
MSCI EM (Emerging Markets)	8.72%	16.86%	25.94%	0.40%	5.73%	3.64%	4.01%
ALTERNATIVES							
FTSE Nareit/Equity REITs - INV	16.09%	15.93%	34.58%	5.06%	5.43%	6.95%	7.80%
MSCI US REIT INDEX	16.12%	15.84%	34.23%	4.97%	5.45%	6.94%	7.74%
FTSE Global Core Infrastructure 50/50 Index	13.59%	16.20%	28.68%	6.69%	5.22%	6.16%	6.33%
Bloomberg Commodity Index	0.68%	5.86%	0.95%	3.65%	7.76%	4.85%	0.03%
FIXED INCOME							
Bloomberg U.S. Aggregate	5.20%	4.45%	11.52%	-1.38%	0.33%	1.47%	1.84%
Bloomberg U.S. Government/Credit	5.10%	4.39%	11.27%	-1.50%	0.41%	1.63%	1.99%
Bloomberg U.S. Intermediate Government/Credit	4.17%	4.68%	9.41%	0.17%	1.25%	1.89%	1.96%
Bloomberg U.S. Treasury (1-3 Y)	2.91%	4.13%	6.76%	1.26%	1.48%	1.67%	1.40%
ICE BofA U.S. High Yield	5.31%	8.05%	15.62%	3.07%	4.53%	4.55%	4.94%
Bloomberg Global Aggregate ex-USD	8.52%	2.81%	12.23%	-4.40%	-1.85%	-0.80%	-0.50%
CASH EQUIVALENT							
Bloomberg 3 Month T-Bill	1.38%	4.06%	5.48%	3.56%	2.36%	2.25%	1.67%

Source: Investment Metrics. Returns are expressed as percentages. Please refer to the last page of this document for important disclosures relating to this material.

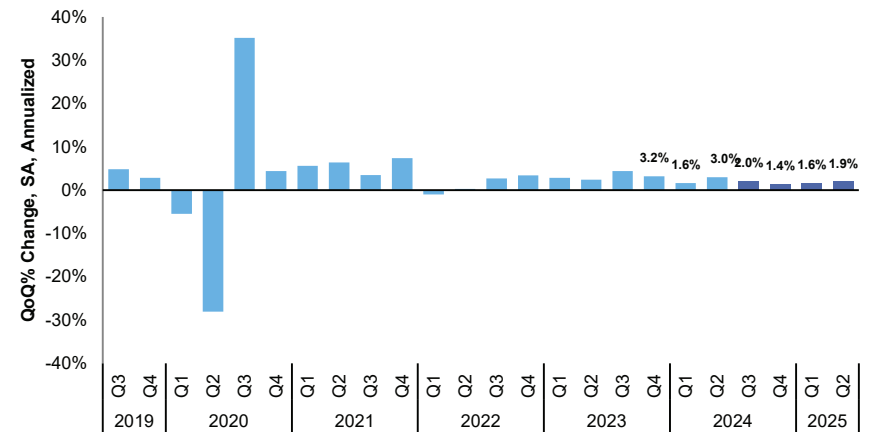
THE ECONOMY

► In the second quarter, U.S. gross domestic product (GDP) grew at an annualized rate of 3.0%, nearly double the 1.6% recorded in the first quarter of 2024, pointing to a still resilient economy. Within this reading, we saw domestic demand remain strong at 2.8% growth. The U.S. economy once again outperformed many other developed markets including the United Kingdom, which grew 1.8%; Japan, which grew 2.9%; and the Euro Area, which grew a meager 1.1% in the second quarter.

► The U.S. unemployment rate ended the quarter at 4.1%, in line with the end of second quarter, but still relatively higher than the 3.7% low at the beginning of the year. While the labor market appears to be cooling overall, there are several signs pointing to continued health as jobless claims remain firmly below their long-term averages and layoff rates continue to hold very low.

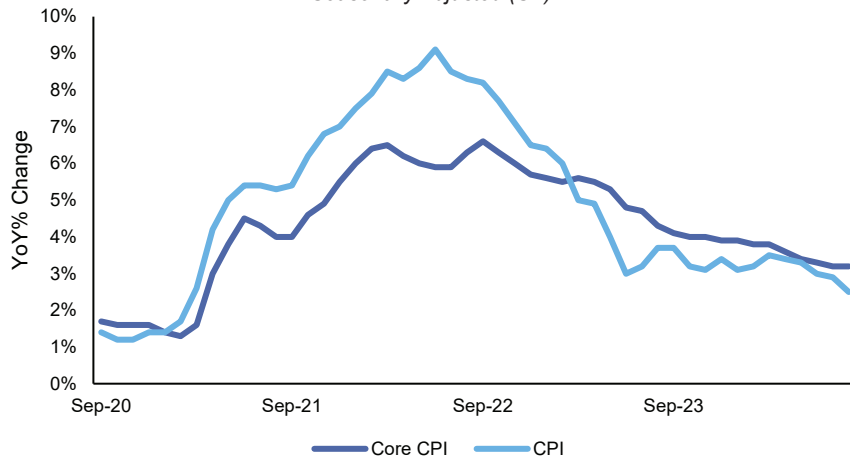
► Inflation continued to moderate in the second quarter. Headline inflation (CPI) grew at a year-over-year rate of 2.5% in August, down from the 3.0% growth in June. Core CPI, which excludes volatile food and energy, eased to a three year low of 3.2%. Both mark the lowest readings in more than three years and point to the progress made toward the Federal Reserve’s (Fed) inflation target of 2%.

U.S. GDP Growth



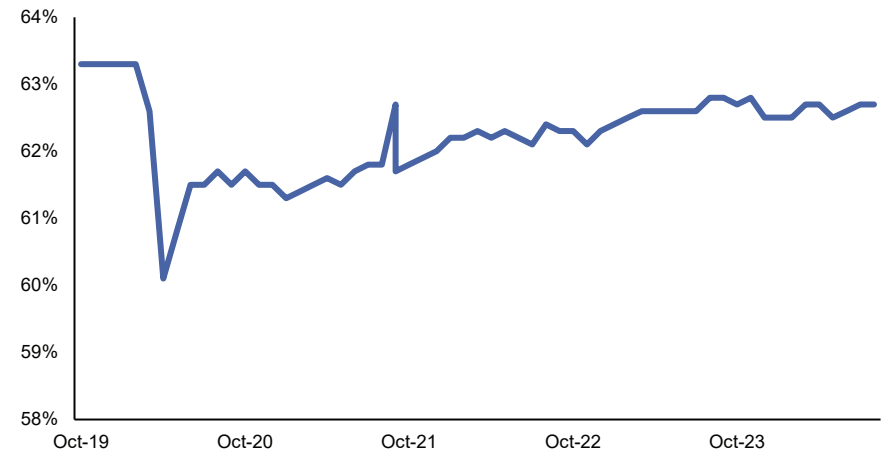
Source: Bloomberg. Light blue bars indicate actual numbers; dark blue bars indicate forecasted estimates.

U.S. Inflation Rate
Seasonally Adjusted (SA)



Source: Bureau of Labor Statistics.

