



SILVIA • McCOLL
WEALTH MANAGEMENT

Q3

Quarterly Market Review
Third Quarter 2022

Quarterly Market Summary

Index returns





















| | US Stock Market | International Developed Stocks | Emerging Markets Stocks | Global Real Estate | US Bond Market | Global Bond Market ex US |
|--------------------------|-----------------|--------------------------------|-------------------------|--------------------|----------------|--------------------------|
| Q3 2022 | STOCKS | | | | BONDS | |
| | -4.46% | -9.20% | -11.57% | -11.12% | -4.75% | -2.21% |
| | | | | | | |
| Since Jan. 2001 | | | | | | |
| Average Quarterly Return | 2.1% | 1.3% | 2.4% | 2.2% | 0.9% | 0.9% |
| Best Quarter | 22.0% | 25.9% | 34.7% | 32.3% | 4.6% | 4.6% |
| | 2020 Q2 | 2009 Q2 | 2009 Q2 | 2009 Q3 | 2001 Q3 | 2008 Q4 |
| Worst Quarter | -22.8% | -23.3% | -27.6% | -36.1% | -5.9% | -4.1% |
| | 2008 Q4 | 2020 Q1 | 2008 Q4 | 2008 Q4 | 2022 Q1 | 2022 Q1 |

Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Market segment (index representation) as follows: US Stock Market (Russell 3000 Index), International Developed Stocks (MSCI World ex USA Index [net dividends]), Emerging Markets (MSCI Emerging Markets Index [net dividends]), Global Real Estate (S&P Global REIT Index [net dividends]), US Bond Market (Bloomberg US Aggregate Bond Index), and Global Bond Market ex-US (Bloomberg Global Aggregate ex-USD Bond Index [hedged to USD]). S&P data © 2022 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. MSCI data © MSCI 2022, all rights reserved. Bloomberg data provided by Bloomberg.

Long-Term Market Summary

Index returns as of September 30, 2022

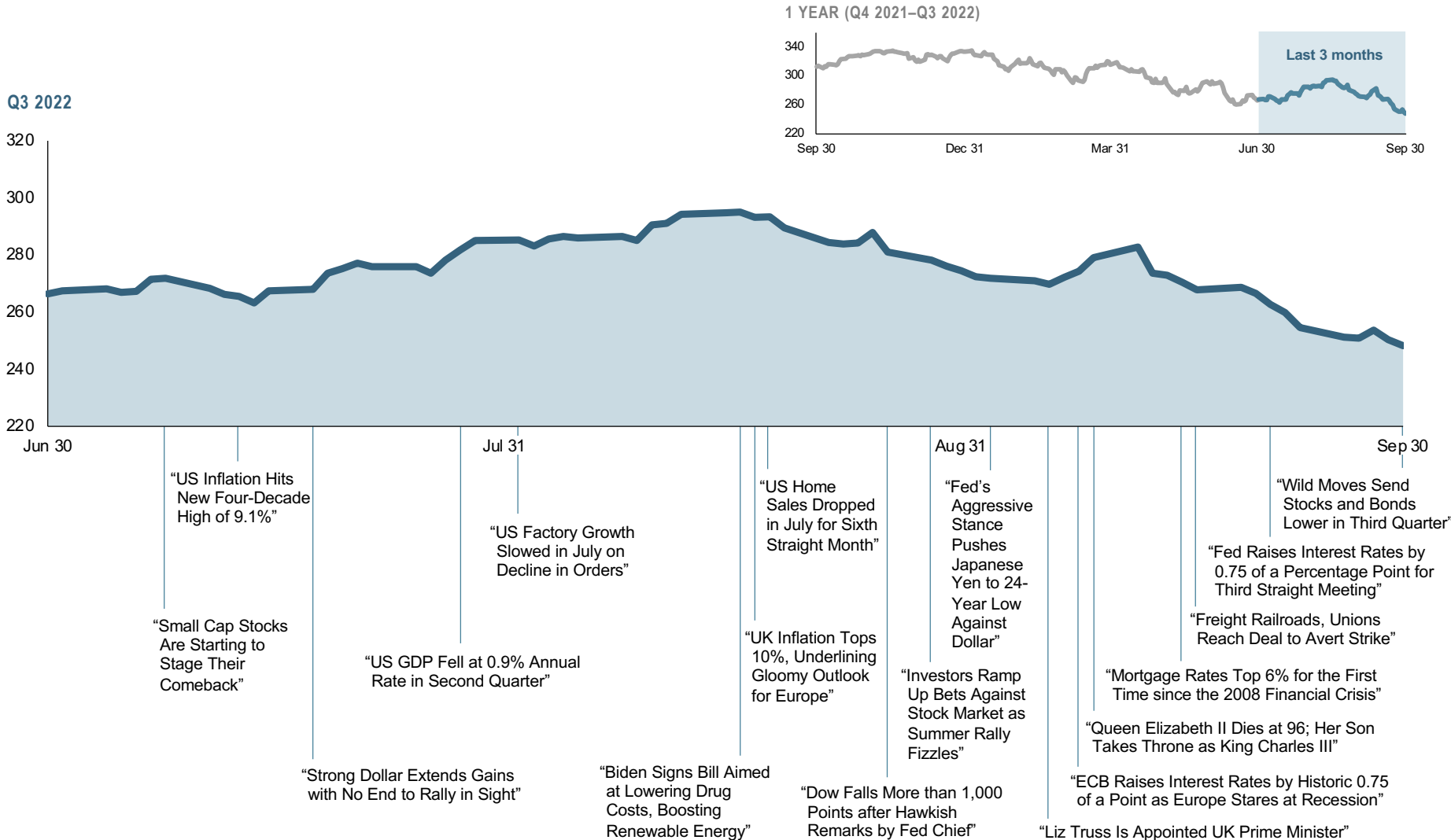
| | US Stock Market | International Developed Stocks | Emerging Markets Stocks | Global Real Estate | US Bond Market | Global Bond Market ex US |
|----------|---|---|--|---|---|---|
| 1 Year | STOCKS | | | | BONDS | |
| | -17.63% | -23.91% | -28.11% | -20.49% | -14.60% | -9.86% |
| |  |  |  |  |  |  |
| 5 Years | 8.62% | -0.39% | -1.81% | 0.17% | -0.27% | 0.71% |
| |  |  |  |  |  |  |
| 10 Years | 11.39% | 3.62% | 1.05% | 3.58% | 0.89% | 2.21% |
| |  |  |  |  |  |  |

