QUARTERLY 4Q23
TACTICAL ASSET ALLOCATION

Although the economy is faring better than expected this year, we see a mixed bag of signals. For example, while popular market-capitalization weighted stock indices are up for the year, the average stock is essentially flat. Moreover, the outlook for corporate profits and capital spending are flattening out, suggesting muted growth in the private sector ahead. Similarly, monetary and fiscal policies have diverged. Monetary policy is restrictive (higher interest rates), while fiscal policy is expansive (rising deficits). Cross currents such as these lead to a neutral read of incoming data, suggesting we keep portfolio risk exposure very close to benchmarks.

So far, the economy has proven more resilient than most envisioned at the year's start. Mega-capitalization technology stocks dominated the first part of the year. The NASDAQ 100 composite index, which fell 33% last year, is up 35% this year, leaving the total period return -10%. Meanwhile, the S&P 500's 13% return is also helping reverse much of last year's 17% loss. Such performance is a welcome development. However, there is more to the story than what can be found in the headline indices.

Stocks Struggle for Gains

Did you know the average S&P 500 stock is about flat for the year? As you can see in the top right chart, the unweighted average return for S&P 500 companies is far from the 13% return for the popular index. Still, the unweighted index return is near 0%. The point is that, while better than last year, today's market's leadership is very narrow, concentrated in a handful of huge stocks.

In the past year, most of the return for the famous, capitalization-weighted S&P 500 index resulted from rising stock valuations, not earnings. A year ago, the S&P 500's earnings "yield" (earnings/price) was 6.5% ($234/3,585=6.5%), and that "yield" is 5.5% today ($237/4,290=5.5%). Last year's 6.5% earnings yield was 2.7% above the then-prevailing 3.8% U.S. Treasury yield. Now, that yield advantage is below 1% — the tightest spread in two decades (chart, middle). Given this, the S&P 500's advance may be in for a challenge as Treasury yields give stocks a run for their money.

Yields Look Better

The last year's backup in bond yields is very positive for future bond returns. Investors in balanced strategies should also benefit from higher yields and reinvestment rates. Previously, we often saw the bond yields as too low to compensate for risk. Today, we find bond yields much more compelling. We have come a long way from the near-zero rates of a couple short years ago, and bond investors are once again earning a spread over inflation. This is a very positive development for future bond returns.

Looking for a Catalyst

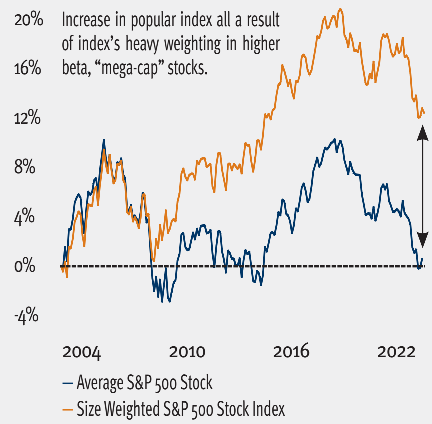
Lastly, we are paying attention to what might drive stocks higher from here. One place to focus is business investment and profits. The bottom chart to the right shows how the profit and investment cycle tends to move together. Notice how forecast earnings are closely tied to changes in business investment.

After a post-shutdown surge in 2020-2021, the pace of capital investment and profit growth has slowed to a near stall. Investment and profits must increase for a broader advance to sustain stock market gains. For now, we are happy to report that the economy and markets have fared better than the most dire forecasts for the year. Portfolio risk exposures remain moderately tilted to stocks over bonds, given improvements in fundamentals this year. However, the narrow market leadership by a handful of mega-cap stocks is far from a robust recovery. We are making progress but not out of the woods yet, and rising rates pose a new challenge that must be overcome.

