

VettaFi

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Who Is Clark Capital?

1986 Year Founded	\$30.6B AUA*	26 Investment Professionals
100% Family and Employee Owned	Committed to Asset Management Excellence for Better Outcomes	25.1 Investment Team Average Years Experience
141 Employees	3x Winner 2020-2021-2022 Asset Manager of the Year**	10.3 Investment Team Average Years Working Together

Past performance does not guarantee future results. Please see attached disclosures for more information. The ranking shown above is not indicative of future performance and may not be representative of any one client's experience because it reflects an average of, or a sample of all, the experiences of the adviser's clients.

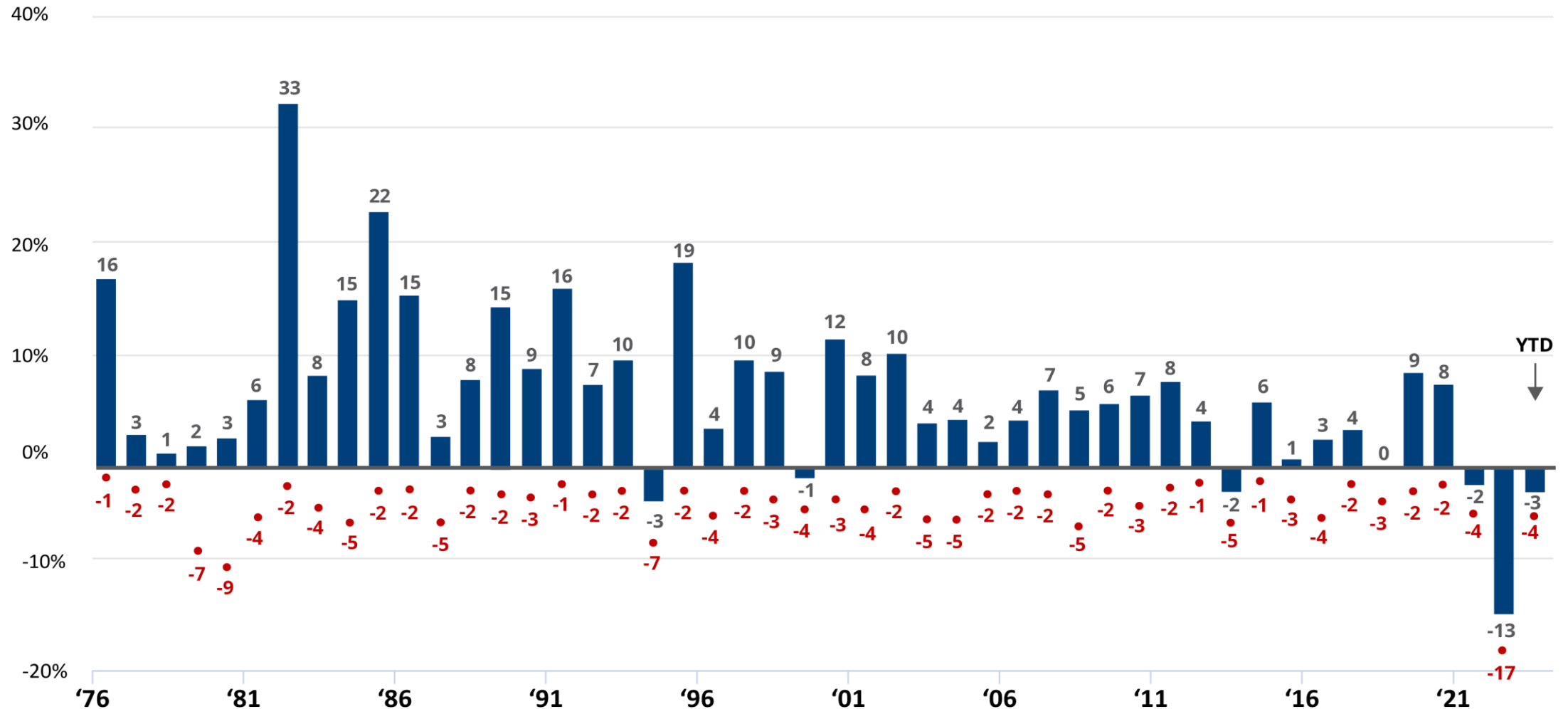
*As of 9/30/2023, includes sub-advised assets and assets under advisement. **Money Management Institute (MMI) and Barron's

Where Do We Go From Here?

