MARKET COMMENTARY

DAVENPORT 1863
BUILDING WEALTH TOGETHER

APRIL 2025

- The best performing sector for March was Energy while the worst was Consumer Discretionary
- U.S. economy may experience elevated volatility in the short-term, but remain optimistic on long-term opportunities
- Recent weakening in economic indicators raises concerns over the prospects of recession

DAVENPORT EQUITY RESEARCH

Ann H. Gurkin
(804) 780-2166
agurkin@investdavenport.com

F. Drake Johnstone
(804) 780-2091
djohnstone@investdavenport.com

Jeff Omohundro, CFA
(804) 780-2170
jomohundro@investdavenport.com

Joel M. Ray, CFA
(804) 780-2067
jray@investdavenport.com

Evan J. Gilbert, CFA
(804) 915-2749
egilbert@investdavenport.com

Justin E. Corlett
(804) 780-2099
jcorlett@investdavenport.com

One James Center
901 East Cary Street, Suite 1100
Richmond, VA 23219
(804) 780-2000

Davenport & Company LLC
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Tariff uncertainty roiled equity markets in March with volatility continuing into the April 2nd "Liberation Day" featuring the announcement of new tariffs on U.S. trading partners. Negative sentiment grounded on fears of potential tariff induced economic disruptions sent investors to the sidelines with the prospect of rising inflation and slowing economic growth raising recession and stagflation concerns. Although tariff turmoil appears likely to be an ongoing issue, we remain optimistic that the level of uncertainty may gradually diminish over time now that we have passed the announcement of new baseline and reciprocal tariffs. In addition, with the recent correction in equity prices, market valuations appear more attractive creating potential opportunities for longer-term investors among companies with solid secular growth prospects. In sum, we think it is likely that the U.S. economy may experience a short-term soft patch with associated elevated market volatility but remain optimistic about longer-term potential as focus shifts to expected upcoming tax reform and deregulation initiatives.

Equity markets broadly weakened in March with the Dow Jones Industrial Average down by 4.2%, the S&P 500® index down 5.8%, and the smaller cap weighted Russell 2000® declining 7.0%. The VIX index, or fear gauge climbed from the low-twenties range to reach year-to-date high-twenties mid-month before retracing back to the low twenties near month-end.

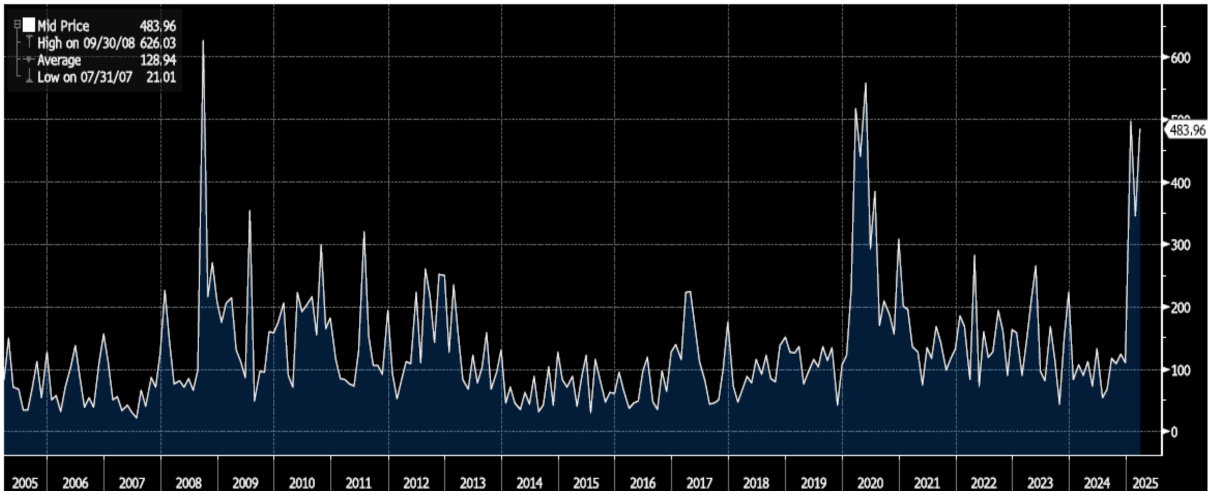
Nine of the eleven industry sectors of the S&P 500 declined during March. The best performing sector was Energy which increased by 3.8% and was followed by the Utilities sector which was up 0.1%. The weakest performance in the month was posted by the Consumer Discretionary sector which decreased by 9.0% followed by the Information Technology sector which was down 8.9% and the Communication Services sector which decreased by 8.4%. For the prior twelve months period, the Utilities sector was the best performer with a 20.2% increase followed by the Financials sector which was up by 18.3%, while the Materials sector was the worst performer for the past twelve months with a 7.4% decrease followed by the Health Care sector which was down 1.3%.

Although President Trump had earlier suggested that new reciprocal tariffs could be more flexible and targeted in nature, he subsequently announced 10% baseline tariffs on imports from all foreign countries with additional reciprocal tariffs on 60 trading partners. In aggregate, these tariffs represent a higher than expected tariff burden driving the overall weighted average tariff estimate to levels not seen in the past 100 years. The President has wavered in recent months on his plans for tariffs – at times suggesting they will be 'flexible' and or 'lenient' that is then followed by statements suggesting that no exceptions for industries or specific products will be granted – such as implementing 25% tariffs on auto related imports. We continue to view tariffs as a one-time tax on American consumers that will flow through inflation during 2Q2025 - not recurring in subsequent periods – and likely weighing on economic growth this year as the latest FOMC dot plot points to. While we have now passed tariff "Liberation Day", continuing tariff and policy uncertainties raise fears of recession creating a challenging near-term backdrop for equities. Reflecting the likelihood of an economic slowdown, we note that the CME FedWatch Fed Funds rate cut probability for June shifted notably higher after the April 2nd tariff announcement suggesting the rising potential for Fed intervention.

As mentioned earlier, policy uncertainty including repeated shifts around the scope and magnitude of tariffs has appeared to weigh heavily on consumer and investor sentiment. Richmond Fed President Tom Barkin recently gave a speech in which he described the current environment of uncertainty as creating an economic fog impacting business, consumers, and the Fed. This seems like an appropriate analogy which underscores the challenges investors currently face as they grapple with the current environment of policy uncertainty.

The following chart from Bloomberg presents the U.S. Economic Policy Uncertainty Index which demonstrates the recent unusually high level of policy uncertainty. We think high levels of policy uncertainty have weighed on equity markets as investors have attempted to navigate through the economic fog associated with factors including shifting tariff policies. As can be seen in the chart, one would need to look back to the depths of the Covid pandemic or the Great Recession to see similar levels of uncertainty:

EPUCNUSD Index (US Economic Policy Uncertainty Index)



Source: Bloomberg

The March report from the University of Michigan further underscores recent challenges with consumer sentiment plunging 7.7 points to 57.0 to a two-year low (contrasting with year ago levels at 79.4). More notably, the expectations index collapsed 18%, or 11.4 points, to a reading of 52.6 and is now down 30% post the November 2024 elections as euphoria over a second Trump presidency has waned. Year ahead inflation expectations popped up 0.7% on the month to 5.0% -- the highest level seen dating to November 2022. – while long run expectations climbed from 3.5% to 4.1% -- the highest levels seen since 1993. Joanne Hsu, director of the survey, noted in the report that this month's decline reflects a clear consensus across all demographic and political affiliations; Republicans joined independents and Democrats in expressing worsening expectations since February for their personal finances, business conditions, unemployment, and inflation. Consumers continue to worry about the potential for pain amid ongoing economic policy developments. Notably, two-thirds of consumers expect unemployment to rise in the year ahead, the highest reading since 2009, while 23% anticipate losing a job within the next five years. On the income side, consumers anticipate their incomes will rise by just 0.4% in the next year, the smallest amount expected since 2013 (excluding the COVID pandemic).

Recent weakening among economic indicators ranging from consumer confidence, rising unemployment claims and latest retail sales all raise concerns over prospects of stagflation setting in for the U.S. economy as the pace of policy changes by the Trump administration weigh on consumer confidence and investor sentiment. Latest PCE reports point to some uptick in Core inflation with new reciprocal tariffs just now being poised to follow that likely drives higher prices (at least on a temporary basis). More importantly, consumer inflation expectations as reported by the University of Michigan have surged of late with prices widely expected to rise by 5.0% over the next 12 months and at an annual rate of 4.1% over the next five to 10 years - the fastest pace expected since February 1993 with the risk being expectations translate into reality.

We remain hopeful that once Trump Administration initial moves on tariffs, federal employment and the U.S. budget are better understood with more clarity and less uncertainty on overall policy initiatives, investor anxiety could gradually abate. While watching for recession signs linked to tariff policy, we remain optimistic on economic prospects over the intermediate term as corporate earnings growth and the interest rate backdrop further evolves. Given the recent pullback experienced by the S&P 500, we view equities as more reasonably valued and although we think the U.S. economy may experience a short-term soft patch with elevated market volatility, we remain optimistic about opportunities for longer-term investors among quality, well-managed, companies with solid secular growth prospects.

