Snapshot

Global stocks logged another monthly gain, with emerging and U.S. markets driving results. U.S bonds also delivered positive performance in October.

- Against a backdrop of U.S.-China trade deal optimism, robust technology sector earnings and fed rate-cut expectations, U.S. stocks posted another monthly gain. However, stocks gave back some earlier gains after Federal Reserve Chair Jerome Powell delivered hawkish comments following the October 29 rate-cut announcement.
- Six of the S&P 500 Index's 11 sectors advanced in October. The information technology sector was the top performer, up more than 6%, while materials was the weakest, down 5%.
- Non-U.S. developed markets stocks advanced but lagged U.S. stocks. Emerging markets stocks continued to rally, gaining more than 4% in October to outpace their developed markets peers.
- The Fed cut rates by 25 bps in late October, marking the second easing move of the year. The European Central Bank left interest rates unchanged at its third consecutive meeting.
- The annual rate of U.S. headline inflation inched up to 3% in September, while core inflation inched down to 3%. Annual inflation eased slightly in Europe and held steady in the U.K.
- In the U.S., large- and small-cap stock indices advanced in October, while mid-cap stocks declined. Large-cap stocks outperformed small-caps, and the growth style outperformed value stocks across the size spectrum. Outside the U.S., major size and style indices in developed and emerging markets were mixed.
- Short- and long-maturity U.S. Treasury yields declined modestly, and the broad U.S. bond market delivered a monthly gain.

Returns (%)

INDEX	1 MO	3 MO	YTD	1 YR	3 YR	5 YR	10 YR
U.S. Large-Cap Equity							
S&P 500	2.34	8.23	17.52	21.45	22.68	17.64	14.64
U.S. Small-Cap Equity							
Russell 2000	1.81	12.48	12.39	14.41	11.94	11.50	9.36
Intl. Developed Markets Equity							
MSCI World ex USA	1.08	7.77	26.69	23.59	19.88	12.74	7.75
Emerging Markets Equity							
MSCI Emerging Markets	4.18	13.06	32.86	27.91	21.10	7.46	7.69
Global Real Estate Equity							
S&P Global REIT	-1.22	3.67	7.22	2.14	7.65	6.99	3.67
U.S. Fixed Income							
Bloomberg U.S. Aggregate Bond	0.62	2.94	6.80	6.16	5.60	-0.24	1.90
Global Fixed Income							
Bloomberg Global Aggregate Bond	-0.25	1.86	7.64	5.69	5.60	-1.63	1.10
U.S. Cash							
Bloomberg U.S. 1-3 Month Treasury Bill	0.37	1.09	3.62	4.44	4.92	3.11	2.11

Data as of 10/31/2025. Performance in USD. Periods greater than one year have been annualized. Past performance is no guarantee of future results. Source: FactSet.

Inflation, sometimes referred to as headline inflation, reflects rising prices for consumer goods and services, or equivalently, a declining value of money. Core inflation excludes food and energy prices, which tend to be volatile.

Equity Returns | Size and Style

U.S.

	QTD (%) Value	QTD (%) Growth	YTD (%) Value	YTD (%) Growth
Large	0.44	3.63	12.15	21.50
Small	0.25	3.24	9.32	15.27

- The broad U.S. stock market index rallied more than 2% in October, lifting its year-to-date return to nearly 18%. Large- and small-cap stocks advanced, while mid-caps declined.
- Large-cap stocks gained more than 2% for the month, outpacing small-caps. Year to date, large-caps returned more than 17% and outperformed small-caps, which gained more than 12%.
- Growth stocks outperformed their value peers across the capitalization spectrum for the month and year to date. Large-cap growth stocks remained the top year-to-date performers.

Non-U.S. Developed Markets

	QTD (%) Value	QTD (%) Growth	YTD (%) Value	YTD (%) Growth
Large	0.75	1.78	32.82	20.01
Small	-0.63	-0.70	31.06	26.35

- Non-U.S. developed markets stocks underperformed U.S. stocks for the month but outperformed year to date.
- Large-cap stocks advanced and outperformed small-caps, which declined, for the month. Year to date, small-cap stocks outperformed large-caps by more than 200 bps.
- Growth stocks outperformed value stocks in the large-cap universe in October but underperformed in the small-cap space. Year to date, value stocks significantly outperformed across sizes. Among large-caps, value stocks returned nearly 33%, while growth stocks gained 20%.

