



Q1 2026 Overview

The **Core Investment Portfolio—Tax-Advantaged (MCIP)** is a comprehensive, multi-asset wealth accumulation strategy designed to seek long-term capital appreciation with favorable tax treatment. It is actively managed with thoughtful and disciplined diversification to provide exposure to domestic and global opportunities and to mitigate overall portfolio volatility. Due to the dynamic nature of its tactical allocation, MCIP’s equity/fixed income allocation can fluctuate between a maximum of 75%/25% to a more conservative 52%/48%. At quarter end, MCIP’s target asset allocation was 67% equities and 33% fixed income—including 11% in cash and short-term Treasuries.

Market Overview

The first quarter of 2026 was characterized by significant volatility and declines for major U.S. stock indices. While AI-related concerns and issues in the private credit market weighed on stocks early in the year, the conflict with Iran in late February was the primary driver behind the worst quarterly performance since 2022. The S&P 500 Index declined for five consecutive weeks, ending down 4.33%. The NASDAQ Composite, which briefly entered correction territory, fell 6.96%, and the Dow Jones Industrial Average lost 3.19%.

However, the shift in market leadership away from mega-cap technology and AI-related stocks benefited the broader market with more than 57% of the companies in the S&P 500 outperforming the index and the S&P 500 Equal Weight Index gaining 0.67% in the quarter. Six of the 11 S&P 500 sectors ended the quarter in positive territory, led by Energy (37.95%), which benefited from a 50% surge in the price of oil, Materials (9.60%), and Utilities (8.04%). Financials, Information Technology, and Consumer Discretionary were the worst performers. Value stocks outperformed growth stocks by one of the widest margins on record, with the S&P 500 Growth Index falling 8.25% versus a decline of 0.44% for the S&P 500 Value Index.

During a quarter characterized by significant repricing across a wide range of asset classes, the Bloomberg U.S. Municipal Bond Index (MBI) outperformed the major U.S. equity indices by a sizable margin, including a total return advantage of 415 basis points (bps) compared to the S&P 500. While municipal bonds effectively met their mandate for capital preservation and stable tax-advantaged income, they were not immune from the broader forces unleashed by this latest round of geopolitical turmoil. During the month of March, 10-year AAA municipal bond yields rose by 60 bps to 3.08%, as surging energy prices led to higher inflation expectations and a lower probability of rate cuts by the Federal Reserve (Fed). Price depreciation due to higher yields offset the MBI’s quarterly interest income, resulting in a total return of -0.18%.

Objective

A multi-strategy wealth accumulation approach designed to provide long-term capital appreciation while helping to mitigate risk during bear market drawdowns

Portfolio Management Team



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About EquityCompass

EquityCompass is a Baltimore-based SEC registered investment adviser offering a broad range of portfolio strategies and custom plans for individuals, financial intermediaries, and institutional clients in the U.S. Formally organized in 2008, EquityCompass provides portfolio strategies with respect to total assets of approximately \$5.9 billion as of March 31, 2026.*

The EquityCompass team of professionals represents deep industry experience in security analysis, capital markets, and portfolio management. We are committed to a consistent investment process that relies on enduring principles, sound empirical reasoning, and the recognition of a dynamic investment environment with a global reach.

*Total assets include assets under management and assets under advisement

	Total Returns			Annualized Returns				Calendar-Year Returns							
	3-Mos	6-Mos	YTD	1-year	3-year	5-year	Inception	2018	2019	2020	2021	2022	2023	2024	2025
Gross %	0.80	4.30	0.80	17.68	12.44	7.00	6.82	-8.12	18.61	7.30	17.07	-16.20	16.12	12.43	14.11
Benchmark %	-2.15	0.24	-2.15	14.92	12.26	7.25	8.27	-4.77	19.16	14.76	14.38	-12.87	15.89	13.28	15.50
Net %	0.07	2.78	0.07	14.23	9.12	3.85	3.67	-10.86	15.16	4.17	13.67	-18.70	12.74	9.07	10.76

As of 3/31/2026; Inception – January 1, 2018; Benchmark = 25% S&P 500 Index / 25% MSCI ACWI Index / 25% HFRI Equity Hedge Index / 25% Bloomberg Municipal Managed Money Short/Intermediate Index, rebalanced monthly.

Net returns reflect the deduction of the potential maximum managed account fee of 3.00% which includes the wrap sponsor fee and EquityCompass investment management fees. Actual fees may vary.



