

Asset Class Returns

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Q1
REIT 28.0%	REIT 2.83%	HY Bond 17.49%	EM 37.28%	Cash 1.82%	Lg Cap 31.49%	Wil 5000 20.82%	REIT 41.30%	Cash 1.52%	Lg Cap 26.29%	Lg Cap 25.02%	Int'l Stk 6.86%
Lg Cap 13.7%	Lg Cap 1.38%	EM 16.02%	Int'l Stk 25.03%	HG Bond 0.01%	Wil 5000 31.02%	Sm Cap 19.96%	Lg Cap 28.71%	HY Bond -11.22%	Wil 5000 26.14%	Wil 5000 23.76%	EM 2.93%
Wil 5000 12.7%	Wil 5000 0.7%	Wil 5000 13.37%	Lg Cap 21.83%	HY Bond -2.26%	REIT 28.66%	Lg Cap 18.40%	Wil 5000 26.70%	HG Bond -13.01%	Int'l Stk 18.24%	Sm Cap 11.54%	HG Bond 2.78%
HG Bond 6.0%	HG Bond 0.55%	Lg Cap 11.96%	Wil 5000 20.99%	REIT -4.04%	Sm Cap 25.52%	EM 18.31%	Sm Cap 14.82%	Int'l Stk -14.45%	Sm Cap 16.93%	HY Bond 8.20%	REIT 2.75%
Sm Cap 4.9%	Cash 0.1%	Sm Cap 11.32%	Sm Cap 14.65%	Lg Cap -4.38%	Int'l Stk 22.01%	Int'l Stk 7.82%	Int'l Stk 11.26%	Lg Cap -18.11%	HY Bond 13.46%	EM 7.50%	Cash 1.04%
HY Bond 2.5%	Int'l Stk -0.8%	REIT 8.63%	REIT 8.67%	Wil 5000 -5.27%	EM 18.42%	HG Bond 7.51%	HY Bond 5.36%	Wil 5000 -19.04%	REIT 11.36%	Cash 5.32%	HY Bond 0.94%
Cash 0.0%	Sm Cap -4.4%	HG Bond 2.65%	HY Bond 7.48%	Sm Cap -11.01%	HY Bond 14.41	HY Bond 6.17%	Cash 0.04%	EM -20.09%	EM 9.83%	REIT 4.92%	Lg Cap -4.27%
EM -1.8%	HY Bond -4.6%	Int'l Stk 1.00%	HG Bond 3.54%	Int'l Stk -13.79%	HG Bond 8.72%	Cash 0.54%	HG Bond -1.54%	Sm Cap -20.44%	HG Bond 5.53%	Int'l Stk 3.82%	Wil 5000 -4.84%
Int'l Stk -4.5%	EM -14.9%	Cash 0.33%	Cash 0.82%	EM -14.58%	Cash 2.21%	REIT -5.12%	EM -2.54%	REIT -24.95%	Cash 5.14%	HG Bond 1.25%	Sm Cap -9.48%

Investment Update- The Economic Shake Up

The first quarter of 2025 has indeed signaled a potential shift in the economic landscape as the new administration begins to implement its policies. This transition period naturally introduces some uncertainty, which can manifest as volatility in financial markets.

Markets thrive on transparent and predictable frameworks. Businesses require a stable understanding of the regulatory and policy environment to make informed capital allocation decisions and accurately assess potential returns. The initial phase of a new administration often involves adjustments to these frameworks, leading to a period of reassessment by market participants.

This period of policy recalibration can create short-term market fluctuations. It's important to remember that volatility is a regular feature of the economic cycle. It reflects the market's ongoing process of price discovery as it incorporates new information and anticipates future economic conditions.

Periods of policy transition have presented both challenges and opportunities. We focus on the fundamental economic principles of long-term portfolio management. By investing in high-quality assets and maintaining a well-diversified asset allocation, we believe to be positioned to weather short-term market swings. Regular rebalancing is designed to ensure that our portfolios remain aligned with your long-term financial goals.

