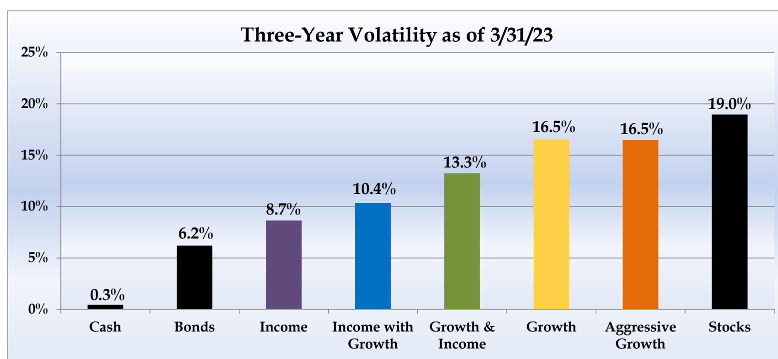
Asset Allocation Quarterly
Second Quarter 2023

The Confluence asset allocation process is centered upon risk management. Our asset allocation strategies offer a broad spectrum of risk profiles, ranging from a relatively conservative posture in Income (purple) to a risk-accepting profile in Aggressive Growth (orange). The volatilities of the primary asset classes of cash, bonds, and stocks are illustrated by the black bars for reference in the accompanying chart.



*Source: Bloomberg, CIM. Cash is represented by the ML 0-3 Month T-Bill Index; Bonds are the ICE BofA Domestic Master Index; Stocks are the S&P 500 Index.**

Over market and economic cycles, the level of risk among asset classes naturally changes. As the cycles and risks unfold, we attempt to guide each strategy within its respective volatility ceiling. Our evaluation of the economy, monetary and fiscal policies, interest rates, regulation, valuations, and other investment variables in a forward-looking context informs our asset allocation through adaptive diversification. Although we seek return opportunities, we do so within risk constraints scaled for each strategy.

The Confluence Asset Allocation strategies are structured to offer differing risk profiles. The more conservative portfolios take on less volatility in exchange for more muted, though typically steadier, returns. The more aggressive portfolios accept higher volatility in pursuit of potentially higher returns.

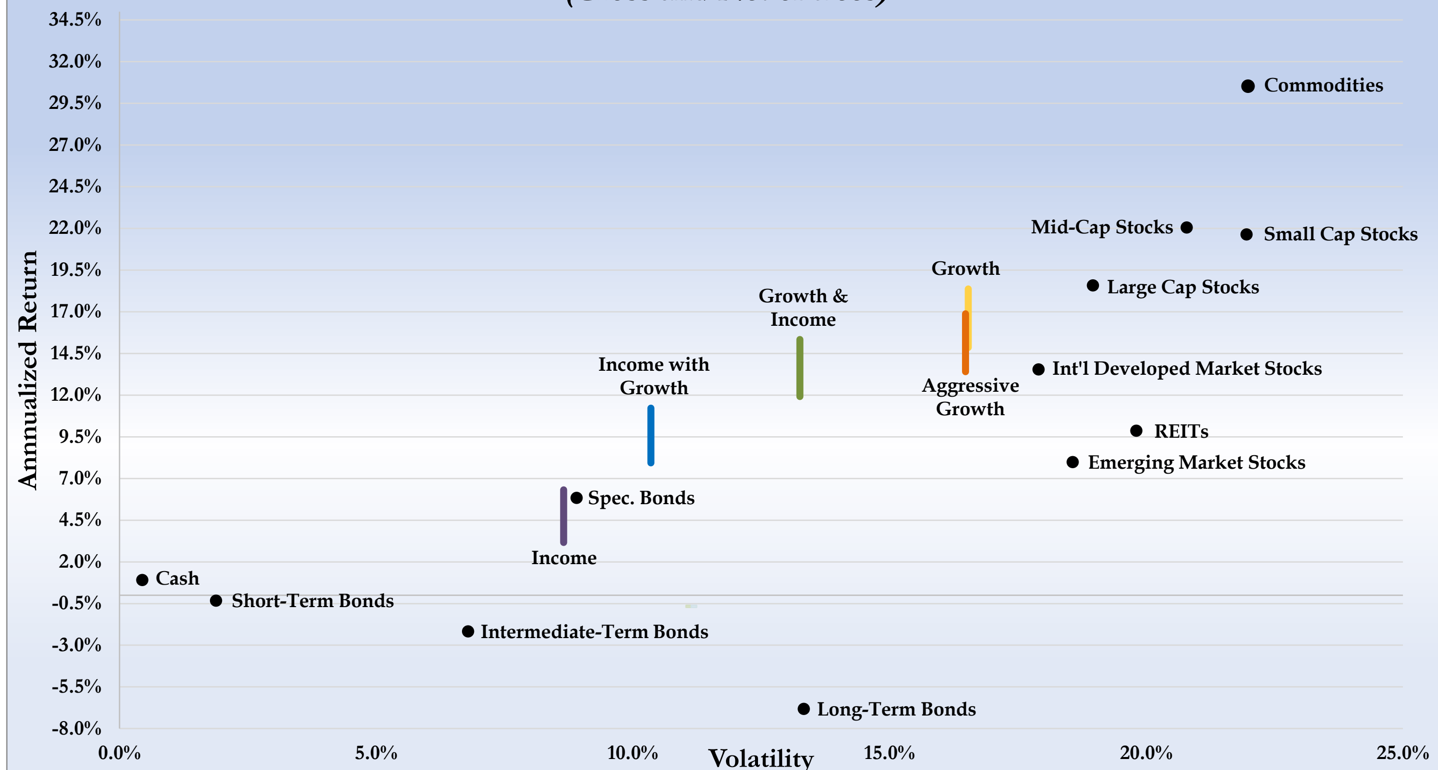
The return variance among asset classes from quarter-to-quarter can change significantly, as the table below indicates. Over the past three years, we have experienced a highly volatile stock market, with several quarters registering sizable gains and others with dramatic declines, including most of last year in response to surging inflation and tightening monetary policy that led to weakening investor confidence. Returns for bonds have historically experienced lower volatility than stocks, particularly in the short- and intermediate-term bond sub-asset classes. During much of 2022, bonds declined alongside risk assets in response to rapidly rising fed funds rates, resulting in a higher correlation between bonds and stocks than what has become the norm over the past 40 years. Commodities typically have exhibited a lack of correlated returns to either stocks or bonds and, therefore, can often serve as an attractive diversification element.