Bloomberg U.S. Aggregate Intra-year Declines vs. Calendar Year Returns

1/1/2000 to 10/31/2023

Despite average intra-year drops of 3.3%, annual returns positive in 42 of 47 years

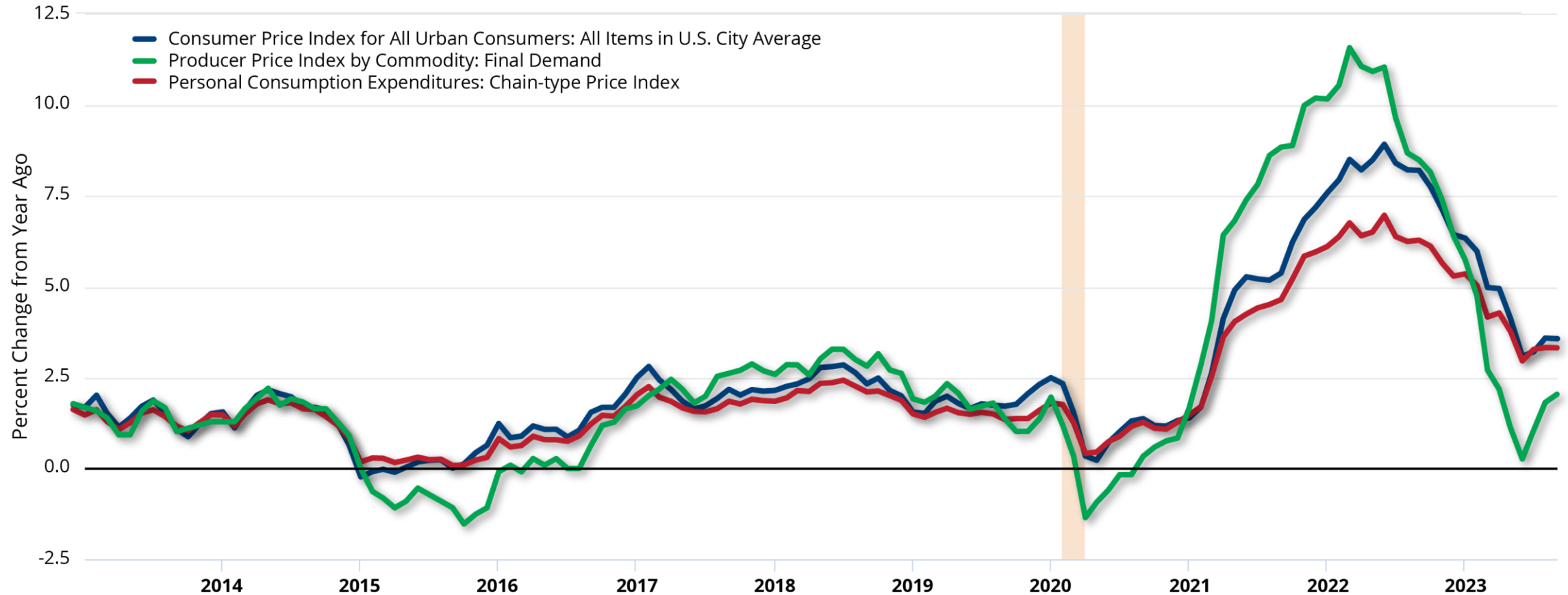


Source: JP Morgan Guide to the Markets

Inflation Continues to Recede from High Seen Last Year

Consumer Price Index for All Urban Consumers: All Items in U.S. City Average
Personal Consumption Expenditures: Chain-type Price Index
Producer Price Index by Commodity: Final Demand

1/1/2013 to 10/1/2023



Source: Board of Governors of the Federal Reserve System (US)

