Month-End Summary – April 2026

Market Update

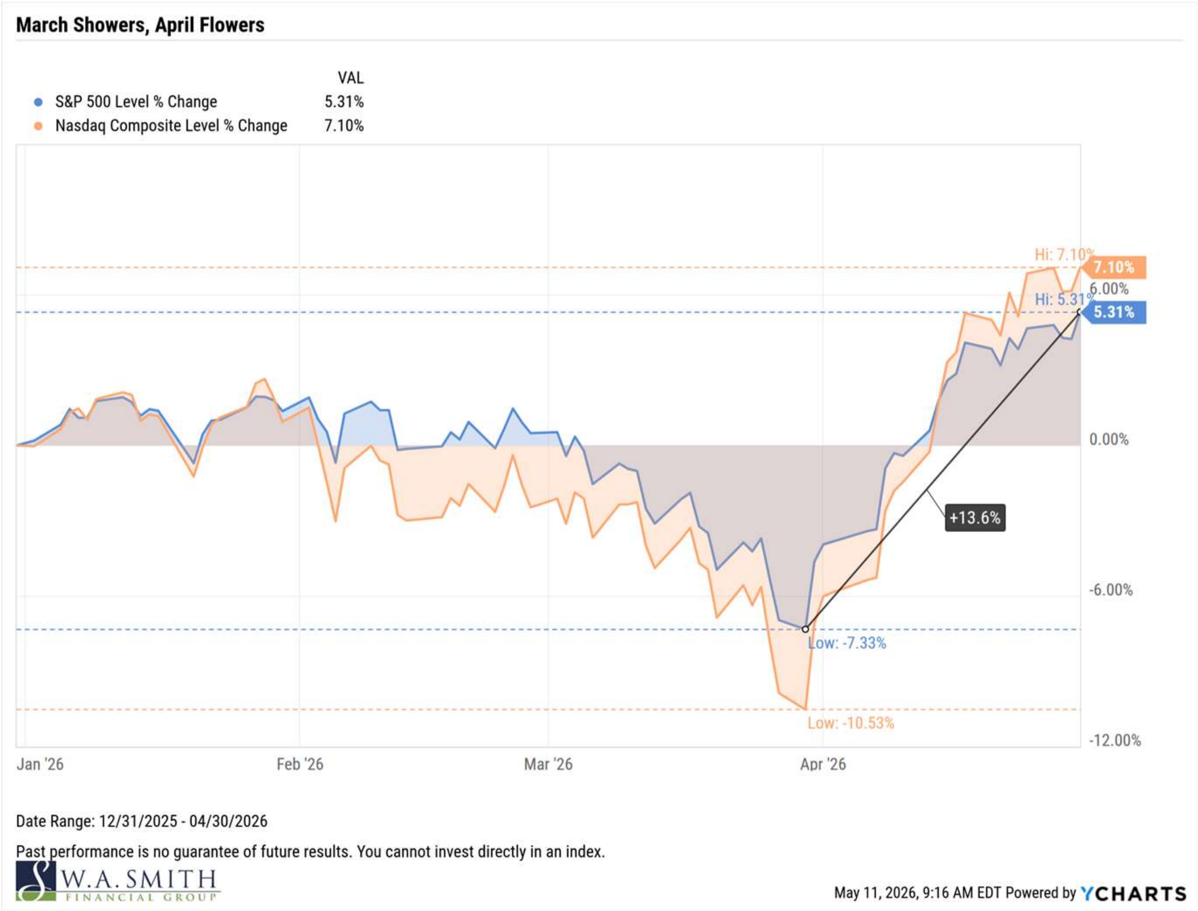
- **S&P 500 and Nasdaq Monthly Performance – April 2026**:
  - **2Q 2026 kickoff:** U.S. markets entered the second quarter with continued volatility as investors balanced resilient economic data against persistent inflation pressures, evolving Fed expectations, and ongoing geopolitical uncertainty
  - **April 2026:** US equities recovered modestly during April as easing concerns around global growth and stabilization in energy markets supported risk sentiment. The S&P 500 finished slightly higher, while the Nasdaq rebounded amid renewed interest in large-cap technology and artificial intelligence themes
  - **Volatility moderated but macro uncertainty persisted:** Energy prices stabilized after March's sharp rise, helping ease inflation concerns somewhat, though investors remained focused on the path of monetary policy and geopolitical developments
  - **Positioning remained balanced and selective:** Investors continued emphasizing diversification, downside protection, and quality earnings growth. Defensive sectors remained resilient while selective cyclical and technology exposure regained momentum as sentiment improved modestly
- **Key Drivers During April 2026**:
  - **Stabilization in geopolitical and energy markets:** Easing concerns around the Middle East conflict helped moderate oil price volatility and reduce immediate inflation fears tied to higher energy costs. That said, we are seeing ongoing fluctuations in oil prices that may harm the markets/economy if the conflict continues to drag on throughout the year
  - **Economic data remained resilient:** Labor market and broader economic indicators continued to support a stable growth backdrop, reinforcing confidence in underlying economic fundamentals despite signs of moderation
  - **Fed policy expectations remained data dependent:** Investors continued reassessing the timing and pace of potential rate cuts as inflation trends and economic data produced mixed signals. Current Expectations still show a single cut of 25 bps towards the end of the year, but there are multiple variables still in play that could have a material impact on expectations

