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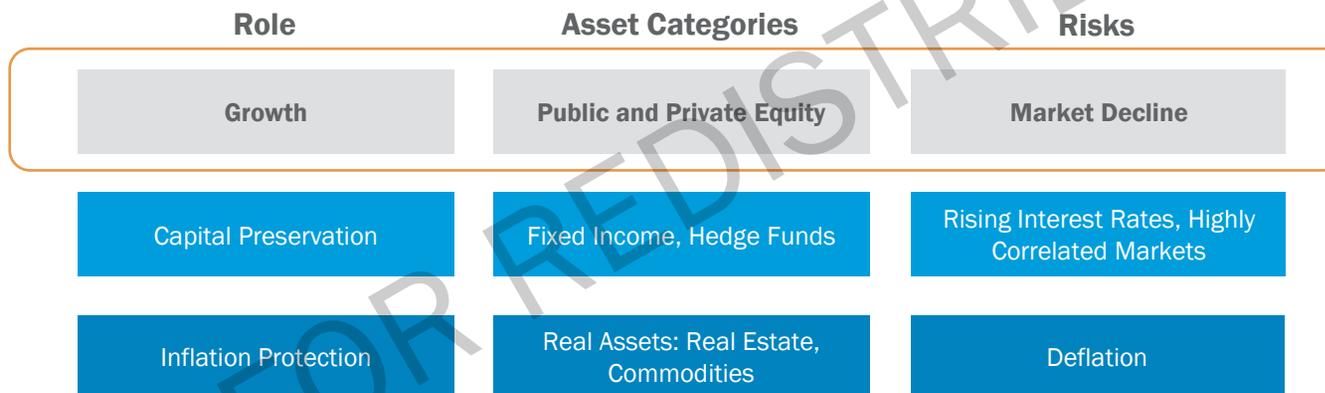
Quarterly Asset Class Report Global Equity

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March 31, 2025

Canterbury Consulting recommends and communicates this asset class strategy with the objective of constructing a diversified portfolio of long-only equity strategies designed to (in aggregate):

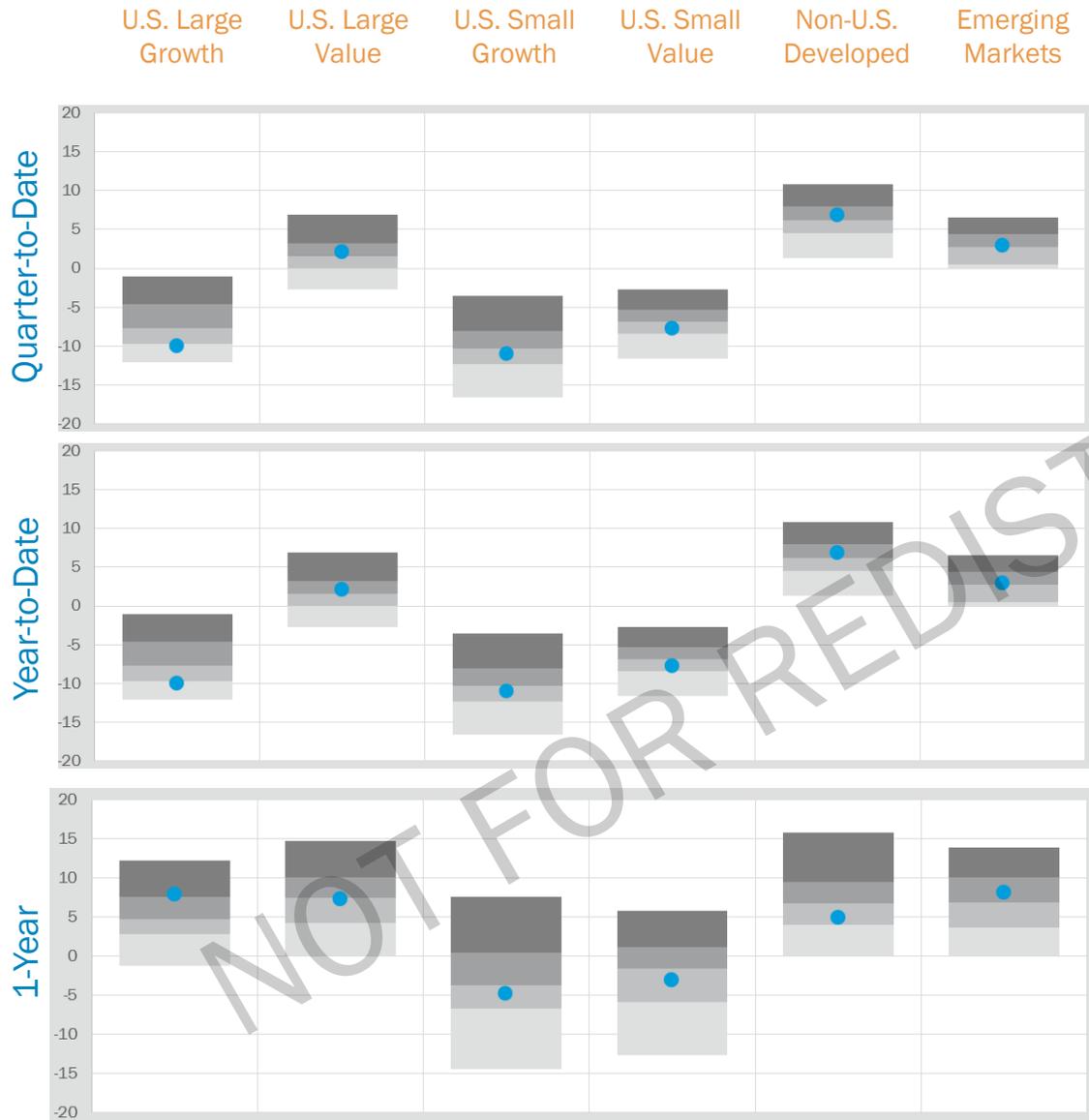
- Provide growth of portfolio assets in excess of inflation and spending rates
- Maintain comparable exposure to the global equity market
- Exhibit returns uncorrelated to fixed income markets



