

Adapting to Future Uncertainties:

Life Transitions and Financial Health

Life is inherently uncertain despite our best efforts to mitigate risk and plan for tomorrow's eventualities. For many of us, control offers a sense of security, yet the reality is that unexpected events inevitably occur, and personal transitions, however challenging, are sometimes necessary. That's why Appleton places great emphasis on the human element, as understanding our clients and gaining their trust is critical to helping them adapt to changing circumstances.

According to "The Social Readjustment Rating Scale," a landmark study of personal stress factors, the loss of a spouse and divorce are the two life events that introduce the greatest personal anxiety.¹

The graying of America has long been chronicled and the implications of this demographic trend far exceeds our capacity to comment in a short letter. Furthermore, a long evident gender life expectancy gap has grown larger as our population ages. Life expectancy for American women reached 80.2 years at the end of 2022, while men live an average of 74.8 years.² Losing a spouse is not only emotionally difficult, but it also introduces financial planning needs that can be overwhelming to a widow or widower. Life insurance policy claims, retirement planning, budget adjustments, investment decisions, and housing transitions are among the challenges individuals may face.

Divorce introduces a different dynamic, but one that can be equally unsettling. As the population ages, the instances of later-in-life divorces have increased. In fact, a recent study from the American Psychological Association found that 36% of U.S. divorces now involve individuals over the age of 50, double the rate of 20 years ago.³ Dealing with change of this nature often requires decisions concerning tax planning, investment strategy, insurance, beneficiary

designations, and other financial matters, a potentially problematic undertaking without the support of an empathetic, knowledgeable advisor.

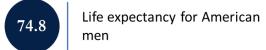
During the early stages of the pandemic and the relatively brief but very unsettling stock market decline, we published a quarterly letter on the effects of stress on decision-making. Revisiting the subject in terms of major life transitions is also applicable, and we concur with McKinsey & Co.'s advice to "take a deep breath and allow the brain to focus on what's most relevant" when under extreme stress.⁴ Paralysis and panic are not atypical reactions, yet what is really needed is a sober assessment of the situation and one's options, followed by a well thought out response. This is where leaning on an advisor can be valuable.

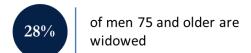
Helping individuals and their families navigate the many joys of life along with its occasional sorrows requires more than portfolio management acumen, it demands building personal relationships. While no wealth manager can prevent or solve every difficulty clients may face, we can serve as a trusted resource and planning partner. To this end, the importance of personnel continuity should not be overlooked, and the tenure of our Portfolio Managers is one of the attributes we value most.

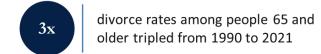
In good times and more challenging ones, having access to resources who can help you step back and make pragmatic financial decisions is highly recommended. As always, please reach out to your Portfolio Manager as your circumstances change. We also invite you to introduce us to family members or friends for whom we might be able to provide similar planning support.

Life Transitions By the Numbers









Sources: Center for Disease Control, Mortality in the United States, 2022; American Psychological Association, November 2023, AARP, The Financial Penalty of Losing Your Spouse, 2022; AARP, Divorce Skyrocketing Among Aging Boomers, 2023.

1. Journal of Psychosomatic Research, 1967; 2. Center for Disease Control, "Mortality in the United States," 2022; 3. American Psychological Association, November 2023; 4. "McKinsey & Company: "Decision-Making in Uncertain Times", 3/25/20