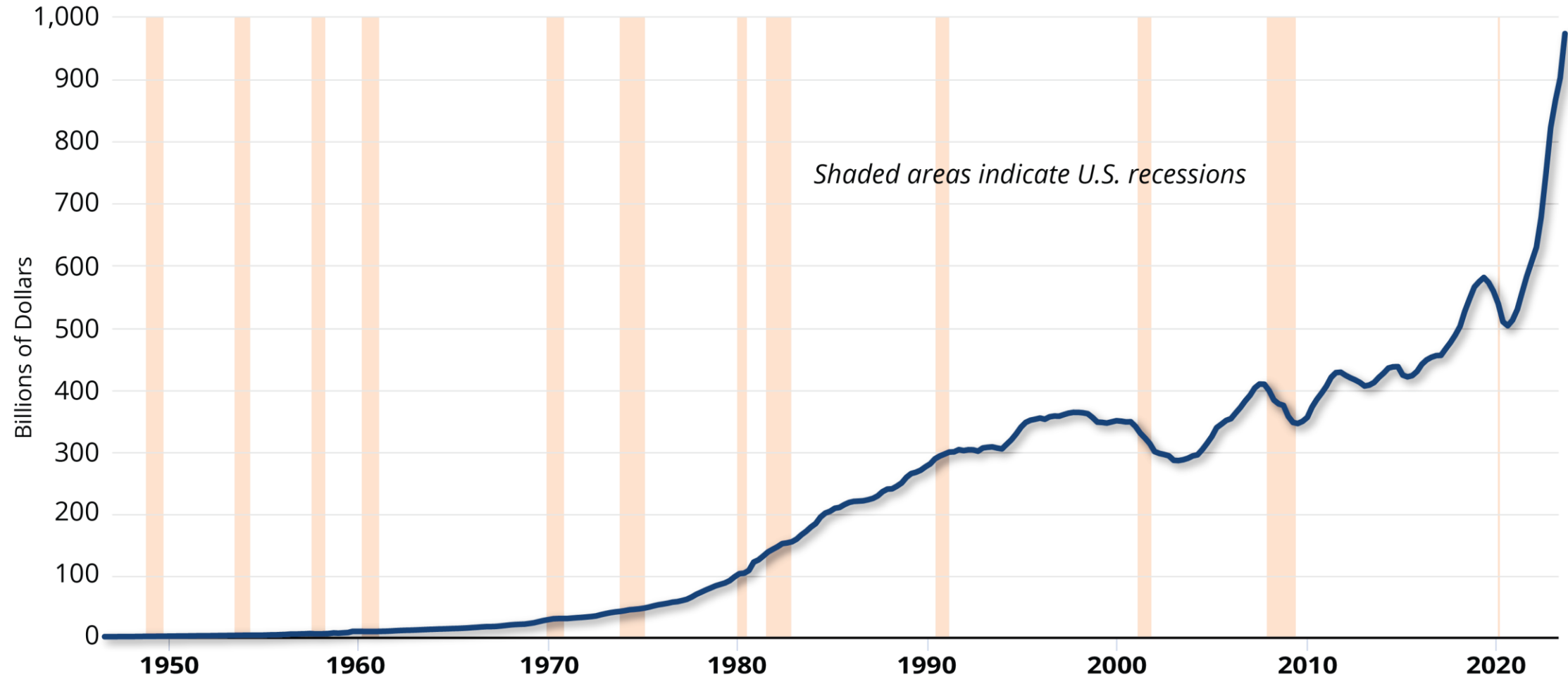
For illustrative purposes only. Past performance is not indicative of future results.



Can't Go On Forever

Federal government current expenditures: Interest payments

01/01/1947 to 7/1/2023



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Source: Board of Governors of the Federal Reserve System (US)