Labor Force Participation Rate
Seasonally Adjusted (SA)

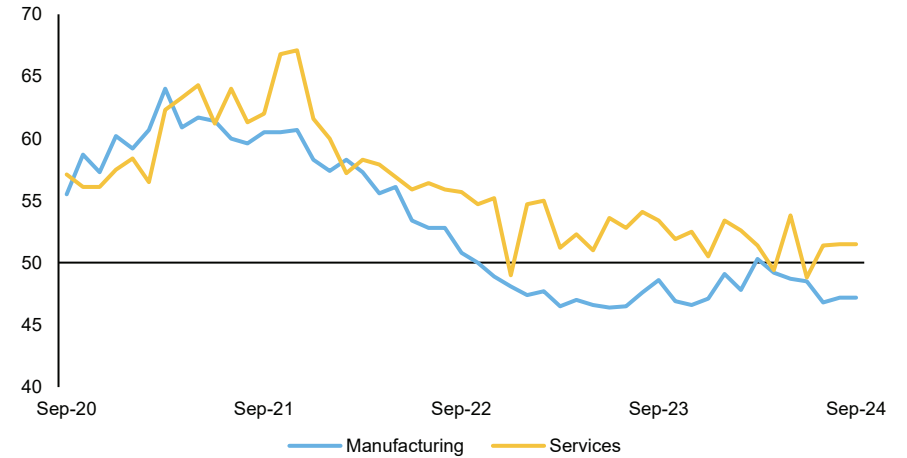


Source: Bureau of Labor Statistics.

WHAT WE'RE WATCHING

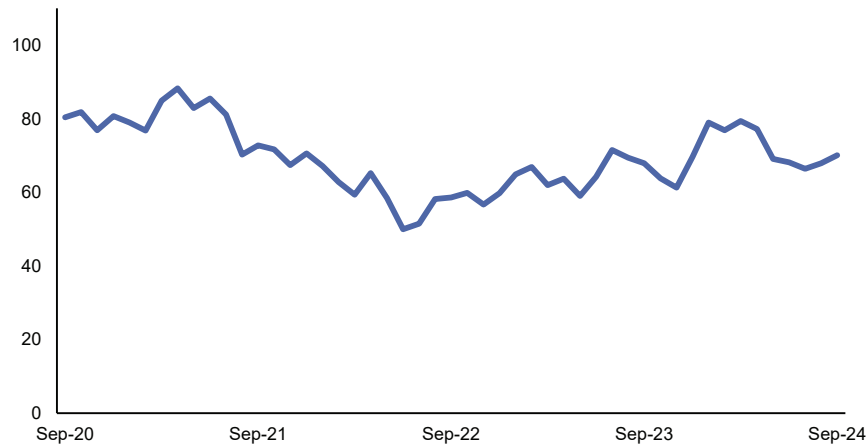
- ▶ The Fed cut the overnight rate by 50 basis points (bps) (0.50%) to a new target range of 4.75% to 5.00% at its September 18 meeting, marking the first rate cut in more than four years. Looking forward, the Fed's updated "dot plot" points to an additional 50 bps of rate cuts by the end of 2024 and 100 bps of cuts in 2025. Outside of the U.S., other major central banks also made rate changes during the quarter, with the European Central Bank (ECB) cutting rates and the Bank of Japan (BOJ) hiking rates for the second time this year.
- ▶ U.S. manufacturing activity dipped back into contraction during the second quarter, with the ISM U.S. Manufacturing PMI reading at 47.2 in September, signaling weak demand. The services sector crept up into expansion territory, with the Services PMI rising to 51.5 in September.
- ▶ Consumer confidence, as measured by the University of Michigan's Consumer Sentiment survey, rose in September after a dip earlier in the quarter, and ended at 70.1, up from the 68.2 reading at the end of the first quarter.
- ▶ In response to the weakness across the economy, China's central bank unveiled several new monetary and fiscal policies to restore consumer confidence and boost growth. They include lowering bank reserve requirements, cutting its key policy rate, and pledging support to relieve local government debt, among other measures.

U.S. ISM Manufacturing & Services PMI



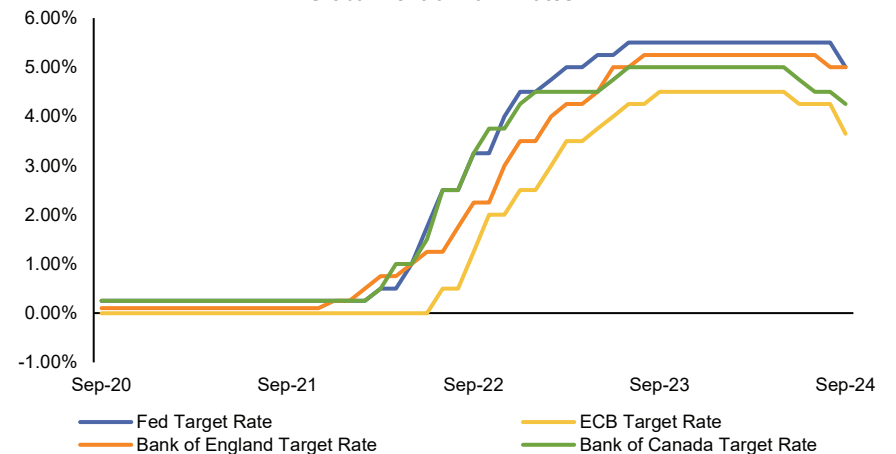
Source: Bloomberg.

University of Michigan Consumer Sentiment



Source: Bloomberg.

Global Central Bank Rates



Source: Bloomberg.

DOMESTIC EQUITY

▶ The S&P 500 Index (S&P) posted a 5.9% return for the third quarter of 2024. As of September 30, 2024, the trailing one-year return for the index was 36.2%.

▶ During the quarter, equity performance broadened beyond mega-cap stocks as the S&P 500 equal-weighted index outperformed its capitalization-weighted counterpart. Across market cap segments, value indices outperformed growth indices for the quarter.

▶ Within S&P 500, only one of 11 GICS sectors posted negative returns over the quarter. The worst performing sectors were Energy (-2.3%), Information Technology (1.6%), and Communication Services (1.7%). The best performing sectors were Utilities (19.4%), Real Estate (17.2%), and Industrials (11.6%).

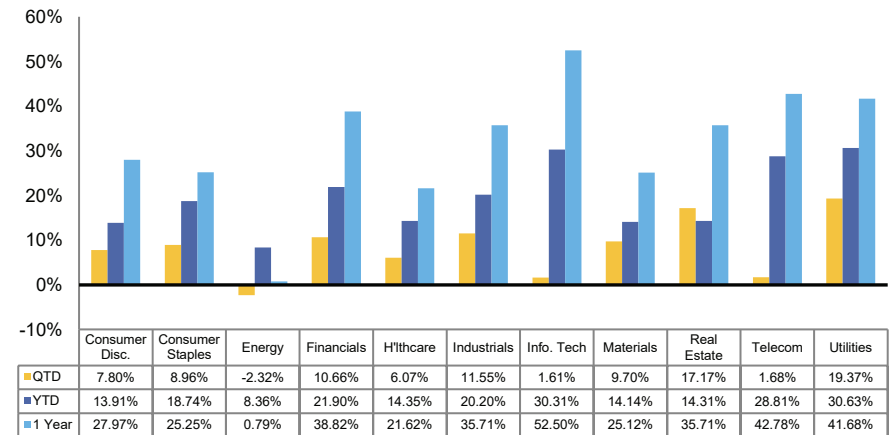
▶ Small-caps, as represented by the Russell 2000 Index, returned 9.3% during the quarter, and outperformed both mid-caps and large-caps. The Russell Midcap and Russell 1000 indices returned 9.2% and 6.1%, respectively.

