& PARTNERS

DEC 2024

&Partners Prism

Investment Outlook and Recommendations

Forward Focus: Positioning Portfolios for 2025

An investment commentary collaboration
&Partners Investment Team, Nuveen and **RCP Advisors**

About &Partners

&Partners was founded by a team of experienced executives dedicated to building a wealth management firm where advisors and their clients can thrive.

Our passion for putting advisors and their clients first defines &Partners. It fuels our commitment to exacting service standards, innovative technology and a robust, flexible investment platform.

The founders of &Partners are leveraging their knowledge and experience to create a firm that is aligned around a singular goal: to change lives for the better by empowering financial advisors to deliver effective advice and planning.

— &Partners Investment Team

Please review the Additional Important Disclosures on the last page(s) of this issue of Prism, which address the opinions, strategies, investments, indexes and other topics addressed herein.

Forward Focus: Positioning Portfolios for 2025

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&Partners Prism: Our perspective, informed by collaboration

At &Partners, we take a distinctive approach to developing our views. That approach includes testing and refining our forecasts through conversations with market strategists and economists across the industry. These discussions, guided by our investment framework, help to ensure that our recommendations and market commentary offer unique, actionable insights.

Reflecting this collaborative spirit, &Partners Prism will regularly feature commentary from one or more of our experienced partners. Spotlighting their perspectives will help provide a well-rounded view of the markets and transparency into the range of views within our network.

We'll revisit our market outlook regularly to help advisors and clients adjust portfolios intelligently over time. We welcome your feedback and ideas as we refine our approach to sharing insights, information and solutions.

To request earlier issues or subscribe to future issues of Prism, please email investments@andpartners.com.

Forward Focus: Positioning Portfolios for 2025

The future is never completely clear, but signals look particularly mixed as we enter the new year. Economic growth, inflation, monetary policy, politics and global affairs all seem to be at crossroads, making it hard to have conviction in specific market outcomes. Negative developments in any of these spheres could unsettle the markets, while improvements could spur rallies. Events in one area could affect others — for example, expansion of war in the Middle East could have implications for fuel costs, politics, inflation, interest rates and economic growth.

Such uncertainty can be unsettling, but it is not necessarily bad for investors. In fact, uncertainty is at the heart of investing. It's the reason stocks offer more growth potential than cash: investors receive greater potential returns in exchange for taking risk.

Diversification makes it possible to accept and manage that risk in pursuit of long-term investment goals. Diversification is always important, but we think it is especially valuable now. All the potential inflection points in the world make the range of potential investment outcomes unusually wide. To navigate this terrain, investors need thoughtfully constructed portfolios that maintain exposure to growth while helping prepare for downside risk.

Diversification is always important, but we think it is especially valuable now.

KRISTI MITCHEM
&Partners*

*Board member and employee of Ampersand Partners LLC. Not an employee or principal of &Partners and does not participate in the management or supervision of its brokerage and/or investment advisory activities.

Investment Recommendations

We recommend the following approaches as investors prepare for the uncertainties of 2025:

1	2	3
Manage point-in-time risk	**Explore alternatives**	**Keep a steady hand**

1. **Manage point-in-time risk.** The markets may be volatile as investors digest new developments. Investors looking to put a single large sum to work — for example, after receiving an inheritance or selling a business — may want to hedge the risk of investing the full amount just before a downturn, known as point-in-time risk.
   - One way to manage point-in-time risk is dollar-cost averaging: investing specific amounts at regular intervals.
   - Advisors also may recommend the use of derivatives. For example, a strategy that combines the sale of cash-secured put options with the purchase of a custom bond ladder may be appropriate for investors who favor a patient and opportunistic approach to equitization.
2. **Explore alternatives.** Alternative investments include private equity, private credit and real assets such as infrastructure and natural resources.
   - Alternatives have become increasingly accessible to individual investors in recent years.
   - Used thoughtfully, they can improve portfolios' balance of risk and return and make them more resilient.
3. **Keep a steady hand.** We continue to have conviction in many previous recommendations, including:
   - Hold the Magnificent Seven, but under-weight them. These mega-cap growth stocks have expanded to oversized positions in many portfolios, increasing investors' risk if the stocks fall.
   - Emphasize small-cap value. Small value stocks look inexpensive, even after small caps' post-election rally.
   - Maintain exposure to international equities. International markets trade at lower valuations than U.S. stocks and offer a different mix of companies and industries, helping enhance diversification.
   - Explore stocks that stand to benefit from megatrends such as the adoption of artificial intelligence (AI) and the rise of GLP-1 drugs. We think companies that benefit indirectly offer some of the best opportunities. For example, the growth of AI boosts demand for electricity, driving potential growth for utilities.
   - Extend duration in fixed income. Rates on cash vehicles and short-term fixed income may keep declining. Investors can lock in relatively high yields by extending the duration of their fixed-income portfolios.