**The economy maintained its strength in Q3 while inflation pressures weakened, causing yields to decline. The 10Yr UST railled 62bps, while municipal yields fell at more modest pare. **The AAA municipal curve began to normalize in Q3 as 2Yr issues dropped by 81bps to 2.30%, while 10Yr yields were lower by 24bps, finishing at 2.60%. The low point of inversion moved to 3Yr AAA mutrities, in from 10Yr maturities as of 6/30. **With more rate cuts expected in 2024 and into 2025, we anticipate the curve will fully normalize by the end of Q4 or early 2025. **Grade 10Yr AAA Muni 3.11% 2.30% -81 bps 10Yr AAA Muni 3.72% -20 bps 5 source: MMD 30Yr AAA Muni 3.72% -20 bps 5 source: MMD 30Yr AAA Muni 3.72% -3.52% -20 bps 5 source: MMD 30Yr AAA Muni 3.72% -3.52% -20 bps 5 source: MMD 30Yr AAA Muni 3.72% -3.52% -20 bps 5 source: MMD 30Yr AAA Muni 3.72% -3.52% -20 bps 5 source: MMD 30Yr AAA Muni 3.72% -3.52% -20 bps 5 source: MMD 30Yr AAA Muni 3.72% -3.52% -20 bps 5 source: MMD 30Yr AAA Muni 3.72% -3.52% -20 bps 5 source: MMD 30Yr AAA Muni 3.72% -3.52% -20 bps 5 source: MMD 30Yr AAA Muni 3.72% -3.52% -20 bps 5 source: MMD 30Yr AAA Muni 3.72% -3.52% -20 bps 5 source: MMD 30Yr AAA Muni 3.72% -3.52% -20 bps 5 source: MMD 30Yr AAA Muni 3.72% -4.52% -2.	Market Observations & Implications		
Tax-Exempt 17. The AAA municipal curve began to normalize in Q3 as 2Yr issues dropped by 81bps to 2,30%, while 10Yr yields were lower by 24bps, finishing at 2.60%. The low point of inversion moved to 3Yr AAA maturities, in from 10Yr maturities as of 6/30. With more rate cuts expected in 2024 and into 2025, we anticipate the curve will fully normalize by the end of Q4 or early 2025. \$\frac{630/24}{2070 \text{Chings}} \frac{930/24}{2070 \text{Chings}} \frac{930/24}{2070 \text{Chings}} 97000000000000000000000000000000000000		The economy maintained its strength in Q3 while inflation pressures weakened, causing yields to decline. The 10Yr UST rallied	
finishing at 2,60%. The low point of inversion moved to 3Yr AAA maturities, in from 10Yr maturities as of 6/30. With more rate cuts expected in 2024 and into 2025, we anticipate the curve will fully normalize the end of Q4 or early 2025. 6/30/24 9/30/24 0TD Change 2 yr AAA Muni 3.11% 2.30% 8.1 bps 10 yr AAA Muni 3.27% 3.57% 2.0 bps Source MMD - 3 Sissuance of 5126.28 is up 38.7% over 03 '723, and the YTD figure of 5380.48 is just 548 shy of all of 2023 (Bond Buyer). Retail continues to drive the market and there is miminal pressure on lower-than-average ratios. An abundance of issuance drove ratios higher in Q3 with the 10-year AAA Muni/UST ratio finishing at 68.78%, near the higher end of our long-term range outlook. The state of Crobber marked the 14th consecutive week of positive net fund flows bringing YTD flows to \$8.18 (Lipper). Mutual Funds accounted for 519.88 and ETPS 58.39 Long Duration strategies remain the asset gathering leader, with Short Duration legging in Q3 on rate cuts. Credit spreads were unchanged in Q3 with AAA-AA spreads static at 10bps and AAA-A at 34bps (MMD). With tight spreads intact, our team remains quality focused. The 7-year portion of the curve was the best Q3 performer (+3.20%), while the 5-Year and Long components (22+ years) followed at +3.05% and +3.04%, respectively. Despite a 60bps rally, the 1-year component lagged at 1.64%. We see room for short rates to trade lower while 10 to 15-year AAA rates could be range bound. We expect further steepening with front end yields coming down and the longer end stable. In response, we are moving away from a barbell structure in Intermediate portfolios and adding bonds as steepness returns to the 5 to 7-year maturity range. Our durationage tremmals 4.65 to 4.7-years. Very seen on for short rates to trade lower while 10 to 15-year maturity range. Our durationage tremmals 4.65 to 4.7-years. Threasuries Treasuries Treas		62bps, while municipal yields fell at more modest pace.	
- With more rate cuts expected in 2024 and into 2025, we anticipate the curve will fully normalize by the end of Q4 or early 2025. - 3/9/2/4 9/30/24 9/30/24 9/30/24 9/30/24 9/30/24 9/30/24 - 2-yr AAA Muni 3.11% 2.30% 3-81 bps - 10-yr AAA Muni 3.17% 2.30% 3-81 bps - 2-00 bps 5-00 bps 5-00 cm - 3.04 5.32 5.32 5.32 5.32 5.32 5.32 5.32 - 2-00 bps 5-00 cm - 3.04 5.32 5.32 5.32 5.32 5.32 5.32 5.32 - 3.05 5.32 5.32 5.32 5.32 5.32 - 3.05 5.32 5.32 5.32 5.32 - 3.05 5.32 5.32 5.32 5.32 - 3.05 5.32 5.32		• The AAA municipal curve began to normalize in Q3 as 2Yr issues dropped by 81bps to 2.30%, while 10Yr yields were lower by 24bps,	
Tax-Exempt 10-yr AAA Muni 3.11/6 2.30% 81 bps 10-yr AAA Muni 2.84% 2.60% - 24 bps 50-yr CAA Muni 3.11/6 2.85% 2.60% - 24 bps 50-yr CAA Muni 3.72% - 3.52% 2.00 bps 50-yr CAA Muni 4.72% - 3.52% 2.00 bps 50-yr CAA Muni 5.72%		finishing at 2.60%. The low point of inversion moved to 3Yr AAA maturities, in from 10Yr maturities as of 6/30.	
1 Tax-Exempt 1 10-yr AAA Muni 2.244% 2.60% -24 bps 30 yr AAA Muni 3.72% 3.30% -31 bps 10-yr AAA Muni 3.72% 5.30% -20 bps Source: MMD 30 yr AAA Muni 3.72% 5.32% -20 bps Source: MMD 30 yr AAA Muni 3.72% 5.32% -20 bps Source: MMD 30 yr AAA Muni 3.72% 5.32% 5.32% -20 bps Source: MMD 30 yr AAA Muni 3.72% 5.32%		With more rate cuts expected in 2024 and into 2025, we anticipate the curve will fully normalize by the end of Q4 or early 2025.	
Tax-Exempt Investment Grade Municipals 10-yr AAA Muni 10-yr AaA Aa			
Tax-Exempt Investment of \$136.28 is up 38.7% over Q3 '23, and the YTD figure of \$380.48 is just \$48 shy of all of 2023 (Bond Buyer). Retail continues to drive the market and there is minimal pressure on lower-than-average ratios. An abundance of issuance drove ratios higher in Q3 with the 10-year AAA Muni/UST ratio finishing at 68.78%, near the higher end of our long-term range outlook. The 1st week of October marked the 14th consecutive week of positive net fund flows bringing YTD flows to \$28.18 (Lipper). Mutual Funds accounted for \$19.88 and ETFs \$5.83.8 Long Duration strategies remain the asset gathering leader, with Short Duration lagging in Q3 on rate cuts. Credit spreads were unchanged in Q3 with AAA-AA spreads static at 10bps and AAA-A at 34bps (MMD). With tight spreads intact, our team remains qualify focused. The 7-year portion of the curve was the best Q3 performer (+3.20%), while the 5-Year and Long components (22+ years) followed at +3.05% and +3.04%, respectively. Despite a 60bps rally, the 1-year component lagged at 1.64%. We see room for short rates to trade lower while 10 to 15-year AAA rates could be range bound. We expect further steepening with front end yields coming down and the longer end stable. In response, we are moving away from a barbel structure in Intermediate portfolios and adding bonds as steepness returns to the 5 to 7-year maturity range. Our duration target remains 4.65 to 4.75-years. Q4 began with a robust jobs report that pushed 2Vr and 10Vr UST yields up 38bps and 23bps, respectively, flattening the curve. This partally loffset a sharp decline in Q3 yields after the initiation of Fed Funds rate cuts and what be ness ear as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to essentially 0% by 10/4. If G credit spreads tightened slightly on the quarter, although September brought helightened volability with spreads hitting YTD highs on a relatively weak labor repor		2-yr AAA Muni 3.11% 2.30% -81 bps	
