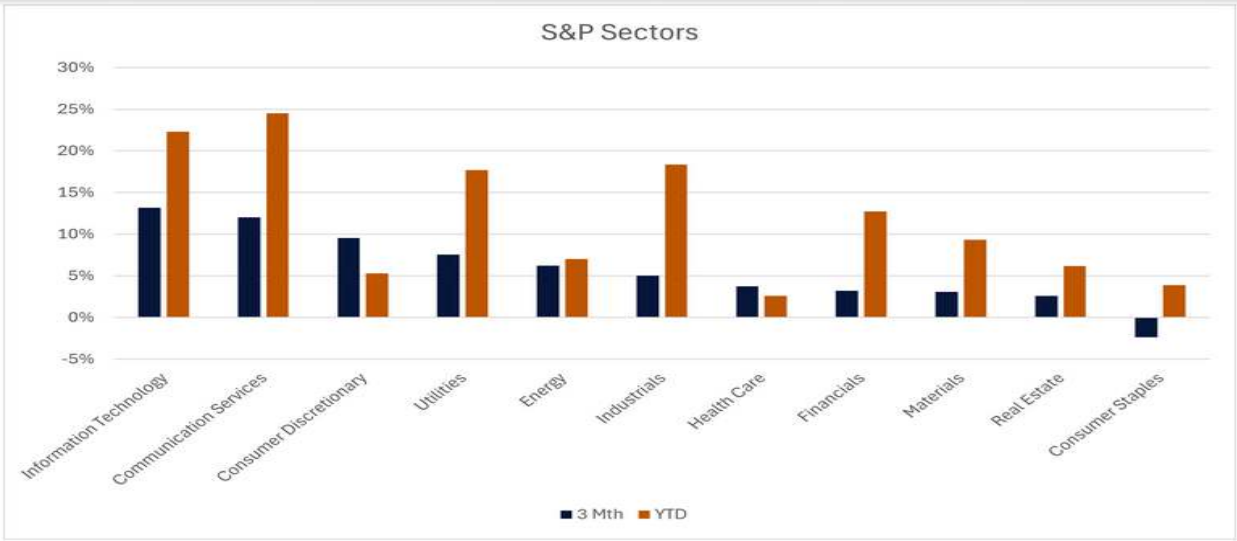
Investment Report Q32025

In the third quarter of 2025, leading stock market indexes sustained the 2025 upward trend and hit new all-time highs. Global financial markets saw substantial gains in Q3 2025, primarily due to a strong appetite for artificial intelligence (AI) and technology, impressive corporate profits, and a widely anticipated interest rate reduction by the Federal Reserve (Fed) that began the eagerly anticipated rate-cutting cycle. A declining US dollar aided emerging markets. Credit, digital currencies, and commodities highlighted by significant, record-breaking surges in gold and silver also did well. As economic growth remained steady, tariff rises turned out to be less severe than anticipated.

The Dow, S&P, and Nasdaq Reach New Heights: The tech-heavy Nasdaq rose 11.2% in Q3, surpassing the S&P 500's 8.1% rise and the Dow's 5.2% gain, while the Dow Jones Industrial Average (Dow), S&P 500, and Nasdaq Composite all reached all-time highs. The Magnificent Seven and those working in artificial intelligence (AI) continued to be strong, which contributed significantly to the Nasdaq's outstanding success. These indexes' outstanding performance in 2025 highlights the market's resiliency and strength, which are fuelled by high corporate profitability.



Source: LPL Research, FactSet, 09/30/25

Due in large part to the One Big Beautiful Bill Act's adoption in early July, markets began the third quarter continuing their year-to-date gain. The markets and the economy received a new dose of fiscal stimulus from this law, which included numerous elements of economic stimulation, such as restoring accelerated depreciation, making the 2017 tax cuts permanent, and allocating billions to the growth of domestic industries. However, that wasn't the only favourable market event that occurred in July. Mid-July saw the release of second-quarter corporate earnings results, which were better than anticipated and, crucially, did not reveal any discernible effects of tariffs or policy uncertainty. The Trump administration finally announced trade agreements with several of the biggest trading partners of the United States, such as the EU, Japan, and South Korea, in mid-to-late July. Meanwhile, the United States and China agreed to prolong their trade "truce" while they negotiated a wider trade pact. The re-imposition of reciprocal tariffs in early

August caused concerned, but these trade "deals" also helped feel less anxious about trade. The S&P 500 increased by 2.24% in July as a result of these factors as well as steady inflation and economic data.

