

Capital Markets Commentary and Quarterly Report: 4th Quarter 2025

Capital Markets Highlights

The stock market¹ reached a record high during the fourth quarter, gaining +2.66% over the last three months of 2025. Investor optimism was sustained by three quarter-point interest rate cuts from the Federal Reserve in September, October, and December, strong corporate earnings, and continued momentum for artificial intelligence (AI) investments.

For the full year, the S&P 500[®] rose by +17.88%. This was the third consecutive year of double-digit gains for the S&P 500[®], a rare occurrence that last happened in the 1990's during the run-up to the dot.com bubble. The largest companies in the S&P 500[®] showed the strongest earnings growth and stock market performance in 2025. The equally weighted S&P 500[®] Index was up +11.43%.

In 2025, all S&P 500 sectors had a positive return. The stock market sectors contributing the most to the Index's performance were Technology, Communication Services, Financials, and Industrials. Lagging sectors were Consumer Staples, Real Estate, Consumer Discretionary, and Energy.

Matrix's equity portfolios showed positive returns in the fourth quarter and double-digit returns for the year². Our Large Cap Value portfolio (LCV) outperformed the S&P 500[®] and Russell 1000 Value[®] benchmarks, returning more than 20% in 2025 and our Dividend Income strategy had a mid to high teens return (above its Russell 1000 Value[®] benchmark and modestly behind the tech-heavy S&P 500[®]). The portfolio achieved these very healthy gains with far less than the overall market's volatility.

Fixed income returns were positive in the quarter and for the year³, higher by mid-to-high single digits, depending on maturity.

The price of oil⁴ was down 20% in 2025, helping to dampen inflation during the year.

¹ All references to the stock market are the S&P 500[®] unless otherwise noted.

² This and all future references to Matrix portfolio performance are net of fees

³ All references to bond market & fixed income performance from Bloomberg & JP Morgan Asset Management Guide to Markets 12/31/2025.

⁴ WTI Crude-Barrons 1/1/2026

Reviewing our Predictions for 2025

Looking back on our 2025 outlook, much of our forecast played out along the lines we projected. This included another positive year for the U.S. economy and stock market, and gains for Fixed Income with a steepening yield curve. We expected the Fed to cut short-term rates during the year, which they did three times, starting in September.

Matrix's equity portfolios were well positioned for the choppy market we anticipated. The market got off to a rough start early in the year with fears that the new administration's tariff proposals might cause a recession, but our portfolios more than held their own in a challenging first quarter when the S&P 500[®] fell by -4.27%. The Matrix Dividend Income portfolio had a positive low single-digit return in the quarter, and our LCV portfolio, with more Technology exposure, was only modestly negative. Then when panic selling hit the market following the April 2nd tariff announcements, we opportunistically added to our equity holdings and fully participated in the market's rebound over the next three quarters.

Overall, we expected an OK economy in 2025 and that is what we got. GDP rose about 2%, in line with the post-2000 GDP growth trend. After a weak start with negative GDP in the first quarter largely due to heavy buying of imported goods ahead of expected tariffs, the economy picked up as the year progressed, led by resilient consumer spending, business investment, and a rebound in exports.

We correctly thought that the job market would remain relatively strong but had less conviction about the level and direction of the unemployment rate because of the incoming administration's policies on immigration and deportations, and their potential to disrupt the labor market. In 2025 the unemployment rate increased from 4.0% to 4.6%, the highest unemployment rate in four years⁵.

In last year's letter, we said that several years of gains in income and household wealth should provide a solid foundation for continued healthy consumer spending. It remained resilient in 2025 but was heavily weighted towards the highest income earners, with the top 10% accounting for nearly half of consumer spending⁶.

We had low expectations for a housing rebound in 2025 and it had another tough year with decelerating price growth and slightly higher inventory. Existing home sales remained depressed near multi-decade lows with new home sales soft even as builders offered incentives to work through existing inventory. There is no quick fix to the housing problem in the United States. Lower interest rates would help but the cost of buying a home is simply too high for many

⁵ WSJ 12/27/2025 Companies are outlining plans for 2026. Hiring isn't one of them.

