CanterburyConsulting

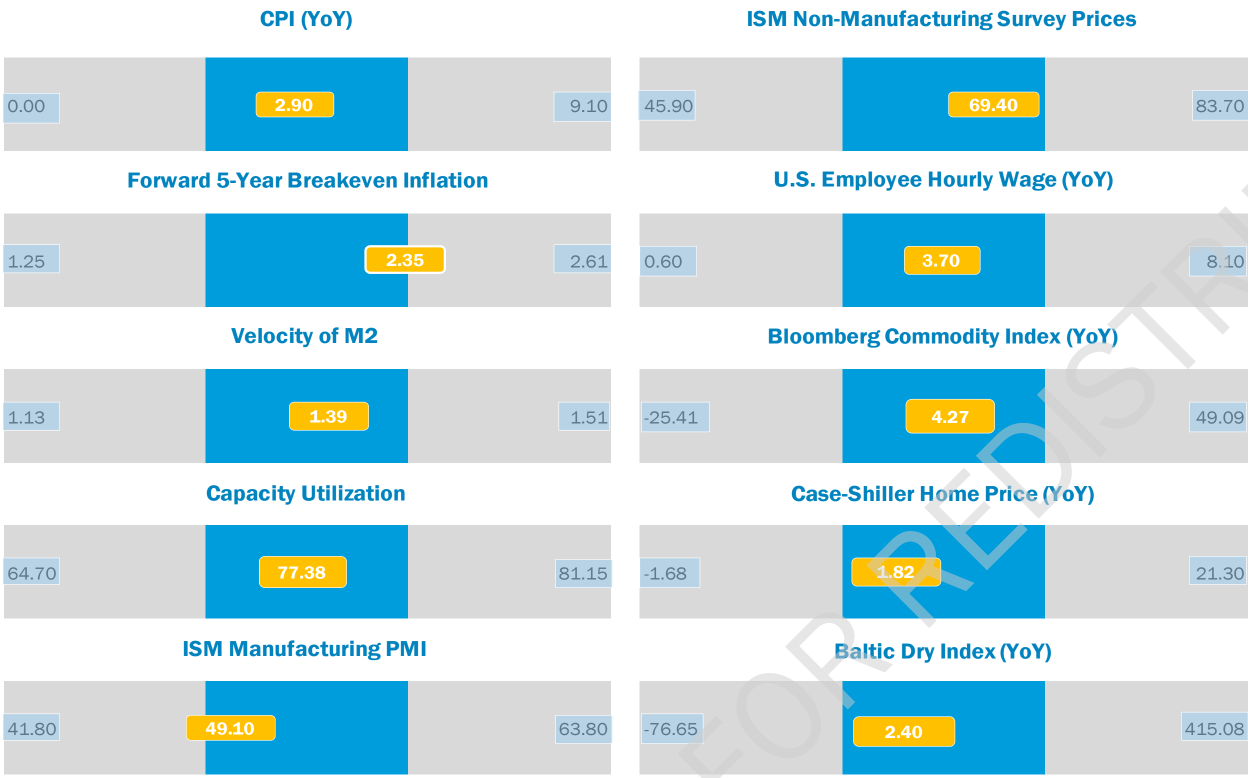
Quarterly Asset Class Report
Real Assets