- Canterbury global equity portfolios are set up with a goal to deliver consistent net-of-fees excess returns and moderate tracking error versus the MSCI All Country World Index over longer periods of time.

Performance (%) as of March 31, 2025

Equity Review



Blue dots represent the returns of the respective Russell & MSCI benchmarks; gray floating bar charts represent the peer groups by quartile.

- The U.S. large-cap value index posted slightly positive returns while the large-cap growth, small-cap growth, and small-cap value indices were negative in the quarter.
- Small value and large value outperformed their growth counterparts over the quarter, while returns over the 1-year remained relatively similar between value and growth.
- Emerging market (EM) and non-U.S. developed equities posted positive returns, outperforming U.S. equities in the quarter. Over the past year, EM equities nearly matched U.S. large-cap growth and value performance, while non-U.S. developed equities trailed large-caps but surpassed small-caps.

Sources: Morningstar Direct, Russell, MSCI

Market Capitalization Mix

Equity Review

Equity: U.S. Market Cap		Current	10 Year Avg	Deviation from Mean*	Large	Neutral	Small
Valuation	Russell Top 200 Current P/E (Large Cap)	25.14	21.66	0.87		-	
	R2000 Current P/E (Small Cap)	43.19	39.21	0.25		-	
	Avg P/E Ratio (Large/Small)	0.58	0.58	0.04		-	
	Russell Top 200 EV/EBITDA [^] (Large Cap)	15.67	13.86	0.85		-	
	R2000 EV/EBITDA (Small Cap)	15.41	17.09	-0.45		-	
	Avg EV/EBITDA Ratio (Large/Small)	1.02	0.82	1.29			+
	Russell Top 200 P/S (Large Cap)	3.35	2.61	1.32			+
	R2000 P/S (Small Cap)	1.22	1.26	-0.28		-	
Avg P/S Ratio (Large/Small)	2.75	2.07	1.81			+	
Solvency	Russell Top 200 Debt/EBITDA (Large Cap)	3.23	4.08	-2.12	++		
	Russell 2000 Debt/EBITDA (Small Cap)	6.50	6.73	-0.14		-	
	Avg Debt/EBITDA Ratio (Large/Small)	0.50	0.61	-1.41	+		
Growth	Russell Top 200 LT EPS Gr (Fwd) (Large Cap)	8.90	9.96	-0.05		-	
	R2000 LT EPS Gr (Fwd) (Small Cap)	42.38	13.36	2.55			++
	Avg Growth Ratio (Large/Small)	0.21	0.93	-0.44		-	
Economy	Case Shiller Home Price (YoY)	4.67	6.79	-0.40		-	
	Total Leading Economic Indicators	101.10	107.94	-1.09	+		
	Currency (USD v Broad Basket)	104.21	98.29	1.17			+
	Curve Steepness 2's to 10's	0.32	0.45	-0.20		-	

*Deviation from mean represents how many standard deviations the current value is above or below the 10-year average, also known as the "Z-Score." '+' denotes one standard deviation, and '++' denotes two standard deviations in favor of the asset class.