Investment Committee Update

- The Investment Committee (IC) continues to monitor the overall economic and market environment as we progress through the 2nd Quarter of 2026. As always, the below bullet remains in place and is the foundation for our investment decisions
  - Investment Committee continues to actively identify possible alterations (additions/removals) to our various strategies by utilizing our **rigorous 5-step due diligence process**
- **US equities stabilized during April as market sentiment improved modestly:** April saw a more constructive tone across equity markets as stabilization in energy prices and resilient economic data helped reduce some of the heightened volatility experienced in March. Growth-oriented sectors, including mega-cap technology, rebounded while defensive sectors continued to provide stability amid ongoing macro uncertainty
- **Several Factors shaped market performance during April:**
  - **Energy prices and geopolitical developments stabilized:** Moderating oil prices helped ease near-term inflation concerns and reduced pressure on broader equity markets, though investors remained attentive to ongoing geopolitical risks and the potential impact on economic growth and Fed policy expectations
  - **Economic data and Fed expectations remained in focus:** Labor market and inflation data continued to show resilience, though investors remained cautious as the Federal Reserve maintained a data-dependent stance regarding future monetary policy adjustments
  - **Fundamental strength continues to support the long-term outlook:** Despite continued macro uncertainty, the companies held across our strategies continue to demonstrate strong balance sheets, durable earnings trends, and healthy cash flow generation. We continue to view periods of volatility as normal market adjustments rather than deterioration in underlying fundamentals, and the long-term environment remains constructive for investors. Given the market/economic volatility and uncertainty, this is a reason that we focus on investing in companies with strong underlying fundamentals that meet/exceed the demands of our due diligence process

Resilience Returns to US Equity Markets

- **Equity markets staged a strong rebound after a sharp first-quarter drawdown:** Both the S&P 500 and Nasdaq recovered significantly from their late-March/early-April lows, reflecting improving investor sentiment and renewed risk appetite
- **Technology and growth stocks led the recovery:** The Nasdaq outperformed the S&P 500 during the rebound phase, finishing up 7.10% versus 5.31%, as investors rotated back into large-cap technology and artificial intelligence-related companies
- **Volatility highlighted the market's sensitivity to macro and geopolitical risks:** The sharp decline into early April coincided with heightened geopolitical tensions and rising energy prices, underscoring how quickly investor sentiment can shift in uncertain environments
- **Resilient economic fundamentals helped stabilize markets:** As inflation concerns moderated and economic data remained relatively firm, investors regained confidence in the broader outlook, supporting the rapid recovery into month-end

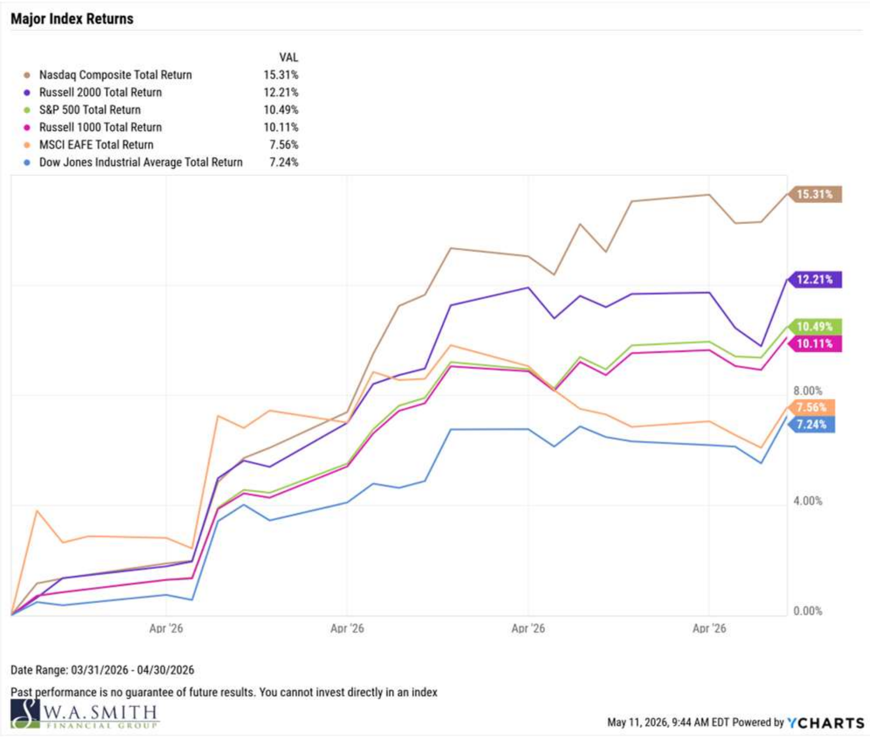


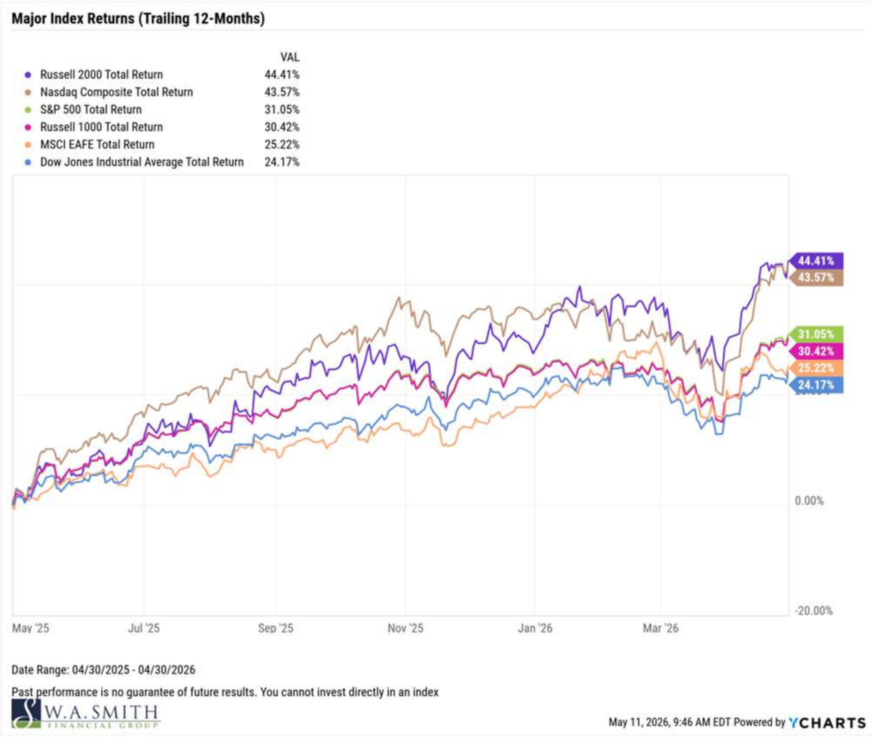
Markets Navigate a Sharp Rise in Oil Prices