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A Partner's Perspective

A conversation with Nuveen Chief Investment Officer **Saira Malik**, CFA®

Nuveen is among the largest, most experienced providers of alternative assets for qualified individual investors, offering strategies across private real estate, private equity, private credit and real assets. Chief Investment Officer Saira Malik gives the firm's perspective on alternatives as we enter 2025.

Nuveen's View

How do you describe the role of alternatives in a portfolio and the potential benefits to investors?

An alternatives allocation can help enhance diversification and generate stable returns through extreme economic environments — including when growth is surprisingly weak, like in 2008 and 2020, or when inflation is surprisingly high, as it was in 2022.

How has investing in alternatives changed for individual investors?

Individuals and their advisors now have access not only to more alternative strategies, but also to better data, analytics and tools to inform investment decisions and the sizing of alternatives allocations. These resources give advisors and their clients deeper insight into risk factors and return drivers across public and private markets, equipping them to help enhance their portfolios' diversification.

Where do you see the greatest current opportunities in alternatives for individual investors?

We think private real estate could be the comeback kid of 2025. U.S. core real estate notched a positive return in the third quarter, the first such occurrence in two years.[1] We believe the advance represents a budding recovery in the asset class, with valuations stabilizing and the supply of new construction constrained.

Private real estate historically has provided income, return and diversification through market cycles. It also offers the potential for robust post-recovery returns. For example, after the 2002 "tech wreck" and the 2008 Global Financial Crisis, private real estate posted five-year cumulative returns of 98% and 86%, respectively.[2]

That said, we don't believe all segments of private real estate offer equal opportunities. We favor the industrial segment and areas such as medical offices and senior living, and we remain cautious on the office sector.

In private credit, we are constructive on middle market direct lending, loans made privately to midsize companies. We think this part of the market could benefit from attractive starting yields, high investor demand and the potential for increasing merger-and-acquisition activity, which could boost the need for financing.

Portfolio allocations to farmland have yielded strong risk-adjusted returns historically and have been an effective hedge against inflation. Investors in farmland have an opportunity to earn income from lease obligations as well as capital appreciation from potentially rising land values. Many agricultural commodities are components of the basket of goods used to calculate the Consumer Price Index; rising prices for these commodities can boost revenues and cash yields for the farmland assets that produce them. Additionally, farmland offers geographic and commodity diversification, with low historical correlations among different regions and crop types.

What do you think individuals investing in alternatives should be most concerned about during the first half of 2025?

Liquidity should always be a focal point for alternatives investors. Investing in alternatives must be married with diligent financial planning: investors should make sure they have ample liquidity built into other parts of their portfolio in case of an emergency cash need during periods of poor public market returns.

> **Investing in alternatives must be married with diligent financial planning.**

About Nuveen

Nuveen is a global investment leader, managing an array of public and private assets for clients around the world and on behalf of parent company TIAA, one of the world's largest institutional investors,[3] a highly rated[4] insurance company and a retirement provider. Nuveen invests in the growth of businesses, real estate, infrastructure, farmland and forests to help make an enduring impact on our world.

$1.2 tn	invested across asset classes and geographies[5]
1,300+	institutional clients in 32 countries[6]
7 of 10	of the world's largest pension funds as clients[7]

SAIRA MALIK, CFA®
Chief Investment Officer
Nuveen

Investment Outlook
First Half 2025

&Partners' first half 2025 investment outlook for major asset classes

	Unfavorable	Cautious	Neutral	Somewhat Favorable	Favorable
U.S. Equities			●		
International Equities			●		
Fixed Income				●	
Alternatives				●	

U.S. equities: Neutral
U.S. stocks continued to rally during the first 11 months of 2024, gaining more than 27% through November after a rise of nearly 22% in 2023. The largest stocks have driven the market's returns, and now market-weighted indexes such as the S&P 500 look extremely top-heavy. Goldman Sachs reported in October that its measure of stock market concentration was near its highest level in 100 years.[8]

The major U.S. stock market benchmarks are expensive, with a price-to-earnings (P/E) ratio of 21.8 for the S&P 500 based on projected 2025 earnings — easily the highest among major developed economies.[9] Historically, investing at higher valuations generally has led to weaker long-term returns.[10] And when the largest stocks are priced for perfection, any disappointments may cause big losses that drag down broad-market benchmarks.