[^] EV/EBITDA, also known as the "enterprise multiple," is a ratio used to determine the value of a company. Unlike P/E, the enterprise multiple takes debt into account. This is often the ratio used by companies looking to acquire another business.

- There are various metrics used to value the equity universe. Canterbury prefers Price/Earnings, EV/EBITDA, and Price/Sales.
- The valuation metrics for large and small-caps decreased during the quarter, with large-caps remaining above their long-term averages and small-cap EV multiples dipping below long-term averages.
- The interest rate spread between the 10-year and two-year U.S. Treasury remained inline with Q4 data, only slightly decreasing on a quarter-over-quarter basis, now at 0.20 standard deviations below its long-term average.

Source: Russell

Region Mix — U.S. vs. R.O.W.

Equity Review

Equity: Region (U.S./Global)		Current	10 Year Avg	Deviation from Mean*	U.S.	Neutral	R.O.W.
Valuation	S&P 500 Current P/E	24.01	21.42	0.69		-	
	MSCI ACWI Current P/E	20.34	18.84	0.51		-	
	Avg P/E Ratio (US /ACWI)	1.18	1.13	0.75		-	
	S&P 500 EV/EBITDA^	15.10	13.78	0.68		-	
	MSCI ACWI EV/EBITDA	13.04	12.05	0.73		-	
	Avg EV/EBITDA Ratio (US/ACWI)	1.16	1.14	0.19		-	
	S&P 500 P/S	2.86	2.34	1.25			+
MSCI ACWI P/S	2.15	1.75	1.41	+			
Avg P/S Ratio (US/ACWI)	1.33	1.34	-0.30		-		
Solvency	S&P 500 Debt/EBITDA	3.34	4.08	-1.72	+		
	MSCI ACWI Debt/EBITDA	4.88	5.78	-1.44			+
	Avg Debt/EBITDA Ratio (US/ACWI)	0.69	0.71	-0.86		-	
Growth	S&P 500 LT EPS Gr (Fwd)	9.21	8.64	0.03		-	
	MSCI ACWI LT EPS Gr (Fwd)	9.85	10.96	-0.01		-	
	Avg Growth Ratio (US/ACWI)	0.94	0.97	-0.04		-	
Economy	Currency (USD v Broad Basket)	104.21	98.29	1.17			+

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^ EV/EBITDA, also known as the “enterprise multiple,” is a ratio used to determine the value of a company. Unlike P/E, the enterprise multiple takes debt into account. This is often the ratio used by companies looking to acquire another business.

- Earnings and EV multiples slightly contracted for U.S. and non-U.S. equities. Multiples remained slightly above long-term averages for U.S. and non-U.S. equities.
- Debt levels remain below long-term averages for both U.S. and global (R.O.W.) equities with U.S. debt levels slightly increasing towards long-term averages.
- U.S. and R.O.W. equity long-term earnings growth estimates rose moderately this quarter. U.S. estimates grew above long-term averages, while R.O.W. estimates approached their average.
- The U.S. dollar weakened quarter-over-quarter and was a tailwind to international returns.

Sources: MSCI, Standard & Poor's

Region Mix – Non-U.S. Developed vs. R.O.W.

