Wilshire

Third Quarter 2025 Market Update Webinar

Today’s Agenda

Topics covered:

- How have economic conditions evolved in the third quarter?
- What is the outlook for monetary policy in consideration of current economic conditions?
- Can risk assets continue to deliver strong returns given current valuation, and economic/market conditions?
- Where is economic and market sentiment today?
- Wilshire's dynamic/short-term and strategic/long-term market expectations

Wilshire Advisors

Since 1972, Wilshire has been dedicated to improving investment outcomes for institutional investors and financial intermediaries worldwide.

- Institutional advisory and discretionary services
- Discretionary and advisory solutions for financial intermediaries
- Full spectrum provider of alternative investment solutions

~300
client relationships[1]

$125 Billion
in assets under management[2]

$1.5 Trillion
in assets under advisement[2]

As of 6/30/2025. [1] Includes institutional investors, financial intermediaries, and Wilshire-sponsored vehicles. Does not include individual retirement plans and retail investors via financial intermediary platforms. [2] Assets under management refers to the amount of assets attributable to securities portfolios for which Wilshire provides discretionary and non-discretionary asset management services and is calculated differently than “regulatory assets under management.” Assets under advisement refers to the total amount of assets (inclusive of assets under management) attributable to all of Wilshire’s advisory relationships, including various consulting and advisory relationships for which Wilshire provides investment advisory services without engaging, on either a discretionary or non-discretionary basis, in the direct management of a client’s portfolio.

For timely market insight, listen to our **weekly 10-minute market update** brought to you by Josh Emanuel, Chief Investment Officer for Wilshire.

Visit **wilshire.com** to access the four most recent Wilshire Monday Market Flash updates.

Presenters

Josh Emanuel, CFA

Chief Investment Officer

20+ years of industry experience

As CIO, leads Wilshire's investment activities, including:

- investment strategy
- manager research
- quantitative alpha research
- portfolio management

Steve Foresti

Chief Investment Officer Emeritus

30+ years of industry experience

Guides and supports Wilshire's investment and research efforts, including

- strategic asset allocation research
- capital market forecasts
- thought leadership

Market Performance Summary

Global Equities as of 9/30/2025

U.S. Equity	MTD (%)	QTD (%)	YTD (%)	1Y (%)
FT Wilshire 5000 Index℠	3.46	8.24	14.45	17.46
Standard & Poor's 500	3.65	8.12	14.83	17.60
FT Wilshire 4500 Index℠	1.13	7.97	7.43	8.72
MSCI USA Minimum Volatility	1.36	1.76	8.40	5.94

As of 9/30/2025. Source: Bloomberg. Indexes are total return. For illustrative purposes only.

U.S. Equity by Size/Style	MTD (%)	QTD (%)	YTD (%)	1Y (%)
FT Wilshire Large Cap Index℠	3.79	8.29	15.48	18.76
FT Wilshire Large Cap Growth Index℠	5.14	10.66	18.37	26.87
FT Wilshire Large Cap Value Index℠	2.25	5.68	12.65	10.77
FT Wilshire Small Cap Index℠	0.70	6.95	6.84	7.92
FT Wilshire Small Cap Growth Index℠	1.02	6.98	6.67	9.27
FT Wilshire Small Cap Value Index℠	0.42	6.99	7.05	6.58
FT Wilshire Micro Cap Index℠	4.31	15.94	11.66	14.74

As of 9/30/2025. Source: Bloomberg. Indexes are total return. For illustrative purposes only.

Non-U.S. Equity	MTD (%)	QTD (%)	YTD (%)	1Y (%)
MSCI ACWI	3.62	7.62	18.44	17.27
MSCI ACWI ex USA	3.60	6.89	26.02	16.45
MSCI ACWI ex USA Minimum Volatility	(0.07)	0.71	15.47	8.36
MSCI EAFE	1.91	4.77	25.14	14.99
MSCI Emerging Markets	7.15	10.64	27.53	17.32
MSCI ACWI ex USA Small Cap	2.15	6.68	25.54	15.93

As of 9/30/2025. Source: Bloomberg. Indexes are total return. For illustrative purposes only.

Non-U.S. Equity (local currency)	MTD (%)	QTD (%)	YTD (%)	1Y (%)
MSCI ACWI	3.63	7.98	15.54	16.99
MSCI ACWI ex USA	3.62	7.89	17.40	15.79
MSCI ACWI ex USA Minimum Volatility	0.17	2.02	9.99	8.66
MSCI EAFE	1.80	5.38	13.63	12.92
MSCI Emerging Markets	7.05	12.18	24.29	18.80
MSCI ACWI ex USA Small Cap	2.22	7.98	17.67	16.33

As of 9/30/2025. Source: Bloomberg. Indexes are total return. For illustrative purposes only.

Fixed Income Markets, Real Assets & Alternatives as of 9/30/2025

U.S. Fixed Income	MTD (%)	QTD (%)	YTD (%)	1Y (%)
Bloomberg U.S. Aggregate	1.09	2.03	6.13	2.88
Bloomberg Long Term Treasury	3.09	2.49	5.64	(3.47)
Bloomberg Long Term Corporate	3.17	3.79	7.56	0.89
Bloomberg U.S. TIPS	0.43	2.10	6.87	3.79
Bloomberg U.S. Credit	1.44	2.57	6.90	3.65
Bloomberg U.S. Corporate High Yield	0.82	2.54	7.22	7.41
S&P/LSTA Leveraged Loan	0.44	1.77	4.63	7.00

As of 9/30/2025. Source: Bloomberg. Indexes are total return. For illustrative purposes only.

Market Rates	Sept 30	June 30	Mar 31	Dec 31
10-Year Treasury	4.15	4.23	4.21	4.57
10-Year Breakeven Inflation	2.37	2.28	2.37	2.34

As of 9/30/2025. Source: Bloomberg. Indexes are total return. For illustrative purposes only.

Global Fixed Income	MTD (%)	QTD (%)	YTD (%)	1Y (%)
Bloomberg Global Aggregate	0.65	0.60	7.91	2.40
Bloomberg Global Aggregate (Hdg)	0.74	1.21	4.05	3.06
Bloomberg EM LC Gov't Universal	0.25	(0.02)	6.94	3.37
Bloomberg EM LC Gov't Universal (Hdg)	0.19	0.60	3.86	5.80

As of 9/30/2025. Source: Bloomberg. Indexes are total return. For illustrative purposes only.

Real Assets	MTD (%)	QTD (%)	YTD (%)	1Y (%)
Wilshire US Real Estate Securities Index℠	0.34	3.66	5.46	0.21
Wilshire Global Real Estate Securities Index℠	0.49	3.36	7.90	(0.17)
FTSE Global Core Infrastructure 50/50	2.02	3.98	14.17	7.83
Alerian Midstream Energy	1.60	1.31	6.46	20.80
Bloomberg Commodity	2.15	3.65	9.38	8.88
Gold	11.92	16.83	47.04	46.47
Bitcoin	6.35	6.54	22.33	79.73

As of 9/30/2025. Source: Bloomberg. Indexes are total return. For illustrative purposes only.

Alternatives	MTD (%)	QTD (%)	YTD (%)	1Y (%)
Wilshire Liquid Alternative Index℠	1.35	2.88	5.68	3.80
Wilshire Liquid Alternative Equity Hedge Index℠	2.11	4.56	9.19	7.21
Wilshire Liquid Alternative Event Driven Index℠	0.34	1.53	5.62	3.01
Wilshire Liquid Alternative Global Macro Index℠	2.80	4.40	1.48	0.39
Wilshire Liquid Alternative Multi-Strategy Index℠	1.55	3.25	5.59	3.19
Wilshire Liquid Alternative Relative Value Index℠	0.50	1.35	4.11	2.42

As of 9/30/2025. Source: Bloomberg. Indexes are total return. For illustrative purposes only.

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An Update on the Debasement "Trade"

Trade/Currency Timeline: From Bretton Woods to "Liberation Day")

1944: Bretton Woods Agreement

1971: U.S. off Gold Standard

1973: Petrodollar System

1994: NAFTA/USMCA

2001: China joins WTO

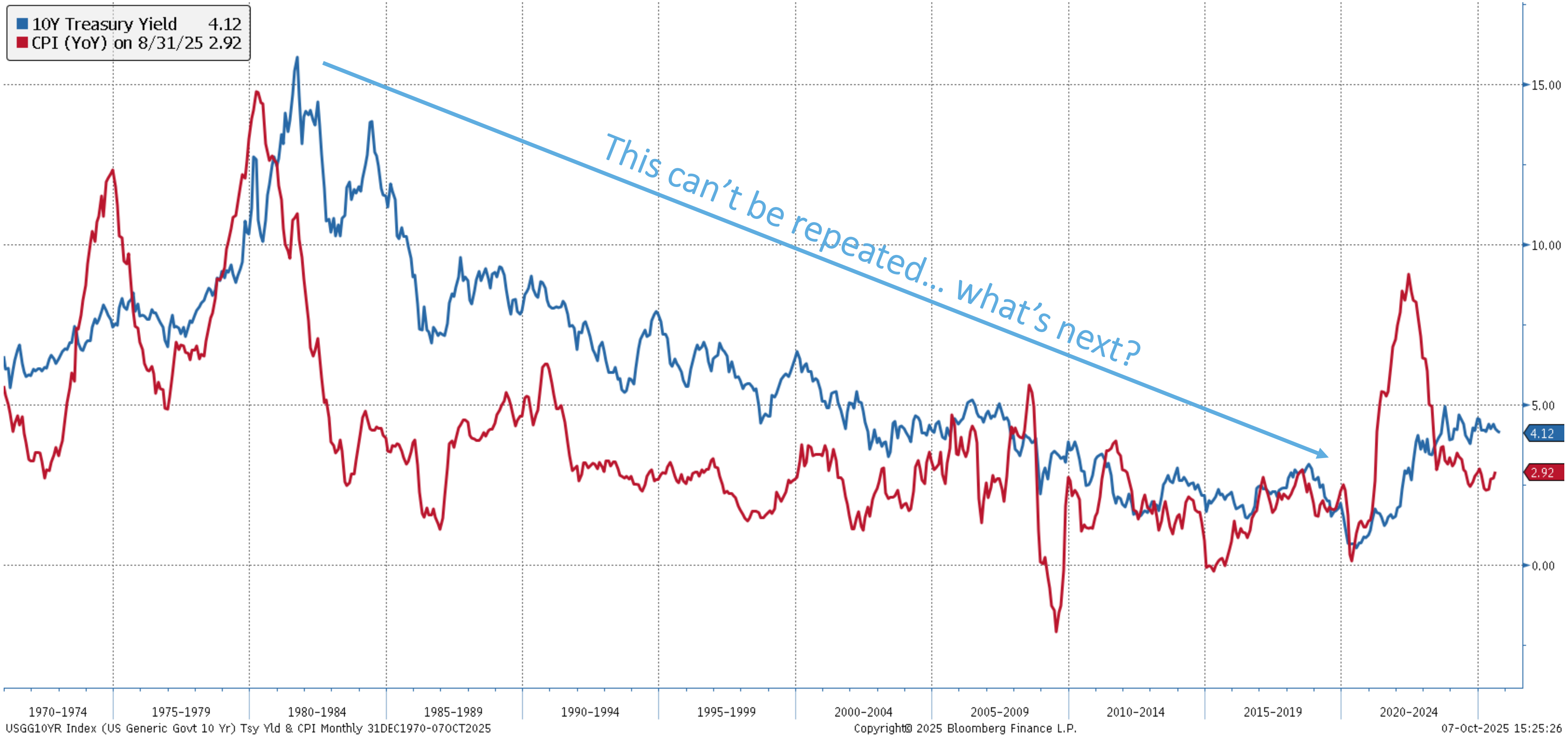
2022: Russian sanctions

2025: Trump Tariffs

Gold vs. USD

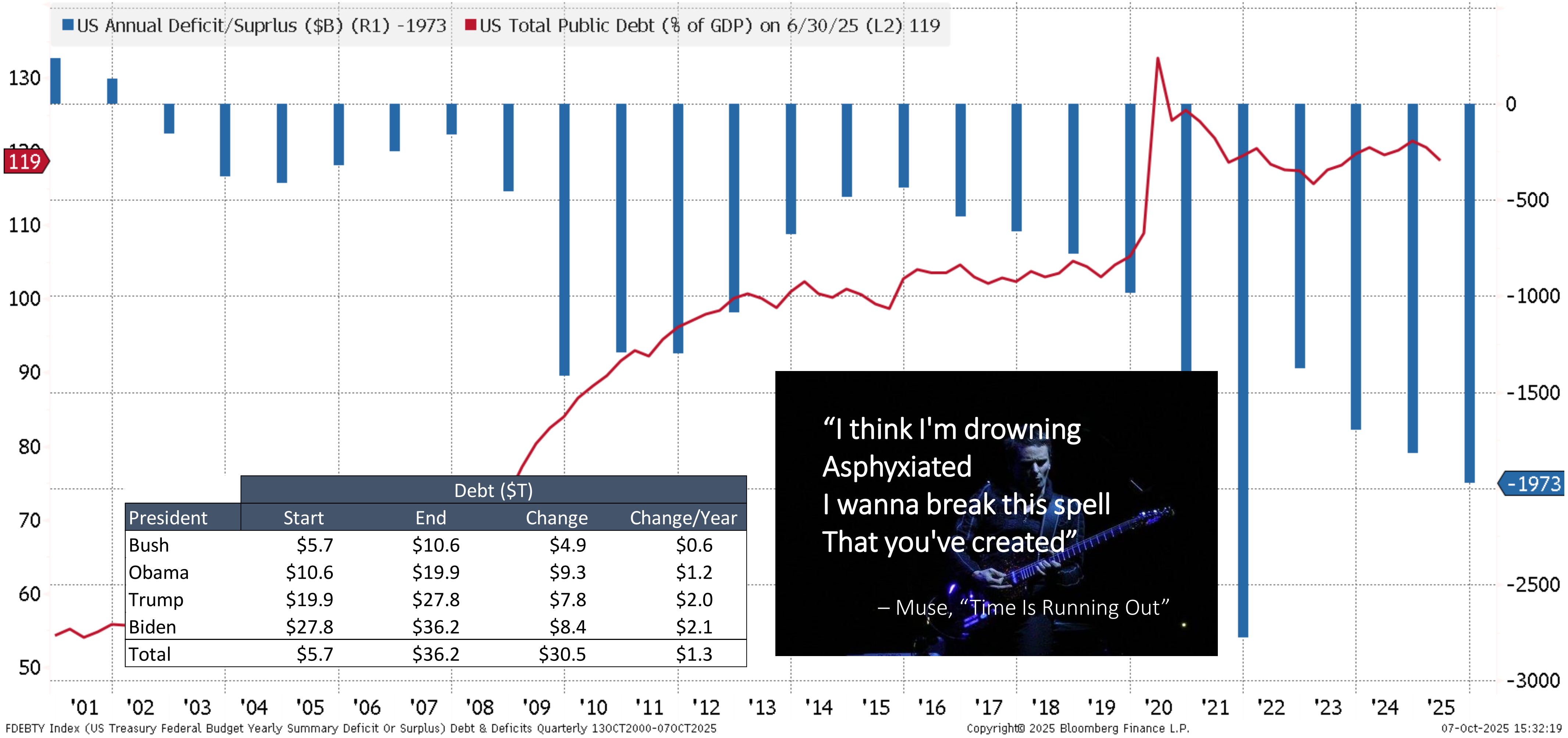
- 1971: $35 / Now: ~$4,200
- Gold up more than 100x
- USD has lost ~99% of its value (like a melting ice cube)

The Past: Falling Rates & Low/Disinflation



Data Source: Bloomberg

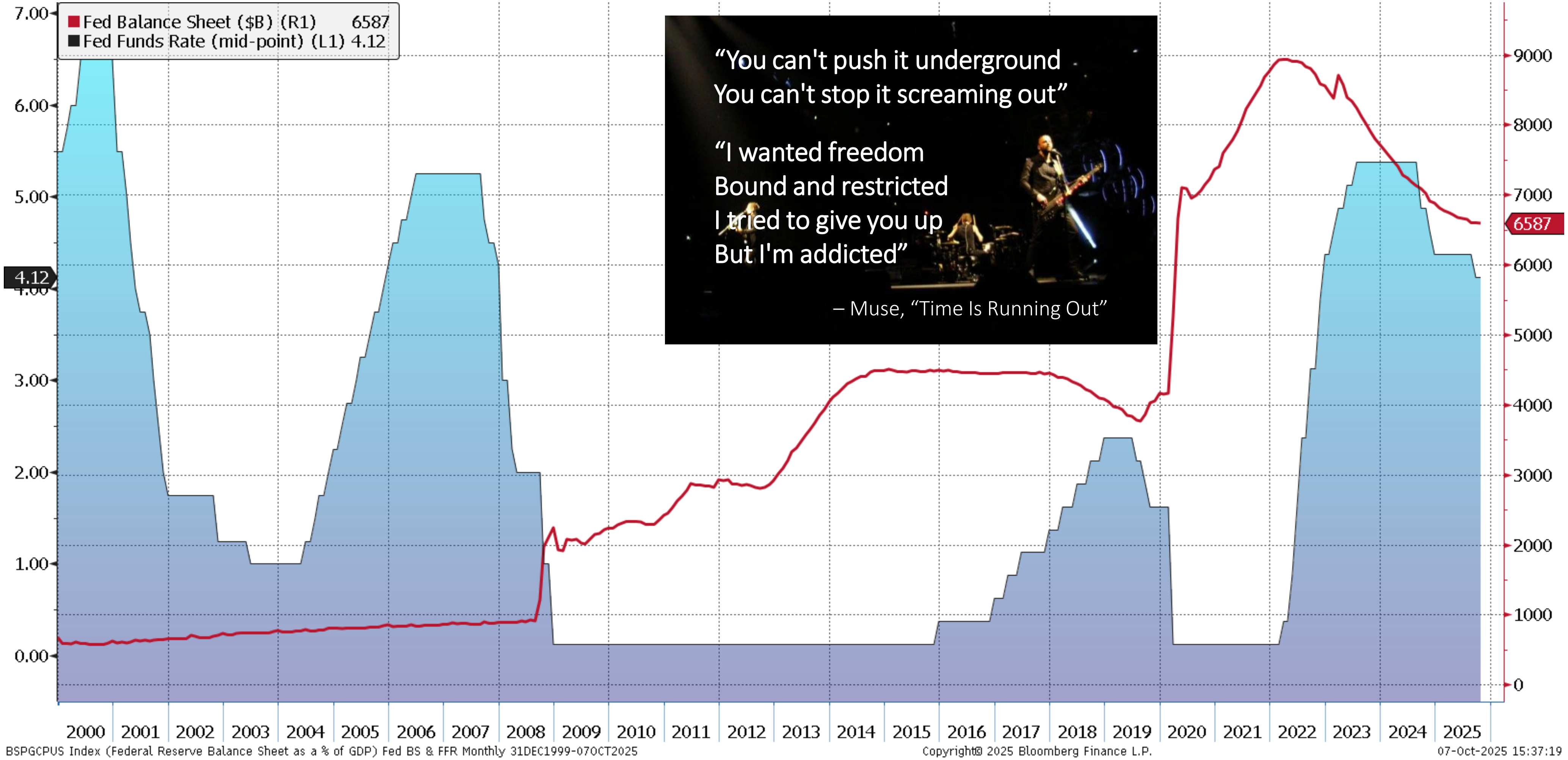
Fiscal Picture: How Sustainable are Deficit and/or Debt Levels?