▶ According to FactSet Earnings Insight (as of September 27, 2024), the expected year-over-year earnings growth rate for the S&P 500 for Q3 2024 was 4.6%, down from the June 30 estimate of 7.8%. At the sector level, Energy (-0.6% to -18.3%) and Materials (7.6% to -1.9%) saw the biggest downward revisions in YoY earnings growth estimates from June 30 to September 27. Conversely, the only sectors revised upward during this period were Information Technology (15.2% to 15.6%) and Communication Services (10.0% to 10.4%).

▶ As of the end of the quarter, the S&P 500 forward P/E (price-to-earnings) ratio was 26.0, above its five-year average of 22.7. By comparison, the Russell 2000 had a forward P/E ratio of 19.9, above its five-year average of 17.8.

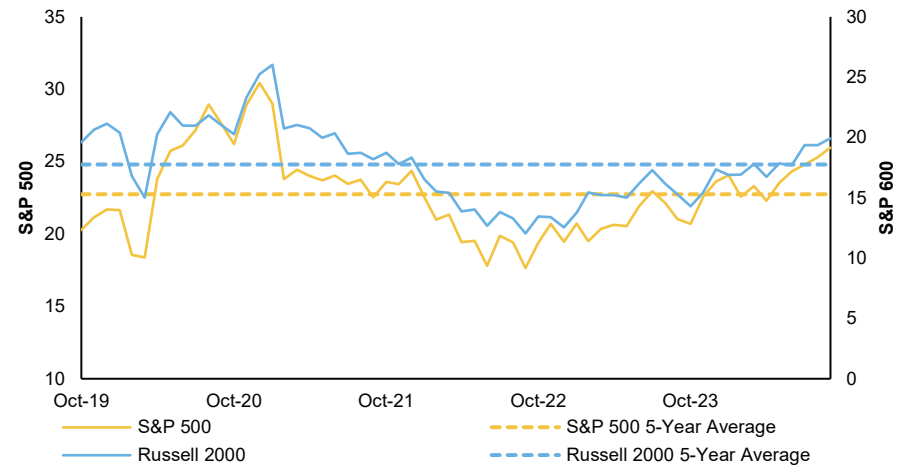
S&P 500 Index Performance by Sector

Periods Ended September 30, 2024



Source: Bloomberg.

P/E Ratios of Major Stock Indices*



Source: Bloomberg.

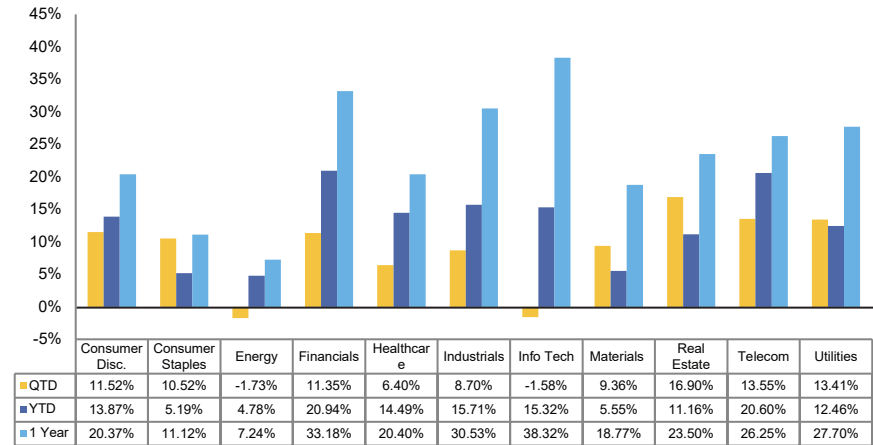
*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

NON-U.S. EQUITY

- ▶ Markets outside of the United States, as measured by the MSCI ACWI ex-U.S. Index, significantly outperformed their U.S. counterparts, returning 8.06% for the quarter. The weaker dollar was a tailwind to these returns.
- ▶ Nine of the 11 sectors posted positive returns for the quarter, with Real Estate (16.90%) leading the way, followed by Communication Services (13.55%) and Utilities (13.41%). Energy (-1.73%) and Information Technology (-1.58%) were the worst performers for the quarter.
- ▶ Developed ex-U.S. Markets, as represented by the MSCI EAFE Index, underperformed emerging markets (EM), represented by the MSCI Emerging Market Index, returning 7.26% versus 8.72% for the quarter.
- ▶ MSCI Australia (11.32%) outperformed the MSCI EAFE Index on the back of cooling inflation. Of the five largest-weighted countries in the index, MSCI Japan (5.80%) was the worst performer. The surprise July rate hike and subsequent yen’s appreciation reduced the prospects of higher profits for Japanese exporters.
- ▶ Within EM, EM Asia (9.47%) was the largest contributor to overall returns during the quarter, benefitting from MSCI China’s strong return of 23.49%. Chinese equities experienced a sharp rally in September, powered by the injection of additional stimulus. MSCI Korea on the other hand, declined 5.94% during the quarter as the technology sell-off impacted index heavyweights - Samsung and SK Hynix.
- ▶ Value stocks outperformed growth stocks for the quarter, as represented by the broad benchmark. MSCI AC World ex-USA Value returned 9.26%, while MSCI AC World ex-USA Growth returned 6.92%. Within EM, growth outperformed value, returning 9.26% versus 8.12%.
- ▶ Small-caps, as represented by MSCI ACWI ex-U.S. Small Cap Index, outperformed within the international equity markets, returning 8.90% for the quarter.
- ▶ Valuations of non-U.S. equities have moved closer to their long-term average across international equity markets. As of September 30, MSCI EAFE’s forward P/E stood at 15.77 versus a five-year average of 16.06. MSCI EM ended the quarter with a forward P/E ratio of 14.02, slightly higher than its five-year average of 13.32.

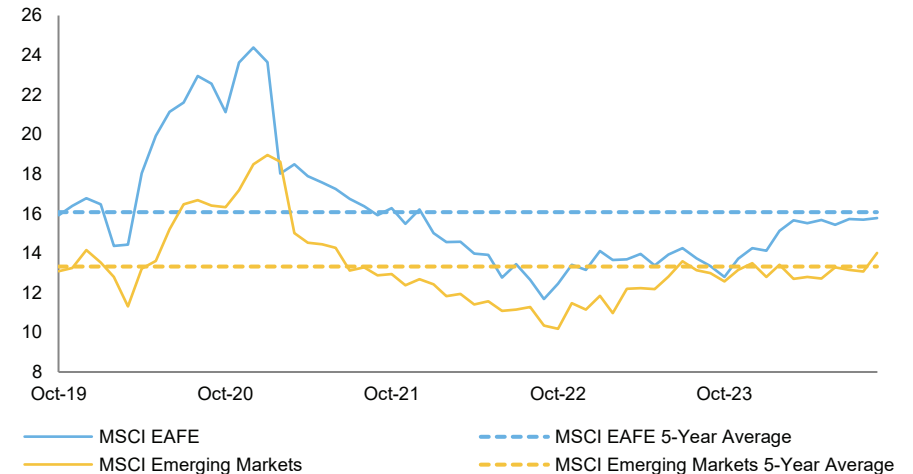
MSCI ACWI ex-U.S. Sectors

Periods Ended September 30, 2024



Source: Bloomberg.

