

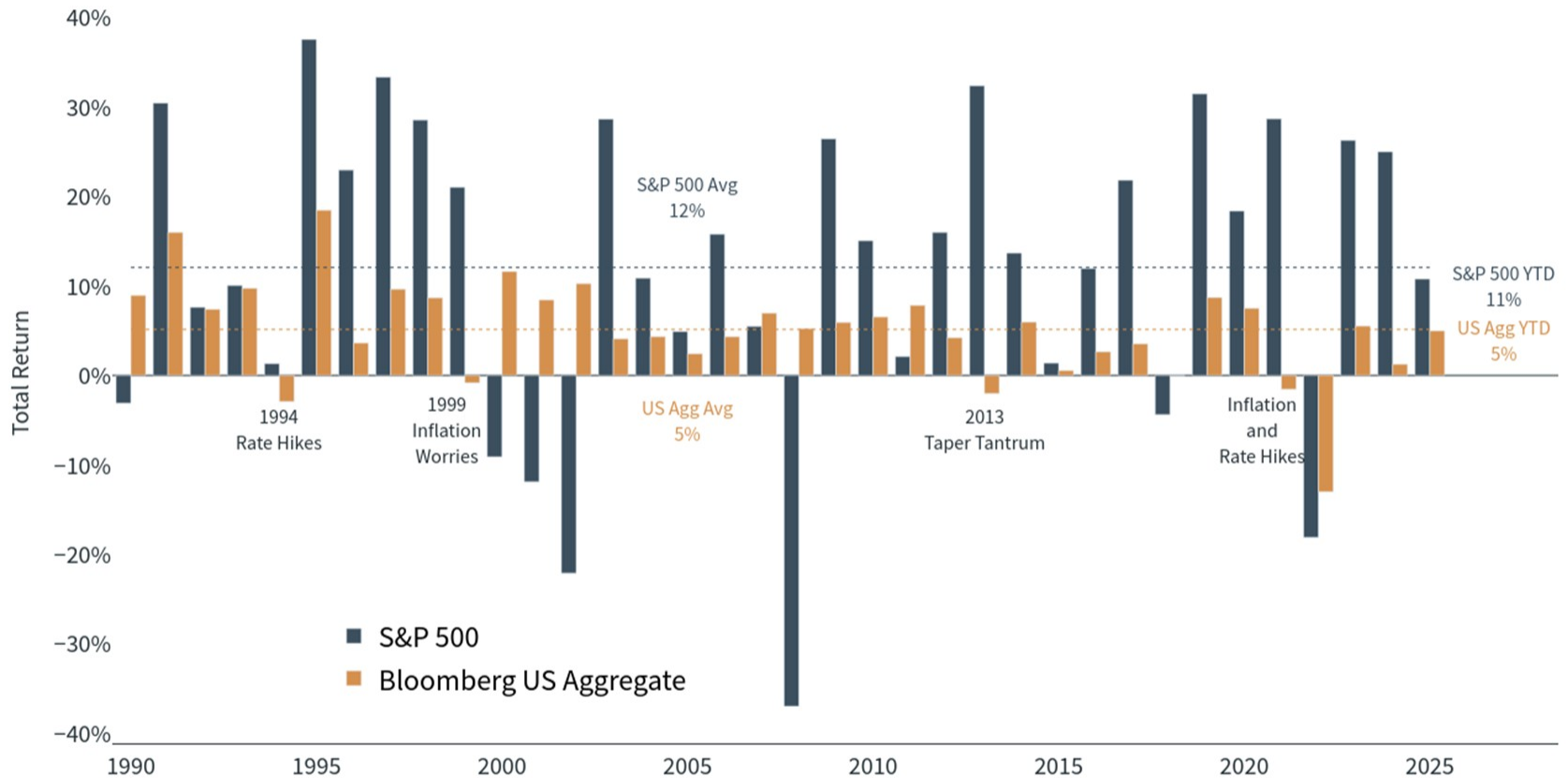


Apexium Chart Book

September 2025

Stock and Bond Annual Returns

S&P 500 and Bloomberg U.S. Aggregate Total Returns



Latest data point is Aug 29, 2025

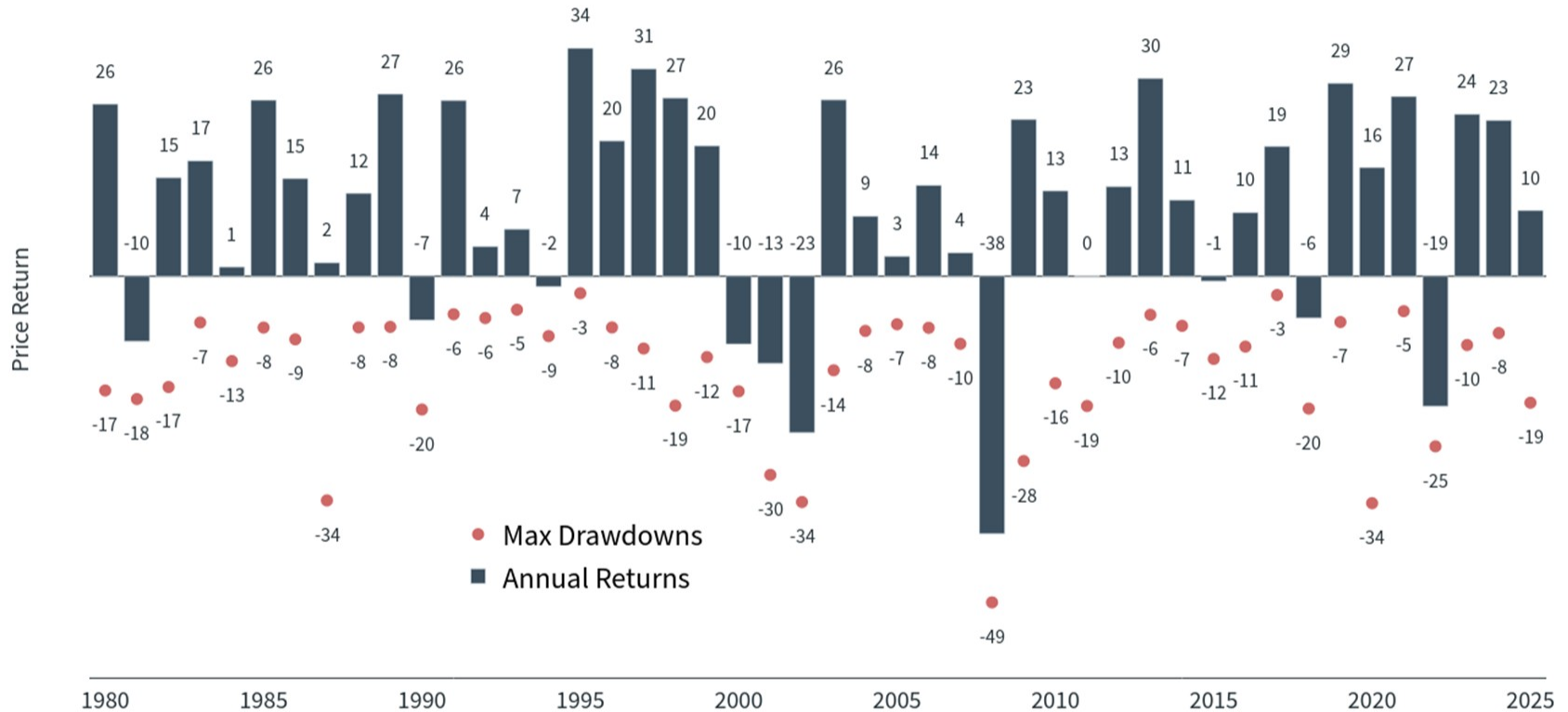
- Stocks and bonds have both struggled recently due to rising inflation and interest rates.
- This breaks the historical pattern driven by falling bond yields which supported bond prices.
- Despite this challenging period, investors should continue to focus on diversification as interest rates stabilize.

Sources: Clearnomics,
Standard & Poor's, Bloomberg

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Annual Returns and Pullbacks

S&P 500 Index. Max drawdown represents the biggest intra-year decline



- This chart shows the performance of the stock market (bars) and the largest intra-year decline (dots) each year.
- The average year sees a stock market drop of -13.5%. However, most years still end in positive territory, averaging 9% gains.
- Volatility is a normal part of investing and investors are often rewarded for staying disciplined through short-term volatility.

Latest data point is Aug 29, 2025

Sources: Clearnomics, Standard & Poor's

Stock Market Price-to-Earnings Ratio

S&P 500 forward P/E ratio using earnings estimates over the next twelve months



Latest data point is Aug 26, 2025

- This PE ratio uses next-twelve-month earnings estimates, so it is forward rather than backward-looking.
- Valuations are no longer as attractive due to the market rally of the past year.
- Investors should properly diversify across asset classes, both in the U.S. and globally.

