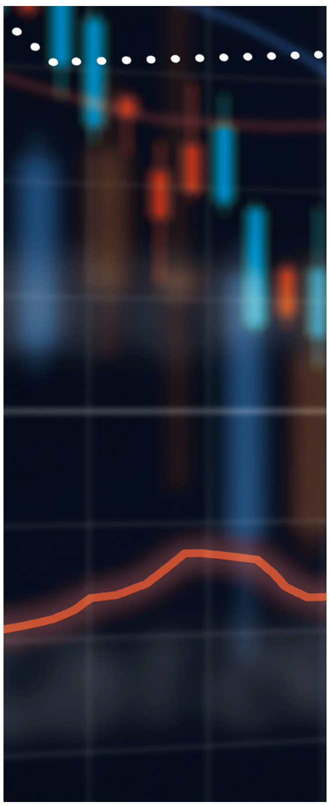
QUARTERLY 3Q24

TACTICAL ASSET ALLOCATION



- Economy and markets power ahead
- Record valuations for U.S. equities
- Concentrated leadership raises concerns

The U.S. economy grew to a record $28 trillion annualized in Q1, the equity market added $9 trillion over the past year, reaching a record $57 trillion, and our WCA Barometer shows positive (albeit fading) strength. Despite this, popular indices' gains are driven by a few mega-cap companies, leading to less diversification. Historically, smaller companies thrive in expansions and high-risk environments, yet today's market favors mega-caps. In this update, we address investor concern about growing market divergences between large and small, how we believe portfolios should be positioned to benefit from what comes next, provide an update of current conditions, and update our long-run capital market expectations.

Despite continued strength in the economy and markets, growing concerns about market divergences exist. Popular indices are reaching new highs, driven mainly by a few trillion-dollar, mega-capitalization (mega-cap) companies.

This concentration means market averages are becoming increasingly expensive, less diversified, and riskier.

Divergence in Market Performance

Traditional thinking suggests that investors would favor mega-cap companies over smaller ones during a recession or when the market has little appetite for risk. This belief is based on two key ideas:

1. Smaller companies tend to produce faster growth than larger ones during good times and suffer more than large ones in bad times.

2. Smaller companies benefit more from investors' growing risk appetite as they seek higher returns in exchange for higher risk. Large companies are favored over small ones when investors are worried and seek safety.

However, today's environment is neither one of recession nor risk aversion. We are in a period of economic expansion and risk-taking. Historically, small companies, represented by the S&P 600 Small-Cap Index, have generated about 50% faster earnings growth during most five-year expansionary periods since 2000. Typically, only during recessions did small-cap earnings per share contract faster than those of the "mega-cap" S&P 100 Index. Presently, signs of insatiable risk appetite are evident, from tight credit spreads to near-record low equity risk premiums (chart, top).

Size Premium Dynamics

Instead of placing a premium on smaller companies, the opposite trend is observed. The S&P 100 Index of large caps, which includes most of the mega-caps, now trades at a 60% premium to small caps (chart, bottom). This size premium last peaked in 1998-1999, just before a decade of underperformance for large caps. From 1999 through 2009, the S&P 100 Index fell by 35%, delivering a 10-year total return of -21%. In contrast, the S&P 600 Small Cap Index generated an 85% return, giving smaller companies a relative return advantage of over 106% for the decade.

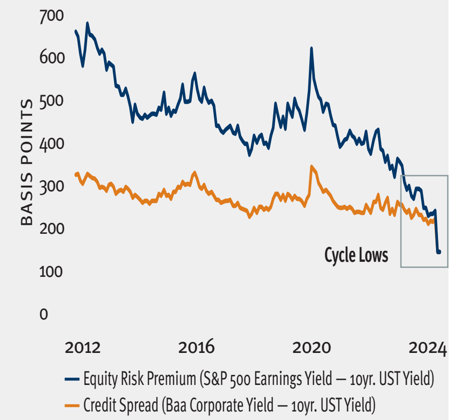
Uncertainty in Mega-Cap Dominance

It is difficult to determine if we are nearing the end of the current era of mega-cap dominance. What is clear is that the current enthusiasm extends beyond excitement over artificial intelligence (AI). A recent Bloomberg report highlighted that many established technology companies are warning investors of potential risks from disruptive AI. Furthermore, there has been a decade-long momentum building for large caps, with interest in AI technologies only furthering this trend. This increasing concentration among a few large companies means that the market averages are less diversified, amplifying risks associated with individual company performance.