P/E Ratios of MSCI Equity Indices*



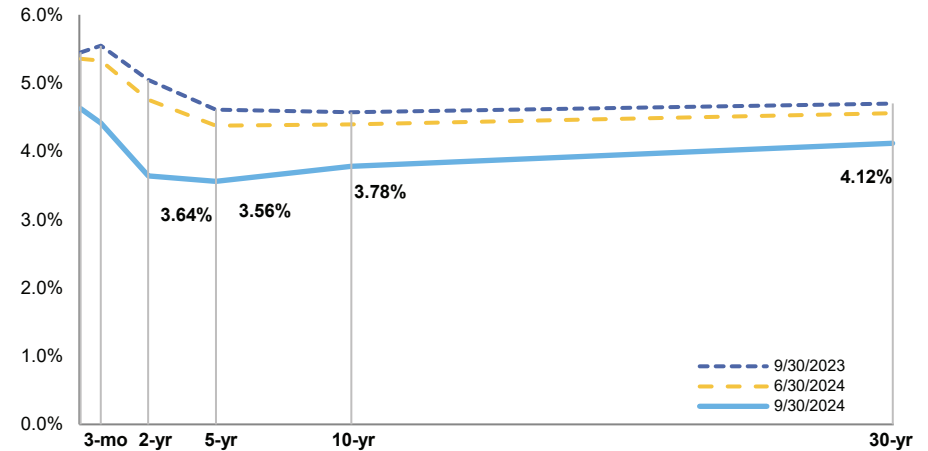
Source: Bloomberg.

*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

FIXED INCOME

- ▶ The U.S. bond market, as represented by the Bloomberg U.S. Aggregate (Aggregate) Index, had a strong third quarter, and ended 5.20% higher. The trailing one-year period return is 11.54%.
- ▶ The Bloomberg U.S. Treasury Index closed the quarter with a gain of 4.74%. During the period, the Federal Open Market Committee (FOMC) initiated its first rate cut of the cycle, lowering the Fed funds Rate by 50 bps. This was more than many market participants had anticipated. Treasury rates beyond the one-year range generally fell during the period. The yield curve steepened during the quarter and dis-inverted for the first time in over two years as the Fed funds rate is targeted at 5.0%. Meanwhile, the 10-year fell to 3.78%, and the 2-year ended at 3.64%.
- ▶ Corporate credit had mixed results for the quarter on the falling rates but spots of widening spreads. The investment grade Bloomberg U.S. Corporate (IG Corp) Index gained 5.84% while high yield bonds, as represented by the Bloomberg U.S. Corporate High Yield (HY) Index, gained 1.09%. Spreads tightened in the “CCC” category, but “BB” performed the worst in the high yield category.
- ▶ The fixed-rate mortgage market, as measured by the Bloomberg U.S. Mortgage-Backed Securities (MBS) Index, gained 5.53%. On the commercial side, returns were positive, with the Bloomberg U.S. Agency CMBS Index up 4.74%, while the non-agency CMBS index gained 4.55%.
- ▶ Emerging market USD sovereign bonds, as represented by the JP Morgan EMBI Global Diversified index, gained 6.15% and were supported by sovereign names. Latin America saw the strongest returns for the quarter.

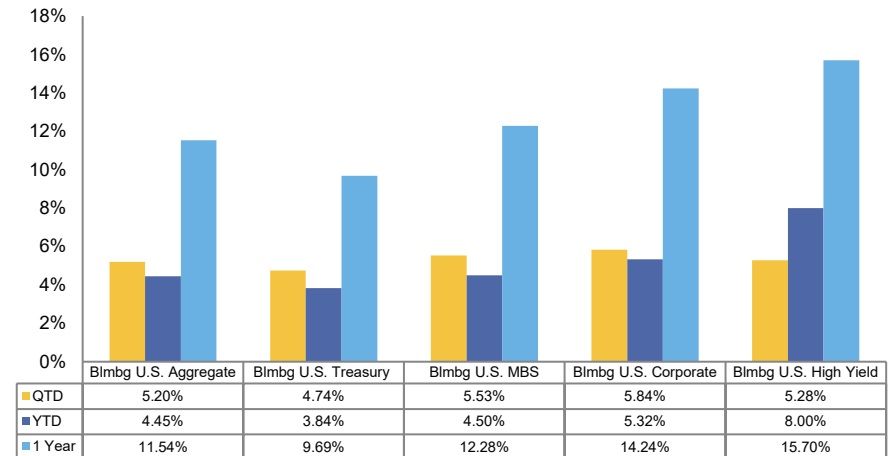
U.S. Treasury Yield Curve



Source: Bloomberg.

Returns for Fixed-Income Segments

Periods Ended September 30, 2024



Source: Bloomberg.

ALTERNATIVES

► Public REITs, as measured by the FTSE NAREIT Equity REITs Index, returned 16.09% in the third quarter of 2024, compared to a 0.06% return in the prior quarter. All major sectors saw positive returns. The strong performance can be attributed to expectations of monetary policy easing and falling real interest rates. Private real estate, as measured by the NCREIF Property Index, fell -0.22% in the second quarter of 2024. Weak performance has been driven by property value declines stemming from weak demand and oversupply, primarily within the Office and Apartment sectors. However, value declines are leveling off, and the income component of total returns continues to be positive.

► Listed infrastructure, as measured by the S&P Global Infrastructure Index, gained 13.43% in the third quarter of 2024, compared to a 2.67% increase in the prior quarter. Performance was mostly positive across the major sectors. In the first half of 2024, 25 infrastructure funds raised \$42.24 billion, a modest figure despite the broad slowdown seen in private markets fundraising. The asset class has received increased attention in recent years due to its potential to generate resilient, inflation-sensitive returns. Artificial intelligence and its prospective applications across industries have also contributed to the positive sentiment, especially for data center and utilities. According to PitchBook, infrastructure funds posted a return of 2.77% in Q1 2024. The asset class has generated an annualized return of 10.08% for the five years ended Q1 2024.

► In the first half of 2024, 59 private debt funds raised \$90.77 billion and rebounded from a slow start to the year. The asset class has performed well relative to public fixed income over the long-term. However, competition between private debt managers and a resurgence of the broadly syndicated loan market against the backdrop of a declining rate environment may keep future asset class returns in check. According to the Cliffwater Direct Lending Index, U.S. middle market loans, a proxy for private debt, posted a return of 3.02% in Q1 2024. The asset class has also generated an annualized return of 9.15% for the five years ended Q1 2024.