⁶ NY Times December 23, 2025, *The U.S. Economy Keeps Powering Ahead, Defying Dire Predictions*.

Americans relative to their income. The median age of first-time home buyers hit an all-time high of 40 years in 2025⁷, up from 28 years in 1991. A better housing market would provide a huge stimulus to the economy.

As we anticipated, inflation remained above the Fed's 2% target, with the CPI released in mid-December at 2.7%. Our bond portfolios were positioned with shorter maturities reflecting our caution about intermediate and longer-term bonds. Longer-term bonds underperformed intermediates in 2025.

Our 2026 Outlook

Big picture: we are cautiously optimistic about the economy and market outlook for 2026. The consensus expectation for GDP growth is $\pm 2\%$ (that sounds reasonable to us) and earnings are expected to grow at a low double-digit rate, which might be a little optimistic, in our view. Our caution stems from the challenging earnings comparisons versus strong 2025 results and high market valuations that leaves little margin for error if earnings fall short of expectations or there are other macro disappointments.

Other headwinds facing the market at the start of 2026 are low consumer confidence, a weakening job market, and questions about the independence of the Fed when current Chairman Powell's term ends in May. We ended the year with good economic momentum, but the forces propelling the economy forward are badly out of balance. AI investment and household consumption, particularly from high income consumers, accounted for nearly 70% of growth in the third quarter. Mid and lower income Americans are continuing to spend but are financing more purchases with credit cards and extended payment terms on higher ticket items like autos. The risks to the current strong level of consumer spending (2/3 of the economy) at the high end are a drop in the stock and real estate markets. For everyone else, slower income growth, weakening personal finances, and rising unemployment are issues that are now starting to show up in the numbers. The latest GDP report noted that disposable income remained flat after inflation and the savings rate fell to the lowest level since 2022⁸.

Despite our concerns, we remain optimistic because the economy ended 2025 on a positive note (for example, holiday sales were up a healthy 4.2% according to Visa), monetary policy has entered an easing cycle, and the Fed is expected to cut short-term interest rates at least twice next year. The One Big Beautiful Bill (OBBB) passed in 2025 provides economic stimulus through tax cuts and other incentives for capital spending in 2026, and corporate earnings are expected to grow nicely. The mid-term elections in November will surely motivate politicians to do everything in their power to stimulate the economy.

⁷ National Association of Realtors

⁸ NY Times December 23, 2025, *The U.S. Economy Keeps Powering Ahead, Defying Dire Predictions.*

When all is said and done, we expect the market to show a high single digit return in 2026 (around historic averages). We think there will be a rotation from Large Cap Growth stocks with the highest market valuations to stocks and sectors with more reasonable valuations that can show consistent earnings in an uneven economy. We expect high quality Value and Dividend stocks to perform well in an environment where investors are seeking to replace income lost due to declining short-term interest rates. Stocks in the Consumer Staples and Consumer Discretionary sectors that lagged in 2025 and can show consistent earnings throughout the economic cycle should be rewarded for delivering better business results with improved stock market performance in 2026. We think that areas of the market that have flourished in the past few years like Technology and Financials may continue to provide good results, but expectations (particularly in Technology, including AI) are high and leave little room for missteps. While AI investments should continue to be a driving force in the economy and business, there will be winners and losers in the group as the technology evolves and stock performance in this sub-sector will likely be uneven.

Artificial Intelligence was the most important investment theme in the stock market in 2025 and is expected to be a powerful force in the real economy for years to come. It so dominated the news that Time Magazine announced “The Architects of AI” as its 2025 Person of the Year. AI is a tool with the potential to significantly increase economic productivity, but like other disruptive technologies, it comes with a high cost for employees being laid off and entry level workers finding it more difficult to land a job as their skills are automated. If the unemployment rate continues to rise, we expect the downside of AI to be a bigger story in 2026.