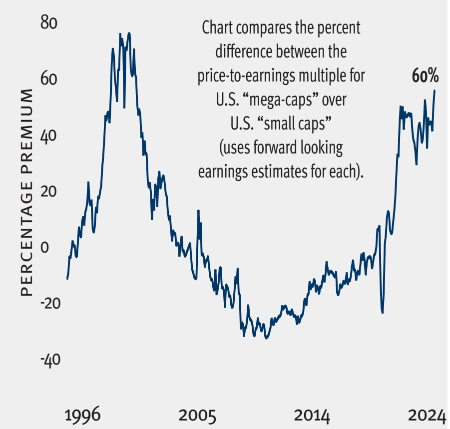
Sustainability Concerns

The growing appreciation for "large" is likely unsustainable. As disparities grow and the valuations of the largest companies reach levels that are difficult to justify, even under optimistic scenarios, the valuation "gap" between large and small is likely to shrink, as it has in past cycles.

STOCK AND BOND RISK PREMIA NEAR CYCLE LOWS
Source: Bloomberg, WCA



MEGA-CAP "PREMIUM" NEARING 1990s HIGHS
Source: Bloomberg, WCA



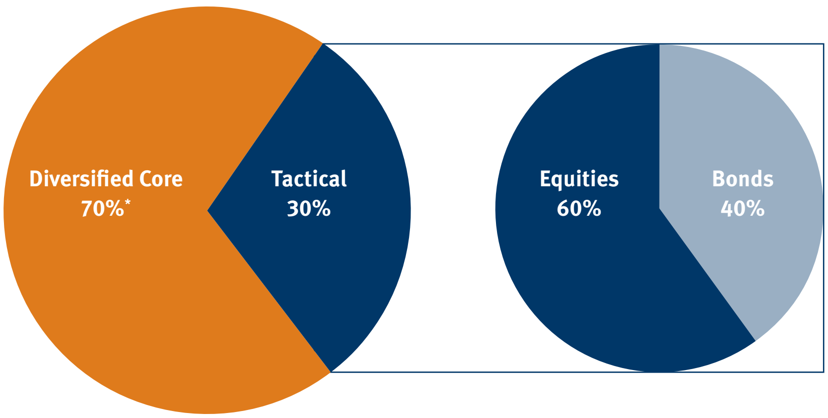
Conclusion and Positioning

While mega-cap stocks are currently driving market highs, historical precedents and current risk indicators suggest caution. The premium placed on large companies relative to smaller ones may not be sustainable in the long run. To address the growing imbalances in today's markets, investors should consider diversifying across multiple asset classes, rebalancing positions that may have drifted from target, and adding non-market capitalization weighted funds or strategies. These approaches may help mitigate some of the risks associated with the current concentration in market leadership and enhance overall portfolio resilience.

PORTFOLIO STRUCTURE

DIVERSIFIED CORE
Longer-Term Focus

SATELLITE
Shorter-Term Focus



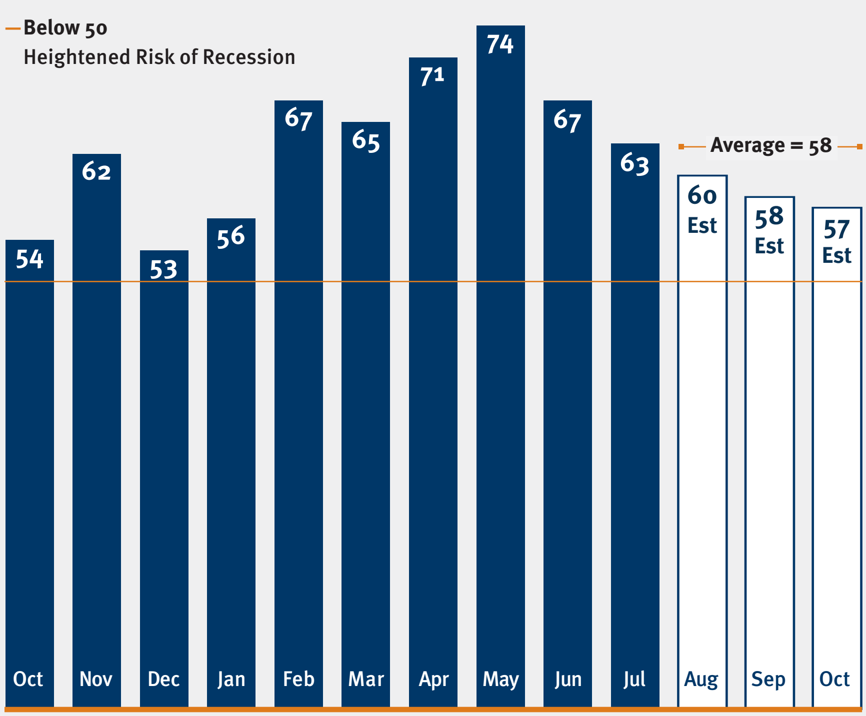
COMBINING LONGER- AND SHORTER-TERM PERSPECTIVES IN ONE ACCOUNT