Nevertheless, a financial shock at the start of August put an interim halt to the stock advance. In addition to disappointing employment growth in July, the July jobs report, which was released on August 1st, was significantly lower than anticipated due to significant negative revisions to the May and June numbers. The assumption that the labour market was worse than anticipated was presented by the disappointing employment data, which did raise the possibility of an economic downturn a little. But the weak employment numbers also raised anticipation for a rate cut, and Fed Chair Powell made clear that a rate decrease would be implemented at the September Fed meeting during the Jackson Hole Economic Symposium. In the end, stocks continued to rise, with the S&P 500 rising 2.03% in August, as rising rate cut expectations helped counteract the weak job report. Despite mounting evidence that the Labor market is definitely experiencing some weakness, the rally picked up speed in September. With only 22,000 new jobs created in August, the jobs data was yet again disappointing and far below the consensus projection. The Fed did lower interest rates at the September meeting, however, as the prospect of rate cuts helped counterbalance that poor employment report, just as it had in August.

The "Magnificent Seven" large technology stocks—Microsoft, Apple, Nvidia, Alphabet/Google, Meta/Facebook, and Tesla—moved largely as a single entity over the course of the last few years, rising and falling in tandem with the (mostly) ups and (fewer) downs of the overall market, albeit to varying degrees. The disparities between these enormous beings have became increasingly pronounced since we have entered the year 2025.In the third quarter, the Magnificent Seven has once more play a major role in driving earnings growth. Actually, the top six tech firms (the Magnificent Seven without Tesla) account for 70% of the 8% predicted growth in S&P 500 earnings that experts project. Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia, and Tesla had a combined market valuation of $20.7 trillion as of September 30, 2025. With Nvidia, Microsoft, and Alphabet leading the way, the company saw gains of 17.6% year-to-date (+$3.1T) and 29.4% year-over-year (+$4.7T).



Third Quarter Performance Review

Following the Fed rate decrease, key U.S. stock indices all reached new all-time highs, concluding a mild advance in September. This was due to the beginning of a Fed rate-cutting cycle, which should help the economy, as well as good AI-related tech stock earnings from Oracle and Broadcom.

Impressive AI-related corporate results, rising rate-cut predictions, and steady economic growth all contributed to the main stock indexes' impressive third-quarter gains. For the first time in 2025, small-cap stocks beat large-cap stocks in terms of market capitalization. This was due to the shifting from large-cap stocks to more economically sensitive small-cap stocks, which have traditionally benefited the most from lower borrowing costs brought on by declining interest rates. Despite the fact that ETFs saw a significant increase in Q3, growth surpassed value due to the sustained performance of AI-related tech stocks, which maintained the pattern from the second quarter.

At the end of the third quarter, 10 out of the 11 S&P 500 sectors had positive returns at the sector level. Consumer discretionary and communications services, which are tech-aligned, easily outpaced other market sectors and reported robust quarterly returns. Investor interest in AI-related investments remained high due to the positive earnings reports from AI-related tech firms including Microsoft, Alphabet, Amazon, Nvidia, Oracle, Broadcom, and others. This in turn fuelled a surge in IT and communications services. In contrast, the consumer discretionary sector profited from strong economic expansion and anticipated declines in interest rates, which should boost consumer expenditure. The only industry that ended the third quarter with a negative return when looking at the underperforming sector was consumer staples. That sector ended the third quarter with a slight loss due to pressure from tariff-related issues and preference for more economically sensitive sectors (given declining interest rates).

US Equity Indexes	Q3 Return	YTD
S&P 500	8.12%	14.83%
DJ Industrial Average	5.67%	10.47%
NASDAQ 100	9.01%	18.10%
S&P MidCap 400	5.55%	5.76%
Russell 2000	12.39%	10.39%

Source: YCharts

In comparison to the S&P 500, international markets performed differently. In the third quarter, emerging markets outperformed U.S. stocks, while foreign developed markets reported a good return but underperformed the S&P 500. A declining dollar, declining interest rates, and a resurgence in Chinese economic growth were the main reasons why emerging markets easily beat the S&P 500 in Q3. In the third quarter, foreign developed markets also saw a surge, although they trailed the S&P 500, partly because of worries about the UK's weak growth and budgetary strain.

