

Mid-Year Market Outlook 2022

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Tuesday, June 14, 2022



Consolidation or Something Bigger?

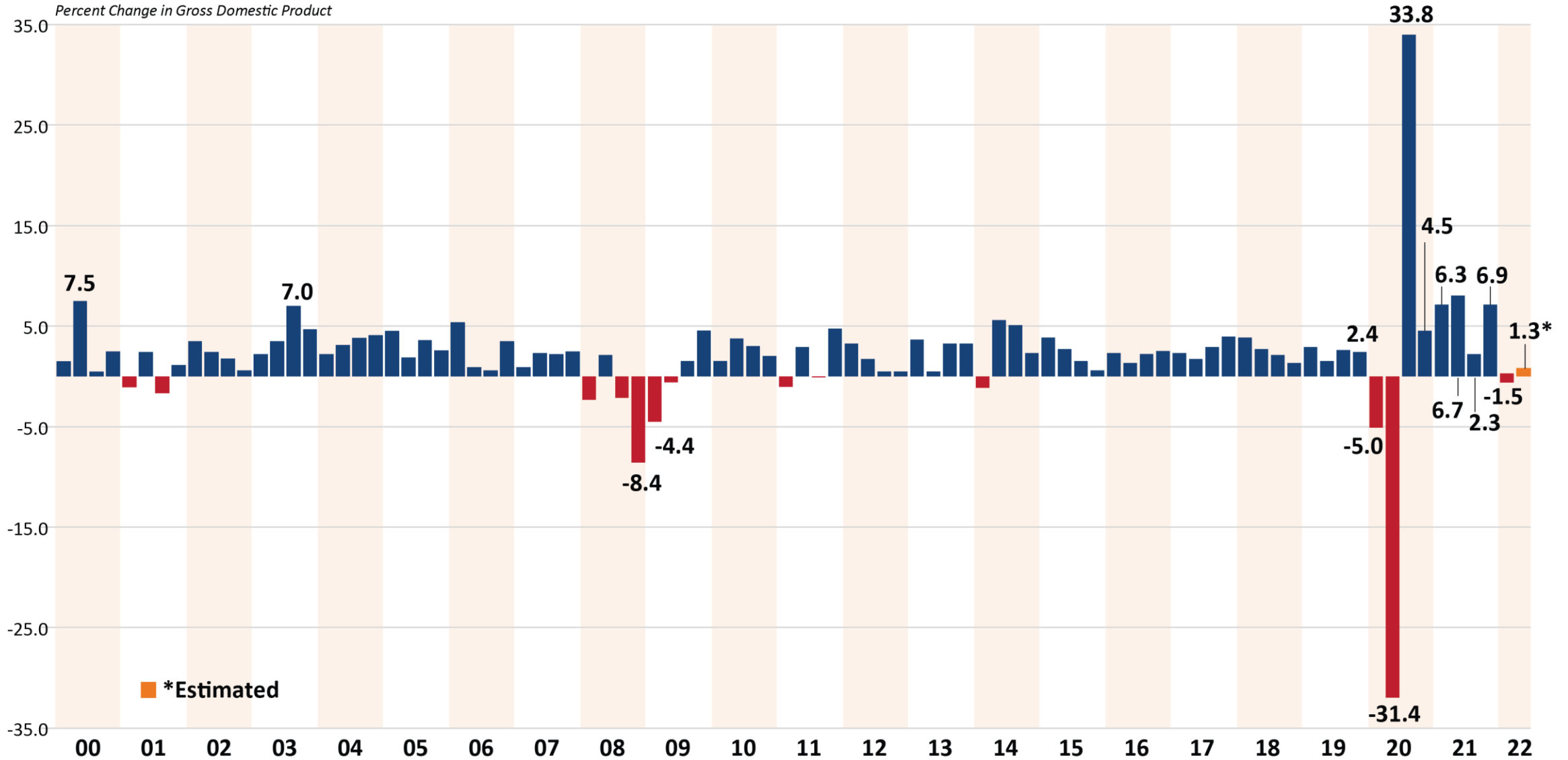
Domestic Equity		2021	YTD – 6/13/22	3/23/20 – 6/13/22
	S&P 500	28.68%	-20.79%	73.44%
	Russell 1000	26.43%	-21.72%	73.67%
	Russell 2000	14.78%	-23.24%	75.35%
	Russell 3000	25.64%	-21.82%	73.68%
	Russell 1000 Value	25.12%	-12.52%	79.73%
	Russell 1000 Growth	27.59%	-29.88%	65.45%
International Equity				
	MSCI Emerging Market	-2.54%	-16.70%	40.83%
	MSCI All Country World (ex US)	7.82%	-17.03%	48.47%
Fixed Income				
	BBgBarc U.S. Aggregate Bond	-1.54%	-12.10%	-7.92%
	BBgBarc U.S. Treasury	-2.32%	-11.04%	-12.95%
	BBgBarc U.S. Corporate	-1.04%	-15.55%	1.98%
	BBgBarc U.S. Corporate High Yield	5.28%	-12.84%	22.52%
	BBgBarc Municipal	1.52%	-9.60%	4.53%

Past performance is not indicative of future results. This is not a recommendation to buy or sell a particular security. Please see attached disclosures.



