

Capital Markets Review

4th Quarter 2021

Stocks had another strong year in 2021 with rising consumer demand driven by the reopening of the global economy and record corporate profits. The S&P 500 (US large cap stocks) was up 28.7% led by the energy, real estate, financials and information technology sectors (see page 18). The S&P was up about 11% in the fourth quarter alone. This was the third year in a row of double-digit gains for the index. Real estate was the top performing broad asset class last year after being the worst performer in 2020 (page 14). Small cap stocks had a strong year, with the Russell 2000 up nearly 15%. US stocks outpaced international markets, but the MSCI EAFE (developed international stocks) was still up over 11% last year. The rising US dollar helped reduce the returns in international stocks for US investors. The MSCI Emerging Markets Index was down 2.5% in part due to China's turbulent year. US stocks have outperformed international stocks now for some time, but we continue to own international stocks due to attractive valuations and the benefits of diversification.

The markets overall shrugged off several challenges along the way including global supply chain issues, the uncertainty around the COVID-19 pandemic and surging inflation.

The Fed kept interest rates near zero in 2021. The Bloomberg US Aggregate Index was down 1.5% in 2021 as bond yields rose. This was the first annual decline for the index since 2013. Interest rates should continue to gradually increase in 2022. The Fed is phasing out its bond buying stimulus program and is projected to raise interest rates three to four times in 2022 and 2023 amid inflation and the shift away from pandemic support. This would be the first increase in the Fed's benchmark rate since December 2018, although yields are expected to remain historically low. High quality, core bonds remain an important part of a diversified portfolio but return expectations are muted with a rising rate environment.

The combination of strong demand and supply chain disruptions is likely to continue to be felt throughout the economy this year, but the recovery is expected to

Continued

continue. The current state of inflation is about too much money chasing too few goods. Inflation may continue to rise in 2022 but many economists expect it to begin to moderate later this year. Inflation is currently running at its highest 12-month change (7%) in nearly 40 years. Inflation in some areas may be transitory (i.e., supply chain bottlenecks) but less so in other areas (i.e., wages). Inflation looks to be higher and more persistent than the Fed originally expected. Equities have historically been a good hedge against inflation over the long-term.

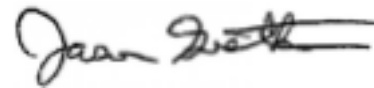
Although returns are likely to be lower in 2022 compared to 2021, we think the overall positives for the economy and the markets outweigh the negatives. Economic growth this year is expected to again be above trend. Both corporate and consumer balance sheets remain in good shape overall. However, market valuations remain elevated for most asset classes and the recent volatility may continue until we have more clarity around Fed policy and inflation. It's important to be diversified, stick

with your long-term plan, and avoid making market timing decisions which may derail it.

Please let us know if you have any questions.



Sincerely,

A handwritten signature in black ink that reads "Jason Guenther". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jason Guenther, CFP®

Chief Investment Officer

Wealth Advisor

Jason.Guenther@StephensWMG.com

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**Stephens Wealth
Management**
G R O U P

Sherri Stephens, President

Wealth Advisor

810.732.7411

sheryl.stephens@stephensWMG.com

Tori Boswell, CIMA®

Wealth Advisor

813.251.1879

tori.boswell@stephensWMG.com

Jason Guenther, CFP®

Chief Investment Officer

Wealth Advisor

810.732.7411

jason.guenther@stephensWMG.com

Jill R. Carr, CPA, CFP®

Wealth Advisor

810.732.7411

jill.carr@stephensWMG.com

Tyler Stephens

Wealth Advisor

810.732.7411

tyler.stephens@stephensWMG.com

Jessie Stirling

Investment Analyst

Wealth Advisor

810.732.7411

jessica.stirling@stephensWMG.com

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CAPITAL MARKETS REVIEW

January 2022

RAYMOND JAMES

REVIEWING THE QUARTER ENDED DECEMBER 31, 2021

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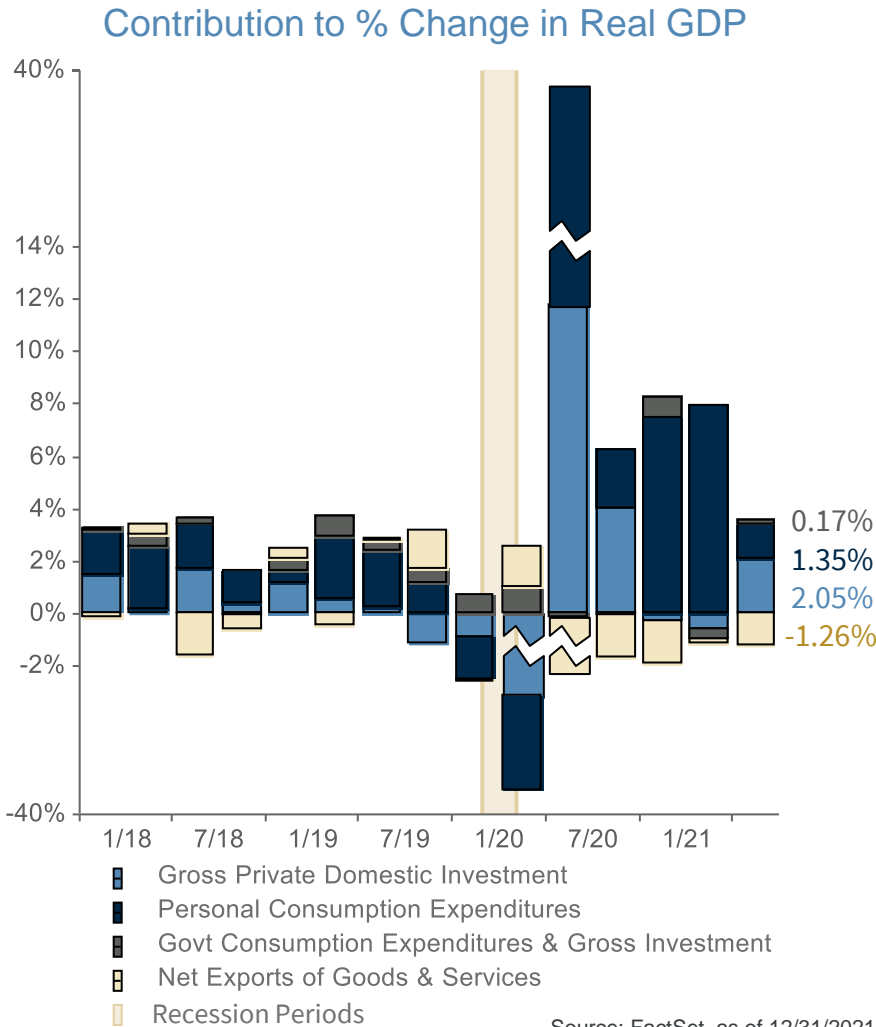
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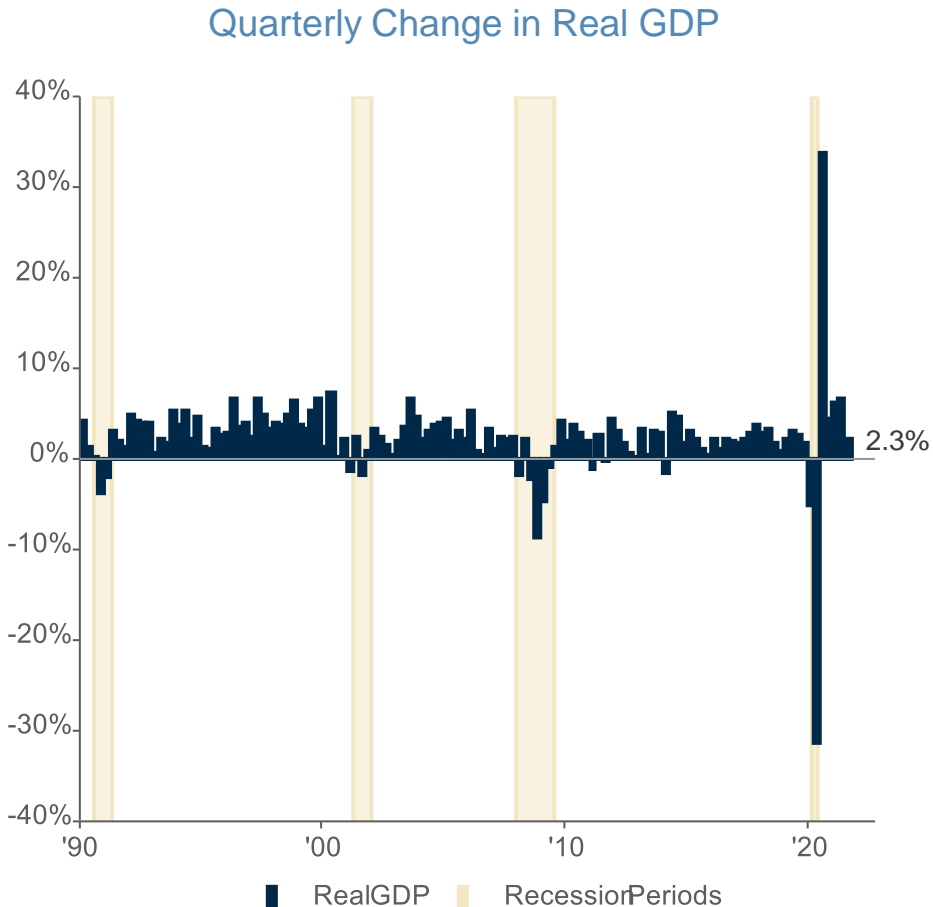
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ECONOMIC REVIEW | GROSS DOMESTIC PRODUCT