- **Oil prices surged sharply in early 2026 amid geopolitical tensions:** Brent crude climbed above $124 per barrel and WTI exceeded $108, reflecting heightened concerns around global energy supply disruptions and instability in key producing regions
- **Energy market volatility accelerated significantly during March and April:** Both Brent and WTI moved well above their long-term averages, highlighting the market's sensitivity to geopolitical developments and renewed inflationary pressures tied to rising commodity prices
- **Higher energy prices contributed to broader market uncertainty:** The sharp rise in crude prices coincided with increased equity market volatility as investors reassessed inflation expectations, economic growth prospects, and the potential path of Federal Reserve policy
- **Despite energy-driven volatility, equities remained resilient:** The S&P 500 recovered strongly alongside elevated oil prices, suggesting investors continued to focus on underlying economic strength, earnings durability, and long-term growth opportunities despite near-term macro risks

Equity Markets Maintain Positive Momentum Into Q2 2026

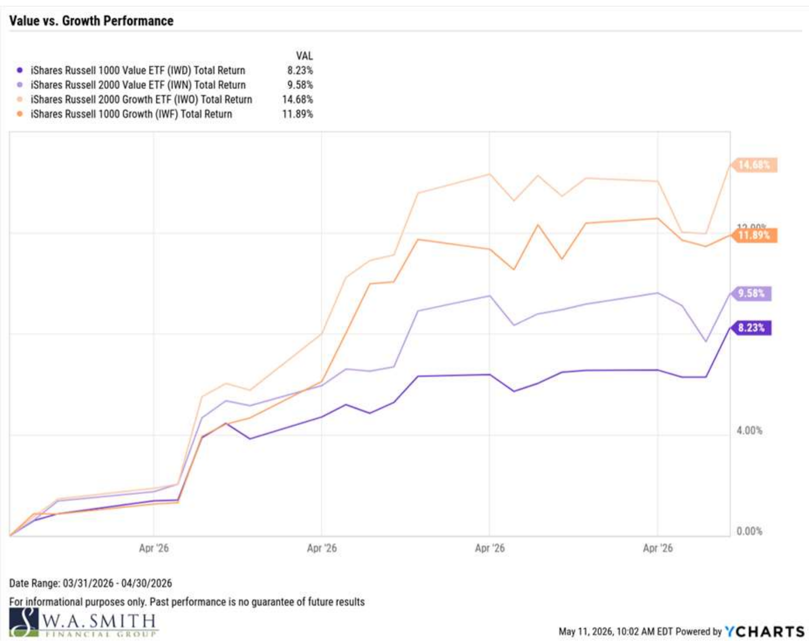
- **Equity markets delivered strong gains across major indexes over both the past month and trailing 12-months:** US equities continued to demonstrate resilience despite heightened volatility earlier in 2026, supported by improving investor sentiment and solid economic fundamentals
- **Growth-oriented and small-cap indexes led performance:** The Nasdaq and Russell 2000 outperformed broader large-cap benchmarks, reflecting renewed investor appetite for technology, innovation-driven sectors, and more cyclical areas of the market during the recovery phase
- **Broad market participation improved during April:** While mega-cap technology remained a key driver, gains extended across multiple market segments, with the S&P 500, Russell 1000, and international equities also posting solid positive returns