United States GDP Annualized Growth

1/1/2000 to 3/31/2022

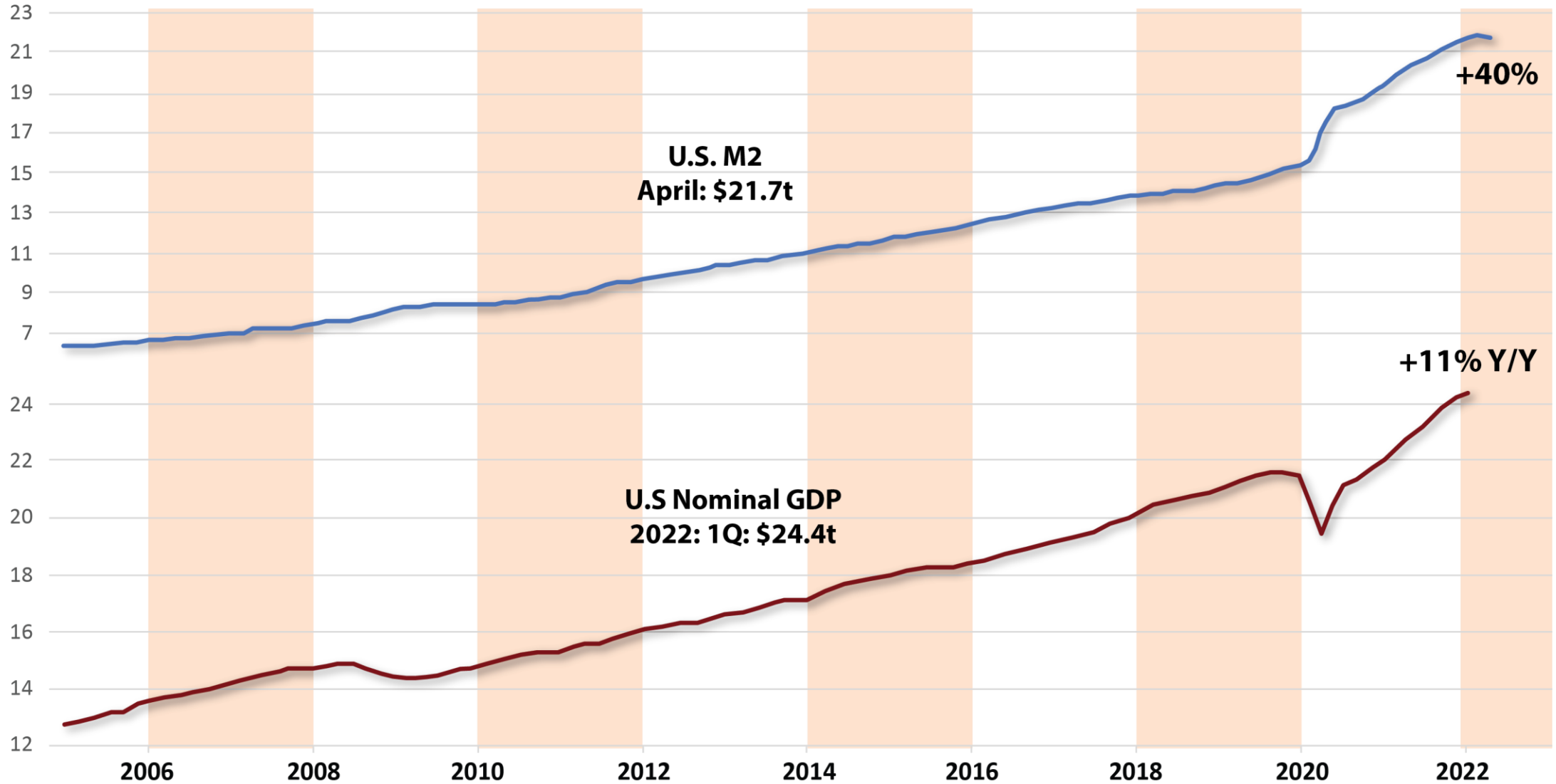


Source: Bloomberg



U.S. M2 vs Nominal GDP

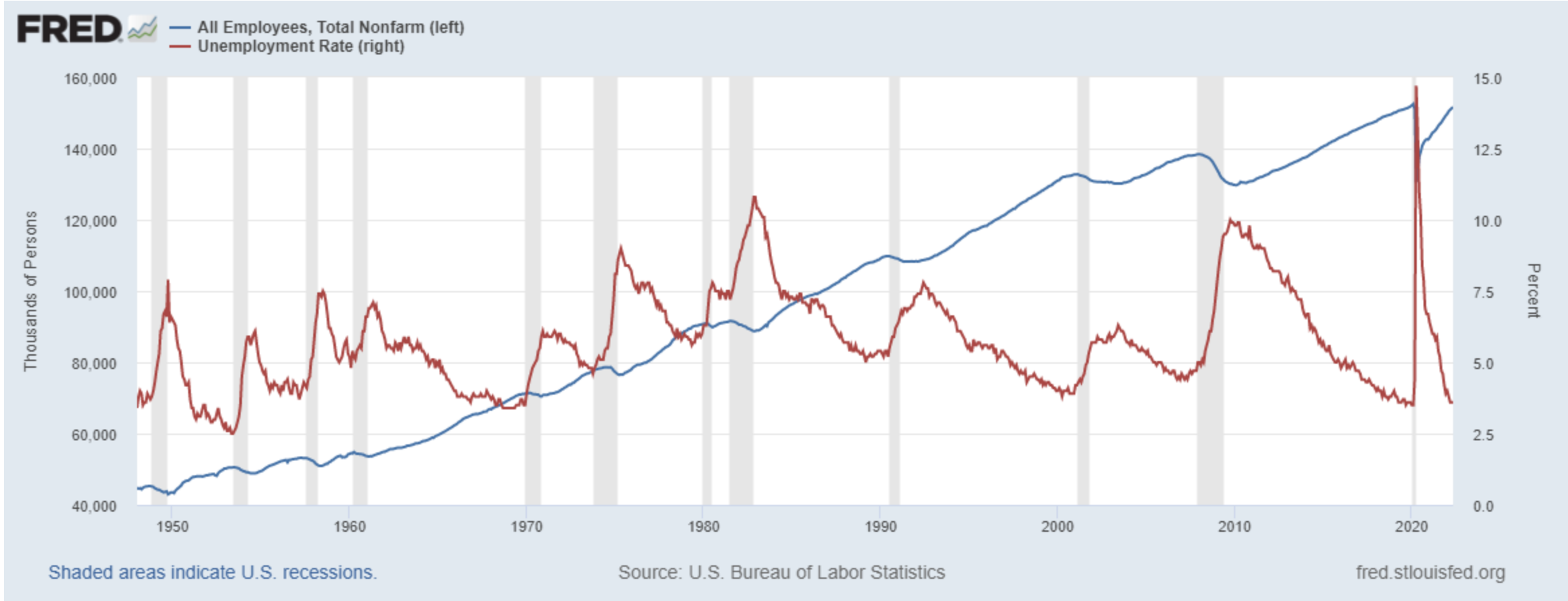
January 1, 2005-June 1, 2022



Source: Money Matter

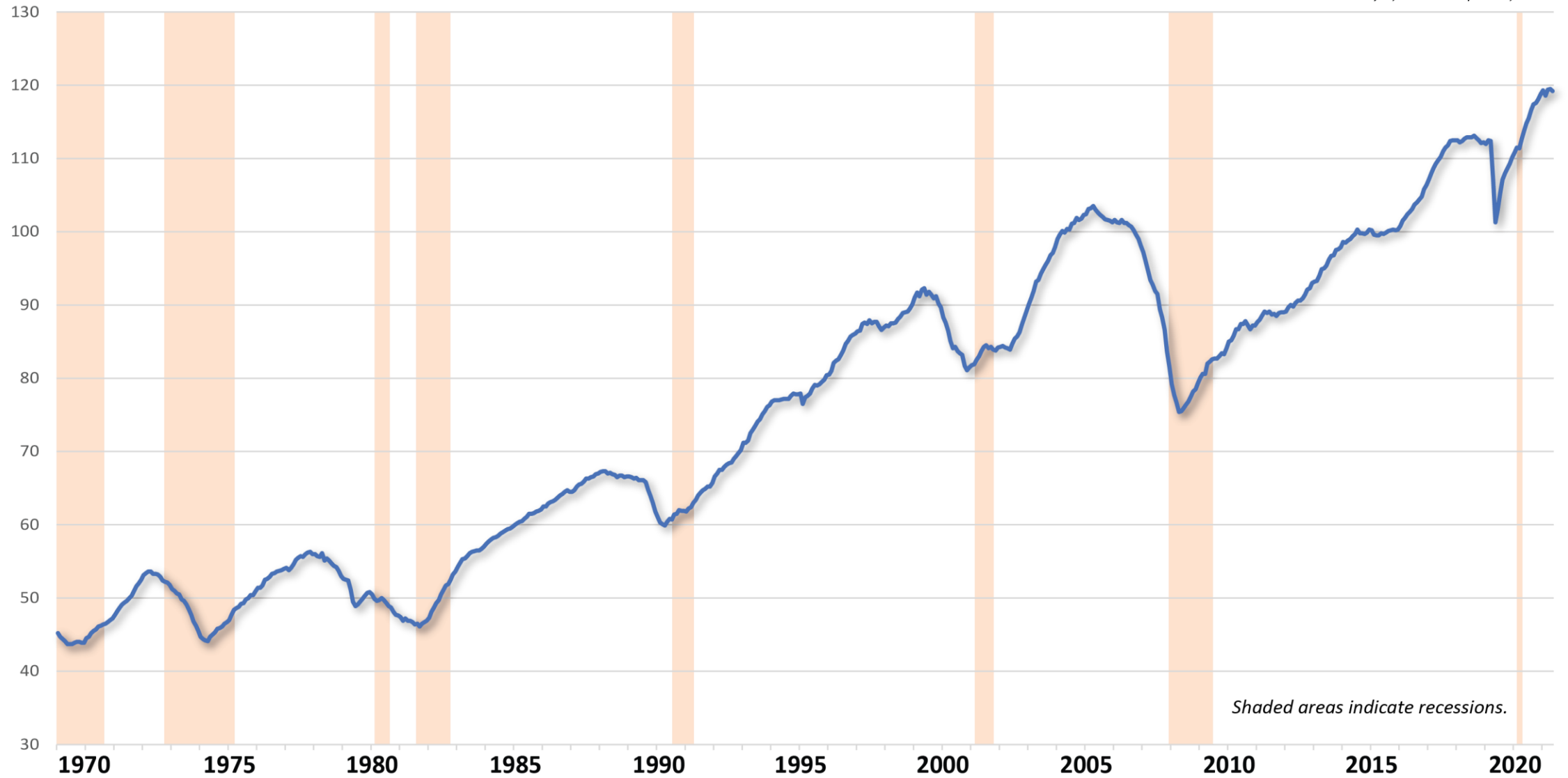


Economy is Slowing, but Growing



The Index of Leading Economic Indicators

January 1, 1970 — April 30, 2022



Shaded areas indicate recessions.