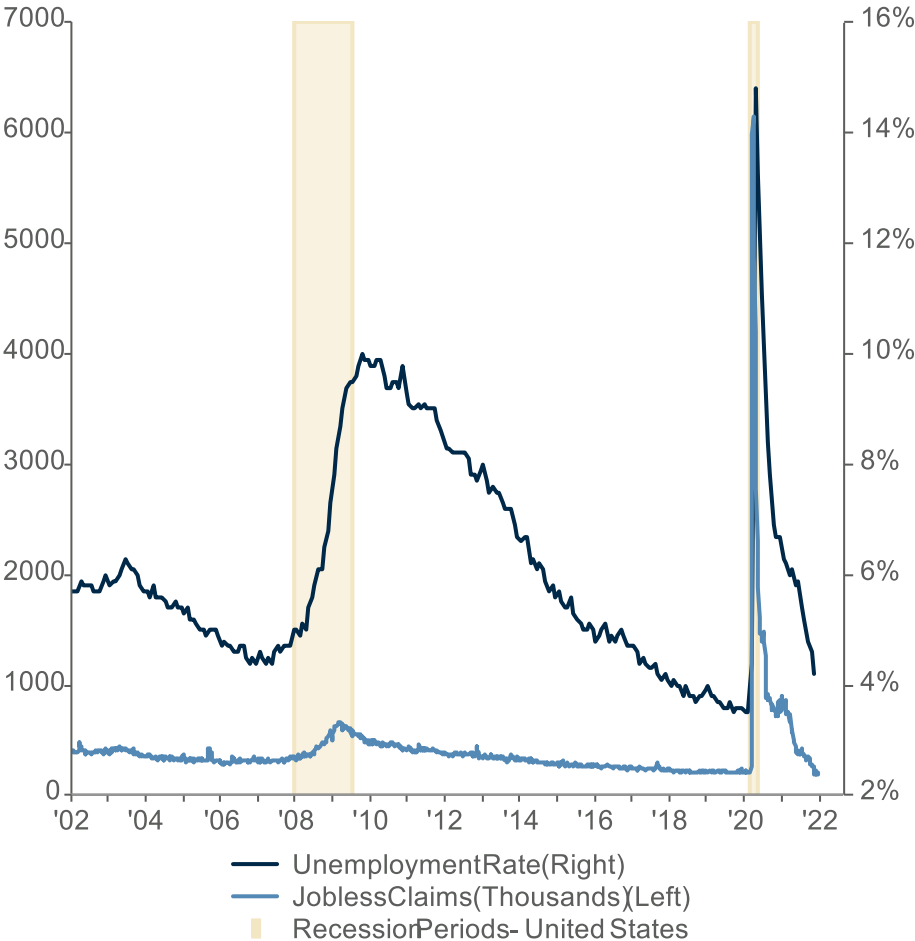
Source: FactSet, as of 12/31/2021



Source: FactSet, as of 12/31/2021

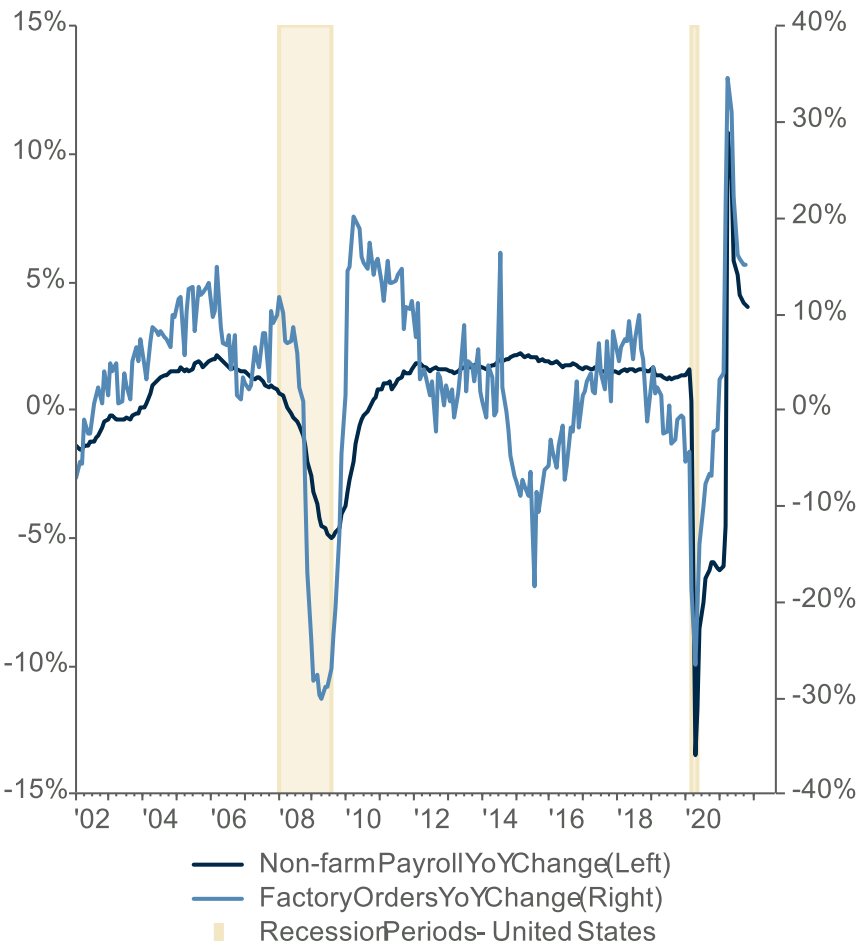
ECONOMIC REVIEW | EMPLOYMENT

Civilian Unemployment Rate



Source: FactSet, as of 12/31/2021

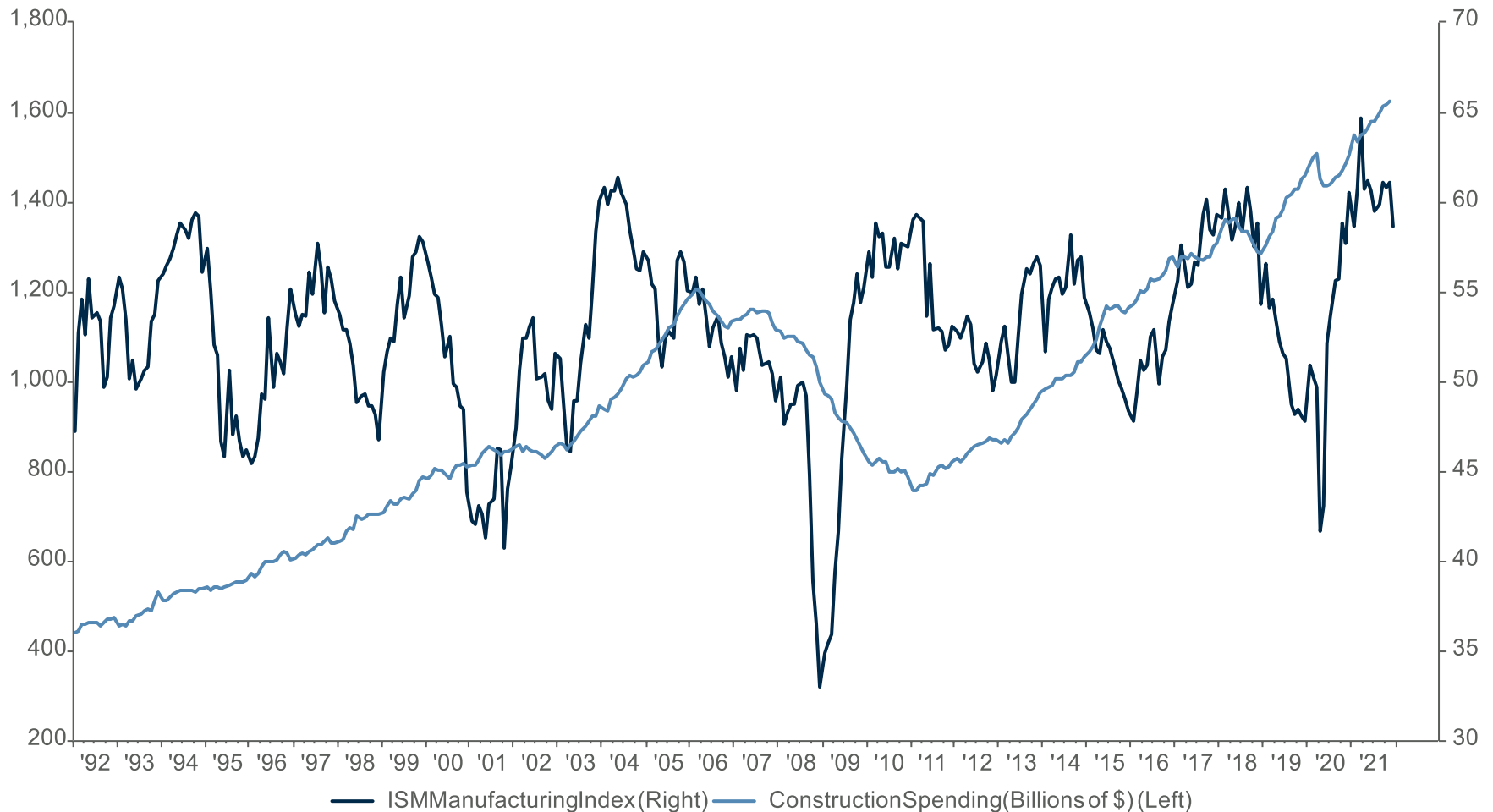
Non-Farm Payroll and Factory Orders



Source: FactSet, as of 12/31/2021

ECONOMIC REVIEW | MAJOR INDUSTRY CONTRIBUTIONS TO JOB GROWTH

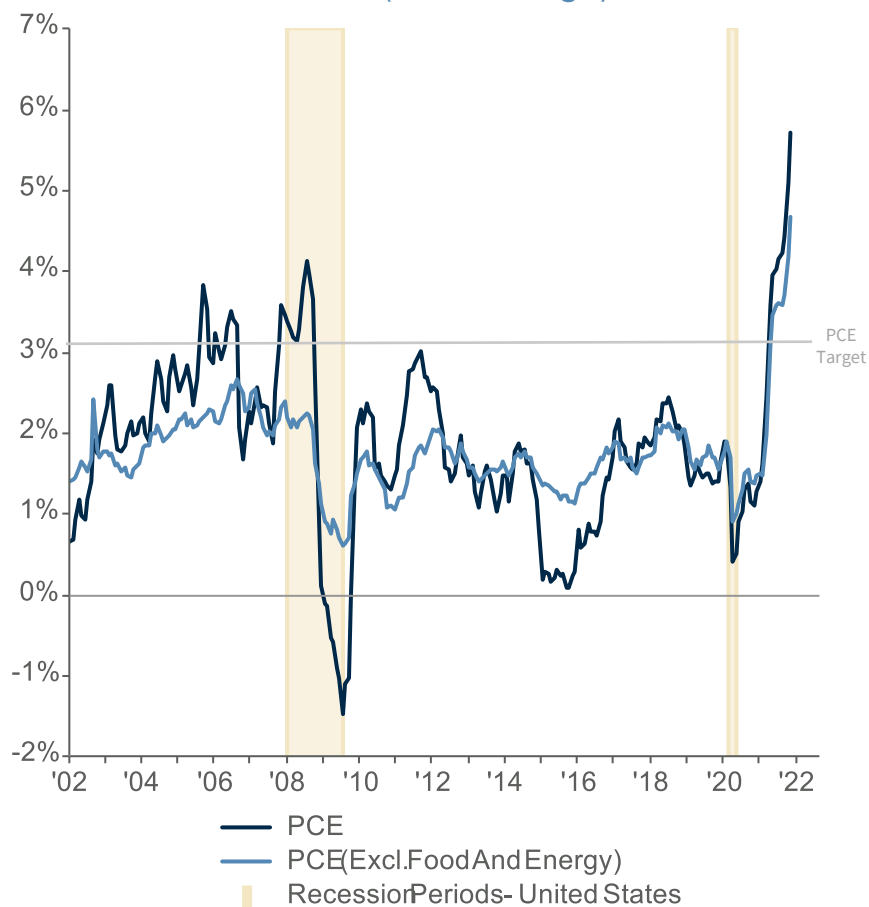
Construction and Manufacturing



Source: FactSet, as of 12/31/2021

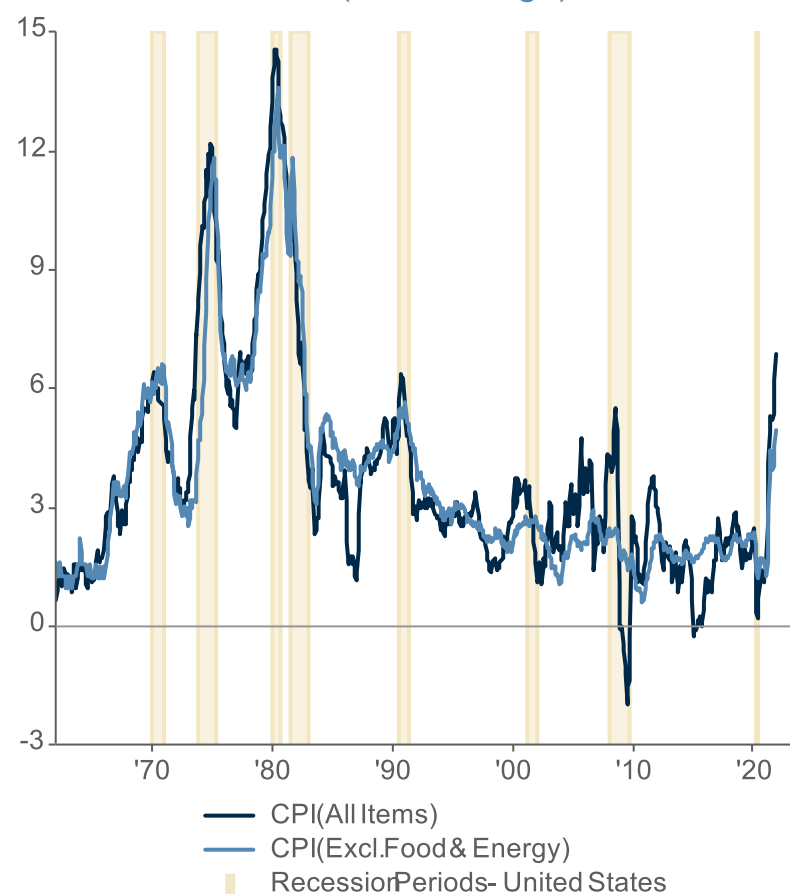
ECONOMIC REVIEW | INFLATION

Personal Consumption Expenditures (PCE) (YoY Change)



Source: FactSet, as of 12/31/2021

Consumer Price Index (CPI) (YoY Change)



Source: FactSet, as of 12/31/2021

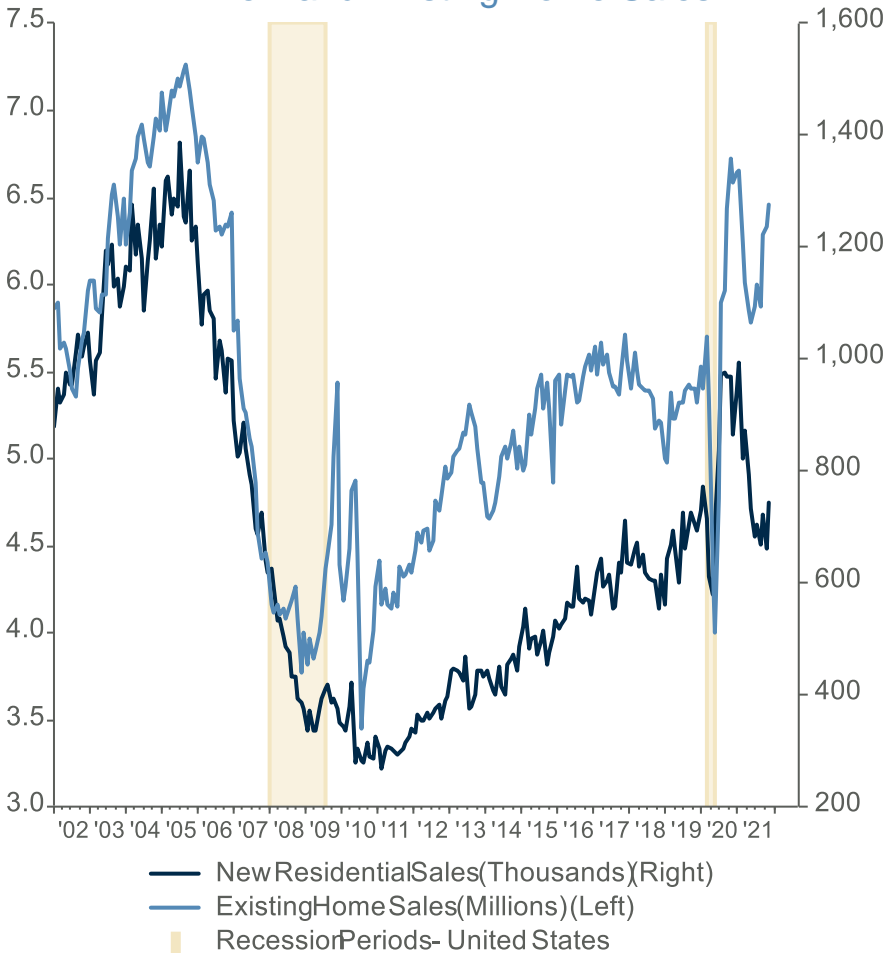
ECONOMIC REVIEW | HOUSING MARKET

National Home Price Index (YoY Change)