Timestiment Investment Investment Investment Retail continues to drive the market and there is minimal pressure on lower-than-average ratios. An abundance of issuance drove ratios higher in 03 with the 10-year AAA Muni/UST ratio finishing at 68,78%, near the higher end of our long-term range outlook.			
Presentent Grade Municipals Retail continues to drive the market and there is minimal pressure on lower-than-average ratios. An abundance of issuance drove ratios higher in Q3 with the 10-year AAA Muni/UST ratio finishing at 68, 18%, near the higher end of our long-term range outlook. The 1st week of October marked the 14th consecutive week of positive net fund flows bringing YTD flows to \$28.18 (Lipper). Mutual Funds accounted for \$19.88 and ETFs \$8.38. Long Duration strategies remain the asset gathering leader, with Short Duration lagging in Q3 on rate cuts. Credit spreads were unchanged in Q3 with AAA-AA spreads static at 10bps and AAA-A at 34bps (MMD). With tight spreads intact, our team remains quality focused. The 7-year portion of the curve was the best Q3 performer (+3.20%), while the 5-Year and Long components (22+years) followed at +3.05% and +3.04%, respectively. Despite a 60bps rally, the 1-year component lagged at 1.64%. We see room for short rates to trade lower while 10 to 15-year AAA rates could be range bound. We expect further steepening with front end yields coming down and the longer end stable. In response, we are moving aword may be able to 10 to 4.75-years. Q4 began with a robust jobs report that pushed 2Yr and 10Yr UST yields up 38bps and 28bps, respectively, flattening the curve. This partially offset a sharp decline in Q3 yields after the initiation of Fed funds rate cuts and what had been seen as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to essentially 0/58 by 10/4. If Credit spreads tightened slightly on the quarter, although September brought heightened volatility with spreads hitting YTD injens on a relatively weak labor report to begin the month. As pressure aband, so did spreads, and they closed September 3bps lower to 83bps on 10/4, the lowest level since June 2021. If Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lowe		30-yr AAA Muni 3.72% 3.52% -20 bps Source: MMD	
Presentent Grade Municipals Retail continues to drive the market and there is minimal pressure on lower-than-average ratios. An abundance of issuance drove ratios higher in Q3 with the 10-year AAA Muni/UST ratio finishing at 68, 78%, near the higher end of our long-term range outlook. The 1st week of October marked the 14th consecutive week of positive net fund flows bringing YTD flows to \$28.18 (Lipper). Mutual Funds accounted for \$19.88 and ETFs \$8.38. Long Duration strategies remain the asset gathering leader, with Short Duration lagging in Q3 on rate cuts. Credit spreads were unchanged in Q3 with AAA-AA spreads static at 10bps and AAA-A at 34bps (MMD). With tight spreads intact, our team remains quality focused. The 7-year portion of the curve was the best Q3 performer (+3.20%), while the 5-Year and Long components (22+ years) followed at +3.03% and +3.04%, respectively. Despite a 60bps rally, the 1-year component lagged at 1.64%. We see room for short rates to trade lower while 10 to 15-year AAA rates could be range bound. We expect further steepening with front end yields coming down and the longer end stable. In response, we are moving award may have been described by a degree of the proper of the pushed at the proper of the pushed by a passing the partially offset a sharp decline in Q3 yields after the initiation of Fed funds rate cuts and what had been seen as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to resentially 0.05 by 10/4. If Credit spreads tightened slightly on the quarter, although September brought heightened voludility with spreads hitting YTD issuance to \$1.26 trillion. If Credit spreads tightened slightly on the quarter, although September brought heightened voludility with spreads hitting YTD issuance to \$1.26 trillion. Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate	Tax-Exempt	• O3 issuance of \$136 2B is up 38 7% over O3 '23, and the YTD figure of \$380 4B is just \$4B shy of all of 2023 (Bond Buyer)	
ratios higher in Q3 with the 10-year AAA Muni/UST ratio finishing at 68.78%, near the higher end of our long-term range outdook. The 1st week of October marked the 14th consecutive week of positive neef fund flows high gy TD flows to 528.18 (Lipper). Mutual Funds accounted for \$19.8B and ETFs \$8.3B. Long Duration strategies remain the asset gathering leader, with Short Duration lagging in Q3 on rate cuts. Credit spreads were unchanged in Q3 with AAA-AA spreads static at 10bps and AAA-A at 34bps (MMD). With tight spreads intact, our team remains quality focused. The 7-year portion of the curve was the best Q3 performer (+3.20%), while the 5-Year and Long components (22+ years) followed at +3.05% and +3.04%, respectively. Despite a 60bps rally, the 1-year component lagged at 1.64%. We see room for short rates to trade lower while 0.10 of 15-year AAA rates could be range bound. We expect further steepening with front end yields coming down and the longer end stable. In response, we are moving away from a barbell structure in Intermediate portfolios and adding bonds as steepness returns to the 5 to 7-year maturity range. Our duration target remains 4.65 to 4.75-years. Q4 began with a robust jobs report that pushed 27r and 107r UST yields up 38bps and 250, respectively, flattening the curve. This partially offset a sharp decline in Q3 yields after the initiation of Fed Funds rate cuts and what had been seen as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to essentially 0% by 10/4. If credit spreads tightened slightly on the quarter, although September brough heightened volatility with spreads hitting YTD highs on a relatively weak labor report to begin the month. As pressure abated, so did spreads, and they closed September 3bps lower then where Q3 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83bps on 10/4, the lowest level since l	_		
The 1st west of October marked the 14th consecutive week of positive net fund flows bringing YTD flows to \$28.18 (Lipper). Mutual Funds accounted for \$19.88 and ETFS \$8.38. Long Duration strategies remain the asset gathering leader, with Short Duration lagging in Q3 on rate cuts. Credit spreads were unchanged in Q3 with AAA-AA spreads static at 10bps and AAA-A at 34bps (MMD). With tight spreads intact, our team remains quality focused. The 7-year portion of the curve was the best Q3 performer (+3.20%), while the 5-year and Long components (22+ years) followed at +3.05% and +3.04%, respectively. Despite a 60bps rally, the 1-year component lagged at 1.64%. We see room for short rates to trade lower while 10 to 15-year AAA rates could be range bound. We expect further steepening with front end yields coming down and the longer end stable. In response, we are moving away from a barbell structure in Intermediate portfolios and adding bonds as steepness returns to the 5 to 7-year maturity range. Our duration target remains 4.65 to 4.75-years. Q4 began with a robust jobs report that pushed 2Yr and 10Yr UST yields up 38bps and 23bps, respectively, flattening the curve. This partially offset a sharp decline in Q3 yields after the initiation of Fed Funds rate cuts and what had been seen as slowing growth. Investment Grade Investment Grade Treasuries Investment Grade Treasuries Investment Grade Treasuries Tre			