Performance Review

Against this challenging backdrop for both stocks and bonds, the Core Investment Portfolio—Tax-Advantaged (MCIP) rose 0.80% (0.07% net of maximum potential fees) versus a 2.15% decline for its blended benchmark.

Growth stocks, which have outperformed value stocks significantly over the past several years, experienced the brunt of selling during the first quarter. MCIP's exposure to the more economically-sensitive sectors like Information Technology, Communication Services, Consumer Discretionary, and Financials was a headwind for performance. However, we have seen similar periods of underperformance quickly reverse as earnings growth among this group of stocks and valuations prove to be compelling buying opportunities.

As frequently stated, in managing the portfolio we seek broad exposure, including large growth stocks that have led markets in recent years. We have also cautioned that the high level of concentration in these names within market cap-weighted indices, such as the S&P 500, can create risk. During the quarter, MCIP benefited from lower exposure to these growth names.

Further helping to offset the weakness in growth stocks was MCIP's exposure to more defensive, less cyclical, value-oriented areas of the market. An overweight to Energy relative to the market and fortuitous stock selection among the Health Care, Consumer Staples, Industrials, and Information Technology sectors also benefited performance.

Investment-grade municipal bonds served as a fortress of stability in the first quarter, amid heightened market volatility and greater economic uncertainty. As the waves from the military conflict in Iran cascaded across the global financial markets, high-grade bonds provided shelter from the storm. Amid contradictory influences and multiple sources of uncertainty, there were few changes to MCIP's municipal bond allocation in the first quarter. While we took advantage of higher yields to deploy some excess cash in March, the portfolio continues to be positioned defensively with regard to credit and interest rate risk.

MCIP maintained its moderately reduced equity exposure during the first quarter. Higher yields in short-term Treasuries offer a compelling opportunity to reduce risk without compromising long-term goals, and we remain comfortable with our current tactical positioning. The last allocation change occurred during the second quarter of 2025 following the Liberation Day tariff-induced selloff when we opportunistically increased equity exposure. We will continue to monitor fundamental, technical, and economic data, while disregarding the latest headlines and social media posts to make any necessary changes.

Outlook

The fallout from the war with Iran will undoubtedly be a major factor influencing market action in the near-term. However, the strong stock rally on the final day of the quarter serves as a reminder to investors how rapidly sentiment can shift.

Although the flame of optimism to begin the year has dimmed, it has not been extinguished. Corporate earnings are still forecast to grow low double-digits, the Fed is expected to cut interest rates later in the year, and economic data remains generally favorable.

The ultimate length of the battle and the potential aftermath of the conflict are difficult to determine with any degree of certainty. The headwinds from rising oil prices as a result of the war in the Middle East and disruptions to oil flow through the Strait of Hormuz become more significant the longer the conflict persists.

Carl von Clausewitz (1780–1831) was a Prussian general and military historian. He is best known for his masterpiece, *On War*, which analyzed the nature of conflict. He coined the term “fog of war” and the associated “friction” it caused. The “fog of war” refers to the pervasive uncertainty and the lack of complete and reliable information inherent in a military conflict. “Friction” refers to the psychological impediments that can hinder the ability to execute even the simplest plans in the midst of war.

The current “fog of war” can be emotionally challenging for long-term investors due to near-term uncertainty and market volatility. We will continue to manage MCIP with a balanced focus both on growth opportunities and risk. We believe that a focus on companies with secularly-advantaged global businesses, solid profitability, strong dividend growth, as well as balanced exposure to both growth and value, position the portfolio well to navigate whatever markets encounter later in the year.

CORE INVESTMENT PORTFOLIO – TAX-ADVANTAGED WRAP COMPOSITE (01/01/2018 – 12/31/2024)

Year-End	Gross-of-Fees Return*	Net-of-Fees Return**	Custom Benchmark Return	Composite 3 Yr. Ex Post Std. Deviation	Custom Benchmark 3 Yr. Ex Post Standard Deviation	Composite Number of Portfolios	Internal Dispersion	Composite Assets (USD Mil.)	Strategy Assets (USD Mil.)†	Firm AUM (USD Mil.)	Firm & Advisory Assets (USD Mil.)†
2018	-8.1%	-10.9%	-4.8%	N/A	N/A	<6	N/A	\$0.18	\$15	\$167	\$3,831
2019	18.6%	15.2%	19.2%	N/A	N/A	<6	N/A	\$0.22	\$18	\$146	\$4,294
2020	7.3%	4.2%	14.8%	15.1%	12.4%	<6	N/A	\$0.23	\$36	\$153	\$4,012
2021	17.1%	13.7%	14.5%	14.2%	11.5%	<6	N/A	\$0.27	\$38	\$221	\$5,038
2022	-16.2%	-18.7%	-12.9%	16.4%	13.8%	<6	N/A	\$0.23	\$29	\$184	\$4,469
2023	16.1%	12.7%	15.9%	12.9%	11.4%	<6	N/A	\$0.27	\$28	\$179	\$4,707
2024	12.4%	9.1%	13.3%	12.7%	11.5%	<6	N/A	\$0.21	\$30	\$225	\$5,184