Sources: Clearnomics,
LSEG

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Stocks Since the Great Depression

S&P 500 Index since 1928 (log scale)



Latest data point is Aug 29, 2025

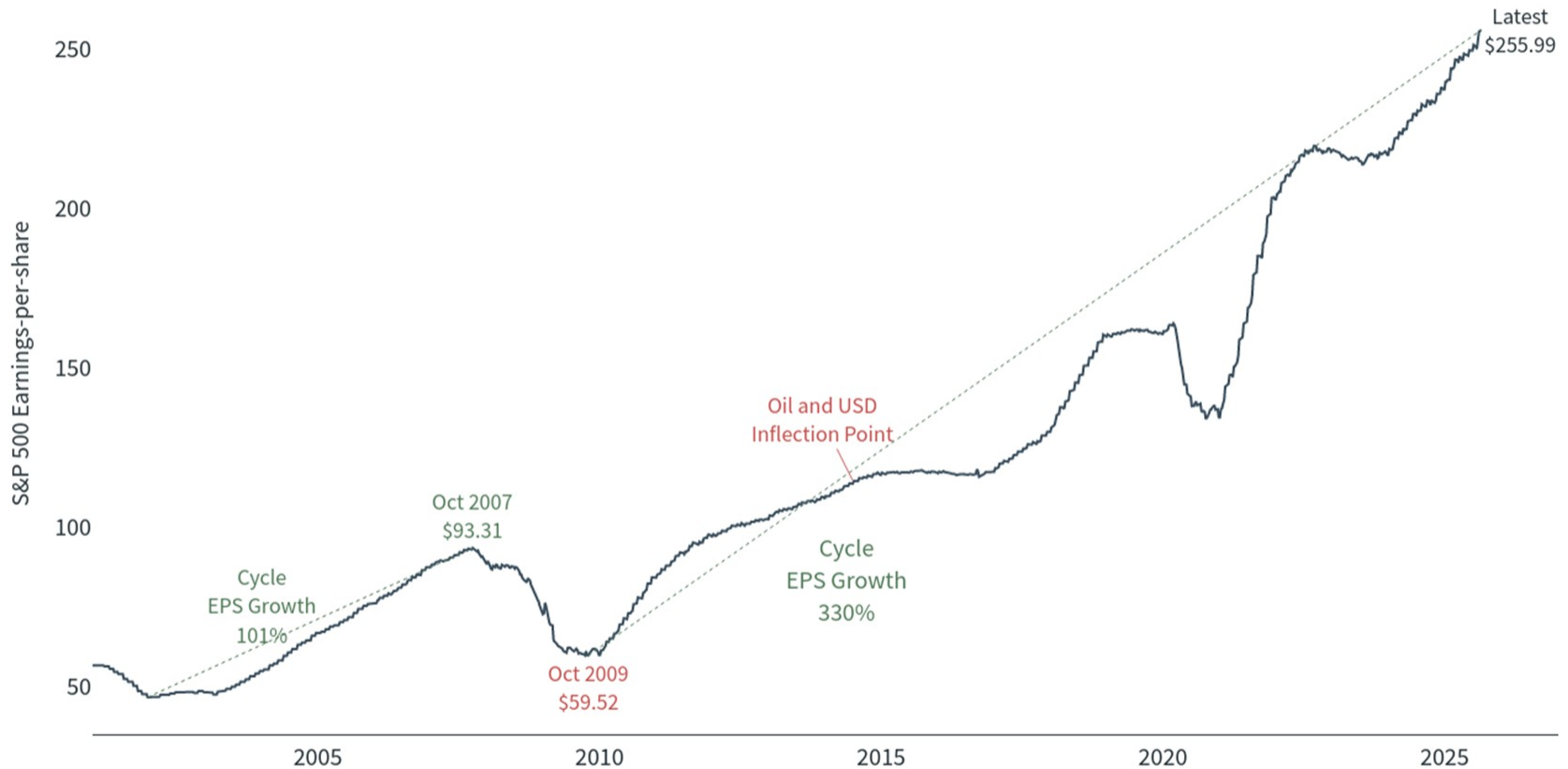
- The stock market has performed extremely well since the Great Depression - a nearly century-long period.
- This occurred despite problems along the way throughout the 20th and early 21st century.
- Investors should focus on the long run in order to benefit from growth.

Sources: Clearnomics,
Standard & Poor's

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S&P 500 Earnings Per Share

Trailing 12-month earnings per share



Latest data point is Aug 26, 2025

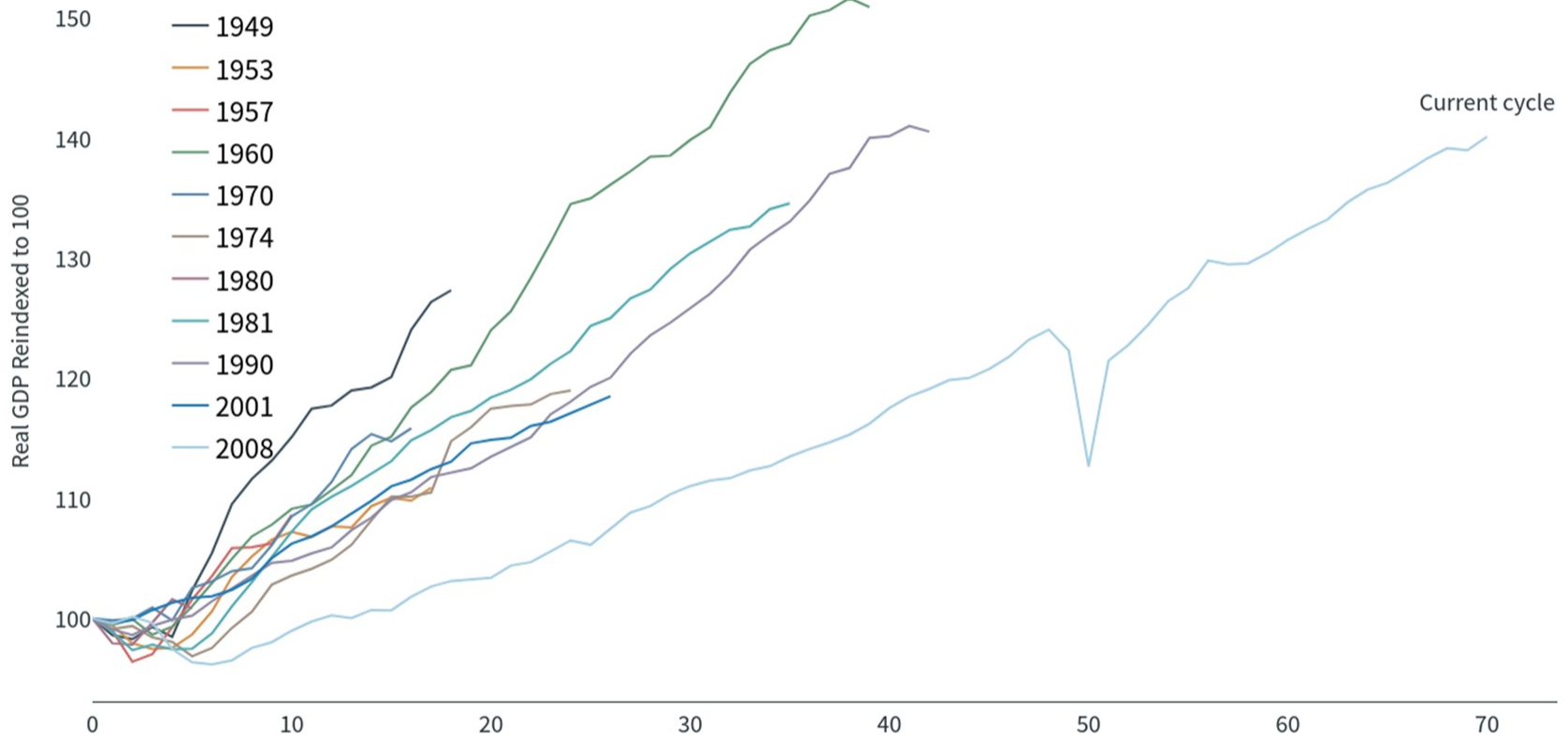
- The growth in corporate earnings has been a major driver of stock market returns across history.
- Earnings could begin to pick up again due to stronger-than-expected economic growth.
- Companies in many sectors continue to hire and expand despite economic uncertainty.

Sources: Clearnomics,
LSEG

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U.S. Business Cycles

Since World War II, Relative to Prior Cycle Peak, Duration in Quarters



Latest data point is Q2 2025

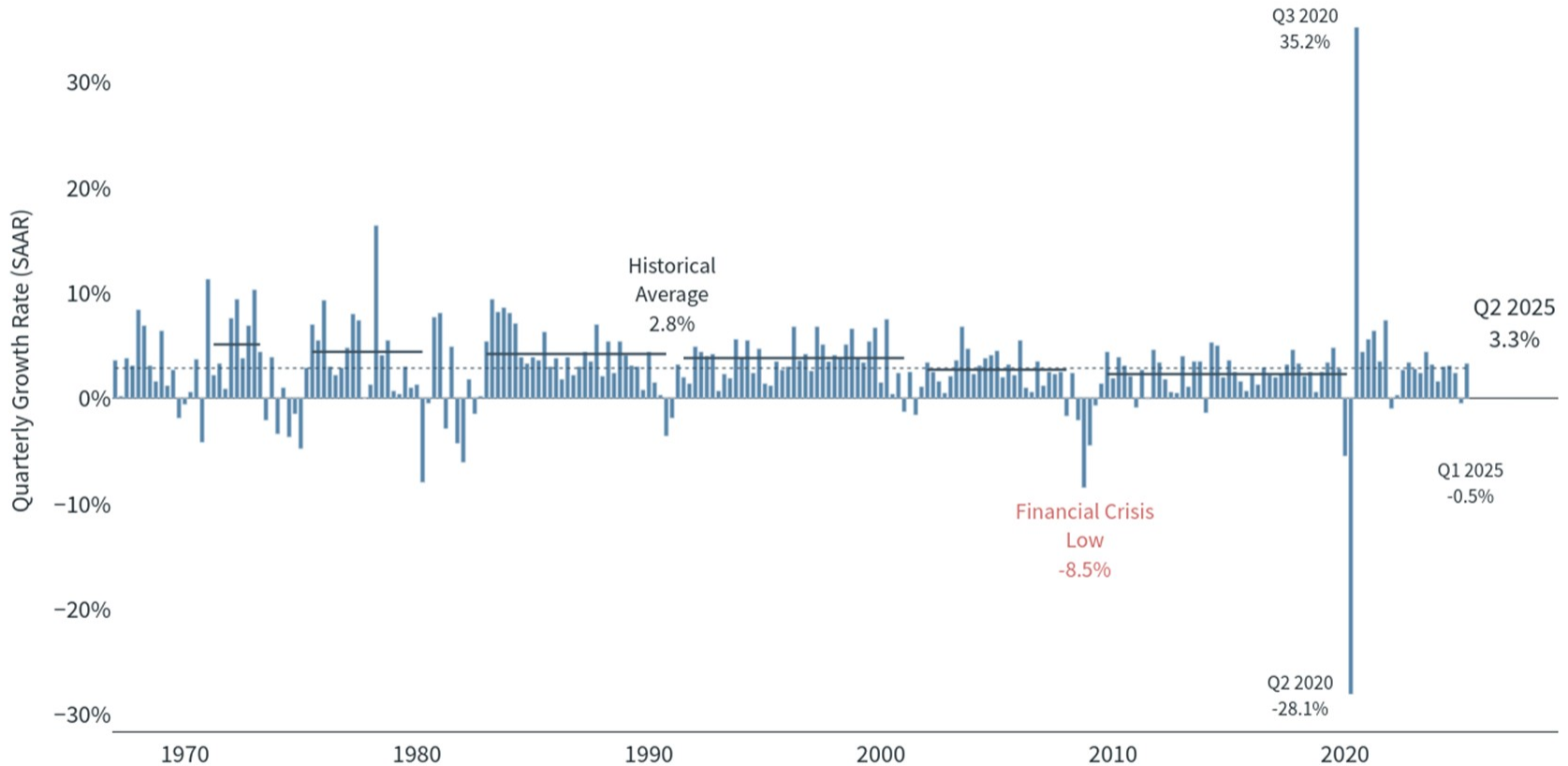
- The economy faces heightened uncertainty due to tariffs, politics, and more.