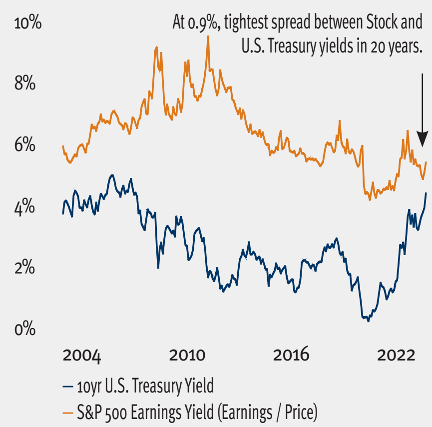
Portfolio Positioning

Because our "barometer" (next page) appears directionless, we keep risk exposures close to benchmarks. However, we are making a couple tactical changes. For example, we are increasing U.S. equity exposure versus foreign on improved relative domestic performance. We also bump up exposure to long-term Treasury bonds on better recent relative performance and higher starting yields for longer-run U.S. Treasury bonds.

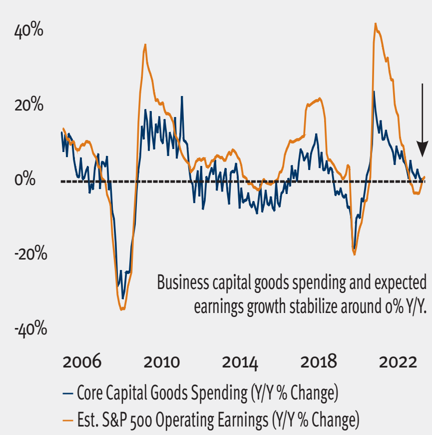
AVERAGE S&P 500 FLAT FOR THE YEAR
Source: Bloomberg



TIGHTEST SPREAD: STOCK/U.S. TREASURY YIELDS
Source: Bloomberg



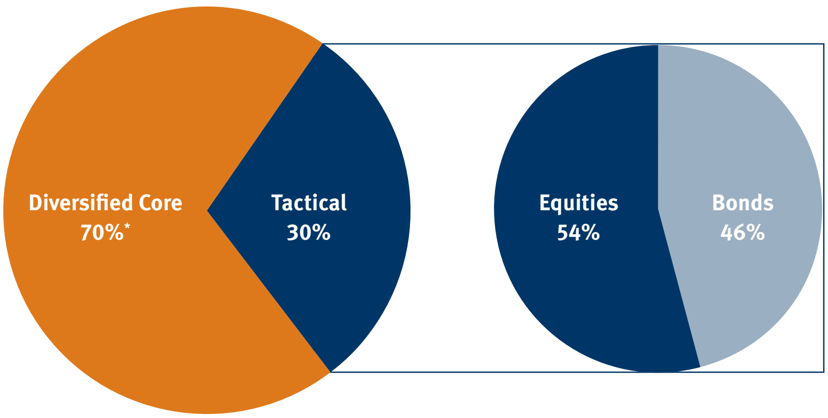
CAPITAL GOODS SPENDING
Source: Bloomberg, Census Bureau



PORTFOLIO STRUCTURE

DIVERSIFIED CORE
Longer-Term Focus

SATELLITE
Shorter-Term Focus



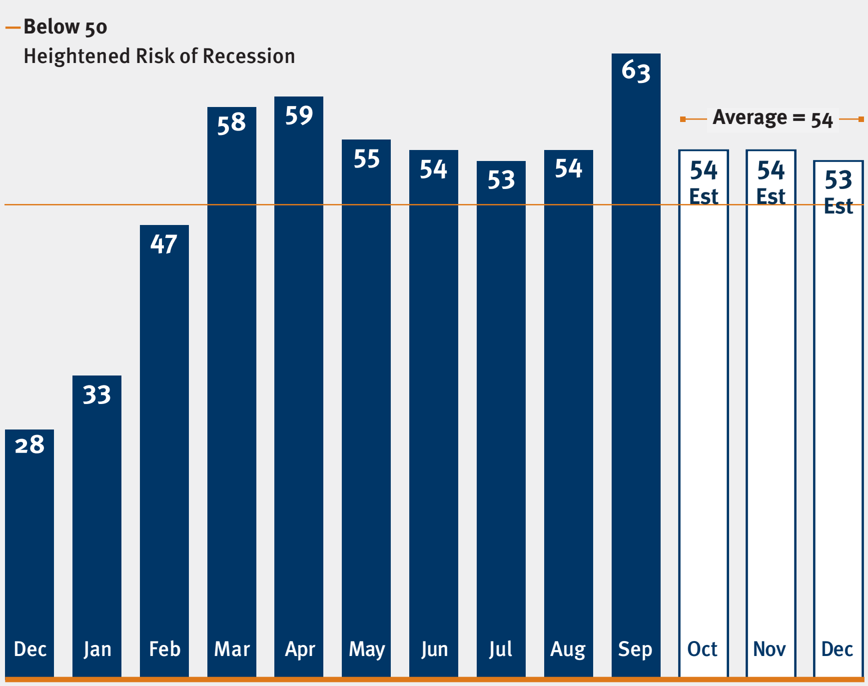
COMBINING LONGER- AND SHORTER-TERM PERSPECTIVES IN ONE ACCOUNT