Source: FactSet, as of 12/31/2021

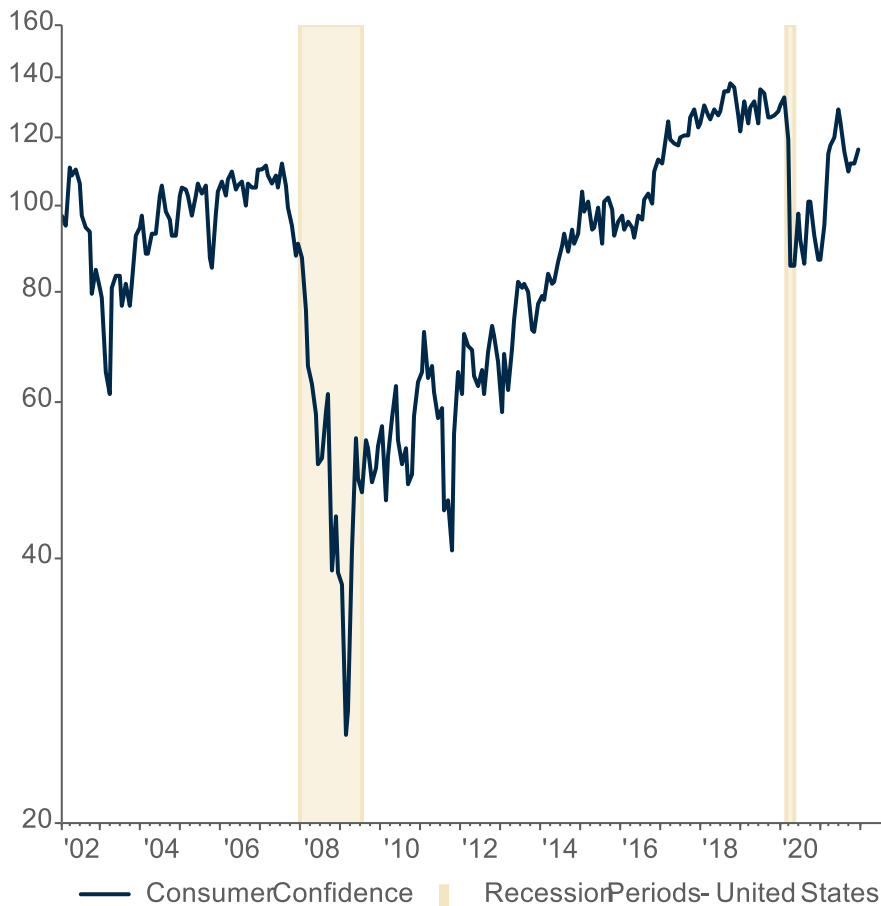
New and Existing Home Sales



Source: FactSet, as of 12/31/2021

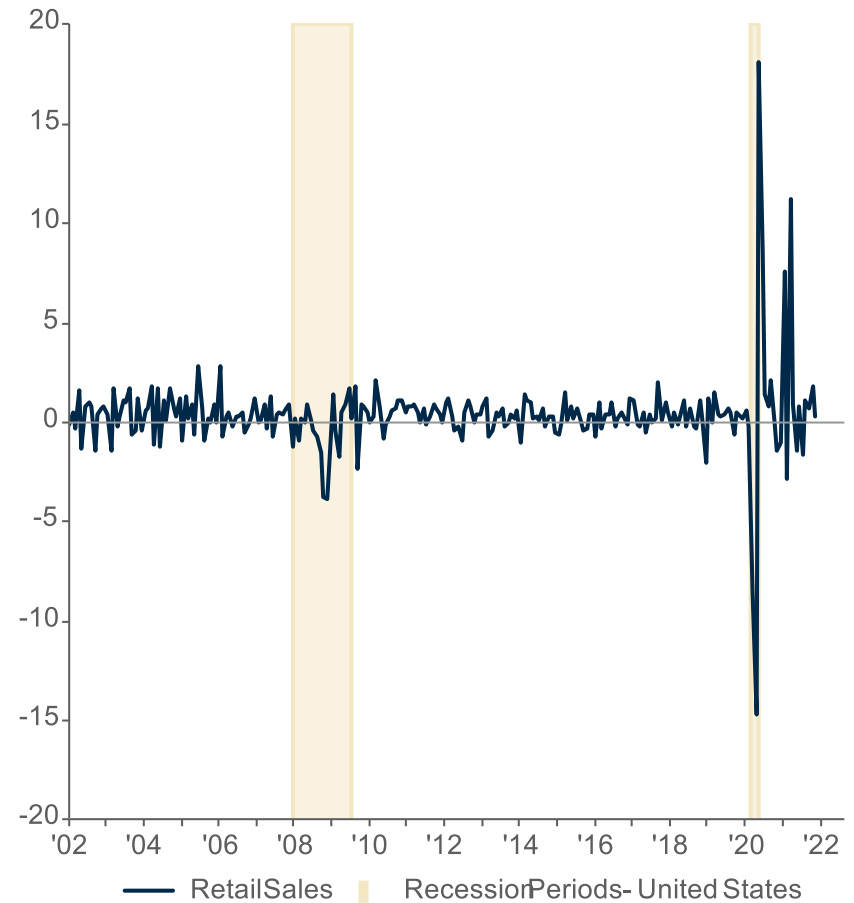
ECONOMIC REVIEW | CONSUMER CONFIDENCE

Consumer Confidence



Source: FactSet, as of 12/31/2021

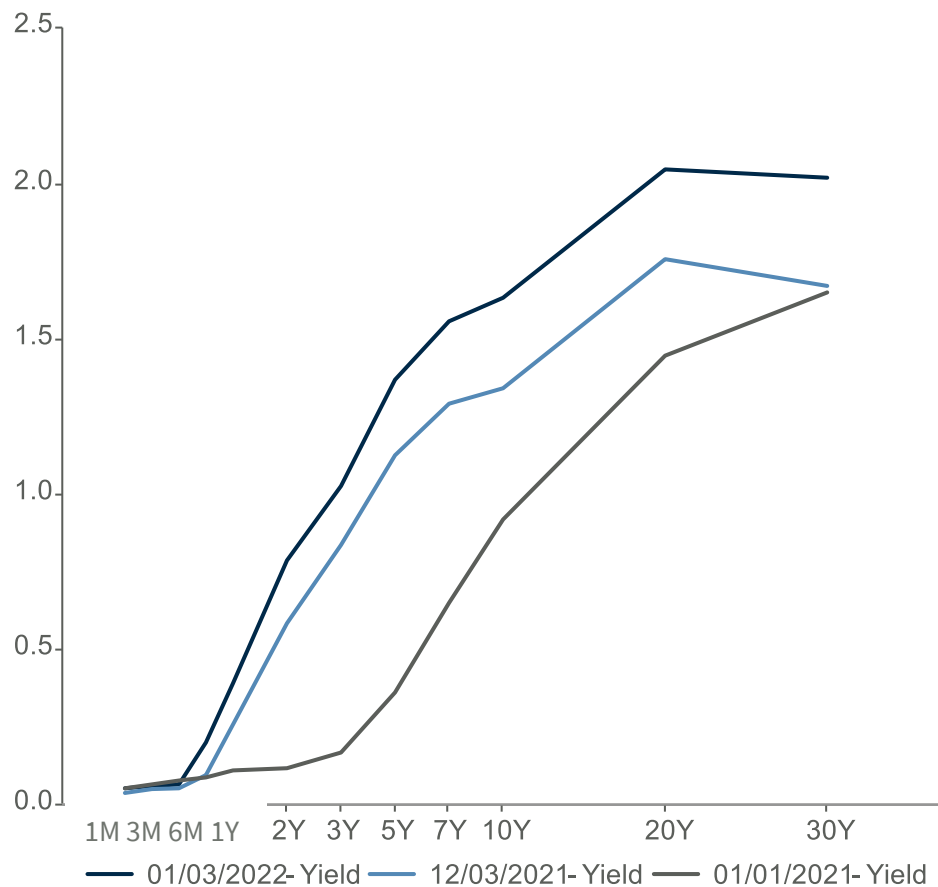
Retail Sales



Source: FactSet, as of 12/31/2021

CAPITAL MARKETS | US TREASURYS

US Yield Curve



Source: FactSet, as of 12/31/2021

US 10-Year/US 2-Year Yield Curve



Source: FactSet, as of 12/31/2021

CAPITAL MARKETS | BROAD ASSET CLASS RETURNS

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Real Estate 40.4%	Fixed Income 7.8%	Non-US Equities 17.0%	US Equities 32.4%	Real Estate 14.3%	US Equities 1.4%	Real Estate 15.3%	Non-US Equities 24.8%	Cash & Cash Alternatives 1.8%	US Equities 31.5%	US Equities 18.4%	Real Estate 38.6%
Commodities 16.7%	Blended Portfolio 2.3%	US Equities 16.0%	Non-US Equities 21.6%	US Equities 13.7%	Fixed Income 0.5%	US Equities 12.0%	US Equities 21.8%	Fixed Income 0.0%	Non-US Equities 23.2%	Blended Portfolio 12.5%	US Equities 28.7%
US Equities 15.1%	US Equities 2.1%	Blended Portfolio 11.4%	Blended Portfolio 17.0%	Blended Portfolio 8.0%	Blended Portfolio 0.5%	Commodities 11.4%	Blended Portfolio 15.0%	Blended Portfolio -4.0%	Blended Portfolio 21.1%	Non-US Equities 8.1%	Commodities 27.1%
Blended Portfolio 10.8%	Cash & Cash Alternatives 0.1%	Fixed Income 4.2%	Cash & Cash Alternatives 0.0%	Fixed Income 6.0%	Cash & Cash Alternatives 0.0%	Blended Portfolio 6.9%	Fixed Income 3.5%	US Equities -4.4%	Real Estate 19.5%	Fixed Income 7.5%	Blended Portfolio 14.3%
Non-US Equities 9.4%	Real Estate -2.2%	Real Estate 0.6%	Fixed Income -2.0%	Cash & Cash Alternatives 0.0%	Non-US Equities -2.6%	Non-US Equities 3.3%	Cash & Cash Alternatives 0.8%	Real Estate -7.6%	Fixed Income 8.7%	Cash & Cash Alternatives 0.5%	Non-US Equities 13.2%
Fixed Income 6.5%	Non-US Equities -11.8%	Cash & Cash Alternatives 0.1%	Commodities -9.6%	Non-US Equities -3.9%	Real Estate -24.2%	Fixed Income 2.6%	Commodities 0.7%	Commodities -13.0%	Commodities 5.4%	Commodities -3.5%	Cash & Cash Alternatives 0.0%
Cash & Cash Alternatives 0.1%	Commodities -13.4%	Commodities -1.1%	Real Estate -25.8%	Commodities -17.0%	Commodities -24.7%	Cash & Cash Alternatives 0.3%	Real Estate -0.2%	Non-US Equities -13.6%	Cash & Cash Alternatives 2.2%	Real Estate -13.1%	Fixed Income -1.5%

Blended Portfolio Allocation: 45% US Equity / 15% Non-US Equity / 40% Fixed Income

As of: 12/31/2021

CAPITAL MARKETS | DOMESTIC EQUITY RETURNS

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Mid Growth 30.6%	Large Growth 4.7%	Mid Value 18.5%	Small Growth 42.7%	Large Growth 14.9%	Large Growth 5.5%	Small Value 31.3%	Large Growth 27.4%	Large Growth 0.0%	Large Value 31.9%	Large Growth 33.5%	Large Growth 32.0%
Small Growth 28.0%	Small Growth 3.6%	Small Value 18.2%	Small Blend 41.3%	Large Blend 13.7%	Small Growth 2.8%	Small Blend 26.6%	Large Blend 21.8%	Small Growth -4.1%	Large Blend 31.5%	Mid Growth 22.8%	Small Value 30.9%
Mid Blend 26.6%	Large Blend 2.1%	Mid Blend 17.9%	Small Value 40.0%	Large Value 12.4%	Mid Growth 2.0%	Mid Value 26.5%	Mid Growth 19.9%	Large Blend -4.4%	Large Growth 31.1%	Small Growth 19.6%	Mid Value 30.7%
Small Blend 26.3%	Small Blend 1.0%	Large Value 17.7%	Mid Value 34.3%	Mid Value 12.1%	Large Blend 1.4%	Small Growth 22.2%	Mid Blend 16.2%	Small Blend -8.5%	Mid Growth 26.3%	Large Blend 18.4%	Large Blend 28.7%
Small Value 24.7%	Large Value -0.5%	Mid Growth 17.3%	Mid Blend 33.5%	Mid Blend 9.8%	Small Blend -2.0%	Mid Blend 20.7%	Large Value 15.4%	Large Value -9.0%	Mid Blend 26.2%	Mid Blend 13.7%	Small Blend 26.8%
Mid Value 22.8%	Mid Growth -0.9%	Small Blend 16.3%	Mid Growth 32.8%	Mid Growth 7.6%	Mid Blend -2.2%	Large Value 17.4%	Small Growth 14.8%	Mid Growth -10.3%	Mid Value 26.1%	Small Blend 11.3%	Large Value 24.9%
Large Value 15.1%	Small Value -1.4%	Large Blend 16.0%	Large Growth 32.8%	Small Value 7.5%	Large Value -3.1%	Mid Growth 14.8%	Small Blend 13.2%	Mid Blend -11.1%	Small Value 24.5%	Mid Value 3.7%	Mid Blend 24.8%
Large Blend 15.1%	Mid Blend -1.7%	Large Growth 14.6%	Large Blend 32.4%	Small Blend 5.8%	Mid Value -6.7%	Large Blend 12.0%	Mid Value 12.3%	Mid Value -11.9%	Small Blend 22.8%	Small Value 2.5%	Small Growth 22.6%
Large Growth 15.1%	Mid Value -2.4%	Small Growth 14.6%	Large Value 32.0%	Small Growth 3.9%	Small Value -6.7%	Large Growth 6.9%	Small Value 11.5%	Small Value -12.6%	Small Growth 21.1%	Large Value 1.4%	Mid Growth 18.9%

