QUARTERLY 2Q23
TACTICAL ASSET ALLOCATION

Surging inflation and interest rate expectations undermined stock and bond markets last year. There are nascent signs these trends may be reversing. Accordingly, stocks and bonds have rallied so far in 2023, despite the emergence of concerns in the banking sector. After a period of being slightly underweight equities, we have aligned tactical portfolio risk exposure close to benchmarks to reflect improvement in our WCA Barometer, coupled with a wide band of uncertainty around the forecast.

In our 2023 Viewpoint, we forecast inflation and interest rate fears to fade this year, possibly leading to positive surprises in the stock and bond markets. The WCA Barometer now shows signs of improvement, as inflation expectations have stopped rising, market-based expectations for future interest rates indicate the possible end of Federal Reserve (Fed) rate hikes, and there is little evidence of increasing default risk and imminent recession.

However, the sudden failure of two prominent banks raises concerns about eventual tighter credit and economic headwinds. We thus see a mix of data, evidencing both good and bad trends for the outlook. This leads to some forecasting ambiguity; therefore, portfolio exposures are aligned close to benchmarks.

What Has Changed?

While surging and unexpected inflation, coupled with an unmooring of interest rates, weighed on the market last year, those trends may now be reversing.

The charts to the right show how the sharp rise in expected inflation and interest rates has paused (top two graphs). Also, corporate bond yield spreads over U.S. Treasuries remain near average, consistent with economic growth.

After declines last year, the stock and bond markets are up in 2023, with the S&P 500 and long-term U.S. Treasury bond returning about 7.5% through March. Our own WCA Barometer also shows signs of improvement (page 3). These developments are all positive contributors to the outlook.

Out of the Woods?

We can not say we are entirely out of the woods yet. The sudden failure of two prominent banks last month raised the specter of tighter credit. Even before Silicon Valley and Signature banks collapsed, most U.S. banks were already tightening credit standards by charging more for riskier loans, requiring more collateral, and imposing stricter loan covenants, according to a recent Fed survey of loan officers.

If credit conditions tighten further, the economy could suffer, pouring cold water on improving trends.

Where's the Recession?

A historically reliable predictor of recession is the U.S. Treasury market. Before each recession of the past 50 years, the yield on long-term Treasury bonds fell below that of short-term Treasury bills, in what is known as a "curve inversion."

Today, the yield on the 10-year Treasury is 1.5% (150 basis points) below that of the 3-month Treasury bill. Today's inversion has led to calls for a harsh recession ahead. But if there is to be a recession, forecasters do not see it as imminent. Most first-quarter U.S. economic growth forecasts are rising and are now in the 1.5-2.5% range versus 0% earlier this year.

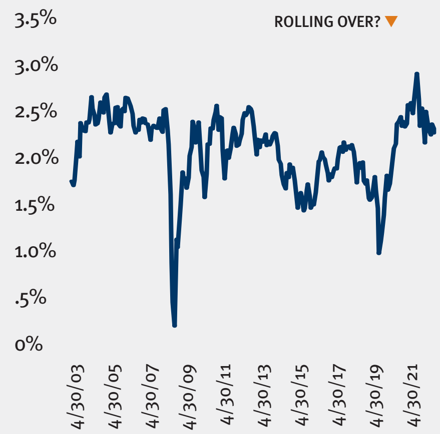
Wide Margin of Error

There are crosscurrents in incoming data, and recent banking issues present a wildcard. Rising jobless claims, slipping S&P 500 earnings forecasts, weak manufacturing data, fading retail figures, and the aforementioned yield-curve inversion muddy the water. So as we enter the second quarter, trends are improving, but our forecast involves a wide margin of error.

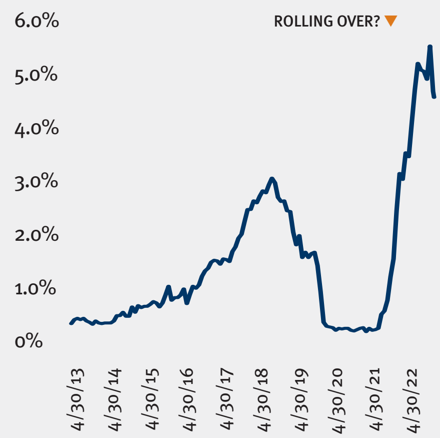
Conclusion

Given the mixed but better tone in the data this year versus last, we have aligned portfolio exposure close to the benchmark. As more data comes in, we will make further tactical adjustments.