Quarterly Asset Class Returns as of 3/31/2023

	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.5%	0.8%	1.1%
U.S. Short-Term Bonds	1.2%	0.3%	0.2%	0.0%	0.1%	0.1%	-0.5%	-2.6%	-0.6%	-1.5%	0.9%	1.5%
U.S. Intermediate-Term Bonds	4.9%	1.1%	0.7%	-4.1%	2.4%	-0.1%	-0.2%	-6.5%	-4.4%	-5.0%	2.2%	3.3%
U.S. Long-Term Bonds	5.4%	1.2%	1.0%	-10.8%	6.7%	-0.1%	2.3%	-10.9%	-11.5%	-9.4%	2.3%	5.7%
Speculative Grade Bonds	9.6%	4.7%	6.5%	0.9%	2.8%	0.9%	0.7%	-4.5%	-10.0%	-0.7%	4.0%	3.7%
REITs	11.8%	1.4%	11.6%	8.9%	12.0%	1.0%	16.3%	-3.9%	-17.0%	-9.9%	5.2%	2.7%
U.S. Large Cap Stocks	20.5%	8.9%	12.1%	6.2%	8.5%	0.6%	11.0%	-4.6%	-16.1%	-4.9%	7.6%	7.5%
U.S. Mid-Cap Stocks	24.1%	4.8%	24.4%	13.5%	3.6%	-1.8%	8.0%	-4.9%	-15.4%	-2.5%	10.8%	3.8%
U.S. Small Cap Stocks	21.9%	3.2%	31.3%	18.2%	4.5%	-2.8%	5.6%	-5.6%	-14.1%	-5.2%	9.2%	2.6%
Int'l Developed Market Stocks	14.9%	4.8%	16.0%	3.5%	5.2%	-0.4%	2.7%	-5.9%	-14.5%	-9.4%	17.3%	8.5%
Emerging Market Stocks	18.1%	9.6%	19.7%	2.3%	5.0%	-8.1%	-1.3%	-7.0%	-11.4%	-11.6%	9.7%	4.0%
Commodities	10.5%	4.6%	14.5%	13.5%	15.7%	5.2%	1.5%	33.1%	2.0%	-10.3%	3.4%	-4.9%

*Source: Morningstar Direct, CIM.**

*Past performance is not indicative of future results. See last page for asset class composition/benchmark details and other important disclosures.