As of: 12/31/2021

CAPITAL MARKETS | FIXED INCOME RETURNS

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
High Yield 15.1%	Long-Term Bond 17.1%	Emerging Market Bond 17.9%	High Yield 7.4%	Long-Term Bond 16.4%	Municipal 3.3%	High Yield 17.1%	Long-Term Bond 12.2%	T-Bill 1.8%	Long-Term Bond 23.4%	Long-Term Bond 13.3%	US TIPS 5.5%
Emerging Market Bond 12.8%	Municipal 10.7%	High Yield 15.8%	Agency 1.0%	Municipal 9.1%	Agency 1.8%	Long-Term Bond 10.2%	Emerging Market Bond 8.2%	Short-Term Bond 1.4%	High Yield 14.3%	Credit 9.4%	High Yield 5.3%
Long-Term Bond 10.7%	Treasury 9.8%	Long-Term Bond 12.7%	Short-Term Bond 0.3%	Credit 7.5%	MBS 1.5%	Emerging Market Bond 9.9%	Global Bond ex US 8.0%	Municipal 1.3%	Credit 13.8%	Global Bond ex US 8.9%	Municipal 1.5%
Credit 8.5%	Credit 8.4%	Credit 9.4%	T-Bill 0.0%	MBS 6.1%	Emerging Market Bond 1.3%	Credit 5.6%	High Yield 7.5%	Agency 1.1%	Emerging Market Bond 13.1%	Treasury 8.0%	Agency 1.0%
Global Bond ex US 8.4%	Aggregate Bond 7.8%	Municipal 6.8%	US TIPS -0.9%	Aggregate Bond 6.0%	Treasury 0.8%	Aggregate Bond 2.6%	Credit 6.2%	MBS 1.0%	Aggregate Bond 8.7%	Aggregate Bond 7.5%	T-Bill 0.0%
Aggregate Bond 6.5%	Emerging Market Bond 7.0%	Aggregate Bond 4.2%	MBS -1.5%	Treasury 5.1%	Aggregate Bond 0.5%	Agency 2.6%	Municipal 5.4%	Treasury 0.9%	Municipal 7.5%	High Yield 7.1%	Short-Term Bond -0.6%
Treasury 5.9%	MBS 6.3%	MBS 2.6%	Credit -2.0%	Emerging Market Bond 4.8%	Short-Term Bond 0.4%	US TIPS 2.5%	Aggregate Bond 3.5%	US TIPS 0.7%	Treasury 6.9%	Emerging Market Bond 6.5%	MBS -1.0%
MBS 5.4%	Global Bond ex US 6.1%	Treasury 2.0%	Aggregate Bond -2.0%	High Yield 2.5%	T-Bill 0.0%	Global Bond ex US 2.2%	Agency 2.9%	Aggregate Bond 0.0%	MBS 6.4%	Municipal 5.2%	Credit -1.1%
US TIPS 2.7%	High Yield 5.0%	US TIPS 1.7%	Municipal -2.6%	Agency 1.0%	US TIPS -0.4%	MBS 1.7%	MBS 2.5%	Global Bond ex US -0.3%	US TIPS 4.5%	MBS 3.9%	Long-Term Bond -1.2%
Municipal 2.4%	US TIPS 2.6%	Agency 1.0%	Treasury -2.7%	Short-Term Bond 0.7%	Credit -0.8%	Treasury 1.0%	Treasury 2.3%	High Yield -2.1%	Global Bond ex US 4.5%	US TIPS 3.8%	Aggregate Bond -1.5%
Short-Term Bond 2.4%	Short-Term Bond 1.5%	Short-Term Bond 0.3%	Emerging Market Bond -4.1%	T-Bill 0.0%	Global Bond ex US -3.6%	Short-Term Bond 0.6%	T-Bill 0.8%	Credit -2.1%	Short-Term Bond 3.3%	Short-Term Bond 3.1%	Emerging Market Bond -1.7%
Agency 1.0%	Agency 1.0%	T-Bill 0.1%	Long-Term Bond -6.6%	US TIPS -1.4%	High Yield -4.5%	T-Bill 0.3%	US TIPS 0.4%	Emerging Market Bond -2.5%	T-Bill 2.2%	Agency 1.0%	Treasury -2.3%
T-Bill 0.1%	T-Bill 0.1%	Global Bond ex US -0.6%	Global Bond ex US -7.1%	Global Bond ex US -3.5%	Long-Term Bond -4.6%	Municipal 0.2%	Short-Term Bond 0.3%	Long-Term Bond -6.8%	Agency 1.0%	T-Bill 0.5%	Global Bond ex US -9.5%

As of: 12/31/2021

CAPITAL MARKETS | INTERNATIONAL EQUITY RETURNS

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
EM Asia 19.4%	US Large Cap 2.1%	Pacific ex Japan 24.7%	US Large Cap 32.4%	US Large Cap 13.7%	Japan 9.9%	EM Eastern Europe 38.8%	EM Asia 43.3%	EM Eastern Europe -3.4%	EM Eastern Europe 31.0%	EM Asia 28.8%	US Large Cap 28.7%
Emerging Markets 19.2%	United Kingdom -2.5%	EM Asia 21.2%	Europe ex UK 28.7%	EM Asia 5.3%	US Large Cap 1.4%	EM Latin America 31.5%	Emerging Markets 37.8%	US Large Cap -4.4%	US Large Cap 25.7%	Emerging Markets 18.7%	EM Eastern Europe 18.6%
Pacific ex Japan 17.1%	Developed Markets -11.7%	Europe ex UK 22.5%	Japan 27.3%	Pacific ex Japan -0.3%	Europe ex UK 0.1%	US Large Cap 12.0%	Europe ex UK 27.8%	EM Latin America -6.2%	EM Latin America 10.5%	US Large Cap 18.4%	United Kingdom 18.5%
EM Eastern Europe 16.3%	Pacific ex Japan -12.7%	EM Eastern Europe 18.7%	Developed Markets 23.3%	Emerging Markets -1.8%	Developed Markets -0.4%	Emerging Markets 11.6%	Pacific ex Japan 26.0%	Pacific ex Japan -10.2%	Europe ex UK 7.7%	Japan 14.9%	Europe ex UK 16.5%
Japan 15.6%	Japan -14.2%	Emerging Markets 18.6%	United Kingdom 20.7%	Japan -3.7%	EM Eastern Europe -4.0%	Pacific ex Japan 8.0%	Developed Markets 25.6%	Japan -12.6%	Pacific ex Japan 6.4%	Europe ex UK 11.6%	Developed Markets 11.8%
US Large Cap 15.1%	Europe ex UK -14.5%	Developed Markets 17.9%	Pacific ex Japan 5.6%	Developed Markets -4.5%	United Kingdom -7.5%	EM Asia 6.5%	Japan 24.4%	Developed Markets -13.4%	Developed Markets 6.3%	Developed Markets 8.3%	Pacific ex Japan 4.8%
EM Latin America 14.9%	EM Asia -17.2%	US Large Cap 16.0%	EM Asia 2.3%	United Kingdom -5.4%	Pacific ex Japan -8.4%	Japan 2.7%	EM Latin America 24.2%	United Kingdom -14.1%	Japan 5.0%	Pacific ex Japan 6.6%	Japan 2.0%
United Kingdom 8.8%	Emerging Markets -18.2%	United Kingdom 15.3%	EM Eastern Europe 1.4%	Europe ex UK -5.8%	EM Asia -9.5%	Developed Markets 1.5%	United Kingdom 22.4%	Emerging Markets -14.2%	United Kingdom 4.1%	United Kingdom -10.4%	Emerging Markets -2.2%
Developed Markets 8.2%	EM Latin America -19.1%	EM Latin America 8.9%	Emerging Markets -2.3%	EM Latin America -12.0%	Emerging Markets -14.6%	Europe ex UK 0.3%	US Large Cap 21.8%	Europe ex UK -14.4%	Emerging Markets 2.0%	EM Eastern Europe -11.3%	EM Asia -4.8%
Europe ex UK 2.4%	EM Eastern Europe -21.3%	Japan 8.4%	EM Latin America -13.2%	EM Eastern Europe -37.1%	EM Latin America -30.8%	United Kingdom 0.0%	EM Eastern Europe 18.1%	EM Asia -15.2%	EM Asia 1.5%	EM Latin America -13.5%	EM Latin America -7.7%

As of: 12/31/2021

CAPITAL MARKETS | S&P EQUITY SECTOR RETURNS

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Real Estate 32.3%	Utilities 20.0%	Financials 28.8%	Consumer Discretionary 43.1%	Real Estate 30.2%	Consumer Discretionary 10.1%	Energy 27.4%	Information Technology 38.8%	Health Care 6.5%	Information Technology 50.3%	Information Technology 43.9%	Energy 54.6%
Consumer Discretionary 27.7%	Consumer Staples 14.0%	Consumer Discretionary 23.9%	Health Care 41.5%	Utilities 29.0%	Health Care 6.9%	Comm Services 23.5%	Materials 23.8%	Utilities 4.1%	Comm Services 32.7%	Consumer Discretionary 33.3%	Real Estate 46.2%
Industrials 26.7%	Health Care 12.7%	Real Estate 19.7%	Industrials 40.7%	Health Care 25.3%	Consumer Staples 6.6%	Financials 22.8%	Consumer Discretionary 23.0%	Consumer Discretionary 0.8%	Financials 32.1%	Comm Services 23.6%	Financials 35.0%
Materials 22.2%	Real Estate 11.4%	Comm Services 18.3%	Financials 35.6%	Information Technology 20.1%	Information Technology 5.9%	Industrials 18.9%	Financials 22.2%	Information Technology -0.3%	S&P 500 31.5%	Materials 20.7%	Information Technology 34.5%
Energy 20.5%	Comm Services 6.3%	Health Care 17.9%	S&P 500 32.4%	Consumer Staples 16.0%	Real Estate 4.7%	Materials 16.7%	Health Care 22.1%	Real Estate -2.2%	Industrials 29.4%	S&P 500 18.4%	S&P 500 28.7%
Comm Services 19.0%	Consumer Discretionary 6.1%	S&P 500 16.0%	Information Technology 28.4%	Financials 15.2%	Comm Services 3.4%	Utilities 16.3%	S&P 500 21.8%	S&P 500 -4.4%	Real Estate 29.0%	Health Care 13.4%	Materials 27.3%
S&P 500 15.1%	Energy 4.7%	Industrials 15.3%	Consumer Staples 26.1%	S&P 500 13.7%	S&P 500 1.4%	Information Technology 13.8%	Industrials 21.0%	Consumer Staples -8.4%	Consumer Discretionary 27.9%	Industrials 11.1%	Health Care 26.1%
Consumer Staples 14.1%	Information Technology 2.4%	Materials 15.0%	Materials 25.6%	Industrials 9.8%	Financials -1.5%	S&P 500 12.0%	Consumer Staples 13.5%	Comm Services -12.5%	Consumer Staples 27.6%	Consumer Staples 10.7%	Consumer Discretionary 24.4%
Financials 12.1%	S&P 500 2.1%	Information Technology 14.8%	Energy 25.1%	Consumer Discretionary 9.7%	Industrials -2.5%	Consumer Discretionary 6.0%	Utilities 12.1%	Financials -13.0%	Utilities 26.3%	Utilities 0.5%	Comm Services 21.6%
Information Technology 10.2%	Industrials -0.6%	Consumer Staples 10.8%	Utilities 13.2%	Materials 6.9%	Utilities -4.8%	Consumer Staples 5.4%	Real Estate 10.8%	Industrials -13.3%	Materials 24.6%	Financials -1.7%	Industrials 21.1%
Utilities 5.5%	Materials -9.8%	Energy 4.6%	Comm Services 11.5%	Comm Services 3.0%	Materials -8.4%	Real Estate 3.4%	Energy -1.0%	Materials -14.7%	Health Care 20.8%	Real Estate -2.2%	Consumer Staples 18.6%
Health Care 2.9%	Financials -17.1%	Utilities 1.3%	Real Estate 1.6%	Energy -7.8%	Energy -21.1%	Health Care -2.7%	Comm Services -1.3%	Energy -18.1%	Energy 11.8%	Energy -33.7%	Utilities 17.7%