Mutual Funds accounted for \$19.8B and ETFs \$8.3B. Long Duration strategies remain the asset gathering leader, with Short Duration lagging in Q3 on rate cuts. Credit spreads were unchanged in Q3 with AAA-AA spreads static at 10bps and AAA-A at 34bps (MMD). With tight spreads intact, our team remains quality focused. The 7-year portion of the curve was the best Q3 performer (+3.20%), while the 5-Year and Long components (22+ years) followed at +3.05% and +3.04%, respectively. Despite a 60bps rally, the 1-year component lagged at 1.64%. We see room for short rates to trade lower while 10 to 15-year AAA rates could be rape bound. We expect further steepening with front end yields coming down and the longer end stable. In response, we are moving away from a barbell structure in Intermediate portfolios and adding bonds as steepness returns to the 5 to 7-year maturity range. Our duration target remains 4.65 to 4.75-years. Q4 began with a robust jobs report that pushed 2Yr and 10Yr UST yields up 38bps and 23bps, respectively, flattening the curve. This partially offset a sharp decline in Q3 yields after the initiation of Fed Funds rate cuts and what hab been seen as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to essentially 0% by 10/4. Io credit spreads tightened slightly on the quarter, although September brought heightened volatility with spreads hitting YTD highs on a relatively weak labor report to begin the month. As pressure abated, so did spreads, and they closed September 3bps lower then where Q3 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83bps on 10/4, the lowest level since June 2021. [Incomparation of the pash of the pas			
Duration lagging in Q3 on rate cuts. Credit spreads were unchanged in Q3 with AAA-AA spreads static at 10bps and AAA-A at 34bps (MMD). With tight spreads intact, our team remains quality focused. The 7-year portion of the curve was the best Q3 performer (+3.20%), while the 5-Year and Long components (22+ years) followed at +3.05% and +3.04%, respectively. Despite a 60bps rally, the 1-year component lagged at 1.64%. We see room for short rates to trade lower while 10 to 15-year AAA rates could be range bound. We expect further steepening with front end yields coming down and the longer end stable. In response, we are mowing away from a barbell structure in intermediate portfolios and adding bonds as steepness returns to the 5 to 7-year maturity range. Our duration target remains 4.65 to 4.75-years. Q4 began with a robust jobs report that pushed 2Yr and 10Yr UST yields up 38bps and 23bps, respectively, flattening the curve. This partially offset a sharp decline in 03 yields after the initiation of 1efe Funds rate tand what had been seen as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to essentially 0% by 10/4. If credit spreads tightened slightly on the quarter, although September brought heightened volatility with spreads hitting YTD highs on a relatively weak labor report to begin the month. As pressure abated, so did spreads, and they closed September 3bps lower then where Q3 began. Solid economic data and paltry issuance sent the Blomergu SC Corporate Bond lidex OAS falling even lower to 83bps on 10/4, the lowest level since June 2021. If Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lower Fed Funds rate. In addition, election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The \$170.6 billion of new debt sold. Fund flows into High Yield and High-Grade funds have cacelerated of late, and a rotation out of			
Credit spreads were unchanged in Q3 with AAA-AA spreads static at 10bps and AAA-A at 34bps (MMD). With tight spreads intact, our team remains quality focused. The 7-year portion of the curve was the best Q3 performer (+3.20%), while the 5-Year and Long components (22+ years) followed at +3.05% and +3.04%, respectively. Despite a 60bps rally, the 1-year component lagged at 1.60 the range bound. We expect further steepening with front end yields coming down and the longer end stable. In response, we are moving away from a barbell structure in intermediate portfolios and adding bonds as steepness returns to the 5 to 7-year maturity range. Our duration target remains 4.65 to 4.75-years. Q4 began with a robust jobs report that pushed 2Yr and 10Yr UST yields up 38bps and 23bps, respectively, flattening the curve. This partially offset a sharp decline in Q3 yields after the initiation of Fed Funds rate cuts and what had been seen as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to essentially 0% by 10/4. In Gredit spreads tightened slightly on the quarter, although September brought heightened volatility with spreads hitting YTD highs on a relatively weak labor report to begin the month. As pressure abated, so old spreads, and they closed September 3bps lower then where Q3 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 38bps on 10/4, the lowest level since June 2021. IG Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lower Fed Funds rate. In addition, election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The \$170.6 billion of new debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2000), a surge that increased YTD issuance to \$1.26 trillion. Fund flows into High Yield and High-Grade funds have accelerated			
our team remains quality focused. The 7-year portion of the curve was the best Q3 performer (+3.20%), while the 5-Year and Long components (22+ years) followed at +3.05% and +3.04%, respectively. Despite a 60bps rally, the 1-year component lagged at 1.64%. We see room for short rates to trade lower while 10 to 15-year AAA rates could be range bound. We expect further steepening with front end yields coming down and the longer end stable. In response, we are moving away from a barbell structure in Intermediate portfolios and adding bonds as steepness returns to the 5 to 7-year maturity range. Our duration target remains 4.65 to 4.75-years. Q4 began with a robust jobs report that pushed 2Yr and 10Yr UST yields up 38bps and 23bps, respectively, flattening the curve. This partially offset a sharp decline in Q3 yields after the initiation of Fed Funds rate cuts and what had been seen as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to essentially 0% by 10/4. Increasuries Investment Grade Corporates A Treasuries Treas			