International Equity Indexes	Q3 Return	YTD
MSCI EAFE TR USD (Foreign Developed)	4.83%	25.72%
MSCI EM TR USD (Emerging Markets)	10.95%	28.22%
MSCI ACWI Ex USA TR USD (Foreign Dev & EM)	7.03%	26.64%

Source: YCharts

Global equities

The third quarter saw a surge in global equities, with significant gains coming from both established and emerging economies. The Fed's interest rate decrease, robust corporate earnings, and the ongoing AI boom were the main drivers of the advances. The decline in the value of the US dollar also helped emerging markets. Technology and AI-driven firms, together with a strong rally by small-cap stocks, helped equities advance in the third quarter. The S&P 500 Index increased by 8.1% during this time, while small-cap companies saw gains of almost 12%. With shifting interest into cyclical sectors in anticipation of stronger economic growth and infrastructure spending, the Russell 2000 Growth Index saw a 12.2% increase for the three months ending September 30 due to the growing popularity of artificial intelligence, while the Russell 2000 Value Index saw a 12.6% increase due to attractive entry point valuations. The third-quarter gains of 10.6% in emerging market equities outside of the United States were driven by robust performance in semiconductor and artificial intelligence sectors from China and Taiwan. Because of their limited exposure to the rapidly expanding AI industries and the ongoing uncertainties surrounding economic policy, non-U.S. developed markets underperformed during this time, returning 4.8%. With the HFRI Equity Hedge returning 7.2%, equity hedge funds likewise had a good quarter.

Global Equity Market Returns as of 09/30/2025				
Global Equity	**Quarter**	**1 Year**	**3 Yrs**	**5 Yrs**
MSCI ACWI	7.6%	17.3%	23.1%	13.5%
US Equity	**Quarter**	**1 Year**	**3 Yrs**	**5 Yrs**
S&P 500	8.1%	17.6%	24.9%	16.5%
Russell 1000 Growth	10.5%	25.5%	31.6%	17.6%
Russell 1000 Value	5.3%	9.4%	17.0%	13.9%
Russell 2000	12.4%	10.8%	15.2%	11.6%
Russell 2000 Growth	12.2%	13.6%	16.7%	8.4%
Russell 2000 Value	12.6%	7.9%	13.6%	14.6%
International Equity	**Quarter**	**1 Year**	**3 Yrs**	**5 Yrs**
MSCI EAFE	4.8%	15.0%	21.7%	11.2%
MSCI EAFE Hedged USD	5.4%	12.9%	16.9%	12.5%
MSCI EAFE Small Cap	6.2%	17.7%	19.6%	8.5%
MSCI Europe	3.6%	15.1%	22.9%	12.2%
MSCI Emerging Markets	10.6%	17.3%	18.2%	7.0%
MSCI Emerging Markets Small Cap	5.4%	8.3%	17.9%	12.5%
MSCI China	20.7%	30.8%	19.5%	0.4%
Alternative	**Quarter**	**1 Year**	**3 Yrs**	**5 Yrs**
HFRI Equity Hedge	7.2%	16.9%	10.0%	14.4%
HFRI Emerging Markets	8.4%	20.9%	9.0%	11.4%
HFRI ED: Activist	7.6%	9.5%	6.6%	15.3%
HFRI ED: Merger Arbitrage	3.4%	10.5%	6.8%	10.0%

Overview

Total returns (net) % - to end Q3 2025

	3 months			12 months		
Equities	**USD**	**EUR**	**GBP**	**USD**	**EUR**	**GBP**
MSCI World	7.3	7.2	9.2	17.2	11.4	16.8
MSCI World Value	5.8	5.7	7.7	12.0	6.4	11.6
MSCI World Growth	8.6	8.5	10.5	22.4	16.2	21.9
MSCI World Smaller Companies	8.5	8.4	10.5	13.6	7.9	13.2
MSCI Emerging Markets	10.6	10.5	12.6	17.3	11.4	16.9
MSCI AC Asia ex-Japan	10.8	10.6	12.7	17.2	11.3	16.8
S&P500	8.1	8.0	10.1	17.6	11.7	17.2
MSCI EMU	4.4	4.3	6.2	21.5	15.4	21.0
FTSE Europe ex UK	3.3	3.2	5.1	15.9	10.1	15.5
FTSE All-Share	5.0	4.9	6.9	16.6	10.8	16.2
TOPIX*	8.6	8.5	10.6	17.7	11.8	17.3