Equity Review

Equity: Region (Non-U.S. Dev/Global)		Current	10 Year Avg	Deviation from Mean*	Non-U.S. Dev	Neutral	R.O.W.
Valuation	MSCI EAFE Current P/E	15.73	16.37	-0.22		-	
	MSCI ACWI Current P/E	20.34	18.84	0.51		-	
	Avg P/E Ratio (EAFE/ACWI)	0.77	0.87	-1.29	+		
	MSCI EAFE EV/EBITDA [^]	9.97	10.41	-0.30		-	
	MSCI ACWI EV/EBITDA	13.04	12.05	0.73		-	
	Avg EV/EBITDA Ratio (EAFE/ACWI)	0.76	0.86	-0.89		-	
	MSCI EAFE P/S	1.47	1.26	1.42			+
	MSCI ACWI P/S	2.15	1.75	1.41	+		
	Avg P/S Ratio (EAFE/ACWI)	0.68	0.73	-0.91		-	
Solvency	MSCI EAFE Debt/EBITDA	6.96	8.04	-1.10	+		
	MSCI ACWI Debt/EBITDA	4.88	5.78	-1.44			+
	Avg Debt/EBITDA Ratio (EAFE/ACWI)	1.43	1.39	0.65		-	
Growth	MSCI EAFE LT EPS Gr (Fwd)	19.75	5.61	0.42		-	
	MSCI ACWI LT EPS Gr (Fwd)	9.85	10.96	-0.01		-	
	Avg Growth Ratio (EAFE/ACWI)	2.01	0.48	0.57		-	
Economy	USD/EUR	1.08	1.12	-0.66		-	

*Deviation from mean represents how many standard deviations the current value is above or below the 10-year average, also known as the “Z-Score.” ‘+’ denotes one standard deviation, and ‘++’ denotes two standard deviations in favor of the asset class.

[^] EV/EBITDA, also known as the “enterprise multiple,” is a ratio used to determine the value of a company. Unlike P/E, the enterprise multiple takes debt into account. This is often the ratio used by companies looking to acquire another business.

- The Non-U.S. developed P/E ratio increased in the quarter while the ratio for R.O.W. equities slightly contracted.
- Debt levels for both non-U.S. developed and R.O.W. equities decreased in the quarter, continuing to remain below their historical averages.
- The earnings growth forecast grew significantly for non-U.S. developed equities, continuing to be above its long-term average. Forecasted R.O.W. estimates slightly increased in the quarter. Growth forecasts tend to fluctuate significantly quarter over quarter.
- The euro strengthened in the quarter but remains below its long-term average.

Source: MSCI

Region Mix – Emerging Markets vs. R.O.W.

Equity Review

Equity: Region (EM/Global)		Current	10 Year Avg	Deviation from Mean*	EM	Neutral	R.O.W.
Valuation	MSCI EM Current P/E	14.84	14.33	0.21		-	
	MSCI ACWI Current P/E	20.34	18.84	0.51		-	
	Avg P/E Ratio (EM/ACWI)	0.73	0.76	-0.64		-	
	MSCI EM EV/EBITDA [^]	9.71	8.88	0.63		-	
	MSCI ACWI EV/EBITDA	13.04	12.05	0.73		-	
	Avg EV/EBITDA Ratio (EM/ACWI)	0.74	0.74	0.14		-	
	MSCI EM P/S	1.43	1.25	0.92		-	
	MSCI ACWI P/S	2.15	1.75	1.41	+		
	Avg P/S Ratio (EM/ACWI)	0.66	0.72	-1.00	+		
Solvency	MSCI EM Debt/EBITDA	4.87	4.86	0.01		-	
	MSCI ACWI Debt/EBITDA	4.88	5.78	-1.44			+
	Avg Debt/EBITDA Ratio (EM/ACWI)	1.00	0.84	2.10			++
Growth	MSCI EM LT EPS Gr (Fwd)	6.78	10.97	-0.10		-	
	MSCI ACWI LT EPS Gr (Fwd)	9.85	10.96	-0.01		-	
	Avg Growth Ratio (EM/ACWI)	0.69	1.11	-0.54		-	

*Deviation from mean represents how many standard deviations the current value is above or below the 10-year average, also known as the “Z-Score.” ‘+’ denotes one standard deviation, and ‘++’ denotes two standard deviations in favor of the asset class.

[^] EV/EBITDA, also known as the “enterprise multiple,” is a ratio used to determine the value of a company. Unlike P/E, the enterprise multiple takes debt into account. This is often the ratio used by companies looking to acquire another business.

- EM equity valuations rose while R.O.W. equity valuations inched downwards in the quarter. Despite the growth, EM equities appear to be discounted to global equities from a relative valuation standpoint.
- Debt levels for EM and R.O.W. equities fell in the quarter with EM equity debt levels at their long-term average and R.O.W. equity debt levels remaining below their long-term averages.
- Growth expectations declined for EM equities and improved for R.O.W. equities.

Source: MSCI