*Source: Bloomberg, CIM, using monthly data inclusive of gross and max net returns. See disclosures on last page for fee description; actual investment advisory fees may vary. Past performance is not indicative of future results. See last page for asset class composition/benchmark details and other important disclosures.**

Portfolio and Asset Class Commentary

The volatilities and returns of 12 sub-asset classes over the past three years are illustrated on the above chart, as are the volatilities and returns for each of the five Confluence Asset Allocation strategies represented by the colored vertical bars. Note that the Confluence strategies exhibit a range of returns that denote gross-of-fee returns on the top end of each bar with the bottom of the bar representing net returns assuming an industry-designated maximum 3% fee.

Although commodities and U.S. stocks registered healthy returns over the full three-year period, contained within this three-year window has been a global pandemic and recovery, the war in Ukraine, the highest recorded inflation since the early 1980s, and several high-profile bank failures. An environment such as this is expected to be accompanied by heightened volatility. While bonds, in general, normally act as stabilizers in volatile markets for risk assets, this has not been the case in an economy experiencing elevated levels of inflation as indicated on the chart by the heightened volatility and negative returns for long-term bonds.

The Confluence Asset Allocation strategies depicted by the colored bars have all generated positive returns over the past three years, both in terms of gross-of-fee performance as well as net-of-fees returns. The variability in volatility was most heavily influenced by the mix of bonds, stocks, and commodities held by each strategy. As one would expect, the strategies with higher exposure to stocks and commodities produced higher levels of realized volatility and higher returns. This is the essence of our construct of the strategies, whereby each strategy is held to a distinct and unchanging volatility governor. Consequently, bonds are used more broadly than stocks in strategies with lower volatility ceilings, such as Income, as compared to the highest volatility ceiling of Aggressive Growth. While this may seem intuitive, it also explains the different exposures to sub-asset classes for each strategy. Sub-asset classes with greater volatility are more likely to be employed in strategies with higher volatility ceilings. One example is small cap stocks, which are more liberally employed in the Growth and Aggressive Growth strategies. Though lower market capitalizations have the potential to offer higher returns, they naturally carry elevated levels of risk.

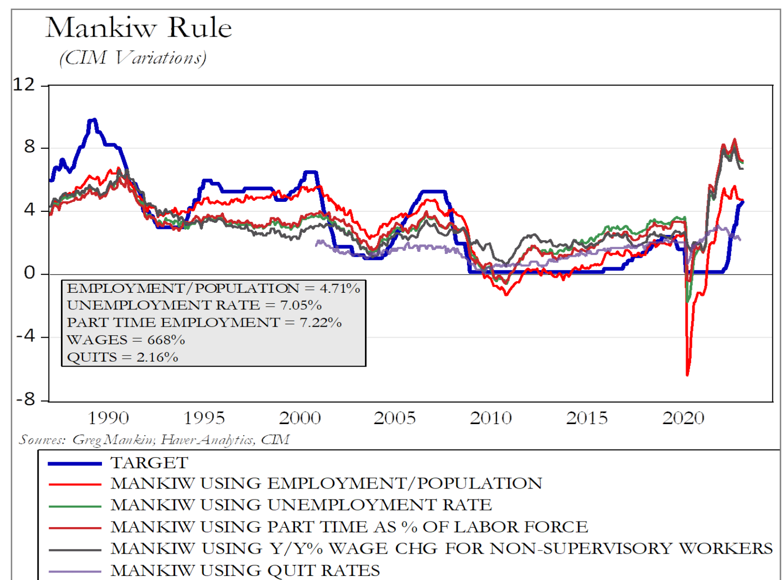
In all strategies, exposures to stocks were increased from their historically low levels last year as we find a margin of optimism for our full three-year forecast period beyond the elevated potential for a near-term global recession. This optimism guides not only the larger overall exposure to stocks from last year, but also the portion allocated to international developed market stocks, which we find advantageous based upon attractive valuations and the potential for a weakening U.S. dollar exchange rate. We regularly assess and review a wide array of data affecting the macroeconomic environment including inflation pressures, sentiment, growth prospects, valuations, credit, and exchange rates, among other elements. When conditions change, we will adjust the exposures in each strategy to remain within the respective risk budget.