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World Stock Market Performance

MSCI All Country World Index with selected headlines from Q3 2022

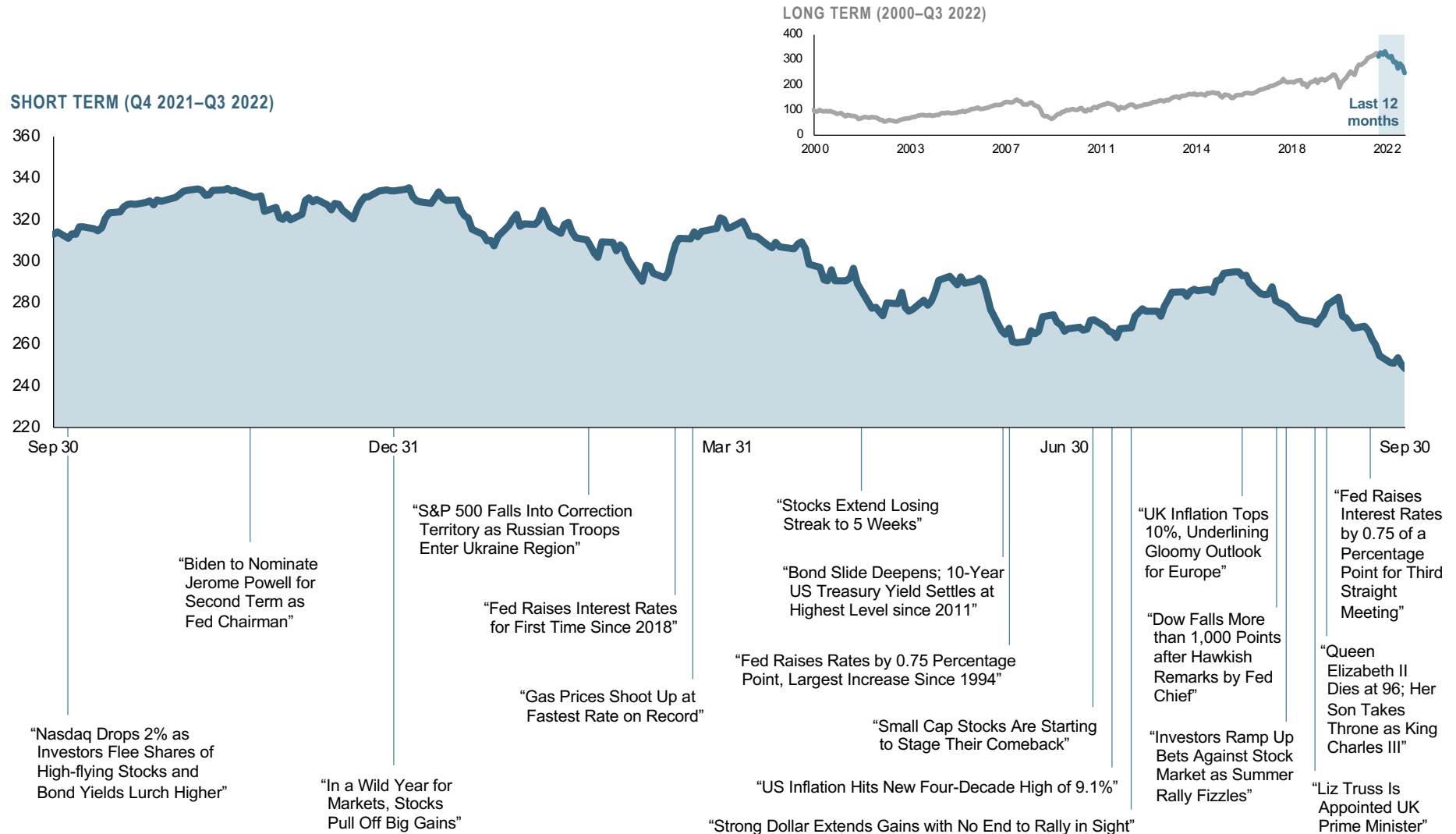


These headlines are not offered to explain market returns. Instead, they serve as a reminder that investors should view daily events from a long-term perspective and avoid making investment decisions based solely on the news.

Graph Source: MSCI ACWI Index (net dividends). MSCI data © MSCI 2022, all rights reserved. It is not possible to invest directly in an index. Performance does not reflect the expenses associated with management of an actual portfolio. Past performance is not a guarantee of future results.

World Stock Market Performance

MSCI All Country World Index with selected headlines from past 12 months



These headlines are not offered to explain market returns. Instead, they serve as a reminder that investors should view daily events from a long-term perspective and avoid making investment decisions based solely on the news.

Graph Source: MSCI ACWI Index (net dividends). MSCI data © MSCI 2022, all rights reserved.

It is not possible to invest directly in an index. Performance does not reflect the expenses associated with management of an actual portfolio. **Past performance is not a guarantee of future results.**

US Stocks

Third quarter 2022 index returns

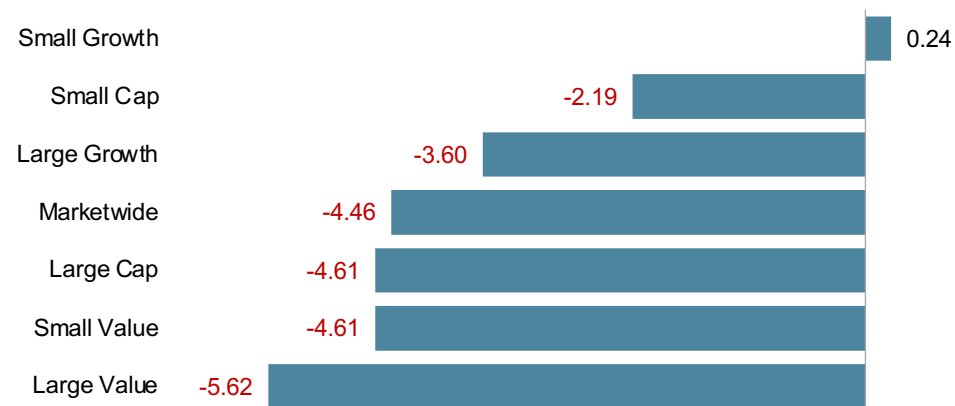
The US equity market posted negative returns for the quarter and outperformed both non-US developed and emerging markets.