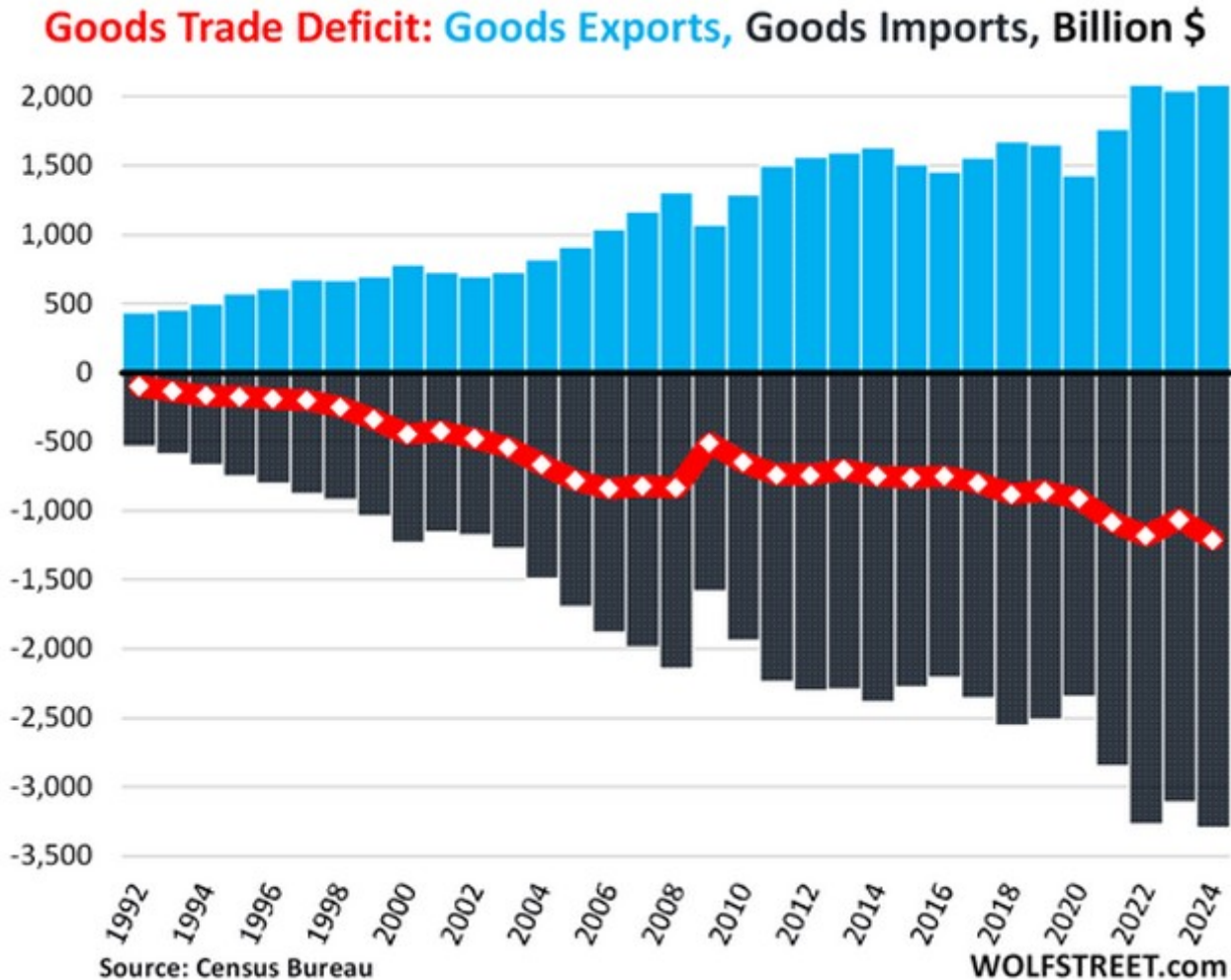
We are here to guide you through this evolving landscape and remain confident in our long-term investment strategy.

Equities

- The Artificial Intelligence (AI) race continued to be the focus for investors in the first quarter of 2025. However, the focus has quickly shifted to tariffs and their impact in the short term. While the April 2nd tariff release is currently in a 90-day suspension, the second quarter will be dominated by anticipation of the final tariff decision.
- Diversification was the key during the first quarter and heading to the second quarter. The mega-cap stocks were hit hard not only by the tariff policy but also by a rotation out of technology and into other value stocks, international equities, and bonds.
- The Eurozone and Chinese equities both had significant gains in the first quarter, thanks in part to major fiscal initiatives to stimulate growth and enhance the region's defense capabilities amid the ongoing conflict between Ukraine and Russia.