Second Quarter 2023 Asset Allocation Outlook

- **Our forecast includes a normal recession, likely beginning later this year. We also expect a recovery during our three-year forecast period.**
- **The path of the Fed's monetary policy will have an outsized effect on markets. Though market expectations are varied, we expect a measured path for fed funds.**
- **Bond exposures are in the short-term segment as our forecast contains a flat yield curve stemming mostly from lower rates in the one-to-three-year segment.**
- **Domestic and international developed equity exposures remain elevated across the strategies given our expectations for a recovery and the potential for expansion within our forecast period.**
- **In U.S. equities, we lean toward mid-caps as valuations look particularly attractive. We maintain our value bias and cyclical sector overweights and we introduce a quality factor.**
- **Gold exposure is maintained for its benefits as a low-correlation asset along with its potential to act as a haven during economic turmoil, hedge against geopolitical risk, strength during periods of U.S. dollar weakness, and reserve asset for global central banks.**

Economic Viewpoints

The first quarter ended with spiking market volatility caused principally by a banking crisis that included the failure of Silicon Valley Bank, the country's 16th largest bank. An uneasy calm entered the markets following the swift actions by the Federal Reserve and FDIC to control potential bank runs as well as the contagion fears that surrounded the industry. The Fed's indication that it will backstop all deposits regardless of size has appeared to resolve problems associated with a bank run. We do not foresee a rapid deterioration of the banking industry or further bank failures, though increased regulation is expected. A near-certain likelihood of recession is discounted into the markets. This combined with the surprising nature of the banking crisis has many investors waiting for potential volatility explosions from other unforeseen sources. Perhaps most importantly, underlying economic fundamentals disagree on whether the Fed has tightened monetary policy to an appropriate level and should pause its rate hikes to maintain a healthy economic environment, as the accompanying chart of the Mankiw Rule indicates.



While the future fed funds rate anticipated by the market is more wide-ranging than usual, we do not expect rapidly changing monetary policy over our three-year forecast period but rather a measured change in the fed funds rate. From an investor perspective, with fixed income yields currently at attractive levels there is little urgency for investors to move into risk assets. However, if the Fed eases in response to the banking crisis and/or a weakening economic climate, fixed income investments will likely no longer earn a relatively attractive yield.

Notable market swings going forward are likely as investors ponder the direction of domestic and overseas monetary policy. The Fed has raised rates to combat inflation, which has slowly come down from its pandemic highs. However, we do not believe that monetary policy alone created inflation and therefore the Fed has limits to its abilities to control it. Rather, the root of inflation lies mainly with deglobalization and changing supply-chain economics, dynamics which have long-cycle effects on the economy. Therefore, we have entered a higher inflation regime than we saw during ZIRP. Inflation will likely continue to moderate from recent highs, as we have seen in recent months, but we expect it to remain toward the higher end of the Fed's estimated range. Since monetary policy was not the sole cause of inflation, Fed rate changes are not likely to be effective against controlling inflation but may risk damaging economic growth. This is an issue that we are watching closely.

Stock Market Outlook

A recession is well-anticipated by market participants and therefore also generally discounted into current pricing. Despite the U.S. economy entering a higher inflation regime, domestic large cap stocks have continued appreciating since last autumn. Concentration remains high in the S&P 500 Index, with five names delivering most of the price appreciation year-to-date. These stocks are in the Technology sector, whose companies tend to be more cyclical and have historically underperformed in a higher inflation environment. The S&P 500 has also maintained a premium relative to lower capitalization U.S. stocks as well as international stocks despite economic worries and concentration risk. For these reasons, we view domestic large cap stocks as less attractive compared to lower-capitalization stocks.

We reduced the overall large cap exposure, while maintaining the Aerospace & Defense position and cyclical sector overweights. Deglobalization and re-militarization of foreign countries is a sustainable long-term trend likely to continue for years. We maintain our sector overweights to Mining, Energy, and Industrials in most strategies. Mining and Energy sectors are likely to benefit from electrification/green energy policies as electrification is metals-heavy.