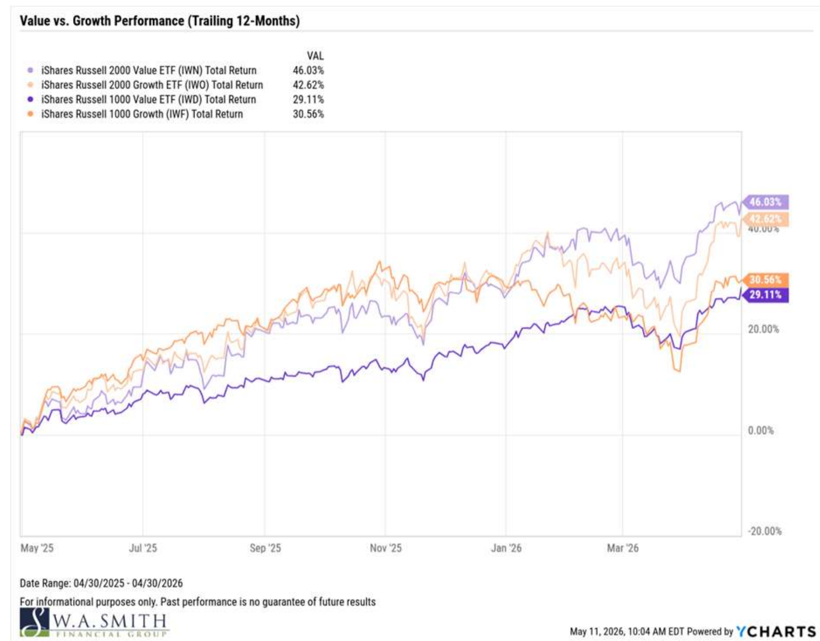




Growth Outperformance Returns During Market Recovery

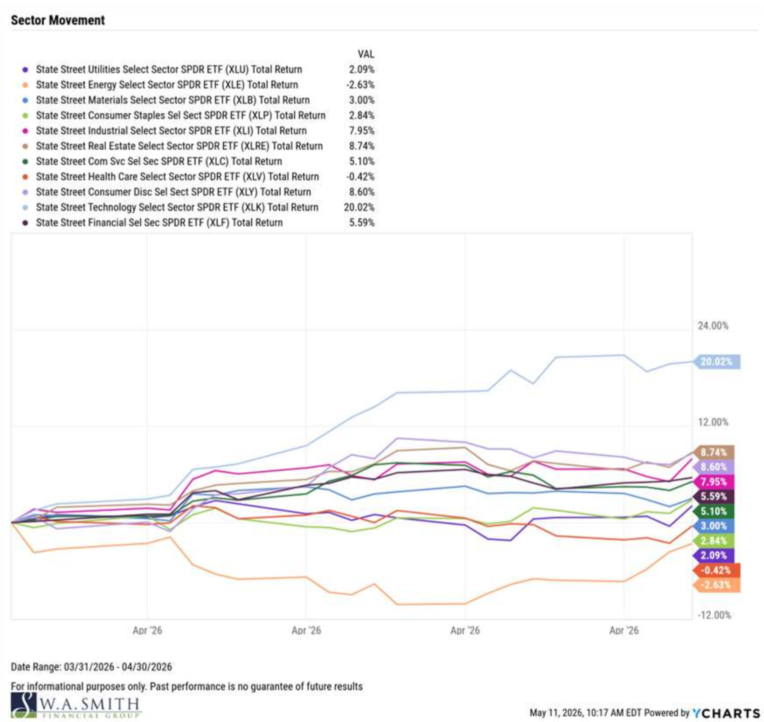
- **Growth equities outperformed value during the recent market recovery:** Over the past month, both large-cap and small-cap growth strategies led their value counterparts, reflecting renewed investor enthusiasm for technology, innovation, and higher-beta sectors
- **Small-cap equities demonstrated notable strength across styles:** Russell 2000 growth and value indexes both posted strong trailing 12-month returns, suggesting improving investor confidence in more economically sensitive areas of the market
- **Large-cap growth continued benefiting from technology leadership:** The Russell 1000 Growth ETF outperformed large-cap value over shorter periods as investors rotated back toward artificial intelligence and secular growth themes following the early-2026 pullback