Sources: Clearnomics,
BEA, NBER

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U.S. Economic Growth

Quarterly GDP, seasonally adjusted annual rate



Latest data point is Q2 2025

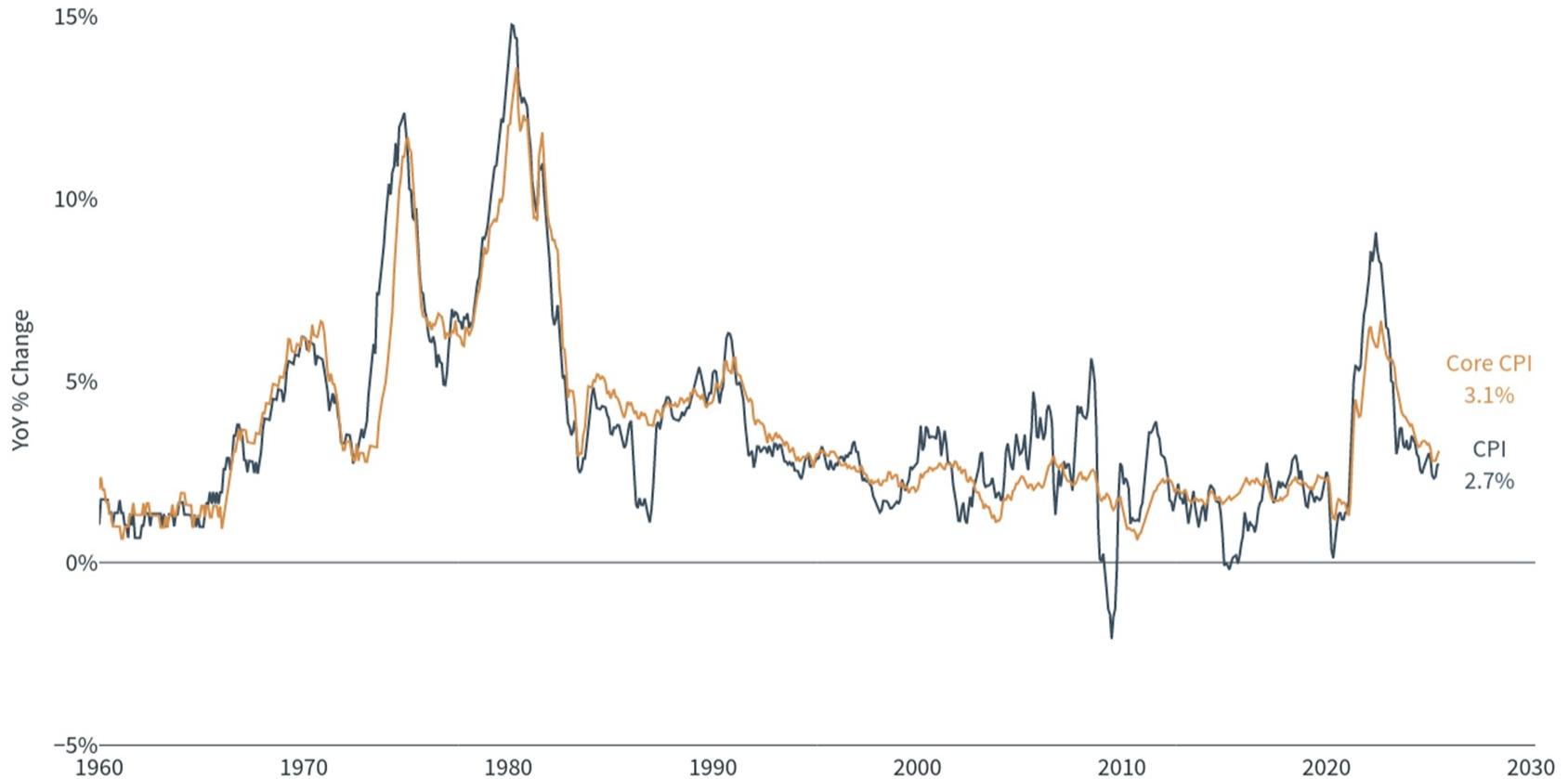
- The economy faces heightened uncertainty due to tariffs, politics, and more.

Sources: Clearnomics,
U.S. BEA, NBER

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Consumer Price Index

CPI and Ex Food and Energy, YoY % Change



Latest data point is Jul 2025

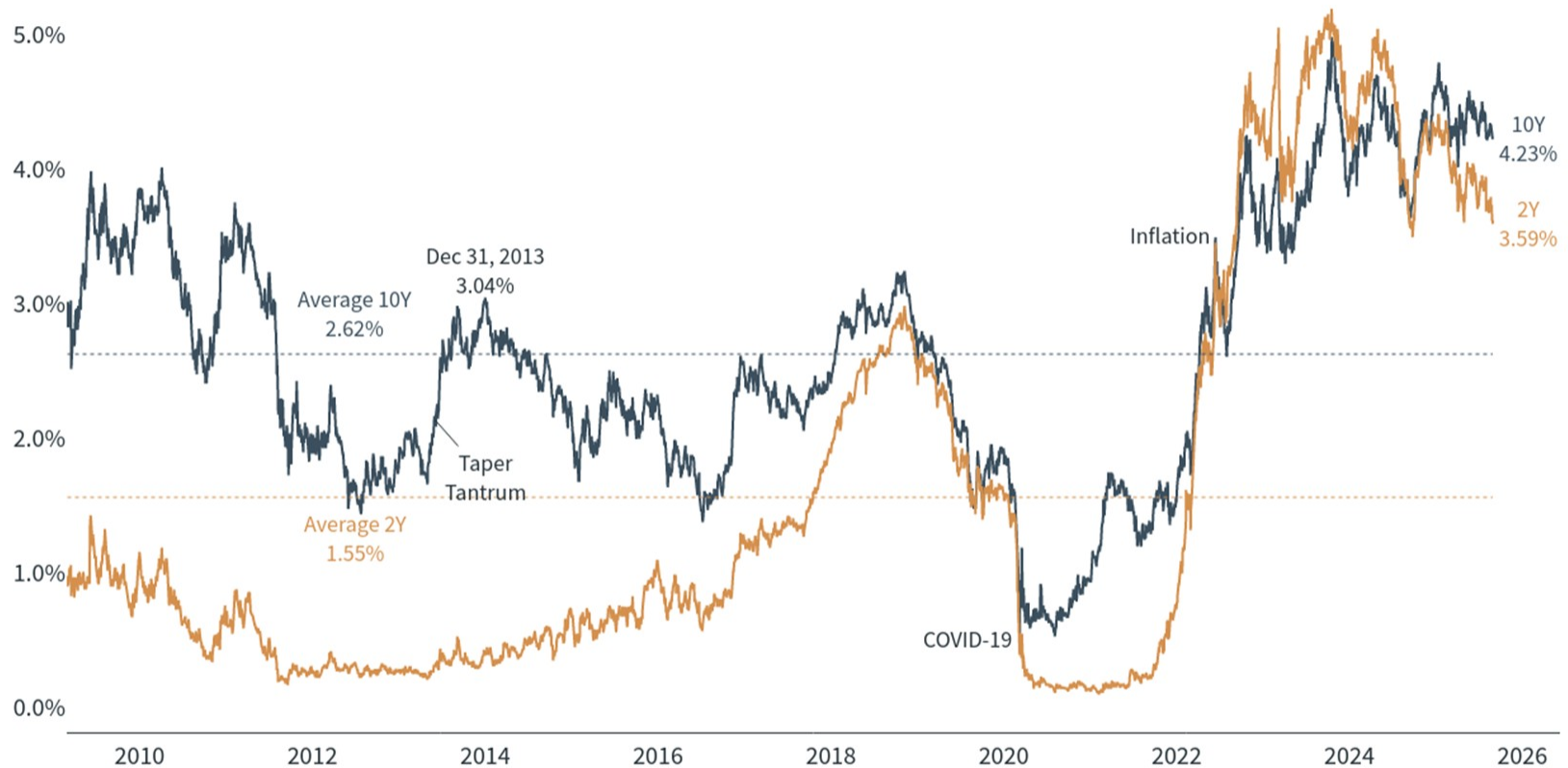
- CPI is a commonly cited measure of inflation. It uses a basket of goods and services to track price changes for consumers.
- In order to measure the underlying trend in inflation, rather than temporary shocks to food and energy, economists often focus on core CPI.
- Tariffs could drive some prices higher, extending the timeline to achieve the Fed's target.