MARKET AND ECONOMIC STATISTICS

Market Indices:	3/31/2025	12/31/2024	% Change YTD	2/28/2025	% Change (Monthly)
S&P Composite	5,611.85	5,881.63	-4.59%	5,954.50	-5.75%
Dow Jones Industrials	42,001.76	42,544.22	-1.28%	43,840.91	-4.20%
NASDAQ Composite	17,299.29	19,310.79	-10.42%	18,847.28	-8.21%
Russell 2000	2,011.91	2,230.16	-9.79%	2,163.07	-6.99%
FTSE 100	8,582.81	8,173.02	5.01%	8,809.74	-2.58%
Shanghai Composite	3,335.75	3,351.76	-0.48%	3,320.90	0.45%
Nikkei Stock Average	35,617.56	39,894.54	-10.72%	37,155.50	-4.14%
Stoxx Europe 600	533.92	507.62	5.18%	557.19	-4.18%
MSCI Emerging Markets	1,101.40	1,075.48	2.41%	1,097.25	0.38%
MSCI Emerging Markets Small Cap	1,324.76	1,406.15	-5.79%	1,329.16	-0.33%

Performance of S&P 500 by Industry:	% of Index as of 2/28/2024	1 Month	3 Month	Year to Date	12 Months
Consumer Discretionary	10.31%	-9.02%	-13.97%	-13.97%	6.05%
Consumer Staples	6.05%	-2.79%	4.58%	4.58%	9.64%
Energy	3.66%	3.75%	9.30%	9.30%	-0.76%
Financials	14.68%	-4.31%	3.11%	3.11%	18.27%
Health Care	11.18%	-1.85%	6.08%	6.08%	-1.26%
Industrials	8.47%	-3.72%	-0.53%	-0.53%	4.03%
Information Technology	29.63%	-8.87%	-12.79%	-12.79%	5.21%
Materials	2.02%	-2.90%	2.30%	2.30%	-7.38%
Communication Services	9.20%	-8.35%	-6.41%	-6.41%	12.47%
Utilities	2.54%	0.06%	4.12%	4.12%	20.19%
Real Estate	2.27%	-3.01%	2.73%	2.73%	5.94%
S&P 500 (Absolute performance)	100.00%	-5.75%	-4.59%	-4.59%	6.80%

Interest Rates:	3/31/2025	12/31/2024	YTD Change (Basis Points)	2/28/2025	Month Change (BPS)
Fed Funds Effective Rate	4.33%	4.33%	0	4.33%	0
Prime Rate	7.50%	7.50%	0	7.50%	0
Three Month Treasury Bill	4.25%	4.28%	-3	4.24%	1
Ten Year Treasury	4.21%	4.57%	-36	4.21%	0
Spread - 10 Year vs 3 Month	-0.04%	0.29%	-34	-0.03%	-1

Foreign Currencies:	3/31/2025	12/31/2024	% Change YTD	2/28/2025	% Change (Monthly)
Brazil Real (in US dollars)	0.18	0.16	8.2%	0.17	3.2%
British Pound (in US dollars)	1.29	1.25	3.2%	1.26	2.7%
Canadian Dollar (in US dollars)	0.70	0.70	0.0%	0.69	0.5%
Chinese Yuan (per US dollar)	7.26	7.30	-0.6%	7.28	-0.3%
Euro (in US dollars)	1.08	1.04	4.5%	1.04	4.3%
Japanese Yen (per US dollar)	149.96	157.20	-4.6%	150.63	-0.4%

Commodity Prices:	3/31/2025	12/31/2024	% Change YTD	2/28/2025	% Change (Monthly)
CRB (Commodity) Index	547.11	536.50	2.0%	539.22	1.5%
Gold (Comex spot per troy oz.)	3123.57	2624.50	19.0%	2857.83	9.3%
Oil (West Texas int. crude)	71.48	71.72	-0.3%	69.76	2.5%
Aluminum (LME spot per metric ton)	2517.73	2526.78	-0.4%	2621.06	-3.9%
Natural Gas (Futures 10,000 MMBtu)	4.12	3.63	13.4%	3.83	7.4%

Economic Indicators:	2/28/2025	12/31/2024	% Change YTD	1/31/2025	% Change (Monthly)
Consumer Price Index	319.8	317.6	-0.7%	319.1	0.2%
Producer Price Index	263.2	261.3	-0.7%	262.6	0.2%
	4Q24	**3Q24**	**2Q24**	**1Q24**	**4Q23**
GDP Growth Rate (Quarterly)	2.40%	3.10%	3.00%	1.60%	3.20%
Unemployment Rate (End of Month)	**February** **4.1%**	**January** **4.0%**	**December** **4.1%**	**November** **4.2%**	**October** **4.1%**

*GDP growth rate is calculated as the percent change from the previous period seasonally adjusted at annual rates. **S&P Sectors were re-named at the end of 2001. The sector Industrials is a combination of the former sectors Capital Goods & Transportation.Sources: Wall Street Journal, Bloomberg, The Department of Labor, The Bureau of Labor Statistics, The Bureau of Economic Analysis, US Treasury website.

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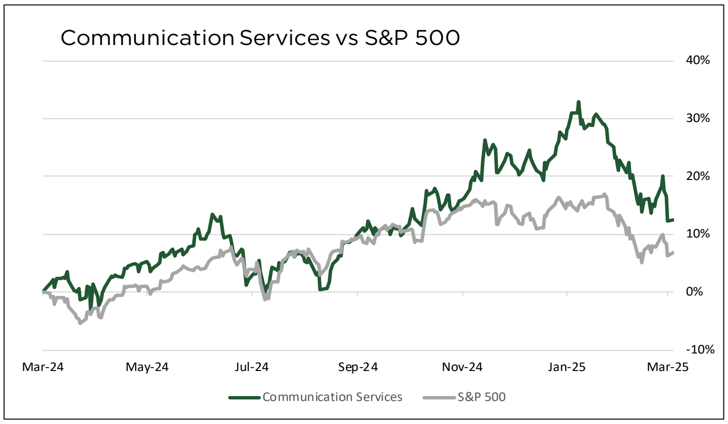
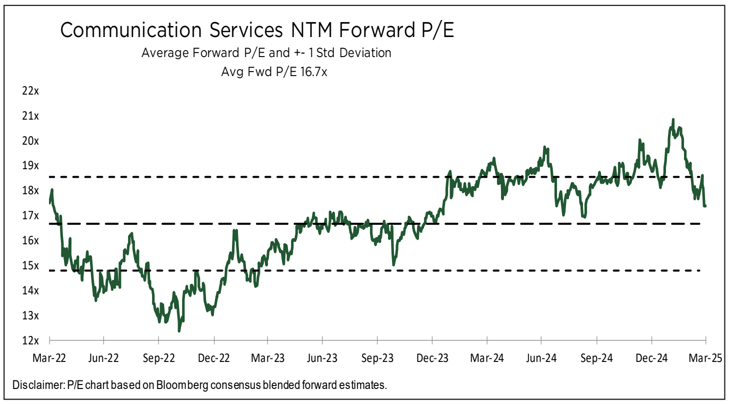
Sector Updates

COMMUNICATIONS SERVICES





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-8.35%	-6.41%	-6.41%	12.47%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-5.75%	-4.59%	-4.59%	6.80%

	Company Performance	1 Month
Leaders	Electronic Arts Inc	11.9%
	Paramount Global	5.3%
	Verizon Communica-	5.2%
	AT&T Inc	3.2%
	Comcast Corp	2.8%
Laggards	Meta Platforms Inc	-13.7%
	Walt Disney Co/The	-13.3%
	Alphabet Inc	-9.3%
	Alphabet Inc	-9.2%
	Live Nation Entmt	-8.9%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$16.01	$17.48	$19.63
20.0x	18.3x	16.3x

Sector Update

Communications Services underperformed the market in March as the decline in the Interactive Media & Services and Entertainment sub-sectors more than offset the rise in the Diversified Telecommunications Services and Media sub-sectors.

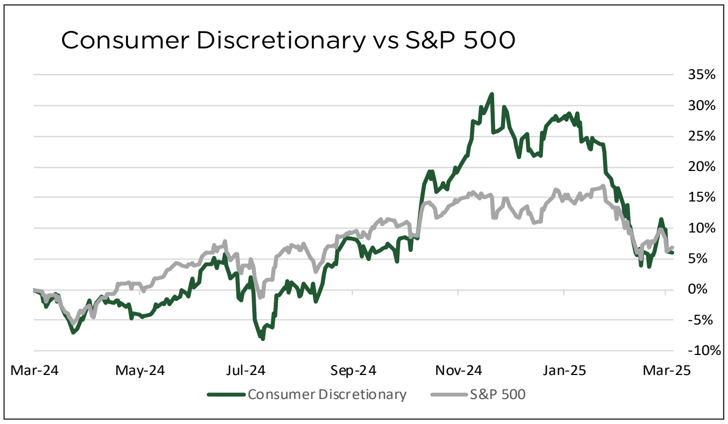
Following the Trump Administration's announcement on April 2nd that it will impose significant tariffs on imports from the United States' trading partners, GDP estimates have declined raising the likelihood of a recession. CNBC noted that the trade war is weighing on consumer and business sentiment and impacting real economic activity. The Interactive Advertising Bureau's survey of U.S. advertisers on March 7 indicated that 94% of advertisers are concerned about the impact of tariffs and 45% of advertisers plan to reduce spending in 2025.

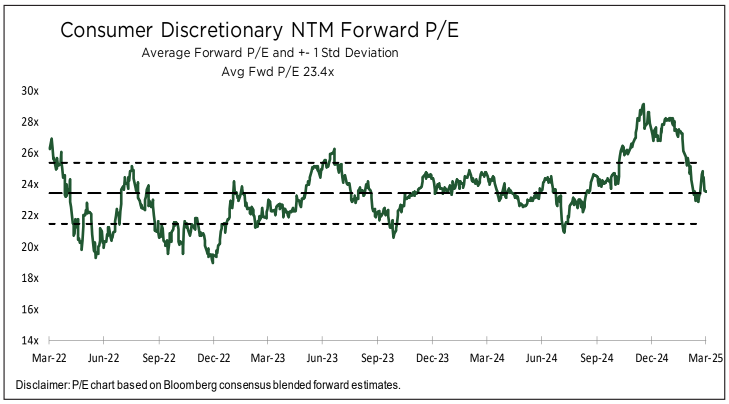
The Interactive Media & Services and Entertainment sub-sectors significantly underperformed the market in March driven by the decline in the shares of Alphabet, Meta Platforms, and the Walt Disney Corporation. Investors may be concerned that these companies could be impacted by lower consumer demand and advertising revenue if the U.S. enters a recession.