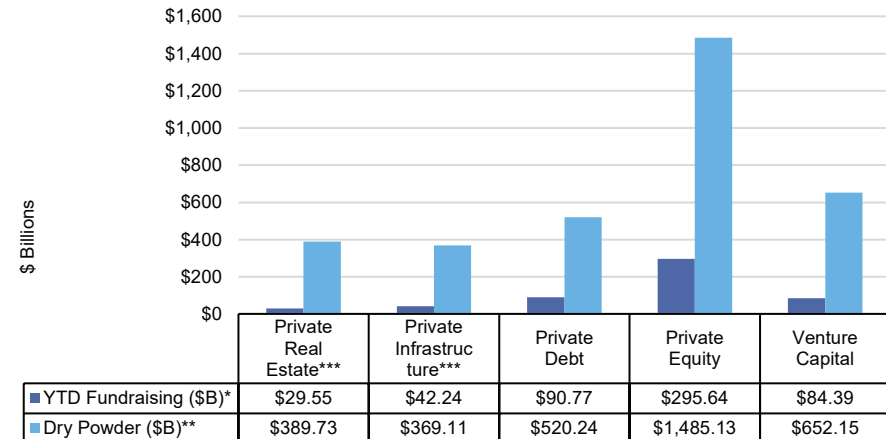
► In the first half of 2024, 250 private equity funds raised \$295.64 billion, a strong pace despite a challenging macroeconomic environment. Private equity performance has been muted due to high borrowing costs, limited debt availability, and reduced deal flow. Recent trailing performance has lagged public equity indices; however, longer term performance relative to public equities remains strong. According to Cambridge Associates, U.S. private equity posted a return of 1.75% in Q1 2024. The asset class has generated an annualized return of 17.01% for the five years ended Q1 2024.

Returns for Private Capital Assets



Source: NCREIF, PitchBook, Cliffwater, Cambridge Associates.
As of March 31, 2024, the most recent period for which all index data is available.

Private Capital Fundraising & Dry Powder



Sources: Pitchbook.

* Total capital raised in 2024 as of June 30, 2024 - most recent period for which ALL fundraising data is available.

** Cumulative dry powder as of December 31, 2023, unless specified otherwise.

*** Excluding open-end, evergreen fund vehicles.

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Important disclosures (page 1 of 4)

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Performance reports included may show performance results gross of fees and expenses. If fees and expenses were included, the performance would be lower. If you have any questions, please speak with your relationship manager for additional information.

Based on our strategic approach to creating diversified portfolios, guidelines are in place concerning the construction of portfolios and how investments should be allocated to specific asset classes based on client goals, objectives and tolerance for risk. Not all recommended asset classes will be suitable for every portfolio. **Diversification and asset allocation do not guarantee returns or protect against losses.**

Important disclosures (page 2 of 4)

Equity securities are subject to stock market fluctuations that occur in response to economic and business developments. **Stocks of small-capitalization companies** involve substantial risk. These stocks historically have experienced greater price volatility than stocks of larger companies and may be expected to do so in the future. **Stocks of mid-capitalization companies** can be expected to be slightly less volatile than those of small-capitalization companies, but still involve substantial risk and may be subject to more abrupt or erratic movements than large-capitalization companies. The value of **large-capitalization stocks** will rise and fall in response to the activities of the company that issued them, general market conditions and/or economic conditions. **Growth investments** focus on stocks of companies whose earnings/profitability are accelerating in the short term or have grown consistently over the long term. Such investments may provide minimal dividends, which could otherwise cushion stock prices in a market decline. Stock value may rise and fall significantly based, in part, on investors' perceptions of the company, rather than on fundamental analysis of the stocks. Investors should carefully consider the additional risks involved in growth investments. **Value investments** focus on stocks of income-producing companies whose price is low relative to one or more valuation factors, such as earnings or book value. Such investments are subject to risks that their intrinsic values may never be realized by the market, or such stocks may turn out not to have been undervalued. Investors should carefully consider the additional risks involved in value investments.

International investing involves special risks, including foreign taxation, currency risks, risks associated with possible differences in financial standards and other risks associated with future political and economic developments. Investing in **emerging markets** may involve greater risks than investing in more developed countries. In addition, concentration of investments in a single region may result in greater volatility.

Investments in **real estate securities** can be subject to fluctuations in the value of the underlying properties, the effect of economic conditions on real estate values, changes in interest rates and risks related to renting properties (such as rental defaults). There are special risks associated with an investment in **commodities**, including market price fluctuations, regulatory changes, interest rate changes, credit risk, economic changes and the impact of adverse political or financial factors.

Investments in **fixed income securities** are subject to various risks, including changes in interest rates, credit quality, market valuations, liquidity, prepayments, early redemption, corporate events, tax ramifications and other factors. Investment in fixed income securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term securities. Investments in lower-rated and non-rated securities present a greater risk of loss to principal and interest than higher-rated securities. Investments in **high yield bonds** offer the potential for high current income and attractive total return, but involve certain risks. Changes in economic conditions or other circumstances may adversely affect a bond issuer's ability to make principal and interest payments.

Important disclosures (page 3 of 4)

The **municipal bond** market is volatile and can be significantly affected by adverse tax, legislative or political changes and the financial condition of the issues of municipal securities. Interest rate increases can cause the price of a bond to decrease. Income on municipal bonds is free from federal taxes, but may be subject to the federal alternative minimum tax (AMT), state and local taxes. **Treasury Inflation-Protected Securities (TIPS)** offer a lower return compared to other similar investments and the principal value may increase or decrease with the rate of inflation. Gains in principal are taxable in that year, even though not paid out until maturity.

Non-financial **specialty assets**, such as real estate, farm, ranch and timber properties, oil, gas and mineral interests or closely-held business interests are complex and involve unique risks specific to each asset type, including the total loss of value. Special risk considerations may include natural events or disasters, complex tax considerations and lack of liquidity. Specialty assets may not be suitable for all investors.

Alternative investments very often use speculative investment and trading strategies. There is no guarantee that the investment program will be successful. Alternative investments are designed only for investors who are able to tolerate the full loss of an investment. These products are not suitable for every investor even if the investor does meet the financial requirements. It is important to consult with your investment professional to determine how these investments might fit your asset allocation, risk profile and tax situation. **Hedge funds** are speculative and involve a high degree of risk. An investment in a hedge fund involves a substantially more complicated set of risk factors than traditional investments in stocks or bonds, including the risks of using derivatives, leverage and short sales, which can magnify potential losses or gains. Restrictions exist on the ability to redeem or transfer interests in a fund. **Exchange-traded funds (ETFs)** are baskets of securities that are traded on an exchange like individual stocks at negotiated prices and are not individually redeemable. ETFs are designed to generally track a market index and shares may trade at a premium or a discount to the net asset value of the underlying securities. **Private equity** investments provide investors and funds the potential to invest directly into private companies or participate in buyouts of public companies that result in a delisting of the public equity. Investors considering an investment in private equity must be fully aware that these investments are illiquid by nature, typically represent a long-term binding commitment and are not readily marketable. The valuation procedures for these holdings are often subjective in nature. **Private debt** investments may be either direct or indirect and are subject to significant risks, including the possibility of default, limited liquidity and the infrequent availability of independent credit ratings for private companies. **Structured products** are subject to market risk and/or principal loss if sold prior to maturity or if the issuer defaults on the security. Investors should request and review copies of Structured Products Pricing Supplements and Prospectuses prior to approving or directing an investment in these securities.