Value underperformed growth.

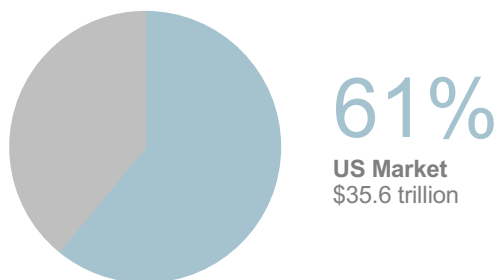
Small caps outperformed large caps.

REIT indices underperformed equity market indices.

Ranked Returns (%)



World Market Capitalization—US



Period Returns (%)

| Asset Class | QTR | YTD | 1 Year | * Annualized | | |
|--------------|-------|--------|--------|--------------|----------|-----------|
| | | | | 3 Years* | 5 Years* | 10 Years* |
| Small Growth | 0.24 | -29.28 | -29.27 | 2.94 | 3.60 | 8.81 |
| Small Cap | -2.19 | -25.10 | -23.50 | 4.29 | 3.55 | 8.55 |
| Large Growth | -3.60 | -30.66 | -22.59 | 10.67 | 12.17 | 13.70 |
| Marketwide | -4.46 | -24.62 | -17.63 | 7.70 | 8.62 | 11.39 |
| Large Cap | -4.61 | -24.59 | -17.22 | 7.95 | 9.00 | 11.60 |
| Small Value | -4.61 | -21.12 | -17.69 | 4.72 | 2.87 | 7.94 |
| Large Value | -5.62 | -17.75 | -11.36 | 4.36 | 5.29 | 9.17 |

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International Developed Stocks

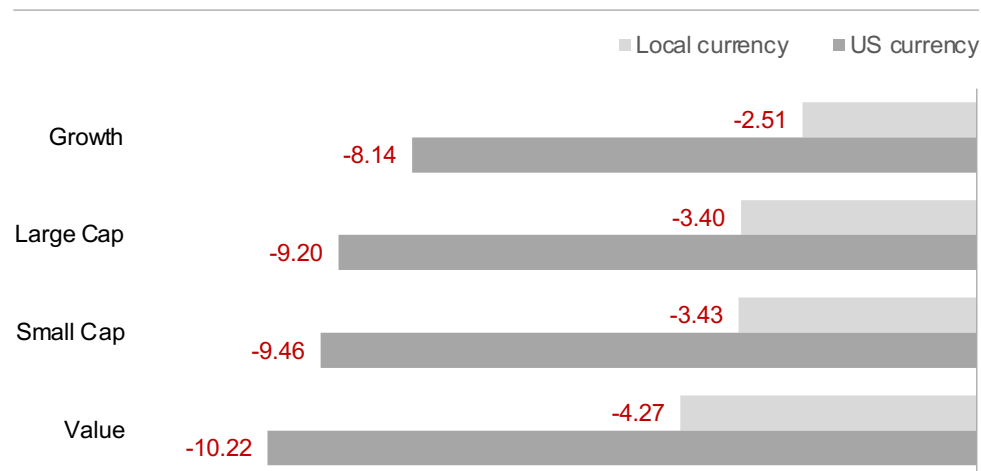
Third quarter 2022 index returns

Developed markets outside of the US posted negative returns for the quarter and underperformed the US market, but outperformed emerging markets.

Value underperformed growth.

Small caps underperformed large caps.

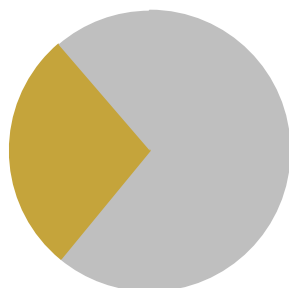
Ranked Returns (%)