The Diversified Telecommunications Services and Media sub-sectors outperformed the market in March driven by the rise of AT&T, Verizon and Comcast shares. Investors may be gravitating to domestically focused cable system operators and telecommunications companies that would appear to be minimally impacted by U.S. government tariffs on its global trading partners.

Given that the Communications Services sector may be more economically sensitive than other sectors due to Interactive Media & Services, Media, and Entertainment companies reliance on consumer spending and advertising revenue, we expect the sector to underperform the markets if the U.S. enters a recession. The Communications Services sector appears close to fairly valued, with a P/E of 18.3x the consensus analyst FY25 EPS estimate, compared to 9% earnings growth and its average forward P/E multiple of 16.7x.

CONSUMER DISCRETIONARY





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-9.02%	-13.97%	-13.97%	6.05%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-5.75%	-4.59%	-4.59%	6.80%

	Company Performance	1 Month
Leaders	Domino's Pizza Inc	9.5%
	AutoZone Inc	9.2%
	Ford Motor Co	5.0%
	eBay Inc	4.6%
	O'Reilly Automotive Inc	4.3%
Laggards	Caesars Entertainment	-24.7%
	Lululemon Athletica Inc	-22.6%
	NIKE Inc	-20.1%
	Deckers Outdoor Corp	-19.8%
	Williams-Sonoma Inc	-18.7%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$59.83	$61.90	$71.41
26.3x	25.5x	22.1x

Sector Update

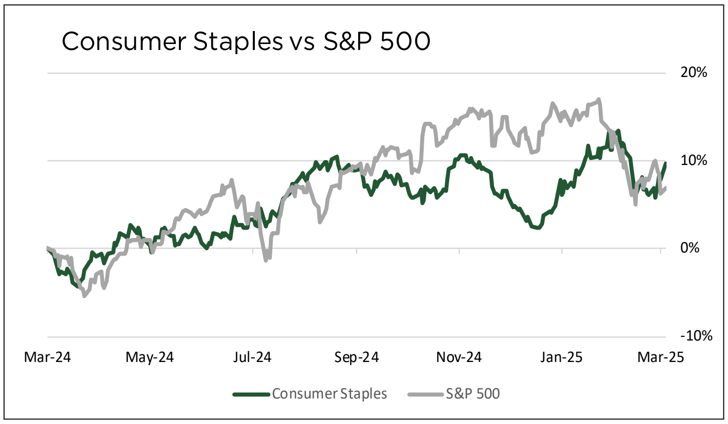
March proved to be another difficult month for the Consumer Discretionary sector which notably underperformed the broader market reflecting growing investor unease and concerns around issues ranging from tariffs to inflation. Consumer confidence declined sharply during the month while retail sales were sluggish fueling rising concerns about the overall health of the consumer. Among Consumer Discretionary subsectors, the only groups that were in positive territory in March were Leisure Products and Distributors while Textiles, Apparel & Luxury Goods and Automobiles were softest. The decline in the Consumer Discretionary sector in the month reinforced the sector's underperformance versus the S&P 500 for all reported periods over the trailing twelve months, as reflected in the accompanying chart.

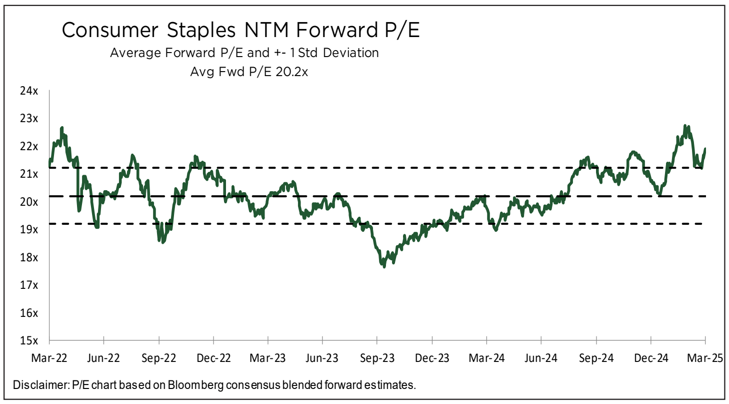
The Conference Board reported that March consumer confidence declined to 92.9 from 100.1 in February. This represented the lowest confidence level reported since January 2021 during the pandemic. Consumer expectations also declined with tariff and inflation worries appearing to weigh on the outlook. Stephanie Guichard, Senior Economist, Global Indicators, at The Conference Board commented on the report: "Consumers' expectations were especially gloomy, with pessimism about future business conditions deepening and confidence about future employment prospects falling to a 12-year low. Meanwhile, consumers' optimism about future income—which had held up quite strongly in the past few months—largely vanished, suggesting worries about the economy and labor market have started to spread into consumers' assessments of their personal situations."

The Census Bureau indicated that February retail sales advanced by 0.2% while January results were revised downward to a 1.2% drop from the initially reported decline of 0.9%. Core retail sales for February increased 0.5% after adjusting for declines in gasoline and auto sales during the month. Although retail store sales were broadly weaker, pockets of strength were seen in online sales as well as pharmacies and personal care stores. Looking deeper into the February sales results indicates that control group sales or sales excluding autos, gasoline, restaurants, and building materials retail sales increased by 1%. This is an encouraging economic data point as control group sales feed into GDP calculations with stronger growth in control group sales supportive of GDP growth.

Existing home sales in February and reported in March rose 4.2% for the month according to the National Association of Realtors (NAR). On a year-over-year basis sales declined 1.2% coming in at a seasonally adjusted annual rate of 4.26 million homes. The median price of a home sold increased 3.8% versus last year to $398,400. Average time of a home on the market for sale was 42 in February which is up from 38 days last year. The Chief Economist for the NAR, Lawrence Yun, indicated that: "Home buyers are slowly entering the market. Mortgage rates have not changed much, but more inventory and choices are releasing pent-up demand."

CONSUMER STAPLES





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-2.79%	4.58%	4.58%	9.64%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-5.75%	-4.59%	-4.59%	6.80%

	Company Performance	1 Month
Leaders	Dollar General Corp	18.5%
	Hormel Foods Corp	8.1%
	Altria Group Inc	7.5%
	J M Smucker Co/The	7.1%
	Monster Beverage Corp	7.1%
Laggards	Target Corp	-16.0%
	Walmart Inc	-11.0%
	Costco Wholesale Corp	-9.8%
	Estee Lauder Cos Inc	-8.2%
	Clorox Co/The	-5.8%

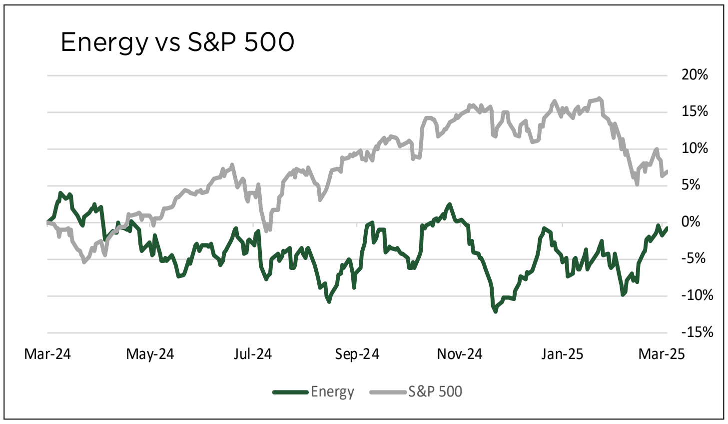
Consensus FY EPS / P/E

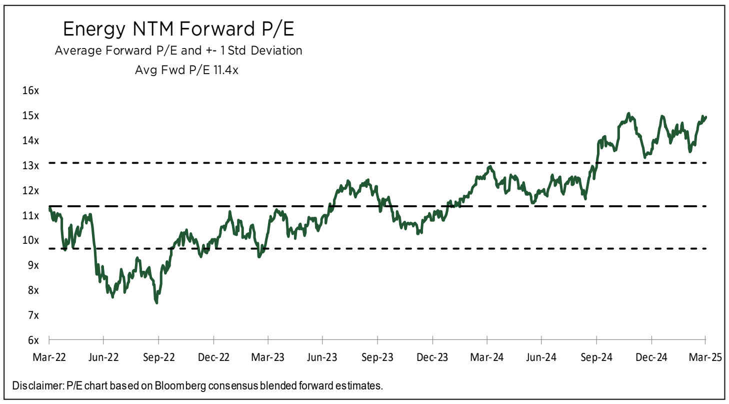
Last Year	Current Year	Next Year
$39.84	$39.91	$43.04
22.4x	22.4x	20.7x

Sector Update

The Consumer Staples sector decreased 2.8% on average in March, but outperformed the S&P 500 Index that declined by 5.8%. For Q1, the Consumer Staples sector recorded a strong performance increasing 4.6% and well outperforming the S&P 500 Index that decreased 4.6%. The Consumer Staples segment trades with a forward P/E of about 22.4x as compared with its average forward P/E of 20.2x. As uncertainty rises in the marketplace regarding tariffs, potential global trade war and rising concern for a US recession, investor interest widens to more defensive Consumer Staples companies offering attractive yields. The Trump Administration announced a 10% universal tariff on imports from all countries (effective April 5) with rates higher for 60 countries with trade deficits with the US. The tariffs were higher than expected by the market and may result in higher prices for American consumers and manufacturers. The Tobacco and Food Products segments reported gains for the month while tobacco outperformed for Q1 rising 26.4%. Tobacco companies remain committed to returning value to shareholders, generating strong cash flow and supporting attractive dividend yields. Focus across the sector centers on consumer behavior including channel shopping shifts, changing consumption patterns, trend toward GLP-1 use and wellness and value-seeking behavior whether price per unit or absolute dollar amount. Sales and traffic in the convenience store channel weakened further in February and March while e-commerce and mass remain preferred channels. Consumers pulled back on spending in response to heightened market uncertainty. Retailers further reduced inventory levels especially in the center of the store likely in response to lower than expected consumption and to manage cash flow. Given a continued volatile environment, we expect companies to report tough Q1 results. We continue to advise a selective investment among the Consumer Staples stocks and a market weighting remains preferred.