	Debt ($T)			
President	Start	End	Change	Change/Year
Bush	$5.7	$10.6	$4.9	$0.6
Obama	$10.6	$19.9	$9.3	$1.2
Trump	$19.9	$27.8	$7.8	$2.0
Biden	$27.8	$36.2	$8.4	$2.1
Total	$5.7	$36.2	$30.5	$1.3

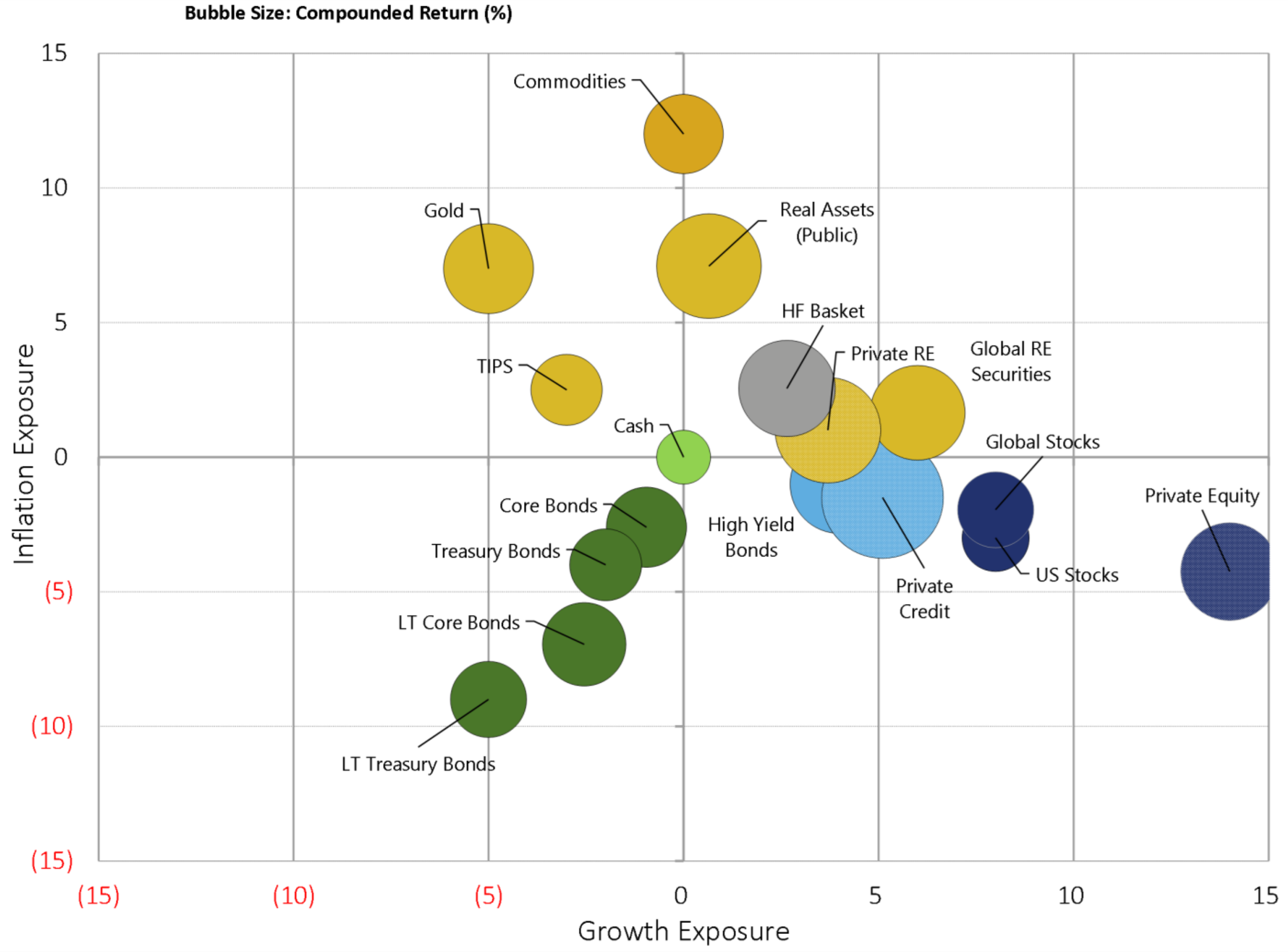
Data Source: Bloomberg

Monetary Picture: Unprecedented (i.e., Dr. Frankenstein) Levels of Support



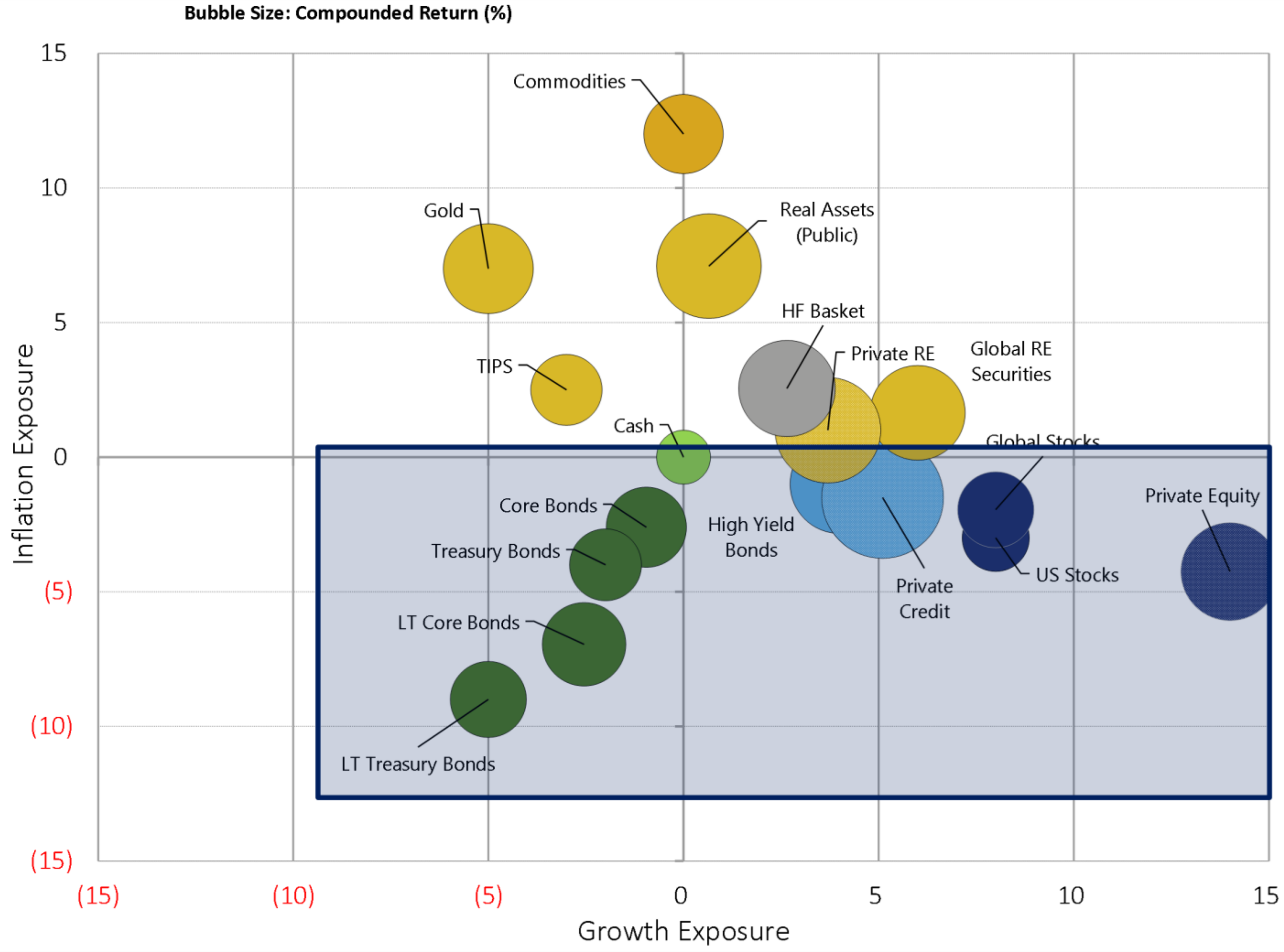
Data Source: Bloomberg

Asset Class Expected Economic Exposures



Data Source: Wilshire September 2025 Capital Market Assumptions

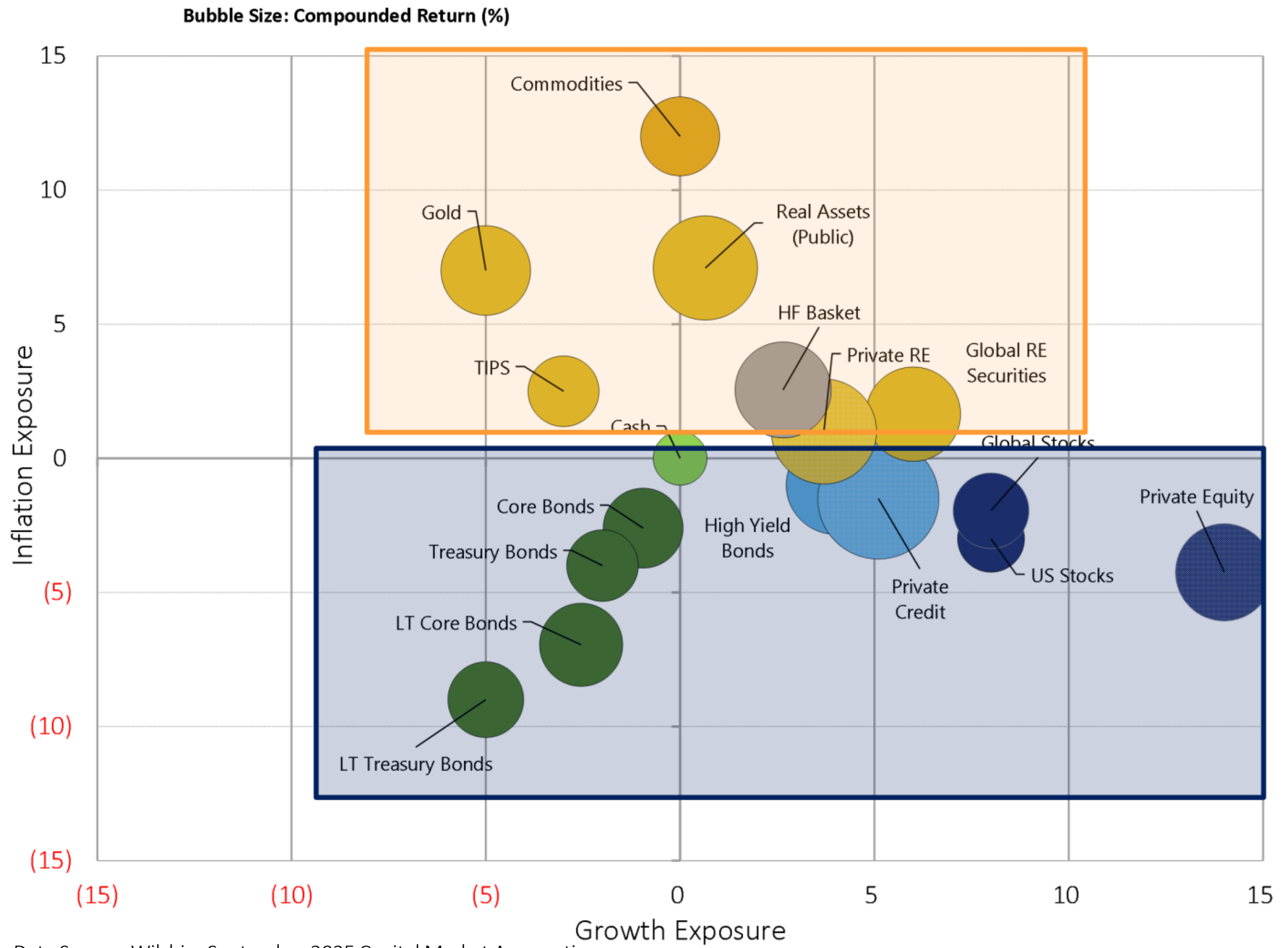
Asset Class Expected Economic Exposures



Data Source: Wilshire September 2025 Capital Market Assumptions

Assets with no or negative sensitivity to inflation have benefited from the historical environment

Asset Class Expected Economic Exposures

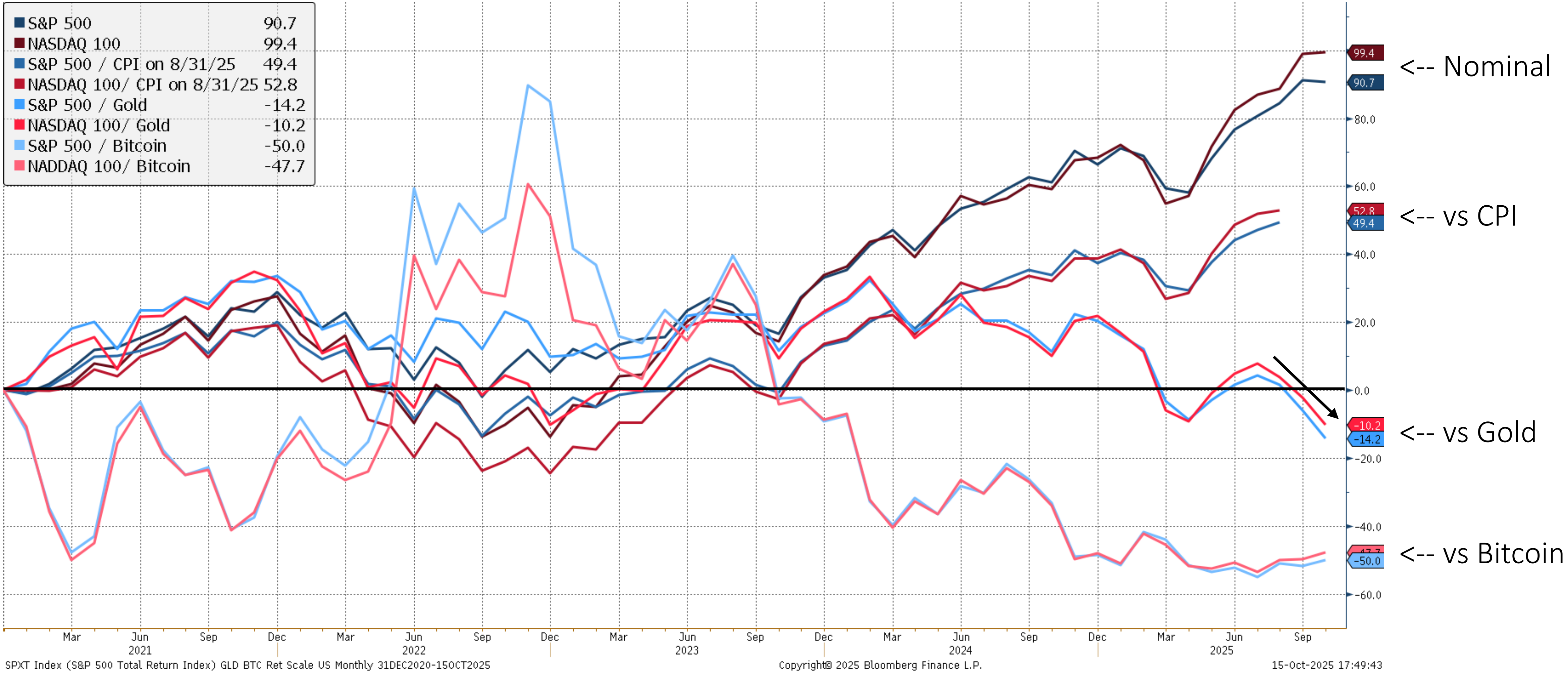


Data Source: Wilshire September 2025 Capital Market Assumptions

Inflation-sensitive (i.e., "Real") Assets provided limited utility during much of this historical economic environment

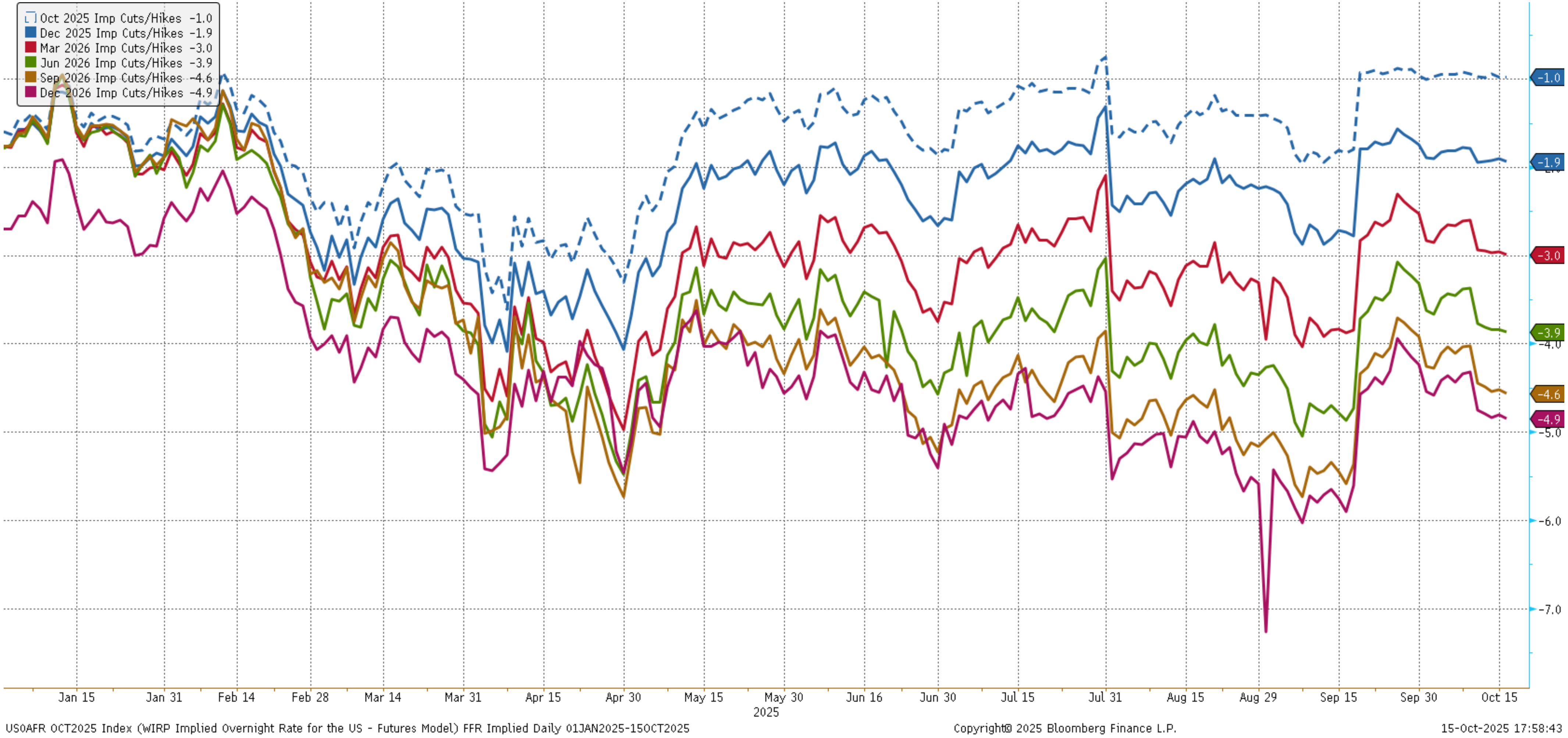
Assets with no or negative sensitivity to inflation have benefited from the historical environment

The Monetary Debasement "Trade" (4.75 years: 12/31/20 – 09/30/25)