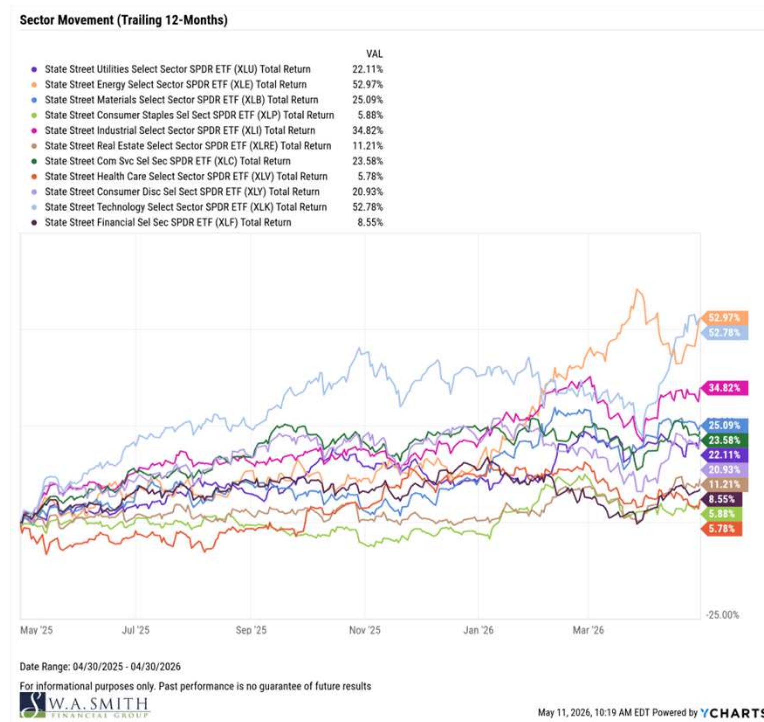


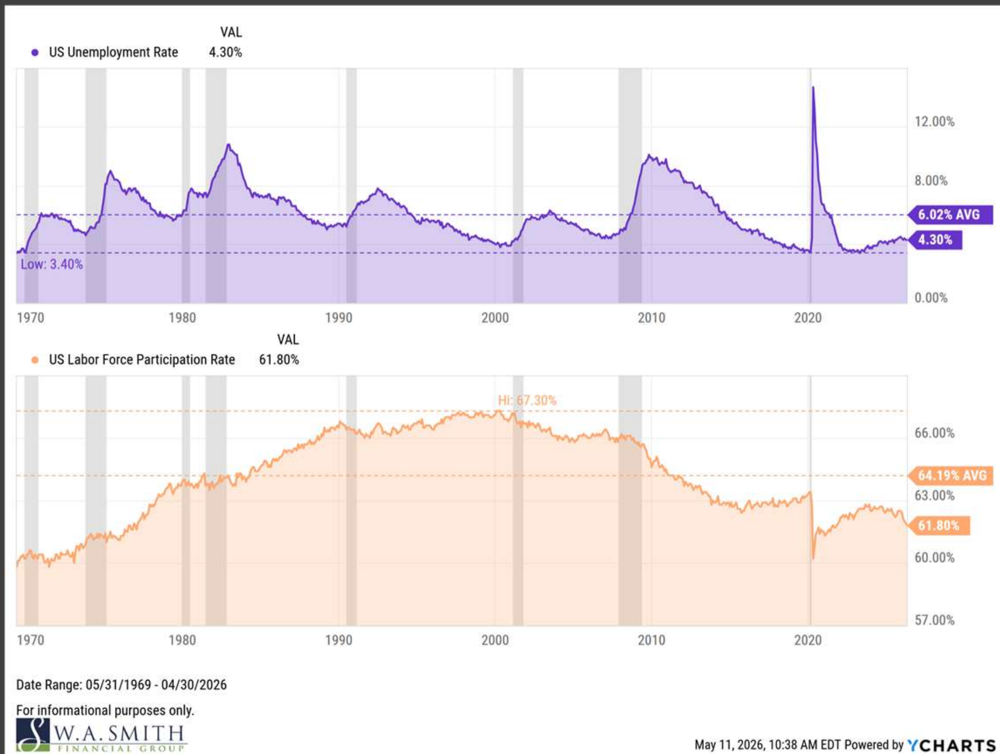


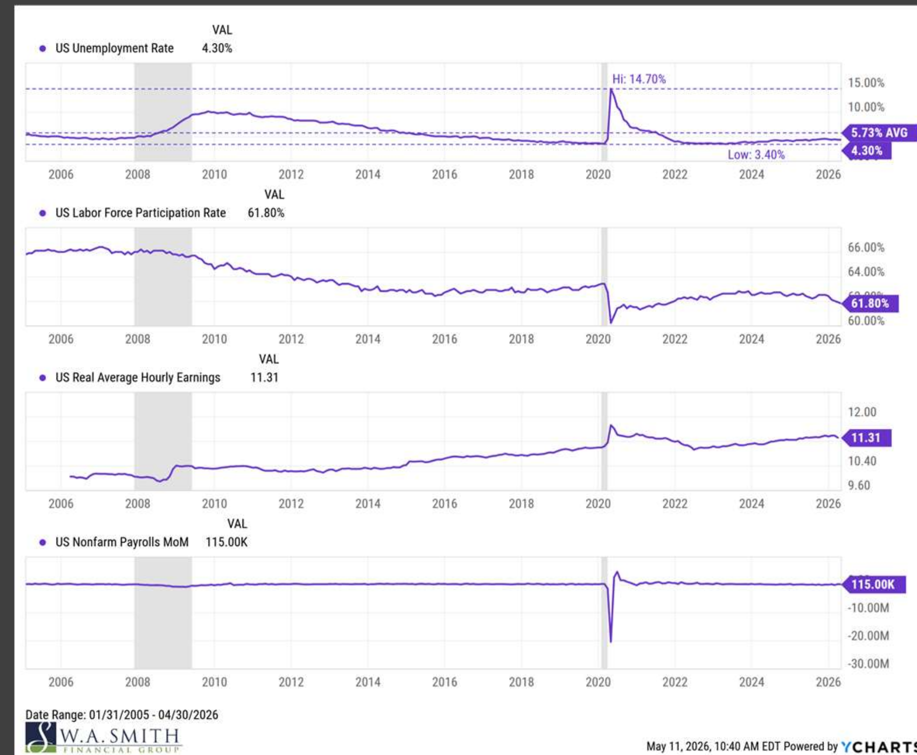
Diverging Sector Trends Shape Market Performance

- **Technology continued to lead sector performance:** The Technology sector significantly outperformed other market segments over both the short- and long-term periods, driven by continued strength in artificial intelligence, digital infrastructure, and large-cap growth companies
- **Sector leadership broadened beyond technology:** Consumer Discretionary, Real Estate, Industrials, and Communication Services also posted solid gains, reflecting improving investor confidence and broader participation across cyclical and growth-oriented sectors
- **Energy sector volatility remained elevated amid fluctuating oil prices:** Despite strong trailing 12-month performance, Energy lagged more recently as oil price swings and geopolitical uncertainty contributed to increased volatility and shifting investor positioning







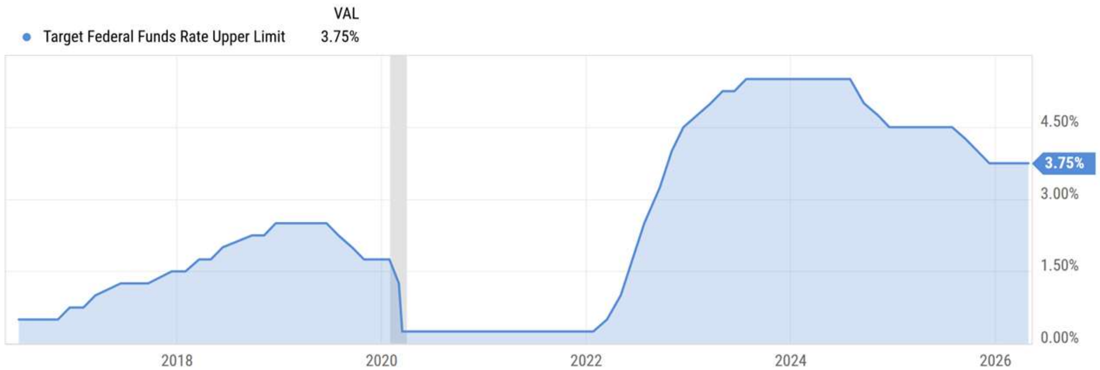


US Employment Trends Continue Supporting Economic Stability

- **The US labor market remains resilient despite signs of moderation:** The unemployment rate remains historically low at 4.3%, while nonfarm payroll growth continues to expand, suggesting the broader economy continues to maintain underlying strength entering mid-2026
- **Labor force participation remains below long-term historical averages:** Although participation has improved from post-pandemic lows, the labor force participation rate remains below pre-2008 and pre-pandemic levels, reflecting longer-term demographic and workforce structural shifts
- **Wage growth continues supporting consumer stability:** Real average hourly earnings have steadily improved in recent years, helping support household spending and consumer resilience despite inflation pressures and a more uncertain macroeconomic backdrop