As reported in the latest USDA's March Prospective Planting report, US farmers will plant 95.3 million acres of corn up 5% vs 2024 and more than 1 million acres greater than estimates. US farmers are intending to plant significantly more corn, moving away from cotton, wheat and soybeans. If realized, planted corn acres would be the third highest since 1944 and the highest since 2013. Potentially lower corn prices should be a positive for lower grain feed costs for protein growers and higher margins. US farmers are expected to plant 83.5 million acres of soybeans (down 4% vs last year) and 45.4 million acres of wheat vs last year (down 2%). The domestic consumer remains bifurcated shopping value whether absolute price point or value per unit options. Consumers continue to shop more of the perimeter of the store vs the center. The timing of positive volume inflection following heightened depth of promotions by food companies remains uncertain, and there is a rising concern for more aggressive promotions and pricing potentially pressuring margins. Given attractive valuations and the need for top-line growth, we continue to expect possible heightened M&A activity in 2025, but activity remains lower than expected as companies await greater clarity.





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
3.75%	9.30%	9.30%	-0.76%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-5.75%	-4.59%	-4.59%	6.80%

	Company Performance	1 Month
Leaders	Expand Energy Corp	12.6%
	EQT Corp	10.9%
	Hess Corp	7.2%
	Coterra Energy Inc	7.1%
	ConocoPhillips	5.9%
Laggards	Texas Pacific Land Corp	-7.2%
	Phillips 66	-4.8%
	Halliburton Co	-3.8%
	Marathon Petroleum	-3.0%
	Baker Hughes Co	-1.4%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$44.85	$46.29	$53.32
16.0x	15.5x	13.4x

Sector Update

The Energy sector outperformed the broader market in March, the past 3-months, and on a YTD basis while underperforming over the past twelve-months. As peace talks are prolonged in the ongoing Ukraine-Russia war and fighting has restarted in the Middle East, we look for potential growth opportunities in the sector after two years of relative underperformance. Against this backdrop, the Oil, Gas, & Consumable Fuels subsector outperformed the Energy Equipment & Services subsector.

OPEC maintained its world oil demand estimates for 2024 and 2025 at 1.45 million barrels per day (bpd) and 1.43 million bpd, respectively. February crude output was much higher than expected as the cartel continues unwinding previous production cuts coming in at 363,000 bpd instead of the expected 138,000 bpd. In early April, eight key OPEC+ producers agreed to further raise combined crude oil output by 411,000 bpd increasing the pace of hikes. The cartel provided commentary on the current macro environment saying that "trade concerns are expected to contribute to volatility as trade policies continue to be unveiled. However, the global economy is expected to adjust."

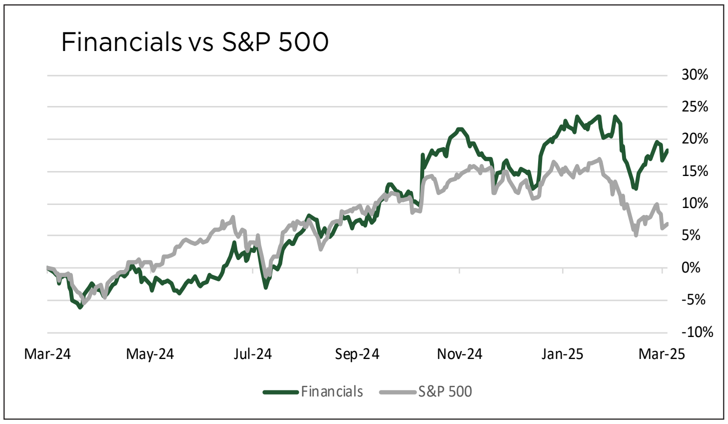
The International Energy Agency, on the other hand, cut their world oil demand expectations for 2025 by 70,000 bpd from last month to 1.03 million bpd. The organization detailed in its report that the United States is producing at record highs and is forecast to be the largest source of supply growth in 2025. Asian countries, primarily China, are expected to contribute about 60% of the demand increase, despite China's refined fuels demand plateauing.

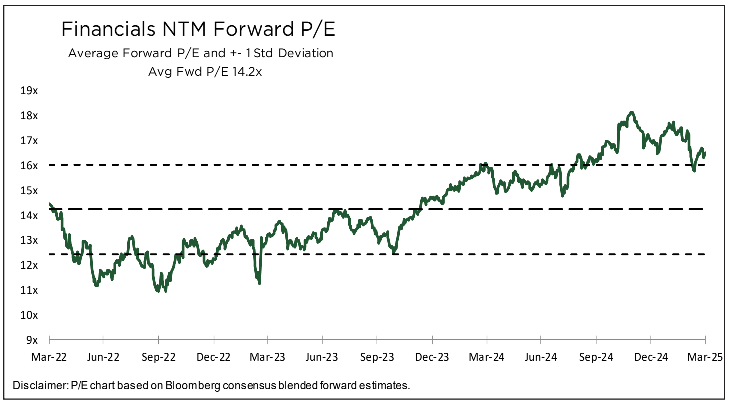
Towards the end of the month, in an unprecedented move, the Trump administration imposed a 25% tariff on countries purchasing oil and gas from Venezuela, increasing pressure on the Nicholas Maduro regime along with China, a major purchaser of Venezuelan crude. Reuters reports that as a result of the tariff Venezuela's exports of crude oil and fuel fell 11.5% month-on-month. While secondary sanctions have been used in the past with varying levels of success they are largely seen as ineffective, according to the World Economic Forum.

West Texas Intermediate (WTI) crude oil prices increased to $71.48 at the end of the month from the $69.76 level seen last month. Natural gas prices increased to $4.12 from $3.83 last month. Retail gasoline prices increased slightly to ~$3.20 from the ~$3.09 figure a month ago.

The Baker Hughes oil rig count decreased a point to 592 in January from the 593 level last month. For the week ending March 28, U.S. crude oil inventories came in at 439.8 million barrels, which is ~4% below the five-year average for this time of year and compares to last month's 430.2 million barrels. Following the downturn seen during the height of the pandemic in 2020, U.S. crude oil production has been in an uptrend, which continued during 2024 and into 2025. The trough daily production seen in 2020 was in the 9.7 million barrels per day range and has now rebounded to a range of ~13.1 million barrels per day.

FINANCIALS





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-4.31%	3.11%	3.11%	18.27%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-5.75%	-4.59%	-4.59%	6.80%

	Company Performance	1 Month
Leaders	W R Berkley Corp	12.8%
	MarketAxess Holdings	12.2%
	Cboe Global Markets Inc	7.3%
	Loews Corp	6.0%
	Chubb Ltd	5.8%
Laggards	KKR & Co Inc	-14.7%
	Blackstone Inc	-13.3%
	T Rowe Price Group Inc	-13.1%
	Invesco Ltd	-12.8%
	Synchrony Financial	-12.8%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$46.73	$49.02	$54.30
17.8x	16.9x	15.3x

Sector Update

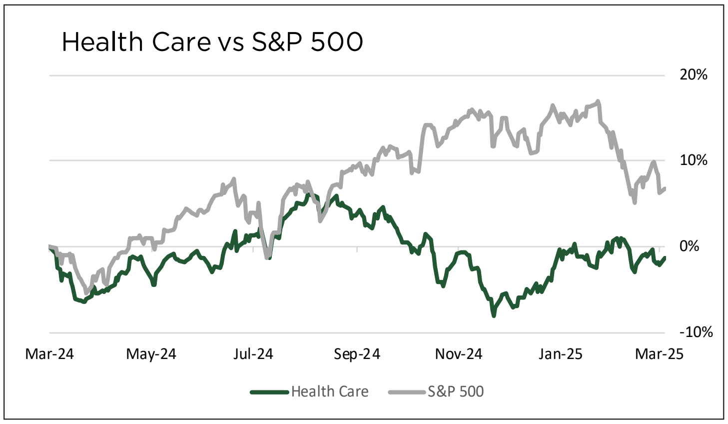
The Financials sector retrenched 4.3% in March as tariff worries extended across cyclical groups. Still, the sector outperformed the S&P 500® index as more heavily weighted tech names were a more significant drag on performance. Financials also outpaced the broader market in the first quarter, and by a wide margin on a trailing twelve-month basis. Looking under the hood, subsector performance was weak in March including an 11.1% decline in Consumer Finance, 8.5% pullback in Banks, and 6.9% retreat in Capital Markets. Insurance was the leading sub-sector in the month on a 1.7% gain.