Sources: Clearnomics,
Bureau of Labor Statistics

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Interest Rates

10-year and 2-year yields since 2010



Latest data point is Aug 29, 2025

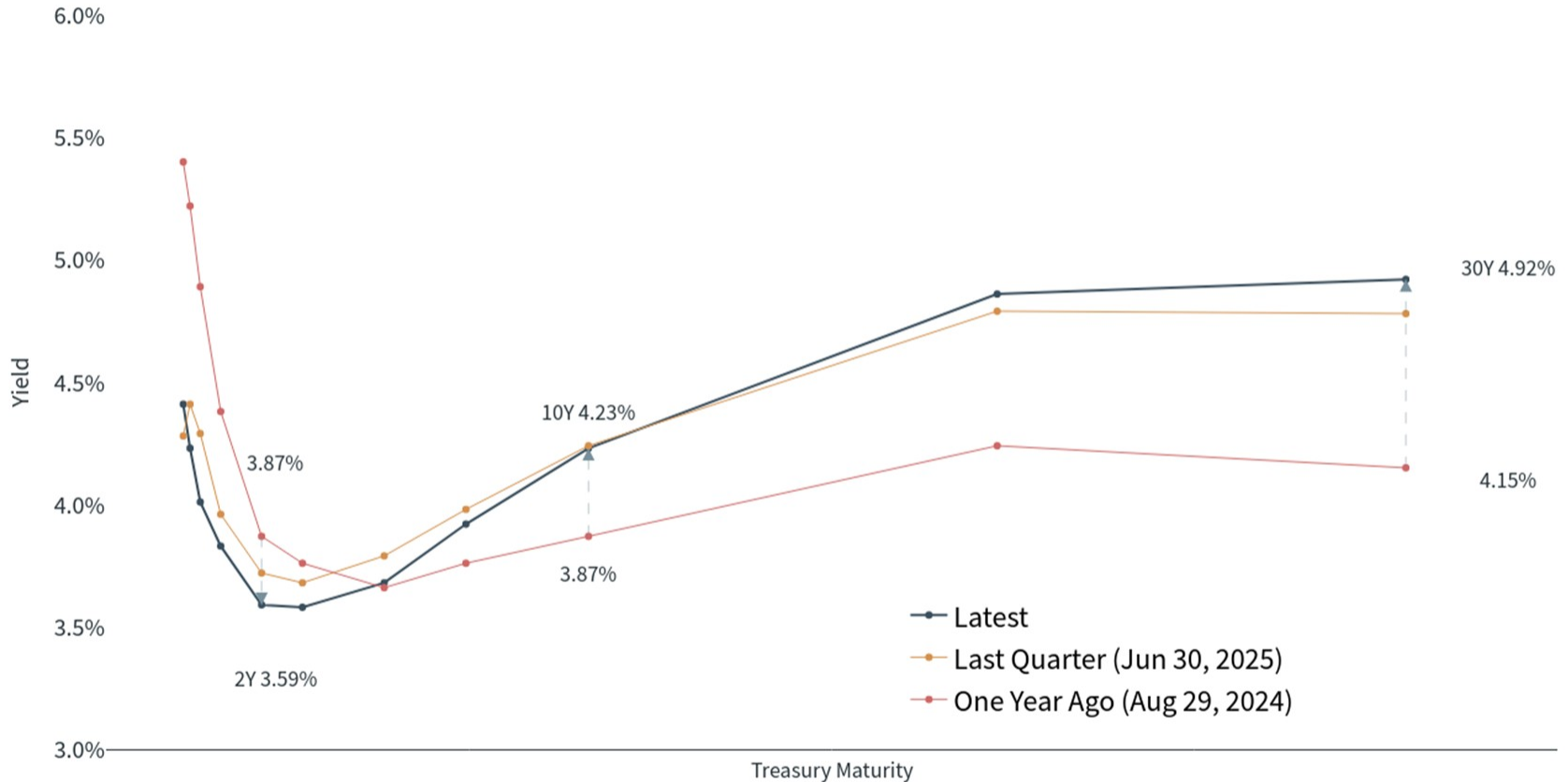
- Interest rates have fluctuated in a range this year due to economic uncertainty.
- The 10-year Treasury yield has been volatile as investors worry about the path of economic growth.

Sources: Clearnomics,
Federal Reserve

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Treasury Yield Curve

The shape of the U.S. Treasury curve last year versus today



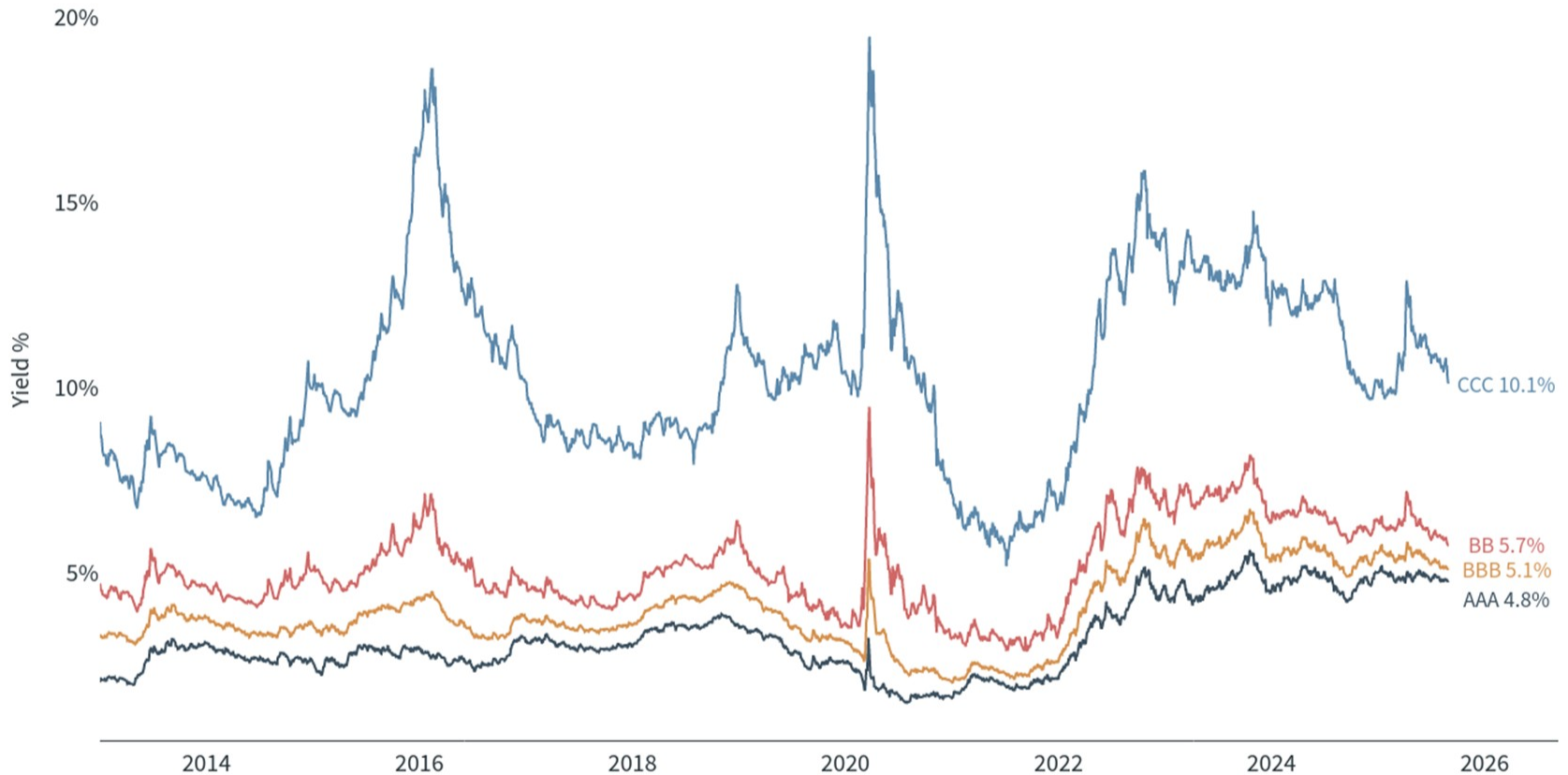
Latest data point is Aug 29, 2025

- The yield curve has re-steepened due to Fed rate cuts and steady economic growth.
- Short-term yields could continue to fall as the Fed slowly lowers policy rates.
- The path of long-term rates will depend on policy uncertainty and economic growth.

