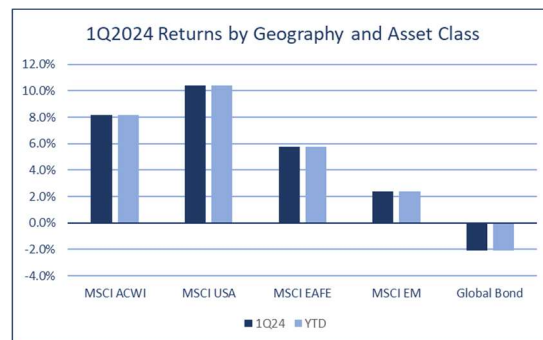


A Look Back...1st Quarter 2024

We call our quarterly review “A Look Back” to remind our readers that is all it is – backward looking. While it is important to keep tabs on what your portfolio is doing, it is equally important to ignore short-term results. Keep focused on the long-term goals of your portfolio and whether it is achieving them.

The Markets

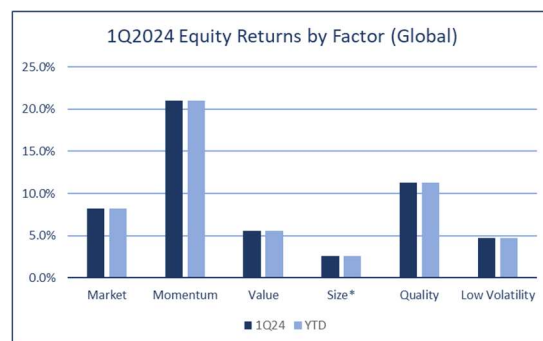
The first quarter of 2024 witnessed a continuation of the stock rally started in the fourth quarter of 2023. Geographically, the US was by far the big winner and investors overcame a fair amount of news and data. Tensions continued between Israel and Palestine, which went mostly ignored by financial markets. Additionally, the market rise started late last year due to hopes for Federal Reserve interest rate cuts as inflation continues to slow. Although inflation remains well above the central bank’s target rate of 2%, buyers remained confident that cuts would still come. Bond investors did not harbor the same optimism and sent interest rates higher for the quarter. As a result, global fixed income, as measured by the Bloomberg Barclays Global Aggregate Index, delivered negative returns.



Source: Morningstar; As of 3/31/24

The Factors

On the equity front, it was a modest quarter for factors as Momentum and Quality again outperformed the broader market index, the MSCI All Country World Index (ACWI). Last year’s theme remained the same: leadership was narrow thanks to another strong rally in Technology and Technology-related names. Our overweight to these three areas helped performance, as did our geographic bias to the US.



Source: Morningstar; As of 3/31/24

The Long-Term Record

While factors can be cyclical in that they will go through periods of doing better and worse than a simple market index like the MSCI ACWI, the long-term track record is clear as shown below. Although some of the record includes back-tested returns (i.e. before the indexes were actually created), the methodologies (how they screen for stocks) remain consistent. We include for full disclosure the inception dates of all indexes.



Source: Morningstar; As of 3/31/24

Global Stocks = MSCI ACWI NR USD Index (Inception: 1/1/01)

Global Momentum = MSCI ACWI Momentum NR USD Index (Inception: 11/30/95)

Global Value = MSCI ACWI Enhanced Value NR USD Index (Inception: 5/29/15)

Global Quality = MSCI ACWI Quality NR USD Index (Inception: 5/29/92)

Global Low Vol = MSCI ACWI Minimum Volatility (USD) NR USD Index (Inception: 5/28/93)

Global Size = MSCI ACWI Risk Weighted NR USD Index (Inception: 4/6/11)

Disclosures

Past performance may not be indicative of future results. Different types of investments involve varying degrees of risk. Therefore, it should not be assumed that future performance of any specific investment or investment strategy will be profitable or equal the corresponding indicated performance level(s). Moreover, you should not assume that any of the above content serves as the receipt of, or as a substitute for, personalized investment advice from Metric Financial. Historical performance results for investment indices and/or categories have been provided for general comparison purposes only, and, unless otherwise noted, do not reflect the deduction of transaction, custodial, or investment management fees, nor the impact of taxes, the incurrence of which would have the effect of decreasing historical performance results. It should not be assumed that your account holdings do or will correspond directly to any comparative indices. Investing involves risk, including loss of principal.

The Factors

Momentum: Data suggests that stocks that have outperformed recently may continue to do so in the near-term.

Value: Data suggests that relatively cheap stocks may outperform more expensive ones over time.

Size: Data suggests that smaller company stocks may outperform those of larger ones over time.

Quality: Data suggests that stocks of high quality companies may outperform those of lesser quality over time.

Low Volatility: Data suggests that low volatility stocks may outperform on a risk-adjusted basis over time.