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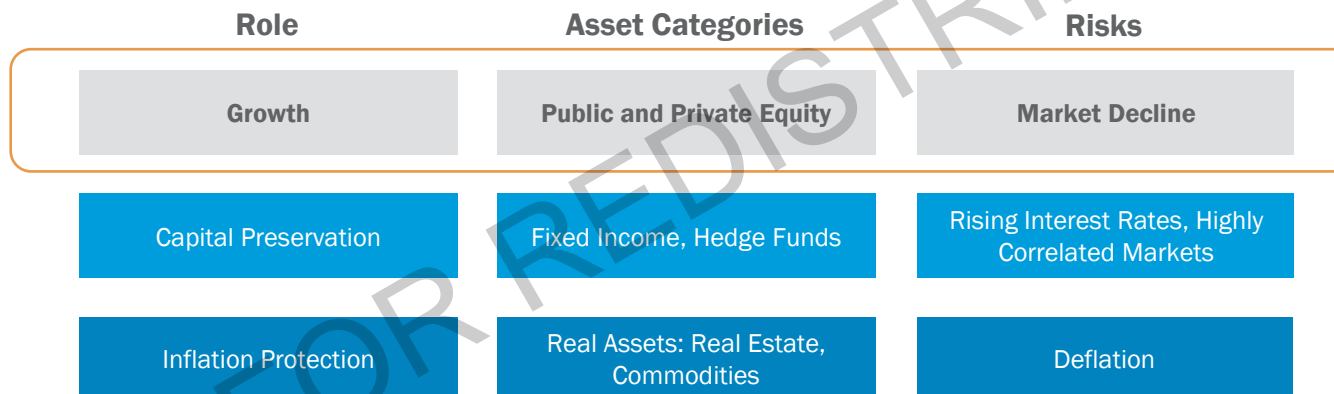
Quarterly Asset Class Report Global Equity

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June 30, 2024

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):

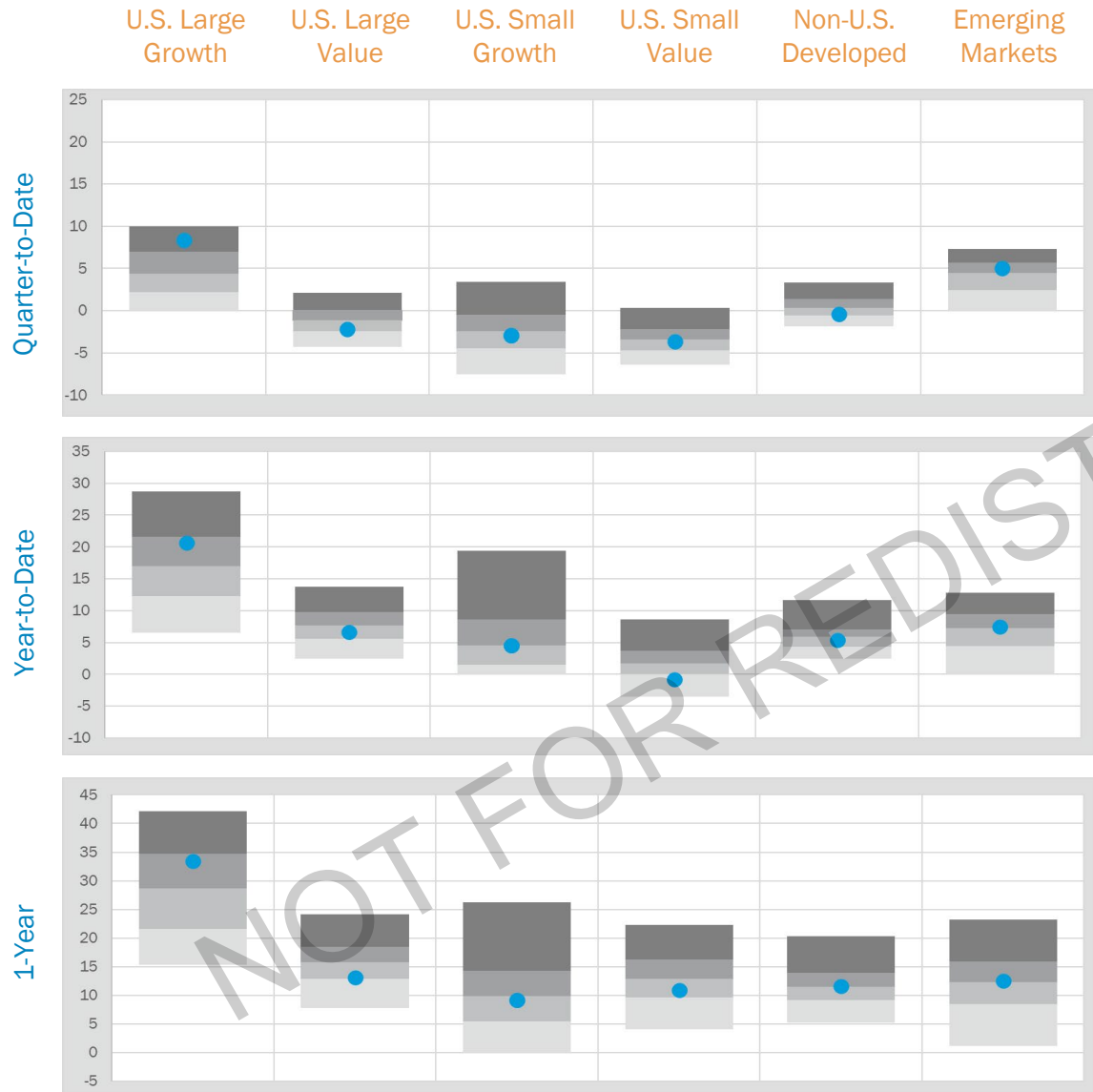
- Provide growth of portfolio assets in excess of inflation and spending rates
- Maintain comparable exposure to the global equity market
- Exhibit returns uncorrelated to fixed income markets