September 30, 2025

canterburyconsulting.com

Asset Class Indicators

Real Assets



Current

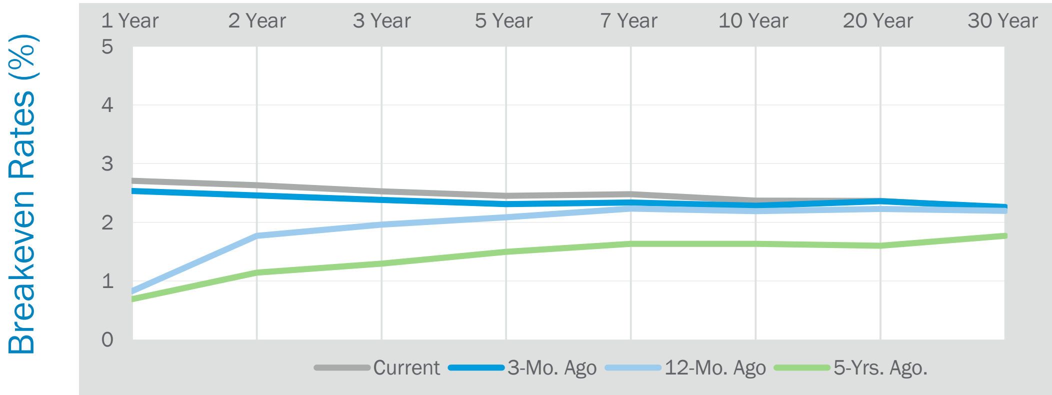
+- 1 Standard Deviation From the Mean

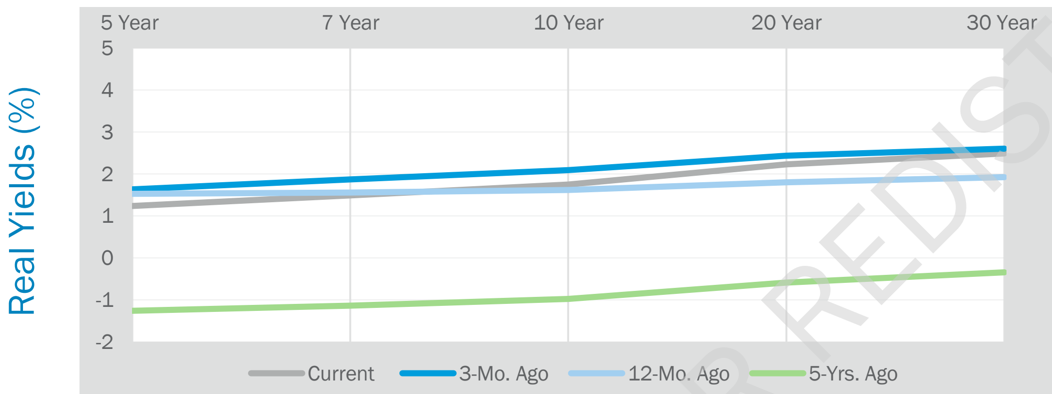
10-Year High and Low

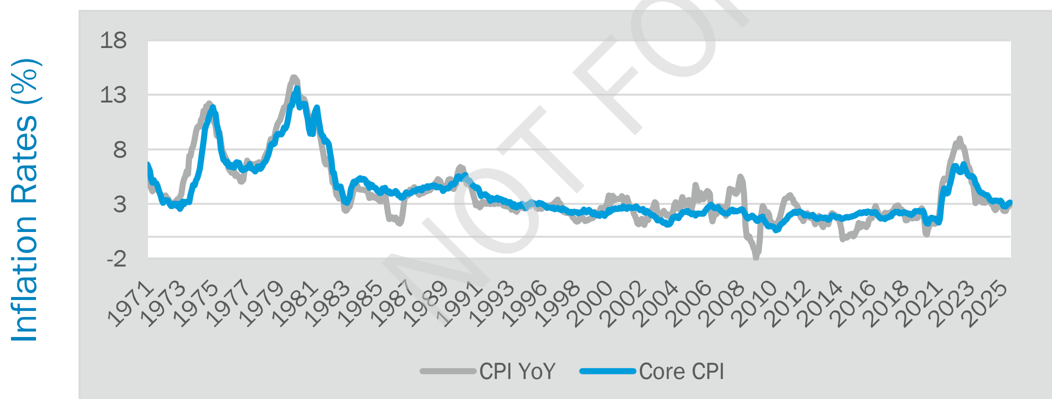
- Canterbury monitors several inflation and real asset indicators to help detect imbalances that could lead to price pressures.
- Inflation, as measured by the Consumer Price Index (CPI), increased from 2.7% in June to a year-over-year rate of 2.9% in August. The CPI excluding food and energy, often referred to as Core CPI or "sticky" inflation, increased to a year-over-year rate of 3.1% in August, up from 2.9% in June.
- Indicators of U.S. economic activity, such as the ISM Manufacturing and Non-Manufacturing indices, showed signs of expansion during the quarter, with the Manufacturing index posting more muted gains.
- Housing prices, represented by the Case-Shiller Home Price Index, continued to rise, but at a slower year-over-year rate relative to March and June of 1.82%. Despite elevated mortgage rates, housing prices have remained supported by the low supply of homes.