Source: JP Morgan, "Guide to the Markets," 9/30/2024

That said, U.S. stocks are expensive for some good reasons, including an earnings growth outlook supported by healthy economic growth and strong profit margins (see "Why U.S. stocks are pricey" on page 9). Those tailwinds might support continued earnings growth and stock gains despite high valuations. The combination of strong fundamentals and high valuations leads us to a neutral stance on U.S. equities.

Some parts of the U.S. equity market are more reasonably valued. Mid- and small-cap stocks have average P/E ratios near 17 on 2025 earnings.[11] We recently established an overweight to small caps in the &Partners CoreSat Model Portfolios, due to a combination of relatively attractive valuations and potential tailwinds to earnings. What's more, the market has started to broaden out, with a wider range of companies, industries and sectors participating in gains. More than 60% of stocks in the S&P 500 outperformed the benchmark in the third quarter, compared to about 25% during the first half of the year.[12] We believe one reason for this shift toward greater market breadth is increasing demand for shares of companies that pay relatively high dividends. Stocks in high-yield sectors such as utilities, consumer staples and telecommunications typically become more attractive as interest rates fall.

We recommend that investors consider devoting at least 25% of their equity allocation to international stocks.

JOHN CROWLEY
&Partners

A balanced approach that includes diversified exposure to stocks of all sectors, styles and sizes can help maintain growth potential while managing risk.

International equities: Neutral
International stocks have advanced in 2024 but have trailed the U.S. market by wide margins, with the MSCI EAFE Index of developed-market international shares returning approximately 6% for 2024 through late November. Although international markets offer less-robust growth prospects than the United States, they trade at much lower valuations. P/E ratios across most of Europe and Asia recently were less than two-thirds U.S. P/E ratios, based on projected 2025 earnings.[13]

We recommend that investors consider devoting at least 25% of their equity allocation to international stocks. Maintaining allocations to international equities can enable investors to enhance their portfolios' diversification by capitalizing on the differences between foreign markets and the United States. As we noted in earlier issues of Prism, international markets tend to have larger weights in cyclical sectors such as financials, natural resources and industrials, potentially helping offset the dominant role technology stocks play in the U.S. market. International shares also tend to pay higher dividends.

Fixed income: Somewhat favorable
Correlations between stocks and bonds declined throughout the year, as we anticipated, and we expect the trend to continue. Investors' focus shifted from inflation, which typically weighs on both asset classes, to a more typical set of considerations related to economic growth. Lower correlations between the two asset classes indicate that bonds may better insulate investors from stock market downturns.

Money market assets rose to an all-time high of $6.68 trillion in late November.[14] Money funds' interest rates have fallen in the wake of the Federal Reserve's (the Fed's) September and November rate cuts, and we expect them to fall further if the Fed continues reducing policy rates. We encourage investors with sizable money market fund positions to consider shifting some of those assets into high-quality fixed income to capture higher rates and increase their overall portfolio's diversification.

High-yield bonds are riskier than investment-grade securities and currently offer only a small yield advantage. With that in mind, we recommend underweight positions in high yield. Investors looking to supplement core bond allocations with higher-yielding positions may consider approaches that pair high-quality fixed-income assets with smaller allocations to private debt.

Alternatives: Somewhat favorable

Alternatives give investors access to private equity, private credit and real assets. Only 13% of U.S. companies with more than $100 million in revenues are listed on public markets,[15] so incorporating alternatives has the potential to greatly expand investors' range of opportunities.

Alternatives allocations also may improve portfolios' diversification and resilience:

- Private equity returns tend not to move in lockstep with public markets
- Private credit's interest rates typically adjust based on the general level of interest rates, potentially helping protect portfolios if rates rise
- Real assets' returns historically have had low correlations to public markets[16]

These potential benefits may be especially appealing in the months to come, as investors work through possible turning points in the economy, politics and global affairs.