Sources: Clearnomics,
Federal Reserve

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U.S. Corporate Bond Yields



Latest data point is Aug 29, 2025

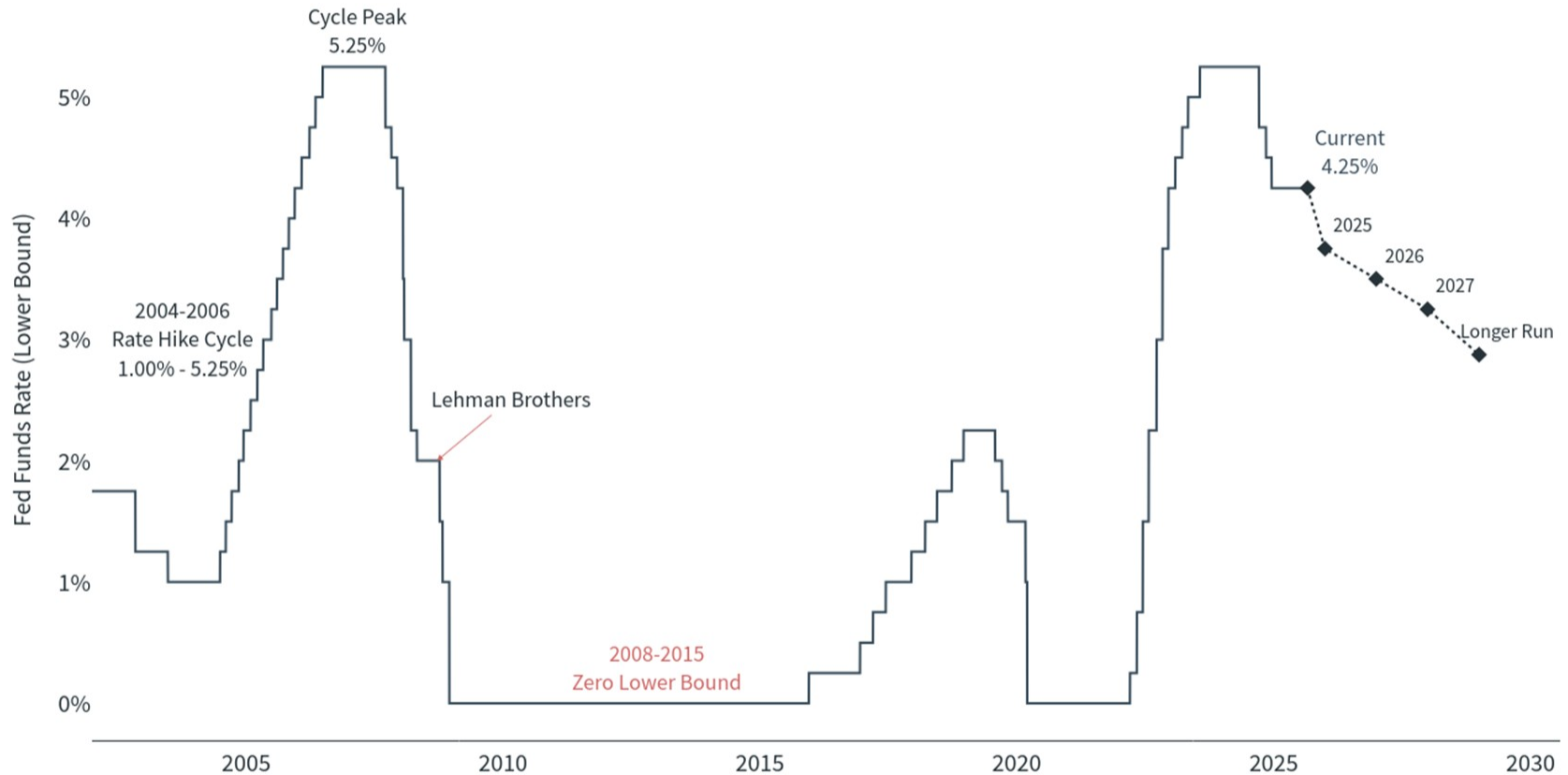
- Corporate bond yields remain historically attractive due to inflation and higher-for-longer interest rates.
- More recently, yields have settled and spreads have tightened as the market has rallied.
- Corporate bonds are still an important portfolio diversifier to stock market and government bond holdings.

Sources: Clearnomics,
Bloomberg

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Federal Funds Rate

Target range lower limit



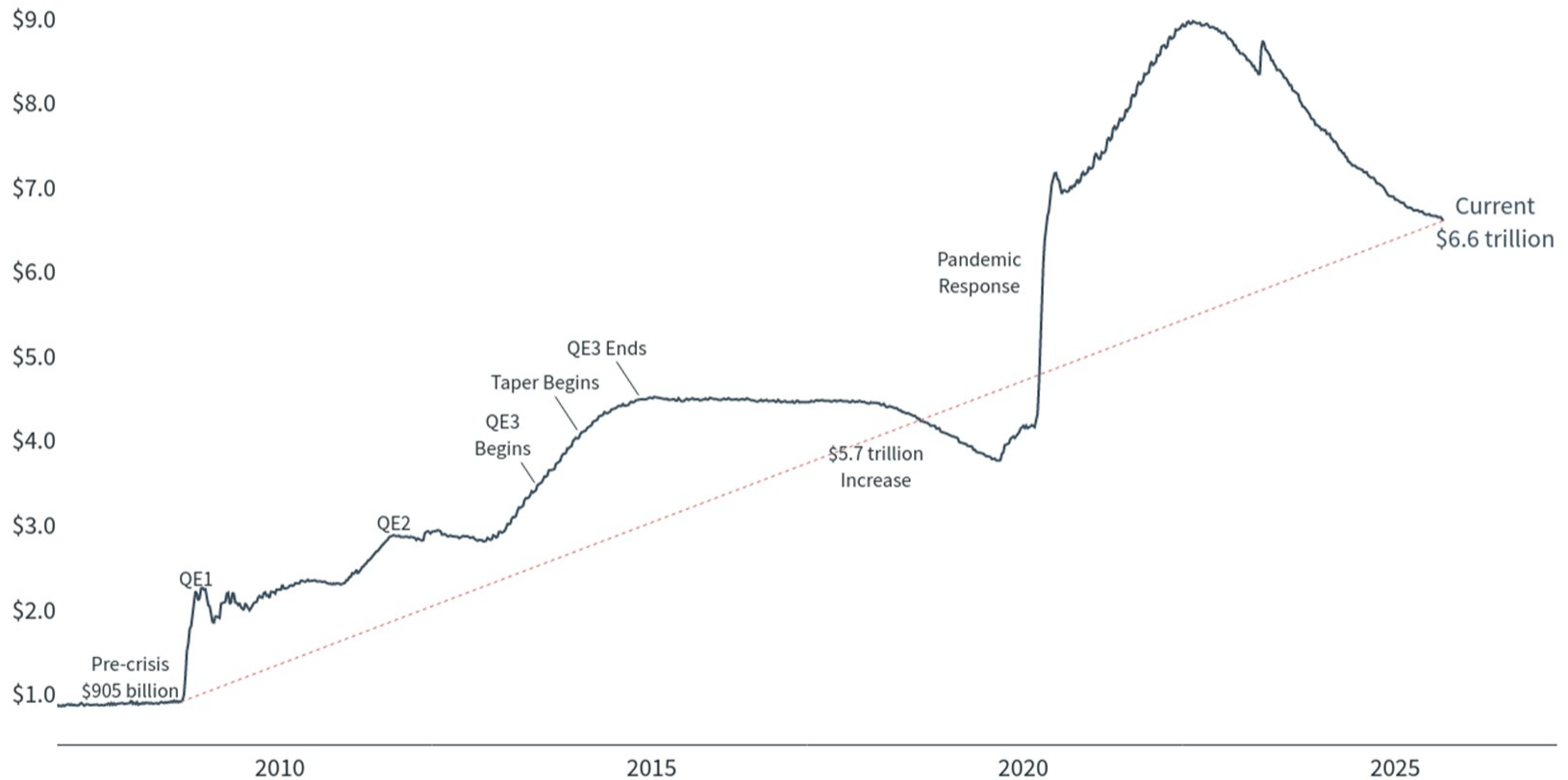
Latest data point is Aug 2025

- The Fed has kept policy rates on hold after cutting three times in 2024.
- Markets still expect the Fed to cut rates twice this year, although this forecast has fluctuated.

Sources: Clearnomics,
Federal Reserve

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Federal Reserve Balance Sheet



Latest data point is Aug 27, 2025

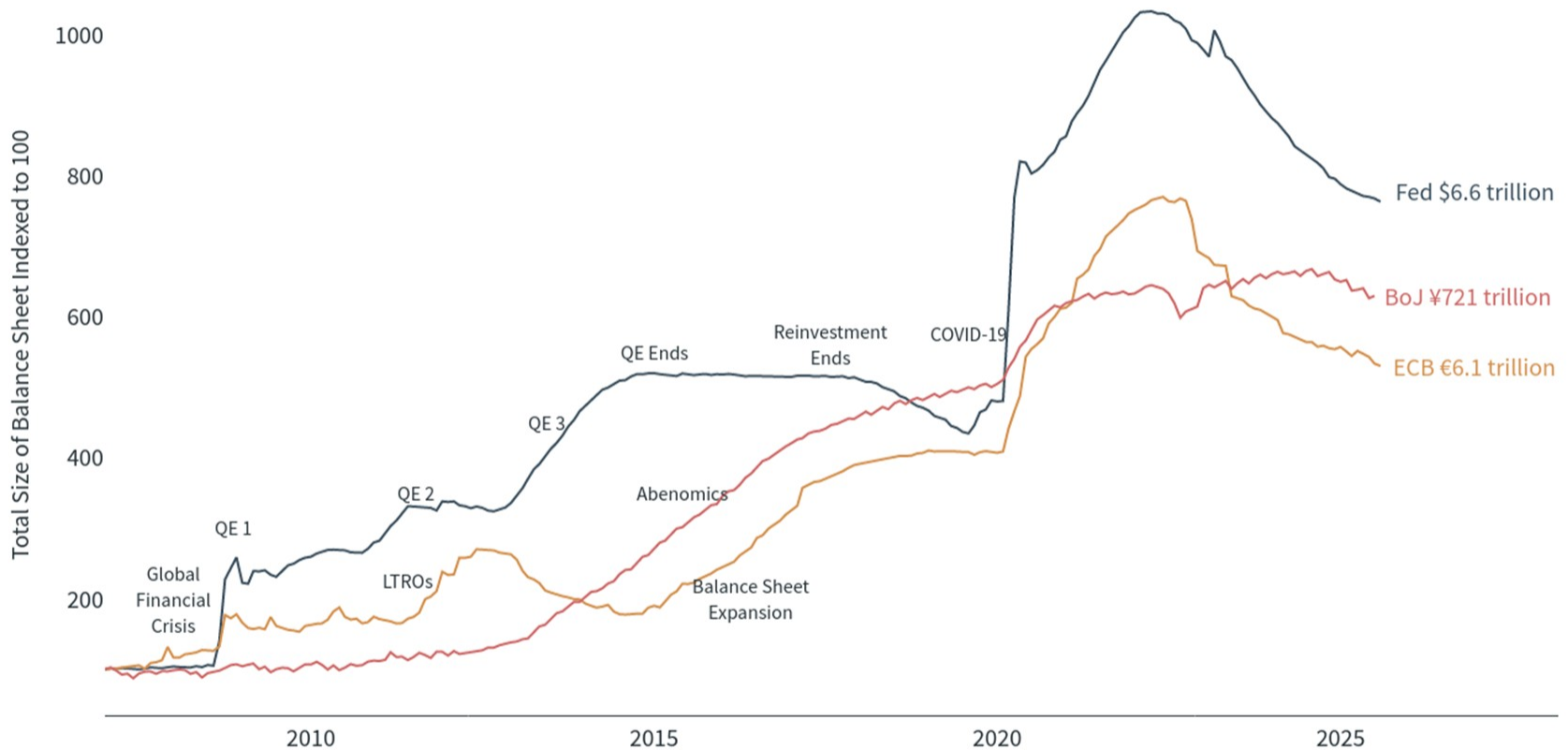
- The Fed has used its balance sheet to spur the economy by buying financial assets and providing liquidity to the system.
- The Fed has slowed the pace at which assets are rolling off its balance sheet as they mature.