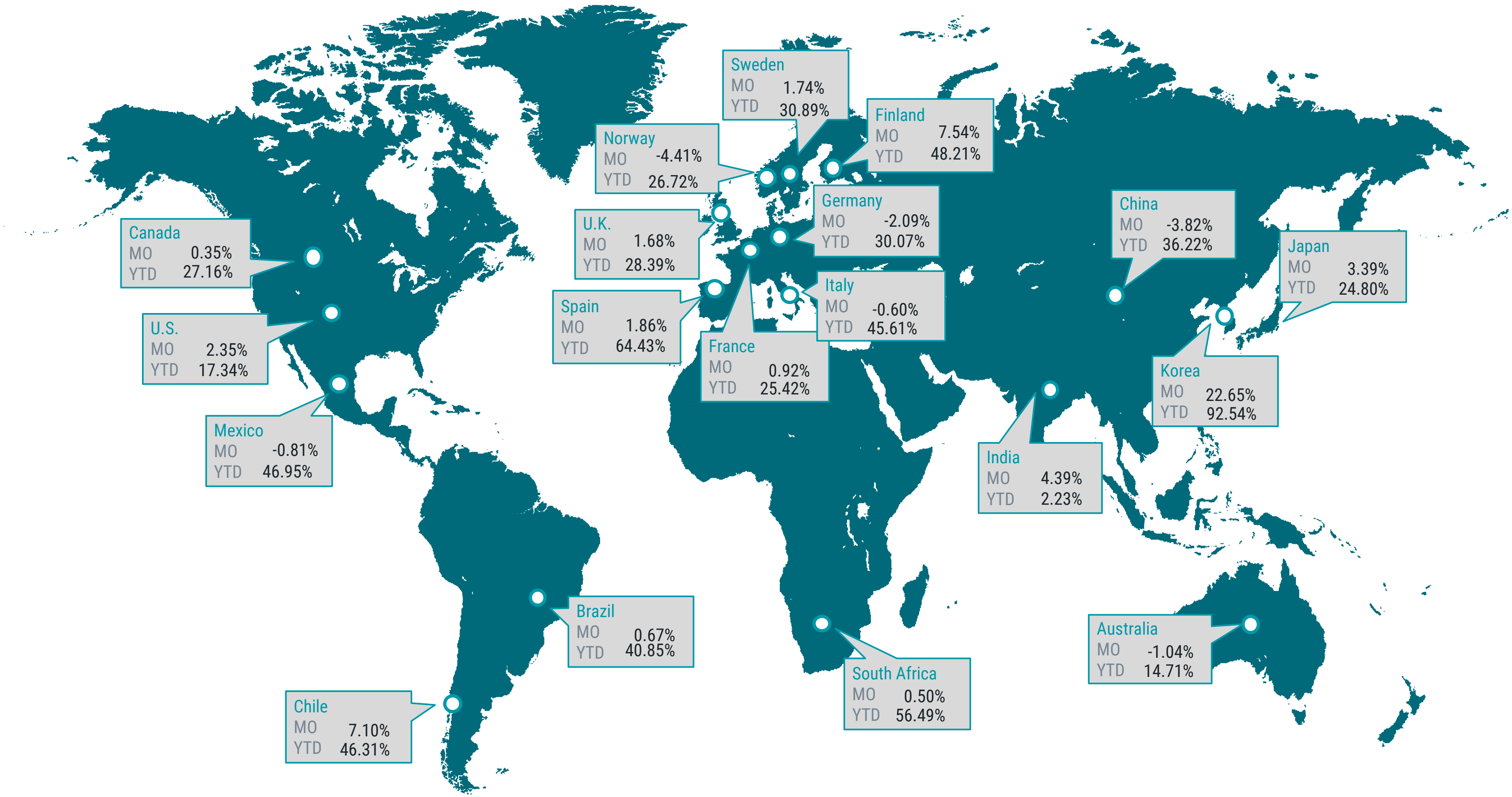
Emerging Markets

	QTD (%) Value	QTD (%) Growth	YTD (%) Value	YTD (%) Growth
Large	4.66	4.89	30.99	35.98
Small	2.39	2.18	18.81	19.77

- The broad emerging markets stock index outperformed developed markets stocks in October and for the year-to-date period.
- Large-cap stocks rose nearly 5% for the month, outpacing small-caps, up more than 2%. Year to date, large-caps outperformed small-caps by more than 14 percentage points.
- For the month, growth stocks outperformed value among large-caps but lagged among small-caps. Large-cap growth stocks were top performers for both periods, up nearly 5% for the month and 36% year to date.