RCP/Advisors

Private equity: The opportunity in small buyouts

This commentary is from RCP Advisors, a private equity manager that specializes in small lower-to-middle-market buyouts in North America.

Small buyouts are deals in which private equity firms purchase companies with low enterprise values, typically $250 million or less. Strategies that focus on smaller transactions potentially offer several advantages.[17] More than 90% of U.S. companies have revenues between $10 million and $250 million, so this segment offers a very large pool of potential investment opportunities.[18] And since smaller companies generally have less access to capital than larger firms, they historically come at relatively low valuations.[19] Moreover, private equity buyout managers in this segment may have greater ability to influence key operational decisions and drive meaningful improvements in operating performance. Finally, smaller firms typically can be sold more readily than larger businesses, which may help boost investment returns.

THOMAS DANIS JR.
Managing Partner
RCP Advisors

Why U.S. stocks are pricey

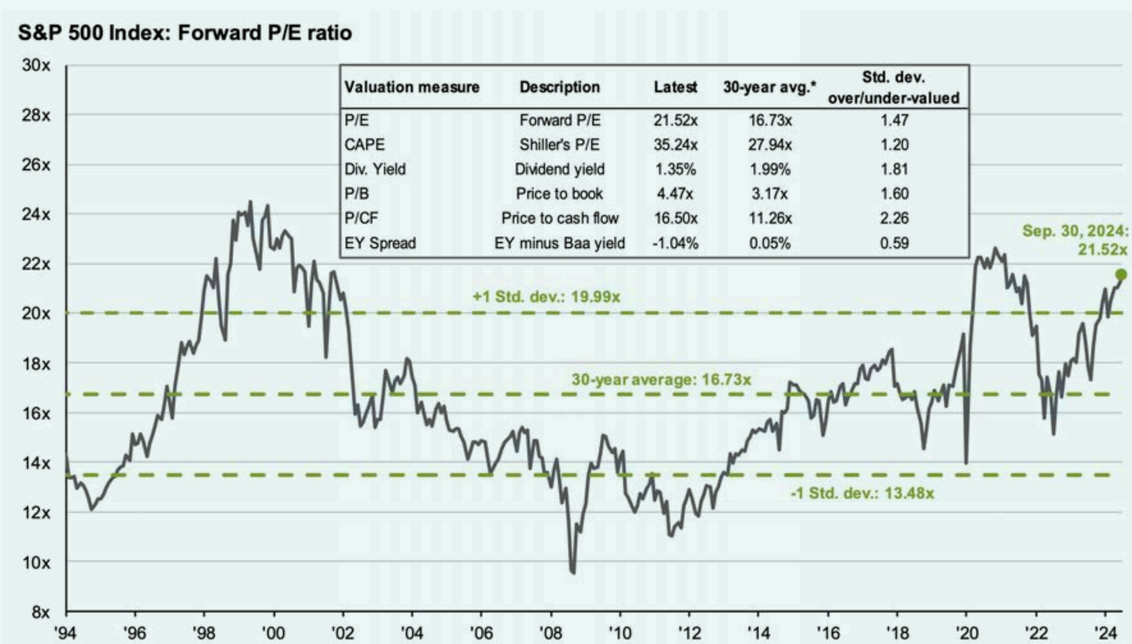
The U.S. stock market is expensive. The S&P 500's P/E ratio recently was 31% higher than its historical average[20] and roughly 50% higher than P/E ratios in much of Europe and Asia.[21]

Historically, market valuations have tended to return to long-term averages. This pattern tempers our outlook for U.S. equity returns, especially in the most expensive parts of the market. And with corporate profit margins already high, it may be difficult for companies to boost earnings by increasing efficiency.

That said, U.S. stocks trade at a premium for some good reasons that might support further gains, including:

- **The "no landing" economy.** Inflation has come down, enabling the Fed to cut interest rates. Despite the Fed's steps to bring inflation under control, economic pain has been limited: the unemployment rate has stayed low at 4.1%, and economic growth has remained relatively strong, with the Fed's real-time estimate for annualized fourth-quarter GDP growth at 3.3% as of early December.[22] Market watchers have debated whether to expect a "hard landing" or a "soft landing" for the economy, but current data suggests the economy could maintain strong growth and not "land" at all.
- **Structural advantages.** The United States benefits from the deepest capital markets and the best corporate governance in the world, which help attract businesses, investors and economic activity to its shores. The country's lead in innovation — bolstered by many of the world's top institutions of higher education — positions the U.S. market to benefit disproportionally from megatrends such as AI, which S&P Global estimates will draw as much as $900 billion in investment through 2027.[23] Enormous oil and gas reserves help insulate the U.S. economy from energy shocks, and relatively high consumer incomes provide strong purchasing power compared to the rest of the world.[24]