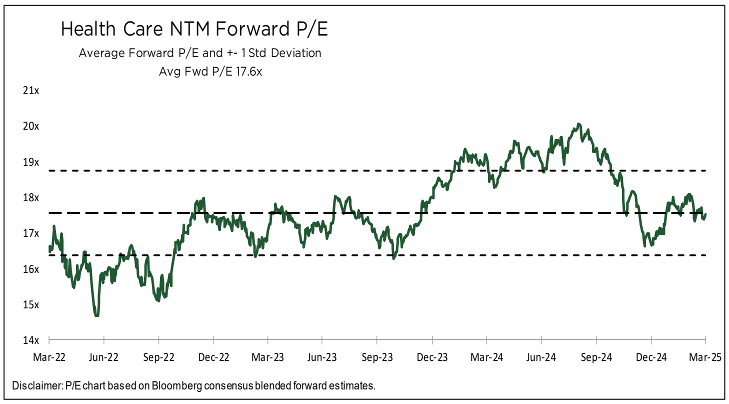
Lenders and capital markets related firms faced more intense selling pressure as tariff induced negative sentiment erased post-elections gains. In contrast to prior expectations of 2025 providing a pro-growth agenda with lower rates and industry regulations, fear gripped investor psychology given potential knock-on effects of higher inflation, weaker employment, and slower growth. Combined, the probability of recession or stagflation appeared to increase as reflected in widening credit spreads and higher volatility measures. Given their reliance on consumer and business activity, combined with elevated valuations coming into the year, lenders faced a challenging market backdrop in this environment.

Leading alternative and traditional asset managers were among the worst performing Financials stocks in March, including Blackstone (BX), KKR (KKR), T Rowe Price (TROW), and Invesco (IVZ). Lower market levels and reduced risk-appetite impairing the near-term outlook for fundraising appear to be primary culprits of underperformance. On the other side of the ledger, Insurance firms extended a recent stretch of outperformance, joined by exchanges that benefit from higher volatility.

Treasury yields moved lower in the month as growth concerns emerged on the back of softening consumer trends and tariff uncertainty. While interest margins could benefit from lower short-term rates if the Fed moves to cut its policy rate sooner than expected, a cut stemming from weak labor data would likely heap additional pressure on Financials performance.

Q1 earnings beginning in Mid-April could be pivotal as management teams re-assess 2025 outlooks and attempt to scale impacts of recent tariff actions. Against weak consumer and business confidence measures, guidance increases appear unlikely at this juncture; however, given policy uncertainty and bearish investor sentiment indices approaching financial crisis and COVID pandemic highs—a little good news could go a long way in stemming cyclical worries near-term.





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-1.85%	6.08%	6.08%	-1.26%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-5.75%	-4.59%	-4.59%	6.80%

	Company Performance	1 Month
Leaders	HCA Healthcare Inc	12.8%
	UnitedHealth Group Inc	10.3%
	Cencora Inc	9.7%
	Elevance Health Inc	9.6%
	Molina Healthcare Inc	9.4%
Laggards	Dexcom Inc	-22.7%
	Incyte Corp	-17.6%
	Align Technology Inc	-15.1%
	Intuitive Surgical Inc	-13.6%
	Eli Lilly & Co	-10.3%

Consensus FY EPS / P/E

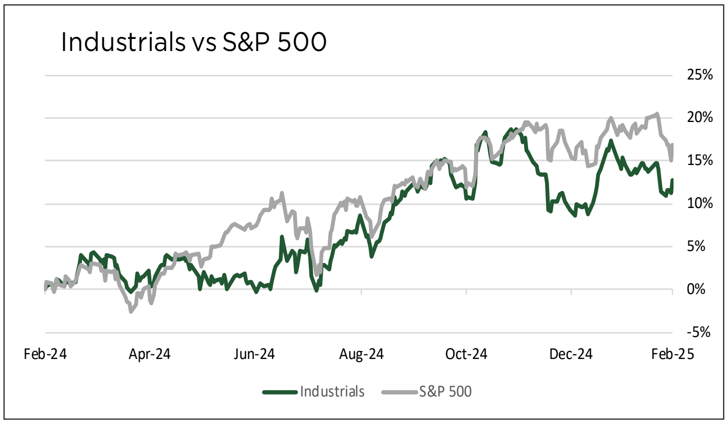
Last Year	Current Year	Next Year
$81.25	$95.07	$103.77
21.0x	17.9x	16.4x

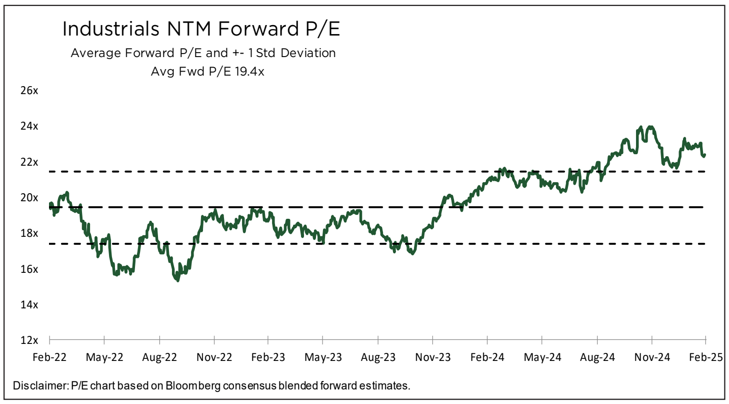
Sector Update

The Health Care sector's 1.85% decline outperformed the 5.75% loss of the S&P 500 in March. Health Care is now the second-best performing sector in the S&P 500 year-to-date, following only the Energy sector. Throughout 2025, Health Care has benefited from a defensive tilt that emerged in the market due to increased economic uncertainty. Full-year earnings growth expectations remain among the highest in the S&P500, while valuations are on par with two-year averages. Political uncertainty continues to pressure the Health Care sector, although its defensive nature may have attracted investors in March compared to cyclically natured sectors.

In Robert Kennedy's first full month as the Secretary of HHS, the department laid off 10,000 employees across several federal health agencies, including the CDC, FDA, and NIH. Additionally, media outlets reported that the NIH has been instructed to cut spending across each of its 27 institutes by roughly 35%. Meanwhile, the Centers for Medicare and Medicaid Services nominee, Dr. Mehmet Oz, underwent Senate hearings in March before eventually being confirmed in early April. During these hearings, Dr. Oz answered questions about Medicaid eligibility, Medicare malpractice, and Medicare drug price negotiation. President Trump's FDA nominee, Marty Makary, and NIH nominee, Jay Bhattacharya, also passed confirmation during the month.

The Biotechnology, Equipment & Supplies, Life Sciences Tools, and Pharmaceuticals subsectors reported declines during the month, although positive growth from the Providers & Services subsectors partially offset these declines. The Health Care sector trades at a forward P/E ratio of 17.9x 2025 earnings, which is above the historical average of 17.6x.





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-3.72%	-0.53%	-0.53%	4.03%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-5.75%	-4.59%	-4.59%	6.80%

	Company Performance	1 Month
Leaders	Huntington Ingalls	16.2%
	Northrop Grumman	10.9%
	Southwest Airlines Co	8.1%
	General Dynamics Corp	7.9%
	Leidos Holdings Inc	3.8%
Laggards	Delta Air Lines Inc	-27.5%
	United Airlines Holdings	-26.4%
	Cummins Inc	-14.9%
	Dover Corp	-11.6%
	Stanley Black & Decker	-11.2%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$43.68	$49.46	$56.66
25.4x	22.4x	19.6x

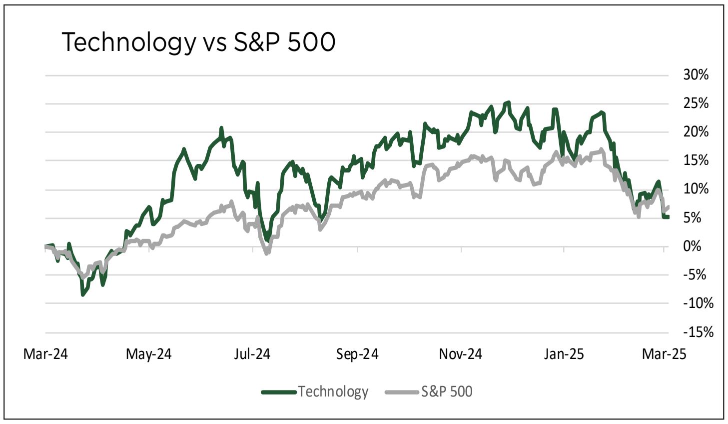
Sector Update

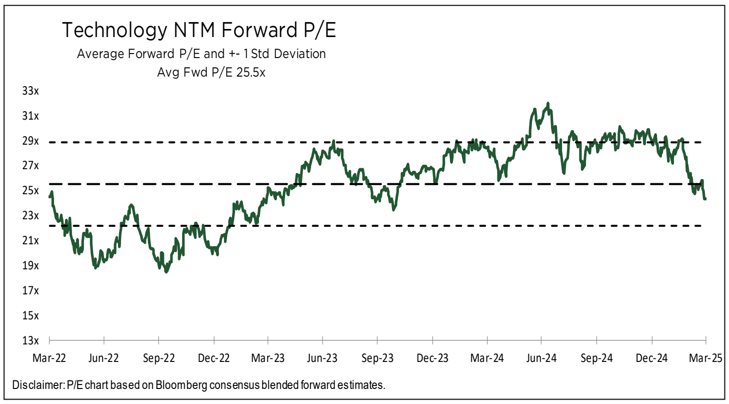
The Industrials sector has outperformed the S&P 500 on a one month, 3 month, and YTD basis, but has underperformed the broader market over the past twelve months. All but one Industrials subsector, Commercial Services & Supplies, registered negative performance for the month. Airlines was the standout laggard within the group as the subsector declined 19.6%, possibly due to weaker consumer confidence metrics.