- 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 June 30, 2024

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 growth index posted strong returns while the large-cap value index and small-cap indices lagged.
- Small growth outperformed small value for the quarter (and year) with small value outperforming on a trailing 1-year basis. Large growth outperformed large value across the quarter-to-date, year-to-date, and trailing 1-year periods.
- Non-U.S. developed equities posted negative returns for the quarter while emerging markets (EM) equities were positive. EM equities held up relatively better than Non-U.S. developed equities in both the year-to-date and trailing 1-year period.

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)	27.01	21.04	1.65		+
	R2000 Current P/E (Small Cap)	37.14	37.83	-0.05	-	
	Avg P/E Ratio (Large/Small)	0.73	0.59	0.96	-	
	Russell Top 200 EV/EBITDA^ (Large Cap)	16.83	13.35	1.63		+
	R2000 EV/EBITDA (Small Cap)	16.01	16.98	-0.26	-	
	Avg EV/EBITDA Ratio (Large/Small)	1.05	0.80	1.71		+
	Russell Top 200 P/S (Large Cap)	3.33	2.48	1.57		+
	R2000 P/S (Small Cap)	1.27	1.27	0.00	-	
	Avg P/S Ratio (Large/Small)	2.62	1.97	1.73		+
Solvency	Russell Top 200 Debt/EBITDA (Large Cap)	3.66	4.09	-1.17	+	
	Russell 2000 Debt/EBITDA (Small Cap)	6.30	6.62	-0.19	-	
	Avg Debt/EBITDA Ratio (Large/Small)	0.58	0.63	-0.55	-	
Growth	Russell Top 200 LT EPS Gr (Fwd) (Large Cap)	12.69	8.66	0.33	-	
	R2000 LT EPS Gr (Fwd) (Small Cap)	11.44	10.20	0.32	-	
	Avg Growth Ratio (Large/Small)	1.11	0.90	0.19	-	
Economy	Case Shiller Home Price (YoY)	7.20	6.83	0.07	-	
	Total Leading Economic Indicators	101.10	106.86	-0.92	-	
	Currency (USD v Broad Basket)	105.87	97.12	1.56		+
	Curve Steepness 2's to 10's	-0.36	0.57	-1.27	+	

*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 increased during the quarter, with large caps remaining above long-term averages and small caps nearing their long-term averages.
- The interest rate spread between the 10-year and two-year U.S. Treasury remained in negative territory for the quarter and is around 1.3 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	25.59	20.92	1.36			+
	MSCI ACWI Current P/E	21.18	18.55	0.91		-	
	Avg P/E Ratio (US /ACWI)	1.21	1.13	1.44			+
	S&P 500 EV/EBITDA [^]	16.14	13.34	1.40			+
	MSCI ACWI EV/EBITDA	13.35	11.82	1.13	+		
	Avg EV/EBITDA Ratio (US/ACWI)	1.21	1.13	1.02			+
	S&P 500 P/S	2.89	2.25	1.60			+
Solvency	MSCI ACWI P/S	2.12	1.68	1.56	+		
	Avg P/S Ratio (US/ACWI)	1.36	1.34	0.62		-	
	S&P 500 Debt/EBITDA	3.71	4.07	-0.89		-	
Growth	MSCI ACWI Debt/EBITDA	5.32	5.82	-0.84		-	
	Avg Debt/EBITDA Ratio (US/ACWI)	0.70	0.70	-0.13		-	
	S&P 500 LT EPS Gr (Fwd)	26.94	8.80	1.04	+		
Economy	MSCI ACWI LT EPS Gr (Fwd)	12.57	11.08	0.02		-	
	Avg Growth Ratio (US/ACWI)	2.14	0.96	1.32	+		
	Currency (USD v Broad Basket)	105.87	97.12	1.56			+

*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.