Matrix’s portfolios own companies that are developing AI technology or whose economic fortunes are tied to its rollout, and many others that will benefit from implementing it in their business operations. So far, our investments in technology companies have generally been timely and very rewarding. We believe they are positioned to do well again in 2026 but expect them to take breather versus some other areas of the market. We see more opportunities in less exciting areas of the stock market that will benefit from implementing AI and have more attractive valuations.

In summary we expect equities to have another positive year with higher than usual volatility and a lot of rotations. After more than a decade of Growth stocks vastly outperforming Value, we think Value will be in a period of favorable relative and absolute returns. That environment would provide a nice tailwind for Matrix’s Large Cap Value and Dividend Income portfolios.

Our outlook for Fixed Income is nuanced. We expect favorable returns for shorter maturities from a combination of a healthy coupon and modest appreciation as short-term yields trend lower. We are more cautious on intermediate and longer-term bonds as those areas of the market are less driven by the Fed lowering short term interest rates and more susceptible to the negative consequences of tariffs adding to hotter than desired inflation, the Fed losing its independence, a

weaker dollar, and the growing U.S. deficit. If those risks play out in 2026, we could see a steeping of the yield curve with flat or higher long term bond yields and more modest returns in intermediate and longer-term bonds.

We are prepared for that type of environment with our current Fixed Income positioning building laddered portfolios with maturities inside of five years. We remain very cautious about longer term bonds.

Fixed Income is an important component in a balanced portfolio, providing stability and income. We look for the stock market to provide capital appreciation.

As we have noted in previous year-end letters, there is always uncertainty about the future. We believe the formula for investment success is to look through near-term instability and stay focused on the long term. The best way to address that is to have an allocation to the stock market that is appropriate for the long term, which includes both good and bad times.

Large Cap Value Strategy

The Matrix Large Cap Value strategy performed well in the fourth quarter, rising by mid-single digits. This was better than the gains for the S&P 500® and the Russell 1000 Value® Index. For the full year, ending December 31, the strategy was up more than 20%, well ahead of both benchmarks.

Portfolio gains in the fourth quarter were led by stocks in the Financials, Healthcare and Communications Services sectors. Technology was a lagging sector for LCV in the quarter. For the full year, all portfolio sectors showed positive returns, led by Financials, Healthcare, and Communications Services.

During the quarter, we started a position in Texas Instruments (TXN), a leading semiconductor company. TXN is very well managed with a strategy of investing through the business cycle. The company has a strong balance sheet and earnings history. Its share price was volatile in 2025, peaking at over \$200 in July following strong second quarter earnings but declining in November to less than \$160 after weaker fourth quarter guidance despite beating third quarter revenue and profits forecasts. The drop in the share price provided a good entry point for this high-quality company and we expect to see a nice cyclical rebound in its business and a much higher stock price over the next few years. We also opportunistically added to positions in Generac and Meta Platforms (Facebook) on price weakness during the quarter.

On the sell side, we exited our position in Fiserv following a surprising earning miss and sharply reduced earnings guidance from the company's new CEO on the third quarter call. The new CEO, who officially assumed that role in July after joining the company in late 2024, explained that,

after a comprehensive review of the business, he faulted the company's short-term focus, underinvestment, poor financial oversight, and overly optimistic goals. This update brought into question the company's historic financial reports that underpinned our valuation work. While this is a very disappointing outcome, it highlights the importance of diversification. Even with this loss, the portfolio had a very strong year.

On December 31, the LCV portfolios' largest sector weights were Financials, Technology, and Communications Services. We expect these sectors to continue showing strong earnings, but after several years of strong price performance, the gains in these sectors may temporarily slow. On the other hand, we expect some of the lagging sectors, such as Consumer Staples and Consumer Discretionary, to show better performance, as their earnings have historically been resilient and they sell at very attractive valuations.

The LCV portfolio's companies' businesses are performing well, and their valuations remain attractive. More than 93% of our companies beat earnings estimates in the most recent quarter compared to 82.7% in the S&P 500[®]. with revenue beats at 83.3% versus the S&P 500's 66.5%. The LCV portfolio had an average P/E multiple of 17.7x on estimated 2026 earnings, compared to the S&P 500[®] multiple of 22.1x.