Source: Bloomberg, National Bureau of Economic Research

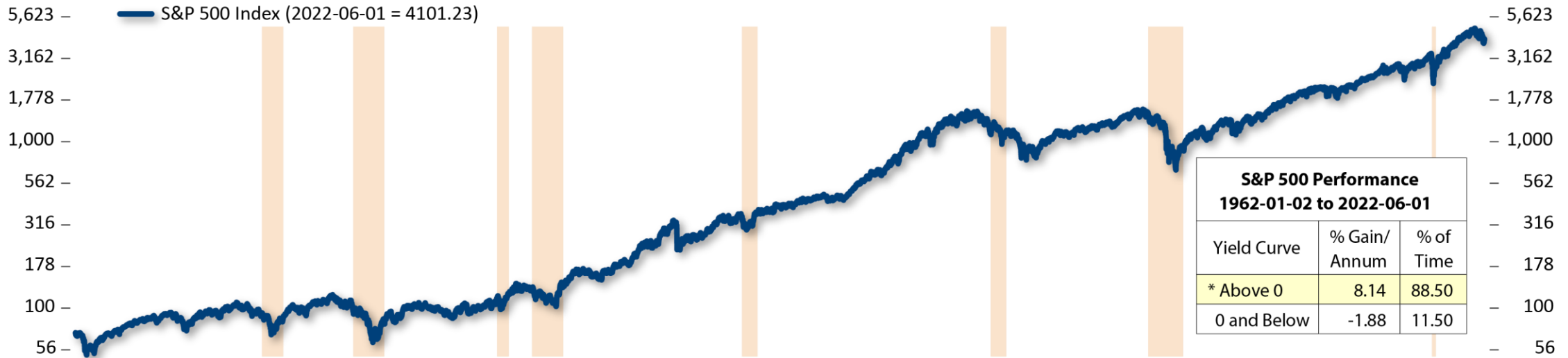


LEI Recession Lead Times

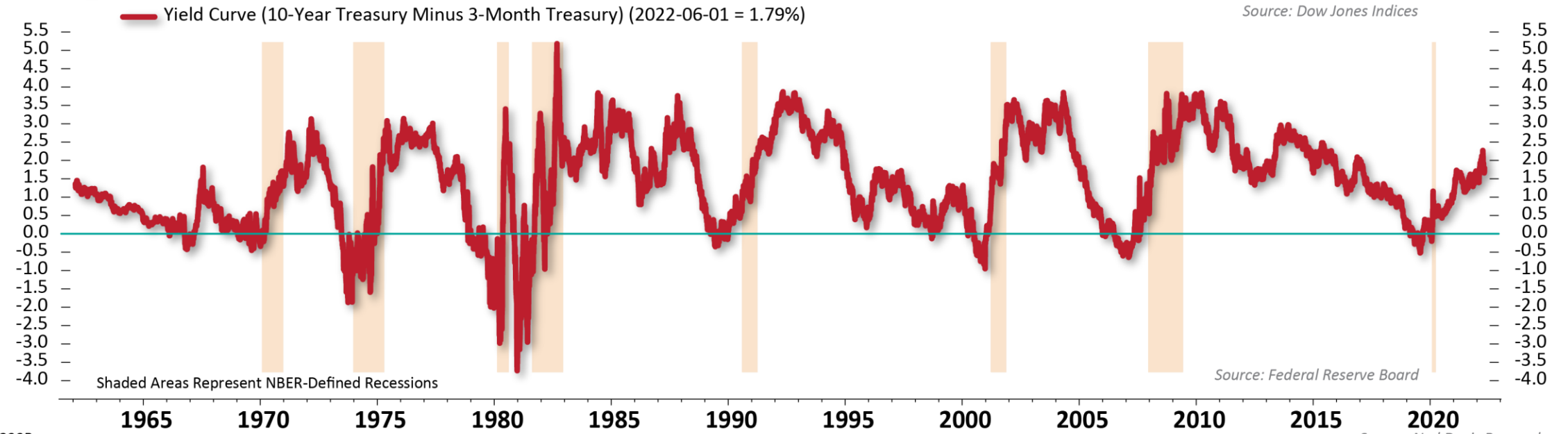
LEI Peak	Recession Start	Months from Peak to Start
12/31/1959	4/30/1960	4
4/30/1969	12/31/1969	8
2/28/1973	11/30/1973	9
10/31/1978	1/31/1980	15
10/31/1980	7/31/1981	9
1/31/1989	7/31/1990	18
4/30/2000	3/31/2001	11
3/31/2006	12/31/2007	21
7/31/2019	2/28/2020	7

S&P 500 vs. Yield Curve (10-Year Minus Three-Month)

Daily Data 1962-01-02 to 2022-06-01 (Log Scale)



Source: Dow Jones Indices



Source: Federal Reserve Board

Source: Ned Davis Research

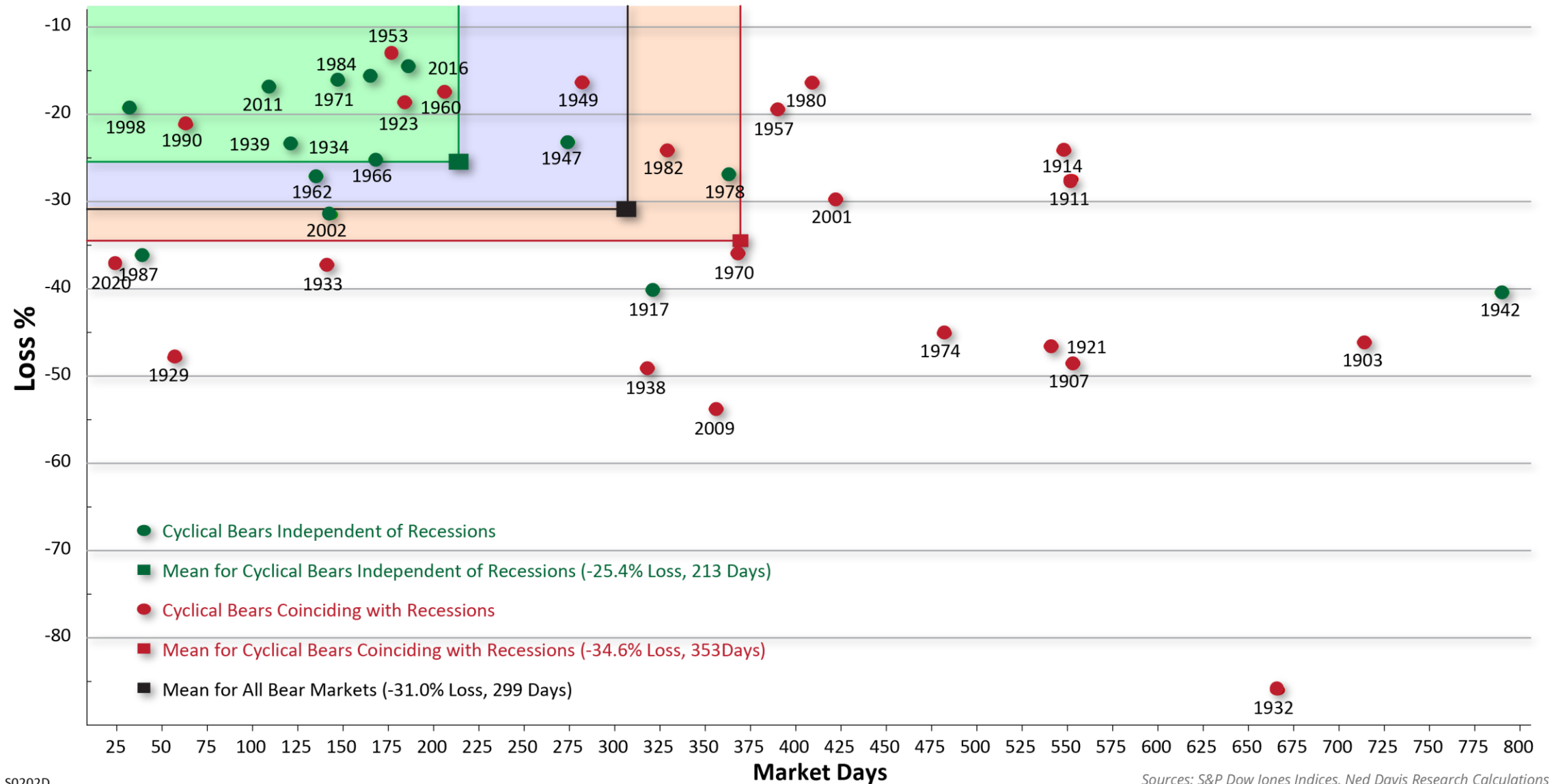
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Corrections Are Normal — Frequency of Declines

S&P 500 Declines	Occurrences Per Year	Frequency Average	Probability of Decline Moving to Next Stage	Mean Decline
-5% or more	3.4	Every 14 weeks	32%	-10.9%
-10% or more	1.1	Every Year	45%	-19.5%
-15% or more	0.5	Every 2 years	58%	-28.2%
-20% or more	0.3	Every 3 years	N/A	-35.7%

A History of Bear Markets II: Dow Jones Industrial Average (1900-Present)



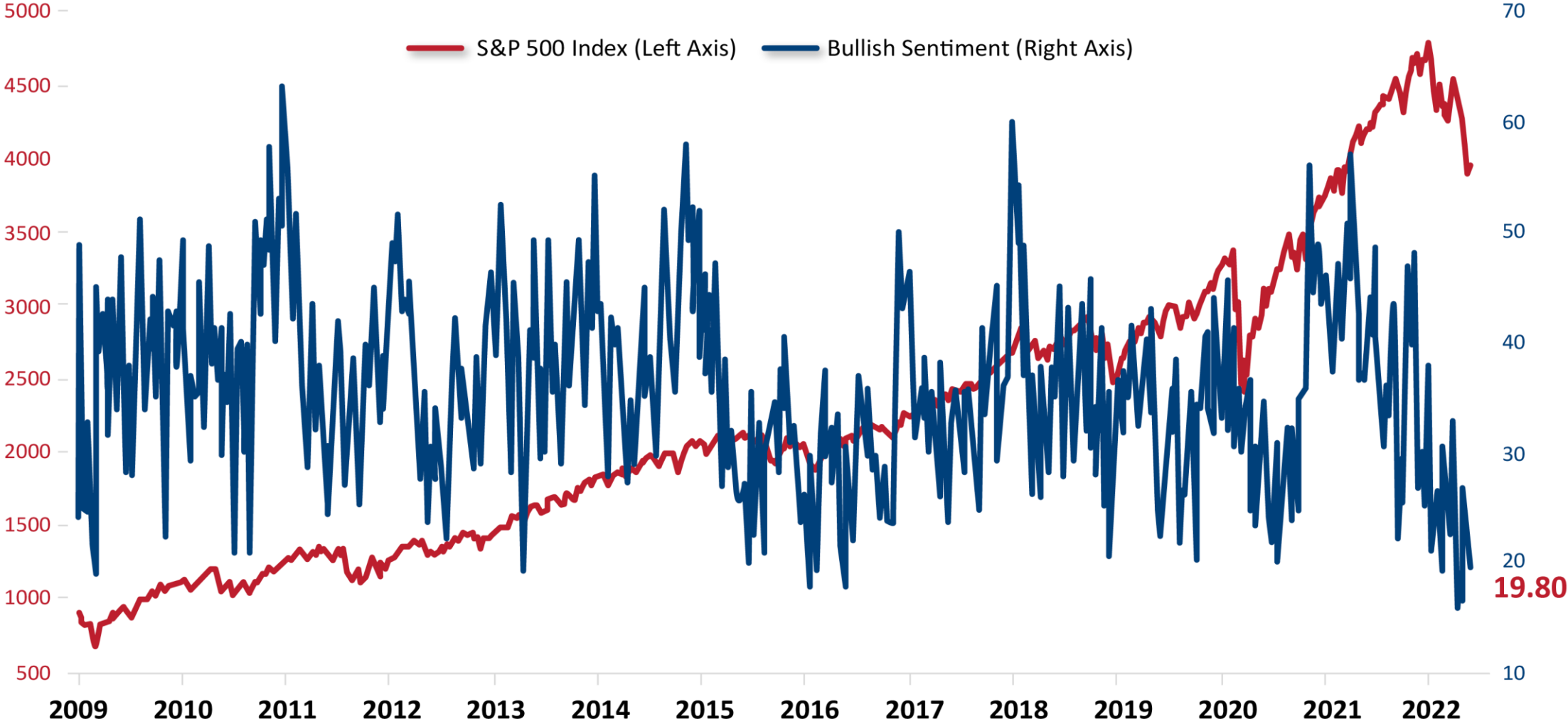
Sources: S&P Dow Jones Indices, Ned Davis Research Calculations