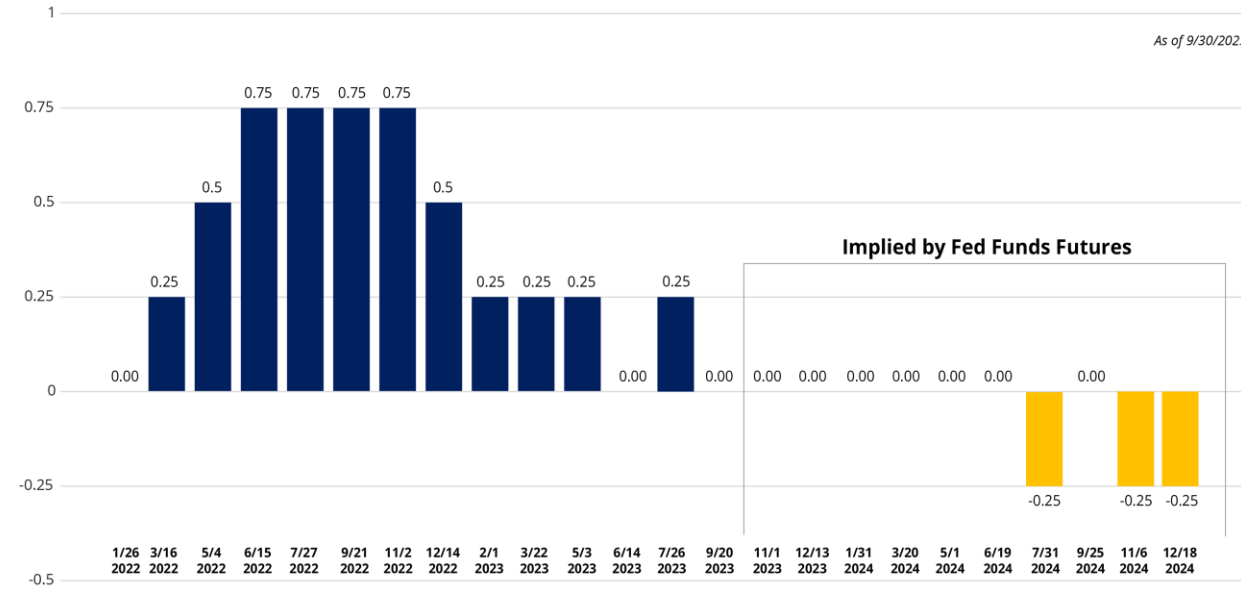
Monetary Policy

- We keep this gauge in the Slow Reverse position.
- November marked the third consecutive meeting that the Federal Reserve did not raise interest rates.
- The Fed has raised rates by 525bps (5.25%) since March of 2022. Fed Fund Futures currently imply that the final rate hike was in July and rate cuts will begin in June of next year, while the Fed's "Dot Plot" indicates one additional hike and only two rate cuts next year.
- The Federal Reserve has moved closer to achieving its dual mandate of price stability and full employment, although inflation remains above their 2% target.