U.S. equities' elevated valuations reflect high expectations for earnings expansion, particularly for the large growth stocks that dominate market-weighted benchmarks. We expect volatility as investors try to determine whether companies can meet those expectations. A diversified portfolio — one that includes allocations to smaller U.S. stocks, international stocks, fixed income and possibly alternatives, in addition to large-cap U.S. shares — can help investors manage risk while maintaining exposure to potential growth.



Valuation measure	Description	Latest	30-year avg.*	Std. dev. over/under-valued
P/E	Forward P/E	21.52x	16.73x	1.47
CAPE	Shiller's P/E	35.24x	27.94x	1.20
Div. Yield	Dividend yield	1.35%	1.99%	1.81
P/B	Price to book	4.47x	3.17x	1.60
P/CF	Price to cash flow	16.50x	11.26x	2.26
EY Spread	EY minus Baa yield	-1.04%	0.05%	0.59

Source: JP Morgan, "Guide to the Markets," 9/30/2024

Macroeconomic Outlook
First Half of 2025

We build our investment outlook on our expectations for economic growth and inflation. From there, we estimate central banks' short-term rates and real (after-inflation) interest rates and develop return expectations for risk assets such as equities and corporate bonds.

The following analysis informs our outlook:

Economic growth
The economic outlook improved in 2024. *The Economist* notes that the United States is the only G20 country with output and employment above pre-pandemic expectations, according to the International Monetary Fund.[25] We expect the U.S. economy to expand 2.5% in 2025, significantly above our longer-term U.S. GDP growth estimate of 2.0%.

The unemployment rate ticked up to 4.1% in September,[26] but it remained low compared to the 50-year average of 6.3%, and wages grew in line with historical averages.[27] A sound employment picture could help support consumer spending, which powers more than two-thirds of U.S. economic activity, though weakening consumer balance sheets and rising delinquencies may partly offset that impact.[28]

Corporate profits improved markedly, and analysts project them to strengthen further in the coming year.[29] Strong profits, along with lower interest rates and oil prices, may help support gains in business spending.

Due to these and other trends, we think the odds of a recession over the coming year have declined. Economists polled by Bloomberg in October 2024 estimated a 30% probability of recession in the next 12 months, down from 50% at the end of 2023, while Goldman Sachs puts the odds at just 15%.[30]

We expect economic growth in major international markets to trail the United States but remain positive. We think the euro area will expand less than 1% in 2025, in part due to a lingering recession in Germany, Europe's largest economy, and similarly sluggish growth in France. Manufacturing weakness explains part of Europe's struggles; for example, Volkswagen plans to close several German plants and reduce its workforce.[31] Japan's economy looks soft as well, with annualized GDP growth of 0.9% in the third quarter of 2024.[32] We expect growth in most developed economies to pick up in 2025 but continue to lag the United States.

Inflation
Inflation fell from 3.4% at the end of 2023 and 3.0% as of June 2024 to 2.4% in September, as measured by the annual change in the Consumer Price Index, nearing the Fed's 2% target.[33] We expect inflation to continue declining, reaching and possibly falling below the Fed's target, as the job market loosens and shelter inflation eases.[34] We anticipate a similar trend across Europe.

That said, conflicts in the Middle East, Ukraine or elsewhere could cause bottlenecks in energy or other commodities that reverse progress on inflation. While U.S. oil production could reduce the impact on the American economy, such crises could disrupt markets.

Real interest rates

Both interest rates and inflation have come down meaningfully since mid-2024. Rates have fallen more quickly than inflation, bringing real interest rates from more than 2% to roughly 1.5%.[35]

We expect that trend to continue. With the Fed early in its easing cycle and inflation nearing the Fed's 2% target, real rates seem likely to fall further in the short term. But we think the Fed is likely to finish reducing rates earlier than is reflected in market prices, given the generally benign outlook for the economy, unemployment and inflation. If our expectation proves accurate, real interest rates may remain positive.