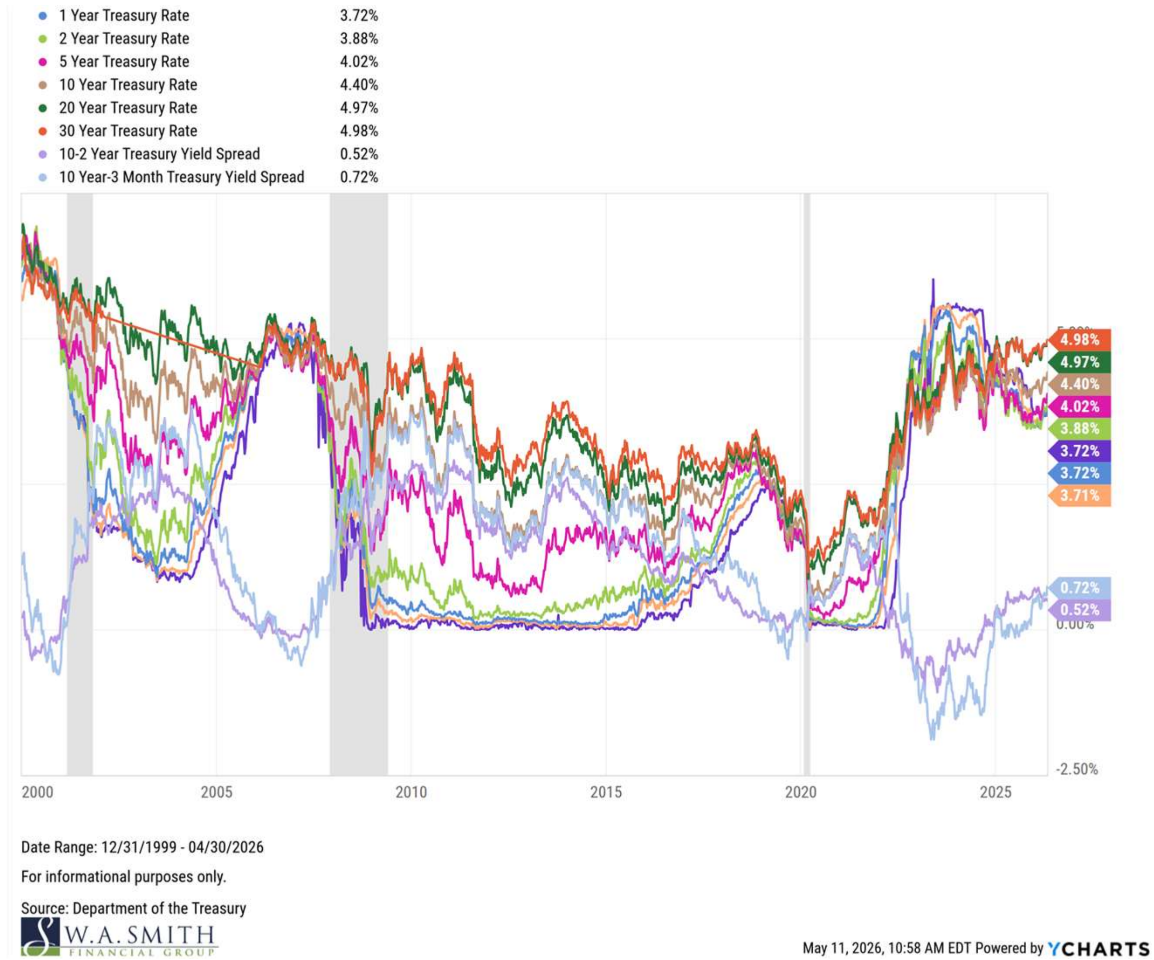
The Inflation and Interest Rate Landscape in 2026

- **Inflation continues to moderate but remains above long-term Federal Reserve targets:** Headline and core inflation measures have declined significantly from their 2022 peaks, though pricing pressures remain elevated enough to keep monetary policy cautious and data dependent
- **Core inflation measures continue to trend lower when excluding volatile energy components:** While headline inflation has remained sensitive to fluctuations in oil and energy prices tied to geopolitical developments, core CPI and core PCE readings have shown more moderate and stable trends. This suggests underlying inflation pressures across the broader economy continue to ease despite temporary energy-driven volatility in headline data
- **The Federal Reserve has shifted from aggressive tightening toward a more balanced policy stance:** After raising rates sharply to combat inflation, the Fed has gradually reduced rates to 3.75% as inflation trends improved and economic growth showed signs of moderation
- **Markets continue monitoring inflation, volatility, and yield curve signals closely:** Treasury yield spreads have normalized modestly while market volatility remains contained relative to prior crisis periods, suggesting investors expect slower but stable economic growth rather than a severe recessionary environment