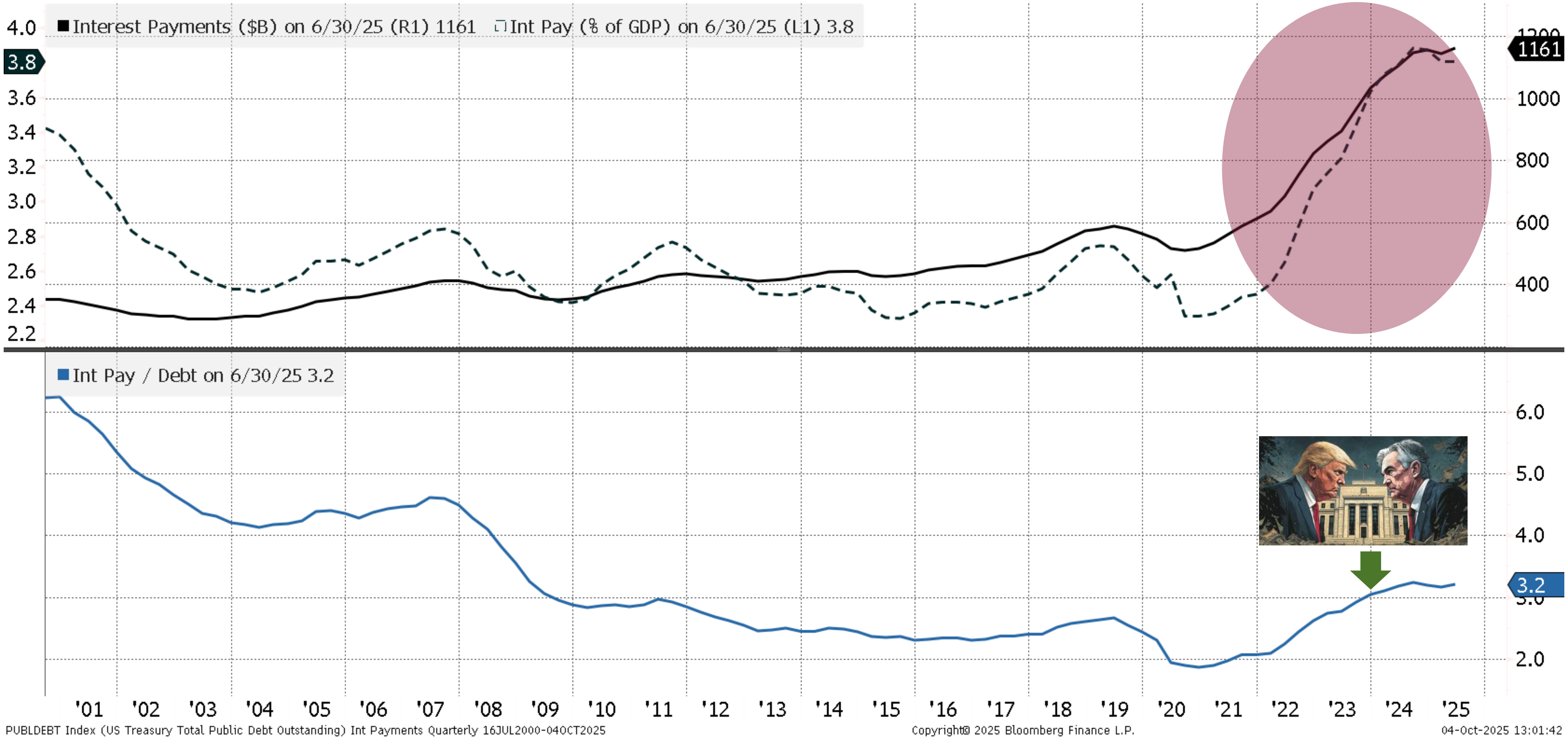
Data Source: Bloomberg

More Easing is Coming (Fed seems to be data independent): Priced In



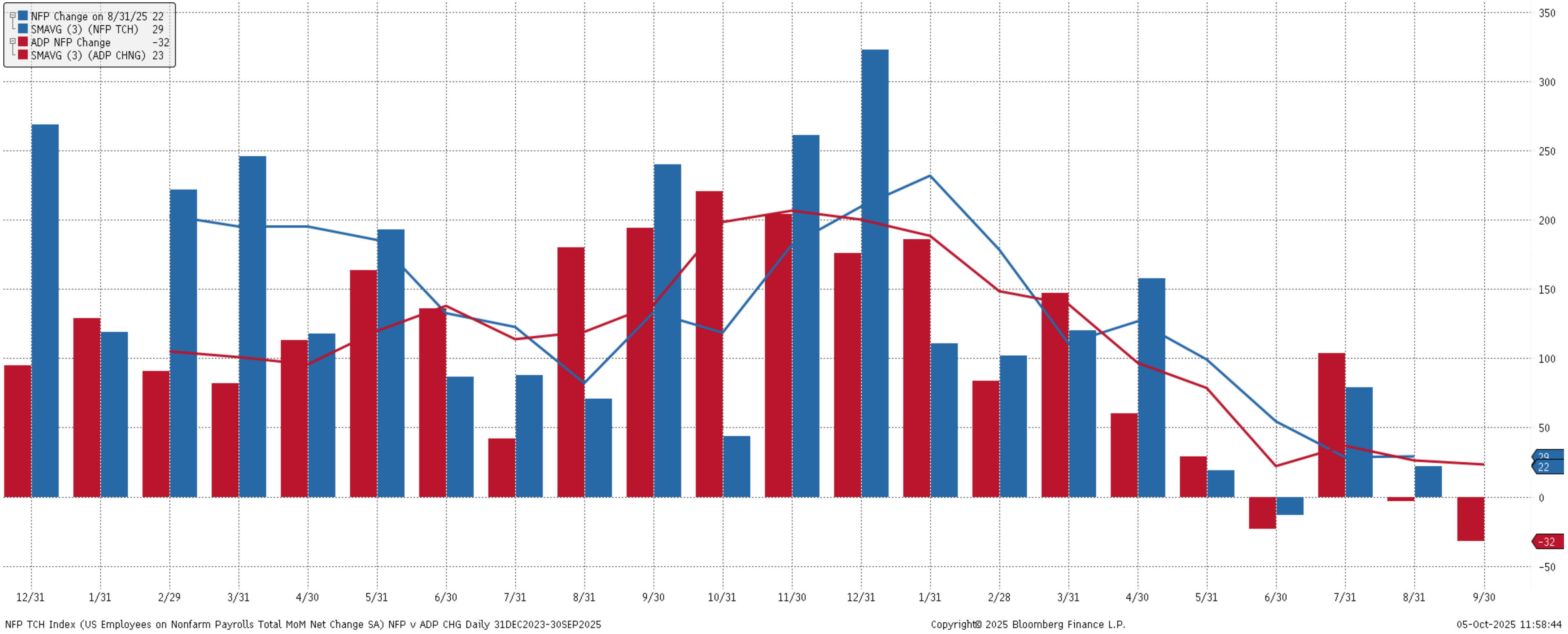
Data Source: Bloomberg

More Easing is Coming: U.S. Can't Afford Higher Rates (Yield Curve Control?)



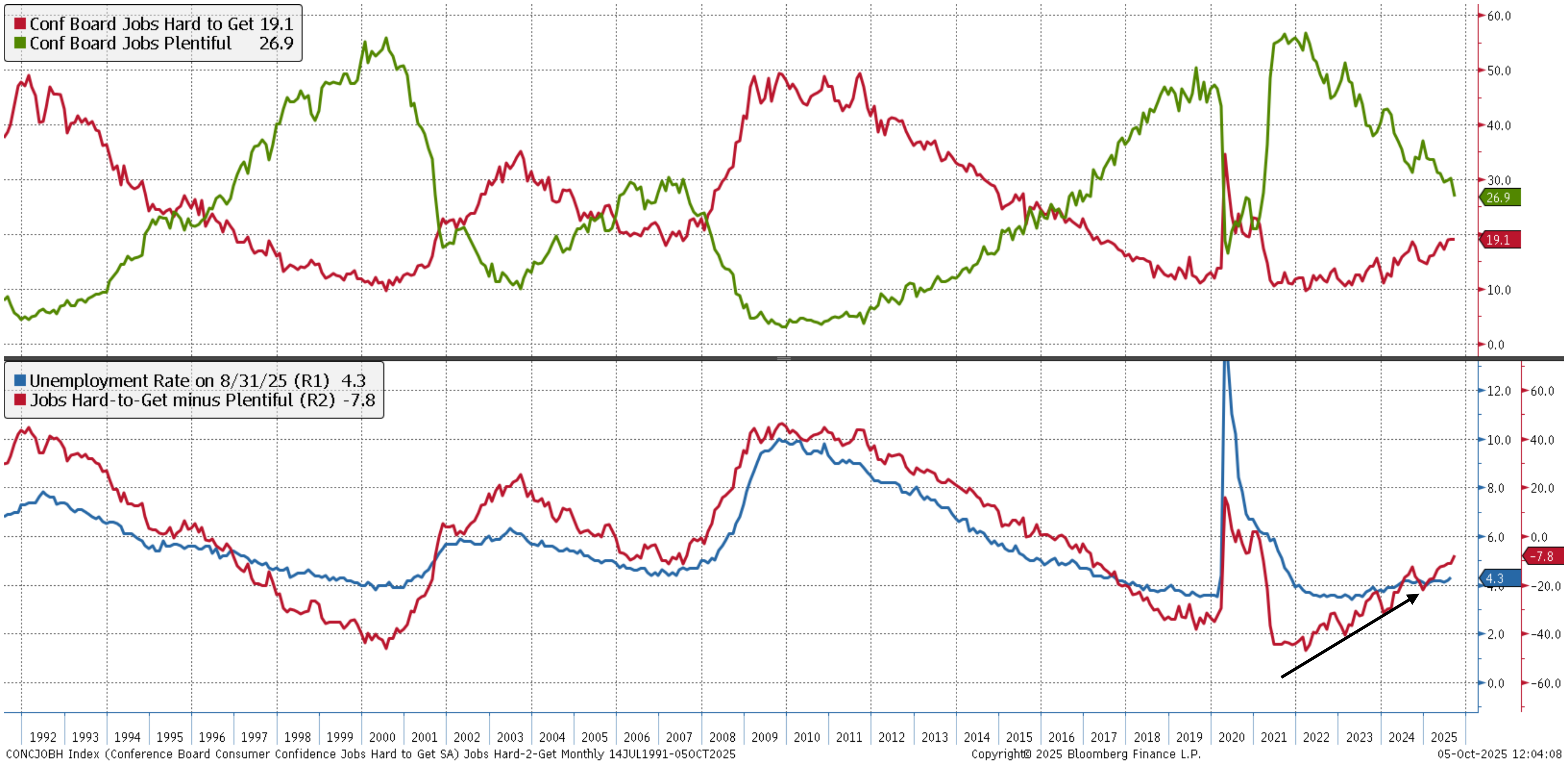
Data Source: Bloomberg

Easing Seems to be Supported by Labor Picture



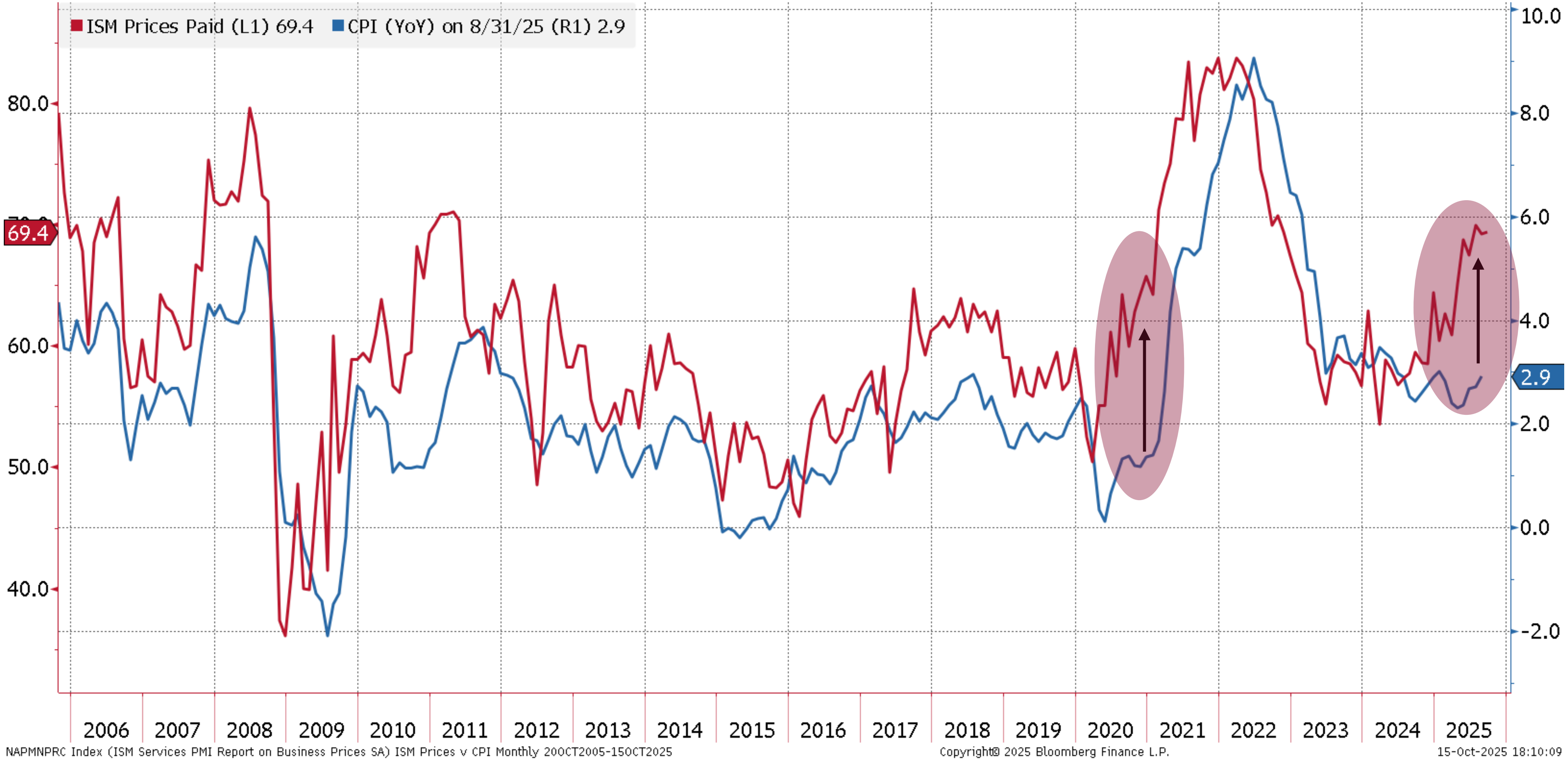
Data Source: Bloomberg

Easing Seems to be Supported by Labor Picture: Jobs Hard to Find



Data Source: Bloomberg

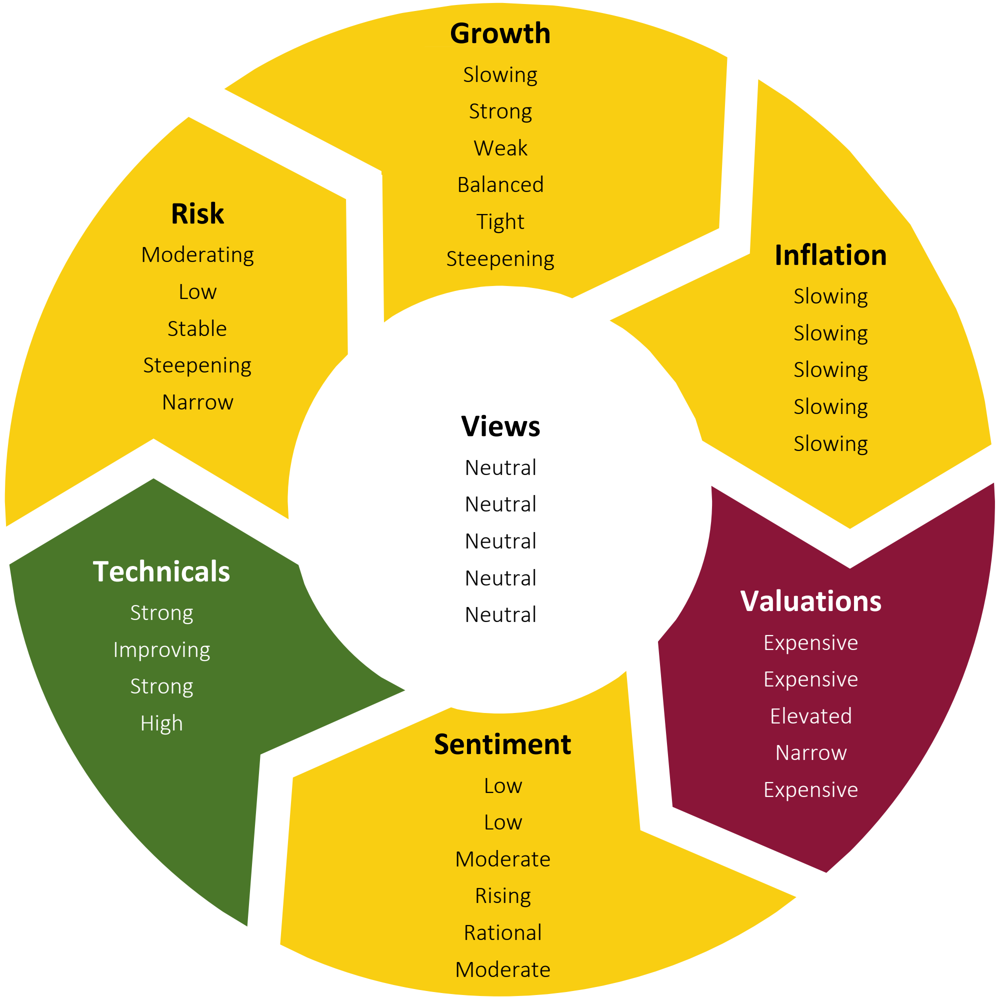
Easing into This Backdrop IS Not Without Risk



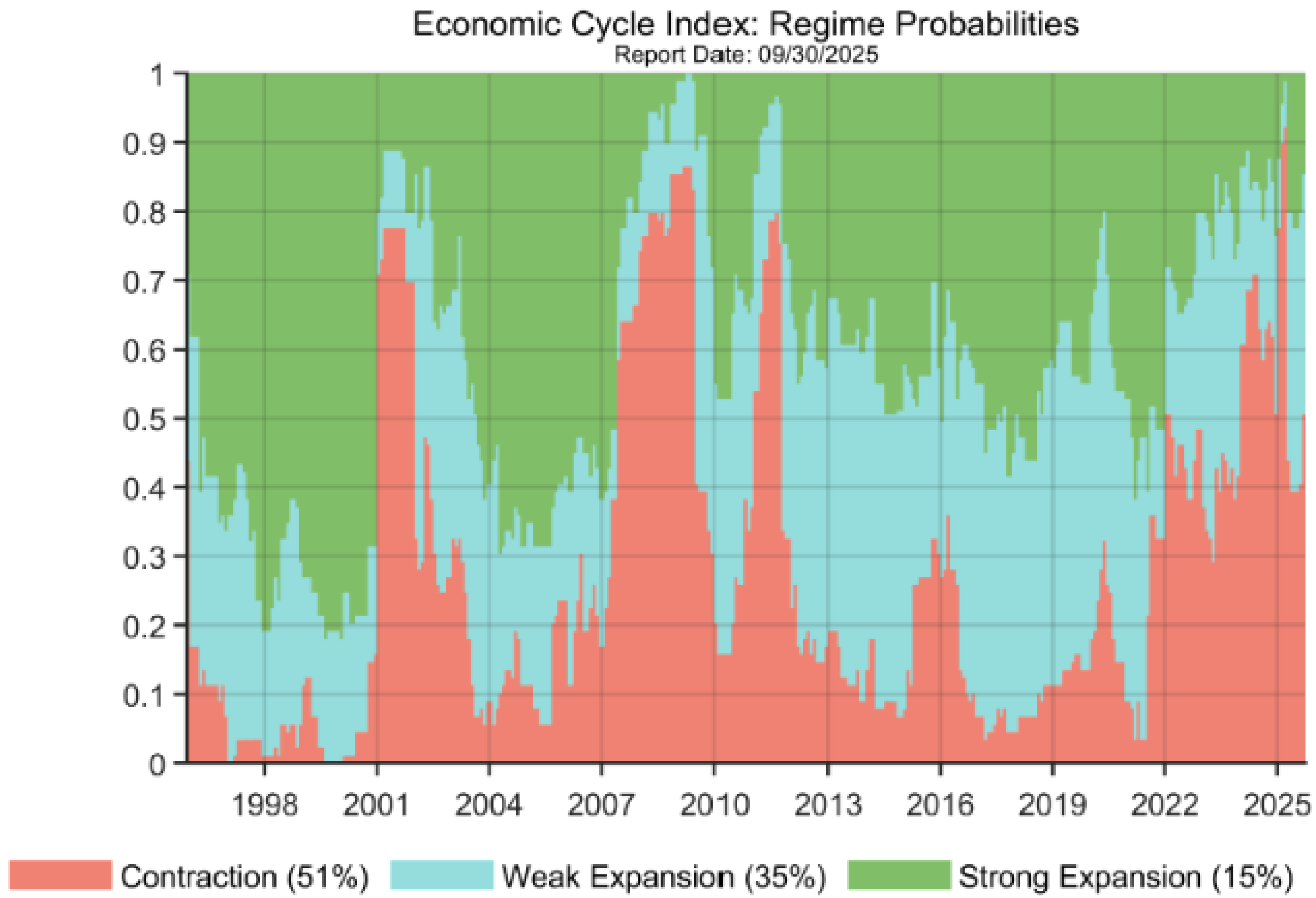
Data Source: Bloomberg

“Economic Uncertainty”