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AAll Bullish Sentiment

1/1/2009 to 5/31/2022



Source: Bloomberg



S&P 500 Cycle Composite for 2022

Daily Data 2021-12-31 to 2022-12-30



Dow Industrials Four-Year Presidential Cycle



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Source: Ned Davis Research

For illustrative purposes only. Projections or other forward looking statements regarding future financial performance of markets are only predictions and actual events or results may differ materially

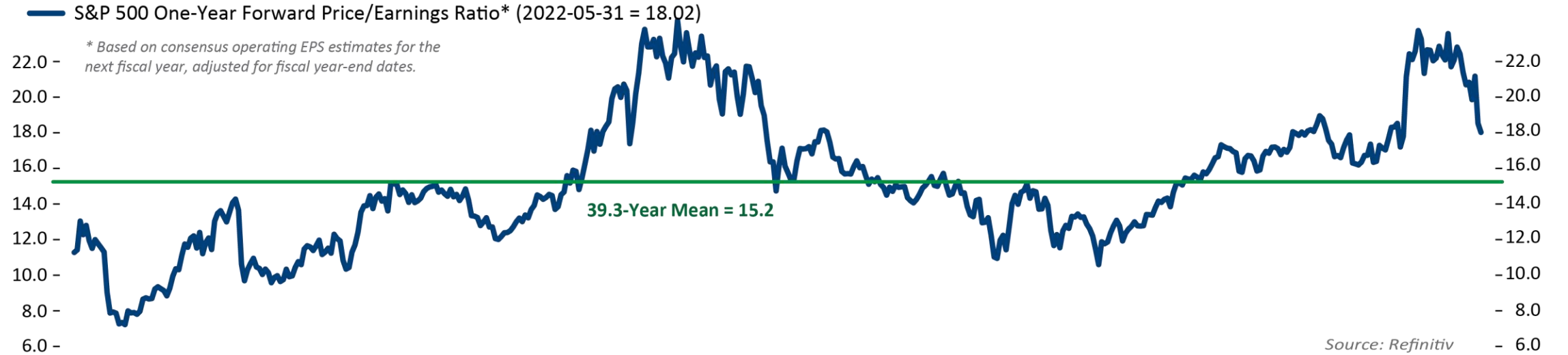
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S&P 500 Mid-Term Year Performance Since 1934

Prior 12-Month High	S&P 500	Mid-Term Low Date	S&P 500	% Loss to Mid-Term Low	Pre-Election Year High Date	S&P 500	% Gain from Mid-Term Low
2/6/1934	11.82	7/26/1934	8.36	-29.27%	11/19/1935	13.46	61.00%
3/10/1937	18.67	3/31/1938	8.5	-54.47%	1/4/1939	13.23	55.65%
7/28/1941	10.47	4/28/1942	7.47	-28.65%	7/14/1943	12.64	69.21%
5/29/1946	19.25	10/9/1946	14.12	-26.65%	2/8/1947	16.20	14.73%
1/11/1950	17.09	1/14/1950	16.65	-2.57%	10/15/1951	23.85	43.24%
2/3/1953	26.54	1/11/1954	24.8	-6.56%	11/14/1955	46.41	87.14%
7/15/1957	49.13	1/2/1958	40.33	-17.91%	8/3/1959	60.71	50.53%
12/12/1961	72.64	6/26/1962	52.32	-27.97%	12/31/1963	75.02	43.39%
2/9/1966	94.06	10/7/1966	73.2	-22.18%	9/25/1967	97.59	33.32%
5/14/1969	106.16	5/26/1970	69.29	-34.73%	4/28/1971	104.77	51.21%
10/12/1973	111.44	10/3/1974	62.28	-44.11%	7/15/1975	95.61	53.52%
12/31/1976	107.46	3/6/1978	86.9	-19.13%	10/5/1979	111.27	28.04%
8/11/1981	133.85	8/12/1982	102.42	-23.48%	10/10/1983	172.65	68.57%
1/7/1986	213.80	1/22/1986	203.49	-4.82%	8/25/1987	336.77	65.50%
7/16/1990	368.95	10/11/1990	295.46	-19.92%	12/31/1991	417.09	41.17%
2/2/1994	482.00	4/4/1994	438.92	-8.94%	12/13/1995	621.69	41.64%
12/5/1997	983.79	1/9/1998	927.69	-5.70%	12/31/1999	1469.25	58.38%
1/4/2002	1172.51	10/9/2002	776.76	-33.75%	12/31/2003	1111.92	43.15%
5/5/2006	1325.76	6/13/2006	1223.69	-7.70%	10/9/2007	1565.15	27.90%
4/23/2010	1217.28	7/2/2010	1022.58	-15.99%	4/29/2011	1363.61	33.35%
9/19/2014	2010.40	10/15/2014	1862.49	-7.36%	5/21/2015	2130.82	14.41%
9/20/2018	2930.75	12/24/2018	2351.1	-19.78%	12/27/2019	3240.02	37.81%
Mean				-20.98%			46.49%
Median				-19.85%			43.32%

S&P 500 Forward vs. Trailing Price/Earnings Ratios

Monthly Data 1983-02-28 to 2022-05-31



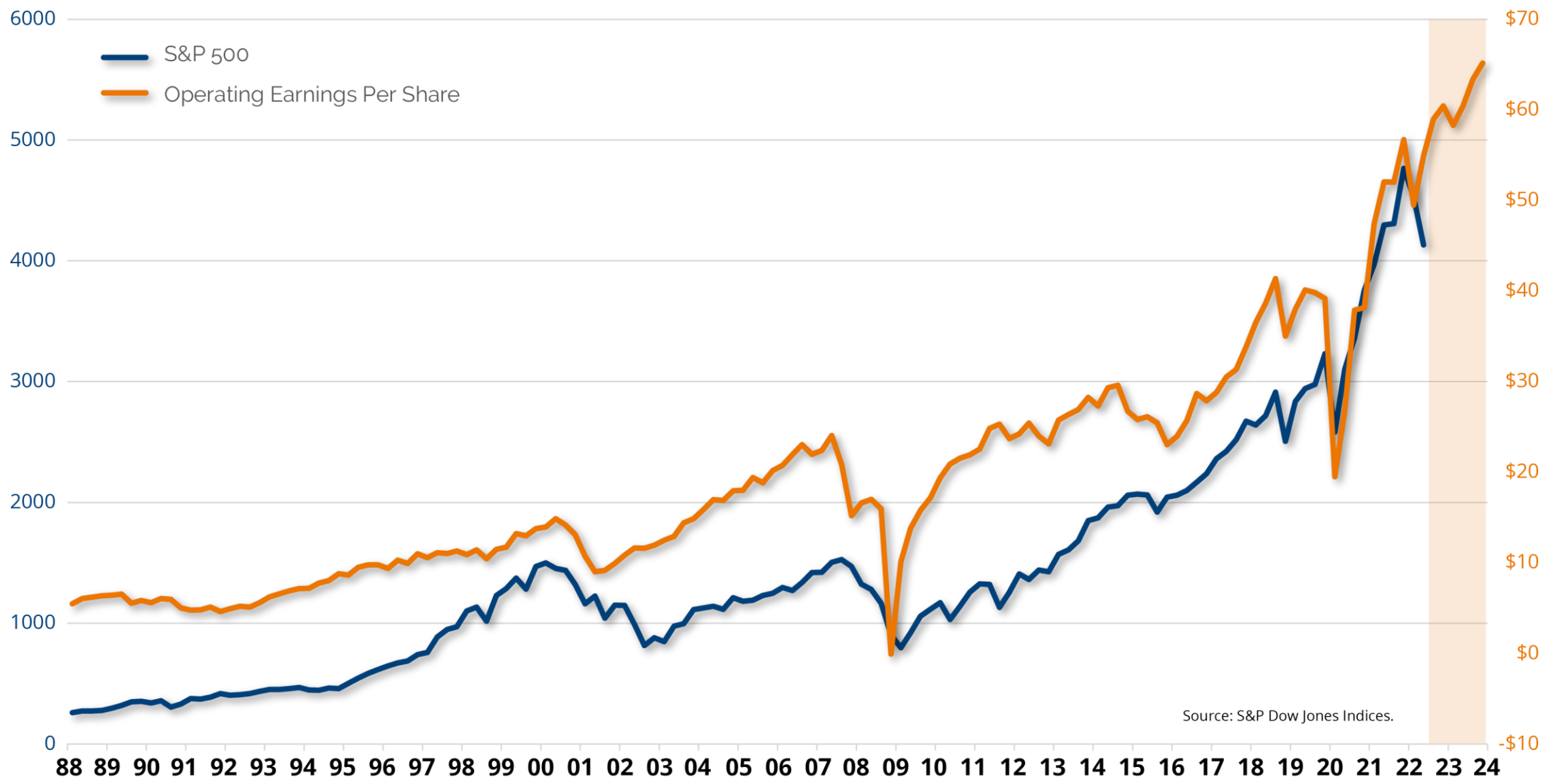
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Source: Ned Davis Research



3/31/1988 to 12/31/2023 (estimated)