Following 26 consecutive months of contraction, the Institute for Supply Management's Purchasing Managers Manufacturing Index (PMI) registered 2 consecutive months of expansion in January and February. In March, the index returned to contraction with a reading of 49%. March's reading of 49% came in 1.3% lower compared to last month's reading of 50.3%. The overall economy continued in expansion for the 59th month after one month of contraction in April 2020. The New Orders Index remained in contraction territory after expanding for the second consecutive month following 3 prior months of expansion, registering 45.2%, 3.4% lower than the 48.6% recorded in February. Overall, demand and output weakened during the month while input expanded. The nine industries that registered growth in the month were Textile Mills, Petroleum & Coal Products, Fabricated Metal Products, Primary Metals, Computer & Electronic Products, Nonmetallic Mineral Products, Transportation Equipment, Electrical Equipment, Appliances & Components, and Miscellaneous Manufacturing

The sole Industrials subsector that registered a gain during March was Commercial Services & Supplies with a 0.5% gain. The Industrials Sector is trading at a forward P/E ratio of 22.4x FY2025 earnings, exceeding its three-year average of approximately 19.5x.

INFORMATION TECHNOLOGY





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-8.87%	-12.79%	-12.79%	5.21%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-5.75%	-4.59%	-4.59%	6.80%

	Company Performance	1 Month
Leaders	Enphase Energy Inc	8.2%
	VeriSign Inc	6.7%
	AMD	2.9%
	Cadence Design	1.5%
	Roper Technologies Inc	0.9%
Laggards	Teradyne Inc	-24.8%
	Hewlett Packard Ent.	-22.1%
	EPAM Systems Inc	-18.1%
	Microchip Technology	-17.8%
	Super Micro Computer	-17.4%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$127.20	$133.79	$159.76
31.6x	30.0x	25.2x

Sector Update

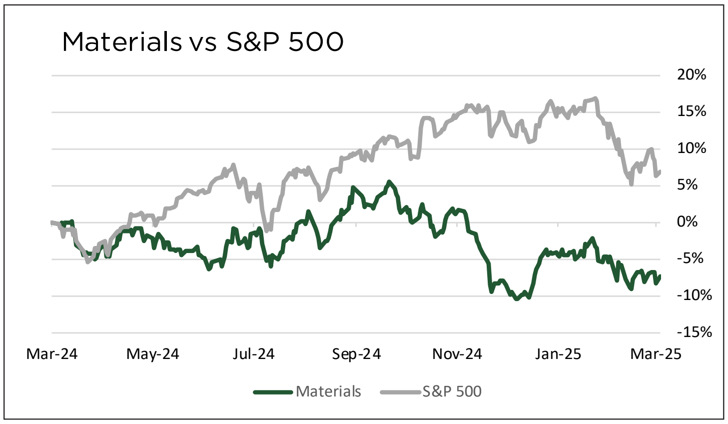
Technology and all of its sub-sectors underperformed the market in March. The Semiconductors and Semiconductor Equipment and the Technology Hardware, Storage & Peripherals sectors underperformed the market in March and declined sharply on April 3rd in response to the Trump Administration's announcement on April 2nd that it would impose significant tariffs on goods imported from U.S. trading partners. The U.S. will levy a 54% tariff on goods imported from China, a 32% tariff on goods imported from Taiwan, including computer systems, with a potential tariff of 25% on goods/computer systems imported from Mexico. China retaliated with a 34% tariff on goods imported from the U.S.

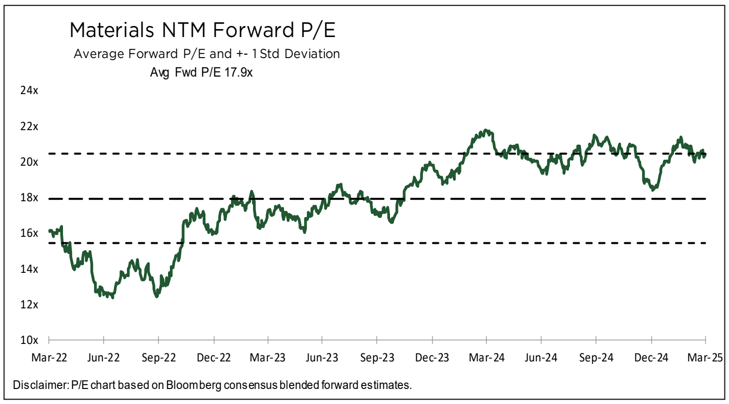
Given that most computer system manufacturers have low gross margins, they may not be able to absorb the cost of tariffs and may need to raise the prices of the AI computing systems they import to the U.S. from Mexico and Taiwan. Potential demand for AI computing systems and AI semiconductors could be impacted if AI computing system prices are increased to offset tariffs.

The IT Services sub-sector underperformed the market in March due to investor concern that IT services demand could be impacted by lower U.S. government and corporate IT spending. The General Services Administration issued a mandate to U.S. government agencies to cancel deals with the top ten consulting firms, excluding mission critical deals. This mandate could result in lower government IT services spending in the near-term. Prior to the Trump Administration's April 2nd tariff announcement, a leading IT services firm reported a heightened level of global macro-economic and political uncertainty driven by U.S. tariffs.

The Technology sector appears close to fairly valued, with a P/E of 30x the consensus analyst FY25 EPS estimate, compared to 19% earnings growth, and its average forward P/E of 25.5x.

MATERIALS





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-2.90%	2.30%	2.30%	-7.38%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-5.75%	-4.59%	-4.59%	6.80%

	Company Performance	1 Month
Leaders	Mosaic Co/The	12.9%
	Newmont Corp	12.7%
	Freeport-McMoRan Inc	2.6%
	Corteva Inc	-0.1%
	Linde PLC	-0.3%
Laggards	Smurfit WestRock PLC	-13.5%
	Nucor Corp	-12.5%
	Eastman Chemical Co	-10.0%
	DuPont de Nemours Inc	-8.7%
	Dow Inc	-8.4%

Consensus FY EPS / P/E

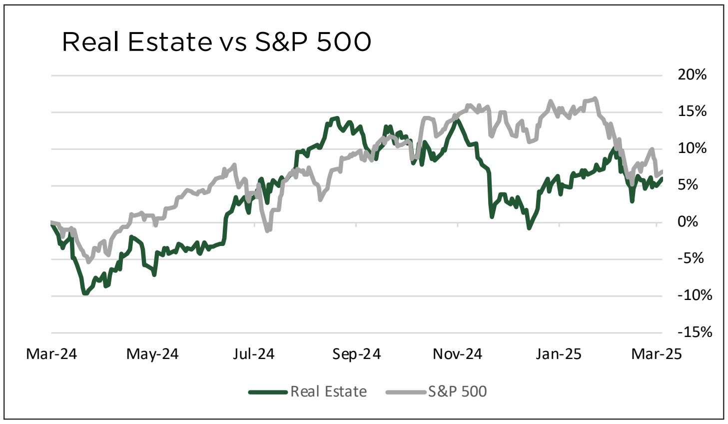
Last Year	Current Year	Next Year
$24.56	$25.58	$29.63
22.1x	21.2x	18.3x

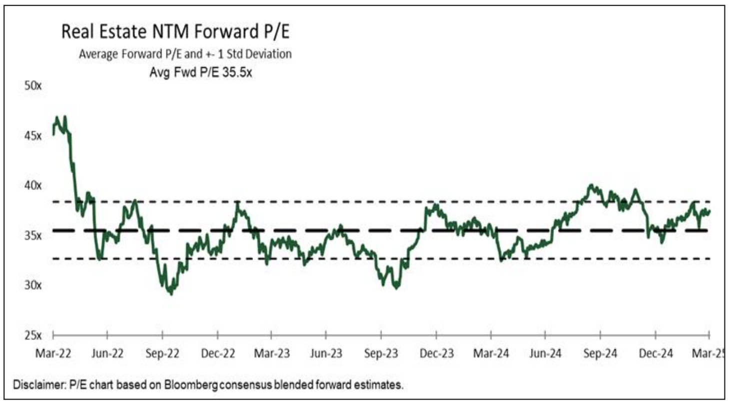
Sector Update

The Materials sector declined 2.9% in March and outperformed the 5.8% decrease for the S&P 500 Index. For Q1, the Materials sector increased 2.3% and well outperformed the S&P 500 Index that decreased 4.6%. The Materials segment trades with an average forward P/E of about 21.2x vs its historical valuation range of 17.9x. The Metals & Mining segment was strong for both the month and the first quarter (up 10.4%). Gold stocks continue to move higher supported by increasing uncertainty and domestic copper mining companies have benefited from increased pricing, tightening supply and favorable customer demand. On April 2, 2025, the Trump Administration announced a 10% universal tariff on imports across all countries (effective April 5) with rates higher for 60 trading partners with trade deficits with the US. USMCA compliant goods will continue to be exempt for Canada and Mexico. The tariffs were higher than expected by the market and could drive prices higher for American consumers and manufacturers. Tariffs raise questions about input costs, potential global trade disruptions and customer demand. Tariffs should raise the cost of importing many agricultural input products into the US and most companies are expected to pass through higher costs to consumers. Customers are shifting buying patterns with some purchasing inventory ahead of potential price increases. Companies should continue to focus on driving cost savings and efficiencies across their operations to offset higher inputs. According to a notice from the Department of Commerce issued, a 25% tariff will be expanded to include imported canned beer and empty aluminum cans starting on April 4 (wide impact across the beverage companies). The question is how quickly could the beverage industry convert its packaging mix as well as how long the tariff remains in place. There is a rationale for waiting to see if the White House engages in negotiations.

Entering the key spring selling season, fear remains an overhang for the US housing segment give tariffs, disruption in trade, the administration's immigration policy and impact on construction labor shortage, rising concerns for a recession, ongoing affordability challenges and consumer demand. Building companies should still capitalize on the eventual building and housing volume rebound, but the timing faces greater uncertainty. Demand remains soft due to the combination of elevated for longer rates and higher home prices and a tight supply. Both rate cuts by the Fed and a decline in home prices are needed to deliver more affordable homes for potential buyers. Construction Materials and Container and Packaging segments declined on tariff news that outweighs underlying company fundamentals and market themes. Companies are executing cost savings programs, restructurings and cap ex reductions. The initial outlook for 2025 includes an expected greater level of merger and acquisition activity as companies seek improved costs and leverage capacity utilization. Companies are reviewing strategies and leaning more into value over volume go-to-market strategies focusing on mix and margin. Paper companies recently announced a price increase on all grades of core board and paperboard due to a tight supply of existing corrugated which is a key supply in coreboard and higher energy costs. Selective investment among the group remains a key factor with a preference for strong management teams, high-quality businesses and strong balance sheets.