- Earnings multiples and EV multiples increased slightly for U.S. equities and non-U.S. equities. Multiples remained above long-term averages for both U.S. and non-U.S. equities in the quarter.
- Debt levels continue to be below long-term averages for both U.S. and global (R.O.W.) stocks, suggesting less concerning leverage conditions.
- R.O.W. and U.S. equities long-term growth estimates rose. The growth metric tends to be quite volatile quarter over quarter.
- The U.S. dollar strengthened in the quarter and was a relative headwind 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	15.74	16.41	-0.24	-	
	MSCI ACWI Current P/E	21.18	18.55	0.91	-	
	Avg P/E Ratio (EAFE/ACWI)	0.74	0.89	-1.99	+	
	MSCI EAFE EV/EBITDA [^]	9.80	10.55	-0.50	-	
	MSCI ACWI EV/EBITDA	13.35	11.82	1.13	+	
	Avg EV/EBITDA Ratio (EAFE/ACWI)	0.73	0.89	-1.31	+	
	MSCI EAFE P/S	1.42	1.23	1.33		+
	Avg P/S Ratio (EAFE/ACWI)	0.67	0.74	-1.33	+	
Solvency	MSCI EAFE Debt/EBITDA	7.38	8.15	-0.82	-	
	MSCI ACWI Debt/EBITDA	5.32	5.82	-0.84	-	
	Avg Debt/EBITDA Ratio (EAFE/ACWI)	1.39	1.40	-0.26	-	
Growth	MSCI EAFE LT EPS Gr (Fwd)	-10.96	5.87	-0.52	-	
	MSCI ACWI LT EPS Gr (Fwd)	12.57	11.08	0.02	-	
	Avg Growth Ratio (EAFE/ACWI)	-0.87	0.46	-0.53	-	
Economy	USD/EUR	1.07	1.13	-0.87	-	

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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.

- The non-U.S. developed and the R.O.W. P/E ratios rose in the quarter. Valuation metrics for non-U.S. developed are more attractive than R.O.W. equity valuations.
- Debt levels for both non-U.S. developed and R.O.W. stocks increased in the quarter but remain below their long-term averages.
- Earnings growth forecasts fell for non-U.S. developed equities but rose for R.O.W. equities. Growth forecasts tend to fluctuate significantly quarter over quarter.
- The euro weakened in the quarter and 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	15.70	14.17	0.61		-	
	MSCI ACWI Current P/E	21.18	18.55	0.91		-	
	Avg P/E Ratio (EM/ACWI)	0.74	0.76	-0.47		-	
	MSCI EM EV/EBITDA [^]	9.84	8.69	0.86		-	
	MSCI ACWI EV/EBITDA	13.35	11.82	1.13	+		
	Avg EV/EBITDA Ratio (EM/ACWI)	0.74	0.74	0.03		-	
	MSCI EM P/S	1.36	1.23	0.67		-	
	MSCI ACWI P/S	2.12	1.68	1.56	+		
Avg P/S Ratio (EM/ACWI)	0.64	0.74	-1.71	+			
Solvency	MSCI EM Debt/EBITDA	5.20	4.83	0.92		-	
	MSCI ACWI Debt/EBITDA	5.32	5.82	-0.84		-	
	Avg Debt/EBITDA Ratio (EM/ACWI)	0.88	0.99	-0.24		-	
Growth	MSCI EM LT EPS Gr (Fwd)	11.04	10.57	0.02		-	
	MSCI ACWI LT EPS Gr (Fwd)	12.57	11.08	0.02		-	
	Avg Growth Ratio (EM/ACWI)	0.31	0.99	-1.41			+

*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 equities and global equities valuation multiples generally rose in the quarter. EM equities appear to be discounted to global equities from a relative valuation standpoint.
- Debt levels for EM countries are slightly above long-term averages and remain below historical averages for R.O.W. equities.
- Growth expectations declined for EM equities and improved for R.O.W. equities.

Source: MSCI