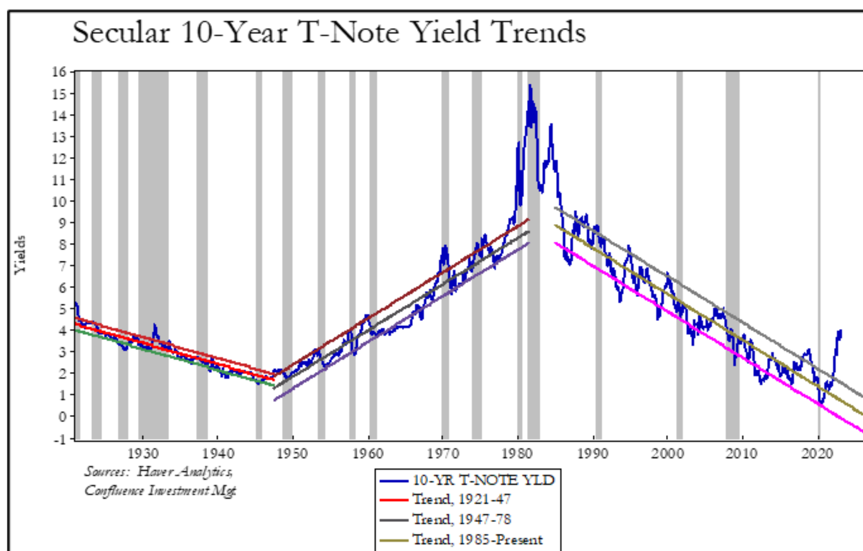
Mid-cap equities, specifically, are at historically wide valuation discounts to large cap stocks, which we find attractive. Lower current valuations provide a measure of protection against volatility that might occur during economic weakness and potential Fed actions. The underlying fundamentals are supportive of mid-cap equity earnings during the forecast period. We introduced a quality factor in our mid-cap exposure, which mirrors the investment structure on the large cap side. The quality factor screens for profitability, leverage, and cash flows, which should support the group through economic volatility.

We continue leaning into a value bias across all market capitalizations. We view the sustainability of earnings growth as more attractive in equities categorized as value and the fundamental multiples of P/E, P/B, and P/CF are modest compared to historical data. In addition, value style has a lower exposure to sectors that we view as overpriced. Although the total return for value has vastly outdistanced growth over the past year, outperformance cycles tend to be multi-year events and, consequently, we anticipate that we are in the early stages of a value outperformance cycle.

We retain an overweight in international equities due to favorable relative valuations of international developed stocks versus U.S. counterparts, constructive policies from most developed market central banks, and the prospect of a weakening U.S. dollar. Though we also expect positive returns on emerging market stocks over the forecast period, its exposure is limited to only the most risk-accepting strategy, Aggressive Growth, given the potential geopolitical risks from China and its heavy weight, in excess of one-third, in the emerging markets indexes.

Bond Market Outlook

While a recession is in our forecast, we are not expecting the Fed to react as aggressively as it has in prior recessions during this century, where it reduced fed funds to the zero bound. Rather, while it is a near certainty that the Fed would curtail its current QT balance sheet reduction of $95 billion per month, it is more likely that the Fed would initiate targeted programs, much as it did in March 2020. Our base case is that the Fed reduces fed funds in small increments when faced with a recession as long as policymakers believe that inflation has the potential to be rekindled. Over our three-year forecast period, we anticipate the U.S. Treasury yield curve will transform from its current steep inversion to a more traditional slope, albeit relatively flat. It has become popular for managers to extend duration when the yield curve inverts, and this has mostly worked in the secular bull market for bonds that has existed since 1984. However, we are not of the opinion that this type of bond market environment will exist over our forecast period, which leads to four words in our industry that induce fear: “this time is different.” Accordingly, the cyclical positioning of bonds in the strategies is all loaded in the short-end of the curve, with the exception being the strategy designed for Income, which still incorporates an unchanged 10-year laddered maturity structure, yet incorporates a tilt to one-to-three-year Treasuries.



Among investment-grade corporate bonds, we expect only modest widening of spreads over the forecast period as the past few years have not led to excessive accumulations of debt. Nevertheless, we acknowledge the sizable increase over the past year in the cost of capital for companies that are issuing debt, either for new projects or for refinancing. This naturally leads to the expectation that these firms will experience pressure on earnings and their ability to support bond covenants, particularly for companies that are rated B or lower.