Sources: Clearnomics,
Federal Reserve

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Global Central Bank Balance Sheets

Indexed to 100 in 2007

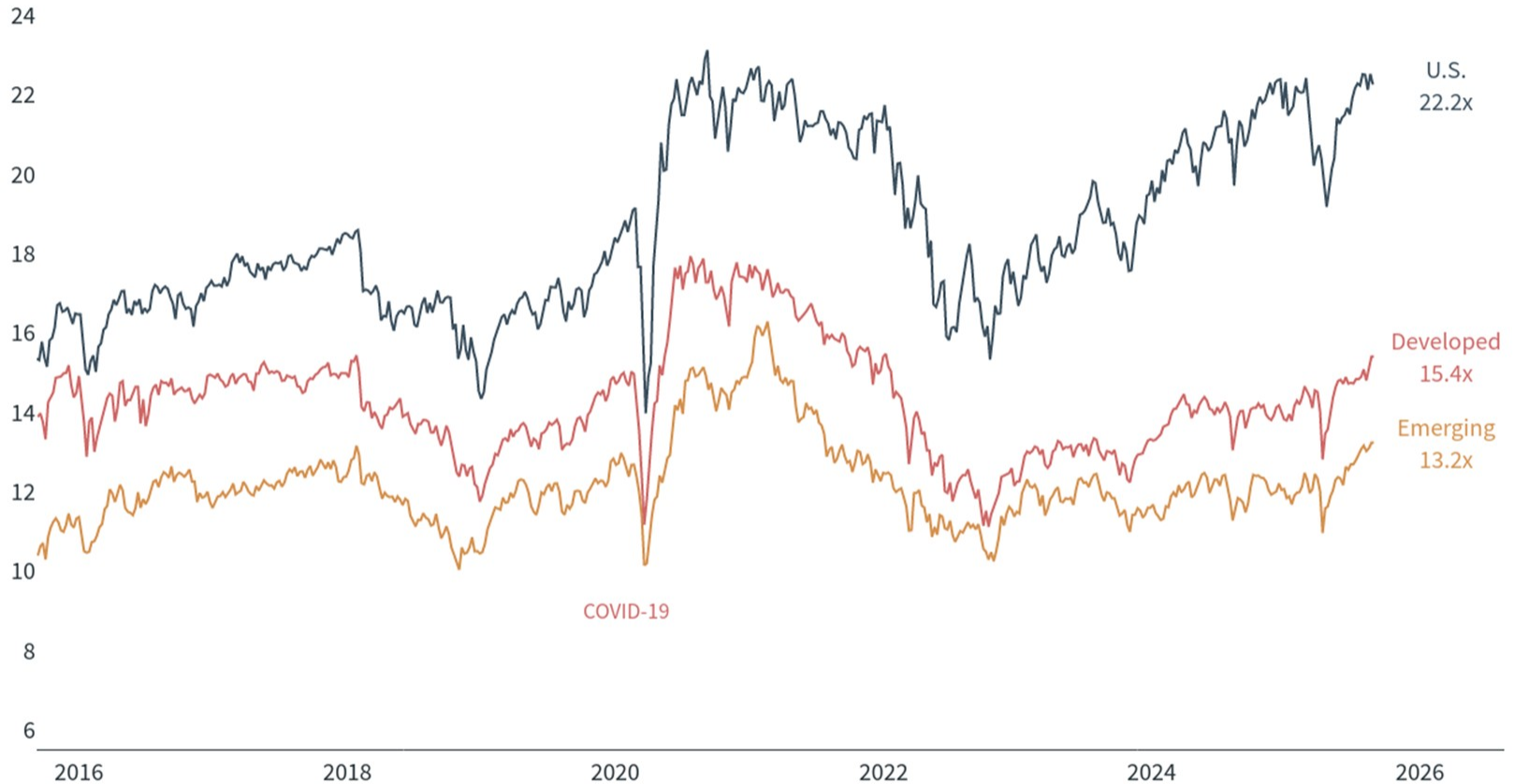


Latest data point is Aug 2025

- Major central banks have been easing monetary policy to support their economies as inflation fades.
- Balance sheets are now beginning to run down which could eventually push longer-term rates higher.

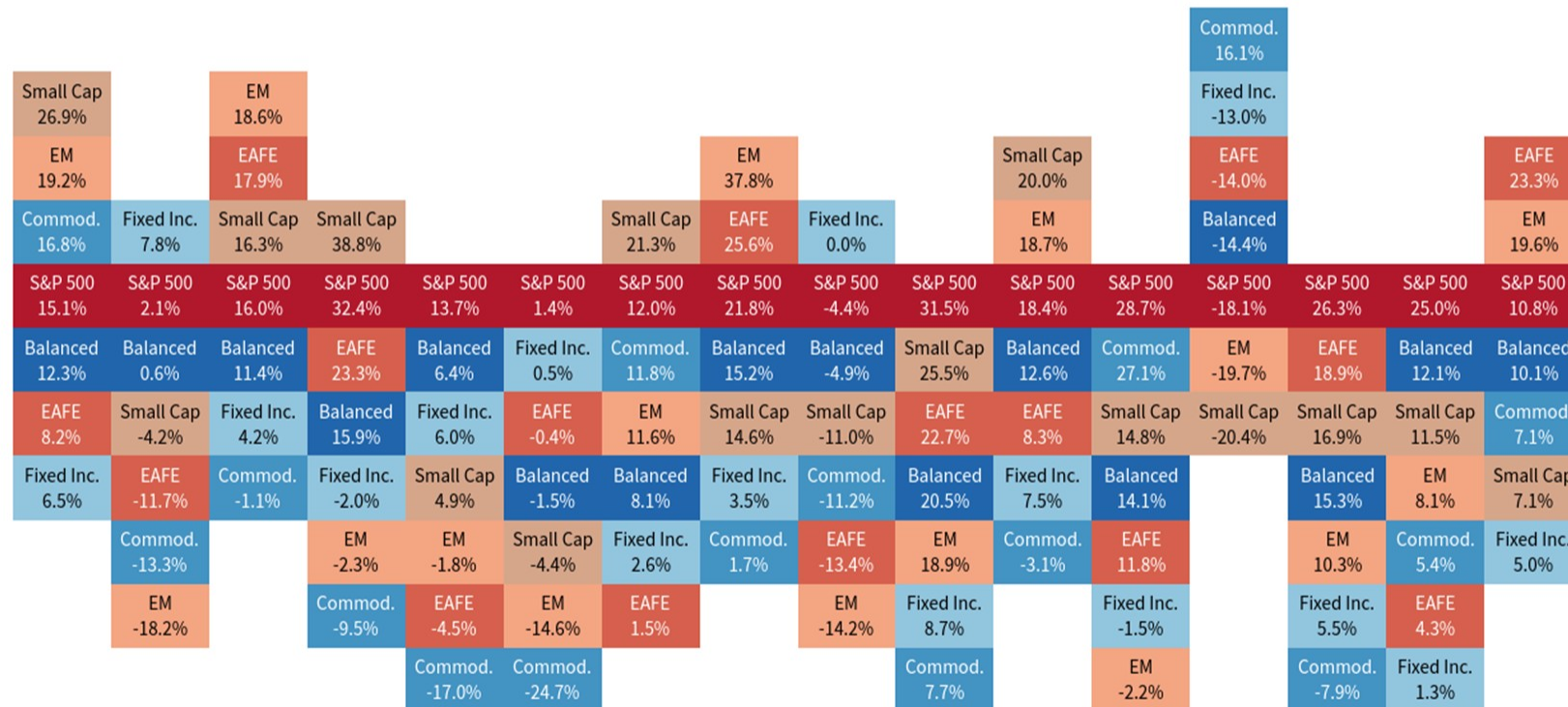
Global Equity Valuations

Forward P/E Ratios for the S&P 500, MSCI EAFE and MSCI EM



Latest data point is Aug 26, 2025

- Major stock market indices have diverged over the past decade due to differences in growth.
- U.S. market valuations are elevated compared to other regions as it continues to outperform.
- International stocks, on the other hand, are still cheaper in relative terms across both the developed and emerging world.