Investment Strategy Process & Outlook

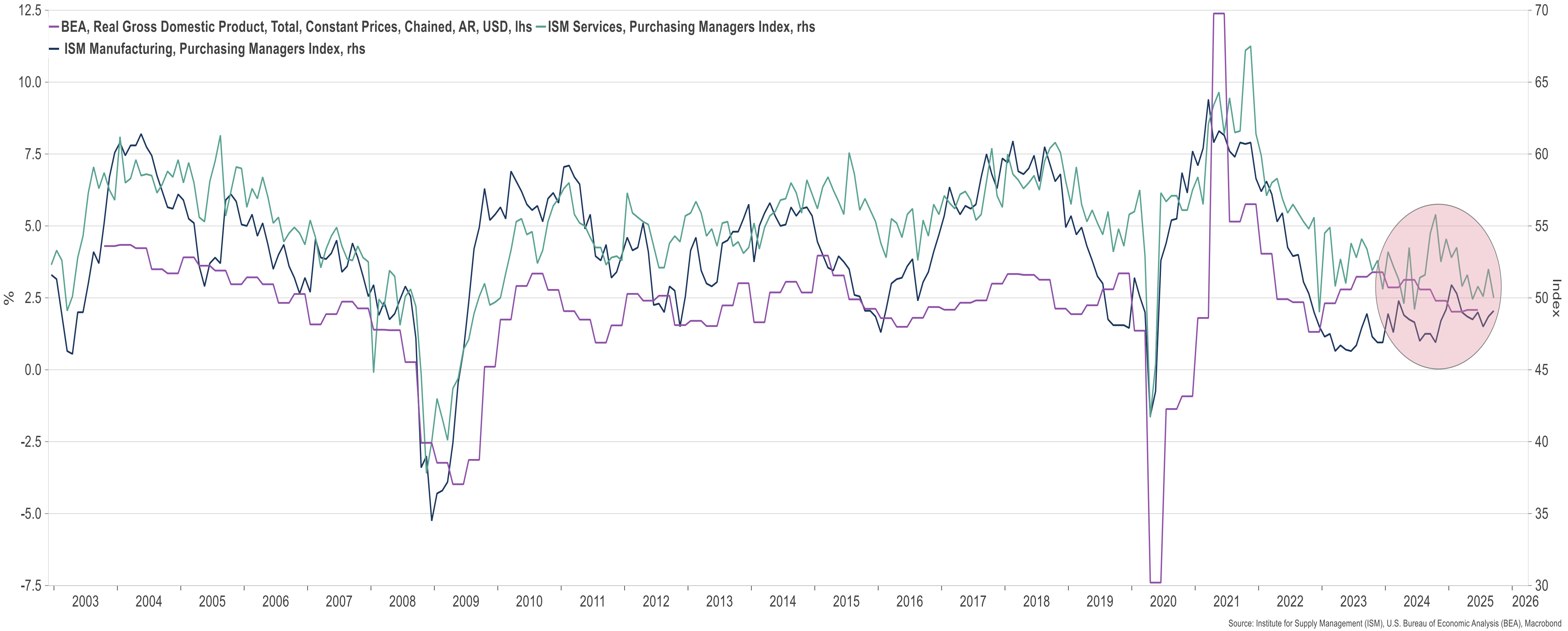


Healthy General Economy Offset by Weakness in Corporate and Household Segments



Data Source: Wilshire

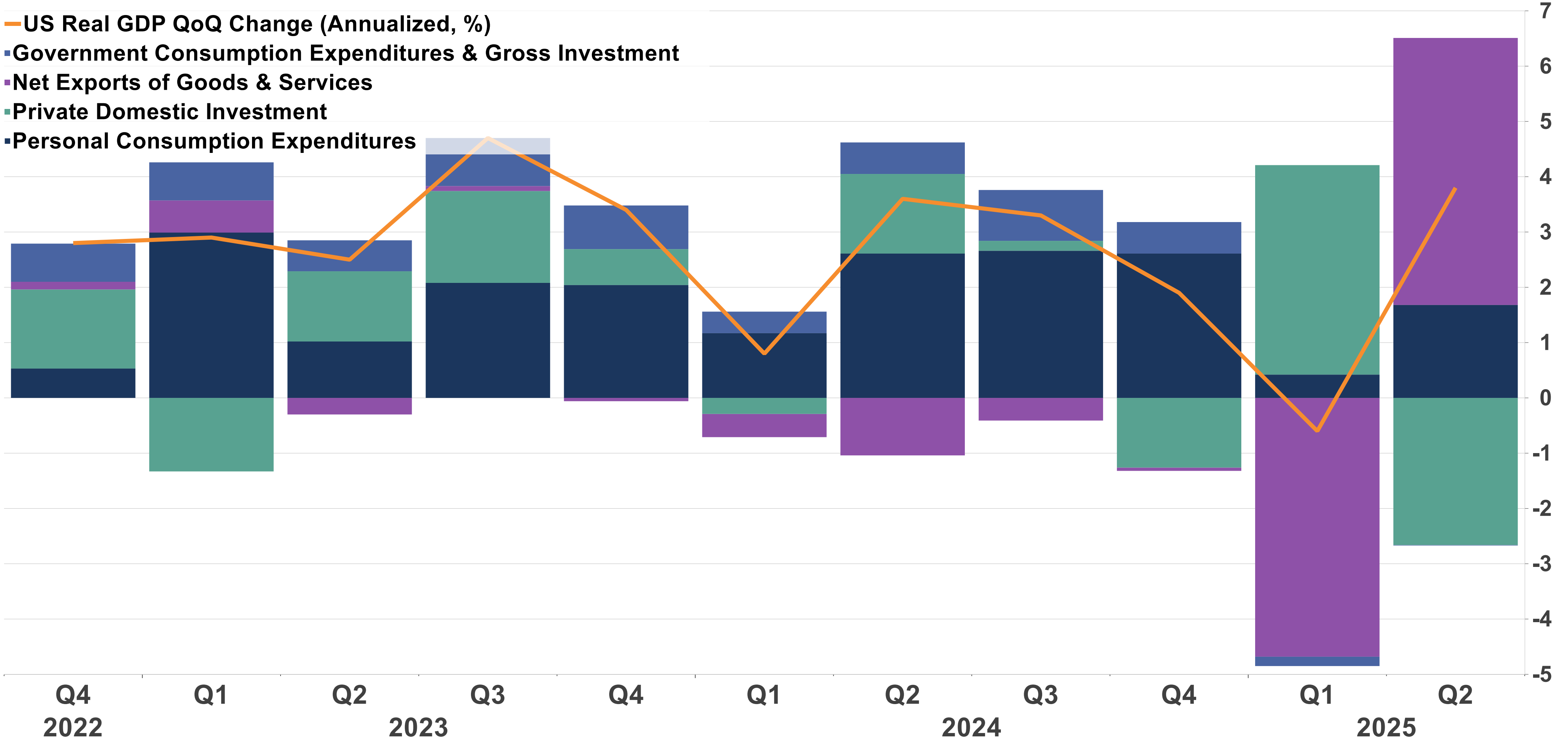
ISM PMIs Show a Neutral Outlook



Data Source: Macrobond

Wilshire

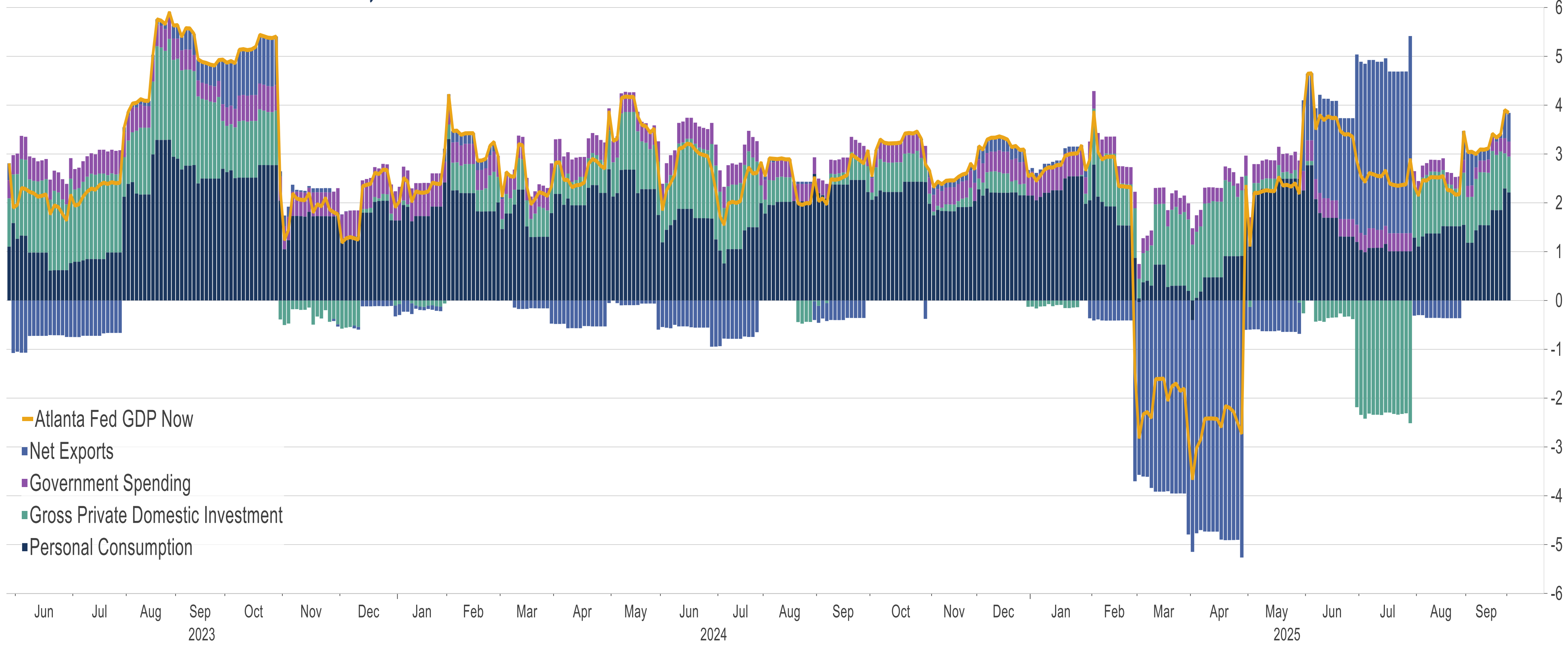
Q2 Growth Revised Higher



Data Source: Macrobond

Impact to GDP from Trade has Reversed, but the Consumer Remains an Important

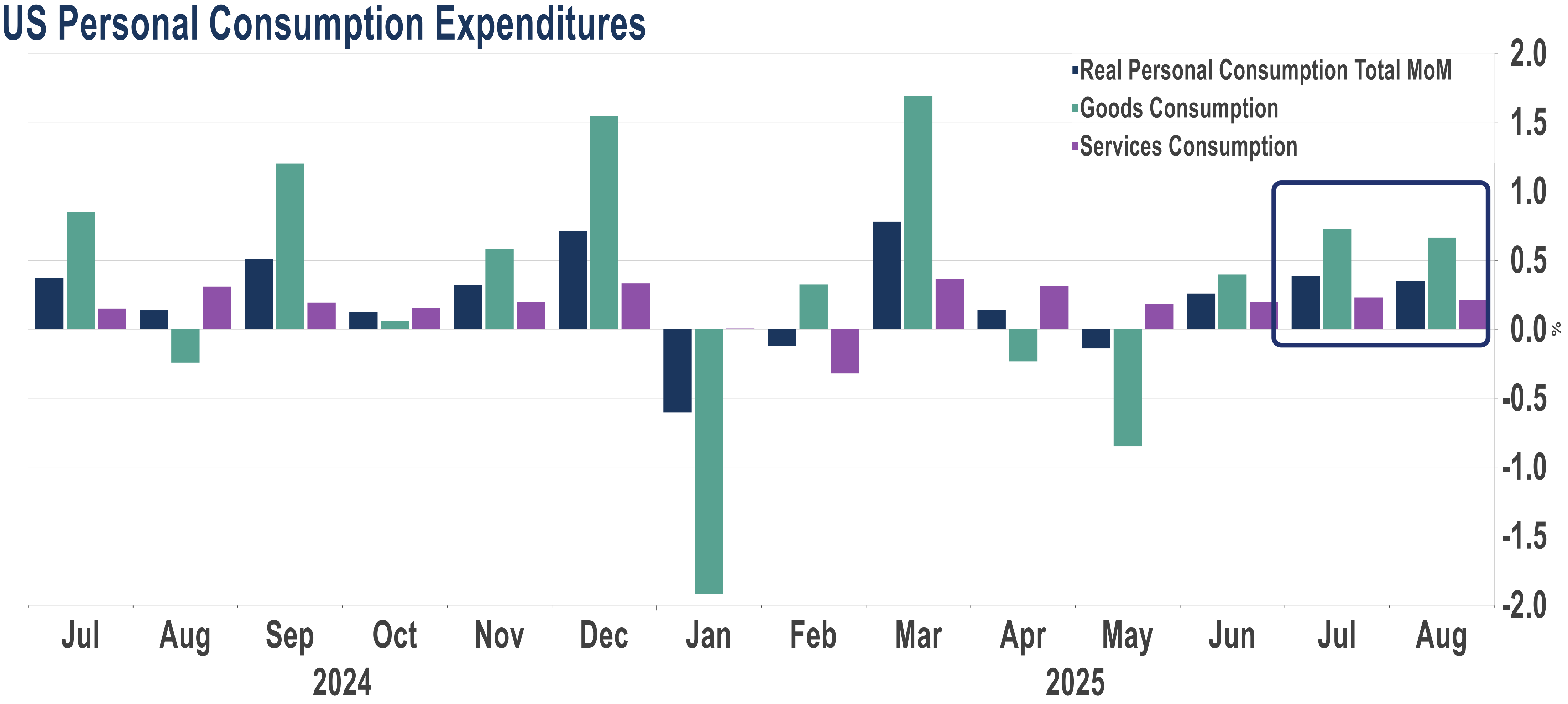
Federal Reserve Bank of Atlanta, Contributions to GDP Now Estimate



Source: Federal Reserve Bank of Atlanta, Macrobond

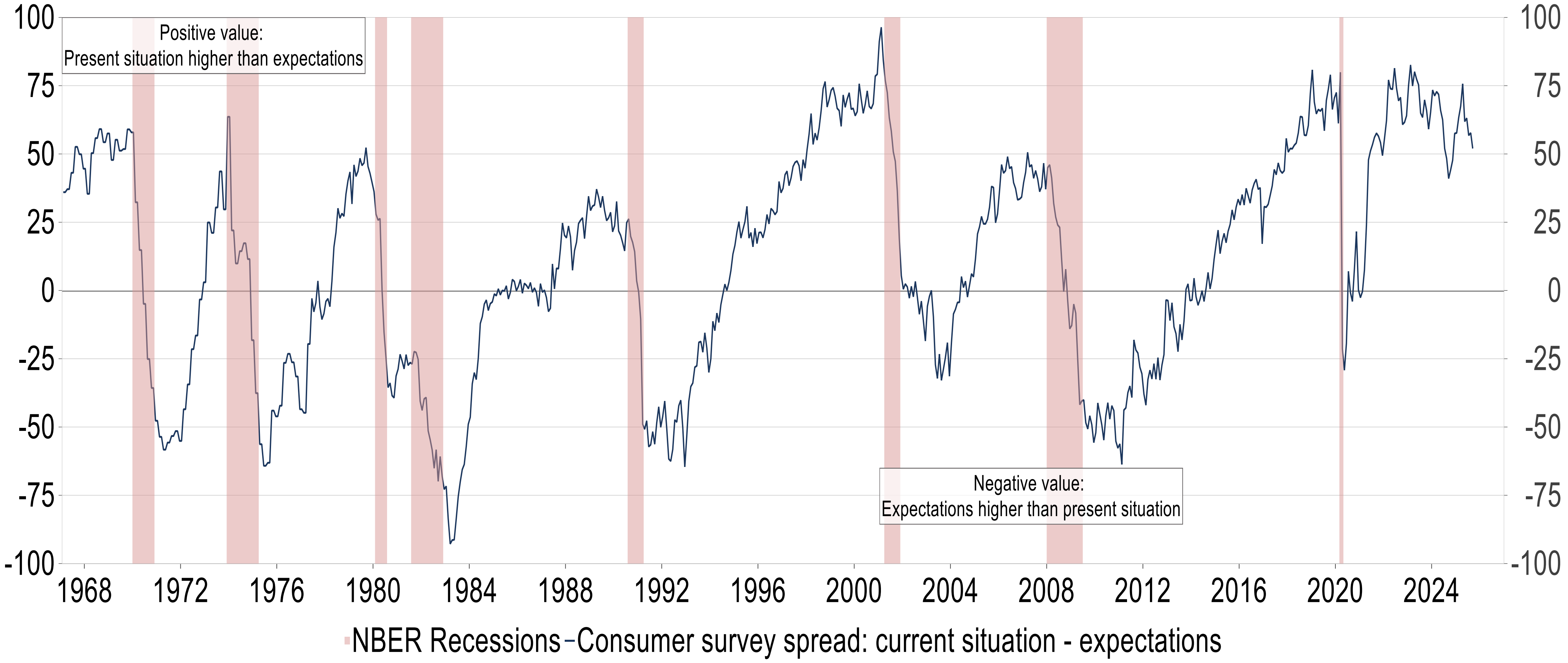
Data Source: Macrobond

Personal Consumption has been Strong in Q3, Likely Due to the “Wealth Effect”



Data Source: Macrobond

Does Consumer Confidence Indicate Rising Economic Risks?