S&P 500 & Operating Earnings

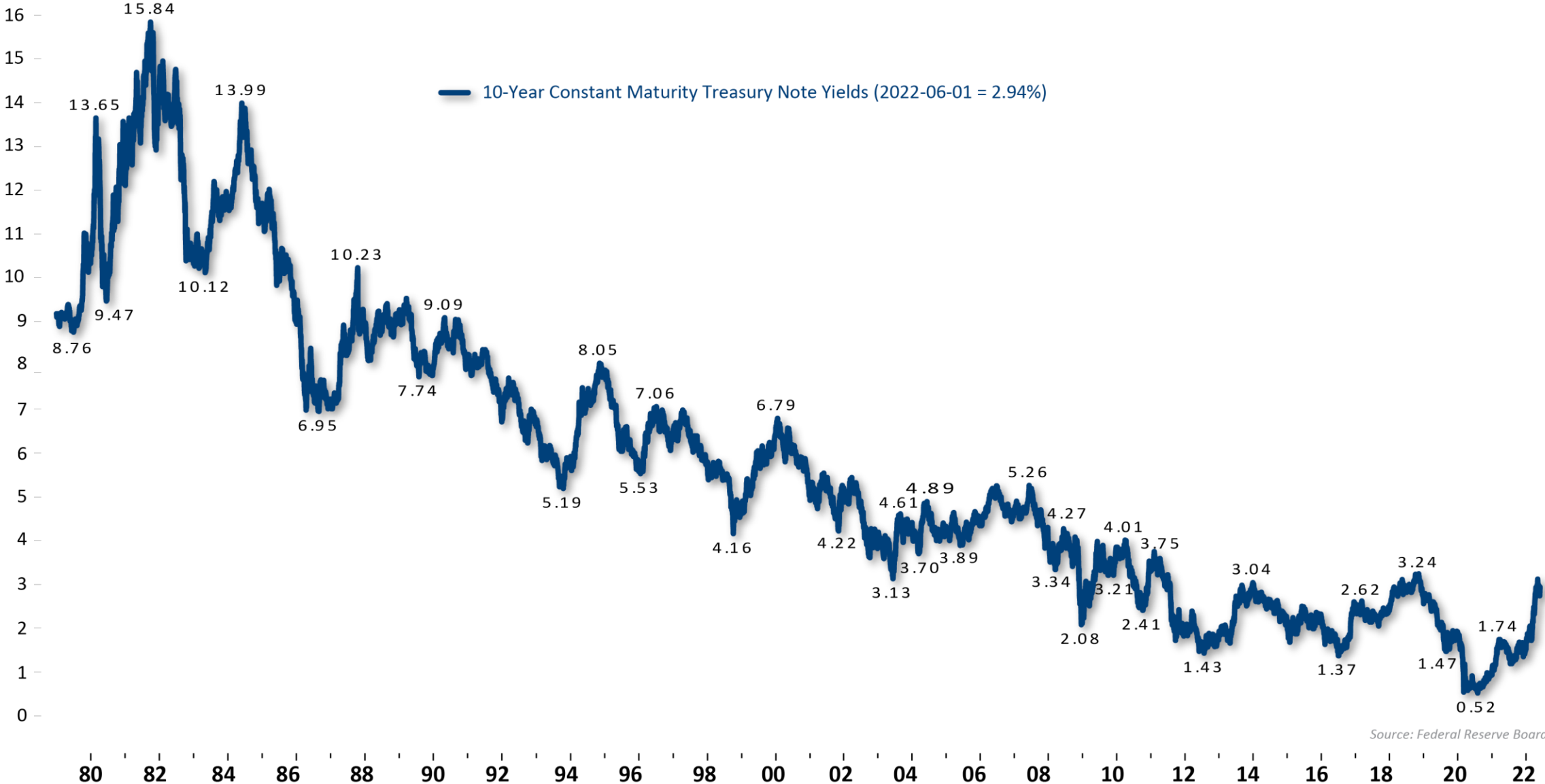


Source: S&P Dow Jones Indices.



10-Year Constant Maturity Treasury Note Yields

Daily Data 1979-01-02 to 2022-06-01



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Source: Federal Reserve Board

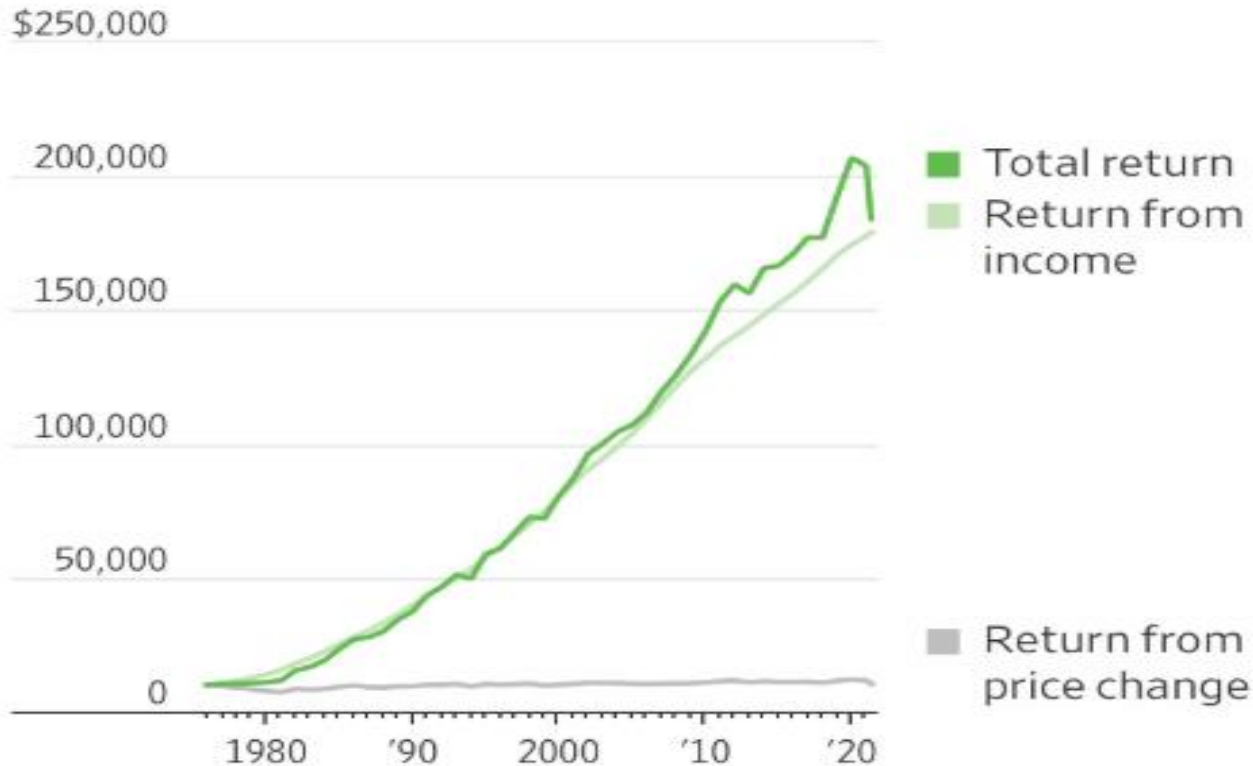
Source: Ned Davis Research



Over the long run income generates returns

Return on U.S. Bonds*

Value of \$10,000



*Bloomberg U.S. Aggregate Bond Index
Note: Return from income includes reinvested coupons and other items such as paydowns; 2022 through April 30

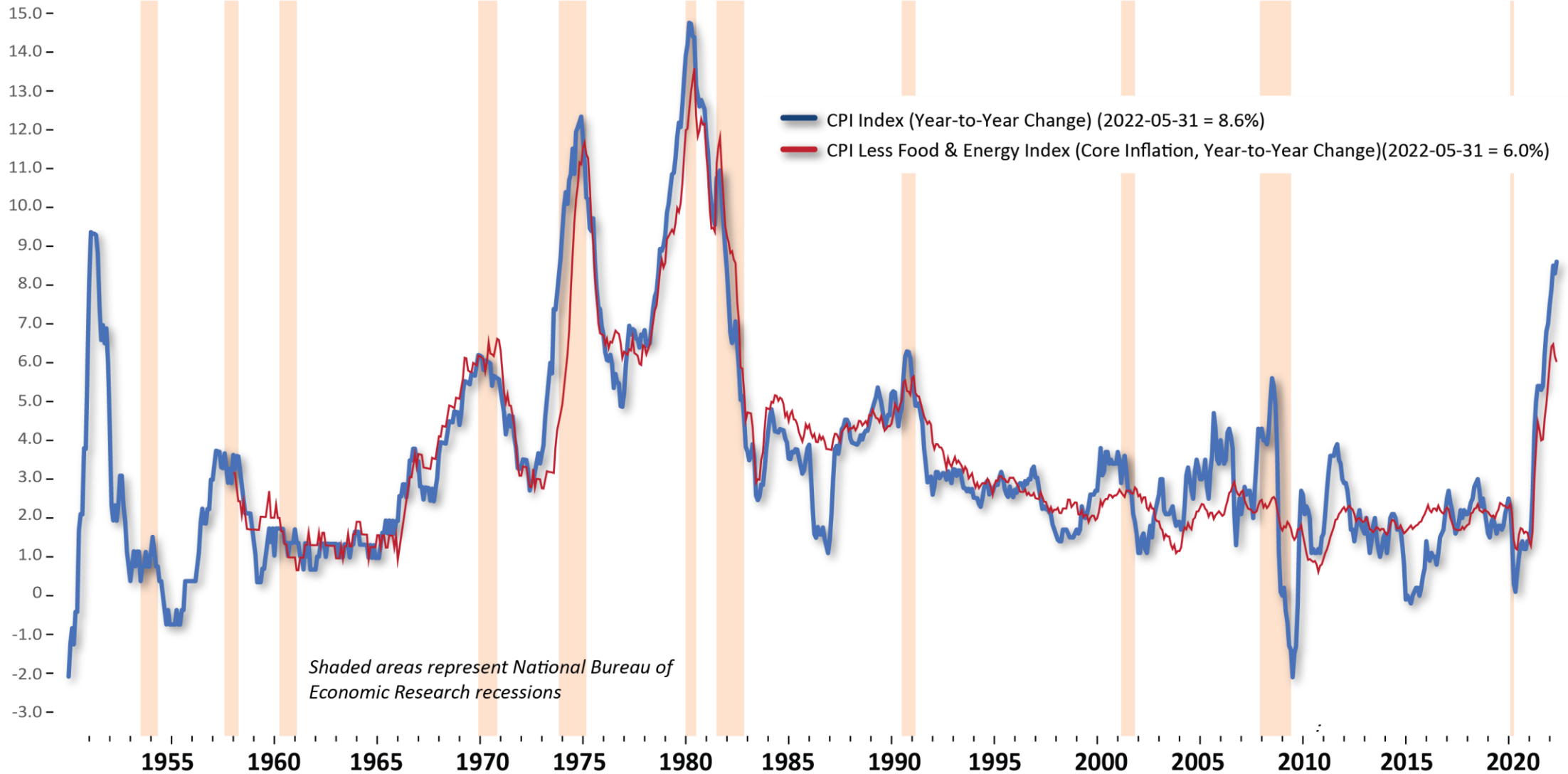
Over the long run, the total returns of bonds depends far more on their income than on changes in price. Since 1976, just over 90% of the average annual return of the U.S. bond market has come from interest and reinvesting it, according to Loomis, Sayles & Co., an investment manager in Boston.