* Supplemental information. Please see Fees section for details. ** Net returns are calculated by subtracting the highest applicable wrap fee (3.00% on an annual basis) from the gross composite return. † Supplemental Information.

EquityCompass Investment Management, LLC (“EquityCompass”) claims compliance with the Global Investment Performance Standards (“GIPS®”) and has prepared and presented this report in compliance with the GIPS standards. EquityCompass has been independently verified for the periods 06/01/2014–12/31/2024. The verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm’s policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

Definition of the Firm

EquityCompass is registered as an investment adviser with the Securities and Exchange Commission. The firm provides a broad range of investment strategies to individuals, financial intermediaries, and institutions in the United States. EquityCompass, a wholly owned subsidiary of Stifel Financial Corp., was organized as an entity in 2007, and has been registered with the SEC since May 5, 2008. SEC Registration does not imply a certain level of skill or training. Please refer to the firm’s ADV Part 2 for additional disclosures regarding the firm and its practices. To obtain a GIPS Report or a list of our composite descriptions and/or policies for valuing investments, calculating performance, and preparing GIPS reports, please call (443) 224-1231 or send an e-mail to info@equitycompass.com.

Composite Description

The performance results displayed herein represent the investment performance record for the Core Investment Portfolio–Tax-Advantaged Wrap Composite. The composite includes wrap and non-wrap accounts that are invested in the composite strategy and managed on a discretionary basis by EquityCompass. The Core Investment Portfolio–Tax-Advantaged is a comprehensive multi-strategy, risk-managed, equity-centric portfolio for accumulating wealth towards retirement. The portfolio employs focused, actively managed equity strategies that seek to generate above-average returns. The fixed income allocation is allocated to highly liquid exchange-traded funds and closed-end mutual funds investing in municipal bonds which provide the added benefit of generating tax-advantaged income. It is available in wrap fee programs through third-party intermediaries (each, a “Sponsor”) that have engaged EquityCompass to manage client accounts on a discretionary basis or to provide non-discretionary investment recommendations in the form of model portfolios. The composite was created in January 2019 and the inception date is January 1, 2018. A sub-advisor was used to manage the strategy’s fixed income allocation from the composite’s inception until 12/31/2018.

Benchmark Description

The custom benchmark is comprised of 25% S&P 500 Index / 25% MSCI ACWI Index / 25% HFRI Equity Hedge Index / 25% Bloomberg Municipal Managed Money Short/Intermediate Index, rebalanced monthly. The **S&P 500 Index** is a capitalization-weighted index that is generally considered representative of the U.S. large capitalization market. **MSCI ACWI Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets around the globe, including the United States. MSCI ACWI Index returns are net of withholding taxes. The **HFRI Equity Hedge Index** is a fund-weighted index of strategies that maintain positions both long and short in primarily equity and equity derivative securities. The **Bloomberg Municipal Managed Money Short/Intermediate Index** is a rules-based, market-value-weighted index engineered for the tax-exempt bond market. To be included in the index, bonds must be rated Aa3/AA- or higher by at least two of the following ratings agencies: Moody’s, S&P, Fitch. If only two of the three agencies rate the security, the lower rating is used to determine index eligibility. If only one of the three agencies rates a security, the rating must be at least Aa3/AA-. They must have an outstanding par value of at least \$7 million and be issued as part of a transaction of at least \$75 million. The bonds must be fixed rate, have been issued within the last five years, and must be at least one year from their maturity date. All benchmark returns are shown on a total return basis and assume that all cash distributions, such as dividends, are reinvested. The volatility of the indices identified in this report may be materially different from the volatility of the model portfolios presented by EquityCompass. Indices are unmanaged, do not reflect fees and expenses, and are not available for direct investment.