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

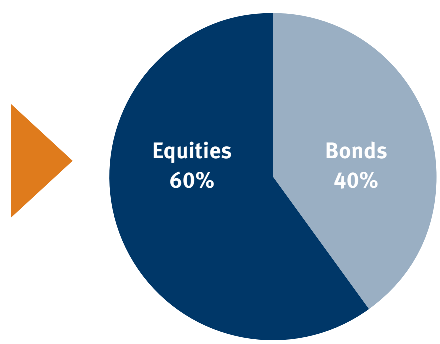
WCA FUNDAMENTAL CONDITIONS BAROMETER



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 June 30, 2024.
* 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%	0.22%	4.9%	0.7	UNDERWEIGHT
1-3 Year Treasury Bond	3.3%	0.30%	1.4%	2.3	NEUTRAL
Mortgage-Backed Securities	3.3%	-0.28%	4.8%	0.7	OVERWEIGHT
Intermediate Government/Credit	3.4%	0.20%	3.2%	1.1	UNDERWEIGHT
20+ Year Treasury Bond	4.2%	1.00%	13.6%	0.3	UNDERWEIGHT
Investment-Grade Corporate Bonds	3.7%	-0.93%	8.1%	0.5	OVERWEIGHT
High-Yield Corporate Bonds	3.8%	-3.22%	7.6%	0.5	UNDERWEIGHT
EQUITY ASSUMPTIONS					
Equity	4.4%	-3.90%	15.7%	0.3	OVERWEIGHT
Domestic Large Cap Value	4.6%	-4.61%	15.4%	0.3	OVERWEIGHT
Domestic Large Cap Growth	4.2%	-3.07%	17.1%	0.2	UNDERWEIGHT
Foreign Developed Equity Markets	4.0%	-7.86%	15.3%	0.3	NEUTRAL
Foreign Emerging Equity Markets	3.7%	-9.35%	16.6%	0.2	OVERWEIGHT
Gold	3.1%	0.94%	13.9%	0.2	OVERWEIGHT
REITs	4.4%	-4.31%	17.5%	0.3	UNDERWEIGHT

As of June 30, 2024. Past performance does not guarantee future results.

Core Satellite

CORE POSITIONING: DECISION TREE	
EQUITY vs. FIXED	**Neutral stocks vs. bonds to align with WCA Barometer forecast**
FOREIGN vs. DOMESTIC	**Neutral foreign vs. domestic (improving relative performance)**
EMERGING vs. DEVELOPED	**Overweight EM vs. DM (better relative EM performance)**
GROWTH vs. VALUE	**Tilt to value over growth (relative valuation favors value)**
CREDIT vs. SOVEREIGN	**Overweight high-grade corporate bonds**
SHORT vs. LONG DURATION	**Overweight shorter duration vs. long**
NON-CORRELATED ASSETS	**Overweight gold vs. real estate and high-yield corporate bonds**

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 June 30, 2024. 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 Aggregate Bond Index: A composite of the Bloomberg 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.

The S&P 100 Index, a sub-set of the S&P 500, is a market capitalization-weighted index that measures the performance of large cap companies in the United States. The Index comprises 100 major, blue chip companies across multiple industry groups.

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.

The S&P 600 Index is a capitalization-weighted index that represents the U.S. small capitalization market, including companies with a market cap in the range of $300 million to $2 billion. This index consists of 600 domestic stocks chosen for market size, liquidity, and industry representation. The S&P index committee uses the 50th and 83rd percentile of market value of all U.S. companies as a general guideline to identify small cap. None of the companies in the S&P Small Cap overlap with those in the S&P 500 nor the S&P Mid Cap 400.

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 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.

About Washington Crossing Advisors | Washington Crossing Advisors is a wholly owned subsidiary of Stifel Financial Corp. (NYSE-SF). The WCA team has been helping individual and institutional investors build wealth for over 25 years. www.washingtoncrossingadvisors.com