Looking ahead, we expect above average volatility in 2026 but believe the portfolio is well-positioned to provide another year of positive performance.

Dividend Income Strategy

The Matrix Dividend Income (MDI) portfolio was up low single digits in the fourth quarter, in line with the S&P 500[®]'s gain and modestly below the Russell 1000[®] Value Index's performance. In a very volatile year for the stock market that ranged from being down -14.99% at its low on April 8, to up +17.88% on December 31, 2025, the MDI portfolio showed positive performance in every quarter in 2025, delivering on all three of its objectives: generating high current and growing income, providing downside protection in difficult markets, and capital appreciation over time.

For the full year ending December 31, MDI was up in the mid-to-high teens, modestly below the heavy S&P 500[®]'s gain and ahead of the Russell 1000[®] Value Index's performance, with far less volatility than the overall market.

Portfolio performance in the quarter was led by our holdings in the Financials sector. Consumer Staples, Health Care and Utilities also contributed to the portfolio's positive return to a lesser degree. Our holdings in the Consumer Discretionary and Communications Services sectors were laggards in the quarter.

For the full year, Financial Services was the largest contributor to the portfolio's results followed by Health Care, Industrials and Utilities.

During the quarter, we added to the portfolio's holdings in Lockheed Martin and Accenture. Both companies delivered good earnings results, and we were able to purchase their shares at attractive prices.

The largest sector weightings in the Dividend Income portfolio on December 31, 2025, were in the Financial Services, Technology, Consumer Discretionary and Consumer Staples sectors.

Looking forward, we expect some of the portfolio's lagging stocks and sectors in 2025 like Consumer Discretionary, Consumer Staples, and select areas of Technology to lead in upcoming periods. The portfolio's strongest performing sectors in 2025, including Financials, Health Care, and Utilities, have good outlooks and further upside appreciation potential, but we expect their robust gains in 2025 to slow.

The strong operating performance of the portfolio's holdings in 2025 allowed them to further increase their dividends to shareholders. During the fourth quarter six portfolio holdings increased their dividends by an average of 3.6%. All twenty-six holdings increased their dividends in 2025 by an average of 5.8%. On average they have raised their dividends for 17.5 years and maintained or grown their dividends for 28.5 years.

On December 31, 2025, the portfolio had a 2.76% dividend yield, which compares favorably with the 1.14% yield on the S&P 500® and the 1.86% yield on the Russell 1000® Value.

The MDI portfolio's companies' businesses are performing well, and their valuations remain attractive. More than 88.4% of our companies beat earnings estimates in the most recent quarter compared to 82.7% in the S&P 500®. with revenue beats at 88.4% versus the S&P 500's 66.5%. The MDI portfolio's valuation remains attractive with an average P/E multiple of 16.3x on estimated 2026 earnings, compared to the S&P 500® multiple of 22.1x.

We are optimistic about the portfolio's prospects for another year of solid returns. The dividend history, strong balance sheets, cash flow, and earnings of the portfolio's holdings should allow it to continue delivering on its three core objectives: generating high current and growing income, and providing downside protection and capital appreciation, even in difficult markets.

We believe the Dividend Income portfolio is well positioned for the market outlook we foresee. Lower short term money market rates following any additional Fed Fund cuts should renew the market's interest in dividend paying stocks, providing an additional tailwind for the portfolio.

Capital Gains Discussion

In 2025, Matrix's LCV and MDI portfolios had higher realized capital gains than normal. Strong price appreciation resulted in some holdings reaching our price targets, where we trimmed or fully sold these positions. We diligently try to offset gains with losses to minimize realized capital gains without compromising the portfolio's future return prospects. This year, we took more gains than usual and did not have many holdings that could be used to offset these gains (a happy problem). We do not let tax considerations drive our investment decisions, but they are an important consideration when we are thinking about realizing a profit. We take after-tax returns very seriously.

Fixed Income

Fixed Income returns in the fourth quarter were modestly positive except for long-term bonds. The 0.25% cuts in the Federal Funds rate in October and December and a weakening labor market were supportive of short and intermediate bond prices.