Important disclosures (page 4 of 4)

Mutual fund investing involves risk and principal loss is possible. Investing in certain funds involves special risks, such as those related to investments in small- and mid-capitalization stocks, foreign, debt and high-yield securities and funds that focus their investments in a particular industry. Please refer to the fund prospectus for additional details pertaining to these risks. An investment in **money market funds** is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although these funds seek to preserve the value of an investment at \$1.00 per share, it is possible to lose money by investing in these funds.

Holdings of First American Funds: U.S. Bancorp Asset Management, Inc. is a registered investment advisor and subsidiary of U.S. Bank National Association. U.S. Bank National Association is a separate entity and wholly owned subsidiary of U.S. Bancorp. U.S. Bank is not responsible for and does not guarantee the products, performance or services of U.S. Bancorp Asset Management. U.S. Bancorp Asset Management, Inc. serves as an investment advisor to First American Funds. **Holdings of Nuveen mutual funds:** Firststar Capital Corporation (Firststar Capital), an affiliate of U.S. Bancorp, holds a less-than-10 percent ownership interest in Windy City Investments Holdings, LLC which was formerly the parent of Windy City Investment Inc. and the indirect parent of Nuveen Fund Advisors, LLC which is the investment advisor to the Nuveen Mutual Funds. On October 1, 2014, Windy City Investments, Inc. was sold to Teachers Insurance and Annuity Association of America. As a result of the sale, U.S. Bancorp no longer has an indirect ownership interest in Nuveen Fund Advisors, LLC. Depending on the outcome of certain factors, Firststar Capital might in the future receive an earn-out payment in respect of its interest in Windy City Investment Holdings, LLC, under the terms of the sale. **Non-proprietary mutual funds:** U.S. Bank may enter into agreements with other non-proprietary mutual funds or their service providers whereby U.S. Bank provides shareholder services and/or sub-transfer agency, custodial and other administrative support services and receives compensation for these services. Compensation received by U.S. Bank directly or indirectly from mutual funds does not increase fund fees and expenses beyond what is disclosed in the fund prospectuses. For more information, review the fund prospectus.

Definitions of report and statement terms (page 1 of 5)

Accredited Investor: Private placement securities generally require that investors be accredited due to the additional risks and speculative nature of the securities. For natural persons, the criteria is met by a net worth of more than \$1 million (excluding primary residence) or an income of more than \$200,000 individually (\$300,000 jointly) for the two most recent years and a reasonable expectation for the same in the current year. For other entities, such as corporations, partnerships, trusts and employee benefit plans, the criteria is met with at least \$5 million in assets. See full definition in Rule 501 of Regulation D under the Securities Act of 1933.

Alpha: A measure of risk-adjusted performance. A statistic measuring that portion of a stock, fund or composite's total return attributable to specific or non-market risk. Alpha measures non-market return and indicates how much value has been added or lost. A positive Alpha indicates the fund or composite has performed better than its Beta would predict (i.e., the manager has added value above the benchmark). A negative Alpha indicates a fund or composite has underperformed given the composite's Beta.

Alternative Investments: As used by U.S. Bank, an investment considered to be outside of the traditional asset classes of long-only stocks, bonds and cash. Examples of alternative investments include hedge funds, private equity, options and financial derivatives.

Annualized Excess Return: Shows the difference between the annualized linked returns of a portfolio and the model benchmark. Performance reports provided annualize only periods greater than one year.

Annualized or Annual Rate of Return: Represents the average annual change in the value of an investment over the periods indicated.

Batting Average: Shows how consistently the portfolio return met or beat the market.

Beta: A measure of your portfolio's risk relative to a benchmark. A portfolio with a beta of 1.5, for example, would be expected to return roughly 1.5 times the benchmark's return. A high Beta indicates a riskier portfolio.

Bond Credit Rating: A grade given to bonds by a private independent rating service that indicates their credit quality. Ratings are the opinion of Standard & Poor's or other agencies as noted and not the opinion of U.S. Bank.

Consumer Price Index (CPI): A measure of the average change in prices over time in a market basket of goods and services and is one of the most frequently used statistics for identifying periods of inflation and deflation.

Convexity to Stated Maturity: A measure of the curvature in the relationship between bond prices and bond yields that demonstrates how the duration of a bond changes as the interest rate changes. Convexity is used as a risk-management tool and helps to measure and manage the amount of market risk to which a portfolio of bonds is exposed. This version of convexity measures the rate change in duration of a bond as the yield to (stated) maturity changes.

Definitions of report and statement terms (page 2 of 5)

Cost basis/book value: The original value of an asset at the time it was acquired. This is normally the purchase price or appraised value at the time of acquisition. This data is for information purposes only.

Cumulative Excess Return: Shows the difference between the annualized linked returns of a portfolio and the model benchmark. Performance reports provided use unannualized returns in periods up to one year, but annualized returns for periods exceeding one year.

Downside Capture: The downside capture ratio reflects how a portfolio compares to a benchmark during periods when the benchmark is down. A downside capture ratio of 0.80 (or 80 percent) means the portfolio has historically declined only 80 percent as much as the benchmark during down markets.

Downside Deviation: The deviation of returns that fall below a minimum acceptable return (MAR). Although the numerator includes only returns below the MAR, the denominator includes all returns in the performance period. This risk statistic is similar to the downside standard deviation except the sum is restricted to returns less than the MAR instead of the mean.

Downside Standard Deviation: The deviation of returns that fall below the mean return. Although the numerator includes only returns below the mean, the denominator includes all returns in the performance period. This risk statistic is similar to the downside deviation except the sum is restricted to returns less than the mean instead of the minimum acceptable return (MAR).

Effective Maturity: The date of a bond's most likely redemption, given current market conditions, taking into consideration the optional and mandatory calls, the optional, mandatory and recurring puts, and the stated maturity.

Estimated annual income: The amount of income a particular asset is anticipated to earn over the period indicated. The shares multiplied by the annual income rate.

Gain/loss calculation: If an asset was sold, the difference between the proceeds received from the sale compared to the cost of acquiring the asset. If the value of the proceeds is the higher of the two numbers, then a gain was realized. If the value of the proceeds is the lower of the two numbers, a loss was incurred. This data is for information purposes only.

Information Ratio: The information ratio compares the average excess return of the portfolio over its associated benchmark divided by the tracking error.

M-Squared: The hypothetical return of the portfolio after its risk has been adjusted to match a benchmark.

Definitions of report and statement terms (page 3 of 5)

Market Value: Publicly traded assets are valued using market quotations or valuation methods from financial industry services believed by us to be reliable. Assets, that are not publicly traded, may be reflected at values from other external sources or special valuations prepared by us. Assets for which a current value is not available may be reflected as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could have been bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

Market Value Over Time: Many factors can impact the portfolio value over time, such as contributions to the account, distributions from the account, the investment of dividends and interest, the deduction of fees and expenses, and market performance.

Modified Duration to Effective Maturity: A formula that expresses the measurable change in the value of a security in response to a change in interest rates. This version of Modified Duration takes into consideration a “horizon date/price” that is, given current conditions, the most likely redemption date/price using the set of calls/puts, as well as stated maturity.