Fees

Gross-of-fees returns, are gross of portfolio management fees, custody fees and withholding taxes and net of all actual transaction costs in the case of non-wrap accounts and those wrap accounts traded by EquityCompass. If the wrap account trades are executed by the Sponsor, transaction costs are bundled with the wrap fee and therefore not deducted from gross-of-fee return calculation. Net returns are calculated by subtracting the highest applicable wrap fee (3.00% on an annual basis, or 0.75% quarterly) from the gross composite return. The EquityCompass management fee schedule per annum is 0.35% on up to 1,000,000, 0.32% on 1,000,000–2,500,000 million, 0.28% on 2,500,000–5,000,000, 0.25% on 5,000,000–10,000,000, and negotiable over 10,000,000. Clients are typically charged a wrap fee which includes, in addition to the manager fee, trading expenses, as well as custody and administrative fees. The wrap fee schedule varies by Sponsor and is available upon request.

Reporting Currency

Valuations are computed and performance reported in U.S. dollars (USD).

Annualized Standard Deviation

The three-year annualized ex post standard deviation measures the variability of the monthly returns of the composite (gross-of-fee) and the benchmark over the preceding 36-month period; it is not presented for periods of less than three years.

Internal Dispersion

Internal dispersion is calculated using the asset-weighted standard deviation of annual gross returns of all accounts that were in the composite for the entire year; it is not presented for periods less than one year or when there were fewer than five accounts in the composite for the entire year.

Assets

Strategy Assets include all discretionary and non-discretionary accounts invested in the Core Investment Portfolio–Tax-Advantaged strategy. Accounts that are excluded from the composite because of significant cash flows or for other reasons are also included in Strategy Assets. This is presented as supplemental information.

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Foreign investments are subject to risks not ordinarily associated with domestic investments, such as currency, economic and political risks, and different accounting standards. There are special considerations associated with international investing, including the risk of currency fluctuations and political and economic events. Investing in emerging markets may involve greater risk and volatility than investing in more developed countries. Due to their narrow focus, sector-based investments typically exhibit greater volatility and are generally associated with a high degree of risk. Changes in market conditions or a company's financial condition may impact the company's ability to continue to pay dividends. Companies may also choose to discontinue dividend payments. Diversification and/or asset allocation does not ensure a profit or protect against loss. Rebalancing may have tax consequences, which should be discussed with your tax advisor. EquityCompass and its affiliates do not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction.

Exchange Traded Funds (ETFs) are subject to market risk, including the possible loss of principal, and may trade for less than their net asset value. ETFs trade like a stock, and there will be brokerage commissions associated with buying and selling exchange traded funds unless trading occurs in a fee-based account. Investors should consider an ETF's investment objective, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other important information, is available from your Financial Advisor and should be read carefully before investing.

The **S&P 500® Index** is a capitalization-weighted index that is generally considered representative of the U.S. large capitalization market. The **S&P 500® Equal Weight Index** is based on the S&P 500. All index constituents are members of the S&P 500 and follow the eligibility criteria for that index. The S&P EWI is maintained in accordance with the index methodology of the S&P 500, which measures 500 leading companies in leading U.S. industries. The S&P EWI measures the performance of the same 500 companies, in equal weights. As such, sector exposures in the S&P EWI will differ. The **S&P 500® Growth Index** measures constituents from the S&P 500 that are classified as growth stocks based on three factors: sales growth, the ratio of earnings change to price, and momentum. The **S&P 500® Value Index** measures constituents from the S&P 500 that are classified as value stocks based on three factors: the ratios of book value, earnings and sales to price. The **Dow Jones Industrial Average (DJIA)** is an unmanaged, price-weighted index that consists of 30 blue chip U.S. stocks selected for their history of successful growth and interest among investors. The **NASDAQ Composite Index**, comprised mostly of technology and growth companies, is a market value-weighted index of all common stocks listed on NASDAQ. The **Bloomberg U.S. Municipal Bond Index** measures the performance of the U.S. municipal bond market. It is composed of approximately 1,100 bonds; 60% of which are revenue bonds and 40% of which are state government obligations. All index returns are shown on a total return basis and assume that all cash distributions, such as dividends, are reinvested. The volatility of the indices identified in this report may be materially different from the volatility of the model portfolios presented by EquityCompass. Indices are unmanaged, do not reflect fees and expenses, and are not available for direct investment.

*Total assets combines both Assets Under Management and Assets Under Advisement as of March 31, 2026. Assets Under Management represents the aggregate fair value of all discretionary and non-discretionary assets, including fee paying and non-fee paying portfolios. Assets Under Advisement represent advisory-only assets where the firm provides a model portfolio and does not have trading authority over the assets.

Past performance does not guarantee future performance or investment results.

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