The balance of stronger U.S. growth prospects and lower international stock valuations leads us to a similar outlook for U.S. and international equities.

FREDRIK AXSATER
&Partners*

Risk asset valuations

As noted above, U.S. market benchmarks' valuations are high and inflated by the market's largest stocks, while U.S. small and mid caps have lower valuations. International equities also have lower valuations than U.S. stocks, and strength in the dollar — which recently hit its highest point in two years[36] — has made them even less expensive for U.S. investors. However, slower economic growth in many developed international markets offers less near-term support for valuations to expand. In emerging markets, the strong dollar and the increased likelihood of tariffs may weigh on economic growth and equity valuations.

The balance of stronger U.S. growth prospects and lower international stock valuations leads us to a similar outlook for U.S. and international equities. Private assets offer lower valuations and a less-crowded market, potentially giving active managers opportunities to capitalize on mispriced investments.

*Third-party consultant affiliated with &Partners.

Appendix

Investment framework
The Investment Team at &Partners takes a distinctive approach to developing our views. Our approach includes testing and refining our forecasts through conversations with market strategists and economists across the industry. These discussions, guided by our investment framework, help to ensure that our recommendations and market commentary offer unique, actionable insights.

As illustrated below, we build our investment outlook by:

- Setting our expectations for economic growth and inflation
- Estimating central banks' short-term rates and real interest rates
- Using these insights to develop return expectations for risk assets such as equities and corporate bonds

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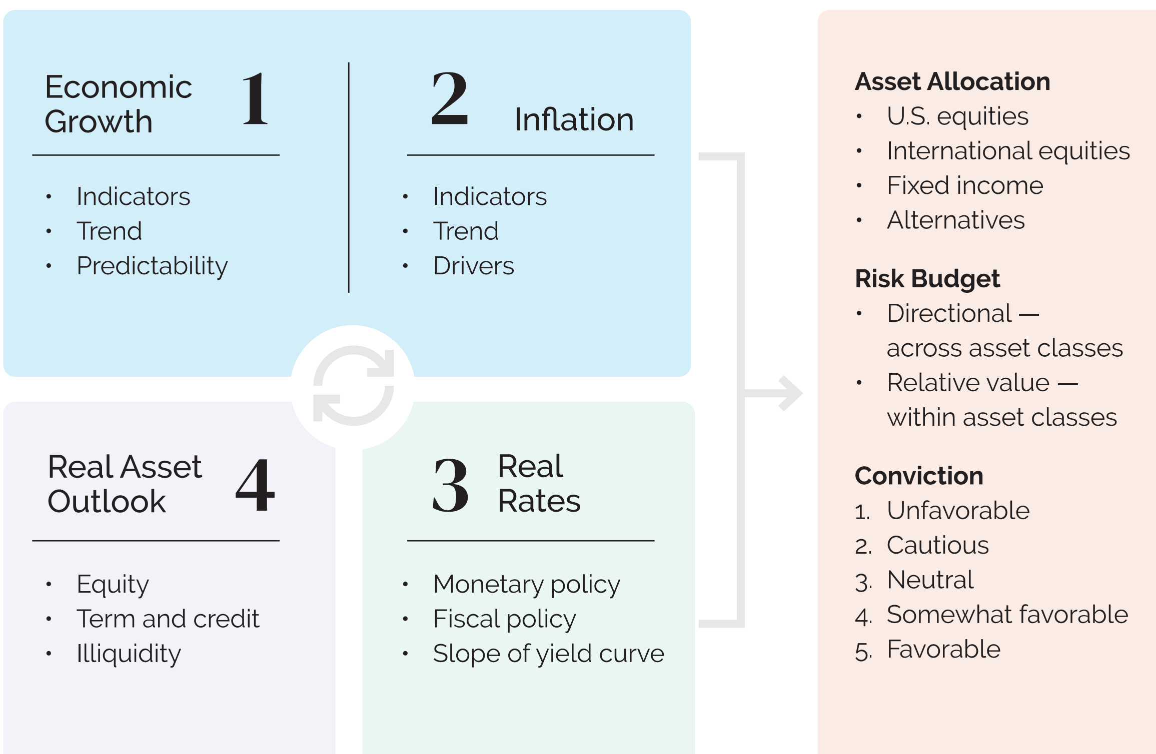
&Partners' Investment Philosophy Framework



Additional Important Disclosures

Within Prism, we discuss a number of considerations and different types of investments, strategies and programs that are neither suitable for nor available to all investors. Consequently, this material does not intend to address the financial objectives, situation or specific needs of any individual investor. You should consult with your financial professional before investing and with your accounting and tax advisors to understand the tax implications of any investment or investment transaction(s) in connection with your specific situation.