Bonds

- Given a strong economic position to start the year, the Fed has continued against raising rates, leading to yields maintaining a substantial interest payment for investors. Combined with the quarter-end volatility, a flight to the safety of Treasuries led to additional price appreciation.
- For long-term investors, lengthening the duration risk still looks favorable. However, in the short term, tariff risk could create increased volatility as foreign countries could sell treasuries as a retaliatory measure.
- While the yield curve has returned to positive and no longer inverted, the credit spreads between the 2-year and 10-year bonds remain incredibly tight. Spreads will likely remain that way until there is a period of market volatility, then expect spreads to widen.



The U.S. remains a powerhouse exporter of our goods and services. The U.S. currently buys more from other countries than they buy from us, but is that such a bad thing? In a purely fair trade market, we only buy things from other countries that are either cheaper or better made.

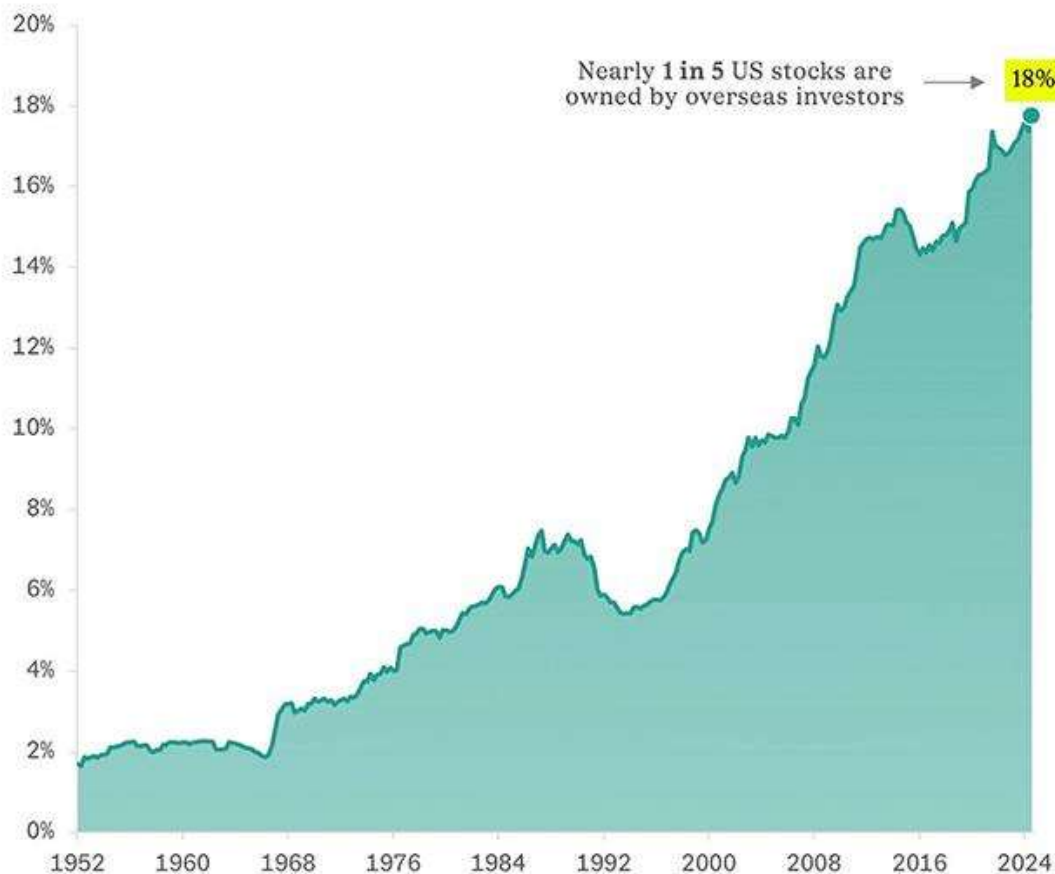
The average employee must work for three weeks to buy 1 oz of gold



The chart shows how many weeks it would take the average U.S. worker to buy 1 ounce of gold. What is more likely to happen, a price decline in gold or higher wages for U.S. workers?

Foreign Investors Hold Record Share of US Stocks

Foreign Investor Ownership of US Equities [Quarterly, % of total]



CHART

Source: Board of Governors of the US Federal Reserve System

Tariffs are not as simple as adding charges to goods and services. The U.S. dollar, being the reserve currency, has benefited domestic equity markets by adding foreign buyers to our stock market.