Modified Duration to Stated Maturity: A formula that expresses the measurable change in the value of a security in response to a change in interest rates. This version of Modified Duration uses stated maturity as the “horizon date/price” and ignores any potential call/put/pre-refunding, even if they are mandatory.

Price/Earnings Ratio (P/E): The P/E ratio of a company is calculated by dividing the price of the company’s stock by its trailing 12-month earnings per share. A high P/E usually indicates that the market is paying a premium for current earnings because it believes in the firm’s ability to grow its earnings. A low P/E indicates the market has less confidence that the company’s earnings will increase. Within a portfolio, P/E is the weighted average of the price/earnings ratios of the stocks in the portfolio.

Qualified Purchaser: Some private placement securities require that investors be Qualified Purchasers in addition to being Accredited Investors. For natural persons, the criteria is generally met when the client (individually or jointly) owns at least \$5 million in investments. For other entities, such as corporations, partnerships, trusts and employee benefit plans, the criteria is met with at least \$25 million in investments though there are other eligibility tests that may apply. See full definition in Section 2(a)(51) of the Investment Company Act of 1940.

R-Squared: Measures the portion of the risk in your portfolio that can be attributed to the risk in the benchmark.

Realized and Unrealized Gains/Losses: Are calculated for individual tax lots based on the records we have available. Some data may be incomplete or differ from what you are required to report on your tax return. Some data used in these calculations may have been obtained from outside sources and cannot be verified by U.S. Bank. The data is intended for informational purposes only and should not be used for tax reporting purposes. Please consult with your tax or legal advisor for questions concerning your personal tax or financial situation.

Definitions of report and statement terms (page 4 of 5)

Residual Risk: The amount of risk specific to the assets in a portfolio distinct from the market, represented by a benchmark.

Return: An indication of the past performance of your portfolio.

Sharpe Ratio: Measures of risk-adjusted return that calculates the return per unit of risk, where risk is the Standard Deviation of your portfolio. A high Sharpe ratio indicates that the portfolio is benefiting from taking risk.

Sortino Ratio: Intended to differentiate between good and bad volatility. Similar to the Sharpe ratio, except it uses downside deviation for the denominator instead of standard deviation, the use of which doesn't discriminate between up and down volatility.

Spread: The difference between the yields of two bonds with differing credit ratings (most often, a corporate bond with a certain amount of risk is compared to a standard traditionally lower risk Treasury bond). The bond spread will show the additional yield that could be earned from a bond which has a higher risk.

Standard Deviation: A measure of the volatility and risk of your portfolio. A low standard deviation indicates a portfolio with less volatile returns and therefore less inherent risk.

Time-weighted Return: The method used to calculate performance. Time-weighted return calculates period by period returns that negates the effect of external cash flows. Returns for periods of greater than one year are reported as an annualized (annual) rate of return. Returns of less than one year are reported on a cumulative return basis. Cumulative return is the aggregate amount an investment has gained or lost over time, independent of the period involved.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark. This is often in the context of a hedge or mutual fund that did not work as effectively as intended, creating an unexpected profit or loss instead.

Traditional Investments: As used by U.S. Bank, an investment made in equity, fixed income or cash securities, mutual funds or exchange-traded funds (ETFs) where the investor buys at a price with the goal that the investment will go up in value.

Top 10 Holdings: The 10 assets with the highest market values in the account.

Total Portfolio Gross of Fees: Represents all assets included in the calculation of the portfolio, before the deduction of trust and asset management fees, and is inclusive of all applicable third-party security fees and expenses. Details of those fees and expenses are provided in the security's prospectus or offering documents.

Definitions of report and statement terms (page 5 of 5)

Total Return: The rate of return that includes the realized and unrealized gains and losses plus income for the measurement period.

Treynor Ratio: Measures the performance of a sector relative to risk by dividing the return of the sector in excess of the risk-free return by the sector's Beta. The higher the Treynor ratio, the better the return relative to risk.

Turnover Percent: Indicates how frequently asset are bought and sold within a portfolio.

Turnover Ratio: The percentage of a mutual fund's or other investment vehicle's holdings that have been "turned over" or replaced with other holdings in a given year.

Unrealized gain (loss) — The difference between the current market value (at the end of the statement period) and the cost to acquire the asset. If the current market value is higher than the cost, a gain is reflected. If the current market value is lower than the cost paid, a loss is reflected. This data is for information purposes only.

Upside Capture: The upside capture ratio reflects how a portfolio compares to the selected model benchmark during periods when the benchmark is up. An upside capture ratio of 1.15 (or 115 percent) means the portfolio has historically beat the benchmark by 15 percent during up markets.

Yield: The annual rate of return on an investment, expressed as a percentage. For bonds, it is the coupon rate divided by the market price. For stocks, it is the annual dividend divided by the market price.

Frequently used indexes (page 1 of 5)

Bloomberg Barclays 1-3 year U.S. Treasury Index: Measures the performance of the U.S. government bond market and includes public obligations of the U.S. Treasury with a maturity between one year and up to (but not including) three years.

Bloomberg Barclays 1-5 year U.S. Treasury Index: Includes all publicly issued, U.S. Treasury securities that have a remaining maturity of greater than or equal to one year and less than five years, are rated investment grade and have \$250 million or more of outstanding face value.

The Bloomberg Barclays 1-5 year Municipal Index: Measures the performance of municipal bonds with time to maturity of more than one year and less than five years.

Bloomberg Barclays 7-year Municipal Index: Includes municipal bonds with a minimum credit rating of Baa that have been issued as part of a transaction of at least \$50 million, have a maturity value of at least \$5 million and a maturity range of four to six years.

Bloomberg Barclays Global Aggregate Index ex-U.S. Index: Measure of global investment grade debt from 24 local currency markets. This multi-currency benchmark includes Treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

Bloomberg Barclays Global Treasury ex-U.S. Index: Includes government bonds issued by investment-grade countries outside the United States, in local currencies, that have a remaining maturity of one year or more and are rated investment grade.

Bloomberg Barclays High Yield Municipal Bond Index: An unmanaged index made up of bonds that are non-investment grade, unrated or below Ba1 bonds.

Bloomberg Barclays Intermediate Aggregate Index: Consists of one- to 10-year governments, one- to 10-year corporate bonds, all mortgages and all asset-backed securities within the Aggregate Index.

Bloomberg Barclays Mortgage-Backed Securities Index: Covers agency mortgage-backed pass-through securities (both fixed-rate and hybrid adjustable-rate mortgages) issued by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

Bloomberg Barclays U.S. Aggregate Bond Index: Measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage-backed securities, asset-backed securities and commercial mortgage-backed securities.

Bloomberg Barclays U.S. Corporate Bond Index: Measures the investment grade, fixed-rate, taxable corporate bond market and includes U.S. dollar-denominated securities publicly issued by U.S. and non-U.S. industrial, utility and financial issuers.

Frequently used indexes (page 2 of 5)

Bloomberg Barclays U.S. Corporate High Yield Bond Index: Measures the U.S. dollar denominated, high yield, fixed-rate corporate bond market.

Bloomberg Barclays U.S. Municipal Bond Index: Measures the investment grade, U.S. dollar-denominated, fixed tax-exempt bond market. The index includes state and local general obligation, revenue, insured and pre-refunded bonds.