World Market Capitalization—International Developed

28%

International
Developed Market
\$16.2 trillion



Period Returns (%)

| Asset Class | QTR | YTD | 1 Year | * Annualized | | |
|-------------|--------|--------|--------|--------------|----------|-----------|
| | | | | 3 Years* | 5 Years* | 10 Years* |
| Growth | -8.14 | -32.33 | -29.44 | -1.14 | 0.85 | 4.46 |
| Large Cap | -9.20 | -26.23 | -23.91 | -1.21 | -0.39 | 3.62 |
| Small Cap | -9.46 | -31.07 | -30.80 | -1.27 | -1.24 | 4.78 |
| Value | -10.22 | -20.10 | -18.58 | -1.97 | -2.08 | 2.53 |

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Emerging Markets Stocks

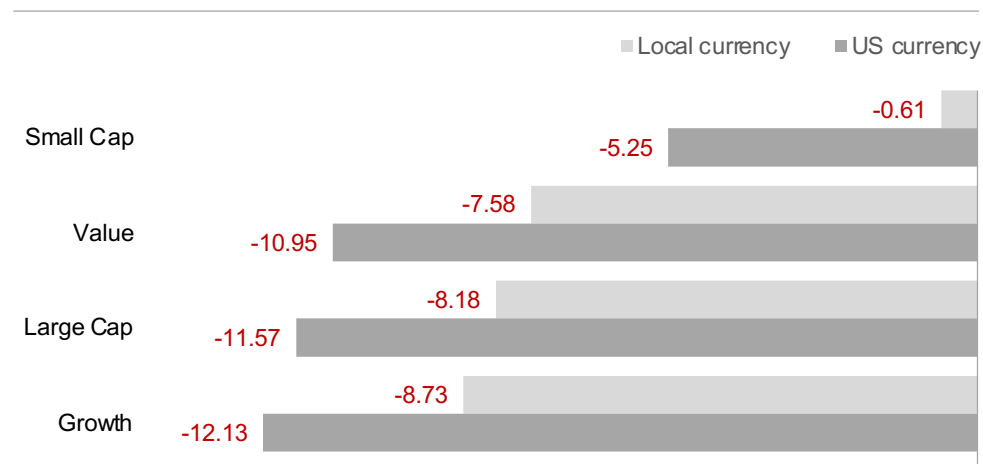
Third quarter 2022 index returns

Emerging markets posted negative returns for the quarter and underperformed both US and non-US developed markets.

Value outperformed growth.

Small caps outperformed large caps.

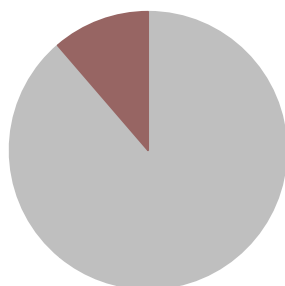
Ranked Returns (%)



World Market Capitalization—Emerging Markets

11%

Emerging Markets
\$6.6 trillion



Period Returns (%)