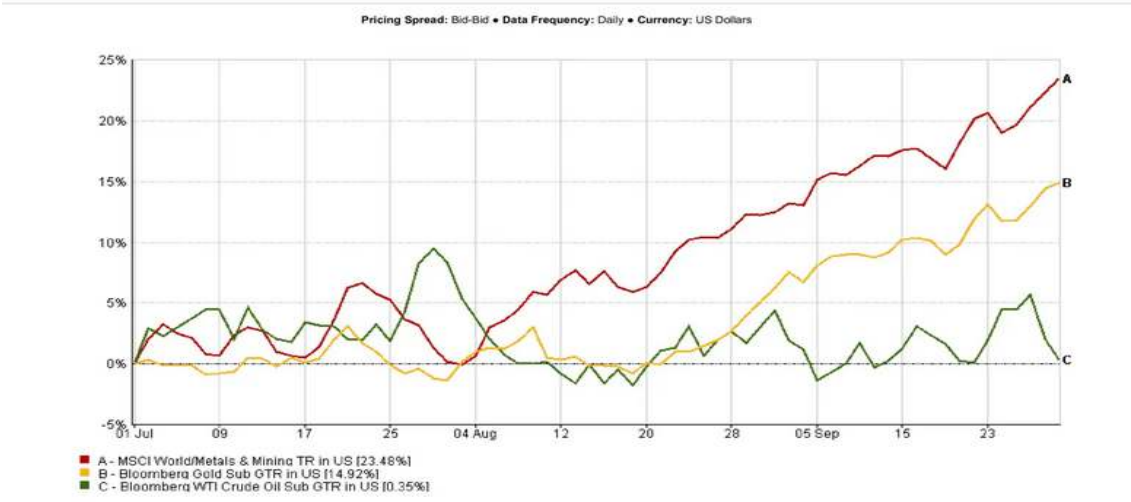
Commodities

Although the third quarter saw a significant increase in commodities overall. High inflation and a declining U.S. dollar caused gold to soar to new all-time highs in the third quarter. Following early volatility, oil ended the quarter essentially flat. WTI was range-bound due to a well-balanced combination of OPEC+ rhetoric, consistent supply, and lowered demand expectations. Industrial metals, on the other hand, produced spectacular returns; the MSCI World Metals & Mining Index increased by more than 23%. The surge was driven by reshoring, infrastructure stimulus, and Chinese policy assistance, highlighting robust cyclical demand. The most significant change in Q3 was gold, which increased by almost 15% to reach new all-time highs. Silver's performance was even better; throughout the quarter, its price almost tripled. Silver had its highest quarterly performance in 15 years. Precious metals were among the few assets to rise in tandem with stocks and bonds due to the combination of monetary easing and geopolitical unrest. With returns of +29%, +16%, and +14%, respectively, the remaining precious metals—silver, platinum, and palladium—exhibited high correlations to gold.

Commodity Indexes	Q3 Return	YTD
S&P GSCI (Broad-Based Commodities)	4.07%	6.09%
S&P GSCI Crude Oil	-3.94%	-12.88%
GLD Gold Price	16.87%	47.05%

Source: YCharts/Koyfin.com

Also, coffee saw significant price increases due to a number of factors, but live cattle saw another successful quarter. Higher pricing was a result of U.S. duties on imports from important coffee-growing regions like Brazil, Vietnam, and Colombia. Production costs rose as a result of continuous supply chain instability and logistical hiccups. The interruption of the coffee production has been one of the main causes. Severe droughts in Brazil and Vietnam have gotten worse due to climate change, which has decreased both the quality of coffee beans and overall crop output. Over the past two years, the supply shortfall has been a major contributing reason to the recent increase in coffee prices.