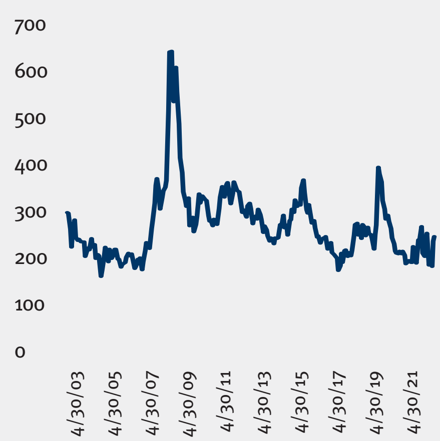
LONG-RUN INFLATION EXPECTATIONS (TIPS Implied)
Source: Bloomberg



INTEREST RATE EXPECTATIONS (3mo. x 1yr. Forward Rate)
Source: Bloomberg



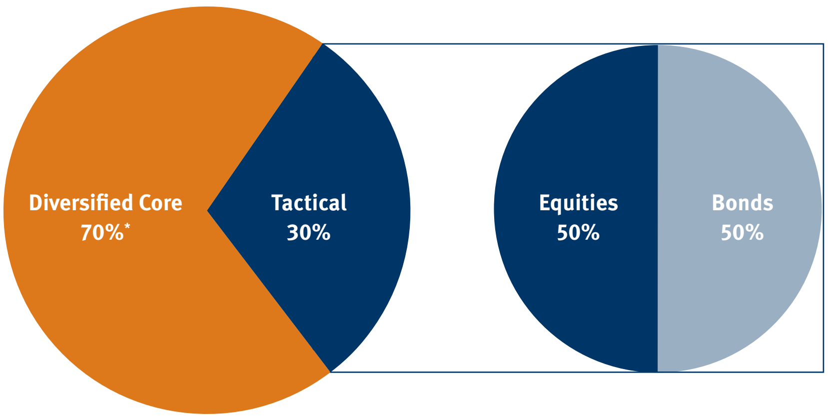
CREDIT SPREADS (Baa – 10yr. Treasury Yield) (BPS)
Source: Bloomberg, WCA



PORTFOLIO STRUCTURE

DIVERSIFIED CORE
Longer-Term Focus

SATELLITE
Shorter-Term Focus



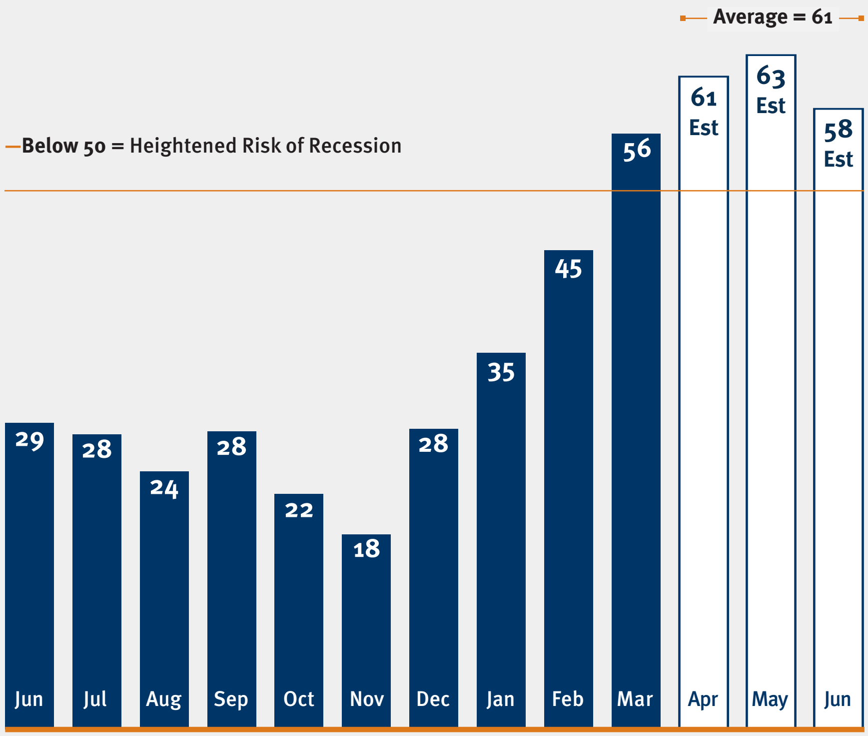
COMBINING LONGER- AND SHORTER-TERM PERSPECTIVES IN ONE ACCOUNT

We think of portfolios as having two parts. At the "core" of the portfolio is a diversified equity and diversified bond allocation. The forecasts, valuations, and trends on page 4 guide these allocations. Because these factors are longer term, changes in the core tend to be slower than the satellite, reducing turnover.

The smaller 30% (blue circle) is the "satellite." As fundamental conditions change, shorter term "tactical" tilts between stocks and bonds are implemented here.