REAL ESTATE





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-3.01%	2.73%	2.73%	5.94%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-5.75%	-4.59%	-4.59%	6.80%

	Company Performance	1 Month
Leaders	Crown Castle Inc	10.8%
	American Tower Corp	5.8%
	CoStar Group Inc	3.9%
	Invitation Homes Inc	2.5%
	Realty Income Corp	1.7%
Laggards	Host Hotels & Resorts	-11.9%
	Simon Property Group	-10.8%
	Equinix Inc	-9.9%
	Prologis Inc	-9.8%
	Alexandria Real Estate	-9.5%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$13.13	$13.05	$14.12
20.0x	20.1x	18.6x

Sector Update

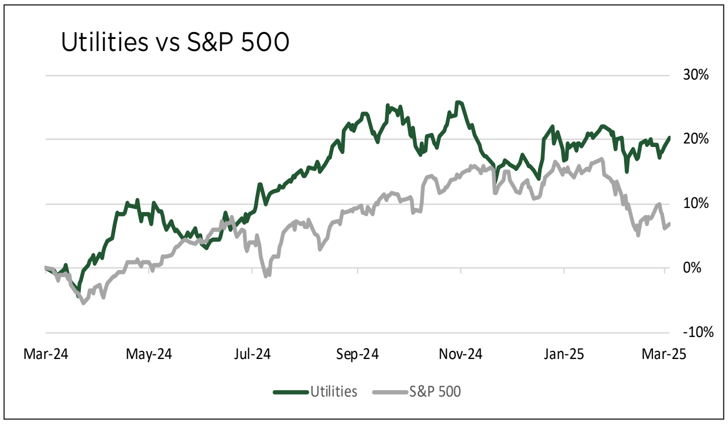
The Real Estate sector outperformed versus the S&P 500 in March and through the first quarter of 2025. Still, performance among individual firms/subsectors within real estate was fairly mixed. This disparity among subsectors has arisen despite sustained moves lower for interest rates across the curve that has seen the Benchmark 10-year Treasury yield trend lower over the past month.

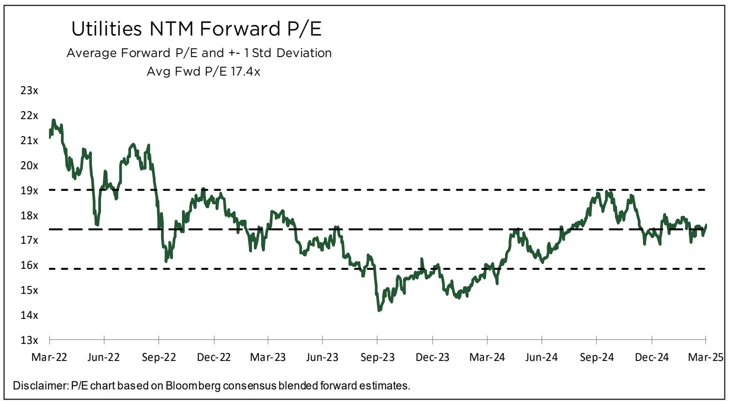
Fallout from the DeepSeek AI announcement has raised questions over future development of U.S. data centers despite tech sector leaders suggesting capex plans remain in place. Further, heightened fears of stagflation during the current economic soft patch have influenced 2025 earnings/FFO guidance from real estate segments having greater exposure to retailing and lodging. Other firms have reported upside with latest quarterly operating results; raised the outlook for 2025 on sustained demand (notably among cell tower providers and multi family operators). We sense that near term equity market volatility will likely persist given launch of new tariffs, while economic uncertainty appears likely to intensify near term as a result leading to further moves lower on interest rates that could be supportive of some bond proxy investments.

As depicted in the adjacent graphic, in March a handful of select real estate stocks achieved gains led by Crown Castle and American Tower. Both companies in the tower subsector may be positioned to deliver FFO growth in 2025 as demand for connectivity could accelerate in both the domestic and EU regions tied to AI while activity among U.S. carriers may be poised to improve as churn from the Sprint acquisition winds down. As a positive sign, American Tower recently raised its dividend by 4.9%. Also, Crown Castle announced the sale of their fiber business for $8.5 billion.

Other real estate subsectors experienced selling pressure in March with roughly 10% valuation declines registered by select firms in the lodging, retailing, digital and logistics segments. Despite delivering in line, 4Q2024 operating results, Host Hotels offered weaker than anticipated 2025 guidance mentioning ongoing challenges from past fires in Maui and 2024 hurricane hitting the southeast, while weakening economic conditions may be poised to weigh on growth. Rising economic uncertainty weighing on consumer sentiment and spending has translated to pressure on the shares of Simon Properties. And, plateauing rental rates in the data center and warehouse subsectors has raised concerns that FFO growth could slow – weighing on shares of both Equinix and Prologis.

We continue to view future returns for the Real Estate sector to remain closely tied to interest rates and growth prospects for the U.S. economy. The Trump Administration has launched a range of policy announcements creating heightened uncertainty near term. Still, many bond proxy Real Estate issues continue to offer attractive yields for investors during this period of uncertainty.





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
0.06%	4.12%	4.12%	20.19%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
-5.75%	-4.59%	-4.59%	6.80%

	Company Performance	1 Month
Leaders	Consolidated Edison Inc	8.9%
	American Water Works	8.5%
	Edison International	8.2%
	AES Corp/The	7.2%
	CenterPoint Energy Inc	5.4%
Laggards	Constellation Energy	-19.5%
	Vistra Corp	-12.1%
	NRG Energy Inc	-9.7%
	Entergy Corp	-2.1%
	Xcel Energy Inc	-1.8%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$20.94	$22.25	$24.38
19.1x	18.0x	16.4x

Sector Update

The Utilities sector was flattish in March, outperforming a 5.75% drawdown in the S&P 500® in the same period. Utilities were the second-best performing sector in March, behind Energy, as the group appeared to benefit from defensive rotation and lower bond market yields. Utilities have outperformed the broader market index on a year-to-date and trailing twelve-month basis. Individual stock performance in the month was generally solid, although a handful of high-valuation names associated with AI sold off aggressively—a continuation of recent trend after DeepSeek announcement and economic growth concerns called into question the AI infrastructure investment theme.

Vistra (VST) and Constellation (CEG) reflected a continued overhang from the lower cost Chinese AI competitor DeepSeek that drove investor concern around disruption of the multi-year growth theme around AI power demand. Tariff related uncertainty, combined with announcements from hyperscalers like Microsoft (MSFT) pulling back data center investment heaped additional pressure on the sector's laggards in March.

Despite these project cancellations near-term, grid modernization and AI infrastructure build-out require significant investment poised to drive future earnings growth for the sector. This dynamic can be seen in our local economy as the PJM Regional Transmission Organization recently increased its ten-year peak summer electric demand forecast for the Virginia DomZone to 6.3% annually, up from 5.5% in the 2024 forecast, and compared to just 0.5% in the 2021 outlook. The PJM 20-year forecast suggests demand could require more than double Dominion's current electric load capacity.

Against this backdrop, earnings forecasts in Electric and Multi-Utilities sub-sectors suggest ~8% growth in 2025 followed by 9.1% uplift in 2026. Utilities EPS growth outlook appears attractive relative to the S&P 500 at ~10% in FY25 that could prove optimistic in a highly uncertain economic environment, particularly given a higher degree of confidence in demand and pricing dynamics behind power generation and delivery.

The Utilities sector currently trades near its historical three-year average P/E multiple of 17.4x based on FY25 earnings estimates. Given the persistence of secular growth tailwinds, the group appears reasonably valued and could be deserving of a premium valuation relative to its historical average, particularly in a period of heightened economic and geopolitical uncertainty that could drive continued rotation into defensive equities. At the same time, against a falling interest rate environment, Utilities sector dividend yields appear more attractive to yield oriented investors, while reducing borrowing costs for companies required to fund a significant portion of capital expenditures with debt. These factors suggest investors should remain overweight Utilities relative to its 2.54% composition of the S&P 500 index.