Latest data point is Aug 29, 2025

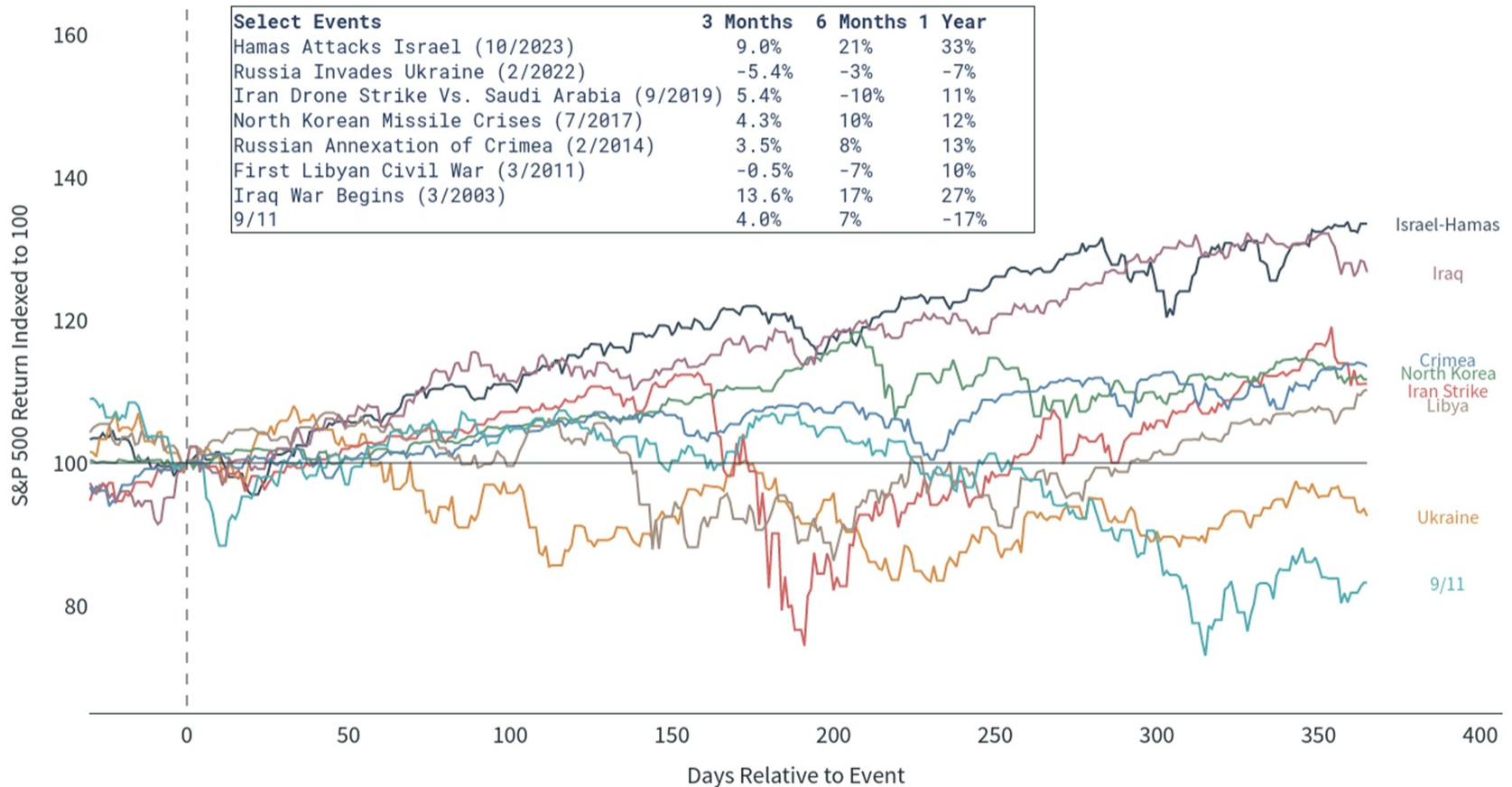
- The outperformance of U.S. stocks in prior years had led some investors to question other asset classes.
- There have been many historical periods when other asset classes outperformed. Diversification takes advantage of these trends.
- With cheaper valuations and global growth, it may be prudent to consider other regions.

The Balanced Portfolio is a 60/40 historical index calculation consisting of 40% U.S. Large Cap, 5% Small Cap, 10% International Developed Equities, 5% Emerging Market Equities, 35% U.S. Bonds, and 5% Commodities.