SATELLITE POSITIONING: SHORTER-TERM FOCUS

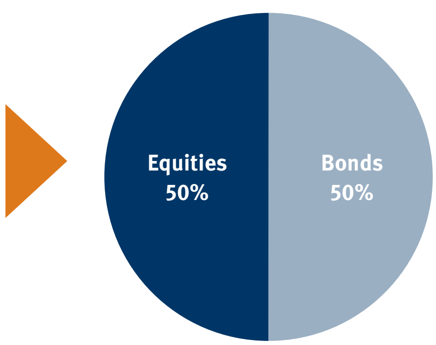
WCA FUNDAMENTAL CONDITIONS BAROMETER



We regularly assess changes in fundamental conditions to help guide near-term asset allocation decisions. Analysis incorporates approximately 30 forward-looking indicators in categories ranging from Credit and Capital Markets to U.S. Economic Conditions and Foreign Conditions. From each category of data, we create three diffusion-style sub-indices that measure the trends in the underlying data. Sustained improvement that is spread across a wide variety of observations will produce index readings above 50 (potentially favoring stocks), while readings below 50 would indicate potential deterioration (potentially favoring bonds). The WCA Fundamental Conditions Index combines the three underlying categories into a single summary measure. This measure can be thought of as a "barometer" for changes in fundamental conditions.

SATELLITE
Shorter-Term Tactical

The equity allocation is tactically adjusted to align with the forecast barometer (see chart left).



As of March 31, 2023.
* Including stocks, bonds, and other assets.

ASSET CLASS	10-YEAR VIEW RETURN	Y/Y CHANGE	RISK	RETURN/RISK	TACTICAL POSITION
BOND ASSUMPTIONS					
Core Bonds	3.2%	0.6%	4.3%	0.8	NEUTRAL
1-3 Year Treasury Bond	3.0%	0.5%	1.3%	2.3	NEUTRAL
Mortgage-Backed Securities	3.8%	0.7%	4.0%	1.0	UNDERWEIGHT
Intermediate Government/Credit	3.2%	0.4%	3.0%	1.1	UNDERWEIGHT
20+ Year Treasury Bond	3.0%	2.8%	12.7%	0.2	OVERWEIGHT
Investment-Grade Corporate Bonds	4.0%	0.2%	7.5%	0.5	OVERWEIGHT
High-Yield Corporate Bonds	5.8%	-0.3%	7.5%	0.8	NEUTRAL
EQUITY ASSUMPTIONS					
Equity	5.9%	-0.3%	15.2%	0.4	NEUTRAL
Domestic Large Cap Value	7.1%	-0.8%	15.0%	0.5	NEUTRAL
Domestic Large Cap Growth	4.5%	-0.2%	16.5%	0.3	UNDERWEIGHT
Foreign Developed Equity Markets	10.1%	2.0%	15.0%	0.7	OVERWEIGHT
Foreign Emerging Equity Markets	14.5%	5.0%	16.6%	0.9	NEUTRAL
Gold	1.5%	0.7%	15.0%	0.1	OVERWEIGHT
REITs	8.8%	2.0%	16.7%	0.5	UNDERWEIGHT

As of March 31, 2023. Past performance does not guarantee future results.

Core Satellite

CORE POSITIONING: DECISION TREE	
EQUITY vs. FIXED	**Recent barometer improvement raises equity exposure to neutral**
FOREIGN vs. DOMESTIC	**Small overweight to foreign helped by relative valuations**
EMERGING vs. DEVELOPED	**Reduce degree of overweight to foreign developed**
GROWTH vs. VALUE	**Reduce underweight to growth, maintain neutral value weight**
CREDIT vs. SOVEREIGN	**Overweight credit and sovereign vs. high-yield and short duration**
SHORT vs. LONG DURATION	**Underweight short duration, overweight longer duration**
NON-CORRELATED ASSETS	**Favor gold, underweight REITs, and neutral high-yield**

About Washington Crossing Advisors

Washington Crossing Advisors, LLC (“WCA”) is an SEC registered investment adviser and wholly owned subsidiary of Stifel Financial Corp. WCA helps supervise and manage over $8 billion in assets under advisement for individuals and institutions.*

The team is managed by Kevin R. Caron, CFA, and Chad A. Morganlander, who were among the founding members of Washington Crossing Advisors.

Washington Crossing Advisors’ views on investing and markets are regularly sought by national media outlets, including *CNBC*, *Bloomberg*, *Fox Business News*, *The Wall Street Journal*, *Forbes*, and *Reuters*.

Philosophy and Process

We believe that investments should be selected only after clear and quantified measures of value, risk, and potential reward have been made. Our investment approach combines top-down analysis of the macro economy with fundamentally rooted, bottom-up security analysis.