As of: 12/31/2021

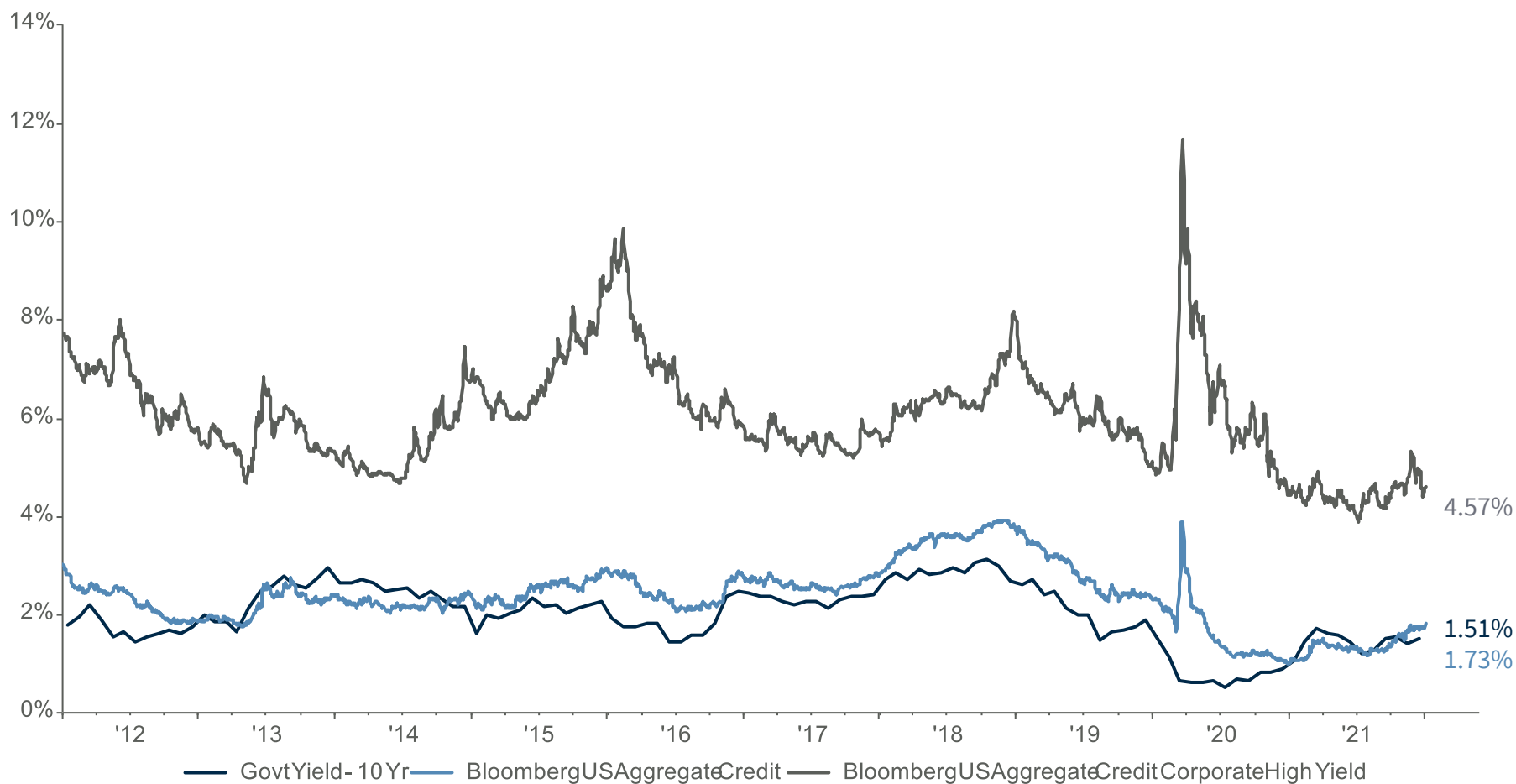
CAPITAL MARKETS | 2021 AND Q4 RETURNS

Broad Asset Class Total Returns		Domestic Equity Total Returns		S&P 500 Sectors Total Returns		International Equity Total Returns		Fixed Income Total Returns	
2021	Q4	2021	Q4	2021	Q4	2021	Q4	2021	Q4
Real Estate 38.6%	Real Estate 15.5%	Large Growth 32.0%	Large Growth 13.4%	Energy 54.6%	Real Estate 17.5%	US Large Cap 28.7%	US Large Cap 11.0%	US TIPS 5.5%	Long-Term Bond 1.5%
US Equities 28.7%	US Equities 11.0%	Small Value 30.9%	Large Blend 11.0%	Real Estate 46.2%	Information Technology 16.7%	EM Eastern Europe 18.6%	Europe ex UK 5.8%	High Yield 5.3%	US TIPS 1.3%
Commodities 27.1%	Blended Portfolio 5.4%	Mid Value 30.7%	Large Value 8.3%	Financials 35.0%	Materials 15.2%	United Kingdom 18.5%	United Kingdom 5.6%	Municipal 1.5%	Agency 1.0%
Blended Portfolio 14.3%	Non-US Equities 3.2%	Large Blend 28.7%	Mid Growth 8.0%	Information Technology 34.5%	Consumer Staples 13.3%	Europe ex UK 16.5%	Developed Markets 2.7%	Agency 1.0%	Municipal 0.7%
Non-US Equities 13.2%	Cash & Cash Alternatives 0.0%	Small Blend 26.8%	Mid Blend 8.0%	S&P 500 28.7%	Utilities 12.9%	Developed Markets 11.8%	Pacific ex Japan -0.1%	T-Bill 0.0%	High Yield 0.7%
Cash & Cash Alternatives 0.0%	Fixed Income 0.0%	Large Value 24.9%	Mid Value 8.0%	Materials 27.3%	Consumer Discretionary 12.8%	Pacific ex Japan 4.8%	EM Asia -0.9%	Short-Term Bond -0.6%	Credit 0.2%
Fixed Income -1.5%	Commodities -1.6%	Mid Blend 24.8%	Small Growth 6.9%	Health Care 26.1%	Health Care 11.2%	Japan 2.0%	Emerging Markets -1.2%	MBS -1.0%	Treasury 0.2%
		Small Growth 22.6%	Small Blend 5.6%	Consumer Discretionary 24.4%	S&P 500 11.0%	Emerging Markets -2.2%	EM Latin America -2.5%	Credit -1.1%	T-Bill 0.0%
		Mid Growth 18.9%	Small Value 4.5%	Comm Services 21.6%	Industrials 8.6%	EM Asia -4.8%	Japan -3.9%	Long-Term Bond -1.2%	Aggregate Bond 0.0%
				Industrials 21.1%	Energy 8.0%	EM Latin America -7.7%	EM Eastern Europe -7.5%	Aggregate Bond -1.5%	MBS -0.4%
				Consumer Staples 18.6%	Financials 4.6%			Emerging Market Bond -1.7%	Emerging Market Bond -0.5%
				Utilities 17.7%	Comm Services 0.0%			Treasury -2.3%	Short-Term Bond -0.5%
								Global Bond ex US -9.5%	Global Bond ex US -1.9%