Bloomberg Barclays U.S. Treasury Index: Measures U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury.

Bloomberg Barclays U.S. Treasury Inflation-Protected Securities (TIPS) Index: An unmanaged index includes all publicly issued, U.S. TIPS that have at least one year remaining to maturity, are rated investment grade, and have \$250 million or more of outstanding face value.

Cambridge U.S. Private Equity Index: This index is based on returns data compiled for U.S. private equity funds (including buyout, growth equity and mezzanine funds) that represent the majority of institutional capital raised by private equity partnerships formed since 1986. Returns may be delayed by up to six months. Quarterly performance is prorated based on the cube root for the months of the quarter.

Citigroup 3-Month Treasury Bills: An unmanaged index and represents monthly return equivalents of yield averages of the last three-month Treasury Bill issues.

Citigroup 6-Month Treasury Bills: An unmanaged index and represents monthly return equivalents of yield averages of the last six-month Treasury Bill issues.

Credit Suisse Leverage Loan Index: Represents tradable, senior-secured, U.S. dollar-denominated non-investment grade loans.

Dow Jones Industrial Average (DJIA): The price-weighted average of 30 significant U.S. stocks traded on the New York Stock Exchange and NASDAQ. The DJIA is the oldest and single most watched index in the world.

Dow Jones Select REIT Index: Measures the performance of publicly traded REITs and REIT-like securities in the U.S. and is a proxy for direct real estate investment, in part by excluding companies whose performance may be driven by factors other than the value of real estate.

HFRI Indices: The Hedge Fund Research, Inc. (HFRI) indexes are a series of benchmarks designed to reflect hedge fund industry performance by constructing composites of constituent funds, as reported by the hedge fund managers listed within the HFR Database.

Frequently used indexes (page 3 of 5)

HFRI Equity Hedge Total Index: Uses the HFR (Hedge Fund Research) database and consists only of equity hedge funds with a minimum of \$50 million assets under management or a 12-month track record and that reported assets in U.S. dollars.

HFRI Relative Value Fixed Income Corporate Index: Uses the HFR (Hedge Fund Research) database and consists of only relative value fixed income corporate funds with a minimum of \$50 million assets under management or a 12-month track record and that reported assets in U.S. dollars.

ICE BofAML 1-3 Year Corporate Index: Tracks U.S. dollar-denominated investment grade public debt issued in the U.S. bond market with maturities of one to three years.

ICE BofAML 1-5 Year Corporate and Government Index: Tracks the performance of short-term U.S. investment grade government and corporate securities with maturities between one and five years.

ICE BofAML U.S. 7-10 Year Index: Tracks the performance of U.S. dollar denominated investment grade rated corporate debt publicly issued in the U.S. domestic market and includes all securities with a remaining term to maturity of greater than or equal to seven years and less than 10 years.

ICE BofAML Global Broad Market Index: Tracks the performance of investment grade public debt issued in the major domestic and Eurobond markets, including global bonds.

ICE BofAML U.S. High Yield Master II Index: Commonly used benchmark index for high yield corporate bonds and measures the broad high yield market.

J.P. Morgan Emerging Markets Bond Index Global (EMBI Global): Tracks total returns for traded external debt instruments in the emerging markets.

London Interbank Offered Rate (LIBOR) 3-months: The interest rate offered by a specific group of London banks for U.S. dollar deposits with a three-month maturity.

London Interbank Offered Rate (LIBOR) 9-months: The interest rate offered by a specific group of London banks for U.S. dollar deposits with a nine-month maturity.

MSCI All Country World Index (ACWI): Designed to measure the equity market performance of developed and emerging markets.

Frequently used indexes (page 4 of 5)

Russell 2000 Value Index: Measures companies in the Russell 2000 Index having lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Index includes the 2,000 firms from the Russell 3000 Index with the smallest market capitalizations.

Russell 3000 Index: Measures the performance of the 3,000 largest U.S. securities based on total market capitalization.

Russell Midcap Index: Measures the 800 smallest companies in the Russell 3000 Index.

Russell Midcap Growth Index: Measures companies in the Russell Midcap Index having higher price-to-book ratios and higher forecasted growth values.

Russell Midcap Value Index: Measures companies in the Russell Midcap Index having lower price-to-book ratios and lower forecasted growth values.

MSCI All County World ex-U.S. Index (ACWI, excluding United States): Tracks the performance of stocks representing developed and emerging markets around the world that collectively comprise most foreign stock markets. U.S. stocks are excluded from the index.

MSCI EAFE Index: Includes approximately 1,000 companies representing the stock markets of 21 countries in Europe, Australasia and the Far East.

MSCI Emerging Markets (EM) Index: Designed to measure equity market performance in global emerging markets.

MSCI World Index: Tracks equity market performance of developed markets through individual country indices.

NAREIT Index: Includes REITs (Real Estate Investment Trusts) listed on the New York Stock Exchange, NASDAQ and American Stock Exchange.

NASDAQ Composite Index: A market capitalization-weighted average of roughly 5,000 stocks that are electronically traded in the NASDAQ market.

NCREIF Property Index (NPI): Measures the investment performance of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only.

Russell 1000 Index: Measures the performance of the 1,000 largest companies in the Russell 3000 Index and is representative of the U.S. large capitalization securities market.

Frequently used indexes (page 5 of 5)

Russell 1000 Growth Index: Measures companies in the Russell 1000 Index with higher price-to-book ratios and higher forecasted growth values. It includes the largest 1,000 firms in the Russell 3000 Index.

Russell 1000 Value Index: Measures companies in the Russell 1000 Index with lower price-to-book ratios and lower forecasted growth values. It includes the largest 1,000 firms in the Russell 3000 Index.

Russell 2000 Index: Measures the performance of the 2,000 smallest companies in the Russell 3000 Index and is representative of the U.S. small capitalization securities market.

Russell 2000 Growth Index: Measures companies in the Russell 2000 Index having higher price-to-book ratios and higher forecasted growth values, and is representative of U.S. securities exhibiting growth characteristics. The Russell 2000 Index includes the 2,000 firms from the Russell 3000 Index with the smallest market capitalizations.

S&P 500 Index: Consists of 500 widely traded stocks that are considered to represent the performance of the U.S. stock market.

S&P Global ex-U.S. Property Index: Measures the investable universe of publicly traded property companies domiciled in developed and emerging markets excluding the United States. The companies included are engaged in real estate related activities such as property ownership, management, development, rental and investment.

S&P GSCI: A composite index of commodity sector returns, representing an unleveraged, long-only investment in commodity futures that is broadly diversified across the spectrum of commodities.

S&P/Case-Shiller Home Price Indexes: A group of indexes that track changes in home prices throughout the United States. Case-Shiller produces indexes representing certain metropolitan statistical areas (MSA) as well as a national index.

Swiss Re Global Cat Bond Total Return Index: Tracks the aggregate performance of all U.S. dollar-denominated euros and Japanese yen-denominated catastrophe bonds, capturing all ratings, perils and triggers.

U.S. Dollar Index: Indicates the general international value of the U.S. dollar by averaging the exchange rates between the U.S. dollar and six major world currencies.

Wilshire 5000 Index: Composed of more than 6,700 publicly-traded U.S. companies and is designed to track the overall performance of the American stock markets.