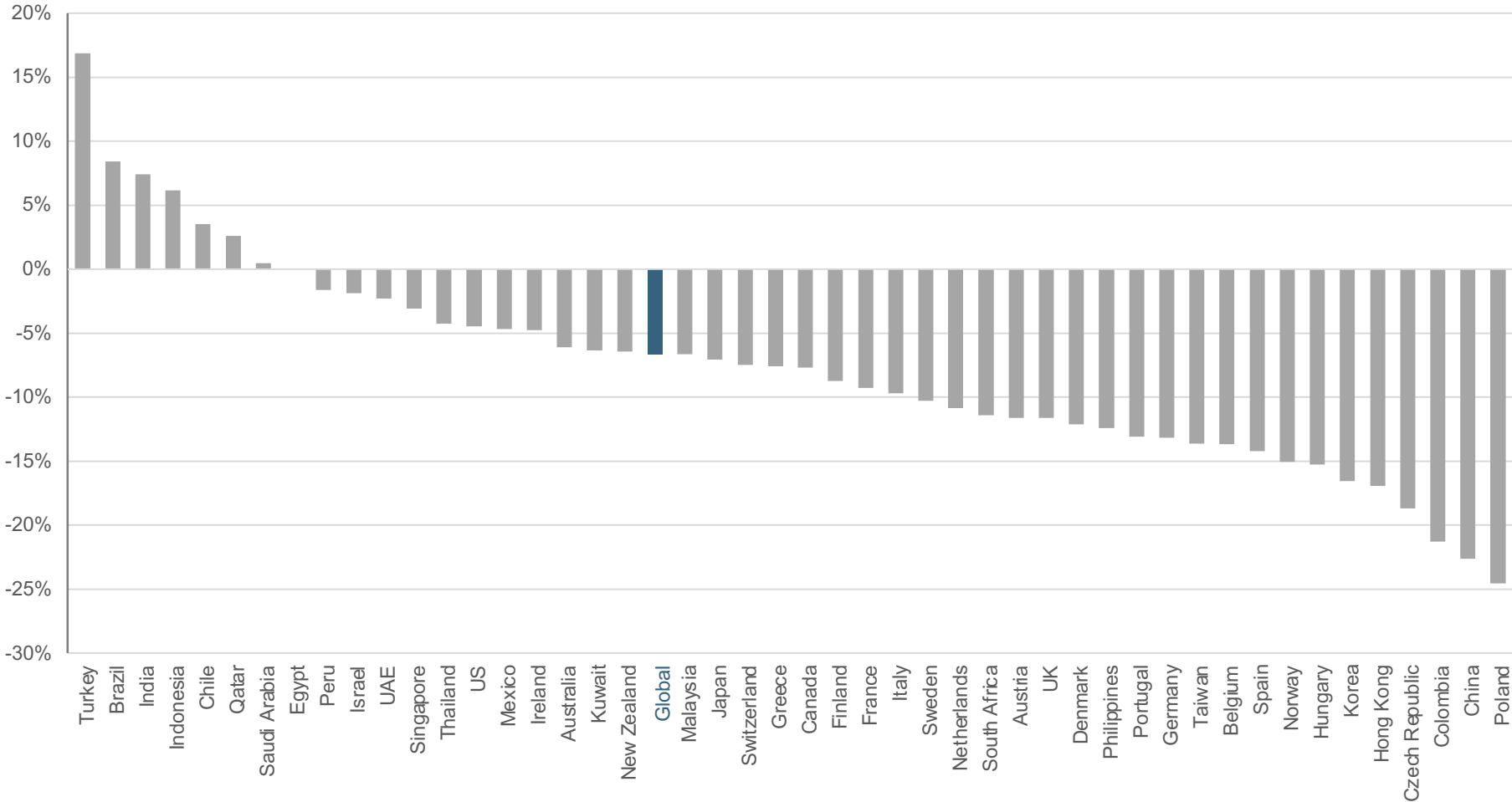
| Asset Class | QTR | YTD | 1 Year | * Annualized | | |
|-------------|--------|--------|--------|--------------|----------|-----------|
| | | | | 3 Years* | 5 Years* | 10 Years* |
| Small Cap | -5.25 | -24.23 | -23.23 | 5.54 | 1.25 | 2.91 |
| Value | -10.95 | -23.32 | -23.63 | -2.57 | -2.13 | -0.41 |
| Large Cap | -11.57 | -27.16 | -28.11 | -2.07 | -1.81 | 1.05 |
| Growth | -12.13 | -30.65 | -32.09 | -1.75 | -1.64 | 2.38 |

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Country Returns

Third quarter 2022 index returns



Past performance is no guarantee of future results.

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Fixed Income

Third quarter 2022 index returns



Interest rates increased across all bond maturities in the US Treasury market for the quarter.

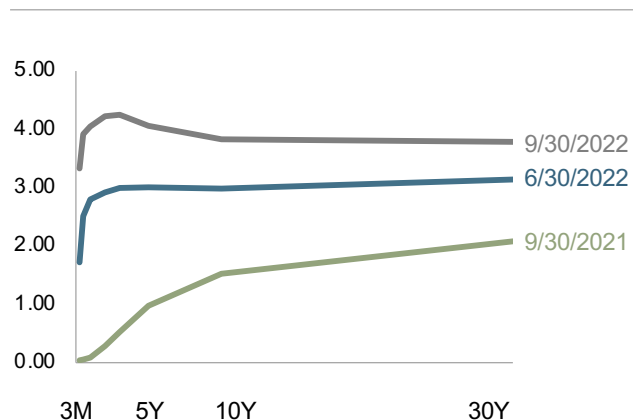
The yield on the 5-Year US Treasury Note increased 105 basis points (bps) to 4.06%. The yield on the 10-Year US Treasury Note increased 85 bps to 3.83%. The yield on the 30-Year US Treasury Bond increased 65 bps to 3.79%.