As of: 12/31/2021

CAPITAL MARKETS | FIXED INCOME YIELDS

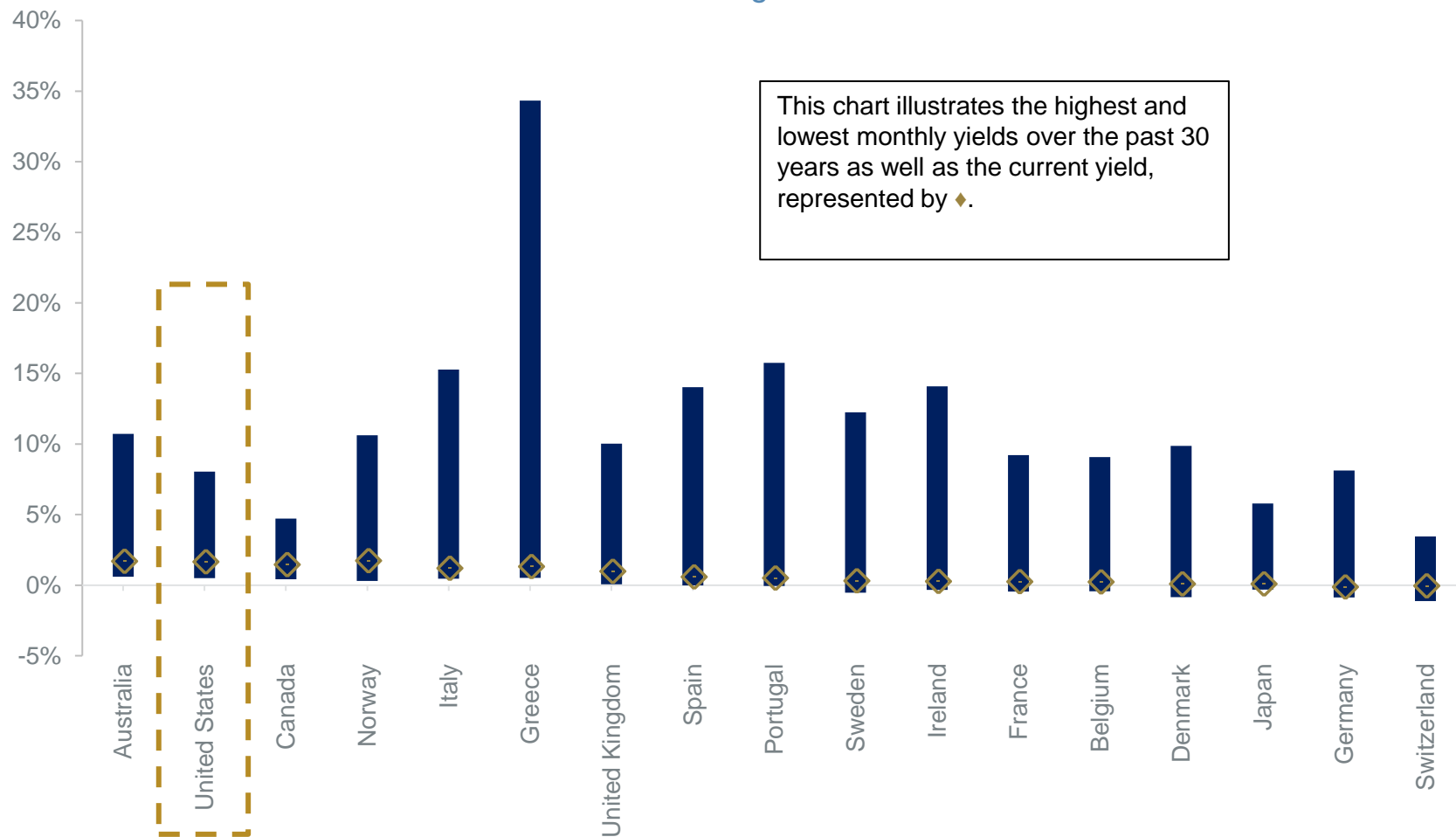
US Yield-to-Worst



Source: FactSet, as of 12/31/2021

CAPITAL MARKETS | GLOBAL SOVEREIGN DEBT YIELDS

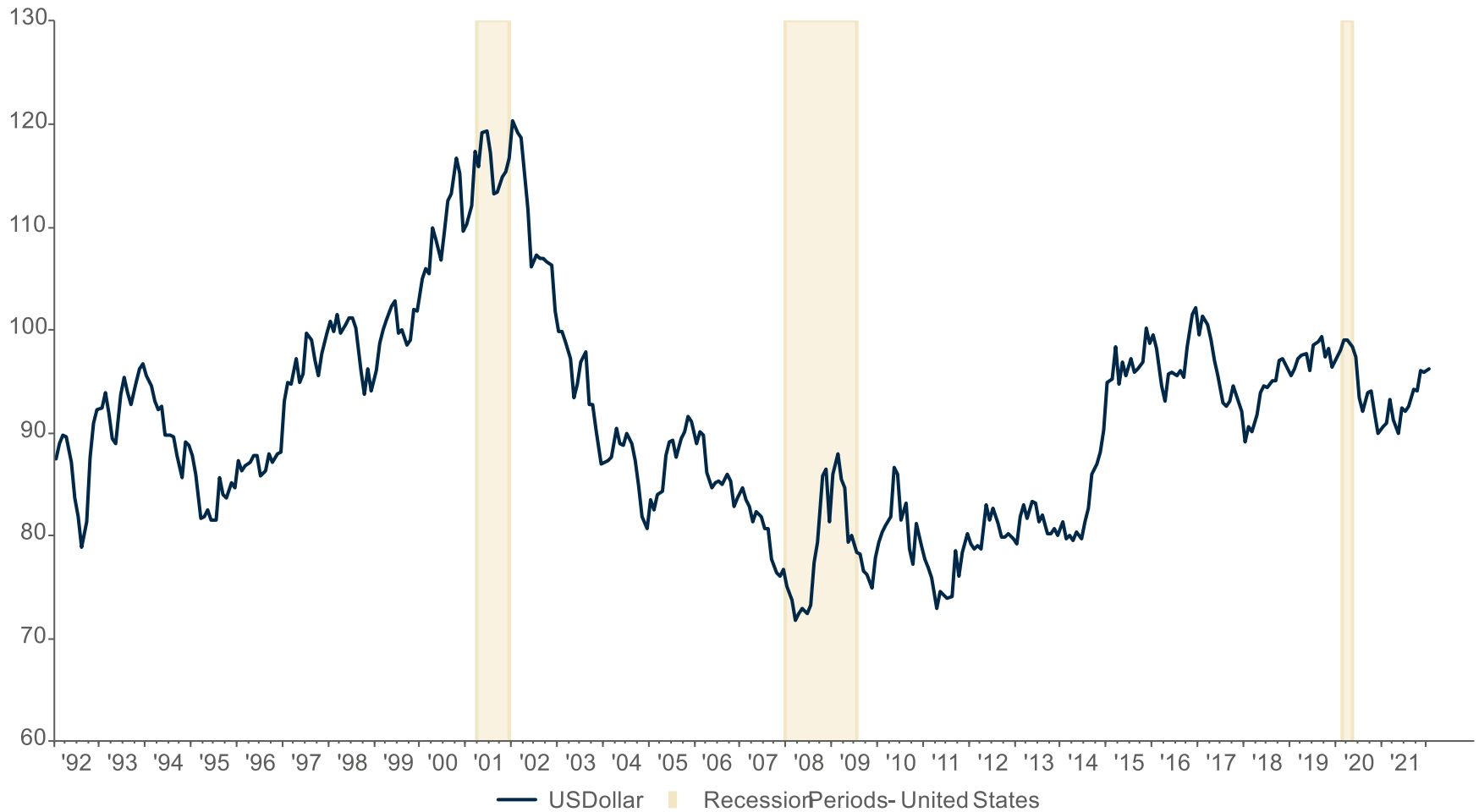
10-Year Sovereign Debt Yields



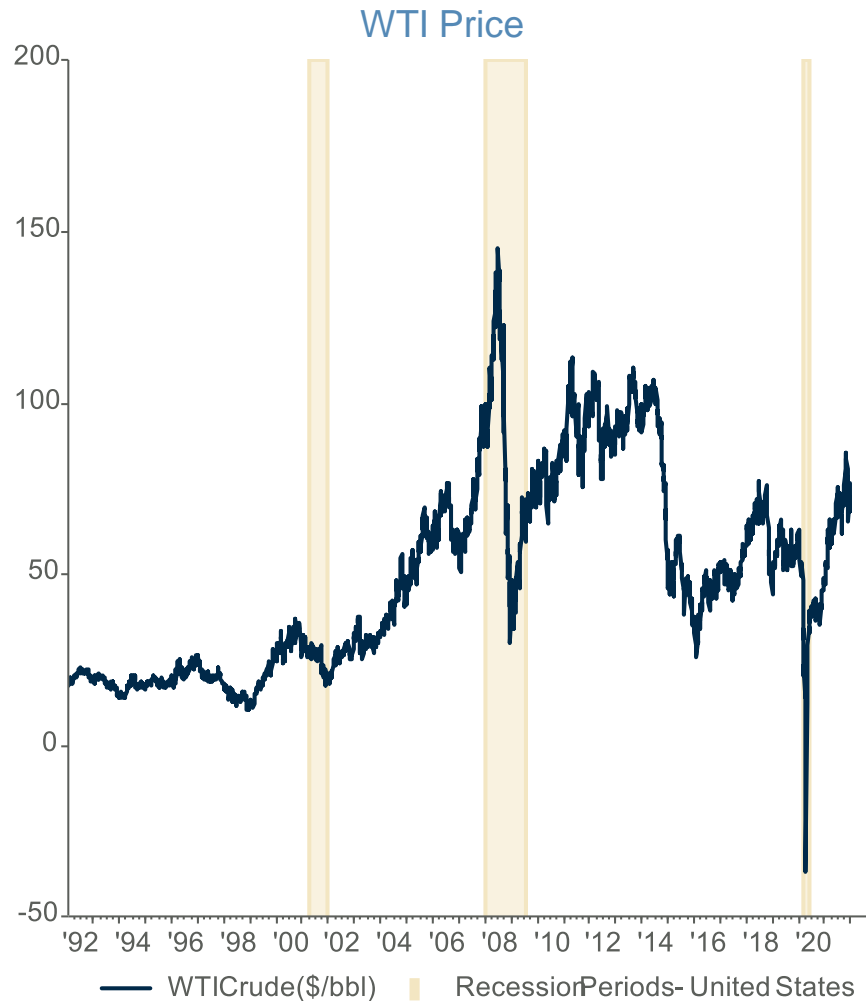
Source: FactSet, as of 12/31/2021

CAPITAL MARKETS | FOREIGN EXCHANGE RATES

US Dollar



CAPITAL MARKETS | COMMODITY PRICES



Source: FactSet, as of 12/31/2021



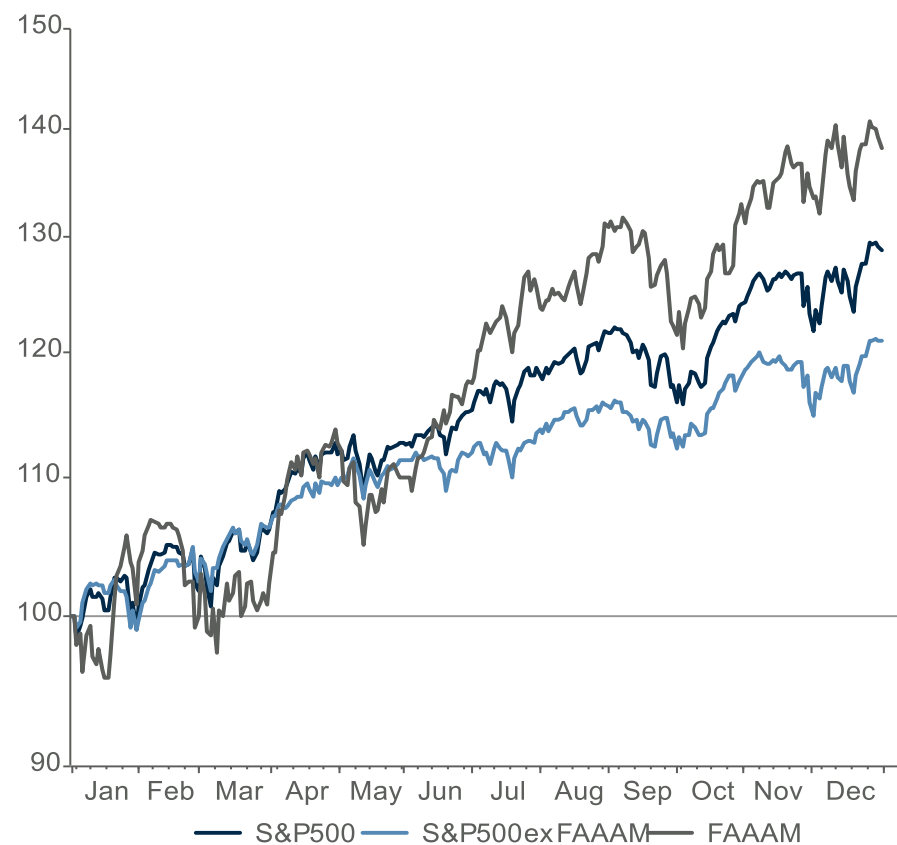
Source: FactSet, as of 12/31/2021

CAPITAL MARKETS | TOP 5 STOCKS WEIGHTING

S&P 500 Top 5 Stocks (FAAAM*) by Weighting



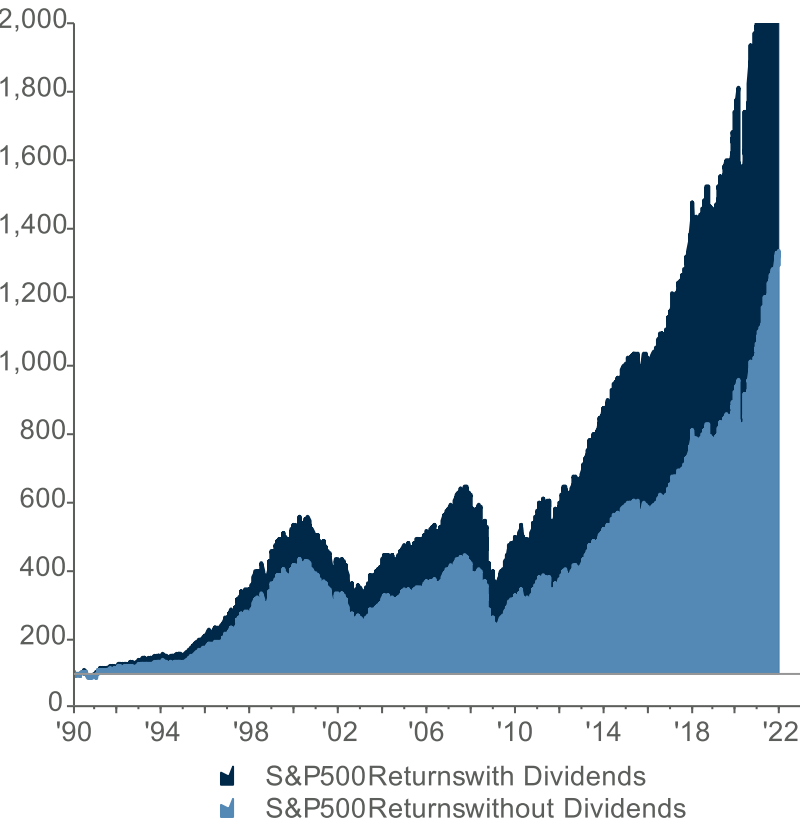
FAAAM* Contribution to S&P 500 Performance



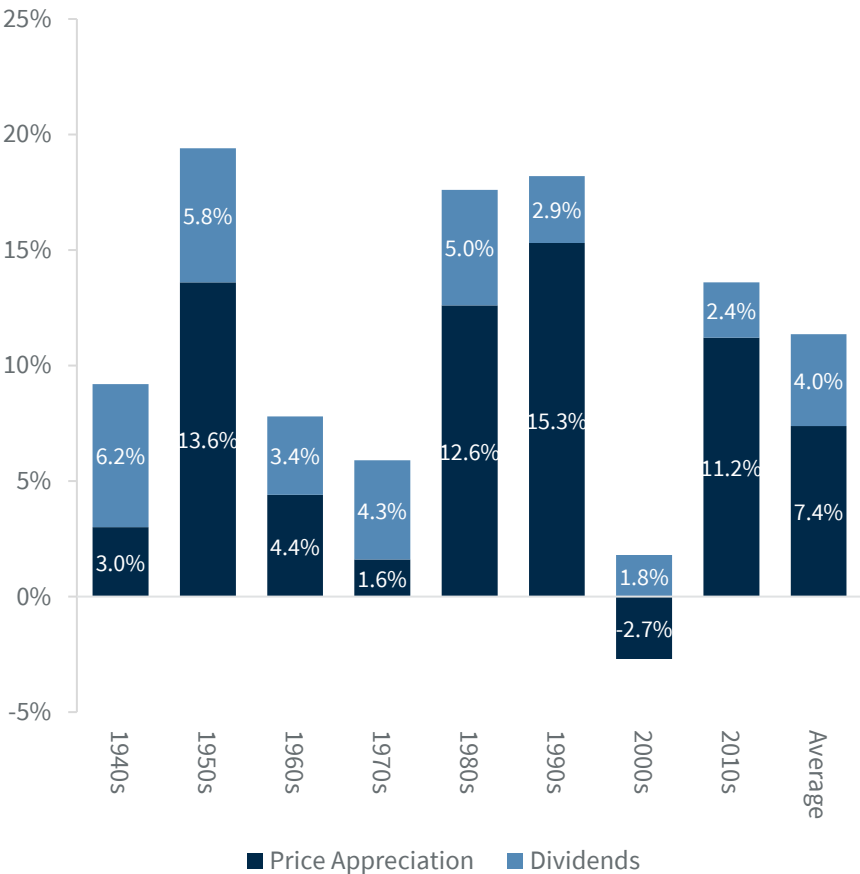
Source: FactSet, as of 12/31/2021, *FAAAM: Facebook, Apple, Alphabet, Amazon, Microsoft

CAPITAL MARKETS | PRICE AND TOTAL RETURN

Growth of \$100



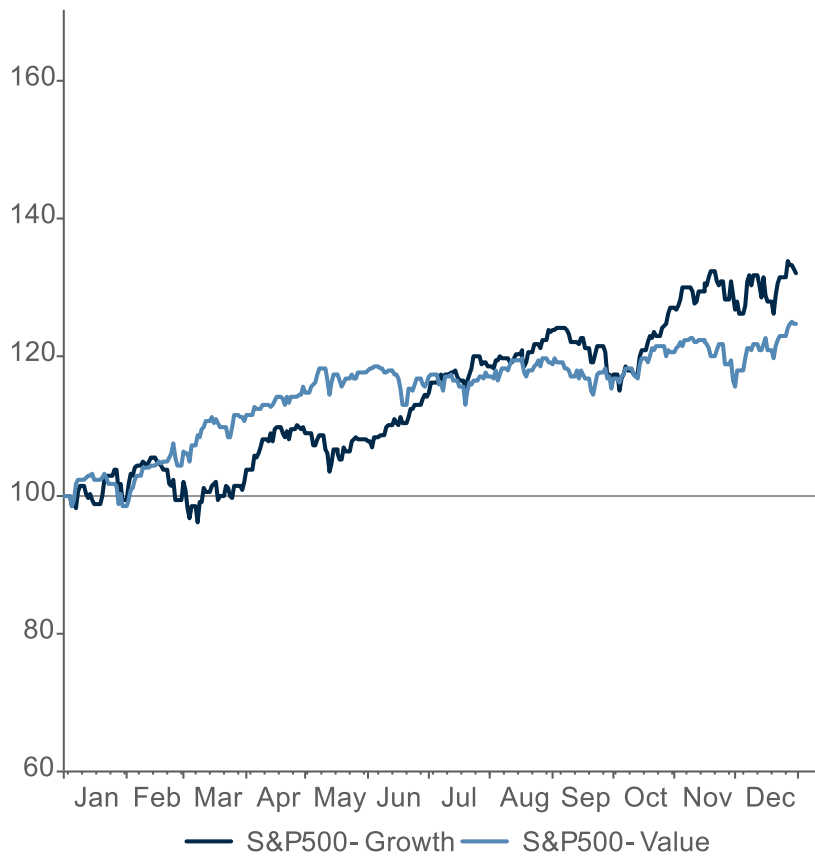
S&P 500 Price Appreciation and Dividends