Monetary Policy

Fed Rate Hikes: Actual and Implied by Fed Funds Futures

As of 9/30/2023

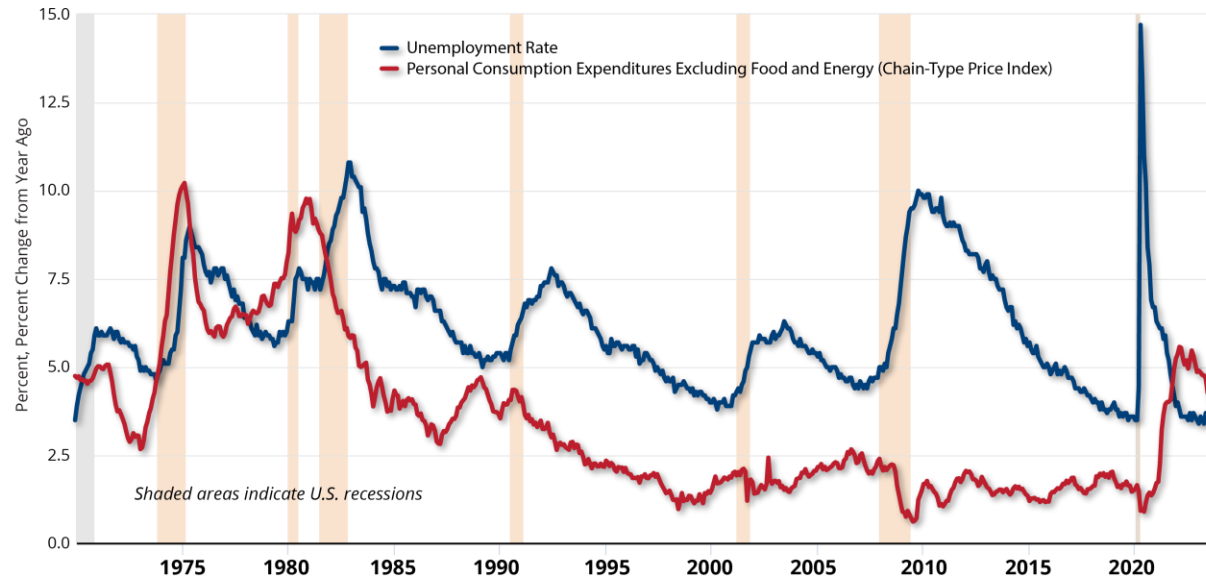


Source: Clark Capital, fred.stlouisfed.org, CME FedWatch Tool

Unemployment Rate

Personal Consumption Expenditures Excluding Food and Energy (Chain-Type Price Index)

1/1/1970 to 10/31/2023



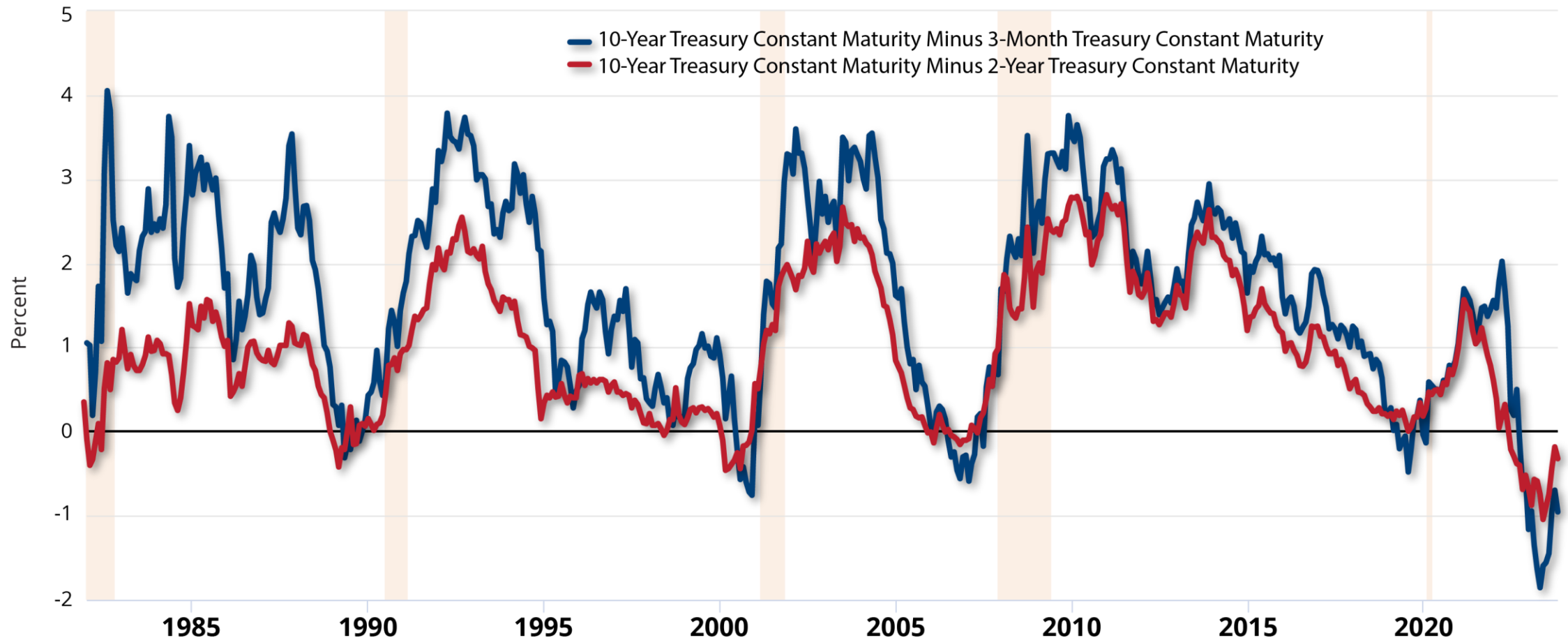
Source: fred.stlouisfed.org



Yield Curve Inversion Less Severe but Still Concern

10-Year Treasury Constant Maturity Minus 3-Month Treasury Constant Maturity
10-Year Treasury Constant Maturity Minus 2-Year Treasury Constant Maturity

01/01/1983 to 11/7/2023



Source: fred.stlouisfed.org

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What Happens When the Yield Curve Normalizes?