The 7-year portion of the curve was the best Q3 performer (+3, 20%), while the 5-Year and Long components (22+ years) followed at +3,05% and +3,04%, respectively. Despite a 60bps rally, the 1-year component lagged at 1,64%. We see room for short rates to trade lower while 10 to 15-year AAA rates could be range bound. We expect further steepening with front end yields coming down and the longer end stable. In response, we are moving away from a barbell structure in Intermediate portfolios and adding bonds as steepness returns to the 5 to 7-year maturity range. Our duration target remains -4.65 to 4,75-years. Q4 began with a robust jobs report that pushed 2Yr and 10Yr UST yields up 38bps and 23bps, respectively, flattening the curve. This partially offset a sharp decline in Q3 yields after the initiation of Fed Funds rate cuts and what had been seen as slowing growth. Impersive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 540 odds of a 0.50% cut as of 9/27 to essentially 0% by 10/4. If credit spreads tightened slightly on the quarter, although September brought heightened volatility with spreads hitting YTD highs on a relatively weak labor report to begin the month. As pressure abated, so did spreads, and they closed September 3bps lower then where Q3 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83bps on 10/4, the lowest level since June 2021. Treasuries In Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lower Fed Funds rate. In addition, election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The \$170.6 billion of new debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2020), a surge that increased YTD issuance to \$1.26 trillion. Fund flows into high yield and high-Grade funds have accelerated of late, and a rotation out of UST products has been evident given			
+3.0% and 43.04%, respectively. Despite a 60bps rally, the 1-year component lagged at 1.64%. We see room for short rates to trade lower while 10 to 15-year AAA rates could be range bound. We expect further steepening with front end yields coming down and the longer end stable. In response, we are moving away from a barbell structure in Intermediate portfolios and adding bonds as steepness returns to the 5 to 7-year maturity range. Our duration target remains 4.65 to 4.75-years. Q4 began with a robust jobs report that pushed 2Yr and 10Yr UST yields up 38bps and 23bps, respectively, flattening the curve. This partially offset a sharp decline in Q3 yields after the initiation of Fed Funds rate cuts and what had been seen as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to essentially 0% by 10/4. Increasuries Investment Grade Corporates R Treasuries In G. Corporate Salps on 10/4, the lowest level since June 2021. In G. Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lower Fed Funds rate. In addition, election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The 5170.6 billion of new debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2020), a surge that increased YTD issuance to \$1.2 & trillion. Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate trajectory. Stocks were higher in Q3 as the \$&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. While the first half of 2024 was characterized by a lack of breadth and narrow lead			
We see room for short rates to trade lower while 10 to 15-year AAA rates could be range bound. We expect further steepening with front end yields coming down and the longer end stable. In response, we are moving away from a barbell structure in Intermediate portfolios and adding bonds as steepness returns to the 5 to 7-year maturity range. Our duration target remains 4.65 to 4.75-years. Q4 began with a robust jobs report that pushed 2Yr and 10Yr UST yields up 38bps and 23bps, respectively, flattening the curve. This partially offset a sharp decline in Q3 yields after the initiation of Fed Funds cuts and what had been seen as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to essentially 0% by 10/4. In credit spreads tightened slightly on the quarter, although September brought heightened volatility with spreads hitting YTD highs on a relatively weak labor report to begin the month. As pressure abated, so did spreads, and they closed September 3bps lower then where Q3 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83bps on 10/4, the lowest level since June 2021. IG Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lower Fed Funds rate. In addition, election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The \$170.6 billion of new debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2020), a surge that increased YTD issuance to \$1.26 trillion. Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate trajectory. Stocks were higher in Q3 as the S&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the t			
front end yields coming down and the longer end stable. In response, we are moving away from a barbell structure in Intermediate portfolios and adding bonds as steepness returns to the 5 to 7-year maturity range. Our duration target remains 4.65 to 4.75-years. Q began with a robust jobs report that pushed 2Yr and 10Yr UST yields up 38bps and 23bps, respectively, flattening the curve. This partially offset a sharp decline in Q3 yields after the initiation of Fed Funds rate cuts and what had been seen as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to essentially 0% by 10/4. Indicate the special partially offset as sharp decline in Q3 yelds after the initiation of Fed Funds rate cuts and what had been seen as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to essentially 0% by 10/4. Indicate the special partially offset as sharp decline in Q3 began. Solid economic data and paltry issuance song the special partially offset as partially offset as partially offset as partially offset as special partially offset as partially offset and partially offset as partially offset and partially offset and partially offset as partially offset and partially offset and partially offset as partially offset and partially offset and partially offset as partially offset and partially offset as partially offset and partially offset as partially			
portfolios and adding bonds as steepness returns to the 5 to 7-year maturity range. Our duration target remains 4.65 to 4.75-years. Q4 began with a robust jobs report that pushed 2Yr and 10Yr UST yields up 38bps and 23bps, respectively, flattening the curve. This partially offset a sharp decline in Q3 yields after the initiation of Fed Funds rate cuts and what had been seen as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to essentially 0% by 10/4. I Gredit spreads tightened slightly on the quarter, although September brought heightened volatility with spreads hitting YTD highs on a relatively weak labor report to begin the month. As pressure abated, so did spreads, and they closed September 3bps lower then where Q3 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83bps on 10/4, the lowest level since June 2021. IG Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lower Fed Funds rate. In addition, election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The \$170.6 billion of new debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2020), a surge that increased YTD issuance to \$1.26 trillion. Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate trajectory. Stocks were higher in Q3 as the S&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of			