Source: FactSet, as of 12/31/2021

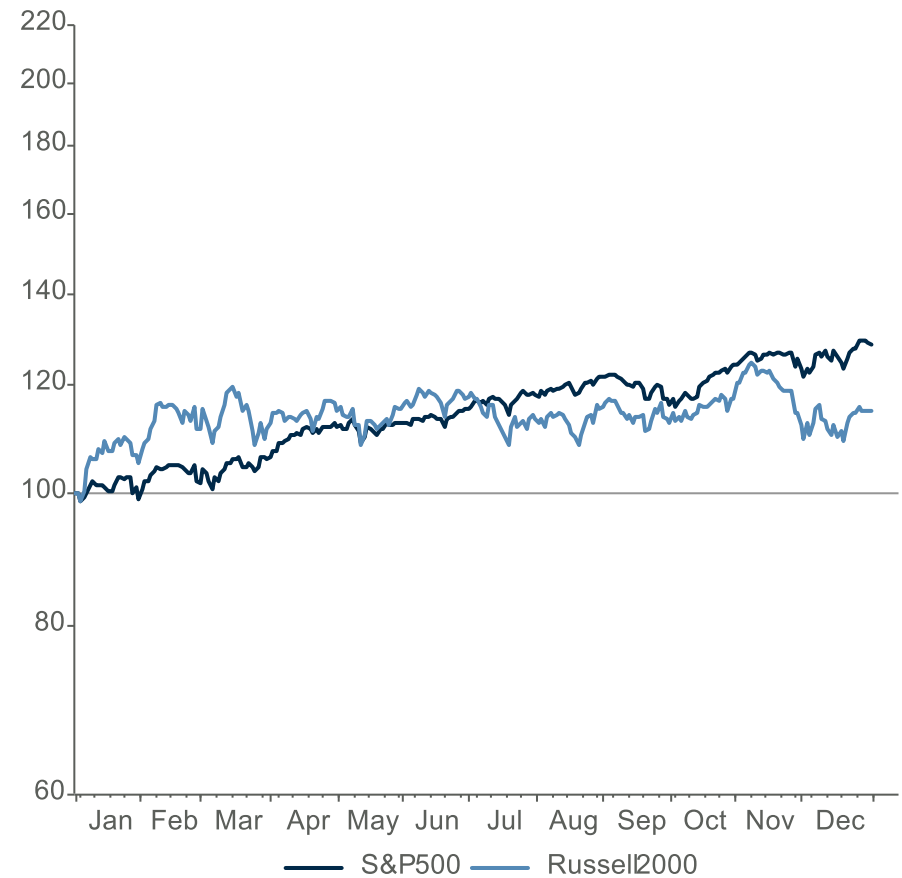
CAPITAL MARKETS | GROWTH VS. VALUE

Growth Outperforming Value



Source: FactSet, as of 12/31/2021

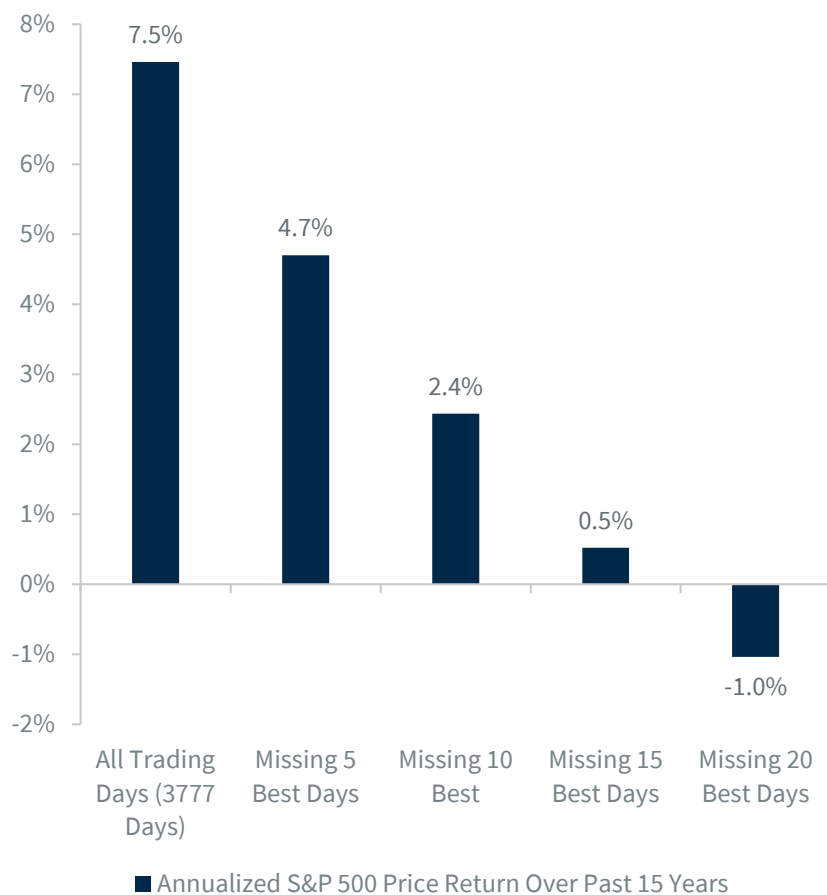
Large Cap Outperforming Small Cap



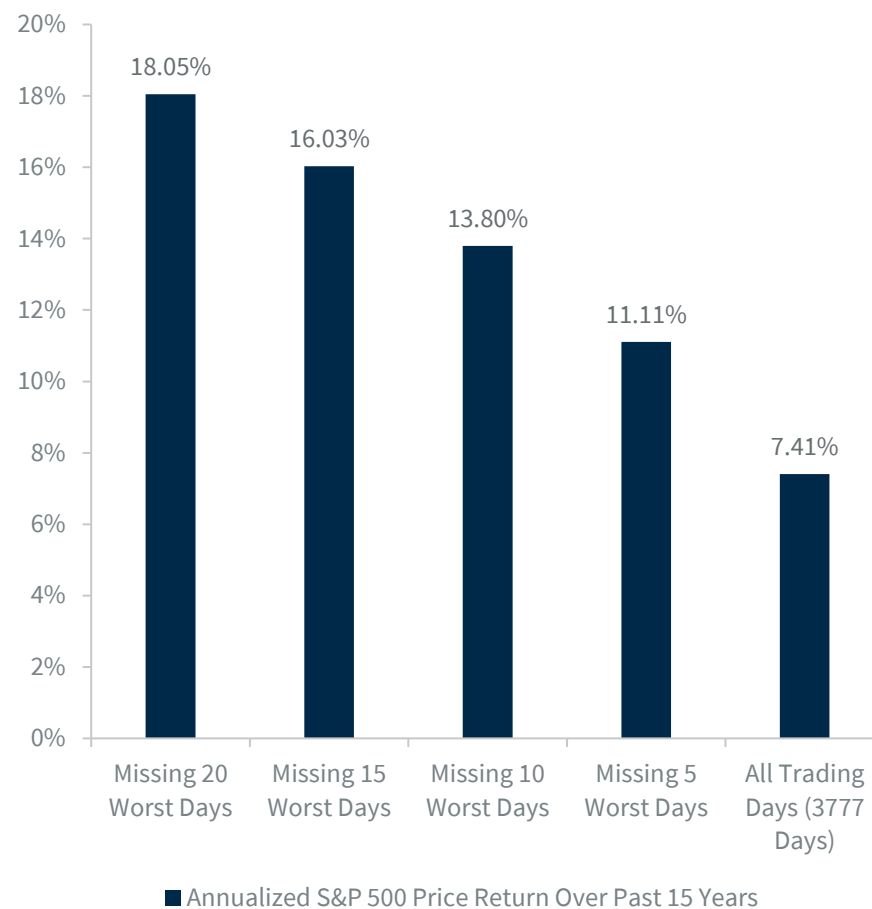
Source: FactSet, as of 12/31/2021

ASSET ALLOCATION | MISSING BEST AND WORST DAYS

Missing the Best Days



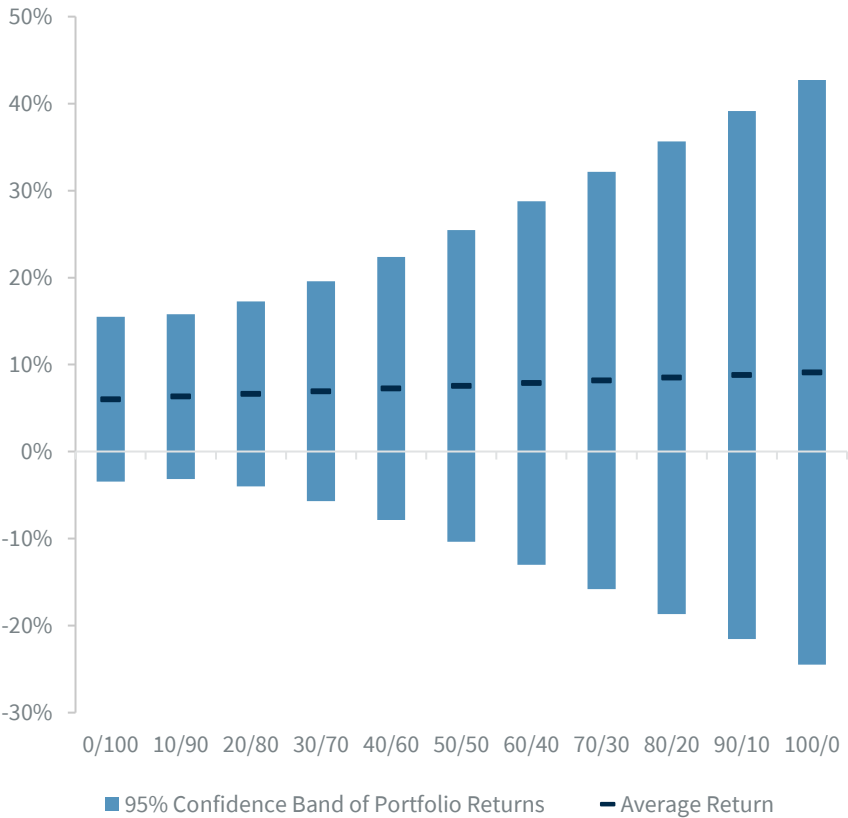
Missing the Worst Days



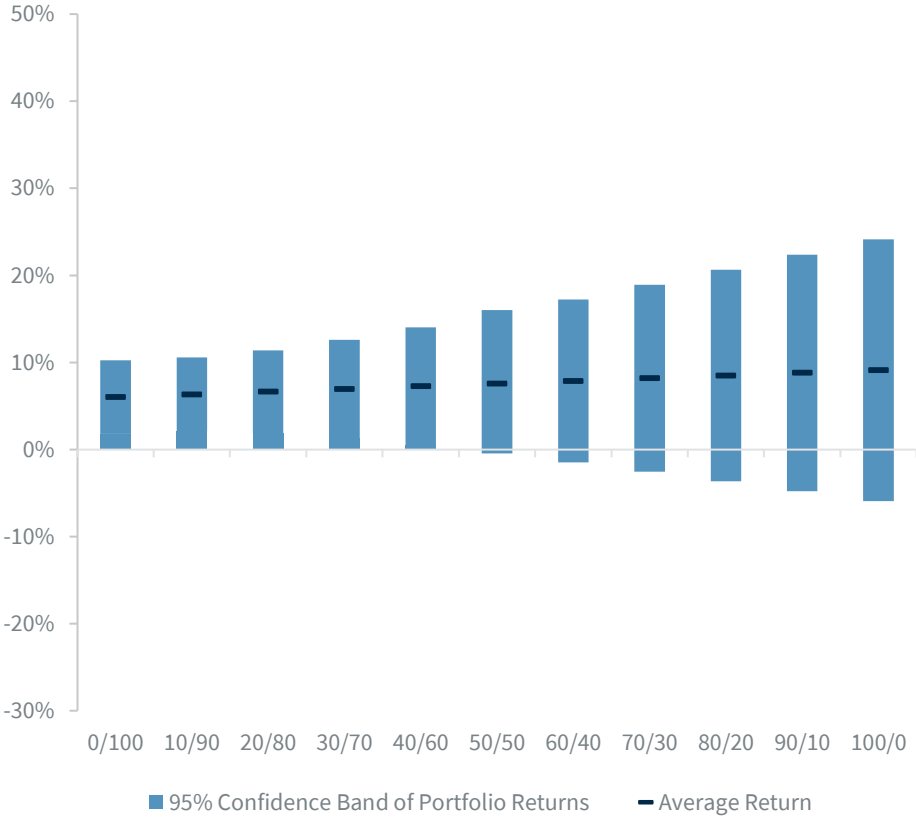
Source: FactSet, as of 12/31/2020

ASSET ALLOCATION | PORTFOLIO BUCKET RETURNS

1-Year Annual Return by Portfolio Bucket



5-Year Annual Return by Portfolio Bucket

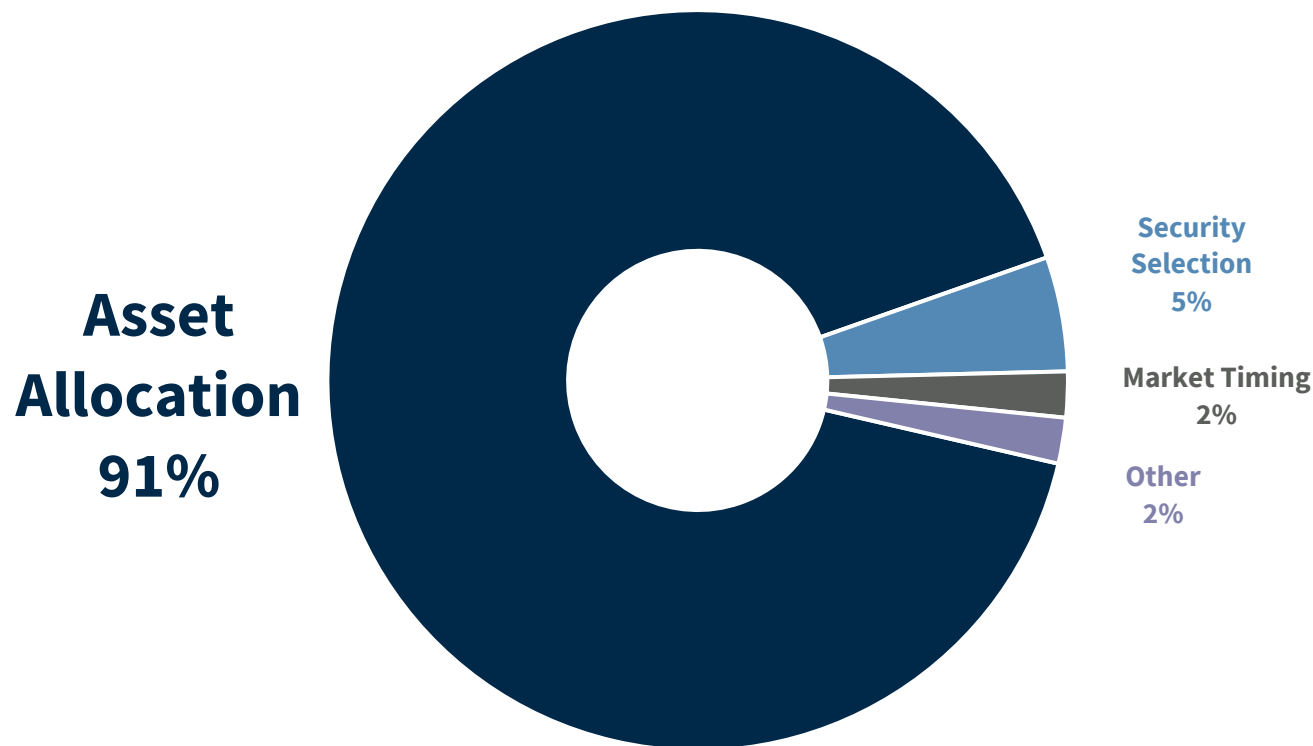


Source: FactSet, as of 12/31/2020

Source: FactSet, as of 12/31/2020

ASSET ALLOCATION | DETERMINANTS OF PORTFOLIO PERFORMANCE

Asset Allocation is Critical to Portfolio Construction



Source: Determinants of Portfolio Performance, Gary P. Brinson, L. Randolph Hood and Gilbert L. Beebower, Financial Analysts Journal, Vol. 42, No. 4 (Jul. - Aug., 1986), pp. 39-44

QUARTERLY TOPICS | BULLISH ON EARNINGS

“We continue to view the positives (above-trend economic growth, solid earnings growth, healthy US consumer, and relative value of stocks versus bonds) as outweighing the negatives (inflation, investor perception of Fed’s path, virus mutations/waves, and elevated valuation). As mentioned previously, we have a base case S&P 500 target of 5,053. Our bull case scenario produces a S&P 500 target of 5,513 (\$245 EPS, 22.5x P/E) and our bear case scenario produces a 4,388 target (\$225 EPS, 19.5x P/E).”