For the year, Fixed Income returns were up in the mid to high single digit range, depending on maturity. The sweet spot in the Treasury bond market this year was between 5-10 years. The 10-year Treasury yield was 4.17% on December 31, 2025, versus 4.57% at the start of the year.

Matrix Fixed Income portfolios were positive in the quarter and for the year, generally performing modestly below to in line with our benchmarks having similar duration. Our continued emphasis on shorter-term maturities and high credit quality across our portfolios, including U.S. Treasuries, agencies, municipals, and investment-grade corporate bonds, was a modest headwind to performance for the year. However, we believe our shorter-term bond focus will serve us well in the interest rate environment we foresee in the upcoming year, avoiding the greater risks in intermediate and longer-term maturities.

Interest rate movements in the municipal bond market vs. the U.S. Treasury market in the past 12 months have resulted in tax-free bonds offering higher tax-adjusted yields vs. U.S. Treasuries than the recent past, for those in higher tax brackets. For taxable bond accounts, where appropriate, we modestly added more exposure to tax-free bonds over the year.

We remain cautious on intermediate and long-term bonds, as we view the risk-reward balance as unattractive due to questions about Fed independence the potential for renewed inflationary pressure and rising rates, given the government's substantial borrowing needs and its weaker dollar policy making U.S. Treasury investments less attractive to foreign buyers. We expect short-term Fixed Income to continue delivering positive, steady returns and to provide stability during periods of equity market volatility.

Balanced Accounts

We actively managed asset allocations across our balanced portfolios this year. We started the year at the higher end of our targeted equity exposure for many accounts – the result of strong stock market returns and our belief that equities were more attractive than Fixed Income securities. During market rallies, we sold into strength and modestly reduced our significant equity overweight, mindful of the tax consequences for taxable accounts.

With stocks at the high end of their valuation range and high-quality short-term bonds providing acceptable returns, we believe the risk reward of stocks versus bonds is less compelling than it was during the last few years. As a result, we look to modestly reduce our overweight to equities in the upcoming months.

Our disciplined approach, valuation focus, and willingness to act opportunistically have served us well throughout past cycles and proved effective again in 2025. We appreciate the trust you place in Matrix Asset Advisors and are always available to discuss your portfolio or the markets in greater detail. Best wishes for the new year!

Disclosure:

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All performance data is through (or as of) 12/31/2025 unless otherwise noted.

For more information about Matrix Asset Advisors, please visit our website at www.MatrixAssetAdvisors.com. Our website includes our firm's Client Relationship Summary document.

Definitions:

The S&P500® Index is a broad-based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. You cannot invest directly in an index.

The Russell 1000® Value Index measures the performance of those Russell 1000 Index® companies with lower price-to-book ratios and lower forecasted growth values.

Fixed Income type of investment security that pays investors fixed interest or dividend payments until their maturity date.

Inflation is a sustained increase in the general level of prices for goods and services.

Financials a section of the economy, is made up of firms and institutions that provide financial services to commercial and retail customers.

Health Care all businesses are involved in the provision and coordination of medical and related goods and services.

Information Technology businesses that sell goods and services in electronics, software, computers, artificial intelligence, and other industries related to information technology (I.T.).

Industrials Companies that manufacture machinery, handheld tools, and industrial products. This sector also includes aerospace and defense firms as well as companies engaged in transportation and logistics services.

Consumer Discretionary an economic sector classification of non-essential consumer goods and services.

Communication Services includes companies that sell phone and internet services via traditional landline, broadband, or wireless. The communications sector also includes companies that create and produce movies, television shows, and other content.

Federal Reserve is the central banking system of the United States. It was created on December 23, 1913, with the enactment of the Federal Reserve Act, after a series of financial panics led to the desire for central control of the monetary system to alleviate financial crises.