 Q4 began with a robust jobs report that pushed 2Yr and 10Yr UST yields up 38bps and 23bps, respectively, flattening the curve. This partially offset a sharp decline in Q3 yields after the initiation of Fed Funds rate cuts and what had been seen as slowing growth. Impressive labor market resilience quickly shifted Fed rate cut expectations for November's meeting from 54% odds of a 0.50% cut as of 9/27 to essentially 0% by 10/4. IG credit spreads tightened slightly on the quarter, although September brought heightened volatility with spreads hitting YTD highs on a relatively weak labor report to begin the month. As pressure abated, so did spreads, and they closed September 3bps lower then where Q3 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83bps on 10/4, the lowest level since June 2021. IG Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lower Fed Funds rate. In addition, election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The \$170.6 billion of new debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2020), a surge that increased YTD issuance to \$1.26 trillion. Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate trajectory. Stocks were higher in Q3 as the S&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors out			
partially offset a sharp decline in Q3 yields after the initiation of Fed Funds rate cuts and what had been seen as slowing growth. Investment Grade Corporates & Treasuries Treasuries Treasuries Treasuries Treasuries Investment Grade Corporates While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the market-cap weighted index with a return of +9.1%. Fund flows into He gagards, along with Energy (-16.4% on a drop in WTI crude). Notably, the equal-weighted SQP sobpsecut was welcomed by investors as it signaled the beginning Q3, prompting calls for a more aggressive Fed move. September's Fund in a market-cap weighted index with a return of +9.1%. Fund flows into Hinflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The market's recent strength has largely been attributed to rising expectations of an acid genoty and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of neasing growth. Impressive labor market cuts and what had been seen as slowing growth. Impressive labor market cuts which shifted fred rate cut expectations for November's meeting from 54% odds of a 0.50% cut as slowing growth. Impressive labor market cut expectations for November's meeting from 54% odds of a 0.50% cut as slowing growth. Impressive labor market even begin to be part the substance of your participation of a substance of your participation of the close of participation of the past strength has largely been the past and participation of Cotober pushed the rush. The \$170.6 billion of new debt sold in September 2020, a surge that increased YTD issuance to \$1.26 trillion. While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of par	Grade Corporates &	· · · · · · · · · · · · · · · · · · ·	
Investment Grade Corporates 8 Treasuries Investment Grade Corporates 9 Treasuries Investment Grade Corporates 10 Treasuries Investment Grade Corporate Grade Index OAS falling even lower to 83 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83 began 10/4, the lowers the Us Corporate Bond Index OAS falling even lower to 83 began 10/4, the lowers the Us Corporate Bond Index OAS falling even lower to 83 began 10/4, the lowers the Us Corporate Bond Index OAS falling even lower to 84 began 10/4, the lowers the Us Corporate Bond Index OAS falling even lower fed Funds rate. In addition, election uncertainty and a quiet earnings blead to the beginning of October pushed the rush. The \$1.70 The Market Fed Funds rate trialed for the 4th Straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation			
as of 9/27 to essentially 0% by 10/4. IG credit spreads tightened slightly on the quarter, although September brought heightened volatility with spreads hitting YTD highs on a relatively weak labor report to begin the month. As pressure abated, so did spreads, and they closed September 3bps lower then where Q3 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83bps on 10/4, the lowest level since June 2021. IG Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lower Fed Funds rate. In addition, election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The \$170.6 billion of new debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2020), a surge that increased YTD issuance to \$1.26 trillion. Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate trajectory. Stocks were higher in Q3 as the S&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTl crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% targe			
Investment Grade Corporates & Treasuries - IG credit spreads tightened slightly on the quarter, although September brought heightened volatility with spreads hitting YTD highs on a relatively weak labor report to begin the month. As pressure abated, so did spreads, and they closed September 3bps lower then where Q3 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83bps on 10/4, the lowest level since June 2021. - IG Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lower Fed Funds rate. In addition, election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The \$170.6 billion of new debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2020), a surge that increased YTD issuance to \$1.26 trillion. - Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate trajectory. - Stocks were higher in Q3 as the S&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. - While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTl crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. - The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards			
highs on a relatively weak labor report to begin the month. As pressure abated, so did spreads, and they closed September 3bps lower then where Q3 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83bps on 10/4, the lowest level since June 2021. 1 IG Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lower Fed Funds rate. In addition, election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The \$170.6 billion of new debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2020), a surge that increased YTD issuance to \$1.26 trillion. 1 Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate trajectory. 2 Stocks were higher in Q3 as the S&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. 2 While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTI crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. 2 The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. 2 The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressiv			
lower then where Q3 began. Solid economic data and paltry issuance sent the Bloomberg US Corporate Bond Index OAS falling even lower to 83bps on 10/4, the lowest level since June 2021. IG Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lower Fed Funds rate. In addition, election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The \$170.6 billion of new debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2020), a surge that increased YTD issuance to \$1.26 trillion. Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate trajectory. Stocks were higher in Q3 as the S&P 500 advanced for the 4 th straight quarter and the 7 th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTI crude). Notably, the equal-weighted 5&P 500 outperformed the market-cap weighted index with a return of +9.1%. The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025.			