Other Markets

Although REITs have suffered dramatic erosion in prices over the past year relative to the broad equity market, they remain excluded from the strategies. The avoidance of the sector over the near-term was encouraged by negative pressures on demand for office and retail space, compounded by the difficulty in arranging financing through regional banks stemming from deposit outflows. In contrast, broad-based commodities have produced outsized returns over the past two years as a result of healthy demand which led to inflated prices. We removed the broad-based commodity exposure due to the recession in our forecast beginning later this year. However, we retained the allocation to gold across the strategies due to our belief that it can act as a haven during economic contractions, hedge against geopolitical risk, strength during periods of U.S. dollar weakness, and reserve asset for global central banks.

Second Quarter 2023

	Income		Income With Growth		Growth & Income		Growth		Aggressive Growth	
	Current	Change	Current	Change	Current	Change	Current	Change	Current	Change
Cash	2%	-	2%	-	2%	-	2%	-	2%	-
Short Term Bonds	29%	5%	35%	-	15%	-	-	-	-	-
Intermediate Term Bonds	30%	-	-	-	-	-	-	-	-	-
Long Term Bonds	-	-	-	-	-	-	-	-	-	-
Speculative Grade Bonds	5%	(6%)	13%	(2%)	8%	(3%)	-	-	-	-
Real Estate	-	-	-	-	-	-	-	-	-	-
U.S. Large Cap Stocks	7%	(3%)	7%	(3%)	10%	-	15%	(5%)	10%	-
U.S. Mid Cap Stocks	13%	7%	14%	8%	35%	10%	38%	5%	36%	11%
U.S. Small Cap Stocks	-	-	7%	-	8%	(4%)	10%	-	10%	(8%)
Int'l Developed Market Stocks	11%	-	15%	-	15%	-	20%	-	25%	-
Emerging Market Stocks	-	-	-	-	-	-	-	-	10%	-
Commodities	3%	(3%)	7%	(3%)	7%	(3%)	15%	-	7%	(3%)
Total	*100%*		*100%*		*100%*		*100%*		*100%*	

See last page for disclosures and important details regarding portfolio allocations.

Income
Exposures to short-term Treasury bills and U.S. mid-cap equities were increased in the Income strategy this quarter. The increases were sourced primarily from reductions in BB-rated speculative grade bonds and U.S. large cap sectors. The 10-year laddered-maturity core of Treasury and corporate credit remains intact as does the position in mortgage-backed securities (MBS). While the overall allocation to large cap equities was reduced, the overweight in Aerospace & Defense was increased given our thesis for the long-cycle trend of international re-militarization. Mid-cap exposure was increased and we introduced a quality factor. We maintained the allocation to international developed equities as valuations remain attractive. The exposure to broad commodities was removed, while the gold position was retained.

Income with Growth
The fixed income exposure in the Income with Growth strategy remains in the short end of the curve and high-quality credit. The speculative bond exposure in the form of BB-rated corporates was reduced and U.S. large cap sectors were eliminated, although the large cap overweight in Aerospace & Defense was increased. We increased exposure to mid-caps, where a quality factor was introduced. The small cap allocation is maintained, inclusive of the free-cash flow factor. International developed equities remain unchanged as valuations are attractive. The commodities exposure is now exclusively in gold.

Growth & Income
The bond posture in the Growth & Income strategy remains exclusively short-term with the vast majority in Treasury bills. We reduced exposure to BB-rated speculative grade bonds and a portion of the U.S. small cap allocation in favor of increasing domestic mid-caps, where a quality factor was introduced. The U.S. large cap exposure retains the overweights to Energy, Metals & Mining, and Industrials, as well as a factor exposure to Aerospace & Defense. We maintain a sleeve in international developed equities due to compelling valuations, and the commodity exposure is now wholly in gold.

Growth
As with last quarter, domestic equities make up the bulk of the Growth strategy. The U.S. large cap allocation was modestly reduced in favor of attractive valuations in mid-caps, where a quality factor was introduced. This is congruent with the free-cash flow factor that remains in the U.S. small cap exposure. The U.S. large cap exposure retains the overweights to Energy, Metals & Mining, and Industrials, as well as a factor exposure to Aerospace & Defense. The international developed equity allocation includes country-specific positions in Australia and Canada to benefit from commodity exposure in those countries. Gold is now the sole commodity position given its potential for price appreciation during a period of U.S. dollar weakness and its use in global central bank reserves.