Economic Growth an increase in the production of economic goods and services, compared from one period of time to another

Balanced Accounts combines asset classes in a portfolio in an attempt to balance risk and return. Portfolios are divided between stocks and bonds, either equally or with a slight tilt, such as 60% in stocks and 40% in bonds. Balanced portfolios may also maintain a small cash or money market component for liquidity purposes.

Utility Sector companies that provide electricity, natural gas, water, sewage, and other services to homes and businesses.

Corporate Profitability is a measure of an organization's profit relative to its expenses.

Volatility is the degree of variation of a trading price series over time, usually measured by the standard deviation of logarithmic returns.

U.S. Governments (Treasuries) are debt obligations issued by the United States Government and secured by the full faith and credit (the power to tax and borrow) of the United States.

Municipal Bond is a bond issued by state or local governments or entities they create such as authorities and special districts. In the United States, interest income received by holders of municipal bonds is often, but not always, exempt from federal and state income taxation.

10-year Treasury Yield the yield that the government pays investors that purchase the specific security.

Net Rate of Return is the total rate of return on an investment after the deduction of any fees, commissions, or expenses. Often quoted as the rate of return on an investment in strategy marketing materials. Returns for more than a year are often annualized, which provides the geometric average return of an investment for each year over a given time period.

Interest rates are the amount a lender charges a borrower and is a percentage of the principal—the amount loaned.

Operating Results show what the company has earned in connection with its business activities before deduction of interest and taxes.

Dividend Yield a financial ratio that tells you the percentage of a company's share price that it pays out in dividends each year.

Maturities are the agreed-upon dates on which the investment ends, often triggering the repayment of a loan or bond, the payment of a commodity or cash payment, or some other payment or settlement term.

Consumer Spending the value of the goods and services purchased by, or on the behalf of, U.S. residents.

Short Term Bonds are bonds that will pay back your principal, or mature, quickly, typically within four years.

Intermediate Term Bonds issued with maturity dates that are between two and 10 years.

Long Term Bonds maturities between 10 years and 30 years.

Unemployment Rate represents the number of unemployed people as a percentage of the labor force.

Yield Curve is a line that plots yields, or interest rates, of bonds that have equal credit quality but differing maturity dates.

Unemployment Rate represents the number of unemployed people as a percentage of the labor force.

P/E Multiples the ratio for valuing a company that measures its current share price relative to its per-share earnings.

Corporate Profitability is a measure of an organization's profit relative to its expenses.

Tariff is a tax imposed by a government on goods imported from another country.

Deficit is when expenses exceed revenues, or when a person, company, or government spends more than it receives in a given period.

Consumer staples are products that people buy regularly, regardless of their financial situation or the economy.

Tax- Exempt some or all of a person's or business's income is free from federal, state, or local tax.

-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years).

Capital Appreciation is an increase in the price or value of assets.

Operating Performance measures results relative to the assets used to achieve those results.

Short Term Interest rates the interest rates on financial instruments or loans with maturities of less than one year.

Economic slowdown is a period when the rate of economic growth, as measured by Gross Domestic Product (GDP), decreases significantly but doesn't necessarily turn negative.

Weaker employment data signifies an economic downturn and includes metrics showing slower job creation, a rising unemployment rate, declining hours worked, a lower labor force participation rate, and fewer job openings relative to openings.

Earnings Expectations refer to the projected future financial performance of a company, specifically its profits, typically expressed as earnings per share (EPS) for a specific period, such as a quarter or a year.

Artificial Intelligence the ability of a digital computer or computer-controlled robot to perform tasks commonly associated with intelligent beings.

Slowing Economy a period of slower economic growth, typically characterized by a decrease in the rate of growth of real gross domestic product (GDP).

Mega Cap Growth is an investment strategy that involves choosing large, well-known companies with the potential to grow faster than other companies. Mega cap stocks are the largest companies in the world, with market capitalizations of over \$200 billion.

Realized capital gain occurs when an investment is sold for more than its purchase price, and it becomes a taxable event.

Geopolitical is the study of how political, geographical, and economic factors influence international relations and foreign policy.

Capital Gains taxes levied on earnings made from the sale of assets, like stocks or real estate.