Source: Institute for Supply Management. Federal Reserve Bank of St. Louis. Bureau of Labor Statistics. U.S. Department of the Treasury. Bloomberg data available as of September 30, 2025.

Market Environment as of September 30, 2025



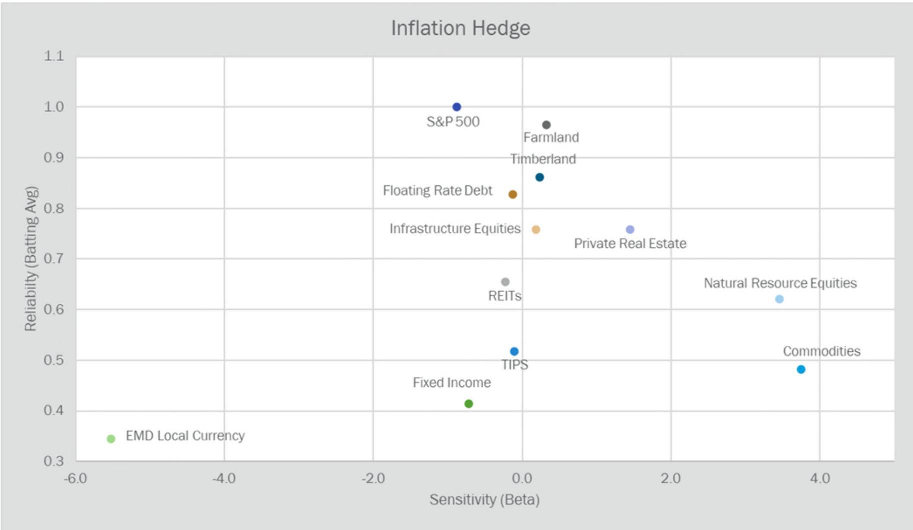




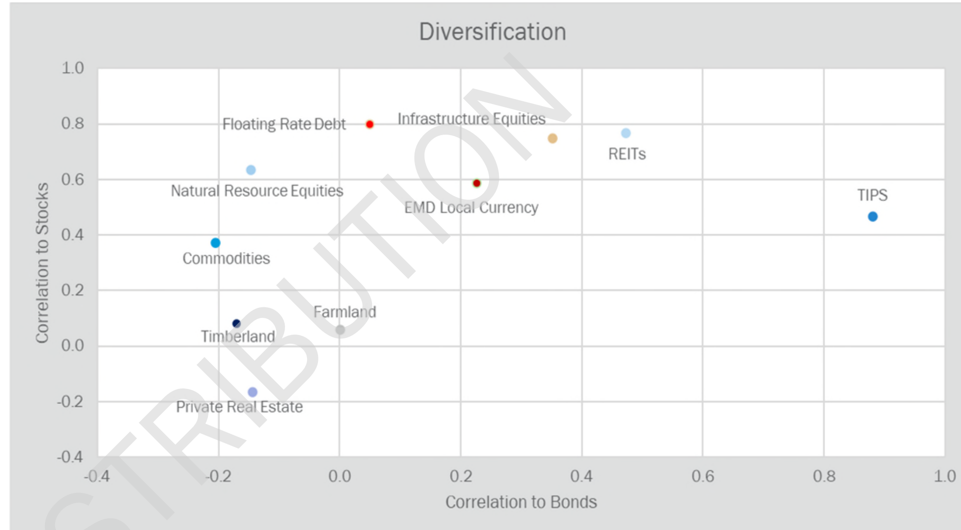
- The breakeven rate yield curve further steepened its inversion during the quarter, with shorter-term rates increasing more significantly than longer-term rates. The only maturity to see a reduction in yield was the 30-year.
- The breakeven rate is the implied inflation rate for a given maturity and is calculated by subtracting the real yield of a Treasury bond from the nominal yield.
- Current breakeven rates suggest that short-term inflation is expected to trend around 2.6%, while intermediate to long-term breakevens imply inflation should run marginally below 2.5%.
- Real yields decreased across the curve, with 5 and 7-year yields declining more than those in the 10, 20, and 30-year range.
- The August Consumer Price Index (CPI) report continued to demonstrate a reacceleration in both headline and core inflation relative to readings from earlier in the year. Gasoline, shelter, and food prices all posted gains, with most economists pointing to tariffs as the cause for broad upticks in inflation across most sectors.