For illustrative purposes only. Past performance is not indicative of future results. Investors cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses, or sales charges.



CPI vs CPI Less Food & Energy Inflation

January 1, 1950 — May 31, 2022

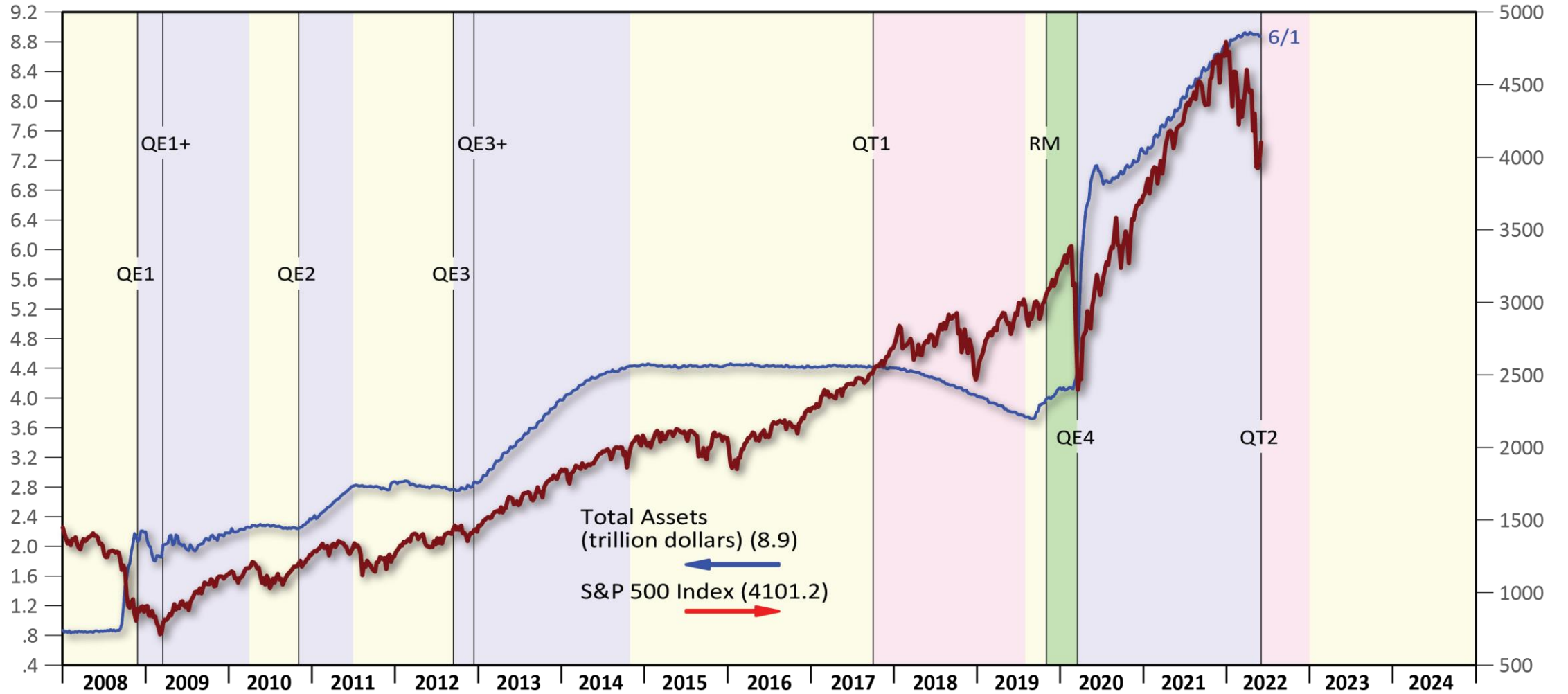


Source: Ned Davis Research



S&P 500 and Fed Assets (Weekly)

2008-2024



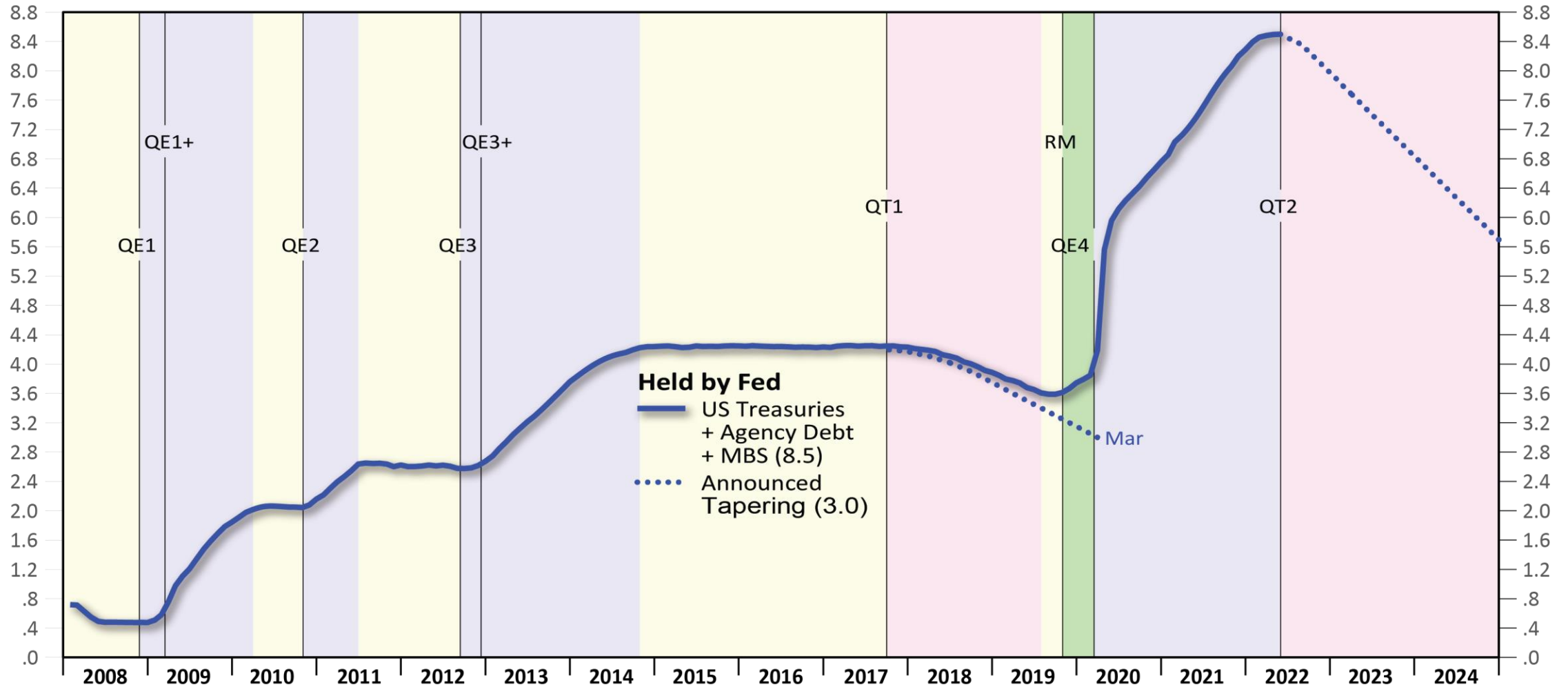
*Averages of daily figures for weeks ending Wednesday. Securities held by Fed include US Treasuries, Agency debt, and mortgage-backed securities. Note: QE1 (11/25/08-3/31/10) = \$1.24tn in mortgage securities; expanded (3/16/09-3/31/10) = \$300bn in Treasuries. QE2 (11/3/10-6/30/11) = \$600bn in Treasuries. QE3 (9/13/12-10/29/14) = \$40bn/month in mortgage securities (open ended); expanded (12/12/12-10/1/14) = \$45bn/month in Treasuries. QT1 (10/1/17-7/31/19) = balance sheet pared by \$675bn. RM (11/1/19-3/15/20) = reserve management, \$60bn/month in Treasury bills. QE4 (3/16/20-infinity). QT2 = balance sheet pared by \$95 billion per month. Source: Federal Reserve Board.