Data Source: Macrobond; Conference Board

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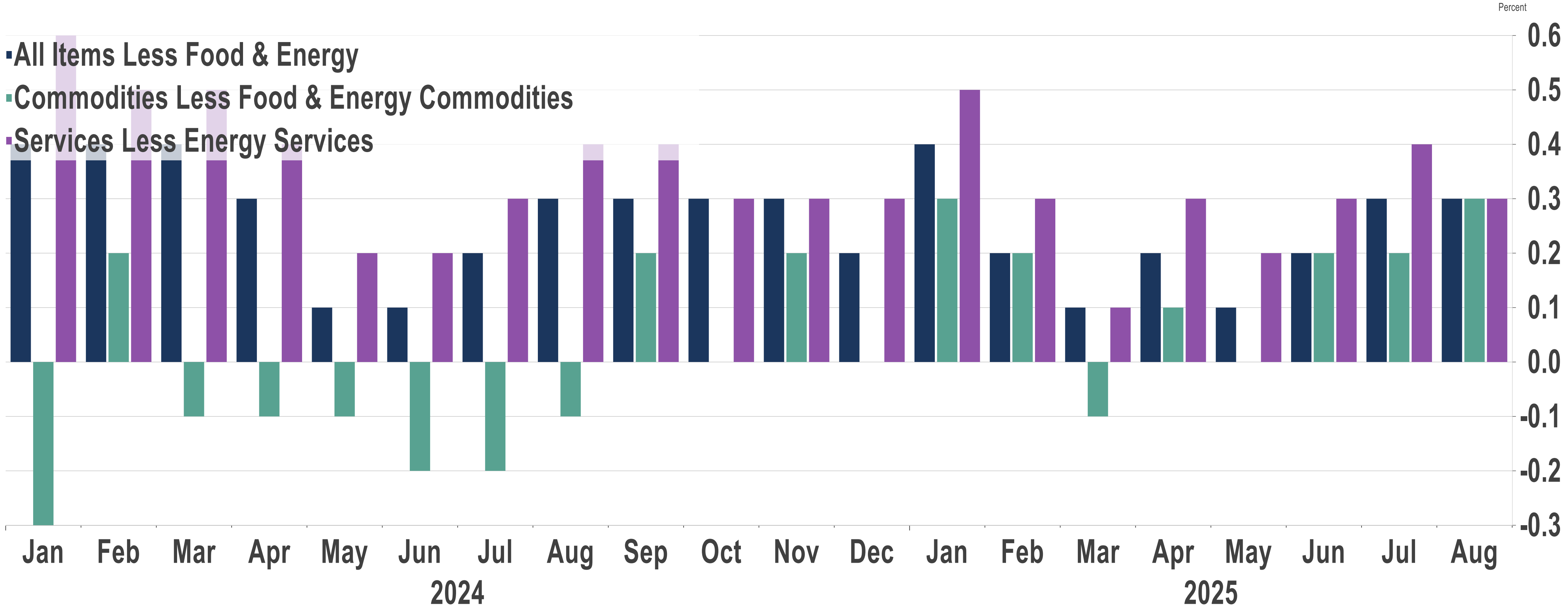
Goods & Services Inflation Have Risen from Earlier this Year

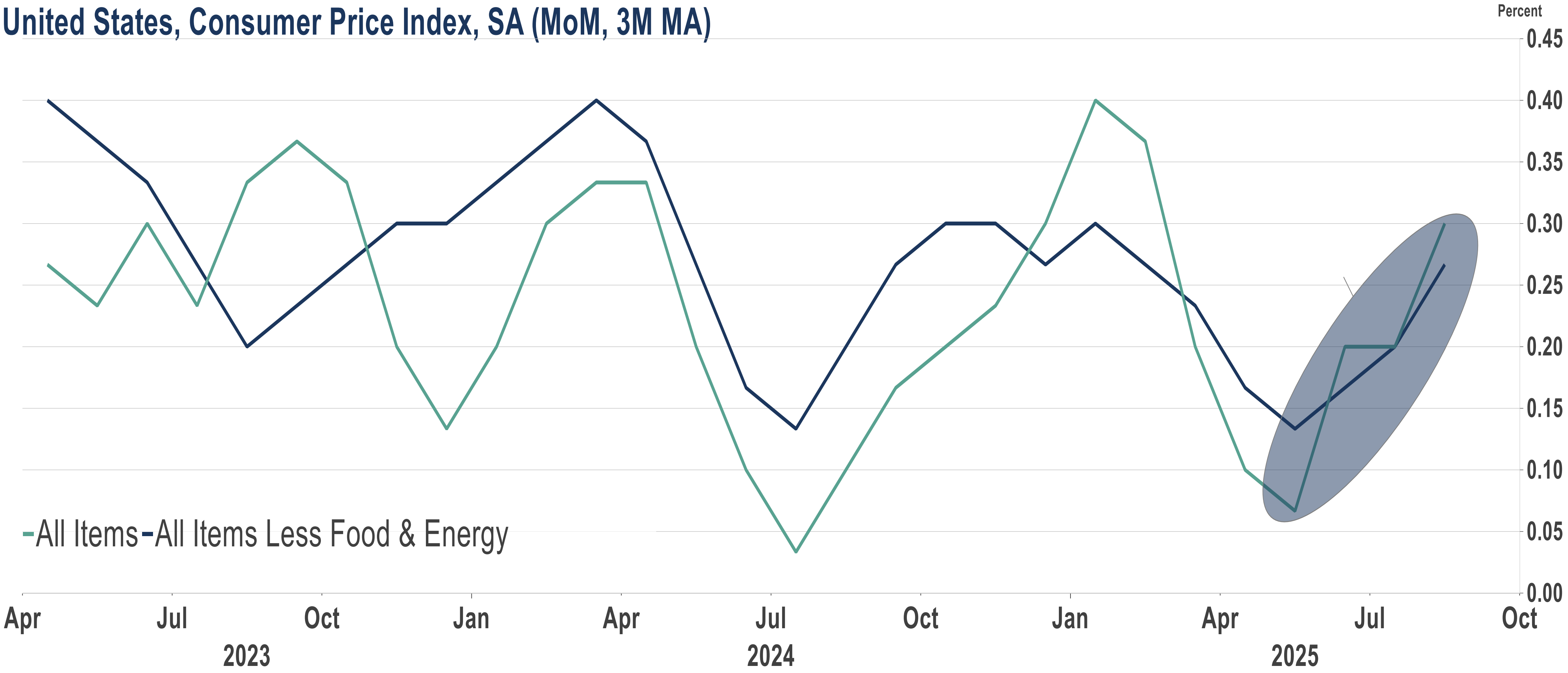
US Core CPI MoM (%)



Data Source: Macrobond

Wilshire

Inflation is Trending Higher after Bottoming in May



Data Source: Macrobond

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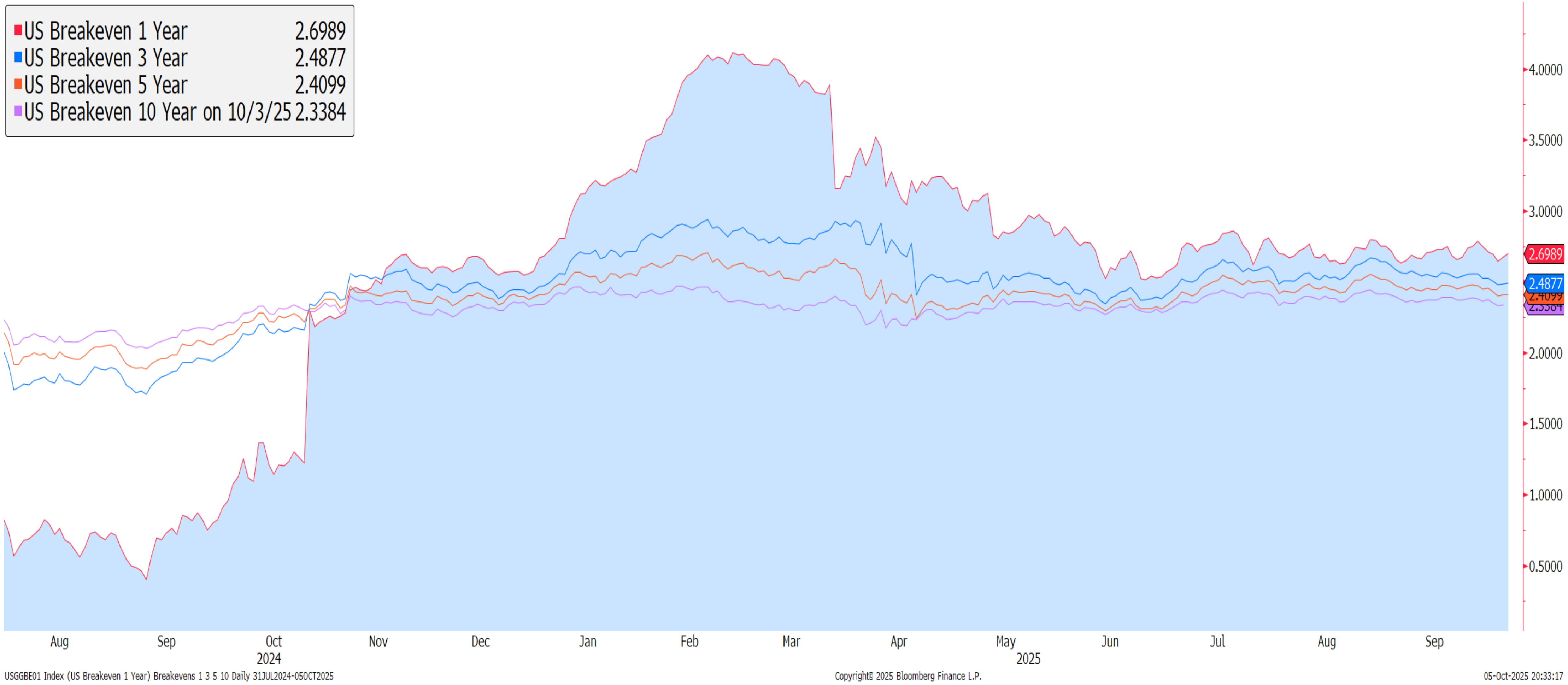
Inflation Expectations have Drifted Lower



Data Source: Bloomberg

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Market Outlook and Positioning

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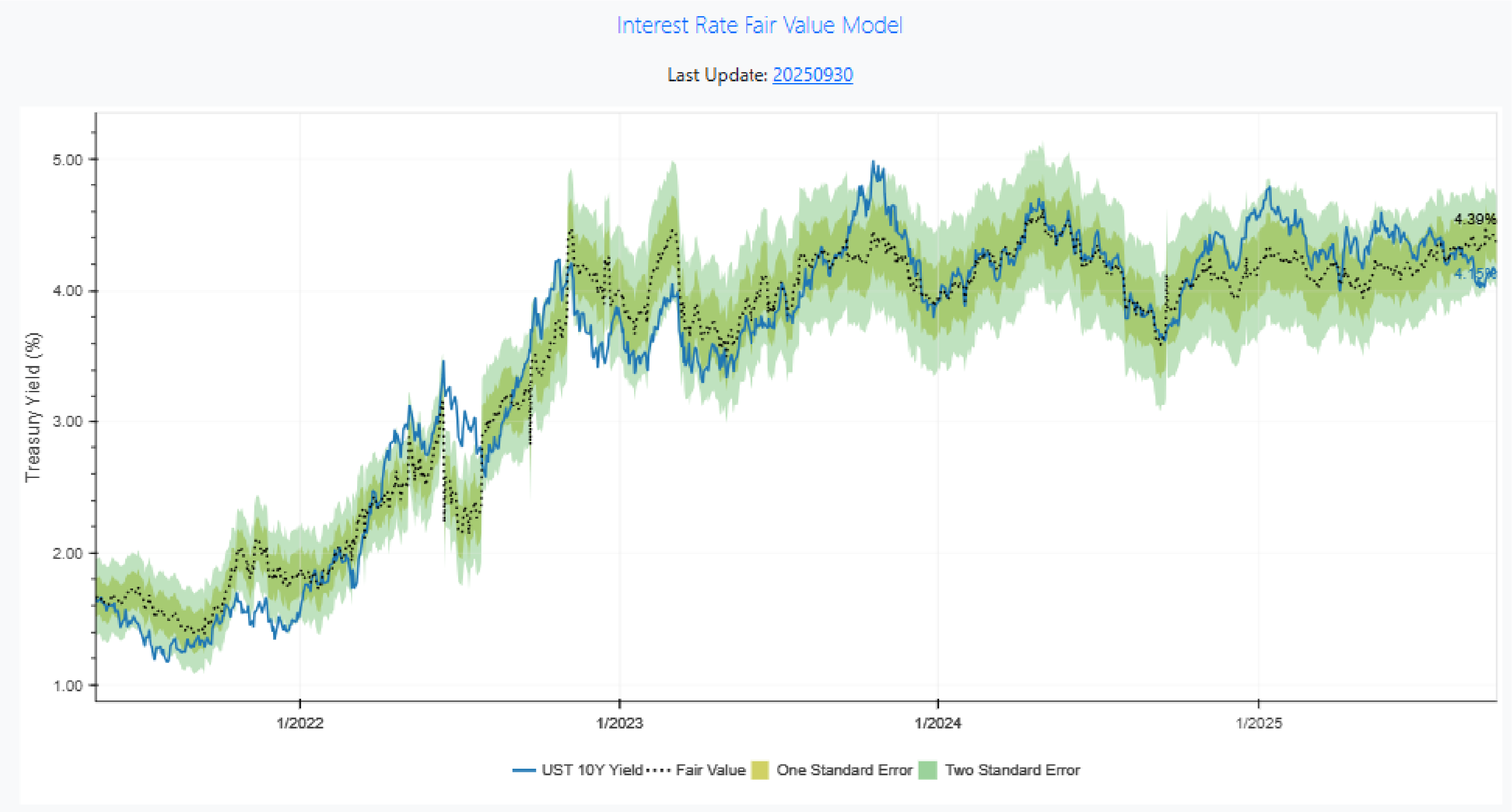
Wilshire's 10-Year Fair Value Model Indicates Reasonable Bond Valuations; Tail Risks Remain



Data Source: Wilshire

We are Still Far from Equilibrium Valuations, but Interest Rates & Earnings Can Power Equities Forward

US 10 Year Treasury Yield (%)

US Equity 2026 EPS ($)	2.00	2.25	2.50	2.75	3.00	3.25	3.50	3.75	4.00	4.25	4.50	4.75	5.00	5.25	5.50
305	12%	6%	0%	-5%	-10%	-14%	-18%	-22%	-25%	-28%	-31%	-33%	-36%	-38%	-40%
300	10%	4%	-2%	-7%	-12%	-16%	-20%	-23%	-26%	-29%	-32%	-34%	-37%	-39%	-41%
295	8%	2%	-3%	-8%	-13%	-17%	-21%	-24%	-27%	-30%	-33%	-35%	-38%	-40%	-42%
290	7%	0%	-5%	-10%	-14%	-19%	-22%	-26%	-29%	-31%	-34%	-36%	-39%	-41%	-43%
285	5%	-1%	-7%	-12%	-16%	-20%	-24%	-27%	-30%	-33%	-35%	-38%	-40%	-42%	-44%
280	3%	-3%	-8%	-13%	-17%	-21%	-25%	-28%	-31%	-34%	-36%	-39%	-41%	-43%	-45%
275	1%	-5%	-10%	-15%	-19%	-23%	-26%	-29%	-32%	-35%	-37%	-40%	-42%	-44%	-46%
270	-1%	-6%	-12%	-16%	-20%	-24%	-28%	-31%	-34%	-36%	-39%	-41%	-43%	-45%	-47%
265	-3%	-8%	-13%	-18%	-22%	-26%	-29%	-32%	-35%	-37%	-40%	-42%	-44%	-46%	-48%
260	-4%	-10%	-15%	-19%	-23%	-27%	-30%	-33%	-36%	-39%	-41%	-43%	-45%	-47%	-49%
250	-8%	-13%	-18%	-22%	-26%	-30%	-33%	-36%	-38%	-41%	-43%	-45%	-47%	-49%	-51%
245	-10%	-15%	-20%	-24%	-28%	-31%	-34%	-37%	-40%	-42%	-44%	-46%	-48%	-50%	-52%
240	-12%	-17%	-21%	-26%	-29%	-33%	-36%	-38%	-41%	-43%	-45%	-47%	-49%	-51%	-53%
235	-14%	-19%	-23%	-27%	-31%	-34%	-37%	-40%	-42%	-44%	-47%	-49%	-50%	-52%	-54%
230	-15%	-20%	-25%	-29%	-32%	-35%	-38%	-41%	-43%	-46%	-48%	-50%	-51%	-53%	-55%
225	-17%	-22%	-26%	-30%	-34%	-37%	-40%	-42%	-45%	-47%	-49%	-51%	-52%	-54%	-56%
220	-19%	-24%	-28%	-32%	-35%	-38%	-41%	-44%	-46%	-48%	-50%	-52%	-54%	-55%	-57%
215	-21%	-26%	-30%	-33%	-37%	-40%	-42%	-45%	-47%	-49%	-51%	-53%	-55%	-56%	-58%
210	-23%	-27%	-31%	-35%	-38%	-41%	-44%	-46%	-48%	-50%	-52%	-54%	-56%	-57%	-59%

- This exhibit shows a matrix of U.S. Equity 2025 EPS levels vs. the U.S. 10-yr Treasury yield, with each cell indicating the price movement needed to reach long-term equilibrium valuations, as measured by the equity risk premium. The equity risk premium is measured based on the spread of the earnings yield of the S&P 500 Index vs. the US 10yr yield.
- The exhibit indicates that U.S. equities would need to decline approximately 25-30% to be consistent with long-term equilibrium valuations, assuming earnings of $304 for the S&P 500 Index® in 2026.
- This implies a richness to equity valuations, however the path to reaching equilibrium valuations can be gradual and do not require such a decline to the extent that interest rates decline and earnings growth is stronger than expected

Data Source: Wilshire. As of 10/03/2025. For illustrative and discussion purposes only. Assumes a current price of SPX at 6715, 10yr at 4.14%, and 2026 EPS of 304 (Consensus). The boxed area assumes yield curve control and an FFTR of 3.0% in one year.

Valuations are Still High but Margins are High as Well...