Source: Federal Reserve Bank of St. Louis, Bureau of Labor Statistics CPI & PCE Data, U.S. Treasury Department, U.S. Treasury Inflation-Indexed Rates. Data as of 9/30/2025. CPI data rolled forward from most recent reporting date; as of 8/31/2025.

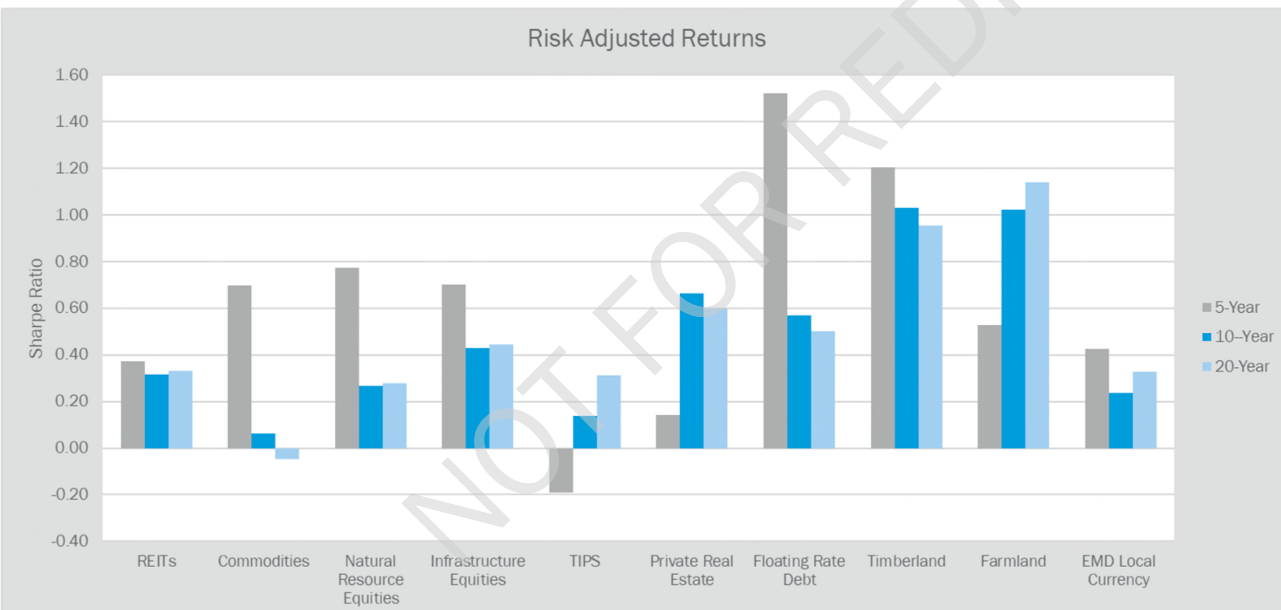
Sub-Asset Class Statistics



Charts are based on 10-yr rolling data since inception, take average from 10-yr rolling data



Charts are based on 10-yr rolling data since inception, take average from 10-yr rolling data



- Inflation Reliability (% of time asset is positive when inflation is positive)
- Inflation Sensitivity (rate of change, i.e. how many units an asset moves given a 1 unit change in inflation)

- Risk-adjusted returns of the remaining asset classes are used to help optimize real asset portfolios. Risk-free rate used in Sharpe calculation defined as yield on 3-month U.S. Treasury Bill.

Source: Morningstar
Charts are based on 10-yr rolling data since inception, take average from 10-yr rolling data

All charts as of September 30, 2025; Reporting is one-quarter lagged, therefore data is as of June 30, 2025. "Floating Rate Debt", represented by the S&P UBS Leveraged Loan Index, as of March 31, 2025.