ECONOMIC CALENDAR

Date	Release	For	Prior
1-Apr	S&P Global US Manufacturing PMI - Final	Mar	49.8
1-Apr	ISM Manufacturing Index	Mar	50.30%
1-Apr	JOLTS - Job Openings	Feb	7.762M
1-Apr	Construction Spending	Feb	-0.50%
2-Apr	MBA Mortgage Applications Index	3/29	-2.00%
2-Apr	ADP Employment Change	Mar	77K
2-Apr	Factory Orders	Feb	1.70%
2-Apr	EIA Crude Oil Inventories	3/29	-3.34M
3-Apr	Initial Claims	3/29	224K
3-Apr	Continuing Claims	3/22	1856K
3-Apr	Trade Balance	Feb	-$131.4B
3-Apr	S&P Global US Services PMI - Final	Mar	54.3
3-Apr	ISM Services	Mar	53.50%
3-Apr	EIA Natural Gas Inventories	3/29	+37 bcf
4-Apr	Nonfarm Payrolls	Mar	151K
4-Apr	Nonfarm Private Payrolls	Mar	140K
4-Apr	Avg. Hourly Earnings	Mar	0.30%
4-Apr	Unemployment Rate	Mar	4.10%
4-Apr	Average Workweek	Mar	34.1
7-Apr	Consumer Credit	Feb	$18.1B
9-Apr	MBA Mortgage Applications Index	4/5	NA
9-Apr	Wholesale Invnetories	Feb	0.80%
9-Apr	Continuing Claims	4/5	NA
10-Apr	Continuing Claims	3/29	NA
10-Apr	Core CPI	Mar	0.20%
10-Apr	CPI	Mar	0.20%
10-Apr	Initial Claims	4/5	NA
10-Apr	EIA Natural Gas Inventories	4/5	NA
10-Apr	Treasury Budget	Mar	-$307.0B
11-Apr	Core PPI	Mar	-0.10%
11-Apr	PPI	Mar	0.00%
11-Apr	Univ. of Michigan Consumer Sentiment - Prelim	Apr	NA
15-Apr	Empire State Manufacturing	Apr	NA
15-Apr	Export Prices ex-ag.	Mar	NA
15-Apr	Import Prices ex-oil	Mar	NA
16-Apr	MBA Mortgage Applications Index	4/12	NA
16-Apr	Retail Sales	Mar	NA
16-Apr	Retail Sales ex-auto	Mar	NA
16-Apr	Capacity Utilization	Mar	NA
16-Apr	Industrial Production	Mar	NA
16-Apr	Business Inventories	Feb	NA
16-Apr	NAHB Housing Market Index	Apr	NA

ECONOMIC CALENDAR

16-Apr	EIA Crude Oil Inventories	4/12	NA
16-Apr	Net Long-Term TIC Flows	Feb	NA
17-Apr	Building Permits	Mar	NA
17-Apr	Continuing Claims	4/5	NA
17-Apr	Housing Starts	Mar	NA
17-Apr	Initial Claims	4/12	NA
17-Apr	Philadelphia Fed Index	Apr	NA
17-Apr	EIA Natural Gas Inventories	4/12	NA
21-Apr	Leading Indicators	Mar	NA
23-Apr	MBA Mortgage Applications Index	4/19	NA
23-Apr	New Home Sales	Mar	NA
23-Apr	EIA Crude Oil Inventories	4/19	NA
24-Apr	Continuing Claims	4/12	NA
24-Apr	Durable Goods -ex transportation	Mar	NA
24-Apr	Durable Orders	Mar	NA
24-Apr	Initial Claims	4/19	NA
24-Apr	Existing Home Sales	Mar	NA
24-Apr	EIA Natural Gas Inventories	4/19	NA
25-Apr	Univ. of Michigan Consumer Sentiment - Final	Apr	NA
29-Apr	Adv Intl. Trade in Goods	Mar	NA
29-Apr	Adv. Retail Inventories	Mar	NA
29-Apr	Adv. Wholesale Inventories	Mar	NA
29-Apr	FHFA Housing Price Index	Feb	NA
29-Apr	S&P Case-Shiller Home Price Index	Feb	NA
29-Apr	Consumer Confidence	Apr	NA
30-Apr	MBA Mortgage Applications Index	4/26	NA
30-Apr	ADP Employment Change	Apr	NA
30-Apr	Employment Cost Index	Q1	NA
30-Apr	GDP-Adv.	Q1	NA
30-Apr	GDP Deflator-Adv.	Q1	NA
30-Apr	PCE Prices	Mar	NA
30-Apr	PCE Prices - Core	Mar	NA
30-Apr	Personal Income	Mar	NA
30-Apr	Personal Spending	Mar	NA
30-Apr	Chicago PMI	Apr	47.6
30-Apr	Pending Home Sales	Mar	NA
30-Apr	EIA Crude Oil Inventories	4/26	NA

DISCLOSURES

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Past performance is not indicative of future results.

An index is not available for direct investment; therefore, its performance does not reflect the expenses, fees and taxes generally paid with the active management of an actual portfolio.

Sectors and sector components defined by Standard & Poor's GICS Level 1 index. For the list of all holdings in GICS Level 1 index sectors, contact your Davenport Financial Advisor.

Leaders: Represent top five best stock price performance in the most recent calendar month within their respective GICS Level 1 Sector

Laggards: Represent top five worst stock price performance in the most recent calendar month within their respective GICS Level 1 Sector

Members: The GICS Level 1 Telecommunication Services sector has only three component companies. This sector will not include "Leaders and Laggards", but will show all three members and their price performance over the previous calendar month.

S&P 500®: The S&P 500 Index is comprised of 500 U. S. stocks and is an indicator of the performance of the overall U.S. stock market. Standard & Poor's Financial Services LLC, a division of S&P Global, is the source and owner of the registered trademarks related to the S&P 500 Index.

Dow Jones Industrials: The Dow Jones Industrial Average is an index of 30 "blue chip" stocks of U.S. "industrial" companies.

NASDAQ Composite: The Nasdaq-100 Index is a "modified capitalization-weighted" index designed to track the performance of a market consisting of the 100 largest and most actively traded non-financial domestic and international securities listed on The Nasdaq Stock Market, based on market capitalization.

Russell 2000®: The Russell 2000® Index is a capitalization-weighted index designed to measure the performance of a market consisting of the 2,000 smallest publicly traded U.S. companies (in terms of market capitalization) that are included in the Russell 3000® Index. Source: London Stock Exchange Group PLC and its group undertakings (collectively, the "LSE Group"). © LSE Group 2024. FTSE Russell is a trading name of certain LSE Group companies. "Russell®" is a trade mark of the relevant LSE Group companies and is used by any other LSE Group company under license. All rights in the FTSE Russell indexes or data vest in relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote/sponsor/endorse the content of this communication.

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Nikkei Stock Average: Nikkei is short for Japan's Nikkei 225 Stock Average, the leading and most-respected index of Japanese stocks. It is a price-weighted index comprised of Japan's top 225 blue-chip companies traded on the Tokyo Stock Exchange. The Nikkei is equivalent to the Dow Jones Industrial Average Index in the United States.

Stoxx Europe 600: The STOXX Europe 600 Index is derived from the STOXX Europe Total Market Index (TMI) and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalization companies across 17 countries of the European region: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

MSCI Emerging Markets: The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. (MSCI Website).

MSCI Emerging Markets Small Cap: The MSCI Emerging Markets Small Cap Index includes small cap representation across 23 Emerging Markets countries. With 1,889 constituents, the index covers approximately 14% of the free float-adjusted market capitalization in each country. The small cap segment tends to capture more local economic and sector characteristics relative to larger Emerging Markets capitalization segments.

US Dollar Index (USDX, DXY): An index (or measure) of the value of the United States dollar relative to a basket of currencies, often referred to as a basket of US trade partners' currencies.

VIX: The ticker symbol for the Chicago Board Options Exchange (CBOE) Volatility Index, which shows the market's expectation of 30-day volatility. It is constructed using the implied volatilities of a wide range of S&P 500 index options.

Shanghai Composite (SSE Index): The Shanghai Composite Index, also known as the SSE Index is a stock market index of all stock (A shares and B shares) that are traded at the Shanghai Stock Exchange.

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CORPORATE HEADQUARTERS

One James Center | 901 East Cary Street, Suite 1100 | Richmond, Virginia 23219
(804) 780-2000 (800) 846-6666
www.investdavenport.com

Abingdon
153 W. Main St., Ste. 100
Abingdon, VA 24210
(276) 274-8277

Atlanta*
515 E. Crossville Rd., Ste. 380
Roswell, GA 30075
(404) 865-4040

Charlotte*
101 North Tryon St., Ste. 1220
Charlotte, NC 28246
(704) 375-0550

Charlottesville
600 E. Water St., Ste. A
Charlottesville, VA 22902
(434) 296-9013

Danville
165 Holt Garrison Pkwy., Ste. 570B
Danville, VA 24540
(434) 836-5528

Farmville
101 North Main St.,
Farmville, VA 23901
(434) 392-9813

Franklin
114 West 2nd Ave.
Franklin, VA 23851
(757) 562-0053

Fredericksburg
904 Princess Anne St., Ste. 102
Fredericksburg, VA 22401
(540) 373-1863

Greensboro
628 Green Valley Rd., Ste. 306
Greensboro, NC 27408
(336) 297-2800

Harrisonburg
21 Carpenter Lane, Suite 101
Harrisonburg, VA 22801
(540) 383-6550

Kilmarnock
141 Technology Park Dr.
Kilmarnock, VA 22482
(804) 435-7705

Leesburg*
19301 Winmeade Dr., Ste. 218
Leesburg, VA 20176
(571) 223-5893

Lynchburg
1104 Commerce St.
Lynchburg, VA 24504
(434) 948-1100

Marion
201 East Main St., Ste. 103
Marion, VA 24354
(276) 243-0008

Newport News
11827 Canon Blvd., Ste. 404
Newport News, VA 23606
(757) 595-5740

Norfolk
101 West Main St., Ste. 4000
Norfolk, VA 23510
(757) 314-3600

Raleigh
3605 Glenwood Ave., Ste. 310
Raleigh, NC 27612
(919) 571-6550

Richmond
901 East Cary St., Ste. 1100
Richmond, VA 23219
(804) 780-2000

Roanoke
10 Franklin Road S.E., Ste. 450
Roanoke, VA 24011
(540) 345-1909

Sanford
201 Chatham Street., Ste. 1
Sanford, NC 27330
(919) 777-9823

Staunton
202 S. Lewis Street, Suite 201
Staunton, VA 24401
(540) 609-5386

Suffolk
330 West Constance Rd., Ste. 200
Suffolk, VA 23434
(757) 539-5355

Towson*
8600 LaSalle Rd., Ste. 618
Towson, MD 21286
(410) 296-9426

Virginia Beach
477 Viking Dr., Ste. 200
Virginia Beach, VA 23452
(757) 498-4000

Williamsburg
5400 Discovery Park Blvd., Ste. 301
Williamsburg, VA 23188
(757) 258-2800

Public Finance office.