lower to 83bps on 10/4, the lowest level since June 2021. IG Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lower Fed Funds rate. In addition, election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The \$170.6 billion of new debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2020), a surge that increased YTD issuance to \$1.26 trillion. Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate trajectory. Stocks were higher in Q3 as the S&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTl crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks s			
 IG Corporate bond issuance in Q3 was very active as issuers prepared for Fed easing and a lower Fed Funds rate. In addition, election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The \$170.6 billion of new debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2020), a surge that increased YTD issuance to \$1.26 trillion. Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate trajectory. Stocks were higher in Q3 as the S&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTI crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors w			
election uncertainty and a quiet earnings blackout initiated at the beginning of October pushed the rush. The \$170.6 billion of new debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2020), a surge that increased YTD issuance to \$1.26 trillion. • Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate trajectory. • Stocks were higher in Q3 as the S&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. • While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTI crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. • The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. • The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. • A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs r			
debt sold in September smashed previous highs (\$164 billion during the pandemic in September 2020), a surge that increased YTD issuance to \$1.26 trillion. Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate trajectory. Stocks were higher in Q3 as the S&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTI crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%.	Treasuries		
issuance to \$1.26 trillion. Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident given the Fed Funds rate trajectory. Stocks were higher in Q3 as the S&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTI crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%.			
 given the Fed Funds rate trajectory. Stocks were higher in Q3 as the S&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTI crude). Notably, the equal-weighted 5&P 500 outperformed the market-cap weighted index with a return of +9.1%. The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%. 			
 Stocks were higher in Q3 as the S&P 500 advanced for the 4th straight quarter and the 7th of the past 8. The +5.5% return brings the YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTI crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%. 		 Fund flows into High Yield and High-Grade funds have accelerated of late, and a rotation out of UST products has been evident 	
YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%. Small caps, represented by the Russell 2000, led the way with a +8.9% gain. • While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTl crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. • The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. • The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. • A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%.		given the Fed Funds rate trajectory.	
 Small caps, represented by the Russell 2000, led the way with a +8.9% gain. While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTI crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%. 	Equities	• Stocks were higher in Q3 as the S&P 500 advanced for the 4 th straight quarter and the 7 th of the past 8. The +5.5% return brings the	
 While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTl crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%. 		YTD price appreciation to +20.8%. The Nasdaq trailed (+2.6%) although the tech-heavy index remains slightly ahead YTD at +21.2%.	
participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTI crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. • The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. • The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. • A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%.		Small caps, represented by the Russell 2000, led the way with a +8.9% gain.	
participation. Eight of the eleven sectors outperformed the overall index led by cyclicals and defensives. Tech and Communication Services were among the laggards, along with Energy (-16.4% on a drop in WTI crude). Notably, the equal-weighted S&P 500 outperformed the market-cap weighted index with a return of +9.1%. • The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. • The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. • A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%.		• While the first half of 2024 was characterized by a lack of breadth and narrow leadership, Q3 saw a healthy broadening out of	
outperformed the market-cap weighted index with a return of +9.1%. The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%.			
 The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%. 		Services were among the laggards, along with Energy (-16.4% on a drop in WTI crude). Notably, the equal-weighted S&P 500	
 "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%. 		outperformed the market-cap weighted index with a return of +9.1%.	
 "greater confidence" that inflation was moving back towards their 2% target, focus has shifted to the economy and labor market. The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%. 		• The market's recent strength has largely been attributed to rising expectations for an economic soft-landing. With the Fed showing	
 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%. 			
 50bps cut was welcomed by investors as it signaled the beginning of an easing cycle that should last into 2025. A breather may be in order though following stock market gains in 10 of the past 11 months. Investors will have to balance risks such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%. 		• The unemployment rate hit a multi-year high of 4.3% during Q3, prompting calls for a more aggressive Fed move. September's	
such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%.			
such as rising geopolitical tensions, an impending election, rising oil prices, and elevated valuations against favorable indicators, including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%.			
including a strong early October jobs report, easing global central banks, and 2025 earnings growth estimates of +15%.			
		APPLETON	