Global Bond

The third quarter saw a mixed performance from the government bond markets. While US Treasury rates ended the quarter lower (since yields are inversely correlated with price), UK, German, and Japanese yields all increased over the quarter. An interest rate drop was more likely due to signs of a worsening labour market and comparatively well-behaved inflation (despite anticipated of tariff-driven pricing pressures). The market has completely priced the impact by the time the Fed's Federal Open Market Committee (FOMC) announced its 25-basis point drop (to 4.0%–4.25%) at its September meeting. Additionally, the yield curve reversed its prior steepening tendency, and the voting patterns of two former hardline dissenters helped allay market fears about Fed independence. Eurozone yields ended the quarter higher than the US market. The positive macro-outlook was aided by the resolution of tariff unpredictability (a baseline tariff rate of 15% was agreed upon for almost all EU goods entering the US) and more convincing evidence that Germany's increased fiscal spending on defence and infrastructure will mainly help the domestic eurozone economy. The European Central Bank's (ECB) rate-cutting cycle is now thought to be over by the markets. In Q3, policy rates were steady. The economy appears to be doing well, despite inflation projections being reduced to meet the central bank's objective of 2%. The coalition was under political pressure to raise public spending, which contributed to the weakening in Japan's government bond market. The Bank of Japan (BoJ) kept interest rates at 0.5% even though inflation was now significantly higher than its 2% target and its own inflation projections had been revised upward. While signalling that it will continue to ease monetary policy conditions gradually, the Bank of England lowered rates to 4.0% in August. The focus remained on the UK's financial situation. According to data, the public sector's net borrowing for the year so far has exceeded the Office for Budget Responsibility's March projection by £11.4 billion. Other eurozone markets outperformed French government bonds. After Prime Minister Bayrou failed a vote of confidence intended to rally support for the government's deficit reduction plan, Sebastien Lecornu took control. Fitch, a rating agency, acknowledged France's "weak fiscal record" and "political fragmentation" by downgrading its sovereign rating from AA- to A+.

	3 months			12 months		
Government bonds	**USD**	**EUR**	**GBP**	**USD**	**EUR**	**GBP**
JPM GBI US All Mats	1.5	1.4	3.4	2.1	-3.1	1.7
JPM GBI UK All Mats	-2.4	-2.5	-0.7	-1.3	-6.2	-1.6
JPM GBI Japan All Mats**	-3.6	-3.7	-1.9	-8.4	-13.0	-8.7
JPM GBI Germany All Traded	-0.2	-0.3	1.6	3.8	-1.4	3.4
Corporate bonds						
BofA ML Global Broad Market Corporate	1.9	1.8	3.8	5.2	-0.1	4.8
BofA ML US Corporate Master	2.6	2.5	4.5	3.9	-1.3	3.5
BofA ML EMU Corporate ex T1 (5–10Y)	1.3	1.2	3.1	9.2	3.7	8.8
BofA ML £ Non-Gilts	-1.1	-1.2	0.7	4.1	-1.1	3.7
Non-investment grade bonds						
BofA ML Global High Yield	2.5	2.4	4.3	8.3	2.8	7.9
BofA ML Euro High Yield	1.8	1.7	3.7	11.9	6.2	11.5

Source: LSEG DataStream. Local currency returns in Q3 2025: *11.0%, **-1.4%. Past performance is not a guide to future performance and may not be repeated.

Despite high inflation readings, the key bond benchmark, the Bloomberg Barclays US Aggregate Bond Index, enjoyed a good quarterly return as demand for short- and longer-term debt increased due to anticipation of rate cuts and a worsening labour market. Examining the bond markets more closely, longer-duration bonds easily beat shorter-duration bonds interest gravitated toward longer-term yields in the face of weak labour market statistics. But as awaited the Fed's rate-cutting cycle to begin, shorter-duration

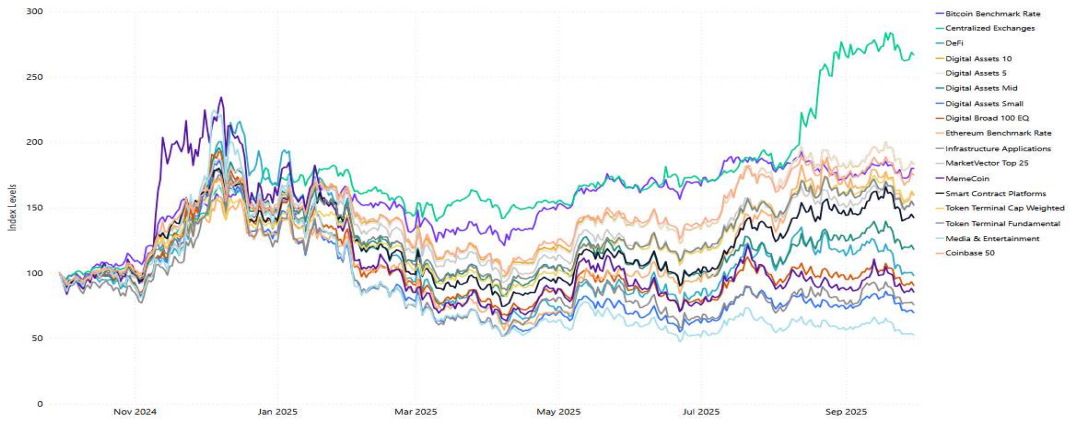
bonds also enjoyed a favourable return. In the third quarter, the corporate bond market saw significant gains in both investment grade and low-quality, high-yield bonds. A minor increase in economic concerns and a worsening labour market made higher credit quality corporate bonds more appealing, which is why investment grade bonds performed marginally better than high yield bonds.