Global Equity Markets Fundamentals As of 09/30/2025

	Dividend Yield			Profit Margin			Price to Sales			Price to Book			TR12M P/E			Forward P/E		
	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y
U.S. Equity	**1.2**	**-1.7**	**-2.2**	**11.2**	**0.5**	**1.4**	**3.3**	**1.8**	**2.1**	**5.5**	**2.0**	**2.2**	**27.8**	**1.0**	**1.8**	**23.4**	**1.4**	**1.8**
Developed Market	**2.9**	**-0.1**	**-0.8**	**8.4**	**0.2**	**1.0**	**1.6**	**1.6**	**2.0**	**2.1**	**2.0**	**2.5**	**16.8**	**0.1**	**0.3**	**15.9**	**0.6**	**0.8**
Eurozone	2.9	-0.1	-0.8	8.9	0.6	1.5	1.6	2.0	2.2	2.2	2.3	2.6	16.5	0.2	0.5	15.9	0.9	1.1
Japan	2.1	-0.4	-0.1	7.1	0.7	1.3	1.3	2.3	2.1	1.8	2.5	2.4	17.6	0.0	0.3	16.8	0.6	1.0
UK	3.4	-1.9	-1.5	7.4	-0.2	0.2	1.5	1.8	2.3	2.2	2.5	2.5	14.3	0.2	-0.1	13.6	1.1	0.3
Emerging Market	**2.4**	**-0.7**	**-1.0**	**10.2**	**0.6**	**1.2**	**1.6**	**1.2**	**1.9**	**2.1**	**1.8**	**2.1**	**16.3**	**0.4**	**0.8**	**14.6**	**1.5**	**1.9**
China	2.0	-0.6	-0.9	10.2	0.8	-0.0	1.5	0.7	0.9	1.8	0.8	0.6	16.1	0.6	1.1	14.5	1.1	1.5
India	1.2	0.2	-0.8	10.3	1.1	0.9	2.5	-0.0	1.2	3.6	-0.8	0.6	24.5	-0.9	0.4	22.5	-0.3	0.8
Brazil	5.3	-0.5	0.4	10.7	-0.5	0.3	1.1	-0.0	-0.3	1.7	-0.0	0.2	9.5	0.1	-0.8	9.6	1.0	-0.4
South Korea	1.7	-1.5	-0.1	7.9	0.7	1.2	1.1	1.4	2.4	1.3	1.2	0.9	14.4	-0.1	0.3	11.1	0.0	0.5

U.S. Equities Fundamentals As of 09/30/2025

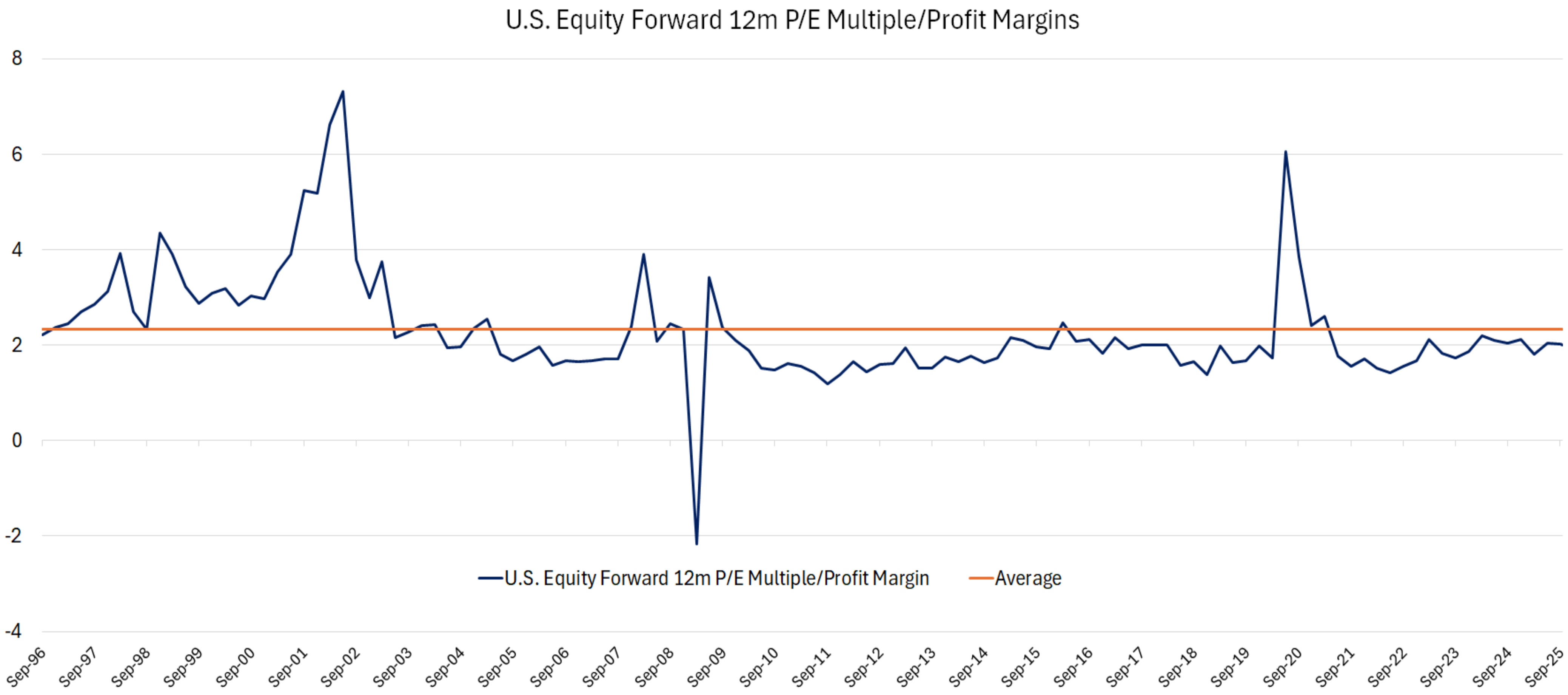
	Dividend Yield			Profit Margin			Price to Sales			Price to Book			TR12M P/E			Forward P/E		
	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y
Large Cap	1.2	-1.7	-2.2	11.2	0.5	1.4	3.3	1.8	2.1	5.5	2.0	2.2	27.8	1.0	1.8	23.4	1.4	1.8
Large Cap Growth	0.5	-1.6	-1.9	15.5	1.4	2.2	6.5	2.1	2.5	15.4	2.1	2.2	40.7	1.4	2.0	31.1	1.2	1.7
Large Cap Value	1.9	-1.2	-1.7	8.8	0.2	0.8	2.0	1.1	1.6	3.0	2.2	2.2	20.9	0.5	1.2	18.2	1.0	1.3
Mid Cap	1.6	0.2	-0.5	5.6	-0.3	-0.1	1.6	-0.6	0.2	3.1	-0.2	0.9	23.2	0.0	0.2	19.5	0.0	0.3
Small Cap	1.3	-0.4	-0.8	0.1	-0.7	-1.1	1.4	0.4	1.0	2.2	-0.0	0.2	65.1	0.3	0.7	31.9	1.0	0.9

Equities Relative Fundamentals As of 09/30/2025

	Dividend Yield			Profit Margin			Price to Sales			Price to Book			TR12M P/E			Forward P/E		
	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y	Value	Z-5Y	Z-15Y
US vs. EAFE	-1.8	-0.8	-1.3	2.9	0.4	0.2	2.1	1.0	1.6	2.6	0.6	1.4	1.7	1.0	1.9	1.5	0.8	1.7
EAFE vs. EM	0.6	1.6	0.1	-1.8	-0.2	0.3	1.0	-0.3	0.2	1.0	-0.2	-0.0	1.0	-0.9	-0.7	1.1	-1.0	-1.3
US LC vs. US SC	-0.2	-1.0	-1.9	11.2	2.1	2.4	2.4	1.7	1.9	2.5	1.4	2.1	0.4	-0.8	-0.8	0.7	-0.6	0.3
US LCG vs. US LCV	-1.4	-0.2	-0.9	6.8	1.1	2.0	3.3	1.8	2.2	5.1	1.0	1.6	2.0	1.1	1.7	1.7	0.5	1.4

Data Source: Wilshire. As of 9/30/2025. For illustrative and discussion purposes only.

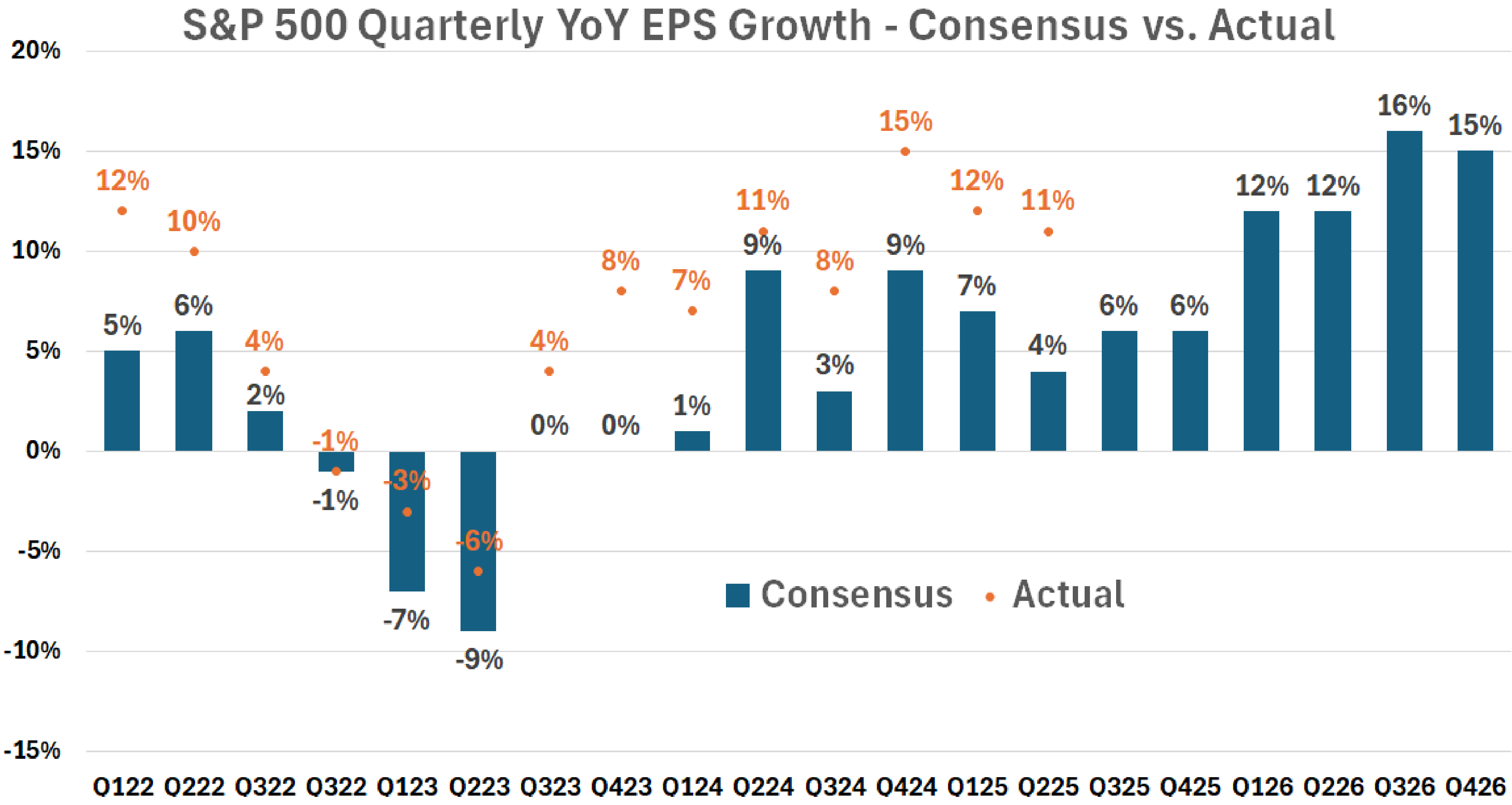
Valuations are More Reasonable when Normalized to Improving Margins



Data Source: Bloomberg. The U.S. equity market fundamentals shown in the exhibit reflect the S&P 500 Index over the past 30 years as of 10/13/2025.

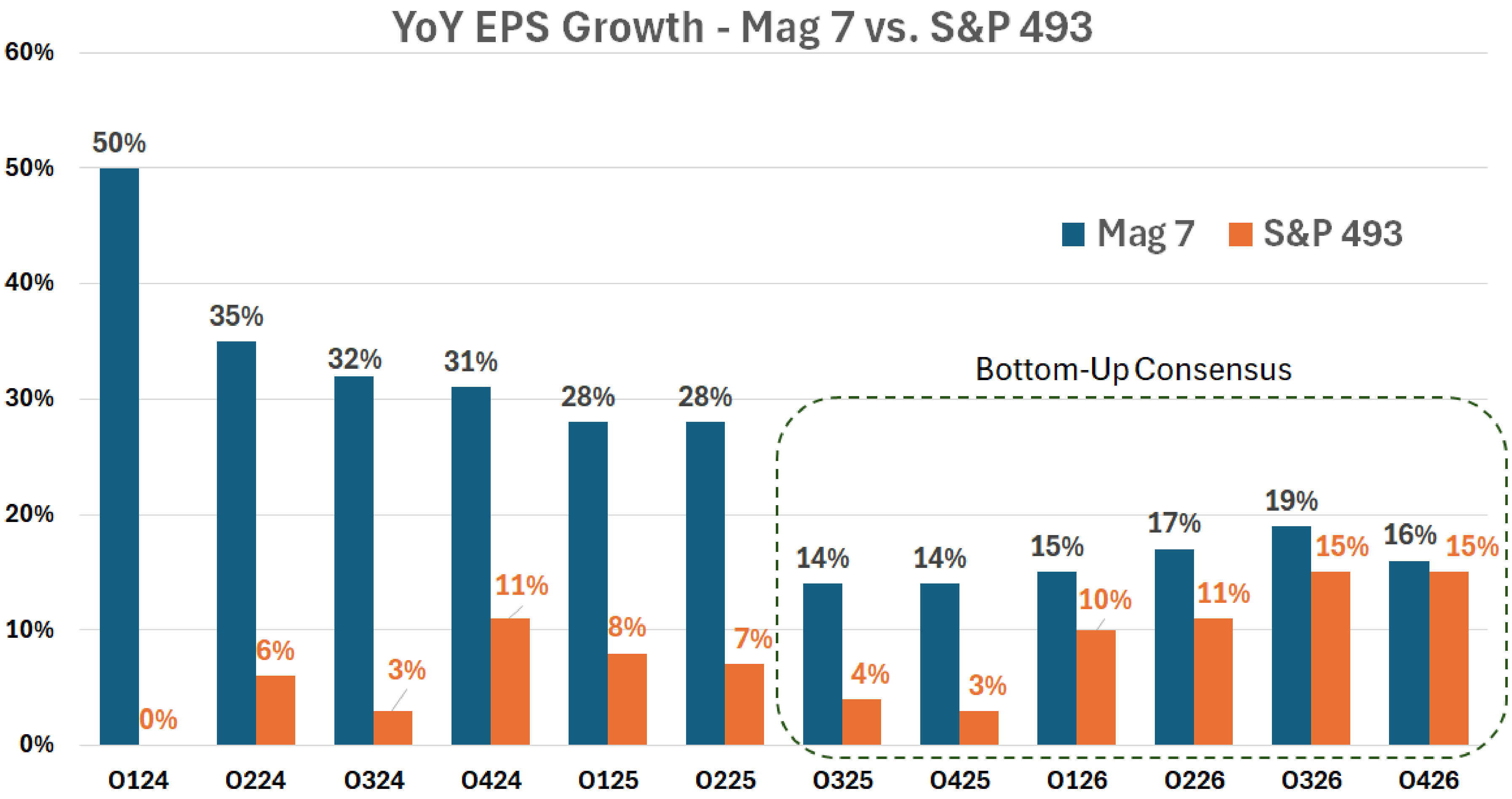
Wilshire

Expectations are Low for Q3…



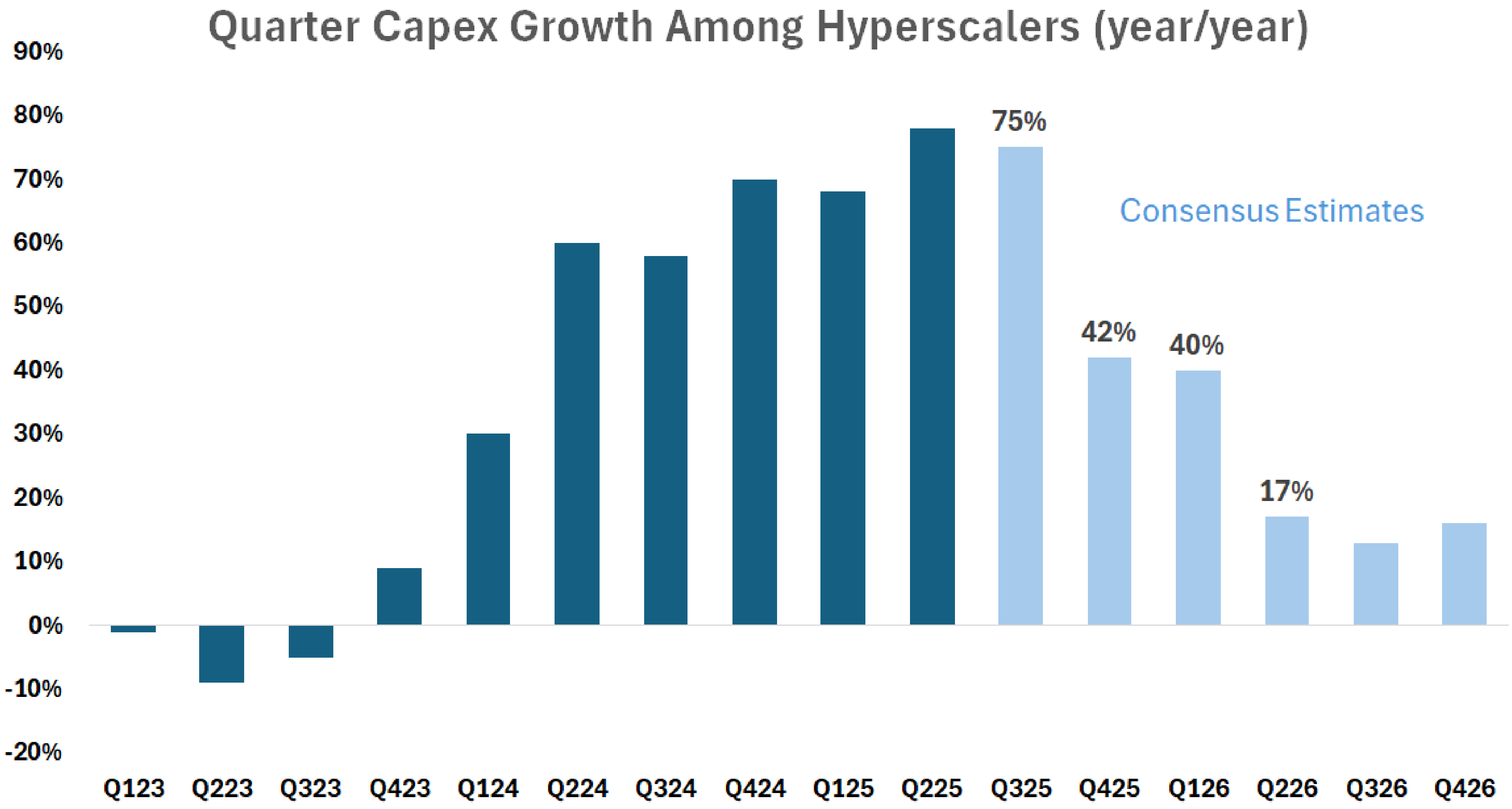
Data Source: Goldman Sachs Investment Research

Especially for Mag 7…



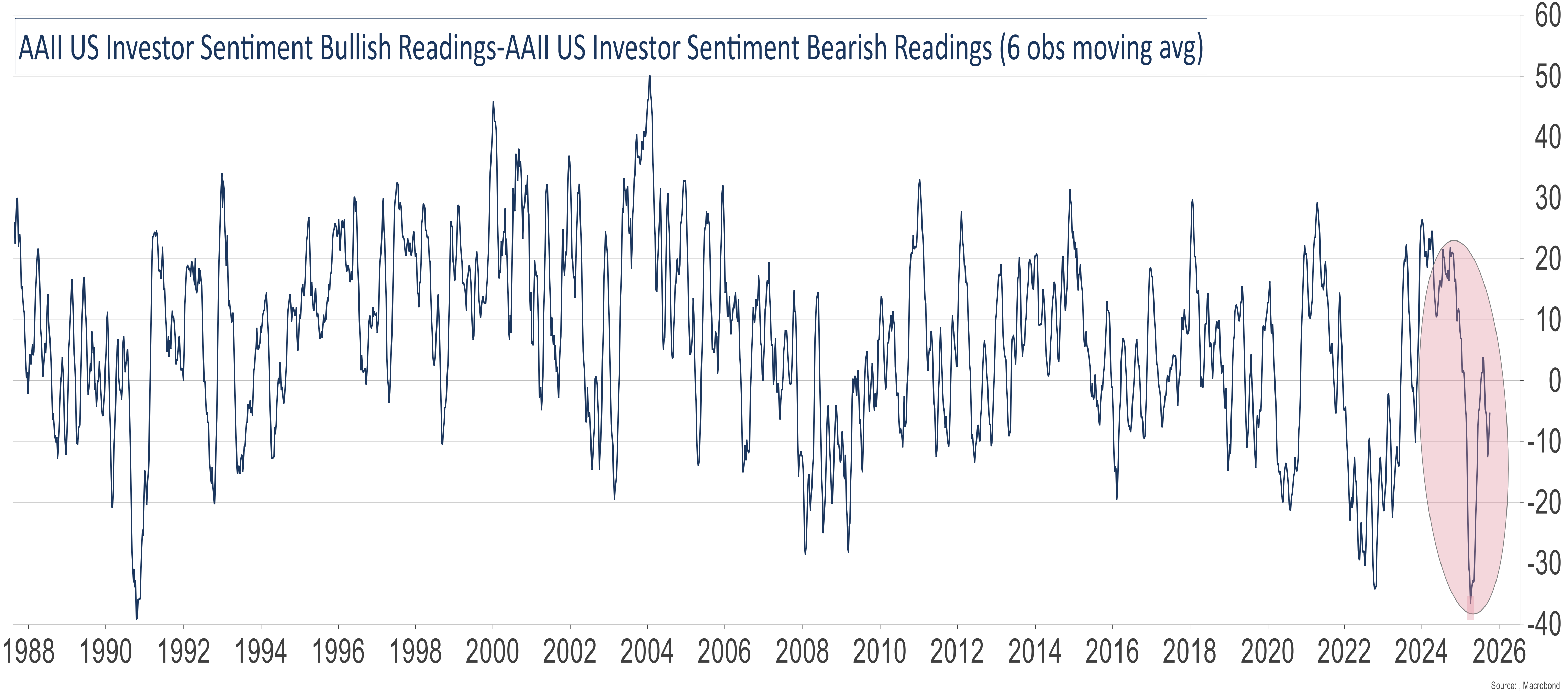
Data Source: Goldman Sachs Investment Research