ONE POST OFFICE SQ. BOSTON, MA 02109 TEL. 617.338.0700 WWW.APPLETONPARTNERS.COM

This commentary reflects the opinions of Appleton Partners based on information that we believe to be reliable. It is intended for informational purposes only, and not to suggest any specific performance or results, nor should it be considered investment, financial, tax or other professional advice. It is not an offer or solicitation. Views regarding the economy, securities markets or other specialized areas, like all predictors of future events, cannot be guaranteed to be accurate and may result in economic loss to the investor. While the Adviser believes the outside data sources cited to be credible, it has not independently verified the correctness of any of their inputs or calculations and, therefore, does not warranty the accuracy of any third-party sources or information. Specific securities identified and described may or may not be held in portfolios managed by the Adviser and do not represent all of the securities purchased, sold, or recommended for advisory clients. The reader should not assume that investments in the securities identified and discussed are, were or will be profitable. Any securities identified were selected for illustrative purposes only, as a vehicle for demonstrating investment analysis and decision making. Investment process, strategies, philosophies, allocations, performance composition, target characteristics and other parameters are current as of the date indicated and are subject to change without prior notice. Registration with the SEC should not be construed as an endorsement or an indicator of investment skill acumen or experience. Investments in securities are not insured, protected or guaranteed and may result in loss of income and/or principal.