On the short end of the yield curve, the 1-Month US Treasury Bill yield increased 151 bps to 2.79%, while the 1-Year US Treasury Bill yield increased 125 bps to 4.05%. The yield on the 2-Year US Treasury Note increased 130 bps to 4.22%.

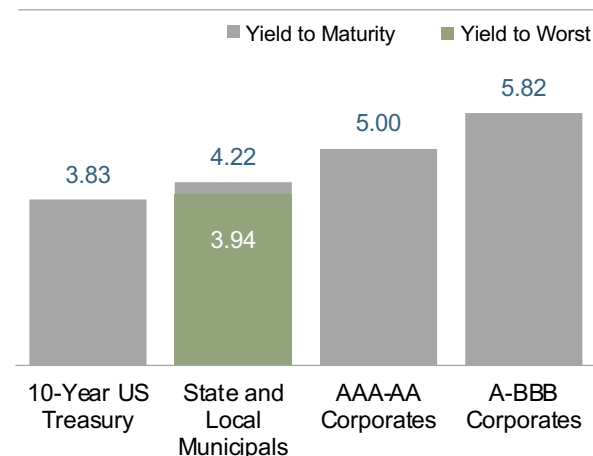
In terms of total returns, short-term corporate bonds returned -1.94% and intermediate-term corporate bonds returned -3.11%.¹

The total return for short-term municipal bonds was -1.88% and -2.65% for intermediate-term municipal bonds. Within the municipal fixed income market, general obligation bonds outperformed revenue bonds, returning -3.30% vs. -3.62%, respectively.²

US Treasury Yield Curve (%)



Bond Yield Across Issuers (%)



Period Returns (%)

| Asset Class | *Annualized | | | | | |
|--|-------------|--------|--------|----------|----------|-----------|
| | QTR | YTD | 1 Year | 3 Years* | 5 Years* | 10 Years* |
| ICE BofA US 3-Month Treasury Bill Index | 0.46 | 0.61 | 0.62 | 0.59 | 1.15 | 0.68 |
| ICE BofA 1-Year US Treasury Note Index | -0.50 | -1.77 | -1.95 | 0.18 | 0.94 | 0.67 |
| Bloomberg U.S. High Yield Corporate Bond Index | -0.65 | -14.74 | -14.14 | -0.45 | 1.57 | 3.94 |
| FTSE World Government Bond Index 1-5 Years (hedged to USD) | -1.79 | -5.03 | -5.53 | -0.87 | 0.63 | 0.96 |
| Bloomberg Municipal Bond Index | -3.46 | -12.13 | -11.50 | -1.85 | 0.59 | 1.79 |
| Bloomberg U.S. Aggregate Bond Index | -4.75 | -14.61 | -14.60 | -3.26 | -0.27 | 0.89 |
| FTSE World Government Bond Index 1-5 Years | -4.77 | -12.10 | -13.34 | -3.33 | -1.83 | -1.74 |
| Bloomberg U.S. TIPS Index | -5.14 | -13.61 | -11.57 | 0.79 | 1.95 | 0.98 |
| Bloomberg U.S. Government Bond Index Long | -9.60 | -28.77 | -26.60 | -8.48 | -1.62 | 0.60 |

1. Bloomberg US Corporate Bond Index.

2. Bloomberg Municipal Bond Index.

One basis point (bps) equals 0.01%. Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Yield curve data from Federal Reserve. State and local bonds, and the Yield to Worst are from the S&P National AMT-Free Municipal Bond Index. AAA-AA Corporates represent the ICE BofA US Corporates, AA-AAA rated. A-BBB Corporates represent the ICE BofA Corporates, BBB-A rated. Bloomberg data provided by Bloomberg. US long-term bonds, bills, inflation, and fixed income factor data © Stocks, Bonds, Bills, and Inflation (SBBI) Yearbook™, Ibbotson Associates, Chicago (annually updated work by Roger G. Ibbotson and Rex A. Sinquefeld). FTSE fixed income indices © 2022 FTSE Fixed Income LLC, all rights reserved. ICE BofA index data © 2022 ICE Data Indices, LLC. S&P data © 2022 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. Bloomberg data provided by Bloomberg.