Data as of 10/31/2025. Performance in USD. Past performance is no guarantee of future results. Source: FactSet.
U.S. Equity, International Developed Markets and Emerging Markets Equity style boxes are represented by Russell, MSCI World ex USA and MSCI Emerging Markets indices, respectively.

Equity Returns | Country



Data as of 10/31/2025. Performance in USD. Past performance is no guarantee of future results. Source: FactSet. Countries are represented by MSCI country indices.

Fixed-Income Returns

The broad U.S. bond index advanced in October, as all key sectors delivered gains. As widely expected, the Fed cut rates again, and Treasury yields were flat to lower.

- The Bloomberg U.S. Aggregate Bond Index gained 0.6% in October, lifting its year-to-date return to nearly 7%.
- The yield on the 10-year Treasury note was volatile but ended October at 4.1%, unchanged from September 30. Meanwhile, the two-year Treasury yield dropped 4 bps to 3.58%.
- All sectors of the Bloomberg U.S. Aggregate Bond Index advanced. Mortgage-backed securities (MBS) outperformed other sectors and the broad index, while Treasuries matched the index return. Credit spreads were nearly flat, and corporate bonds underperformed. High-yield corporates lagged investment-grade corporates.
- Despite the lack of economic data due to the partial government shutdown, the Fed lowered its interest rate target, citing ongoing labor market concerns. The 25-bps cut put the target lending rate in a range of 3.75% to 4%. While market expectations pointed to more easing, the Fed chair noted that a December rate cut was not a foregone conclusion.
- Due to the shutdown, the government didn't release PCE data in October. But it issued the CPI report, which showed annual headline inflation ticked slightly higher in September and annual core inflation edged slightly lower.
- Municipal bonds rallied in October, gaining more than 1% to outperform Treasuries.
- Inflation expectations declined slightly, and TIPS underperformed nominal Treasuries.

Returns (%)

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Global Fixed Income							
Bloomberg Global Aggregate Bond	-0.25	1.86	7.64	5.69	5.60	-1.63	1.10
U.S. Fixed Income							
Bloomberg U.S. Aggregate Bond	0.62	2.94	6.80	6.16	5.60	-0.24	1.90
U.S. High-Yield Corporate							
Bloomberg U.S. Corporate High Yield Bond	0.16	2.24	7.39	8.16	10.20	5.47	5.90
U.S. Investment Grade							
Bloomberg U.S. Corporate Bond	0.38	2.92	7.29	6.62	7.58	0.46	3.12
Municipals							
Bloomberg Municipal Bond	1.24	4.49	3.91	4.17	5.46	1.16	2.42
U.S. TIPS							
Bloomberg U.S. Treasury Inflation Protected Securities (TIPS)	0.35	2.34	7.25	6.06	4.58	1.63	3.02
U.S. Treasuries							
Bloomberg U.S. Treasury Bond	0.62	2.54	6.01	5.19	4.26	-1.03	1.27
U.S. Cash							
Bloomberg U.S. 1-3 Month Treasury Bill	0.37	1.09	3.62	4.44	4.92	3.11	2.11