Consensus Estimates Imply a Slowdown in Capex Growth



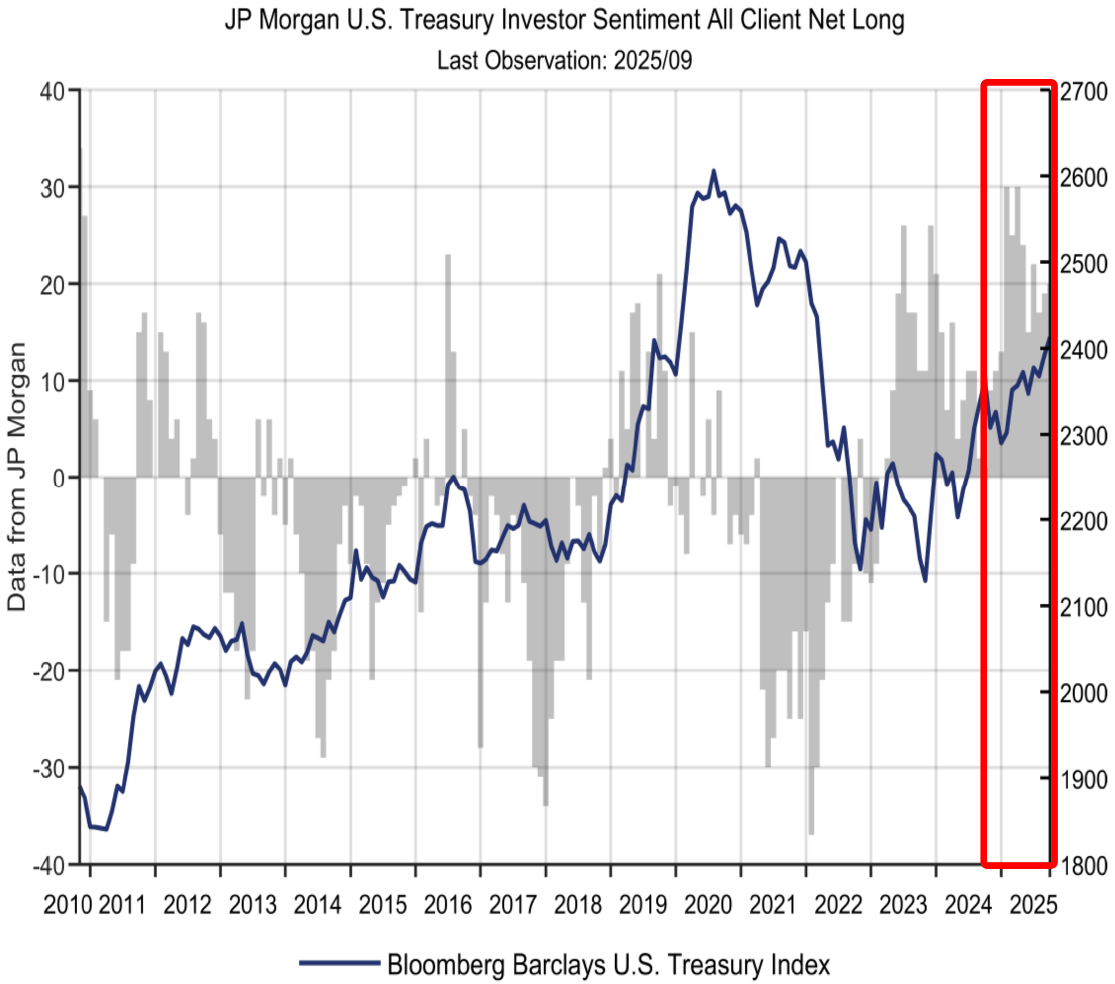
Data Source: Goldman Sachs Investment Research