Different types of investments and investment strategies inherently carry different or greater risks than others. With all investments, past performance may not be indicative of future results, and it is possible that you may lose some or all of your investment. Additionally, certain investments may have limited liquidity, or may become illiquid, so you should consider your potential capital and liquidity needs before investing.

The information and opinions herein are point-in-time, as of the date of publication, and are based on certain current assumptions and views that are all subject to change. Before acting on any information in Prism, please consult with your financial professional(s) to assure any changes to your portfolio are appropriate for your goals and circumstances at that time.

Investment and portfolio diversification is generally recommended to reduce the overall volatility of a portfolio, but diversification will not assure a gain or prevent a loss (especially in declining markets). Diversification is generally more effective to reduce volatility when a portfolio includes investments that are uncorrelated or negatively correlated with one another from a performance and investment risk standpoint. Historical correlation of investment performance correlation (or lack thereof) is, by its nature, backward-looking and does not guarantee the correlation (or lack thereof) will continue or remain constant.

This material has been prepared on the basis of publicly available information, internally developed data and other third-party sources believed to be reliable, but neither &Partners nor any of its affiliates guarantee its accuracy. &Partners has not sought to independently verify information taken from public and third-party sources. Charts and graphs provided herein are for illustrative purposes only.

Small-cap, mid-cap, high-yield fixed income, options, international, currencies, commodities and commodities-based securities (including, but not limited to, commodity-related and/or real estate-related securities) investments will typically have greater volatility and carry other unique risks that may make them more susceptible to loss.

All bonds have risk of default that historically has varied based on the creditworthiness of the issuer. Please consider the historic default risk for any bonds you may be considering for your portfolio before you invest. For municipal securities, you should consult the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) website for material event disclosures concerning municipal security investments and issuers you are considering or holding.

When discussing "high-yield" bonds in this article, we are referring to securities where the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below.

When we refer to "high-quality" bonds in this article, we are referring to securities rated investment grade (Baa3/BBB-/BBB- or higher) using the middle rating of Moody's, S&P and Fitch.

Interest income from most, but not all, municipal securities is exempt from state and/or federal taxation, but in certain situations, tax-exempt income may be subject to the alternative minimum tax (AMT). Before investing in municipal securities, consult your tax professional. Similarly, many municipal securities offer lower pre-tax yields than federal taxable equivalents. As such, we recommend them for investors only where investors are in high tax brackets where the post-tax return is as good or better than the taxable equivalent.

Additional Important Disclosures (continued)

Investments in fixed-income securities, including bonds and municipal securities, are subject to issuer, credit rate, interest rate, liquidity, inflation, prepayment, extension and other similar risks that will affect the market price of those investments. Bond pricing will generally fluctuate inversely with changes to interest rates, but not all bonds follow the same patterns depending on specific bond terms and other risk considerations.

It is important that you review any prospectus or other offering materials for applicable investments prior to investing.

Indexes are unmanaged and cannot be invested in directly. Index performance does not include fees and expenses an investor would normally incur when investing in a mutual fund. Diversification and strategic asset allocation do not assure profit or protect against loss in declining markets. Returns represent past performance, are not a guarantee of future performance and are not indicative of any specific investment.

MSCI EAFE (Europe, Australasia, Far East) Index: A free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada.

S&P 500® Index: A free-float capitalization-weighted index published since 1957 of the prices of 500 large-cap common stocks actively traded in the United States. The stocks included in the S&P 500® are those large publicly held companies that trade on either of the two largest American stock market exchanges: the New York Stock Exchange and the Nasdaq.

CBOE Volatility Index (VIX): An options index that estimates expected stock market volatility by aggregating the weighted prices of S&P 500 Index (SPX℠) puts and calls over a wide range of strike prices. The VIX is intended to serve as a barometer for market uncertainty, providing a 30-day measure of the expected volatility of the broad U.S. stock market.

Merrill Lynch Option Volatility Estimate (MOVE) Index: An options index that measures the implied volatility of U.S. Treasury options across 2-, 5-, 10- and 30-year maturities. The MOVE Index is intended to gauge of interest rate volatility in the U.S. Treasury market.