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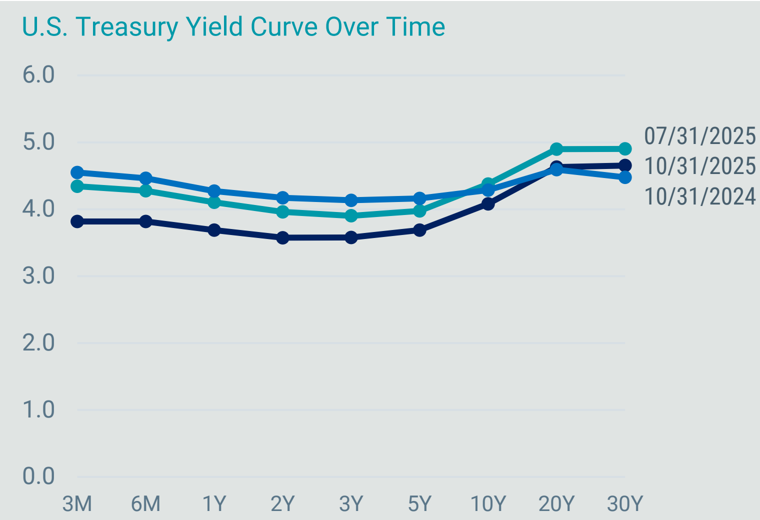
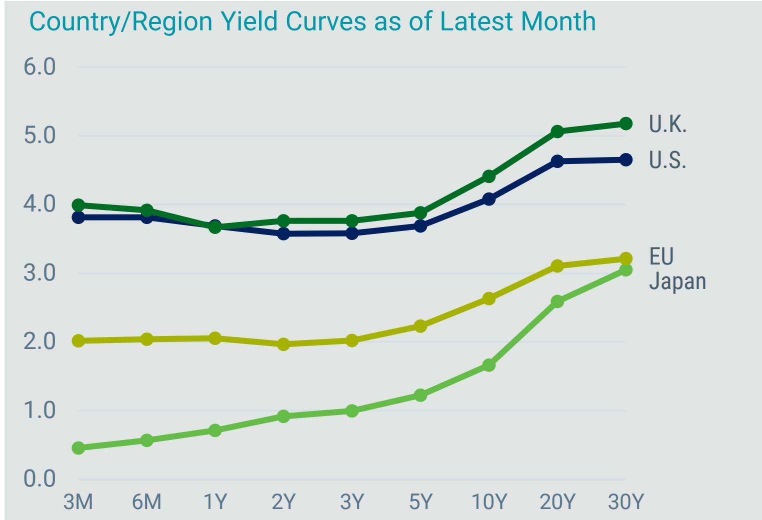
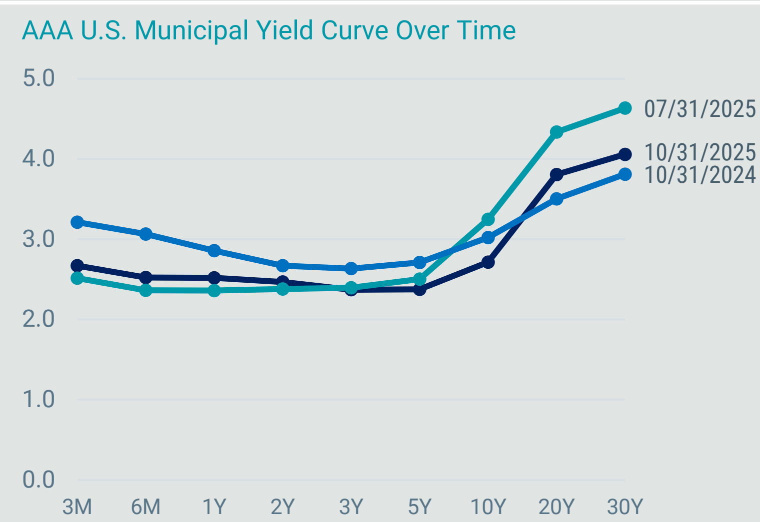
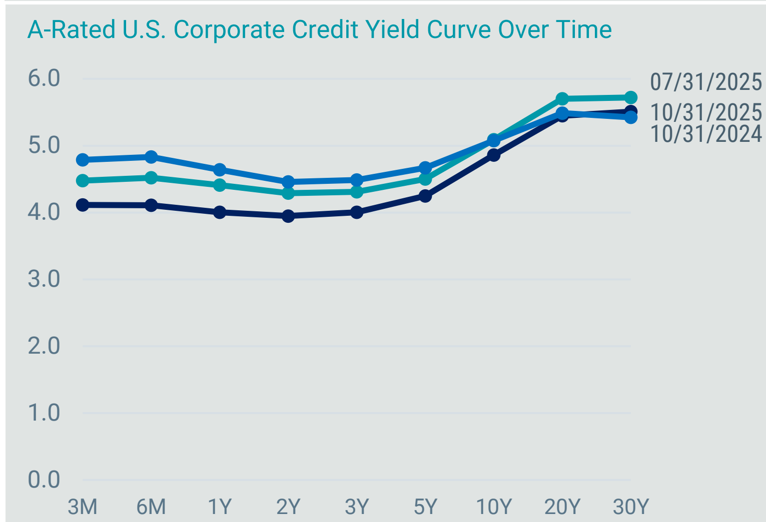
Mortgage-backed securities (MBS) are a type of securitized debt that represents ownership in pools of mortgage loans and their payments.

Global Yield Curves









Data as of 10/31/2025. Source: Bloomberg.

Yield is a rate of return for bonds and other fixed-income securities. A yield curve is a line graph that shows yields of fixed-income securities from a single sector (e.g., Treasuries) over various maturities (e.g., five and 10 years) at a single point in time (e.g., 12/31/2020).