Inversion Period	Deepest Point of Inversion			Yield Curve Normalizes (Reaches 100bps or peak spread)			Change in Yield from Depth of Inversion to Normalization		
	Date	2 yr Treasury	10 yr Treasury	Date	2 yr Treasury	10 yr Treasury	2 yr Treasury	10 yr Treasury	Number of Days
8/18/1978 to 5/2/1980	3/20/1980	15.03	12.62	5/23/1980	8.73	9.85	-630bps	-277bps	64
9/12/1980 to 10/26/1981	5/21/1981	15.75	14.05	11/24/1981	12.15	13.13	-360bps	-92bps	187
1/20/1982 to 7/19/1982	2/18/1982	14.99	14.28	1/6/1983	9.39	10.39	-560bps	-389bps	322
12/13/1988 to 3/20/1990	3/30/1989	9.79	9.34	1/8/1991	7.15	8.16	-264bps	-118bps	649
6/9/1998 to 7/28/1998	6/25/1998	5.53	5.46	10/13/1998	4.13	4.73	-140bps	-73bps	110
2/2/2000 to 12/29/2000	4/7/2000	6.38	5.86	4/20/2001	4.26	5.29	-212bps	-57bps	378
6/8/2006 to 6/7/2007	11/16/2006	4.85	4.66	11/12/2007	2.99	4.00	-186bps	-66bps	361
8/27/2019 to 9/4/2019	8/24/2019	1.53	1.49	1/29/2021	0.11	1.11	-142bps	-38bps	524
	Average	9.23	8.47	Average	6.11	7.08	-312bps	-139bps	324
Current									
7/6/2022	7/3/2023	4.94	3.86	NA	NA	NA	NA	NA	NA



What Has Historically Happened When the Fed is Done?

Date of Last Hike During a Cycle	3 Months After Last Hike			6 Months After Last Hike			12 Months After Last Hike			Last Hike to First Cut		
	3 Month T-Bill	U.S. Agg. Bond*	S&P 500	3 Month T-Bill	U.S. Agg. Bond*	S&P 500	3 Month T-Bill	U.S. Agg. Bond*	S&P 500	3 Month T-Bill	U.S. Agg. Bond*	S&P 500
12/19/1989	1.9	-0.9	-0.3	3.9	1.4	4.9	7.8	8.3	-3.6	4.4	2.7	7.3
2/1/1995	1.4	4.8	9.5	2.8	9.3	18.8	5.6	16.9	35.2	2.4	10.5	17.8
5/16/2000	1.5	5.0	2.0	3.1	7.5	-6.7	5.6	13.8	-12.1	3.8	11.0	-8.1
6/29/2006	1.2	4.1	4.9	2.5	5.4	11.4	5.0	6.5	18.1	6.0	9.6	19.4
12/20/2018	0.6	2.6	15.7	1.2	6.1	19.6	2.1	9.0	30.6	1.4	7.5	19.9
Average	1.3	3.1	6.4	2.7	6.0	9.6	5.2	10.9	13.6	3.6	8.3	11.2

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Source: FactSet, Clark Capital



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Disclosures

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Clark Capital reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs and there is no guarantee that their assessment of investments will be accurate. Before investing, an investor should consider his or her investment goals and risk comfort levels and consult with his or her investment adviser and tax professional.

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).

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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 S&P 500 is used because it is widely known and is generally representative of equities.

The Bloomberg Barclay's 7-10 Year Treasury Index measures the performance of U.S. Treasury securities that have a remaining maturity of at least seven years and less than 10 years.

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 Consumer Price Index measures the overall change in consumer prices based on a representative basket of goods and services over time.

The Producer Price Index (PPI) is an economic measurement of the average change in prices that domestic producers of goods receive for their products in a given country or region.

Personal consumption expenditures is a measure of consumer spending and includes all goods and services bought by U.S. households.

Index returns reflect the reinvestment of income and other earnings, are provided to represent the investment environment shown, and are not covered by the report of independent verifiers.