Taxable accounts are accounts where the normal IRS tax rules apply. In a taxable account, you pay taxes on interest, dividends, and capital gains, in the year in which you earn them.

Stock Valuation is the process of determining the worth of a company's stock, essentially calculating how much an investor should pay for a share.

Dot.Com bubble was a stock market bubble that ballooned during the late 1990s and peaked on Friday, March 10, 2000.

The S&P 500® Equal Weight Index (EWI) is the equal-weight version of the widely used S&P 500. The index includes the same constituents as the capitalization weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance.

Energy Sector is the totality of all the industries involved in the production and sale of energy, including fuel extraction, manufacturing, refining and distribution.

Recession is a significant, widespread, and prolonged downturn in economic activity.

Tariff is a tax imposed by a government on goods imported from another country.

CPI The Consumer Price Index (CPI) consists of a family of indexes that measure price change experienced by urban consumers. Specifically, the CPI measures the average change in price over time of a market basket of consumer goods and services. The market basket includes everything from food items to automobiles to rent.

Consumer Confidence measures how optimistic (or pessimistic) consumers are about the state of the economy.

Market Valuation the value of an asset based on the price that would be paid for it if it were sold at a certain time.

Retail Sales tracks consumer demand for finished goods by measuring the purchases of durable and non-durable goods over a defined period of time.

Dividend Income Large Cap Core Strategy the largest U.S. companies, or those with market capitalizations of \$10 billion or more, where neither growth nor value characteristics predominate.

Value Strategy investment strategy that involves picking stocks that appear to be trading for less than their intrinsic or book value.

Risk/Reward ratio is a measure of how much you stand to profit for every dollar you risk on a trade.

Tax- Exempt some or all of a person's or business's income is free from federal, state or local tax.

Taxable accounts are accounts where the normal IRS tax rules apply. In a taxable account, you pay taxes on interest, dividends, and capital gains, in the year in which you earn them.

West Texas Intermediate (WTI) is a grade or mix of crude oil; the term is also used to refer to the spot price, the futures price, or assessed price for that oil. In colloquial usage, WTI usually refers to the WTI Crude Oil futures contract traded on the New York Mercantile Exchange (NYMEX).

Business Investment is a company's spending on long-term assets like machinery, buildings, technology, and software, aimed at increasing productive capacity, enhancing efficiency, and generating future profits, serving as a key driver for economic growth and a component of GDP. It involves acquiring capital goods to expand operations, modernize equipment, and boost output, rather than for immediate consumption.

Exported goods and services manufactured or provided by businesses in one country and sold or traded in another.

Imported goods products, commodities, or services made in one country and brought into another for sale, trade, or consumption.

GDP (Gross domestic product) is a monetary measure of the market value of all the final goods and services produced and sold in a specific time period by countries. Due to its complex and subjective nature this measure is often revised before being considered a reliable indicator.

Existing home sales measures the volume and prices of previously owned single-family homes, condos, and co-ops sold in the U.S., reported monthly by the National Association of Realtors (NAR) as a key indicator of housing market health and broader economic activity, reflecting consumer confidence and spending power.

Household Consumption or household final consumption expenditure (HFCE) is the total market value of goods and services residents spend to meet their needs and wants, including purchases, imputed rent for owner-occupied homes, and some government-provided services, serving as a key measure of economic activity and a major component of GDP.

Beat earnings estimates means a company reports financial results, usually earnings per share (EPS) or revenue, that are higher than what Wall Street analysts collectively predicted (the consensus forecast), signaling stronger-than-expected profitability or sales and often leading to a positive stock price reaction.

One Big Beautiful Bil (OB BB) or the Big Beautiful Bill (P.L. 119-21), is a U.S. federal statute passed by the 119th United States Congress containing tax and spending policies that form the core of President Donald Trump's second-term agenda. The bill was signed into law by Trump on July 4, 2025.

Downside Protection occurs when techniques are employed to mitigate or prevent a decrease in the value of the investment. Downside protection is a common objective for investors and fund managers to avoid losses, and several instruments or methods can be used to achieve this goal.