Aggressive Growth
The principal change to the Aggressive Growth strategy was an increase in mid-caps at the expense of small caps. We introduced a quality factor in mid-caps, which is complementary to the free-cash flow tilt in small caps. U.S. large caps retain overweights to Energy, Metals & Mining, and Industrials, as well as a factor exposure to Aerospace & Defense. Allocations to international developed and emerging market stocks were maintained as both asset classes have compelling valuations and are risk-appropriate for this strategy. While the exposure to broad commodities was eliminated, gold remains in the portfolio for its potential for price appreciation during a period of U.S. dollar weakness and its use in global central bank reserves.

Performance & Disclosures
(For Periods Ending March 31, 2023)

Strategy	ITD	10 - Year	5 - Year	3 - Year	1 - Year	YTD	QTD
Income Taxable - Gross of Fees	5.8%	-	-	6.3%	(3.8%)	3.7%	3.7%
Income Taxable - Net of Fees	2.6%	-	-	3.2%	(6.7%)	2.9%	2.9%
Benchmark - 20% S&P 500 and 80% ICE BofA Bond Index	2.7%	-	-	1.3%	(5.3%)	3.9%	3.9%
Income Taxable with Growth - Gross of Fees	9.6%	8.0%	9.4%	11.2%	(4.0%)	3.4%	3.4%
Income Taxable with Growth - Net of Fees	6.4%	4.8%	6.1%	7.9%	(6.8%)	2.6%	2.6%
Benchmark - 40% S&P 500 and 60% ICE BofA Bond Index	7.3%	5.9%	5.3%	5.5%	(5.7%)	4.8%	4.8%
Growth and Income Taxable - Gross of Fees	7.8%	8.8%	8.6%	15.3%	(4.7%)	3.4%	3.4%
Growth and Income Taxable - Net of Fees	4.6%	5.6%	5.4%	11.9%	(7.5%)	2.6%	2.6%
Benchmark - 70% S&P 500 and 30% ICE BofA Bond Index	8.4%	9.1%	8.3%	12.0%	(6.6%)	6.1%	6.1%
Growth - Gross of Fees	8.4%	10.3%	10.4%	18.4%	(4.8%)	4.1%	4.1%
Growth - Net of Fees	5.2%	7.0%	7.1%	14.9%	(7.6%)	3.3%	3.3%
Benchmark - S&P 500	10.5%	12.2%	11.2%	18.6%	(7.8%)	7.5%	7.5%
Aggressive Growth - Gross of Fees	7.8%	9.3%	8.2%	16.9%	(5.4%)	3.8%	3.8%
Aggressive Growth - Net of Fees	4.6%	6.0%	5.0%	13.4%	(8.2%)	3.0%	3.0%
Benchmark - S&P 500	10.6%	12.2%	11.2%	18.6%	(7.8%)	7.5%	7.5%

ITD=Inception to Date.

Inception: Income Taxable: 1/1/18; Income Taxable with Growth: 12/1/08; Growth & Income Taxable: 9/1/08; Growth: 9/1/08; Aggressive Growth: 8/1/08

Confluence Investment Management LLC claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. A complete list of composite descriptions and/or GIPS Composite Report is available by contacting Confluence at marketing@confluenceim.com or (314) 743-5090. Confluence Investment Management LLC is an independent registered investment adviser. Past performance is not indicative of future results. The U.S. dollar is the currency used to express performance. Returns are presented gross and net of all fees and include the reinvestment of all income.

[1]Net-of-fee performance was calculated using the highest applicable annual bundled fee of 3.00% applied quarterly. This fee includes brokerage commissions, portfolio management, consulting services and custodial services. The Confluence fee schedule for this composite is as follows: 0.40% on the first $500,000; 0.35% on the next $500,000; and 0.30% over $1,000,000. There are no incentive fees. Clients pay an all-inclusive fee based on a percentage of assets under management. The collection of fees produces a compounding effect on the total rate of return net of fees. Bundled fee accounts make up 100% of the composite for all periods. Actual investment advisory fees incurred by clients may vary. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor.

Each strategy is implemented using Exchange Traded Funds (ETFs) and the investment objective is the pursuit of nominal returns (yield and growth) in excess of inflation, subject to the limitations of the risk constraint for each strategy. The targeted risk constraint and appropriate investor risk tolerance for each strategy is as follows: Aggressive Growth (High), Growth (Average), Growth & Income (Moderate), Income with Growth (Conservative), and Income (Conservative). ICE BofA Bond Index consists of the ICE BofA U.S. Corporate, Government, and Mortgage Bond Index.