Source: Yardeni Research, Inc.



Fed's Assets (Trillion Dollars, Weekly)

2008-2024



Note: QE1 (11/25/08-3/31/10) = \$1.24tn in mortgage securities; expanded (3/16/09-3/31/10) = \$300bn in Treasuries. QE2 (11/3/10-6/30/11) = \$600bn in Treasuries. QE3 (9/13/12-10/29/14) = \$40bn/month in mortgage securities (open ended); expanded (12/12/12-10/1/14) = \$45bn/month in Treasuries. QT1 (10/1/17-7/31/19) = balance sheet pared by \$675bn. RM (11/1/19-3/15/20) = reserve management, \$60bn/month in Treasury bills. QE4 (3/16/20-infinity). QT2 = balance sheet pared by \$95 billion per month. Source: Federal Reserve Board.

Source: Yardeni Research, Inc.



High Yield Corporate Spreads

Daily Data 2000-01-03 to 2022-05-31



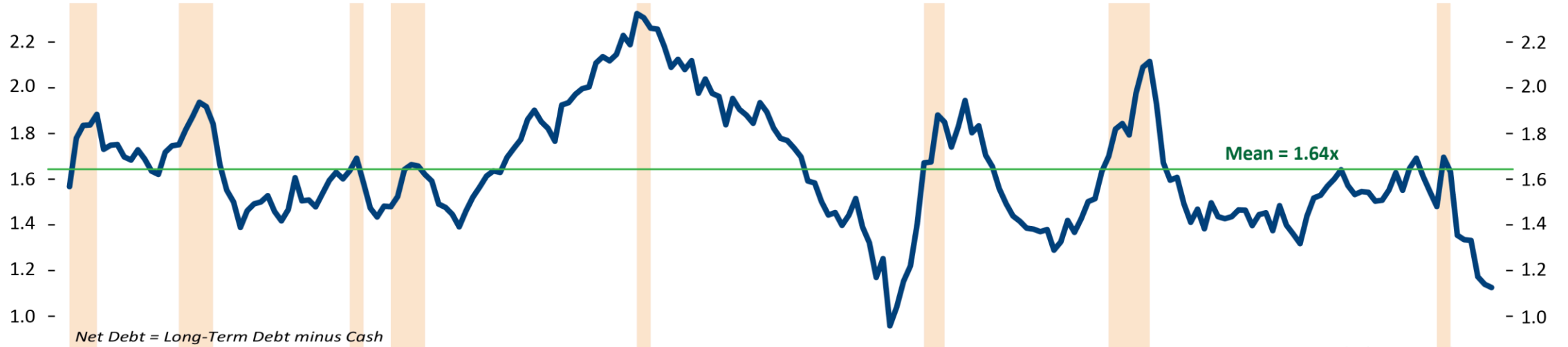
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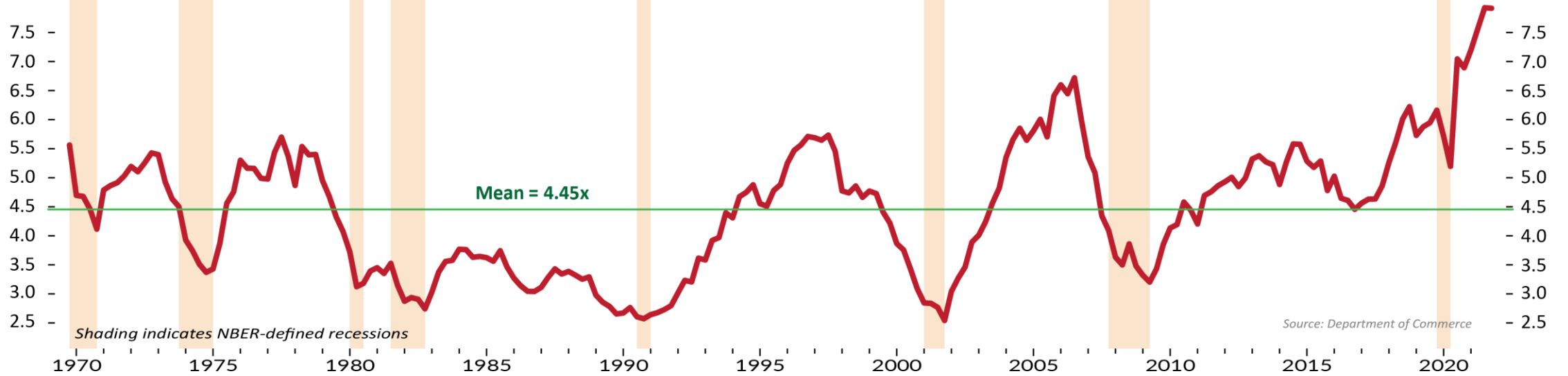
Corporate Leverage and Interest Coverage Ratio

Quarterly Data 1969-12-31 to 2021-12-31

Net Debt of Nonfinancial Corporations Relative to Cash Flow (EBITDA) (2021-12-31 = 1.13x)



Interest Coverage Ratio of Nonfinancial Corporations (EBIT/I) (2021-12-31 = 7.92x)



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Source: Ned Davis Research



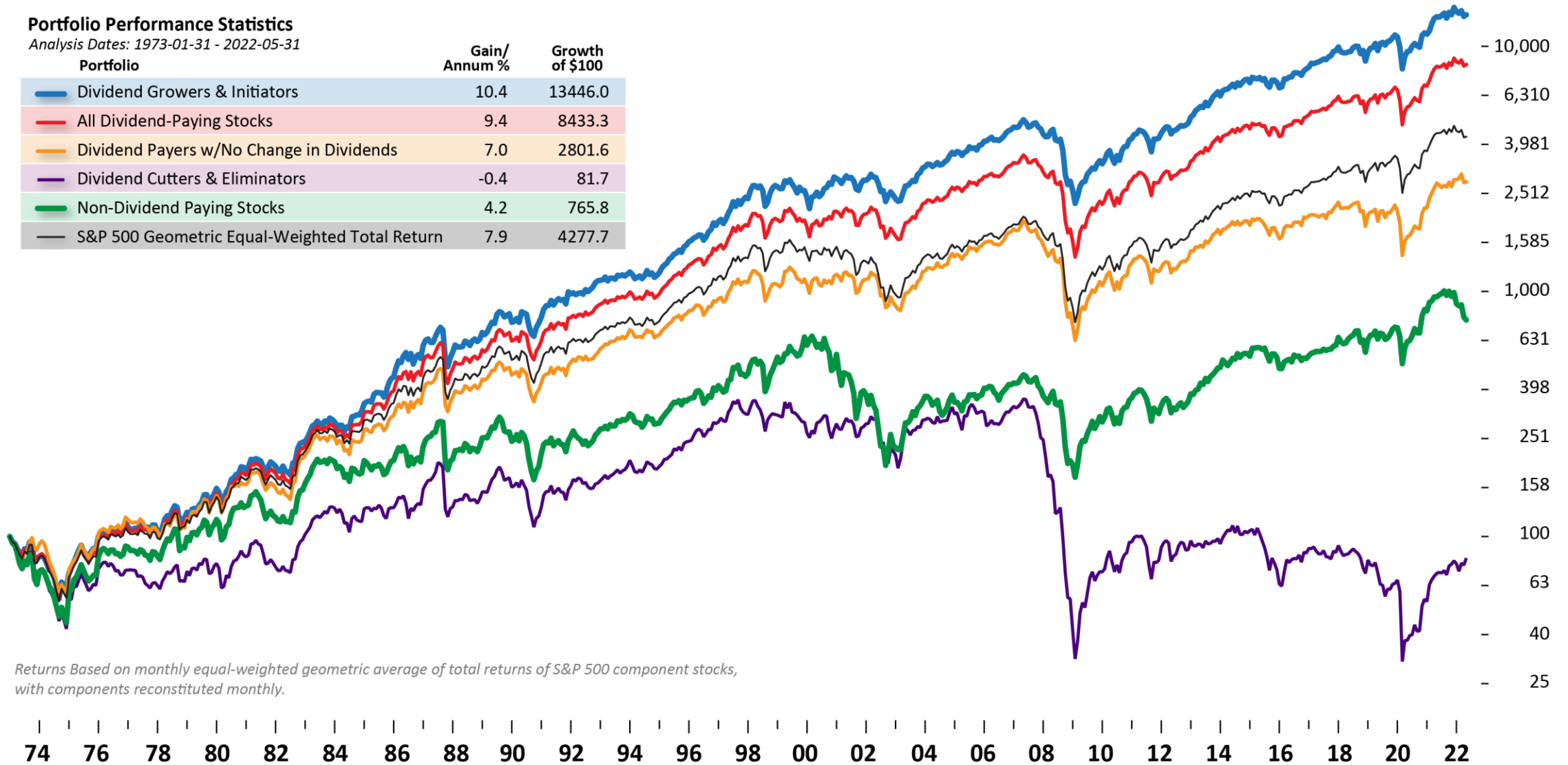
Returns of S&P 500 Stocks by Dividend Policy

Monthly Data 1973-01-31 to 2022-05-31

Portfolio Performance Statistics

Analysis Dates: 1973-01-31 - 2022-05-31

Portfolio	Gain/ Annum %	Growth of \$100
Dividend Growers & Initiators	10.4	13446.0
All Dividend-Paying Stocks	9.4	8433.3
Dividend Payers w/No Change in Dividends	7.0	2801.6
Dividend Cutters & Eliminators	-0.4	81.7
Non-Dividend Paying Stocks	4.2	765.8
S&P 500 Geometric Equal-Weighted Total Return	7.9	4277.7



Returns Based on monthly equal-weighted geometric average of total returns of S&P 500 component stocks, with components reconstituted monthly.