** Assets under advisement as of March 31, 2023.*

Description of Indices and Terms Description of Indices and Terms: All performance calculations of indices are calculated on a total return basis (reflecting reinvestment of dividends and other earnings). Indices are unmanaged, are not available for direct investment, and have no associated management fees.

Bloomberg Barclays Aggregate Bond Index: A composite of the Bloomberg Barclays Gov't/Corp Index, Mortgage-Backed Securities Index, and Asset-Backed Securities Index, including securities that are investment grade or better, have at least one year to maturity, and have an outstanding par value of at least $100 million.

S&P 500 Index: Capitalization-weighted composite of 500 stocks traded on the NYSE, AMEX, and NASDAQ; not the largest 500 stocks in U.S., but rather a blend of leading companies in leading industries in the U.S. economy; index comprised of 10 broad industrial sectors.

Dow Jones U.S. Select REIT: The Dow Jones U.S. Select REIT Index intends to measure the performance of publicly traded REITs and REIT-like securities. The index is a subset of the Dow Jones U.S. Select Real Estate Securities Index (RESI), which represents equity real estate investment trusts (REITs) and real estate operating companies (REOCs) traded in the U.S.

The ICE U.S. Treasury 1-3 Year Bond Index is a market value weighted index designed to measure the performance of U.S. dollar-denominated, fixed rate U.S. Treasury securities with minimum term to maturity greater than one year and less than or equal to three years.

Markit iBoxx USD Liquid High Yield Index consists of liquid USD high yield bonds, selected to provide a balanced representation of the broad USD high yield corporate bond universe.

Moody's Baa Corporate Bond Index—An index comprised of industrial bonds rated Baa by Moody's with a minimum maturity of 20 years.

Consumer Price Index—A measure of the average change in prices over time for a basket of consumer goods.

Asset allocation and diversification do not ensure a profit or protect against loss.

The FTSE Developed All Cap ex U.S. Index is part of a range of indices designed to benchmark international investments. The index comprises large, mid and small cap stocks from developed markets excluding the U.S.

The FTSE Emerging Markets All Cap China A Inclusion Index is a market-capitalization weighted index representing the performance of large, mid and small cap stocks in Emerging markets. The index is comprised of approximately 3350 securities from 21 countries.

International and Emerging Markets Investing—There are special considerations associated with international investing, including the risk of currency fluctuations and political and economic events. Investing in emerging markets may involve greater risk and volatility than investing in more developed countries.

Bonds and High Yield Bonds—When investing in bonds, it is important to note that as interest rates rise, bond prices will fall. High yield bonds have greater credit risk than higher quality bonds.

Commodities and Futures—The risk of loss in trading commodities and futures can be substantial. You should therefore carefully consider whether such trading is suitable for you in light of your financial condition. The high degree of leverage that is often obtainable in commodity trading can work against you as well as for you. The use of leverage can lead to large losses as well as gains.

Real Estate—When investing in real estate companies, property values can fall due to environmental, economic, or other reasons, and changes in interest rates can negatively impact the performance.

Opportunity Disclosure: The Washington Crossing Advisors, LLC Stifel Conquest and Conquest Alternatives Portfolios require a $25,000 minimum investment. More information on the Stifel Opportunity Program is included in the Stifel Consulting Services Disclosure Brochure and Part II of the Manager's Form ADV, which may be obtained from your Financial Advisor and which further outlines the fees, services, exclusions, and disclosures associated with this program. The information contained herein is believed to be reliable and representative of the portfolios available through Stifel; however, the accuracy of this information cannot be guaranteed. Investors should consider all terms and conditions before deciding whether the Opportunity Program and these strategies are appropriate for their needs.

The S&P CoreLogic Case-Shiller 20-City Composite Home Price NSA Index is a value-weighted average that seeks to measure the value of residential real estate in 20 major U.S. metropolitan areas. The index is a composite of single-family home price indices for the nine U.S. Census divisions.

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All investments involve risk, including loss of principal, and there is no guarantee that investment objectives will be met. It is important to review your investment objectives, risk tolerance, and liquidity needs before choosing an investment style or manager. Equity investments are subject generally to market, market sector, market liquidity, issuer, and investment style risks, among other factors to varying degrees. Fixed Income investments are subject to market, market liquidity, issuer, investment style, interest rate, credit quality, and call risks, among other factors to varying degrees.

Any projections, targets, or estimates in this report are forward looking statements and are based on WCA's research, analysis, and assumptions made by the Adviser. Due to rapidly changing market conditions and the complexity of investment decisions, supplemental information and other sources may be required to make informed investment decisions based on your individual investment objectives and suitability specifications. All expressions of opinions are subject to change without notice. Clients should seek financial advice regarding the appropriateness of investing in any security or investment strategy discussed in this commentary. Registration with the SEC does not imply a certain level of skill or training.

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www.washingtoncrossingadvisors.com

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