The asset allocations shown represent the individual ETFs used for the asset allocations in the model portfolios as of 4/25/2023 and do not represent the precise allocation of assets in an actual client account. Asset allocation in client accounts may vary based on individual client considerations and market fluctuations. The allocation of assets in the model portfolio may be changed from time to time due to market conditions and economic factors. The investments held by the portfolio are ETFs and are not guaranteed and carry a risk of loss of principal. There are investment risks in investing in these strategies. Each asset class has specific risks associated with it and no specific asset class can prevent a loss of capital in market downturns. In a rising interest rate environment, the value of fixed income securities generally declines. Speculative grade bonds are subject to greater risk of loss of principal and interest, including default risk, than higher-rated securities. Investments in international and emerging market securities include exposure to risks such as currency fluctuations, foreign taxes and regulations, and the potential for illiquid markets and political instability. The real estate asset class contains Real Estate Investment Trust (REIT) securities.

Confluence utilizes fixed income ETFs for the bond asset classes to deliver the income and lower volatility traditionally available from a diversified bond portfolio. Fixed income ETFs are not bonds, but are pro-rata interests in publicly traded bond funds. Investors should be aware there are limitations in utilizing fixed income ETFs, which are subject to market risk, including the possible loss of principal. There may be times when an ETF's performance may vary relative to its targeted benchmark. And while ETFs generally trade very close to their net asset values, during times of market disruption they can trade at discounts or premiums, directly affecting performance. Liquidity can vary depending upon market conditions. ETFs trade like a stock but charge internal management fees; there will be brokerage commissions associated with buying and selling exchange traded funds unless trading occurs in a fee-based account. Investors should consider an ETF's investment objective, risks, charges, and expenses carefully before investing.

Information provided in this report is for educational and illustrative purposes only and should not be construed as individualized investment advice or a recommendation. The investment or strategy discussed may not be suitable for all investors. Investors must make their own decisions based on their specific investment objectives and financial circumstances. Opinions expressed are current as of the date shown and are subject to change.

*Benchmark returns and volatility calculations utilize monthly data through 3/31/2023. Investors cannot invest directly in an index. Past performance does not guarantee future performance. Asset class and benchmark index representation: Cash (ICE BofA 3M T-Bill); Short-Term Bonds (ICE BofA 1-3 Year US Corp&Govt); Intermediate-Term Bonds (ICE BofA 5-10 Year US Corp&Govt); Long-Term Bonds (ICE BofA 10+Yr US Corp&Govt); Speculative Grade/High-Yield Bonds (ICE BofA US High Yield Master); REITs (FTSE NAREIT Equity); Large Cap (S&P 500); Mid-Cap (S&P MidCap 400); Small Cap (S&P Small Cap 600); Foreign Developed Country (MSCI EAFE); Emerging Markets (MSCI Emerging Markets); Commodities (S&P GSCI).

The Asset Allocation Committee

Mark Keller | Bill O'Grady | Gregory Ellston | David Miyazaki | Patty Dahl | Kaisa Stucke | Patrick Fearon-Hernandez

For more information contact a member of our sales team:

Ron Pond, CFA | *Northwest*
Director of Sales
(314) 526-0759
rpond@confluenceim.com

Jason Gantt | *East*
Sr. Regional Sales Director
(314) 526-0364
jgantt@confluenceim.com

Jim Taylor | *Mid-South*
Regional Sales Director
(314) 526-0469
jtaylor@confluenceim.com

Denis O'Grady | *East & Mid-South*
Regional Sales Associate (Internal)
(314) 743-5294
dogrady@confluenceim.com

Wayne Knowles | *ID, MT, WY*
Advisory Director
(314) 526-0914
wknowles@confluenceim.com

Steve Mikez | *Southwest*
Sr. Regional Sales Director
(314) 526-0776
smikez@confluenceim.com

Michael Kelnosky | *North-Central*
Regional Sales Director
(314) 526-0622
mkelnosky@confluenceim.com

Matt Winter | *Southwest & North-Central*
Regional Sales Associate (Internal)
(314) 526-0522
mwinter@confluenceim.com

20 Allen Avenue, Suite 300 | Saint Louis, MO 63119 | 314.743.5090
www.confluenceinvestment.com