US Bond Indexes	Q3 Return	YTD
BBgBarc US Agg Bond	2.03%	6.13%
BbgBarc US T-Bill 1-3 Mon	1.10%	3.25%
ICE US T-Bond 7-10 Year	1.76%	7.20%
BbgBarc US MBS (Mortgage-backed)	2.43%	6.76%
BbgBarc Municipal	3.00%	2.64%
BbgBarc US Corporate Invest Grade	2.60%	6.88%
BbgBarc US Corporate High Yield	2.54%	7.22%

Source: YCharts

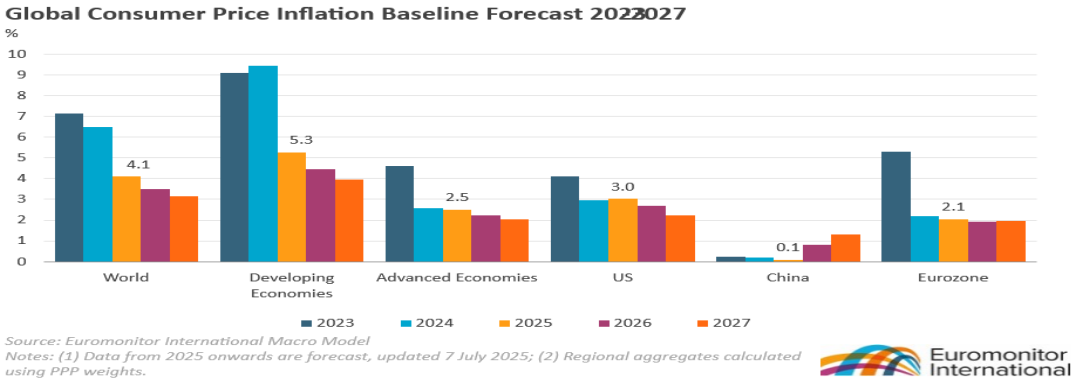
Digital Assets

In the midst of a general boom, the cryptocurrency industry exploded in Q3 2025, with Bitcoin surpassing $120,000 and Ether surpassing $4,200. In July, the market capitalization of all digital assets topped $4 trillion, with Ethereum even setting new records as optimism was bolstered by improved on-chain activity and more transparent regulations. A global survey revealed that approximately 66% of cryptocurrency users intend to grow their exposure despite persistent macro uncertainties, which coincided with these gains and optimistic mood. The cryptocurrency industry saw significant security incidents in Q3 2025, despite a positive outlook. In July alone, hackers stole over $140 million through 17 different attacks on exchanges and DeFi protocols. A $44 million breach of India's CoinDCX exchange was the biggest, and a $42 million attack of the GMX platform resulted in the hacker returning money after receiving a $5 million reward. According to analysts, 2025 is expected to see record-breaking crypto thefts, made worse by mega-heists like the $1.5 billion Bybit breach by the Lazarus Group, highlighting enduring weaknesses despite tightening security measures. The GENIUS Act's approval in July, which at last gave stablecoins complete legislative certainty, was the most significant development. Ethereum immediately benefited from this innovation, which included stablecoins, decentralized finance, and tokenized real-world assets.