U.S. Dollar Index (DYX): A currency index that measures the value of the U.S. dollar relative to a basket of six foreign currencies (euro, Swiss franc, Japanese yen, Canadian dollar, British pound and Swedish krona).

This material is not intended to be a recommendation or investment advice, does not constitute a solicitation to buy, sell or hold a security or investment strategy, and is not provided in a fiduciary capacity. The information provided does not take into account the specific objectives or circumstances of any particular investor, or suggest any specific course of action. Financial professionals should independently evaluate the risks associated with products or services and exercise independent judgment with respect to their clients.

The views and opinions expressed are for informational and educational purposes only as of the date of production/writing and may change without notice at any time based on numerous factors, such as market or other conditions, legal and regulatory developments, additional risks and uncertainties and may not come to pass. This material may contain "forward-looking" information that is not purely historical in nature.

Such information may include, among other things, projections, forecasts, estimates of market returns, and proposed or expected portfolio composition. Any changes to assumptions that may have been made in preparing this material could have a material impact on the information presented herein by way of example. Performance data shown represents past performance and does not predict or guarantee future results.

All information has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. There is no representation or warranty as to the current accuracy, reliability or completeness of, nor liability for, decisions based on such information and it should not be relied on as such.

Investing involves risk; loss of principal is possible. Investors should be aware that alternative investments are speculative, subject to substantial risks including the risks associated with limited liquidity, the potential use of leverage, potential short sales and concentrated investments and may involve complex tax structures and investment strategies. Alternative investments may be

Additional Important Disclosures (continued)

illiquid, there may be no liquid secondary market or ready purchasers for such securities, they may not be required to provide periodic pricing or valuation information to investors, there may be delays in distributing tax information to investors, they are not subject to the same regulatory requirements as other types of pooled investment vehicles, and they may be subject to high fees and expenses, which will reduce profits.

Nuveen, LLC provides investment solutions through its investment specialists.

4008141

End Notes

1,2 U.S. core real estate measured by the NCREIF ODCE Index.

3 Pensions & Investments, 6/12/2023. Rankings based on total worldwide institutional assets as of 12/31/2022 reported by each responding asset manager, with 434 firms responding; updated annually. TIAA is the parent company of Nuveen.

4 For its stability, claims-paying ability and overall financial strength, Teachers Insurance and Annuity Association of America (TIAA) is a member of one of only three insurance groups in the United States to currently hold the highest rating available to U.S. insurers from three of the four leading insurance company rating agencies: A.M. Best (A++ as of 7/2023), Fitch (AAA as of 8/2023) and Standard & Poor's (AA+ as of 9/2022), and the second highest possible rating from Moody's Investors Service (Aa1 as of 9/2023). There is no guarantee that current ratings will be maintained.

5 As of 3/31/2024. Nuveen assets under management (AUM) is inclusive of underlying investment specialists.

6 As of 12/31/2023; updated annually.

7 Nuveen as of 9/30/2023; world's largest pension funds 2023 based on research study from Willis Towers Watson, Thinking Ahead Institute | Pensions & Investments, 9/2023, rankings based on U.S. funds' data as of 9/30/2022 and non-U.S. funds' data as of 12/31/2022, with certain exceptions; updated annually.

8 "Global Strategy Paper #71: Updating our long-term return forecasts for U.S. equities to incorporate the current high level of market concentration," Goldman Sachs, 10/2024.

9 LSEG Weekly Aggregates Report, 11/29/2024.

10 "Guide to the Markets," JP Morgan, 9/30/2024.

11 LSEG Weekly Aggregates Report, 11/29/2024.

12 Reuters, 9/30/2024.

13 LSEG Weekly Aggregates Report, 11/29/2024.

14 Investment Company Institute, 11/27/2024.

15 iCapital, Hamilton Lane, Capital IQ, as of 2/2023.

16 Diversification does not guarantee a profit or protect against a loss in declining markets. Past performance does not predict, and is not a guarantee of, future results. RCP's investment strategy is subject to significant risks and there is no guarantee that any RCP fund will achieve comparable results as any prior investments or prior investment funds of RCP.

17 S&P Capital IQ: Commercially active businesses in the U.S. All subsidiary and business establishment data are combined. Additionally, public sector entities are excluded. As of 1/29/2024.

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