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

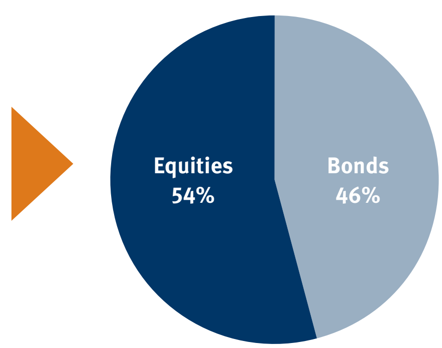
WCA FUNDAMENTAL CONDITIONS BAROMETER



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 September 30, 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	3.4%	0.21 %	4.4%	0.8	UNDERWEIGHT
1-3 Year Treasury Bond	3.1%	0.07 %	1.3%	2.3	NEUTRAL
Mortgage-Backed Securities	3.4%	(0.17)%	4.1%	0.8	OVERWEIGHT
Intermediate Government/Credit	3.2%	0.05 %	3.0%	1.1	UNDERWEIGHT
20+ Year Treasury Bond	4.7%	1.53 %	12.8%	0.4	UNDERWEIGHT
Investment-Grade Corporate Bonds	3.9%	(0.65)%	7.5%	0.5	OVERWEIGHT
High-Yield Corporate Bonds	4.3%	(2.66)%	7.4%	0.6	OVERWEIGHT
EQUITY ASSUMPTIONS					
Equity	6.1%	(2.20)%	15.3%	0.4	OVERWEIGHT
Domestic Large Cap Value	6.1%	(3.06)%	15.1%	0.4	UNDERWEIGHT
Domestic Large Cap Growth	5.9%	(1.42)%	16.6%	0.4	OVERWEIGHT
Foreign Developed Equity Markets	6.2%	(5.69)%	15.0%	0.4	NEUTRAL
Foreign Emerging Equity Markets	5.8%	(7.31)%	16.7%	0.3	UNDERWEIGHT
Gold	4.2%	2.04 %	14.1%	0.3	NEUTRAL
REITs	5.7%	(2.99)%	16.7%	0.3	UNDERWEIGHT

As of September 30, 2023. Past performance does not guarantee future results.

Core Satellite

CORE POSITIONING: DECISION TREE

EQUITY vs. FIXED	**Slight tilt to equity over fixed income given barometer readings**
FOREIGN vs. DOMESTIC	**Raising domestic vs. foreign on better U.S. performance and outlook**
EMERGING vs. DEVELOPED	**Remaining underweight emerging as EM stays weak**
GROWTH vs. VALUE	**Overweight growth vs. value on continued positive momentum**
CREDIT vs. SOVEREIGN	**Maintaining balanced exposure between sovereign and corporates**
SHORT vs. LONG DURATION	**Increasing exposure on long duration bonds, maintain underweight**
NON-CORRELATED ASSETS	**Overweight high-yield vs. REITs | Maintain neutral gold position**

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 total assets 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.

** As of September 30, 2023. Total assets include assets under management and assets under advisement.*

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 11 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.

The NASDAQ Composite Index is a capitalization-weighted index that is comprised of all stocks listed on the National Association of Securities Dealers Automated Quotation System stock market, which includes both domestic and foreign companies.

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.

This commentary often expresses opinions about the direction of market, investment sector, and other trends. The opinions should not be considered predictions of future results. The information contained in this report is based on sources believed to be reliable, but is not guaranteed and not necessarily complete.

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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