Global Inflation

The Q3 2025 baseline estimates from Euromonitor predict that global inflation would continue to fall, from 6.5% in 2024 to 4.1% in 2025 and 3.5% in 2026. Cooling demand and lower energy costs continue to be important factors reducing inflationary pressures. A production increase announced by OPEC+ in September 2025 may lessen the pressure on oil prices even more. However, given the unstable US tariff rates and the possibility of a worsening global trade war, there are possibilities for upside to global inflation. Nonetheless, as front-loading inventory subsides, the August 2025 tariff hikes are predicted to cause US inflation to accelerate in H2 2025 and average 3.0% annually. Higher US tariffs have the potential to further restrict economic activity in China and Europe, which would reduce inflationary pressures in the face of a declining economy. In June and July of 2025, the Eurozone's inflation rate was steady at 2.0%, and it is anticipated to stay there in the months ahead. Redirecting Chinese exports to Europe and Southeast Asia may potentially drive down prices in those markets.



<u>Performance by Regions</u>

Asia Ex Japan

North Asia and tech-heavy industries drove the overall rise in Asia Pacific ex-Japan equities. Strong demand for AI and technology drove exceptional performance from South Korea and Taiwan. Despite lower domestic demand, Chinese equities also saw significant gains due to capital inflows and investments in AI and chip self-reliance. The markets of ASEAN (Association of Southeast Asian Nations) and India, on the other hand, lag due to tariff pressures and relatively modest non-tech advances. With trading much below its long-term average, the Philippines was the weakest market. While foreign inflows concentrated in tech-focused economies like Korea and Taiwan, the Fed's September 25 basis point rate cut and strong global liquidity improved investor sentiment. Strong global demand and supply disruptions were reflected in rising commodity prices, such as those of gold, silver, and copper, which supported the tech and AI-led equity surge throughout North Asia.

UK

The performance of UK equities was impressive. This quarter was the best for the FTSE 100 since late 2022. A robust global economy contributed to the growth of returns. Businesses with an international focus also benefited from a declining value of the British pound. Thanks to the ongoing excitement for AI, the

technology and communication services sectors performed well. A rebound in basic materials was also fuelled by rising gold prices. Initial public offerings (IPOs) also increased on the London Stock Exchange. Food, energy, and regulated utility costs kept UK inflation at 4% in August, which remained at 3.8%. In response, the Monetary Policy Committee of the Bank of England (BoE) narrowly voted in August to lower the Bank Rate for the first time since 2020 by 0.25 percentage points, to 4.0%. In an effort to help reduce bond yields and borrowing costs, the BoE also declared in September that it would be reducing the pace of its quantitative tightening program.

Eurozone

Equity markets in the Eurozone saw increases in the third quarter of 2025. Telecoms and communication services trailed behind the financial and healthcare sectors. Strong corporate results helped to boost bank shares in particular. Due to political unpredictability, France's services industry trailed behind Germany, Italy, and Spain. With a drop in new export orders for the 28th consecutive month, foreign demand remained sluggish, indicating the continued difficulties in international commerce. Christine Lagarde, the president of the European Central Bank (ECB), recognized that inflation risks are currently balanced and that the notable inflation rise that occurred between 2022 and 2024 has passed. Inflation in August was in line with the ECB's 2% target, but September numbers are predicted to be marginally higher. Lagarde pointed out that the eurozone has fared better than anticipated in spite of the US-imposed trade tariffs, with only minor and moderate effects on growth rather than substantial inflationary pressure. In France, François Bayrou, the prime minister of France, was compelled to resign after his package of tax increases and budget cuts was not approved by parliament.

US

As the S&P 500 Index and the Nasdaq Composite both reached all-time highs, US stocks had robust gains in the third quarter. The technology-heavy Nasdaq was boosted by the markets' confidence expecting a rate decrease by the Fed in September (with more likely to follow before year-end), robust corporate results, and revived interest in artificial intelligence. Healthcare and energy underperformed, with the latter being hampered by declining oil prices, while technology and communication services performed well. Strong GDP growth, consistent consumer spending, and benign core inflation all demonstrated the US economy's ongoing resiliency. In the second quarter of 2025, the US economy grew at an annual pace of 3.8%, according to a late-September revision to GDP figures. Investor optimism over the fourth quarter was also increased by those encouraging economic indications. Markets were also somewhat uneasy due to an expected government shutdown, which did occur on the opening day of the fourth quarter.

Finally, rate reduction, fiscal stimulus (via the One Big Beautiful Bill Act), and ongoing investor enthusiasm for AI-linked tech firms are all contributing factors to the current strong macroeconomic climate. However, one must also acknowledge that risks continue to exist on the perimeter of the economy and markets even though the macroeconomic environment is favourable right now.