Sources: Clearnomics, LSEG

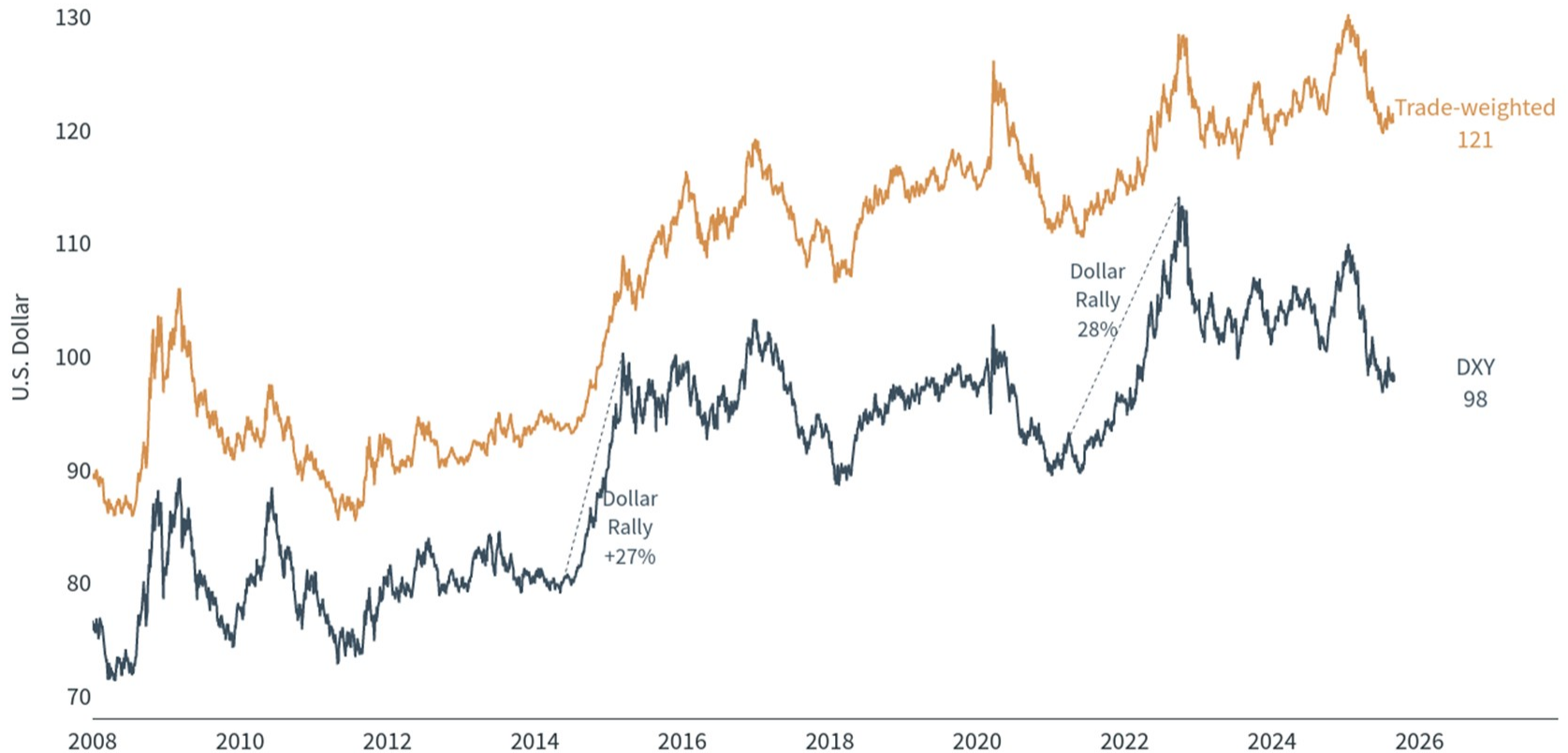
Geopolitical Events and Stocks

Historical events and S&P 500 price returns 3, 6, and 12 months after



U.S. Dollar

DXY and Trade-Weighted Index



Latest data point is Aug 29, 2025

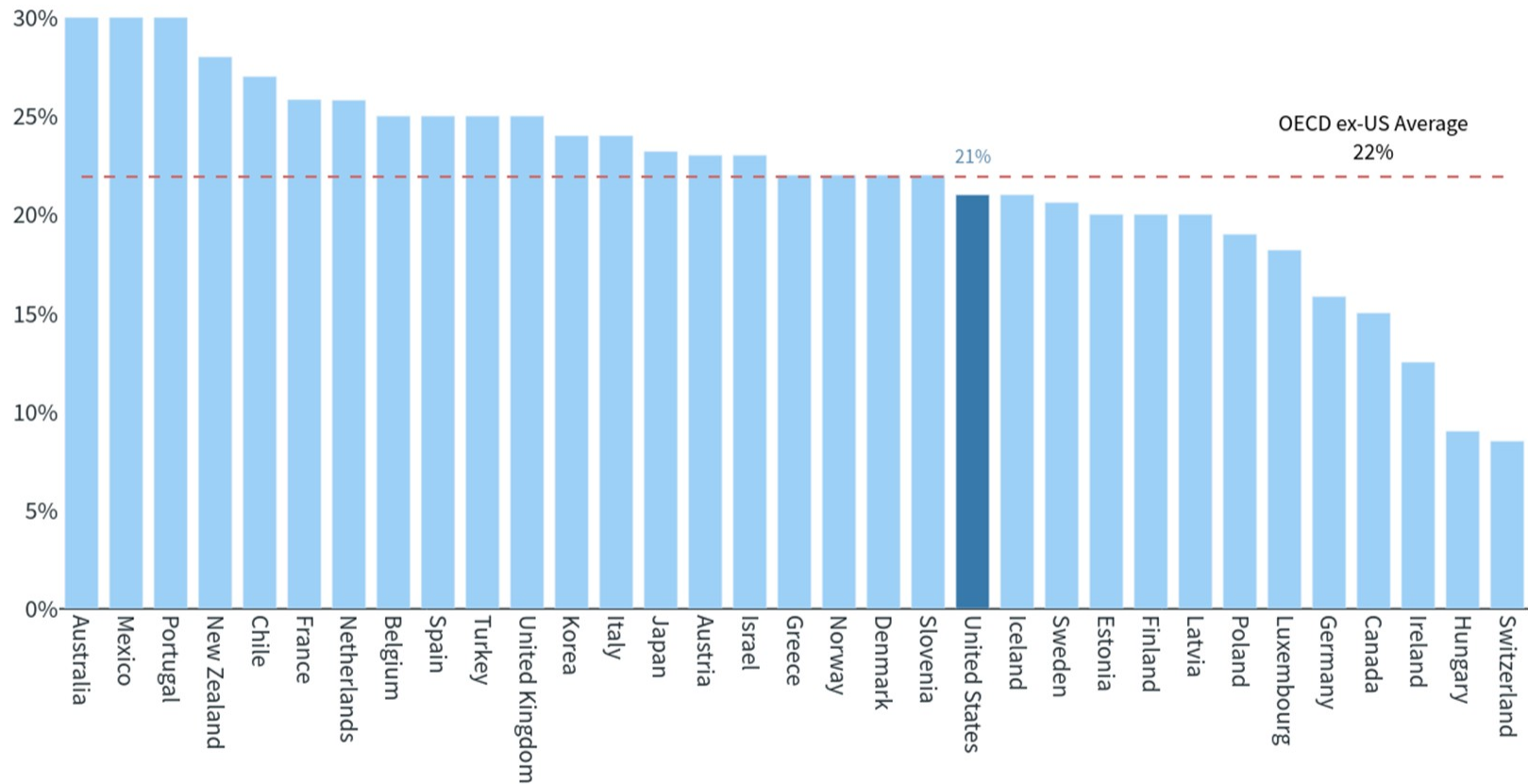
- The U.S. dollar has been on a rollercoaster ride over the last several years due to uncertain global economic growth and monetary policy.
- The dollar directly impacts corporate earnings and the attractiveness of U.S. goods and services.
- The dollar has weakened this year even though tariffs normally push currencies higher.

Sources: Clearnomics,
Federal Reserve, ICE

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Global Corporate Tax Rates

Central Government Tax Rates of Industrialized Countries



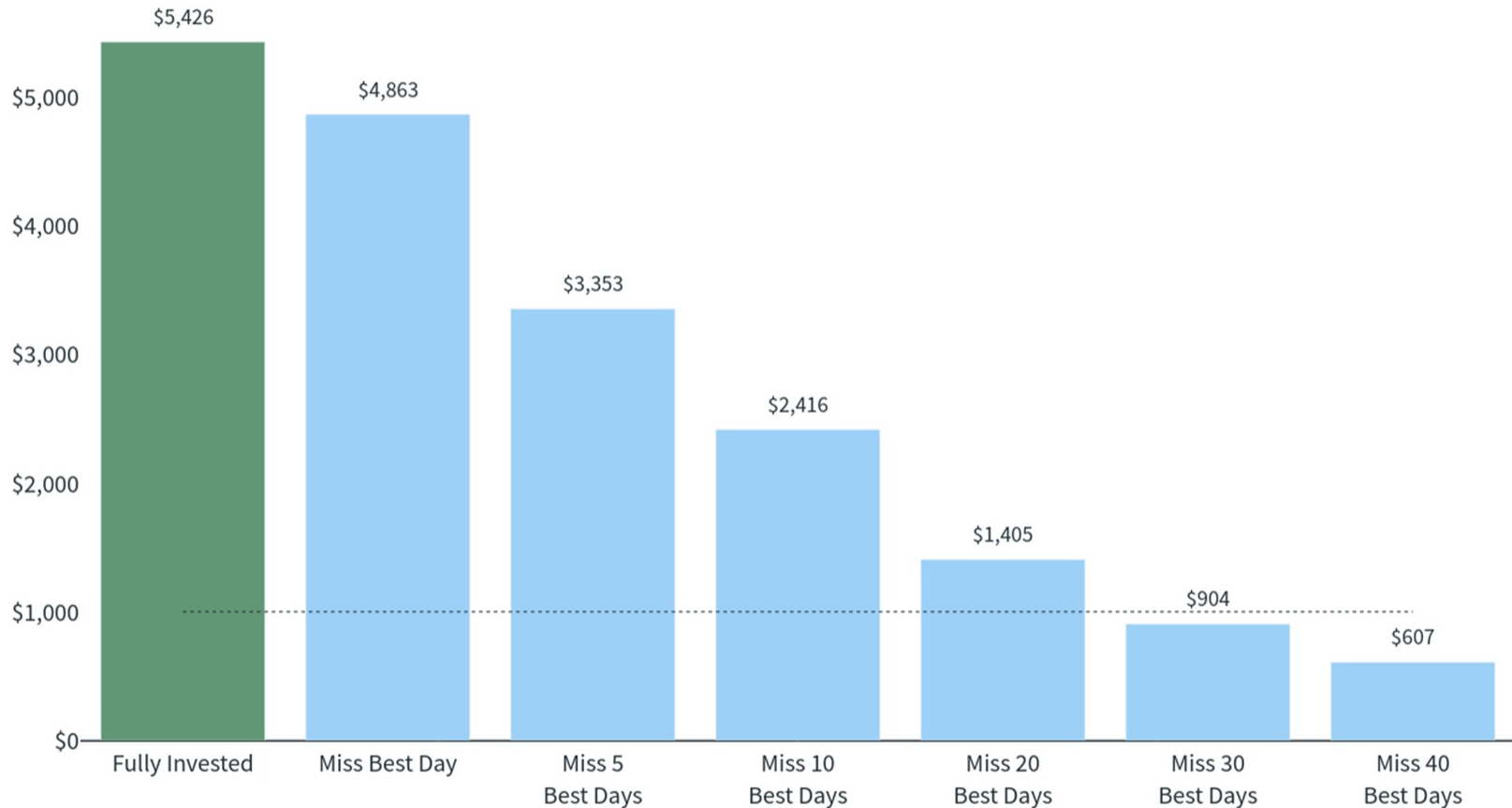
- Prior to the 2017 tax reform, the U.S. had the highest corporate tax rate among major industrialized countries.
- The enacted tax reform plan lowered the corporate tax rate to 21%, below the OECD average of 22%.
- The new administration has stated it may lower corporate tax rates for those companies that produce in the U.S.

Sources: Clearnomics,
OECD

Staying Invested: Missing the Best Days

The impact of missing the best market days over the past 25 years

Based on an initial \$1,000 investment using S&P 500 returns before transaction costs



Latest data point is Aug 30, 2025

- Staying invested is a key principle of long-term financial success.
- This chart shows the impact of missing the best market days over the past 25 years.
- Staying invested through ups and downs can make a significant difference in final investment outcomes.

Sources: Clearnomics, Standard & Poor's

Definitions and Methodology

The **S&P 500** is a market capitalization-weighted index of large cap U.S. stocks. U.S. **mid cap** and **small cap** are the S&P 400 and S&P 600, respectively. **Value** and **growth** are the corresponding Standard & Poor's value and growth indices.

MSCI EM is an index of emerging market stocks. **MSCI EAFE** is an index of developed market stocks. **MSCI ACWI** is an index of global stocks.

The **forward P/E** is a ratio of the current market price of an index divided by an estimate of earnings over the next twelve months. The **Shiller P/E** is based on Robert Shiller's cyclically adjusted price-to-earnings ratio.

The **AAll Investor Sentiment** index is based on a weekly survey conducted by AAll.

Unless stated otherwise, **earnings** and **valuations** data are from LSEG indices.

The **LEI**, or Leading Economic Index, is produced monthly by the Conference Board.

Consumer sentiment indices are based on surveys conducted by the University of Michigan Surveys of Consumers.

Asset Class Performance and Asset Classes Relative to U.S.

Stocks charts: The EM, EAFE, Small Cap, Fixed Income and Commodities are these indices, respectively: MSCI EM, MSCI EAFE, Russell 2000, Bloomberg U.S. Aggregate Bond Index, Bloomberg Commodity Index.

Fixed Income Performance: All sectors are represented by the Bloomberg bond indices except for EMD USD and Local which are the JPMorgan EMBIG Diversified Index and JPMorgan GBI-EM Core Index, respectively.

The Balanced Portfolio is a historical 60/40 index calculation consisting of 40% U.S. Large Cap, 5% Small Cap, 10% International Developed Equities, 5% Emerging Market Equities, 35% U.S. Bonds, and 5% Commodities.

The **Bloomberg Commodity Index** is a broadly diversified basket of physical commodities futures contracts.

The **DXY** is a U.S. dollar index based on a basket of currencies, including the Euro, Yen, Pound, Canadian Dollar, Swedish Krona and Swiss Franc.

Portfolio Risk/Reward and Portfolio Drift Since 2009 charts: stocks and bonds are the S&P 500 and Bloomberg U.S. Aggregate bond index, respectively. Each portfolio represents a historical stock/bond asset allocation.

The **MSCI Factor** indices are created and maintained by MSCI to capture factor returns. They cover various factors including Quality, Size, Momentum, Volatility, Value and Yield. The Multi-Factor index tracks the performance of Value, Momentum, Quality and Size.

The **MSCI USA** index tracks large and mid cap U.S. stocks.



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