Higher Interest Rates Continue to Shape Markets

- **Treasury yields have remained elevated over the past few years as the Federal Reserve maintained restrictive monetary policy:** Following the aggressive rate hiking cycle in 2022–2023, short- and intermediate-term yields stabilized at historically higher levels as inflation pressures persisted above long-term targets
- **The yield curve has gradually normalized after a prolonged inversion period:** Over the past two years, the spread between short- and long-term Treasury yields moved back into positive territory, reflecting improving economic sentiment and reduced expectations for a near-term recession
- **Longer-term yields remain elevated amid ongoing inflation and fiscal concerns:** Despite moderating inflation trends, 10-, 20-, and 30-year Treasury yields continue reflecting investor caution surrounding future inflation expectations, government debt issuance, and the path of long-term economic growth
- **Current curve structure supports intermediate-duration exposure:** The yield curve has modestly re-steepened, with short-term rates near ~3.7–3.8% and longer-term yields approaching ~5%, improving carry and roll-down opportunities in intermediate maturities. As stated previously, this supports the relative attractiveness of core fixed income versus cash, while maintaining a disciplined approach to longer-duration exposure amid still-elevated rate levels



New Timeseries Analysis

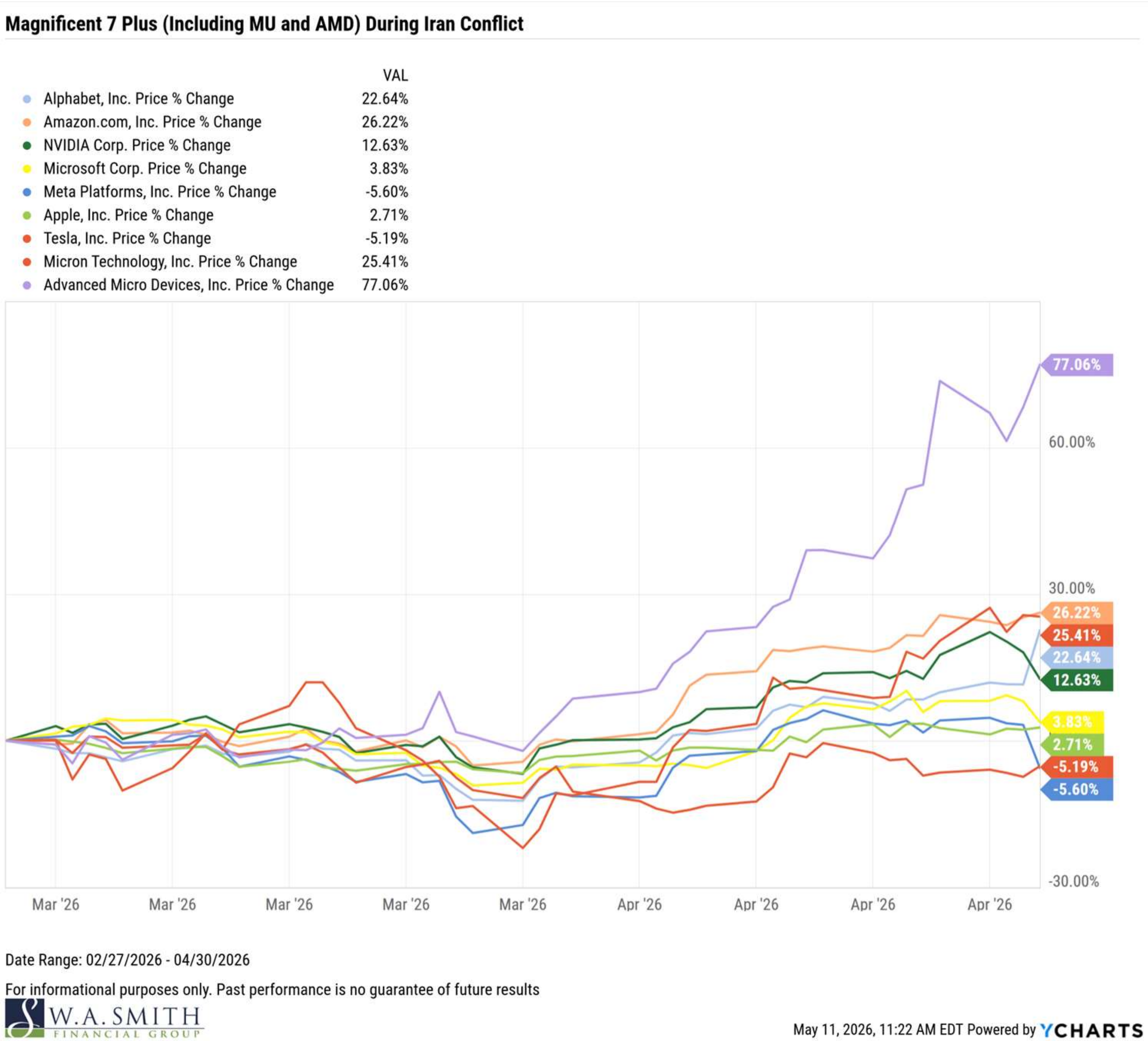
Data as of: May 11, 2026

Date Range: 12/30/2022 to 05/11/2026
Frequency: Monthly
Aggregation: End of Period (default)
Fill Method: No Fill