-**J. Michael Gibbs**, *Managing Director, Equity Portfolio & Technical Strategy*
Joey Madere, CFA, *Senior Portfolio Analyst, Equity Portfolio & Technical Strategy*

2022 Year-End Outlook

S&P 500	EPS ESTIMATE	P/E	PRICE
Bull Case	\$245	22.5x	5,513
Base Case	\$235	21.5x	5,053
Bear Case	\$225	19.5x	4,388

Source: Investment Strategy Quarterly January 2022

"For the complete article, ask your financial advisor for a copy of the January 2022 Investment Strategy Quarterly."

QUARTERLY TOPICS | WILL DC CONTINUE TO BE A MARKET TAILWIND?

“The focus on the economic agenda limited time for debate on other important policy areas that have been pushed to 2022. This includes defining the longer-term US competitive strategy on China, modernizing regulations for large technology companies, updating voting rights legislation, examining labor standards, and reforming US cannabis policy.”

-Ed Mills,

*Managing Director, Washington Policy Analyst,
Equity Research*



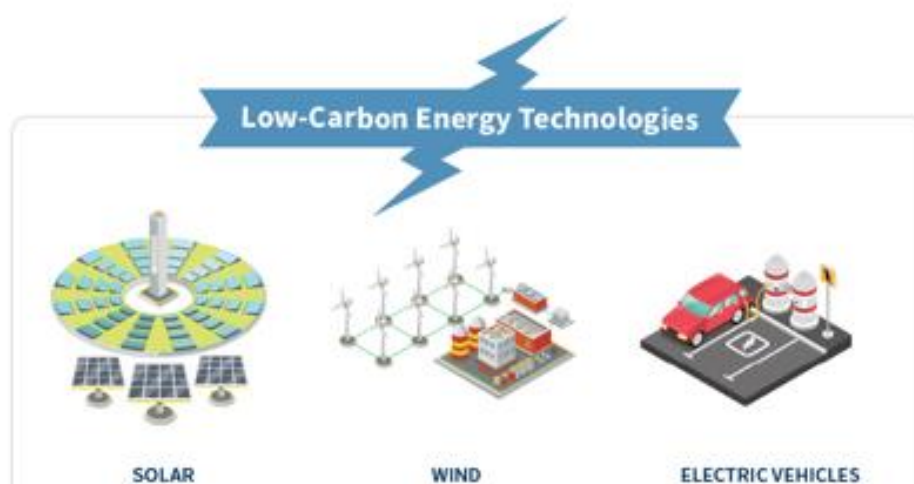
Source: Investment Strategy Quarterly January 2022

"For the complete article, ask your financial advisor for a copy of the January 2022 Investment Strategy Quarterly."

QUARTERLY TOPICS | ENERGY TRANSITION IS HERE TO STAY

“Energy transition is an irreversible megatrend – and, ultimately, more important for the Energy sector than either COVID or geopolitics.”

-**Pavel Molchanov**, *Director, Energy Analyst, Equity Research*



Source: Investment Strategy Quarterly January 2022

"For the complete article, ask your financial advisor for a copy of the January 2022 Investment Strategy Quarterly."

ASSET CLASS	BENCHMARK
Cash & Cash Alternatives	Bloomberg US Treasury - Bills (1-3 M)
Fixed Income	Bloomberg US Aggregate
US Equities	S&P 500 (TR)
World Equities	MSCI World ex USA
Commodities	Bloomberg Commodity Index
Real Estate	FTSE EPRA/NAREIT United States
Materials	S&P 500 (TR) / Materials - SEC
Industrials	S&P 500 (TR) / Industrials - SEC
Comm Services	S&P 500 (TR) / Communication Services -SEC
Utilities	S&P 500 (TR) / Utilities - SEC
Consumer Discretionary	S&P 500 (TR) / Consumer Discretionary - SEC
Consumer Staples	S&P 500 (TR) / Consumer Staples - SEC
Health Care	S&P 500 (TR) / Health Care - SEC
Information Technology	S&P 500 (TR) / Information Technology - SEC
Energy	S&P 500 (TR) / Energy - SEC
Financials	S&P 500 (TR) / Financials - SEC
Real Estate	S&P 500 (TR) / Real Estate - IG
S&P 500	S&P 500 (TR)
Large Value	S&P 500 Value
Large Blend	S&P 500
Large Growth	S&P 500 Growth
Mid Value	S&P Mid Cap 400 Value
Mid Blend	S&P Mid Cap 400
Mid Growth	S&P Mid Cap 400 Growth
Small Value	S&P Small Cap 600 Value

ASSET CLASS	BENCHMARK
Small Blend	S&P Small Cap 600
Small Growth	S&P Small Cap 600 Growth
US Large Cap	S&P 500
EM Eastern Europe	MSCI EM Eastern Europe
Europe ex UK	MSCI Europe ex UK
Developed Markets	MSCI EAFE
United Kingdom	MSCI United Kingdom
Japan	MSCI Japan
EM Latin America	MSCI EM Latin America
Emerging Markets	MSCI EM (Emerging Markets)
EM Asia	MSCI EM Asia
Pacific ex Japan	MSCI Pacific ex JP
Long-Term Bond	Bloomberg US Aggregate Credit - Long
High Yield	Bloomberg US High Yield - Corporate
Aggregate Bond	Bloomberg US Aggregate
Credit	Bloomberg US Aggregate Credit
Emerging Market Bond	Bloomberg Emerging Markets USD Aggregate
Treasury	Bloomberg US Aggregate Government - Treasury
Municipal	Bloomberg Municipal Bond
Agency	Bloomberg US Agency CMBS
MBS	Bloomberg MBS 1000
Global Bond ex US	Bloomberg Global G6 (G7 x US)
US TIPS	Bloomberg US TIPS (1-3 Y)
Short-Term Bond	Bloomberg US Treasury Bellwethers (2 Y)
T-Bill	Bloomberg US Treasury - Bills (1-3 M)

DISCLOSURES

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Information obtained from third-party sources is considered reliable, but we do not guarantee that the information herein is accurate or complete.

INTERNATIONAL INVESTING | International investing involves additional risks such as currency fluctuations, differing financial accounting standards, and possible political and economic instability. These risks are greater in emerging markets.

SECTORS | Sector investments are companies engaged in business related to a specific economic sector and are presented herein for illustrative purposes only and should not be considered as the sole basis for an investment decision. Sectors are subject to fierce competition and their products and services may be subject to rapid obsolescence. There are additional risks associated with investing in an individual sector, including limited diversification.

OIL | Investing in oil involves special risks, including the potential adverse effects of state and federal regulation and may not be suitable for all investors.

CURRENCIES | Currencies investing are generally considered speculative because of the significant potential for investment loss. Their markets are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising.

GOLD | Gold is subject to the special risks associated with investing in precious metals, including but not limited to: price may be subject to wide fluctuation; the market is relatively limited; the sources are concentrated in countries that have the potential for instability; and the market is unregulated.

FIXED INCOME | Fixed-income securities (or “bonds”) are exposed to various risks including but not limited to credit (risk of default of principal and interest payments), market and liquidity, interest rate, reinvestment, legislative (changes to the tax code), and call risks. There is an inverse relationship between interest rate movements and fixed income prices. Generally, when interest rates rise, fixed income prices fall and when interest rates fall, fixed income prices generally rise.

US TREASURIES | US Treasury securities are guaranteed by the US government and, if held to maturity, generally offer a fixed rate of return and guaranteed principal value.

DOMESTIC EQUITY DEFINITION

S&P 500 | The **S&P 500 Total Return Index**: The index is widely regarded as the best single gauge of large-cap U.S. equities. There is over USD 7.8 trillion benchmarked to the index, with index assets comprising approximately USD 2.2 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

LARGE GROWTH | **S&P 500 Growth Total Return Index**: This index represents a segment of the S&P 500 Index with a greater-than-average growth orientation.

LARGE VALUE | **S&P 500 Value Total Return Index**: This index represents a segment of the S&P 500 Index with a less-than-average growth orientation.

SMALL GROWTH | **S&P Small Cap 600 Growth Total Return Index**: This index represents a segment of the S&P 600 Index with a greater-than-average growth orientation.

SMALL BLEND | **Russell 2000 Total Return Index**: This index covers 2000 of the smallest companies in the Russell 3000 Index, which ranks the 3000 largest US companies by market capitalization. The Russell 2000 represents approximately 10% of the Russell 3000 total market capitalization. This index includes the effects of reinvested dividends.

SMALL VALUE | **S&P Small Cap 600 Value Total Return Index**: This index represents a segment of the S&P 600 Index with a less-than-average growth orientation.

MID VALUE | **S&P 400 Value Total Return Index**: This index represents a segment of the S&P 400 Index with a less-than-average growth orientation.

MID VALUE | **S&P Small Cap 400 Value Total Return Index**: This index represents a segment of the S&P 400 Index with a less-than-average growth orientation.

MID BLEND | **S&P Small Cap 400 Total Return Index**: The index measures the investment return of mid-capitalization stocks in the United States.

FIXED INCOME DEFINITION

AGGREGATE BOND | Bloomberg US Agg Bond Total Return Index: The index is a measure of the investment grade, fixed-rate, taxable bond market of roughly 6,000 SEC-registered securities with intermediate maturities averaging approximately 10 years. The index includes bonds from the Treasury, Government-Related, Corporate, MBS, ABS, and CMBS sectors.

MUNICIPAL | Bloomberg Municipal Total Return Index: The index is a measure of the long-term tax-exempt bond market with securities of investment grade (rated at least Baa by Moody's Investors Service and BBB by Standard and Poor's). This index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

INTERNATIONAL EQUITY DEFINITION

EMERGING MARKETS EASTERN EUROPE | MSCI EM Eastern Europe Net Return Index: The index captures large- and mid-cap representation across four Emerging Markets (EM) countries in Eastern Europe. With 50 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

BLOOMBERG BARCLAYS CAPITAL AGGREGATE BOND TOTAL RETURN INDEX | This index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. The index is designed to minimize concentration in any one commodity or sector. It currently has 22 commodity futures in seven sectors. No one commodity can compose less than 2% or more than 15% of the index, and no sector can represent more than 33% of the index (as of the annual weightings of the components).

EMERGING MARKETS ASIA | MSCI EM Asia Net Return Index: The index captures large- and mid-cap representation across eight Emerging Markets countries. With 554 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS LATIN AMERICA | MSCI EM Latin America Net Return Index: The index captures large- and mid-cap representation across five Emerging Markets (EM) countries in Latin America. With 116 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS | MSCI Emerging Markets Net Return Index: This index consists of 23 countries representing 10% of world market capitalization. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 23 countries.

PACIFIC EX-JAPAN | MSCI Pacific Ex Japan Net Return Index: The index captures large- and mid-cap representation across four of 5 Developed Markets (DM) countries in the Pacific region (excluding Japan). With 150 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

JAPAN | MSCI Japan Net Return Index: The index is designed to measure the performance of the large and mid cap segments of the Japanese market. With 319 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

FOREIGN DEVELOPED MARKETS | MSCI EAFE Net Return Index: This index is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries.

EUROPE EX UK | MSCI Europe Ex UK Net Return Index: The index captures large and mid cap representation across 14 Developed Markets (DM) countries in Europe. With 337 constituents, the index covers approximately 85% of the free float-adjusted market capitalization across European Developed Markets excluding the UK.

MSCI EAFE | The **MSCI EAFE** (Europe, Australasia, and Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the United States & Canada. The EAFE consists of the country indices of 22 developed nations.

WORLD EQUITIES | The MSCI World ex USA Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries*-- excluding the United States. With 1,003 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

COMMODITY DEFINITIONS

US DOLLAR INDEX | The US dollar index (USDX) is a measure of the value of the US dollar relative to the value of a basket of currencies of the majority of the US's most significant trading partners. This index is similar to other trade-weighted indexes, which also use the exchange rates from the same major currencies.

DATA SOURCE:

FactSet

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