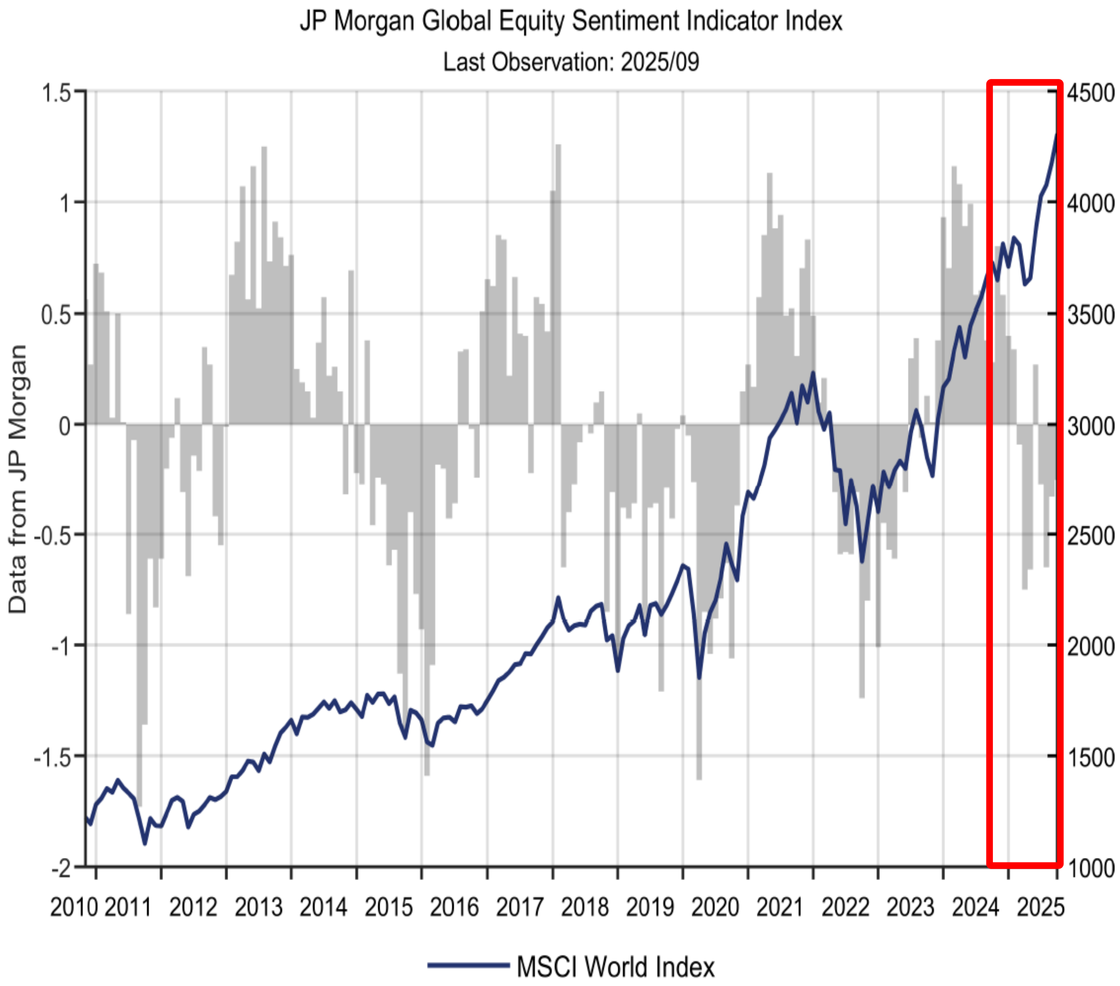
Sentiment has Improved but Remains Weak



Data Source: Bloomberg, Macrobond

Positioning and Sentiment Indicate a Bearish Bias

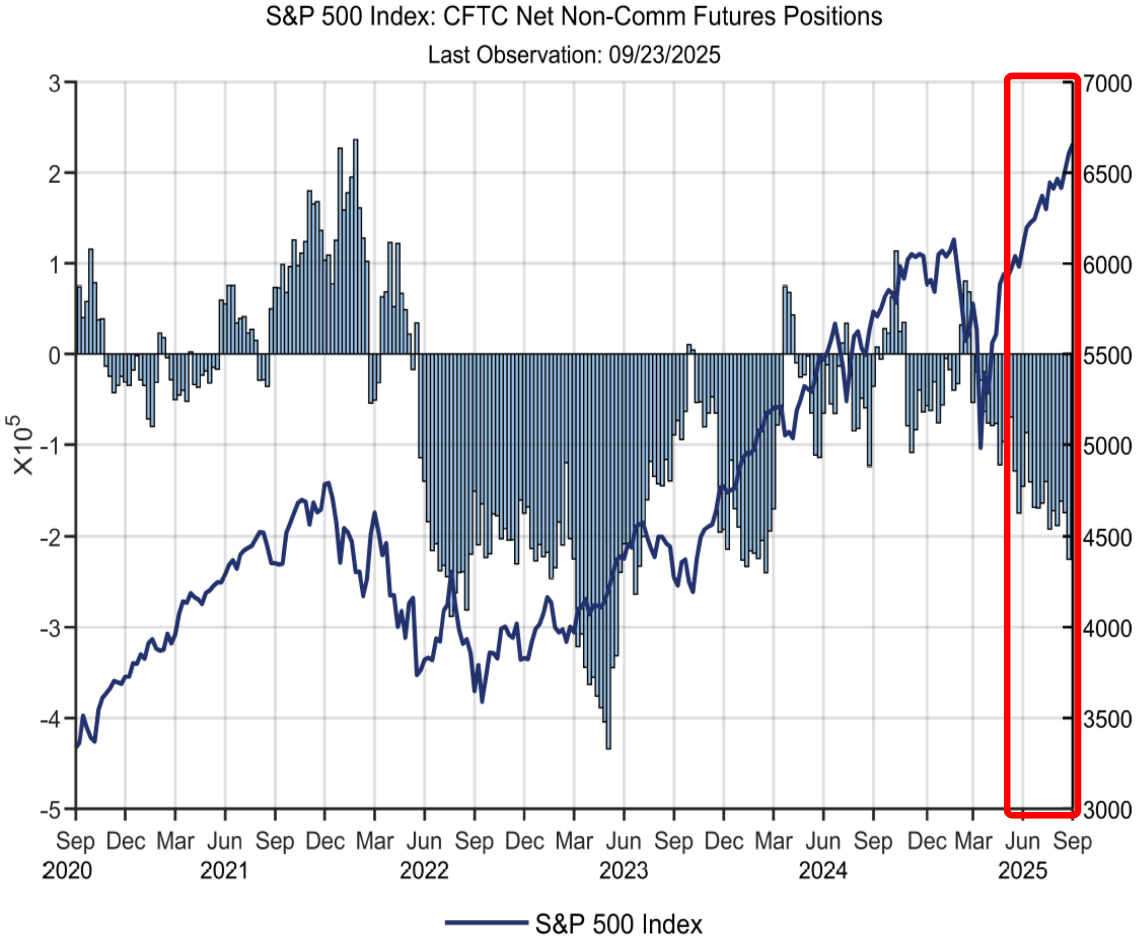


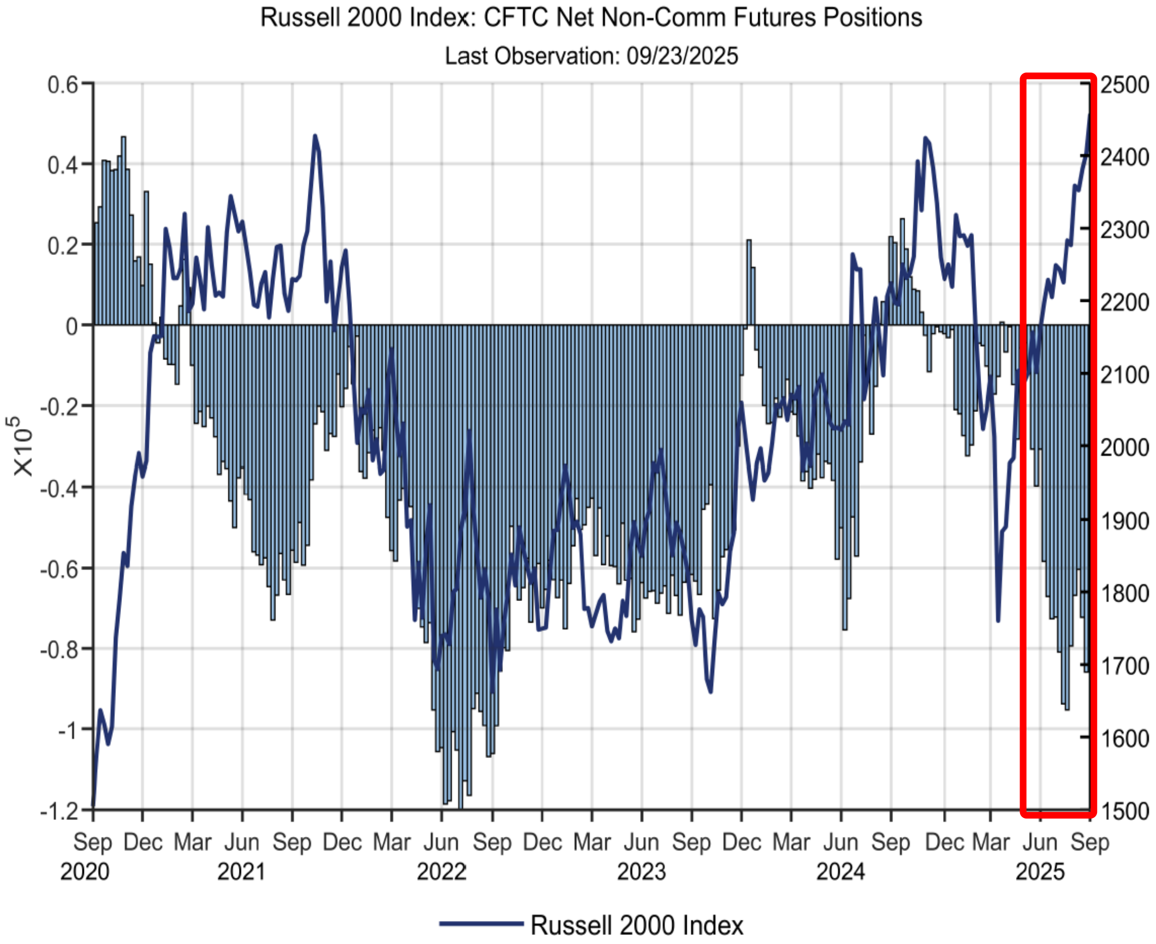


Data Source: Wilshire, Bloomberg Data

Wilshire

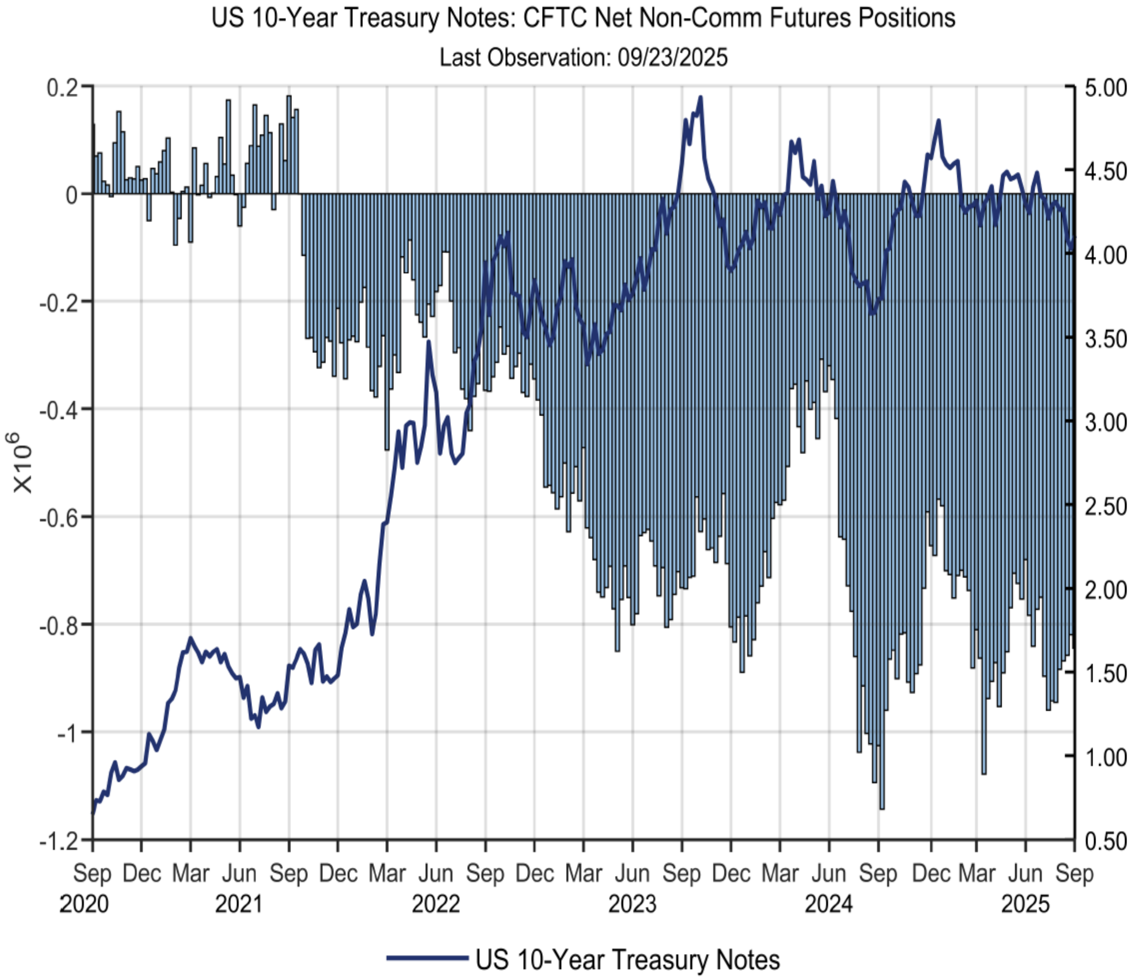
Net Short Exposure in Equities

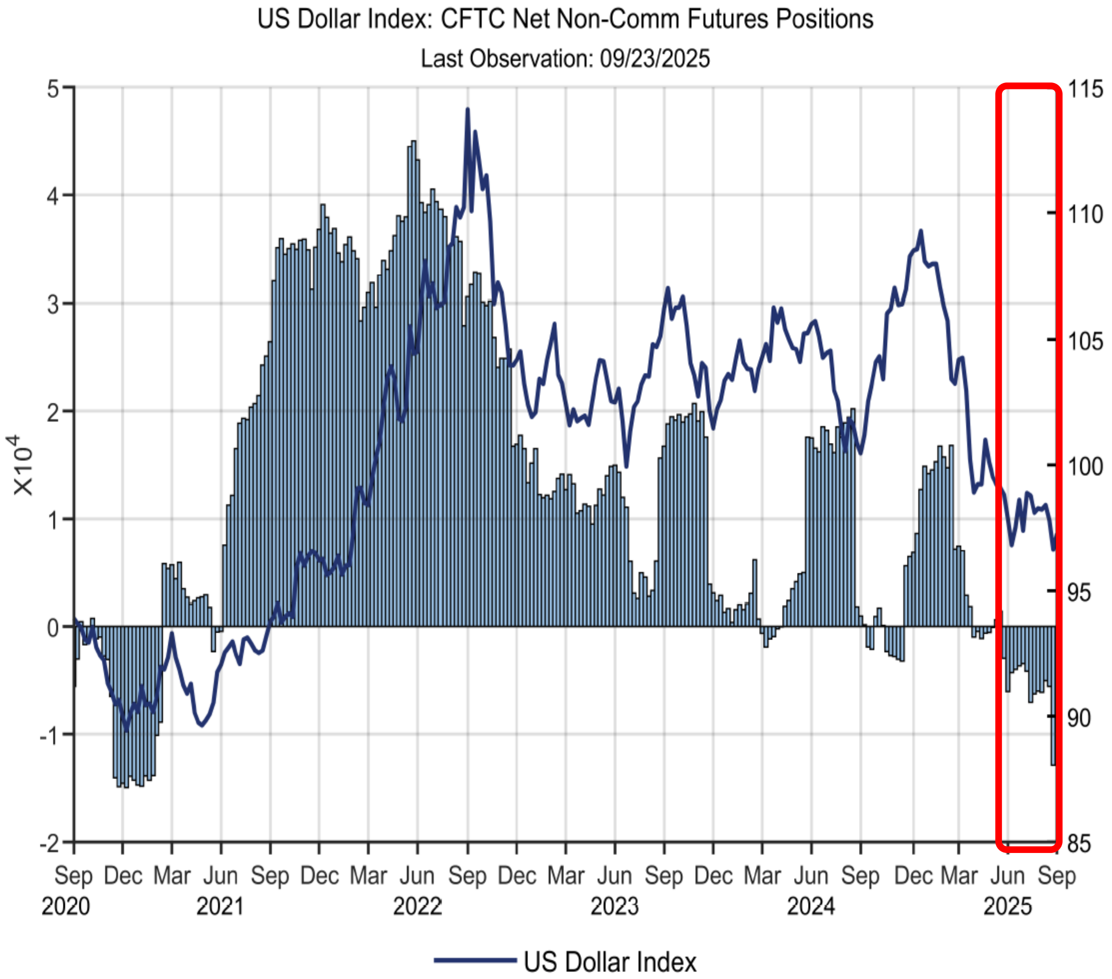




Data Source: Wilshire

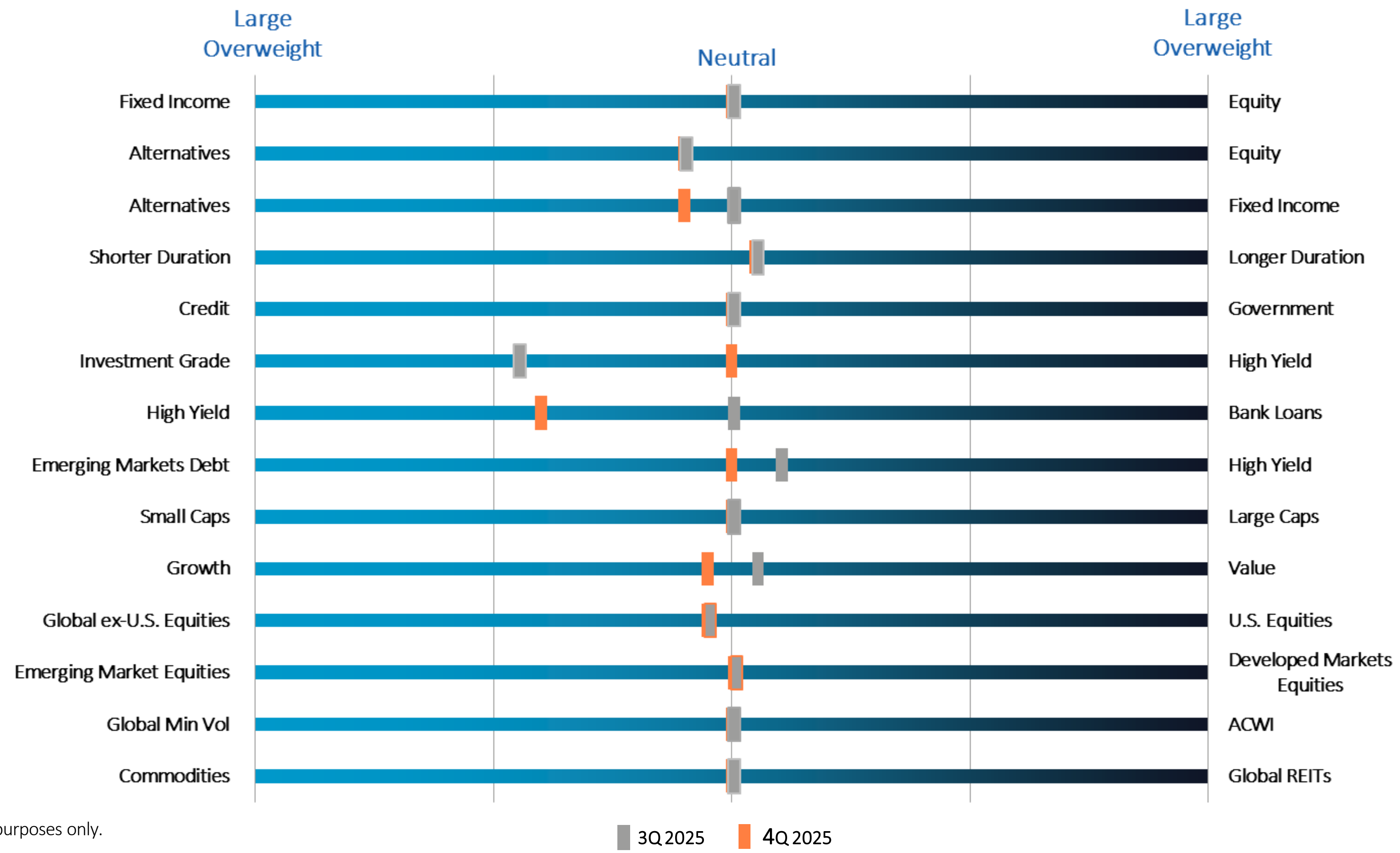
Rates and Dollar Positioning Remains Very Negative/Low





Data Source: Wilshire

Wilshire Investment Strategy Views – Q4 2025



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September 2025 Capital Market Assumptions

Summary Changes

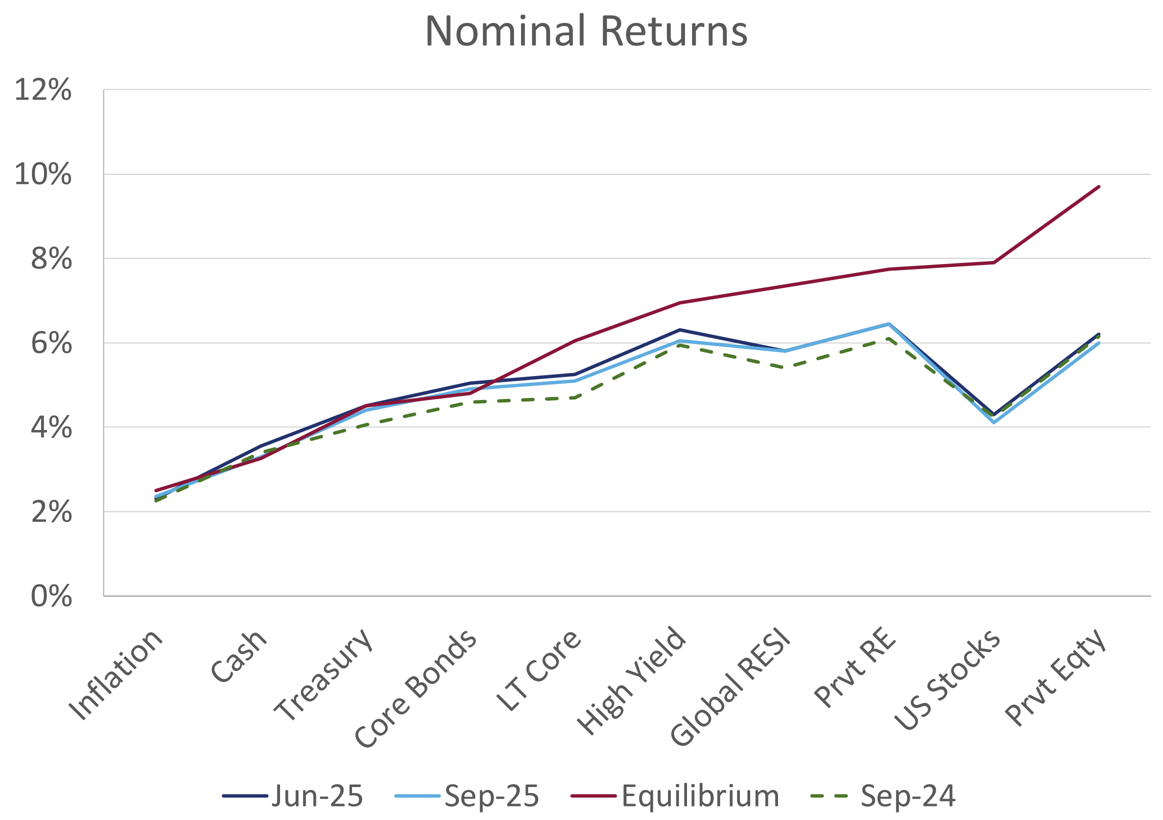
- Yield curve down across the maturity spectrum, to a great degree in the short end of the curve
  - Curve movements resulted in lower forecasts for fixed income asset classes
  - Decrease in spreads for investment grade and high yield bonds
- Yields on real asset securities are mostly down slightly from last quarter; inflation assumption up modestly at 2.35%
- Equity assumptions are down; private equity down to a similar degree due to slight changes in leverage costs
- Equity risk premium decreased due to a decrease in the equity forecast greater than the fall in core bonds

	Total Return (%)			Risk (%)
Asset Class Assumption	Jun 2025	Change	Sep 2025	
Inflation	2.30	0.05	2.35	1.75
Cash Equivalents	3.55	-0.25	3.30	0.75
Treasuries	4.50	-0.10	4.40	5.00
Core Bonds	5.05	-0.15	4.90	4.75
LT Core Bonds	5.25	-0.15	5.10	9.90
High Yield Bonds	6.30	-0.25	6.05	10.00
Private Credit	7.70	-0.25	7.45	12.75
Global RE Securities	5.80	0.00	5.80	16.55
Private Real Estate	6.45	0.00	6.45	13.95
U.S. Stocks	4.30	-0.20	4.10	17.00
Dev. ex-U.S. Stocks	5.30	-0.20	5.10	18.00
Emerging Market Stocks	5.55	-0.20	5.35	26.00
Private Equity	6.20	-0.20	6.00	29.65
Hedge Funds	6.15	-0.25	5.90	6.60
Global 60/40 (ACWI/U.S. Core)	5.25	-0.20	5.05	10.75

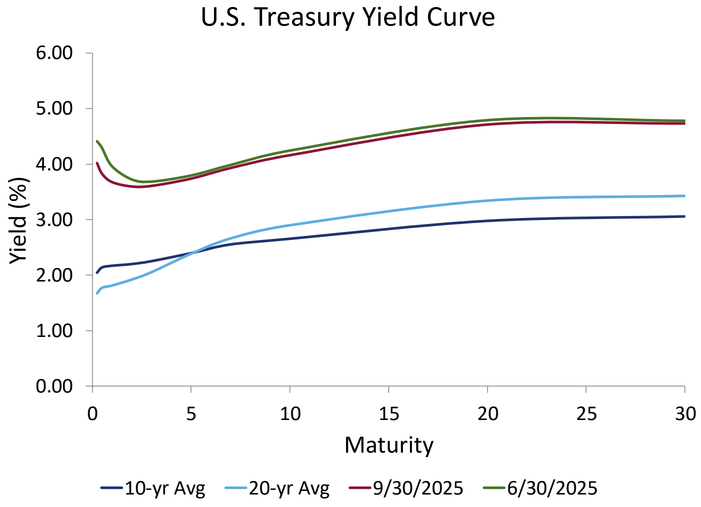
	Relative Return (%)		
Implied Risk Premia	Jun 2025	Change	Sep 2025
Cash - Inflation	1.25	-0.30	0.95
Treasury - Cash	0.95	0.15	1.10
Core - Treasury	0.55	-0.05	0.50
Long-Term Core - Core	0.20	0.00	0.20
High Yield - Core	1.25	-0.10	1.15
Global RESI - Core	0.75	0.15	0.90
U.S. Stocks - Core	-0.75	-0.05	-0.80
Private Equity - U.S. Stocks	1.90	0.00	1.90
Implied Real Return (ACA - CPI)			
U.S. Stocks	2.00	-0.25	1.75
U.S. Bonds	2.75	-0.20	2.55
Cash Equivalents	1.25	-0.30	0.95

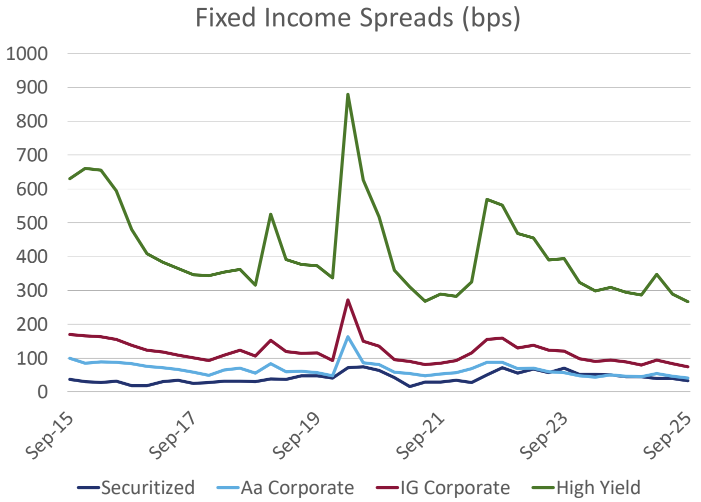
Equilibrium Assumptions

Current versus Equilibrium Asset Class Assumptions



Fixed Income

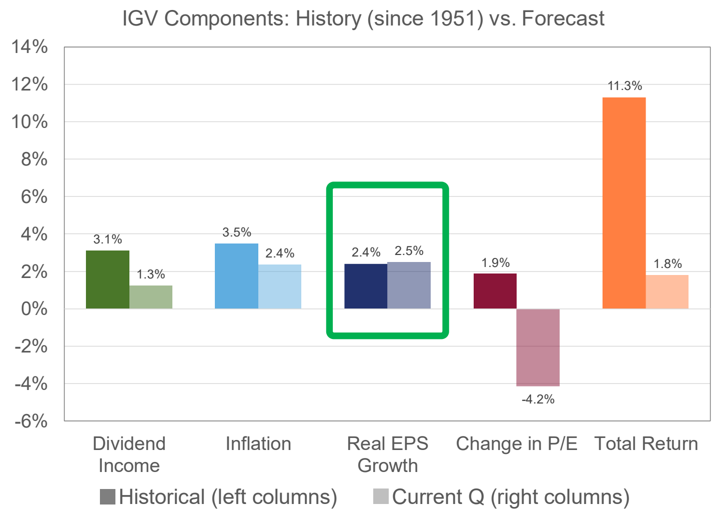


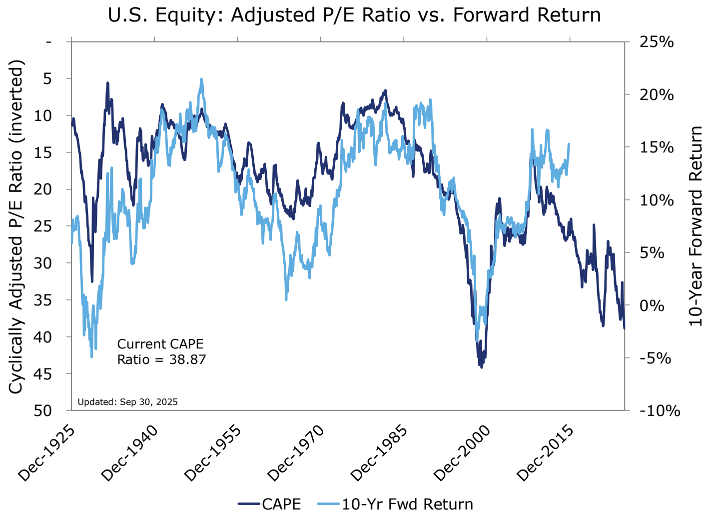


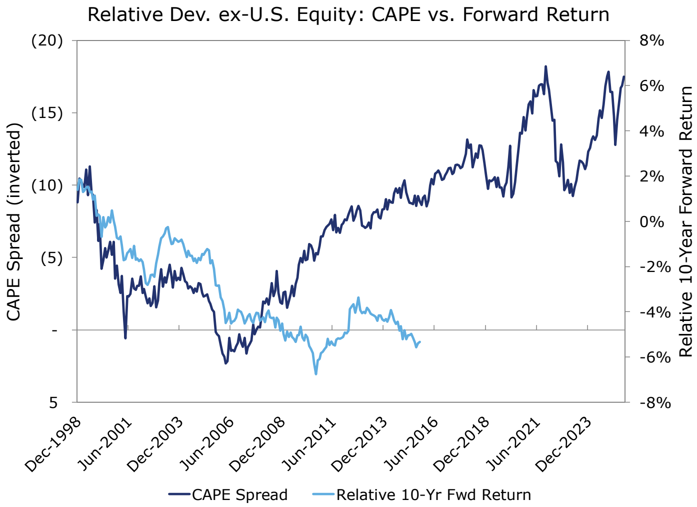
	Inflation & Fixed Income	Jun 2025	Change	Sep 2025
Inflation	10-Year Treasury Yield	4.23	(0.08)	4.15
	10-Year Real Yield	1.93	(0.15)	1.78
	Breakeven Inflation	2.30	0.07	2.37
	Inflation Forecast	**2.30**	**0.05**	**2.35**
Cash	91-Day T-Bill Yield	4.41	(0.39)	4.02
	T-Bill Yield in 10 Yrs	3.50	(0.25)	3.25
	Cash Forecast	**3.55**	**(0.25)**	**3.30**
Treasury	U.S. Treasury Idx Yield	4.03	(0.09)	3.94
	Treasury Idx Yield in 10 Yrs	5.20	(0.05)	5.15
	Treasury Idx Forecast	**4.50**	**(0.10)**	**4.40**
	U.S. LT Treasury Idx Yield	4.80	(0.09)	4.71
	LT Treasury Idx Yield in 10 Yrs	5.05	(0.01)	5.04
	LT Treasury Idx Forecast	**4.75**	**(0.10)**	**4.65**
Spread	U.S. Corporate Idx OAS	0.83	(0.09)	0.74
	Corporate Idx OAS in 10 Yrs	1.48	(0.00)	1.48
	Corporate Idx Forecast	**5.50**	**(0.20)**	**5.30**
	U.S. Core Bond Forecast	**5.05**	**(0.15)**	**4.90**
	U.S. LT Core Bond Forecast	**5.25**	**(0.15)**	**5.10**
	U.S. High Yield Idx OAS	2.90	(0.23)	2.67
	High Yield Idx OAS in 10 Yrs	4.91	(0.01)	4.90
	High Yield Bond Forecast	**6.30**	**(0.25)**	**6.05**

Equity Markets

Equity: Public & Private		Jun 2025	Change	Sep 2025
Equity	DDM	6.40	0.45	6.85
	IGV	1.95	(0.10)	1.85
	CAPE	2.25	(1.50)	0.75
	U.S. Equity Forecast	**4.30**	**(0.20)**	**4.10**
	Dev-ex-US Equity Forecast	**5.30**	**(0.20)**	**5.10**
	EM Equity Forecast	**5.55**	**(0.20)**	**5.35**
Private	Cost of Debt (Public)	5.90	(0.10)	5.80
	Cost of Debt (Private)	7.50	(0.25)	7.25
	Private Market Basket Forecast	**6.20**	**(0.20)**	**6.00**







Question & Answer

Thank you for joining us!

Please use the Q&A panel to submit questions.

To find out more about our solutions or speak to one of our experts, we're ready to connect you to the right team and answer any of your questions.

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