Symbol	Name	Metrics	May 31 '26	Apr 30 '26	Mar 31 '26	Feb 28 '26	Jan 31 '26	Dec 31 '25	Nov 30 '25	Oct 31 '25
I:10YTCMR	10 Year Treasury Rate		4.38%	4.40%	4.30%	3.97%	4.26%	4.18%	4.02%	4.11%
I:1MTCMR	1 Month Treasury Rat...		3.71%	3.72%	3.74%	3.74%	3.72%	3.74%	4.05%	4.06%
I:1YTCMR	1 Year Treasury Rate		3.75%	3.72%	3.68%	3.48%	3.48%	3.48%	3.61%	3.70%
I:20YTCMR	20 Year Treasury Rate		4.93%	4.97%	4.88%	4.57%	4.82%	4.79%	4.62%	4.65%
I:2YTCMR	2 Year Treasury Rate		3.90%	3.88%	3.79%	3.38%	3.52%	3.47%	3.47%	3.60%
I:30YTCMR	30 Year Treasury Rate		4.95%	4.98%	4.88%	4.64%	4.87%	4.84%	4.67%	4.67%
I:3MTCMR	3 Month Treasury Rat...		3.69%	3.68%	3.70%	3.67%	3.67%	3.67%	3.88%	3.89%
I:3YTCMR	3 Year Treasury Rate		3.92%	3.91%	3.81%	3.39%	3.60%	3.55%	3.49%	3.60%
I:5YTCMR	5 Year Treasury Rate		4.02%	4.02%	3.92%	3.51%	3.79%	3.73%	3.59%	3.71%
I:6MTCMR	6 Month Treasury Rat...		3.74%	3.71%	3.72%	3.60%	3.61%	3.59%	3.74%	3.79%

Higher-for-Longer Rates Continue Shaping Markets

- **Yield curve continues to normalize and modestly steepen:** Treasury yields remained elevated across most maturities into May 2026, with the 10-year Treasury holding near ~4.4% while shorter-term rates remained closer to ~3.7%–3.9%, resulting in a more positively sloped yield curve compared to prior years
- **Key Treasury spreads remain in positive territory:** Both the 10Y–2Y spread (~+0.5%) and the 10Y–3M spread (~+0.7%) remain positive, signaling improved economic sentiment, moderating recession expectations, and a gradual transition away from the deeply inverted curve environment experienced during 2023–2024
- **Elevated long-term yields reflect persistent inflation and fiscal uncertainty:** Higher yields across the 20- and 30-year Treasury maturities (~4.9%–5.0%) suggest investors continue demanding additional compensation for long-term inflation risks, elevated government borrowing needs, and ongoing macroeconomic uncertainty despite expectations for eventual Federal Reserve easing



Semiconductor Strength Highlights AI Investment Theme

- **AI infrastructure and semiconductor-related companies continued demonstrating significant relative strength during the Iran conflict period:** While broader market volatility increased amid geopolitical uncertainty, companies tied to artificial intelligence infrastructure and data center expansion substantially outperformed, highlighting continued investor conviction in long-term AI growth trends
- **The addition of AMD and Micron helps illustrate the expanding breadth of the AI investment theme beyond the traditional "Magnificent 7":** Advanced Micro Devices (+77%) and Micron Technology (+25%) materially outperformed many mega-cap peers, reflecting growing market emphasis on semiconductors, memory demand, and compute infrastructure required to support accelerating AI adoption
- **Performance dispersion within mega-cap technology remained elevated despite broader AI optimism:** Companies with stronger perceived exposure to AI-related capital spending and cloud infrastructure outperformed, while more consumer-sensitive or cyclical names such as Tesla and Meta experienced weaker relative performance during the period
- Note: The purpose is to provide a view of how the "Magnificent 7" have performed during increased volatility and how there are other names that are associated with the AI build that are benefiting from the increase in breadth (even if it is increasing in specific sectors)

Disclosure Information

- The information contained herein: (1) is proprietary to W.A. Smith Financial Group and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Any information herein about providers, speakers, and services does not constitute a recommendation or endorsement. This material is not to be distributed without express written consent of W. A. Smith Financial Group. In regards to your own financial situation, you should consult with a financial professional before acting on specific action or suggestions given. For legal or tax advice, you should contact your qualified attorney or CPA. Insurance and tax planning services offered through W. A. Smith Financial, LLC. Investing involves risk, including the potential loss of principal. No investment strategy can guarantee a profit or protect against loss in periods of declining values. Investment Advisory Services offered through Great Lakes Retirement, Inc., an SEC-Registered Investment Advisor. Registration does not denote any level of skill or qualification.

Additional Disclosure Information

- Index - An index is an unmanaged portfolio of specific securities, the performance of which is often used as a benchmark in judging the relative performance of certain asset classes. Investors cannot invest directly in an index. An index does not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown.
- The information herein was obtained from various sources. WA Smith does not guarantee the accuracy or completeness of information provided by third parties. The information in this report is given as of the date indicated and believed to be reliable. WA Smith assumes no obligation to update this information, or to advise on further developments relating to it.
- **S&P 500 –** measures the performance of 500 widely held stocks in US equity market. Standard and Poors chooses member companies for the index based on market size, liquidity and industry group representation. Included are the stocks of industrial, financial, utility, and transportation companies. Since mid-1989, this composition has been more flexible and the number of issues in each sector has varied. It is market-capitalization weighted.
- **NASDAQ Composite Index** – a market-weighted index of all over-the-counter common stocks traded on the National Association of Securities Dealers Automated Quotation System.
- **Russell 1000** – The index measures the performance of the large-cap segment of the US equity securities. It is a subset of the Russell 3000 index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership.
- **Dow Jones Industrial Average Price Return Index** – a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry.
- **Russell 2000 Index** – measures the performance of the small-cap segment of the U.S. equity universe.
- **MSCI EAFE Index** – a stock market index that is designed to measure the equity market performance of developed markets outside of the U.S. & Canada. It is maintained by MSCI, Inc., a provider of investment decision support tools; the EAFE acronym stands for Europe, Australasia and Far East.