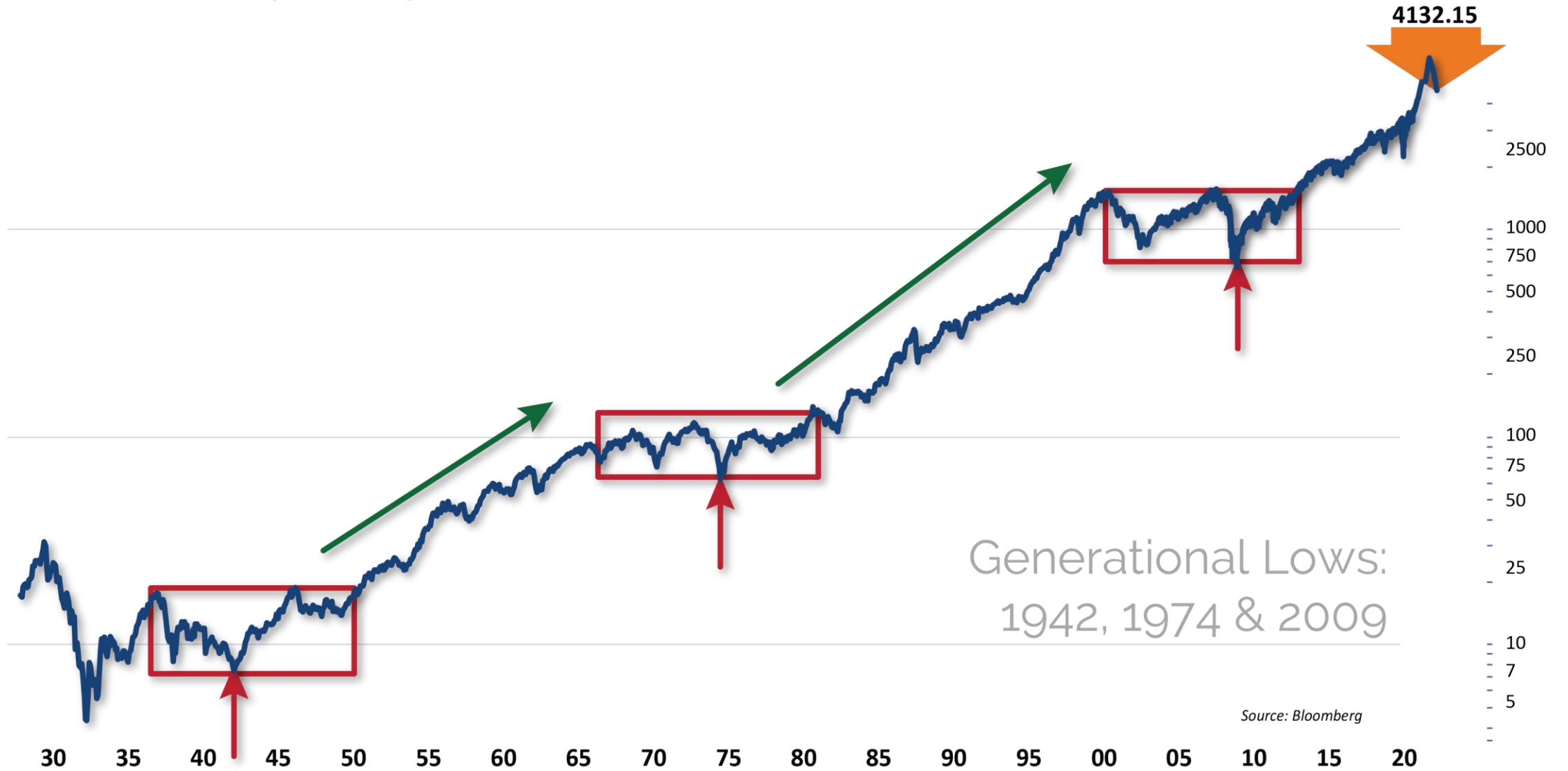
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Source: Ned Davis Research



S&P 500 Monthly Closing Price

1/1/1928 to 5/31/2022



Q&A



Disclosure

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training. More information about Clark Capital's advisory services can be found in its Form ADV which is available upon request.

The Barclays U.S. Corporate High-Yield Index covers the USD-denominated, non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high-yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below.

Index returns include the reinvestment of income and dividends. The returns for these unmanaged indexes do not include any transaction costs, management fees or other costs. It is not possible to make an investment directly in any index.

Fixed income securities are subject to certain risks including, but not limited to: interest rate (changes in interest rates may cause a decline in market value or an investment), credit, prepayment, call (some bonds allow the issuer to call a bond for redemption before it matures), and extension (principal repayments may not occur as quickly as anticipated, causing the expected maturity of a security to increase).

Non-investment-grade debt securities (high-yield/junk bonds) may be subject to greater market fluctuations, risk of default or loss of income and principal than higher-rated securities



Benchmark Descriptions

The S&P 500 measures the performance of the 500 leading companies in leading industries of the U.S. economy, capturing 75% of U.S. equities.

The Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values.

The Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values.

The Russell 1000 Index measures the performance of the large-cap segment of the U.S. equity universe. It is a subset of the Russell 3000® Index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership. The Russell 1000 represents approximately 92% of the U.S. market.

The Russell 2000 Index measures the performance of the 2000 smallest U.S. companies based on total market capitalization in the Russell 3000, which represents approximately 10% of Russell 3000 total market capitalization.

The Russell 3000 Index measures the performance of the 3000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market.

The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of the following 21 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

The MSCI World ex US Index is a market capitalization-weighted index designed to measure equity performance in 22 global developed markets, excluding the United States. The benchmark for this composite is used because the MSCI World Ex US Net Index is generally representative of international equities.

BBgBarc U.S. Aggregate Bond Index covers the U.S. investment-grade fixed-rate bond market, including government and credit securities, agency mortgage pass-through securities, asset-backed securities and commercial mortgage-based securities. To qualify for inclusion, a bond or security must have at least one year to final maturity, and be rated investment grade Baa3 or better, dollar denominated, non-convertible, fixed rate and publicly issued.

The BBgBarc US Treasury Index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. Treasury bills are excluded by the maturity constraint but are part of a separate Short Treasury Index. STRIPS are excluded from the index because their inclusion would result in double-counting. The US Treasury Index is a component of the US Aggregate, US Universal, Global Aggregate and Global Treasury Indices.

The BBgBarc US Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD-denominated securities publicly issued by US and non-US industrial, utility and financial issuers. The US Corporate Index is a component of the US Credit and US Aggregate Indices, and provided the necessary inclusion

rules are met, US Corporate Index securities also contribute to the multi-currency Global Aggregate Index.

The BBgBarc U.S. Corporate High-Yield Index covers the U.S. dollar-denominated, non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high-yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below.

The BBgBarc U.S. Municipal Index covers the USD-denominated long-term tax-exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds and prerefunded bonds.

The Global Manufacturing PMI™ indices are all seasonally adjusted. The seasonal adjustment is applied at the national level (as opposed to at the global aggregate level) in order to account for differing seasonal patterns in each of the nations included. Global Manufacturing PMI™ indices are weighted according to national contributions to global manufacturing gross value added. Weights for the global indices are derived from the latest available World Bank data on the gross value added of manufacturing for each of the nations covered. World Bank data on value added are in constant 2010 US\$, with all national currencies converted to 2010 US\$ by the World Bank using DEC alternative conversion factors.

The NDR Credit Conditions Indices (CCI) are designed to objectively measure credit conditions in the U.S. market, specifically the cost & availability of credit. The index consists of two equal-weighted components and historically evaluates business and consumer credit conditions.

NDR (Ned Davis Research) Daily Trading Sentiment Index is based on the S&P 500 Daily Sentiment Index which shows a short-term sentiment view of the S&P 500 Index

Created by the Chicago Board Options Exchange (CBOE), the Volatility Index, or VIX, is a real-time market index that represents the market's expectation of 30-day forward-looking volatility. Derived from the price inputs of the S&P 500 index options, it provides a measure of market risk and investors' sentiments.

The 10-year Treasury note is a debt obligation issued by the United States government with a maturity of 10 years upon initial issuance. A 10-year Treasury note pays interest at a fixed rate once every six months and pays the face value to the holder at maturity.

The Dow Jones Industrial Average is the most widely used indicator of the overall condition of the stock market, a price-weighted average of 30 actively traded blue chip stocks, primarily industrials. The 30 stocks are chosen by the editors of the Wall Street Journal (which is published by Dow Jones & Company), a practice that dates back to the beginning of the century. The Dow is computed using a price-weighted indexing system, rather than the more common market cap-weighted indexing system.

Index returns include the reinvestment of income and dividends. The returns for these unmanaged indexes do not include any transaction costs, management fees or other costs. It is not possible to make an investment directly in any index.

The volatility (beta) of an account may be greater or less than its respective benchmark.

